# Congressional Record

# PROCEEDINGS AND DEBATES

OF THE

### FIRST SESSION OF THE SEVENTY-FOURTH CONGRESS

OF

THE UNITED STATES OF AMERICA

## VOLUME 79-PART 3

FEBRUARY 21, 1935, to MARCH 12, 1935 (Pages 2365 to 3496)



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#### SEVENTY-FOURTH CONGRESS, FIRST SESSION

#### SENATE

THURSDAY, FEBRUARY 21, 1935 (Legislative day of Friday, Feb. 15, 1935)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

On request of Mr. Robinson, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, February 20, 1935, was dispensed with, and the Journal was approved.

#### MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Latta, one of his secretaries.

#### CALL OF THE ROLL

Mr. GLASS. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll. The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Costigan	King	Pope
Ashurst	Couzens	La Follette	Radcliffe
Austin	Cutting	Lewis	Reynolds
Bachman	Davis	Logan	Robinson
Bailey	Dickinson	Lonergan	Russell
Bankhead	Dieterich	Long	Schall
Barbour	Donahey	McAdoo	Schwellenbach
			The spin count has the description of the design and the spin country of the spin coun
Bilbo	Duffy	McCarran	Sheppard
Black	Fletcher	McGill	Shipstead
Bone	Frazier	McKellar	Smith
Borah	George	McNary	Steiwer
Brown	Gerry	Maloney	Thomas, Okla.
Bulkley	Gibson	Metcalf	Thomas, Utah
Bulow	Glass	Minton	Townsend
Burke	Gore	Moore	Trammell
Byrd	Guffey	Murphy	Truman
Byrnes	Hale	Murray	Tydings
Capper	Harrison	Neely	Vandenberg
Caraway	Hastings	Norbeck	Van Nuys
Carey	Hatch	Norris	Wagner
	ACCUPATION OF THE PARTY OF THE		Walsh
Clark	Hayden	Nye	
Connally	Johnson	O'Mahoney	Wheeler
Coolidge	Keyes	Pittman	White

Mr. LEWIS. I announce that the junior Senator from Louisiana [Mr. Overton] is absent because of illness, that the senior Senator from New York [Mr. COPELAND] is absent on account of illness in his family, and that the Senator from Kentucky [Mr. BARKLEY] is necessarily detained from

The VICE PRESIDENT. Ninety-two Senators have answered to their names. A quorum is present.

#### ANNUAL SESSION IN WASHINGTON, D. C., OF MYSTIC SHRINE

Mr. KING. Mr. President, a few days ago the Senate passed Senate Joint Resolution 49, authorizing the use of the public parks, and so forth, by the Shrine Committee, Inc. After the joint resolution was passed it went to the House and the House adopted the Senate joint resolution, but in the meantime it had passed a similar joint resolution of its own and transmitted it to the Senate. I move that the House joint resolution, being the joint resolution (H. J. Res. 130) authorizing the use of public parks, reservations, and other public spaces in the District of Columbia, and the use of tents, cots, hospital appliances, flags, and other decorations, property of the United States, by Washington, D. C., 1935 Shrine Committee, Inc., and for other purposes, be indefinitely postponed.

The motion was agreed to.

INTERNATIONAL BOUNDARY COMMISSION, UNITED STATES AND MEXICO (S. DOC. NO. 24)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of State for the fiscal year 1936, to be immediately available, amounting to \$60,000, for the International Boundary Commission, United States and Mexico, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

#### REPORT OF THE GOVERNMENT OF THE DISTRICT

The VICE PRESIDENT laid before the Senate a letter from the Acting President of the Board of Commissioners of the District of Columbia, transmitting, pursuant to law, a report of the official operations of the government of the District of Columbia for the fiscal year ended June 30, 1934, which, with the accompanying report, was referred to the Committee on the District of Columbia.

#### CHILD LABOR AMENDMENT TO THE CONSTITUTION: RATIFICATION BY INDIANA

The VICE PRESIDENT laid before the Senate a letter from the Governor of Indiana, transmitting copy of enrolled Joint Resolution No. 1 of the House of Representatives of the State of Indiana, being "joint resolution ratifying a proposed amendment to the Constitution of the United States of America to give the Congress of the United States the power to limit, regulate, and prohibit the labor of persons under the age of 18 years", which, with the accompanying papers, was referred to the Committee on the Judiciary, and the letter and joint resolution were ordered to be printed in the RECORD, as follows:

STATE OF INDIANA,
EXECUTIVE DEPARTMENT,
Indianapolis, February 18, 1935.
The honorable the Presiding Officer of the Senate,

Washington, D. C.

Sm: Pursuant to the provisions of enrolled Joint Resolution No. 1 of the House of Representatives of the State of Indiana, being "A joint resolution ratifying a proposed amendment to the Constitution of the United States of America to give the Congress of the United States the power to limit, regulate, and prohibit the labor of persons under the age of 18 years", I have the honor to transmit to you a copy of said resolution, together with a certified copy of the proceedings, as shown by the journals of the two houses of the Indiana General Assembly, by virtue of which this amendment was ratified.

I have the honor to be, sir, your obedient servant.

PAUL V. McNurr, Governor.

#### Enrolled Joint Resolution 1, House

A joint resolution ratifying a proposed amendment to the Con-stitution of the United States of America to give the Congress of the United States the power to limit, regulate, and prohibit the labor of persons under the age of 18 years

Whereas the Sixty-eighth Congress of the United States of Whereas the Sixty-eighth Congress of the United States of America, at the first session thereof, begun and held in the city of Washington, D. C., in December 1923, by a constitutional majority of two-thirds of each House thereof, proposed the following amendment to the Constitution of the United States of America, to became valid as part of the Constitution of the United States of America when rattfied by the legislatures of the several States, as provided in the Constitution of the United States, which proposed amendment is as follows: posed amendment is as follows:

"Joint resolution proposing an amendment to the Constitution of the United States

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United

States, which, when ratified by the legislatures of three-fourths of the several States, shall be valid to all intents and purposes as a part of the Constitution:

"Section 1. The Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age.

"Sec. 2. The power of the several States is unimpaired by this article except that the operation of State laws shall be suspended to the extent necessary to give effect to legislation enacted by the Congress.'

Therefore

Section 1. Be it resolved by the General Assembly of the State of Indiana, That the proposed amendment to the Constitution of the United States of America, as hereinbefore recited in the pre-

the United States of America, as hereinbefore recited in the preamble of this resolution, be, and the same is hereby, ratified by the General Assembly of the State of Indiana.

Sec. 2. That the Governor is hereby directed to transmit a certified copy of this resolution, together with a certified copy of the proceedings, as shown by the journals of the two houses of the general assembly, by virtue of which this amendment was ratified, to the Secretary of State of the United States and to the Presiding Officer of the United States Senate and to the Speaker of the House of Representatives of the United States.

Enward H Stein

Edward H. Stein,

Speaker of the House of Representatives.

M. Clifford Townsend, President of the Senate.

Approved, 11:45 a. m., February 16, 1935.

PAUL V. MCNUTT, Governor of State of Indiana.

#### PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of the State of North Carolina, which was referred to the Committee on Public Buildings and Grounds:

#### Joint Resolution 22

Joint resolution memorializing Congress to use granite and natural stone in the construction of public buildings

Whereas the Federal Government is contemplating an extensive public-works program under which many public buildings will be

erected throughout the United States; and

Whereas the present status of unemployment in the granite and stone industries in the State of North Carolina and other graniteand stone-producing States is deplorable, it being estimated that from 80 to 85 percent of granite and stone employees are on Federal

Whereas the greater portion of the cost of finished granite and

stone is incurred by labor; and
Whereas the quality and durability of granite and stone buildings unquestionably excel that of buildings constructed of inferior materials; and

materials; and

Whereas from the standpoint of economy and prudent policy it is advisable that lasting and durable materials be used in the construction of public buildings: Now, therefore, be it

Resolved by the Senate of the State of North Carolina (the house of representatives concurring), That Congress be respectfully urged and petitioned to enact legislation, or to otherwise take appropriate action, to require that granite and natural stone be used in the construction of public buildings to be erected under the public-works program; and that the secretary of state be instructed to send copies of this resolution to the President, Vice President, Secretary of the Treasury of the United States, and to President, Secretary of the Treasury of the United States, and to Members of Congress from the State of North Carolina.

In the general assembly, read three times, and ratified, this the

19th day of February 1935.

A. H. GRAHAM President of the Senate. R. G. Johnson, Speaker of the House of Representatives.

Examined and found correct.

R. G. Carson, For Committee.

The VICE PRESIDENT also laid before the Senate a cablegram from Hon. Rafael Martinez Nadal, President of the Senate of Puerto Rico, San Juan, P. R., stating in part, "The Senate of Puerto Rico demands that an amendment be introduced in the Jones-Costigan Act providing that the sugar production quota of Puerto Rico be fixed at 1,000,000 tons", etc., which was referred to the Committee on Finance.

He also laid before the Senate a petition of sundry citizens of the State of Idaho, praying for the enactment of legislation looking to the eradication of all subversive movements in the United States, which was referred to the Committee on the Judiciary.

He also laid before the Senate a resolution adopted by the Montgomery County (Pa.) Central Labor Union, protesting against the method of trial and certain court convictions growing out of labor disturbances in the textile industry at Lancaster, Pa., which was referred to the Committee on the Judiciary.

He also laid before the Senate resolutions adopted by the Common Council of Hammond, Ind.; the Common Council of Dubuque, Iowa; the City Council of Baltimore, Md.; the Commissioners of Irvington, N. J.; and Groups Nos. 759 and 1612, both of Chicago, Ill.; Group No. 1461, of Iron River, Mich.; and Group No. 398, of South Boston, Mass., all of the Polish National Alliance of the United States of North America, favoring the enactment of pending legislation establishing October 11 of each year as General Pulaski's Memorial Day, which were referred to the Committee on the

Judiciary.

Mr. BARBOUR presented a resolution adopted by the Grand Executive Council of the New Jersey Grand Lodge of the Order Sons of Italy in America, Newark, N. J., favoring the enactment of old-age-pension legislation, and also that such legislation be made applicable to noncitizens as well as citizens, provided that noncitizens be residents of the United States for not less than 10 years prior to the passage of such proposed legislation, which was referred to the Committee on Finance.

He also presented a resolution adopted by the Commissioners of Irvington, N. J., favoring the enactment of pending legislation establishing October 11 of each year as General Pulaski's Memorial Day, which was referred to the Committee on the Judiciary.

Mr. WALSH presented a resolution adopted by the Kiwanis Club of Boston, Mass., favoring the enactment of legislation to control and regulate the sale of firearms, which was referred to the Committee on Commerce.

He also presented a resolution adopted by Clan Murray, No. 152, Order of Scottish Clans, of Springfield, Mass., favoring the passage of House bill 2827, known as "the workers' unemployment, old-age, and social-insurance act", which was referred to the Committee on Finance.

He also presented a resolution adopted by Ensign Eric Lingard Post, No. 1624, Veterans of Foreign Wars of the United States, Boston, Mass., favoring the imposition of a tariff duty upon foreign fish entering the United States, which was referred to the Committee on Finance.

He also presented petitions of Boston Newspapermen's Post, No. 305, American Legion, of Boston, and of John J. Corcoran and sundry other citizens of Worcester, in the State of Massachusetts, praying for the enactment of legislation providing immediate payment of adjusted-service certificates of World War veterans, which were referred to the Committee on Finance.

He also presented the petition of Harwich Unit, No. 292, American Legion Auxiliary, of Harwich, Mass., praying for adoption of the four-point program of the American Legion, which was referred to the Committee on Finance.

He also presented petitions of Lodge Alessandro Volta, No. 1712, of Stoughton, and Lodge Roslindale, No. 1057, Order Sons of Italy in America, in the State of Massachusetts, praying for inclusion in proposed Federal old-age pension legislation of a provision making noncitizens who have been bona fide residents of the United States for 10 years or more eligible for pensioning, which were referred to the Committee

He also presented a resolution adopted at a union meeting of Brotherhood Locomotive Engineers, held at Indianapolis, Ind., protesting against the ratification of the Great Lakes-St. Lawrence Deep Waterway Treaty, which was referred to the Committee on Foreign Relations.

He also presented a petition of members of the Young Women's Bible Class of the First Baptist Church, of Malden, Mass., praying for the enactment of legislation to end compulsory block booking and blind selling in the motion-picture industry, which was referred to the Committee on Interstate Commerce.

He also presented a letter from A. H. Ferguson, chairman of the executive committee, New England Traffic League, New

Bedford, Mass., relative to the partial repeal of the so-called "long-and-short haul clause", fourth section of the Interstate Commerce Act, which was referred to the Committee on Interstate Commerce.

He also presented a resolution adopted by the United Furniture and Allied Trades Workers, Gardner, Mass., favoring the enactment of legislation establishing a 30-hour work week, with increased pay over and above the present 40-hour week, which was referred to the Committee on the Judiciary.

He also presented resolutions adopted by the Common Councils of Malden and Waltham; and Groups No. 1220 of Holyoke, No. 2382 of Lawrence, No. 536 of New Bedford, No. 2569 of South Deerfield, Nos. 1054 and 2565, both of Taunton. No. 1625 of Turners Falls, and No. 2737 of Westfield, all of the Polish National Alliance of the United States of North America, in the State of Massachusetts, favoring the enactment of pending legislation establishing October 11 of each year as General Pulaski's Memorial Day, which were referred to the Committee on the Judiciary.

#### GENERAL PULASKI'S MEMORIAL DAY

Mr. MURPHY presented a resolution of the Common Council of the City of Dubuque, Iowa, which was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

#### Resolution 29-35

Resolution memorializing the Congress of the United States to pass, and the President of the United States to approve, if passed, the General Pulaski's Memorial Day resolution now pending in Congress

Whereas a resolution providing for the President of the United States of America to proclaim October 11 of each year as "General Pulaski's Memorial Day" for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski is now pending in the present session of the United States Congress; and

Whereas the 11th day of October 1779 is the date in American history of the heroic death of Brig. Gen. Casimir Pulaski, who died from wounds received on October 9, 1779, at the siege of Savannah, Ga: and

and

Ga.; and
Whereas the States of Arkansas, California, Connecticut, Delaware, Illinois, Indiana, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, New Hampshire, New Jersey, New York, Nevada, Ohio, Pennsylvania, South Carolina, Tennessee, Texas, West Virginia, Wisconsin, and other States of the Union through legislative enactment designated October 11 of each year as General Pulaski's Memorial Day; and
Whereas it is fitting that the recurring anniversary of this day be commemorated with suitable patriotic and public exercises in observing and commemorating the heroic death of this great American hero of the Revolutionary War; and
Whereas the Congress of the United States of America has by legislative enactment designated October 11, 1929; October 11, 1931; October 11, 1932; and October 11, 1934, to be General Pulaski's Memorial Day in the United States of America: Now

\*Resolved by the Common Council of the City of Dubuque and State of Iowa—

State of lowa—

Section 1. That we hereby memorialize and petition the Congress of the United States to pass, and the President of the United States to approve, if passed, the General Pulaski's memorial resolution now pending in the United States Congress.

SEC. 2. That certified copies of this resolution, properly authenticated, be sent forthwith to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives of the United States, and Senators and Representatives from Iowa and each of the United States

Passed, adopted, and approved this 13th day of February 1935.

M. R. Kane, Mayor.

M. B. Andelfinger, W. S. ROBERTS, PETER SCHILTZ. F. M. JAEGER Councilmen.

Attest:

J. J. SHEA, City Clerk.

#### REPORTS OF COMMITTEES

Mr. SHEPPARD, from the Committee on Commerce, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 3982. A bill to extend the times for commencing and completing the construction of a bridge across the Ohio River between Rockport, Ind., and Owensboro, Ky. (Rept. No. 135); and

H. R. 5701. A bill granting the consent of Congress to the State of Indiana to construct, maintain, and operate a free highway bridge across the Wabash River at or near La Fayette, Ind. (Rept. No. 136).

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (S. 42) for the relief of Emmett C. Noxon, reported it with an amendment and submitted a report (No. 137) thereon.

He also, from the same committee, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

S. 282. A bill for the relief of William Kemper (Rept. No. 138): and

S. 1126. A bill for the relief of the International Manufactures Sales Co. of America, Inc., A. S. Postnikoff, trustee (Rept. No. 139).

Mr. BAILEY, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 416. A bill for the relief of Las Vegas Hospital Association, Las Vegas, Nev. (Rept. No. 140);

S. 1298. A bill for the relief of John Z. Lowe (Rept. No. 141); and

S. 1585. A bill for the relief of Stefano Talanco and Edith Talanco (Rept. No. 142).

Mr. WHEELER, from the Committee on Agriculture and Forestry, to which was referred the joint resolution (S. J. Res. 9) authorizing the Federal Trade Commission to make an investigation with respect to agricultural income and the financial and economic condition of agricultural producers generally, reported it with amendments and submitted a report (No. 143) thereon.

Mr. SCHWELLENBACH, from the Committee on Claims, to which was referred the bill (S. 1325) for the relief of Dino Carbonell, reported it with an amendment and submitted a report (No. 144) thereon.

He also, from the same committee, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 1036. A bill authorizing adjustment of the claim of Dr. George W. Ritchey (Rept. No. 145); and

S. 1039. A bill authorizing the adjustment of the claim of the West India Oil Co. (Rept. No. 146).

Mr. TOWNSEND, from the Committee on Claims, to which was referred the bill (S. 747) for the relief of Joe G. Baker, reported it without amendment and submitted a report (No. 147) thereon.

He also, from the same committee, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

S. 170. A bill for the relief of Alva A. Murphy (Rept. No. 148): and

S. 475. A bill for the relief of Mrs. George F. Freeman (Rept. No. 149).

Mr. WALSH, from the Committee on Naval Affairs, to which was referred the bill (S. 883) directing the retirement of acting assistant surgeons of the United States Navy at the age of 64 years, reported it without amendment and submitted a report (No. 150) thereon.

Mr. WHITE, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 39. A bill for the relief of the estate of William Bardel (Rept. No. 151);

S. 313. A bill to confer jurisdiction on the Court of Claims to hear and determine the claim of A. C. Messler Co. (Rept. No. 152); and

H. R. 529. A bill granting compensation to George S. Conway, Jr. (Rept. No. 153).

Mr. WHITE also, from the Committee on Claims, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

S. 314. A bill for the relief of Vito Valentino (Rept. No. 154); and

S. 239. A bill for the relief of the Barlow-Moore Tobacco Co. (Rept. No. 155).

Mr. COOLIDGE, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

Inc. (Rept. No. 156):

S. 781. A bill for the relief of the estate of George B. Spearin, deceased (Rept. No. 157); and

S. 1121. A bill for the relief of Isidor Greenspan (Rept. No. 158).

#### ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on February 20, 1935, that committee presented to the President of the United States the following

S. 932. An act to postpone the effective date of certain restrictions respecting air mail contracts; and

S. 1144. An act to further extend the time for constructing a bridge across the Missouri River at or near St. Charles, Mo.

#### BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LOGAN:

A bill (S. 1952) extending the classified executive civil service of the United States; to the Committee on Civil Service.

A bill (S. 1953) for the relief of Fred Barnett; to the Committee on Military Affairs.

By Mr. McADOO:

A bill (S. 1954) relating to advances to Federal Reserve member banks on time or demand notes, loans on real estate by national banks, shareholders' liability on nationalbank stock, and for other purposes; to the Committee on Banking and Currency.

A bill (S. 1955) granting a pension to Eva E. Fry; to the Committee on Pensions.

A bill (S. 1956) to provide for entry upon public lands for the purpose of establishing health habitations; to the Committee on Public Lands and Surveys.

By Mr. McKELLAR:

A bill (S. 1957) for the relief of the George R. Jones Co., a corporation, organized under the laws of the State of New Hampshire; to the Committee on Claims.

(Mr. WAGNER introduced Senate bill 1958, which was referred to the Committee on Education and Labor, and appears under a separate heading.)

By Mr. SHIPSTEAD:

A bill (S. 1959) for the relief of Chester H. Nordeen; to the Committee on Claims.

By Mr. FLETCHER:

A bill (S. 1960) for the relief of the Florida National Bank & Trust Co., a national banking corporation, as successor trustee for the estate of Phillip Ullendorff, deceased; to the Committee on Claims.

By Mr. WALSH:

A bill (S. 1961) to provide for the construction of four vessels for the Coast Guard designed for ice-breaking and assistance work; to the Committee on Commerce.

(By request) A bill (S. 1962) to provide for the purchase of the pneumatic mail-tube systems in New York and Boston; to the Committee on Post Offices and Post Roads.

By Mr. MURPHY:

A bill (S. 1963) for the relief of the heirs of William Mc-Garrahan; to the Committee on Public Lands and Surveys.

By Mr. TYDINGS:

A bill (S. 1964) granting an increase of pension to Mary Watkins (with accompanying papers); to the Committee on Pensions.

By Mr. BARBOUR:

A joint resolution (S. J. Res. 64) to amend the joint resolution of June 5, 1933, assuring uniform value to the coins and currencies of the United States; to the Committee on Banking and Currency.

#### NATIONAL LABOR RELATIONS BOARD

Mr. WAGNER. Mr. President, I ask unanimous consent to introduce what may be called the "national labor relations bill", which is designed to clarify the provisions of section

S. 41. A bill for the relief of the Germania Catering Co., | 7 (a) of the National Industrial Recovery Act and to invest a permanent national labor relations board with adequate powers for their enforcement. It embodies, in perfected form, the main provisions of the labor-disputes bill which I introduced last year. In view of the wide-spread currency of misleading propaganda in connection with that measure, and the general interest in it, I ask unanimous consent that the bill may be printed in the RECORD, along with a brief explanation which I am submitting.

The VICE PRESIDENT. Without objection, it is so ordered.

The bill (S. 1958) to promote equality of bargaining power between employers and employees, to diminish the causes of labor disputes, to create a National Labor Relations Board, and for other purposes, was read twice by its title, referred to the Committee on Education and Labor, and ordered to be printed in the RECORD, as follows:

A bill to promote equality of bargaining power between employers and employees, to diminish the causes of labor disputes, to create a National Labor Relations Board, and for other purposes

Be it enacted, etc.,

#### DECLARATION OF POLICY

Section 1. Equality of bargaining power between employers and employees is not attained when the organization of employers in the corporate and other forms of ownership association is not balanced by the free exercise by employees of the right to bargain collectively through representatives of their own choosing. Experience has proved that in the absence of such equality the resultent follows to make the collections of the resultent follows the make the collections of the resultent follows the make the collections of the resultent follows the collections of the resultent follows the collections of the resultent follows the resultent perience has proved that in the absence of such equality the resultant failure to maintain equilibrium between the rate of wages and the rate of industrial expansion impairs economic stability and aggravates recurrent depressions, with consequent detriment to the general welfare and to the free flow of commerce. Denials of the right to bargain collectively lead also to strikes and other manifestations of economic strife, which create further obstacles to the free flow of commerce.

obstacles to the free flow of commerce.

It is hereby declared to be the policy of the United States to remove obstructions to the free flow of commerce and to provide for the general welfare by encouraging the practice of collective bargaining, and by protecting the exercise by the worker of full freedom of association, self-organization, and designation of representatives of his own choosing, for the purpose of negotiating the terms and conditions of his employment, or other mutual

aid or protection.

#### DEFINITIONS

SEC. 2. When used in this act—
(1) The term "person" includes one or more individuals, partnerships, associations, corporations, legal representatives, trustees,

nerships, associations, corporations, legal representatives, trustees, trustees in bankruptcy, or receivers.

(2) The term "employer" includes any person acting in the interest of an employer, directly or indirectly, but shall not include the United States, or any State or political subdivision thereof, or any person subject to the Railway Labor Act, as amended from time to time, or any labor organization, or anyone acting in the capacity of officer or agent of such labor organization.

(3) The term "employee" shall include any employee, and shall not be limited to the employees of a particular employer, unless the act explicitly states otherwise, and shall include any individual whose work has ceased as a consequence of, or in connection with, any current labor dispute or because of any unfair labor practice, and who has not obtained any other regular and substantially equivalent employment, but shall not include any individual employed as an agricultural laborer, or in the domestic service of any family or person at his home, or any individual employed by his parent or spouse.

(4) The term "representatives" includes any individual or labor organization.

(4) The term "labor organization" means any organization of any kind, or any agency or employee representation committee or plan in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, or hours of employ-

ment.

(6) The term "commerce" means trade or commerce, or any transportation or communication relating thereto, among the several States, or between the District of Columbia or any Territory of the United States and any State or other Territory, or between any foreign country and any State, Territory, or the District of Columbia, or within the District of Columbia or any Territory, or between points in the same State but through any other State or any Territory or the District of Columbia or any foreign country.

(7) The term "affecting commerce" means in commerce, or burdening or affecting commerce, or obstructing the free flow of commerce, or having led or tending to lead to a labor dispute that might burden or affect commerce or obstruct the free flow of commerce.

The term "unfair labor practice" means any unfair labor practice listed in section 8.

(9) The term "labor dispute" includes any controversy con-

cerning terms, tenure, or conditions of employment, or concerning the association or representation of persons in negotiating, fixing,

maintaining, changing, or seeking to arrange terms or conditions of employment, regardless of whether the disputants stand in the proximate relation of employer and employee.

(10) The term "National Labor Relations Board" means the

term (10) The term "National Labor Relations Board means the National Labor Relations Board created by section 3 of this act.
(11) The term "old Board" means the National Labor Relations Board established by Executive order of the President on June 29, 1934, pursuant to Public Resolution No. 44, approved June 19, 1934 (48 Stat. 1183).

#### NATIONAL LABOR RELATIONS BOARD

SEC. 3. (a) There is hereby created as an independent agency in the executive branch of the Government a board, to be known as the "National Labor Relations Board" (hereinafter referred to as the "Board"), which shall be composed of three members, who the "Board"), which shall be composed of three members, who shall be appointed by the President, by and with the advice and consent of the Senate. One of the original members shall be appointed for a term of 1 year, 1 for a term of 3 years, and 1 for a term of 5 years, but their successors shall be appointed for terms of 5 years each, except that any individual chosen to fill a vacancy shall be appointed only for the unexpired term of the member whom he shall succeed. The President shall designate one member whom he shall succeed. The Presi to serve as chairman of the Board.

(b) A vacancy in the Board shall not impair the right of the remaining members to exercise all the powers of the Board, and two members of the Board shall at all times constitute a quorum. The Board shall have an official seal which shall be judicially

SEC. 4. (a) Each member of the Board shall receive a salary of \$10,000 a year, shall be eligible for reappointment and shall not engage in any other business, vocation, or employment. The Board shall appoint such employees, and, without regard for the provisions of the civil-service laws or the Classification Act of 1923, as amended, appoint and fix the compensation of an executive reconstruction and statements. 1923, as amended, appoint and fix the compensation of an executive secretary, assistant executive secretaries, and such attorneys, special experts, examiners, and regional directors as it may from time to time find necessary for the proper performance of its duties and as may be from time to time appropriated for by Congress. The Board may establish or utilize such regional, local, or other agencies, and utilize such voluntary and uncompensated services, as may from time to time be needed.

(b) How the appropriate of the three original members of the

services, as may from time to time be needed.

(b) Upon the appointment of the three original members of the Board and the designation of its chairman, the old Board shall cease to exist; and all pending investigations and proceedings of the old Board, and all proceedings in the courts pursuant to Public Resolution No. 44, approved June 19, 1934 (48 Stat. 1183), to which the old Board is a party, shall be continued by the Board in its discretion. All orders made by the old Board pursuant to said Public Resolution No. 44 shall continue in effect unless modified, superseded, or revoked by the Board after due notice and hearing. All employees of the old Board shall be transferred to and become employees of the Board at their present grades and salaries, with-All employees of the old Board shall be transferred to and become employees of the Board at their present grades and salaries, without acquiring by such transfer a permanent or civil-service status. All records, papers, and property of the old Board shall become records, papers, and property of the Board, and all unexpended funds and appropriations for the use and maintenance of the old Board shall become funds and appropriations available to be expended by the Board in the exercise of the powers, authority, and duties conferred on it by this act. conferred on it by this act.

(c) All of the expenses of the Board, including all necessary traveling and subsistence expenses outside the District of Columbia incurred by the members or employees of the Board under its orders, shall be allowed and paid on the presentation of itemized vouchers therefor approved by the Board or by any individual

it designates for that purpose.

SEC. 5. The principal office of the Board shall be in the District of Columbia, but it may meet and exercise any or all of its powers at any other place. The Board may, by one or more of its members or by such agents or agencies as it may designate, prosecute any inquiry necessary to its functions in any part of the United States. A member who participates in such an inquiry shall not be disqualified from subsequently participating in a decision of the Board in the same case.

Sec. 6 (a) The Board shall have suthers from time to time

SEC. 6. (a) The Board shall have authority from time to time to make, amend, and rescind such rules and regulations as may be necessary to carry out the provisions of this act. Such rules and regulations shall be effective upon publication in the manner which the Board shall prescribe.

(b) The Board shall have authority and is directed to study the activities of such boards and agencies as have been or may be hereafter established by agreement, code, or law to deal with labor disputes, and to receive from such boards reports of their

#### RIGHTS OF EMPLOYEES

SEC. 7. Employees shall have the right to self-organization, to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in concerted activities, for the purpose of collective bargaining or other mutual aid or protection.

other mutual aid or protection.

Sec. 8. It shall be an unfair labor practice for an employer—
(1) To interfere with, restrain, or coerce employees in the exercise of the rights guaranteed in section 7.
(2) To dominate or interfere with the formation or administration of any labor organization or contribute financial or other support to it: Provided, That subject to rules and regulations made and published by the Board pursuant to section 6 (a), an employer shall not be prohibited from permitting employees to

confer with him during working hours without loss of time

or pay.

(3) By discrimination in regard to hire or tenure of employment or any term or condition of employment to encourage or ment or any term or condition of employment to encourage or manufacture. Provided, That discourage membership in any labor organization: Provided, That nothing in this act, or in the National Industrial Recovery Act (U. S. C., title 15, secs. 701-712), as amended from time to time, or in any code or agreement approved or prescribed thereunder, or in any other statute of the United States, shall preclude an employer from making an agreement with a labor organization (not established, maintained, or assisted by any action defined in this act as an unfair labor practice) to require as a condition of employment membership therein, if such labor organization is the representative of the majority of the employees in the appropriate

collective bargaining unit covered by such agreement when made.

(4) To discharge or otherwise discriminate against an employee because he has filed charges or given testimony under this act.

#### REPRESENTATIVES AND ELECTIONS

SEC. 9. (a) Representatives designated or selected for the purposes of collective bargaining by the majority of the employees in a unit appropriate for such purposes, shall be the exclusive representatives of all the employees in such unit for the purposes of collective bargaining in respect to rates of pay, wages, hours of employment, or other conditions of employment: Provided, That any individual employee or group of employees shall have the right at any time to present grievances to their employer through representatives of their own choosing.

(b) The Board shall decide whether, in order to effectuate the policies of this act, the unit appropriate for the purposes of col-

policies of this act, the unit appropriate for the purposes of collective bargaining shall be the employer unit, craft unit, plant

lective bargaining shall be the employer unit, craft unit, plant unit, or other unit.

(c) Whenever a question affecting commerce arises concerning the representation of employees, the Board may investigate such controversy and certify to the parties, in writing, the name or names of the representatives that have been designated or selected. In any such investigation, the Board shall provide for an appropriate hearing, either in conjunction with a proceeding under section 10 or otherwise, and may take a secret ballot of employees, or utilize any other suitable method to ascertain such representatives.

(d) Whenever an order of the Board made pursuant to section

(d) Whenever an order of the Board made pursuant to section 10 (d) is based in whole or in part upon facts certified following an investigation pursuant to subsection (c) of this section, and there is a petition for the enforcement or review of such order, such certification and the record of such investigation shall be included in the transcript of the entire record required to be filed under subsections 10 (f) or 10 (g), and thereupon the decree of the court enforcing, modifying, or setting aside in whole or in part the order of the Board shall be made and entered upon the pleadings, testimony, and proceedings set forth in such transcript.

#### PREVENTION OF UNFAIR LABOR PRACTICES

SEC. 10. (a) The Board is empowered, as hereinafter provided, to SEC. 10. (a) The Board is empowered, as hereinatter provided, to prevent any person from engaging in any unfair labor practice (listed in section 8) affecting commerce. This power shall be exclusive, and shall not be affected by any other means of adjustment or prevention that has been or may be established by agreement, code, law, or otherwise, except as provided in section 11.

(b) The Board may, in its discretion, defer its exercise or jurisdiction over any such unfair labor practice in any case where there its except of prevention provided for hy extrement, code.

is another means of prevention provided for by agreement, code, law, or otherwise, which has not been utilized. But in any case

law, or otherwise, which has not been utilized. But in any case where the Board has so deferred, the Board may at any time thereafter institute proceedings under this act in order to assure the effectuation of the policy of this act and the development of a uniform body of administrative interpretation and practice with respect to unfair labor practices as defined herein.

(c) Whenever there is a charge or the Board shall have reason to believe that any person has engaged in or is engaging in any such unfair labor practice, the Board, or any agent or agency designated by the Board for such purposes, shall have power to issue and cause to be served upon such person a complaint stating the charges in that respect, and containing a notice of hearing issue and cause to be served upon such person a complaint stating the charges in that respect, and containing a notice of hearing before the Board or a member thereof, or before a designated agent or agency, at a place therein fixed, and not less than 3 days after the serving of said complaint. Any such complaint may be amended by the member, agent, or agency conducting the hearing or the Board in its discretion at any time prior to the issuance of an order based thereon. The person so complained of shall have the right to file an answer and to appear in person or otherwise and give testimony at the place and time fixed in the complaint, and to invoke the compulsory process of the Board in summonling witnesses in its behalf. In the discretion of the member, agent, or agency conducting the hearing, or the Board, any other person

witnesses in its behalf. In the discretion of the member, agent, or agency conducting the hearing, or the Board, any other person may be allowed to appear in the said proceeding to present testimony. In any such proceeding the rules of evidence prevailing in courts of law or equity shall not be controlling.

(d) The testimony taken by such member, agent, or agency, or the Board, shall be reduced to writing and filed with the Board. Thereafter, in its discretion, the Board may take further testimony or hear argument. If upon all the testimony taken the Board shall be of the opinion that any person named in the complaint has engaged in or is engaging in any such unfair labor practice, then the Board shall state its findings of fact and shall issue and cause to be served on such person an order requiring such person to cease and desist from such unfair labor practice, and to take such affirmative action including restitution, as will effectuate the policies of this act. Such order may further require such person to

make reports from time to time showing the extent to which it has complied with the order. If upon all the testimony taken the Board shall be of the opinion that no person named in the complaint has engaged in or is engaging in any such unfair labor practice, then the Board shall state its findings of fact and shall issue an order dissolving the said complaint.

(e) Until a transcript of the record in a case shall have been

(e) Until a transcript of the record in a case shall have been filed in a court, as hereinafter provided, the Board may at any time, upon reasonable notice and in such manner as it shall deem proper, modify or set aside, in whole or in part, any finding or order made or issued by it.

- (f) If such person fails or neglects to obey such order of the Board while the same is in effect, the Board may petition any circuit court of appeals of the United States within any circuit wherein the unfair labor practice in question occurred or wherein such person resides or transacts business, or the Court of Appeals of the District of Columbia, for the enforcement of such order and for appropriate temporary relief or restraining order, and shall certify and file in the court a transcript of the entire record in the proceeding, including the pleadings and testimony upon which such order was entered and the findings and order of the Board. Upon such filing, the court shall cause notice thereof to be served upon such ning, the court shall cause notice thereof to be served upon such person, and thereupon shall have jurisdiction of the proceeding and of the question determined therein, and shall have power to grant such temporary relief or restraining order as it deems just and proper, and shall make and enter upon the pleadings, testimony, and proceedings set forth in such transcript a decree enforcing, modifying, or setting aside in whole or in part the order of the Board. No objection that has not been urged the order of the Board. No objection that has not been urged before the Board, its member, agent, or agency shall be considered by the court, unless the failure or neglect to urge such objection shall be excused because of extraordinary circumstances. The findings of the Board as to the facts, if supported by evidence, shall be conclusive. If either party shall apply to the court for leave to adduce additional evidence and shall show to the satisfaction of the court that such additional evidence is material and that there were recomble grounds for the court and the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the hearing before the Board, its member, agent, or agency, the court may order such additional evidence to be taken agency, the court may order such additional evidence to be taken before the Board, its member, agent, or agency, and to be made a part of the transcript. The Board may modify its findings as to the facts or make new findings by reason of additional evidence so taken and filed, and it shall file such modified or new findings, which, if supported by evidence, shall be conclusive, and shall file its recommendations, if any, for the modification or setting aside of its original order. The jurisdiction of the court shall be exclusive and its judgment and decree shall be final, except that the same shall be subject to review by the Supreme Court of the same shall be subject to review by the Supreme Court of the United States upon writ of certiorari or certification as provided in sections 239 and 240 of the Judicial Code, as amended (U. S. C., title 28, secs. 346 and 347).
- itile 28, secs. 346 and 347).

  (g) Any person aggrieved by an order of the Board granting or denying in whole or in part the relief sought may obtain a review of such order in any circuit court of appeals of the United States in the circuit wherein the unfair labor practice in question was alleged to have been engaged in or wherein such person resides or transacts business, or in the Court of Appeals of the District of Columbia, by filing in such court a written petition praying that the order of the Board be modified or set aside. A copy of such petition shall be forthwith served upon the Board, and thereupon the aggrieved party shall file in the court a transcript of the entire record in the proceeding, certified by the Board, including the pleading and testimony upon which the order complained of was entered and the findings and order of the Board. Upon such filing, the court shall proceed in the same manner as in the case of an application by the Board under subsection (f), and shall have the same exclusive jurisdiction to grant to the Board such temporary relief or restraining order as it deems just and proper, and shall in like manner make and enter a decree enforcing, modifying, or setting aside, in whole or in part, the order of the Board; and the findings of the Board as to the facts, if supported by evidence, shall in like manner be conclusive.

  (h) The commencement of proceedings under subsection (f) or (g) of this section shall not, unless specifically ordered by the court, operate as a stay of the Board's order.

  (i) When granting appropriate temporary relief or restraining order. or making and entering a decree enforcing, modifying or

(i) When granting appropriate temporary relief or restraining order, or making and entering a decree enforcing, modifying, or setting aside in whole or in part an order of the Board, as provided in this section, the jurisdiction of courts sitting in equity shall not be limited by the act entitled "An act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes" (U. S. C., title 29, secs. 101-115)

(j) Petitions filed under this act shall be heard expeditiously, and if possible within 10 days after they have been docketed.

SEC. 11. The several district courts of the United States are hereby invested with jurisdiction to prevent and restrain any unfair labor practice affecting commerce; and it shall be the duty of the several district attorneys of the United States, in their respective districts, under the direction of the Attorney General, but solely at the request of the National Labor Relations Board, to institute proceedings in equity to prevent and restrain any such unfair labor practice in the judicial district wherein such unfair labor practice occurred or wherein the person complained of resides or transacts business. Such proceedings may be by way of petition setting forth the case and praying that such violation be enjoined and that such affirmative action, including restitu-

tion, be required as will effectuate the policies of this act. When such person shall have been duly notified of such petition the court shall proceed, as soon as may be, to the hearings and determination of the case; and pending such petition and before final decree, the court may at any time make such temporary restraining order or prohibition as shall be deemed just in the premises.

ARBITRATION

SEC. 12. (a) The Board shall have power to act and to appoint any person, agent, or agency to act as arbitrator in labor disputes, when parties agree to submit the whole or any part of a labor dispute to the arbitration of the Board or its appointees. A provision in a written contract or a written agreement to submit to the arbitration of the Board or its appointees, when accepted by the Board after the dispute has arisen, shall be valid and irrevocable as to the parties to the agreement, save upon such grounds as exist at law or in equity for the revocation of any contract. If any party fails, neglects, or refuses to perform under such contract any party fails, neglects, or refuses to perform under such contract or submission, the Board, its agents or appointees, may nevertheless, in the discretion of the Board, proceed to hear the case exparte, and the Board, its agents or appointees, shall have the power to issue an award applicable to the submitting parties.

(b) The Board shall make and publish, pursuant to section 6 (a), rules for the conduct of arbitrations, and an agreement to submit to the arbitration of the Board, or its appointees or its agents, shall be deemed consent to the proceeding being con-

submit to the arbitration of the Board, or its appointees or its agents, shall be deemed consent to the proceeding being conducted in accordance with such rules then obtaining unless otherwise specified in the arbitration contract or submission. An agreement to submit to the Board shall authorize the Board to appoint agents to take evidence, and in the discretion of the Board, to render a decision in the name of the Board on the findings thus presented, unless otherwise specified in the agreement. The Board may, however, in its discretion, render a decision on testimony taken before its agents.

(c) In any case in which an award has been made, the Board shall file the award in the clerk's office of the United States District Court that has been agreed upon by the parties, or, in default of such agreement, that of the district wherein the labor dispute arose, or the Supreme Court of the District of Columbia. Notice of the filing shall be personally served or sent by registered mail to each submitting party. Unless a petition to impeach the award on the grounds hereinafter set forth shall be filed in the clerk's office of the court in which the award has been filed, the court office of the court in which the award has been filed, shall enter judgment in accordance with the terms of the award: Provided, That no employee individually, and no group of em-ployees collectively, shall be compelled to render labor or services without their consent.

(d) A petition for the impeachment of any award may be filed (d) A petition for the impeachment of any award may be filed not more than 10 days after the communication of notice of the filing of the award to the submitting parties. Notice of filing of such petition shall be served personally or sent by registered mail to each submitting party. The petition shall be sustained by the court only on one or more of the following grounds:

That the proceedings were not substantially in conformity with the provisions of the arbitration agreement or rules adopted for the arbitration.

the conduct of the arbitration.

2. That an arbitrator or member of the Board participating in the award was guilty of fraud or corruption; or that a party to the award practiced fraud or corruption which affected the result: Provided, That partisanship known, or which by the exercise of due care should have been known, by a party prior to the arbitration proceeding, shall not constitute fraud of which he may avail himself within the meaning of this section.

(e) The court shall not set aside an award on the ground that it is invalid for uncertainty. In such case the court shall suspend action pending its resubmission of said award to the Board for

interpretation.

(f) Where there was an evident material miscalculation of figures or an evident material mistake in the description of any person, thing, or property referred to in the award, or where the arbitrators have awarded on a matter not submitted to them, unless it is a matter affecting the merits of the decision on the matters submitted or where the award is imperfect in the matter of form

submitted or where the award is imperfect in the matter of form not affecting the matter of the controversy, the court shall modify and correct the award so as to effect the intent thereof and promote justice between the parties, and thereupon shall enter judgment in accordance with subsection (c).

(g) The court shall construe every award with a view to favoring its validity. If the court shall determine that a part of the award is invalid on some ground or grounds designated in this section as a ground of invalidity, but that a part of the award is valid, the court shall nevertheless enter judgment upon such part or parts of the award as are valid unless such part or parts are inseparable from the remainder of the award, in which case the entire award shall be vacated.

shall be vacated.

(h) If the petition for impeachment of the award is not sustained, the court shall enter judgment in accordance with the terms of the award, and in accordance with subsection (c). Where a petition for the impeachment of an award is granted, the award shall be vacated, and the court shall remand the arbitration to the Board, which may, in its discretion, accept the case for resubmission to arbitration in accordance with the terms of the original agreement or with such modifications as the Board deems fit, or it may refuse to take any further action regarding it.

#### INVESTIGATORY POWERS

Sec. 13. For the purpose of all hearings and investigations, which, in the opinion of the Board, are necessary and proper for the ex-

ercise of the powers vested in it by section 9, section 10, and section 12 (in any arbitration affecting commerce)—

(1) The Board, or its duly authorized agents or agencies, shall at all reasonable times have access to, for the purpose of examination, and the right to copy, any evidence of any person being investigated or proceeded against that relates to any matter under investigation or in question. Any member of the Board shall have power to issue subpenas requiring the attendance and testimony of witnesses and the production of any evidence that relates to any matter under investigation or in question before the Board, its members, agent, or agency conducting the hearing or investigation. Any member of the Board, or any agent or agency designated by the Board for such purposes, may administer oaths and affirma-

tion. Any member of the Board, or any agent or agency designated by the Board for such purposes, may administer oaths and affirmations, examine witnesses, and receive evidence. Such attendance of witnesses and the production of such evidence may be required from any place in the United States or any Territory or possession thereof, at any designated place of hearing.

(2) In case of contumacy or refusal to obey a subpena issued to any person, any district court of the United States or the United States courts of any Territory or possession, within the jurisdiction of which the inquiry is carried on or within the jurisdiction of which said person guilty of contumnecy or refusal to obey is found or resides or transacts business, and the Supreme Court of the District of Columbia, upon application by the Board shall have jurisdiction to issue to such person an order requiring such person to appear before the Board, its member, agent, or agency, there to produce evidence, if so ordered, or there to give testimony touching the matter under investigation or in question; and any failing the matter under investigation or in question; and any failure to obey such order of the court may be punished by said court

as a contempt thereof

(3) No person shall be excused from attending and testifying or from producing books, records, correspondence, documents, or other evidence in obedience to the subpena of the Board, on the other evidence in obedience to the subpena of the Board, on the ground that the testimony or evidence required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no individual shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, except that such individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

(4) Complaints, orders, and other process and papers of the

testifying.

(4) Complaints, orders, and other process and papers of the Board, its member, agent, or agency, may be served either personally or by registered mail or by telegraph or by leaving a copy thereof at the principal office or place of business of the person required to be served. The verified return by the individual so serving the same setting forth the manner of such service shall be proof of the same, and the return post-office receipt or telegraph receipt therefor when registered and mailed or telegraphed as aforesaid shall be proof of service of the same. Witnesses summoned before the Board, its member, agent, or agency, shall be paid the same fees and mileage that are paid witnesses in the courts of the United States, and witnesses whose depositions are taken and the persons taking the same shall severally be entitled to the same fees as are paid for like services in the courts of the United States.

(5) All process of any court to which application may be made under this act may be served in the judicial district wherein the defendant or other person required to be served resides or may

be found.

(6) The several departments and agencies of the Government, when directed by the President, shall furnish the Board, upon its request, all records, papers, and information in their possession relating to any matter before the Board.

SEC. 14. Any person who shall willfully assault, resist, prevent,

spec. 14. Any person who shall willfully assault, resist, prevent, impede, or interfere with any member of the Board or any of its agents or agencies in the performance of duties pursuant to this act shall be punished by a fine of not more than \$5,000 or by imprisonment for not more than 1 year, or both.

#### LIMITATIONS

SEC. 15. Nothing in this act shall be construed so as to interfere

SEC. 15. Nothing in this act shall be construed so as to interfere with or impede or diminish in any way the right to strike.

SEC. 16. Wherever the application of the provisions of section 7 (a) of the National Industrial Recovery Act (U. S. C., title 15, sec. 707 (a)), as amended from time to time, or of section 77 (b), paragraphs (1) and (m), of the act approved June 7, 1934, entitled "An act to amend an act entitled 'An act to establish a uniform system of bankruptcy throughout the United States', approved July 1, 1898, and acts amendatory thereof and supplementary thereto" (48 Stat. 922, pars. (1) and (m)), as amended from time to time, or of Public Resolution No. 44, approved June 19, 1934 (48 Stat. 1183), conflicts with the application of the provisions of this act, this act shall prevail: Provided, That in any situation where the provisions of this act cannot be validly enforced, the provisions of such other acts shall apply.

SEC. 17. If any provision of this act, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this act, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

SEC. 18. This act may be cited as the "National Labor Relations Act."

The explanatory statement submitted by Mr. Wagner was ordered to be printed in the RECORD, as follows:

SENATOR WAGNER'S STATEMENT REGARDING NATIONAL LABOR RELATIONS

The recovery program has sought to bestow upon the business man and the worker a new freedom to grapple with the great eco-nomic challenges of our times. We have released the business nomic challenges of our times. We have released the business man from the undiscriminating enforcement of the antitrust laws, which had been subjecting him to the attacks of the price cutters and wage reducers—the pirates of industry. In order to deal out the equal treatment upon which a just democratic society must rest, we at the same time guaranteed the freedom of action of the worker. In fact, the now famous section 7 (a), by stating that employees should be allowed to cooperate among themselves if they desired to do so, merely restated principles that Congress has avowed for half a century.

Congress is familiar with the events of the past 2 years. While

Congress is familiar with the events of the past 2 years. industry's freedom of action has been encouraged until the trade association movement has blanketed the entire country, employees attempting in good faith to exercise their liberties under section 7 (a) have met with repeated rebuffs. It was to check this evil that the President in his wisdom created the National Labor Board in August 1933, out of which has emerged the present National Labor Relations Board.

Labor Relations Board.

The Board has performed a marvelous service in composing disputes and sending millions of workers back to their jobs upon terms beneficial to every interest. But it was handicapped from the beginning, and it is gradually but surely losing its effectiveness, because of the practical inability to enforce its decisions. At present it may refer its findings to the National Recovery Administration and await some action by that agency, such as the removal of the Blue Eagle. We all know that the entire enforcement procedure of the N. R. A. is closely interlinked with the voluntary spirit of the codes. Business in the large is allowed to police itself through the code authorities. This voluntarism is without question admirable in respect to provisions for fair competition that have been written by industry and with which busiwithout question admirable in respect to provisions for fair competition that have been written by industry and with which business is in complete accord. But it is wholly unadapted to the enforcement of a specific law of Congress which becomes a crucial issue only in those very cases where it is opposed by the guiding spirits of the code authorities. Secondly, the Board may refer a case to the Department of Justice. But since the Board has no power to subpena records or witnesses, its hearings are largely ex parte and its records so infirm that the Department of Justice is usually unable to act. Finally, the existence of numerous industrial boards whose interpretations of section 7 (a) are not subject to the coordinating influence of a supreme National Labor Relations Board, is creating a maze of confusion and contradictions. While there is a different code for each trade, there is only Relations Board, is creating a maze of confusion and contradictions. While there is a different code for each trade, there is only one section 7 (a), and no definite law written by Congress can mean something different in each industry. These difficulties are reducing section 7 (a) to a sham and a delusion.

The break-down of section 7 (a) brings results equally disastrous to industry and to labor. Last summer it led to a procession of bloody and costly strikes, which in some cases swelled almost to the magnitude of national emergencies. It is not material at this time to inquire where the balance of right and wrong rested in respect

magnitude of national emergencies. It is not material at this time to inquire where the balance of right and wrong rested in respect to these various controversies. If it is true that employees find it difficult to remain acquiescent when they lose the main privilege promised them by the Recovery Act, it is equally true that employers are tremendously handicapped when it is impossible to determine exactly what their rights are. Everybody needs a law that is precise and certain.

There has been a second and even more serious consequence of the break-down of section 7 (a). When employees are denied the freedom to act in concert even when they desire to do so, they cannot exercise a restraining influence upon the wayward members of their

exercise a restraining influence upon the wayward members of their own groups, and they cannot participate in our national endeavor to coordinate production and purchasing power. The consequences are already visible in the widening gap between wages and profits. If these consequences are allowed to produce their full harvest, the whole country will suffer from a new economic decline.

The national labor relations bill which I now propose is novel neither in philosophy nor in content. It creates no new substantive rights. It merely provides that employees, if they desire to do so, shall be free to organize for their mutual protection or benefit. Quite aside from section 7 (a), this principle has been embodied in the Norris-LaGuardia Act, in amendments to the Railway Labor Act passed last year, and in a long train of other enactments of Congress.

way Labor Act passed last year, and in a long train of other enactments of Congress.

There is not a scintilla of truth in the wide-spread propaganda to the effect that this bill would tend to create a so-called "labor dictatorship." It does not encourage national unionism. It does not favor any particular union. It does not display any preference toward craft or industrial organizations. Most important of all, it does not force or even counsel any employee to join any union if he prefers to deal directly or individually with his employers. It seeks merely to make the worker a free man in the economic as well as the political field. Certainly the preservation of long-recognized fundamental rights is the only basis for frank and friendly relations in industry.

recognized fundamental rights is the only basis for frank and friendly relations in industry.

The erroneous impression that the bill expresses a bias for some particular form of union organization probably arises because it outlaws the company-dominated union. Let me emphasize that nothing in the measure discourages employees from uniting on an independent- or company-union basis, if by these terms we mean independent or company-union basis, if by these terms we mean independent. simply an organization confined to the limits of one plant or one employer. Nothing in the bill prevents employers from maintaining free and direct relations with their workers or from participating in group insurance, mutual welfare, pension systems, and other such activities. The only prohibition is against the sham or dummy union which is dominated by the employer, which is supported by the employer, which cannot change its rules or regusupported by the employer, which cannot change its rules or regulations without his consent, and which cannot live except by the grace of the employer's whims. To say that that kind of a union must be preserved in order to give employees freedom of selection is a contradiction in terms. There can be no freedom in an atmosphere of bondage. No organization can be free to represent the workers when it is the mere creature of the employer.

Equally erroneous is the belief that the bill creates a closed shop for all industry. It does not force any employer to make a closed-shop agreement. It does not even state that Congress favors the policy of the closed shop. It merely provides that employers and employees may voluntarily make closed-shop agreements in any State where they are now legal. Far from suggesting a change, it merely preserves the status quo.

A great deal of interest centers around the question of majority rule. The national labor relations bill provides that representatives selected by the majority of employees in an appropriate unit shall represent all the employees within that unit for the purposes of collective bargaining. This does not imply that an employee who is not a member of the majority group can be forced to the majority group can be forced to majority the union which the majority group. to enter the union which the majority favors. It means simply that the majority may decide who are to be the spokesman for all in making agreements concerning wages, hours, and other conall in making agreements concerning wages, hours, and other conditions of employment. Once such agreements are made the bill provides that their terms must be applied without favor or discrimination to all employees. These provisions conform to the democratic procedure that is followed in every business and in our governmental life, and that was embodied by Congress in the Railway Labor Act last year. Without them the phrase "collective bargaining" is devoid of meaning, and the very few unfair employers are encouraged to divide their workers against themselves.

selves.

Finally, the National Labor Relations Board is established permanently, with jurisdiction over other boards dealing with cases under section 7 (a) or under its equivalent as written into this bill. Nothing could be more unfounded than the charges that the Board would be invested with arbitrary or dictatorial or even unusual powers. Its powers are modeled upon those of the Federal Trade Commission and numerous other governmental agencies. Its orders would be enforceable not by the Board, but by recourse to the courts of the United States, with every affected party entitled to all the safeguards of appeal.

The enactment of this measure will clarify the industrial at-

The enactment of this measure will clarify the industrial atmosphere and reduce the likelihood of another conflagration of strife such as we witnessed last summer. It will stabilize and improve business by laying the foundations for the amity and fair dealing upon which permanent progress must rest. It will give notice to all that the solemn pledge made by Congress when it enacted section 7 (a) cannot be ignored with impunity, and that a cardinal principle of the new deal for all and not some of our people is going to be supported and preserved by the Government. Government.

#### SOCIALIZATION OF THE ALUMINUM INDUSTRY-ADDRESS BY HARVEY O'CONNOR

Mr. FRAZIER. Mr. President, I ask unanimous consent to have printed in the Congressional Record an address on the subject of Socialization of the Aluminum Industry, delivered by Harvey O'Connor, author of Mellon's Millions, over the National Broadcasting System, on February 9, 1935.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

printed in the Record, as follows:

We hear much about monopoly in these times, but the 100 percent brass-bound, copper-riveted monopoly is a comparative rarity. In this gallery of rarities, we must yield first palm to the Aluminum Co. of America, which enjoys the distinction of having cornered the market of aluminum and its sources on the American continent to the financial benefit of a gentleman once well-known in Washington, Mr. Andrew W. Mellon, greatest Secretary of the Treasury since Alexander Hamilton.

Back in 1924 the Federal Trade Commission reported that "The Aluminum Co. of America, with its complete monopoly of the production of aluminum in the United States, fortified by a high protective tariff on imports, controls the domestic price of sheet aluminum." Further back, in 1912, a Federal court in Pittsburgh held the Aluminum Co. to be a trust and ordered it in perpetuity to cease and desist from its oppressive policies in keeping a strangle hold on the pocketbooks of Americans who wished to buy this silvery metal, in its alloys as strong as the strongest steel buy this silvery metal, in its alloys as strong as the strongest steel and only one-third the weight.

and only one-third the weight.

In the case of aluminum, the technique of monopoly was first to have the United States Government cloak it with official immunity for some 20 years through patents on the electric process of refining. Sheltered behind this wall, and behind high-tariff walls, kindly provided by Mr. Mellon's various Pennsylvania Senators, the Aluminum Co. of America emerged in uncontested domination of the field. To make its position doubly sure, it grabbed all the commercially available bauxite—the raw mineral of aluminum—on the two American continents, and entered into alliances with the European companies to prevent international competition. with the European companies to prevent international competition and to apportion the world's markets.

RECORD—SENATE

In doing so Mr. Mellon has simplified our problem in socializing this metal—which may some day rank with iron and steel as the material basis of industrial civilization. Here there are no conflicting interests of society be best served by the continued high price and restricted output of aluminum to Mr. Mellon's benefit, or by low price and expanded output for the benefit of 125,000,000 Americans who use aluminum directly and indirectly?

Our railroads are hungry for new equipment, for lightweight trains, for lightweight freight cars which will serve our transportation needs more cheaply and more quickly. They need aluminum—hundreds and thousands of tons of aluminum. The other side of this picture is that we have great aluminum mills in this country, in Pittsburgh, in Tennessee, in North Carolina, at Niagara Palls, standing ready to supply this need. We have tens of thousands of workers in the aluminum towns anxious and willing to work, to mine the bauxite, to refine the aluminum, to roll and fabricate the finished aluminum plate. But between the country's need for aluminum and the aluminum workers' need for work stands Mr. Mellon and his Aluminum Co. of America. This company says in effect: "Our price is 21 cents a pound. It is the price we fix. Take it or leave it!"

It used to work fine. In good times—and by good times I mean years like 1929, when 36,000 families at the top received as much income as 11,000,000 families at the bottom—the artificial price level fixed by Aluminum Co. of America meant a profit of around fifteen to twenty million dollars a year.

We need socialization of aluminum, because we need, among other things, aluminum. We need it cheap and we need it in immense quantities, not only for raliway transport but for better, stronger, and lighter automobiles; for cheaper airplanes; for long bridges; for electrical transmission; for the construction industry; and, last but not least, for cheap, durable kitchen utensils.

What is the sense of our having a splendid industrial struc

Co. do so? Far from it.

Twice in the past 2 years aluminum workers have been obliged to strike and form picket lines to gain their right to collective bargaining. And despite two strikes, they still lack an agreement with the Mellon corporation. Their second strike lasted a month, with the Mellon corporation. Their second strike lasted a month, and was settled by that most effective of all strikebreakers—hunger. The men and women who make aluminum were forced back into the plants under a verbal understanding in which the Aluminum Co. recognized the principle of collective bargaining—magnanimous concession—but refused to sign an agreement on wages. With many other hard-boiled American corporations, Aluminum understands collective bargaining to consist of a formal meeting with a workers' committee in which the company officials suavely but firmly refuse to bargain. Now we find this corporation, by underhanded methods, stirring up dissention in the ranks of the aluminum workers through a disguised company union.

tion, by underhanded methods, stirring up dissention in the ranks of the aluminum workers through a disguised company union.

There was no little embarrassment, not only in the Pittsburgh headquarters of the Aluminum Co., but also in the sacred precincts of the National Recovery Administration in Washington, when the National Industrial Recovery Act stipulated that all industries must submit codes of fair competition. How was this perfect 100-percent monopoly going to submit a code of fair competition when all its activities since its organization in the 1880's have been directed against fair competition? With the aid of the most expensive law firm in Pittsburgh, Mr. Mellon's bright and shining lightweight metal corporation submitted a lightweight code to Washington. It was that marvel of marvels, a code of fair competition which omitted any reference to fair competition. It concerned itself only with wages and hours, and what wages! Mr. Mellon's company, rich, powerful, and arrogant, proposed in its code to pay the munificent minimum wage of 25 cents an hour, or \$10 a week. Why is it, I wonder, that the more monopolistic these outfits are, the nearer they come to paying starvation wages? paying starvation wages?

Aluminum was obliged to up the ante to 30 cents for its southern workers and to 35 to 37½ cents for its northern workers.

The independent firms in the field, those which fabricate the aluminum after the monopoly makes the raw metal, insisted on clauses in the code guaranteeing to them the same price that the

clauses in the code guaranteeing to them the same price that the monopoly charges for the raw metal to its own subsidiaries in the fabricating business. General Johnson found the aluminum code too hot to handle for 10 months, and it gained the reputation as the most embalmed of all the embalmed codes lying in cold storage in the N. R. A. vaults. Finally it was approved, suddenly and secretly, by General Johnson. Needless to say, the code was perfectly satisfactory to Mr. Mellon's company.

What has been the advantage to American consumers of aluminum and American employees in the aluminum industry from the tight-fisted control of this great firm by Mr. Mellon? On the one hand, the company has pioneered in the development of a new metal—naturally so, for its own interests. Beyond that the credit side of the ledger ends and we turn to the debits.

Foremost has been the restriction of production deliberately followed by the Mellon corporation since its beginning. America has been deliberately starved in the supply of aluminum in order that Mr. Mellon could fix that fine point of production at which the highest profitable price would be realized. His firm has deliberately smothered competition, not once but continuously. Whenever another firm threatened to enter the field, he bludgeoned it back into nothingness, either by force majeure or by assimilation. The American people have never had the chance to buy aluminum at a competitive price. More serious, those vast economies in production which would have been spurred by sharp competition, by lowered price, by the development of new methods and the hastening of research into new basic improvements, have been throttled. The price of aluminum today is about the same as it was 30 years ago, despite tremendous strides made in speeding up workers, and in introducing improved machinery. However, there has been no fundamental advance in the manufacture of aluminum through new processes—such an advance might scrap the Aluminum Co.'s investment in its present equipment, and therefore must be fought until such time as the company consents to embrace such new methods.

This conscious sabotage of production is by far the most serious indictment we can bring against our great industrial conversions.

to embrace such new methods.

This conscious sabotage of production is by far the most serious indictment we can bring against our great industrial corporations, controlled as they are by profit-minded bankers. It is a deliberate policy of fostering want.

Not only does the public suffer but the men and women who depend on aluminum for their livelihood are condemned to a bare, cold existence. It is not generally known that Mr. Mellon's aluminum company clung to the 12-hour shift right up to 1929, long after the notoriously hard-boiled steel industry had seen that the 12-hour day was frightfully inefficient and costly. Within a year, 2 years after Aluminum abandoned the 12-hour shift, its workers considered themselves lucky to work 2 or 3 days a week. The anarchy of production takes a senseless toll of the lives of those workers, working them inhumanly long hours, then condemning them to unemployment and partial employment.

The only people in this country who do not suffer from this conscious disorder in production are the stock and bond holders of Aluminum Co.

of Aluminum Co.

of Aluminum Co.

I leave to learned gentlemen the discussion of details or socialization. They will argue wisely on how much Mr. Mellon and his cronies ought to be paid by the public for their sabotage of aluminum production for the past 50 years. For my part I would pay them nothing. They owe the American people hundreds of millions of dollars for their antisocial management of this great industry. If we are to pay Aluminum's stockholders when we socialize this industry, what about the claims of some 20,000 aluminum workers who, through no fault of their own, have lost during the past 4 years perhaps as much as \$100,000,000 in lost wages because of total or part-time unemployment?

I know it will be urged that Mr. Mellon has already accumulated a small army of widows and orphans dependent on aluminum stock for their livelihood. I would humbly suggest that the widows and orphans be pensioned by the United States Government for services rendered in holding Aluminum stock, and that they be pensioned under Mr. Roosevelt's social security law, soon to be passed by Congress. I know that it will be objected that this is unconstitutional—that such forms of cruel and unusual punishment are

stitutional—that such forms of cruel and unusual punishment are

forbidden.

stitutional—that such forms of cruel and unusual punishment are forbidden.

In the last war the great patriots at the head of the Aluminum Corporation charged the Government 50 cents a pound for aluminum for its manifold war purposes. When we had been in the World War a year the Aluminum Co. was finally persuaded to charge only 33 cents a pound. Nevertheless, Comptroller General McCarl in recent years has been obliged to hold up payments to the Aluminum Co. on Navy work because the aluminum patriots insisted on charging 38 cents a pound after they had agreed on 33 cents. The case is now in the courts.

Right now you have the farce being enacted periodically down in the Navy Department, where officials take bids for aluminum needed on destroyers, cruisers, and other naval vessels, out of a hat. The bids are all identical, and the hocus-pocus of going through the motions of asking for them is sheer waste of time.

For my part, I am not interested in the billion-dollar war programs of the Roosevelt administration. My plea for socialization of aluminum is a plea for more goods, for more services, for higher, not lower, standards of living. My plea for socialization is based on the premise that to continue as we are means continuing impoverishment of the American people, relieved only by the ghastly prospect of another world war made inevitable by the operation of a system of production for private profit rather than for use. The plea for the socialization of our basic industries is a plea for the emergence of a higher and better form of civilization.

SOCIALIZATION OF THE STEEL INDUSTRY-ADDRESS BY HORACE B. DAVIS

Mr. FRAZIER. Mr. President, I ask unanimous consent to have printed in the Congressional Record a radio address on the Socialization of the Steel Industry, delivered on February 9, 1935, by Horace B. Davis, author of Labor and Steel.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

The steel industry was among the first in this country to apply on a large scale the policy of trying to create prosperity by creating scarcity. The Roosevelt administration, being a business administration, has now applied the same policy on a larger scale

than ever. It has not only prevented goods from being produced—
it has actually destroyed them after they were produced. It has
set about to create scarcity as a means to creating prosperity.
We are now able to appreciate the policy in its true light. We
have the scarcity, but not the prosperity.

It is doubtful whether even the rather uncertain degree of
prosperity which this country enjoyed from 1922 to 1929 can ever
be reestablished under capitalism. But the steel companies at
any rate have done nothing to end the depression. While in other
industries prices were being reduced in the depression, steel prices
stayed up. The steel barons were following their old policy of
creating artificial scarcity. As early as 1932 Dr. R. R. Doane showed
that the prices of steel, electric power, paint, and cement (the
latter a commodity controlled largely by steel companies) had
dropped only 15 to 25 percent from the 1929 level, although the
prices of other raw materials had dropped an average of 35 percent.

Dr. Doane pointed out that it would be difficult for new construction to be resumed on the previous scale as long as the raw
materials of heavy construction remained relatively expensive.

struction to be resumed on the previous scale as long as the raw materials of heavy construction remained relatively expensive. A recent Government report shows that what was true in 1932 continued true through 1934. The report concluded that the steel companies preferred small production at high prices to lower prices and a somewhat larger production. Many economists are now saying that the continued depression in the capital-goods industries is preventing the end of the depression. These economists are invited to examine the price policies of the capital-goods-producing industries, especially of steel. Perhaps then they will understand why the number of unemployed still hangs around the 17,000,000 mark

will understand why the number of unemployed still hangs around the 17,000,000 mark.

There are some who think that wars could be prevented, labor could be protected, and steel could be produced and sold more cheaply than at present if we would merely vote to socialize the steel industry. My friends, this is a utopian idea. The schemes for saving the country which have been issuing from Washington at the rate of about two a week ever since March 1933, and most of which parade under the name of economic planning, are based on a misconception. They think they can perform a monkey-gland operation and make over capitalism, which is old and senile into a young progressive system. They do not take

based on a misconception. They think they can perform a monkey-gland operation and make over capitalism, which is old and senile, into a young, progressive system. They do not take into account the class forces in the United States. They do not consider who it is that runs the steel industry, and why.

The basic industries of the United States will not be socialized one by one. It is quite conceivable that the railroads and the public utilities and even some natural resources might be nationalized, as they have been in other countries. But such nationalization is a long way from genuine socialization. The conditions of the workers are not much different, nor are the consumers very much better off. And in any case, it has always happened heretofore that at a certain point privilege has made a stand and has refused to yield to the results of the democratic process. Then, either the revolutionary working class and its allies press forward, take the power, and socialize all the basic industries at once, as happened in Russia; or the working class hesitates, its muscles palsied by legalistic scruples. This kind of hesitation is the direct consequence of social-democratic illusions. It is absolutely fatal to genuine socialization. The working-class advance loses momentum. It turns into a retreat and finally gives way before the onslaught of organized reaction.

In the ensuing rout many hundreds or thousands of the best leaders of labour transpared. This keep the second of the pest transpared of the

before the onslaught of organized reaction.

In the ensuing rout many hundreds or thousands of the best leaders of labor are murdered or imprisoned. This has been the unfortunate history of Italy, Germany, Austria, and Spain.

Just because steel is a key industry, just because it has exploited its labor so brutally and piled up such enormous profits, just because it is the industry of all others that you and I would like to see socialized, it will be socialized only after a real struggle. The big financiers will break a lance or two before they consent to see steel taken out of their private control. The benefits of socialization and of planned economy can only be realized under genuine socialism, after the basis of the profit system has been destroyed. Thus it is only in Russia that the steel workers know no unemployment and no exploitation, because only in Russia have the foundations of a genuinely Socialist society been laid. For such a society, a basic requisite is a workers' government.

WORK FOR THE UNEMPLOYED-LETTER FROM SENATOR SCHALL TO THE PRESIDENT

Mr. SCHALL. Mr. President, I ask unanimous consent to have printed in the RECORD a letter written by me to the President of the United States on the 3d of December 1934.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

**DECEMBER 3, 1934.** 

The Honorable Franklin D. Roosevelt, President of the United States,

MY DEAR MR. PRESIDENT: For the purpose of furnishing a working example by which a majority of the 10,000,000 persons now unemployed may be returned to profitable employment, without taking one dollar from the United States Treasury, the following list is a rough draft of how those people can be cared for within 6 months.

By acting as England, Canada, Australia, Norway, and Sweden have done, that is by stopping imports which compete with what we produce, we find we must reemploy the following:

Two million persons to cultivate cane- and beet-sugar lands, if foreign sugar is excluded.

Two million persons to cultivate new corn land when blackstrap molasses is barred.

Three hundred thousand miners to operate our copper mines. Two hundred and twenty-five thousand additional pottery and

One hundred and seventy-five thousand to make carpet, rag, and grass rugs.

One hundred and fifty thousand fishermen and canners when these imports are stopped.

One hundred and fifty thousand iron and steel workers.

One hundred thousand persons to raise cattle now imported as

One hundred thousand silver miners, if we buy our own silver. One hundred thousand to produce gunny cloth and gunny sacks now imported.

One hundred thousand shoe workers. Seventy-five thousand textile workers

Fifty-thousand persons in electric lamp, toy, and novelty fac-

tories.

Fifty thousand persons to can meats.

Fifty thousand to produce cement and bricks.

Fifty thousand manganese miners.

Thirty thousand vegetable canning workers.

Twenty-five thousand additional coal miners.

Fifty thousand distillery and wine workers.

All these people at this moment are on Government relief.

With the power vested in you by the last Congress, Mr. President, you can raise the tariffs on all these articles and thereby return about 6.000,000 persons to profitable employment. It is reasonable you can raise the tarills on all these articles and thereby return about 6,000,000 persons to profitable employment. It is reasonable to assume that this number of persons will employ another 3,000,000 to supply their wants. After that, Mr. President, we have no unemployment problem and no depression. I trust this matter will be given your earnest consideration.

With best wishes, cordially yours,

THOS. D. SCHALL

GOV. GEN. FRANK MURPHY-ARTICLE IN MANILA (P. I.) TRIBUNE

Mr. HAYDEN. Mr. President, I ask unanimous consent to have printed in the Congressional Record an article appearing in the Manila (P. I.) Tribune of January 22, 1935, relative to the administration of Governor General Frank

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Manila (P. I.) Tribune, Jan. 22, 1935]

STABILITY IS FRANK MURPHY'S CONTRIBUTION—SOUND FISCAL POLICY
IS STIMULANT TO SOCIAL CONSCIOUSNESS—GOOD WILL MARKS AD-

The departure for the United States tomorrow of Gov. Frank Murphy marks the close of one chapter in what may be called "the transition before the transition period" in Philippine Government, and in a broader sense, in the entire social structure of the Philippines

The interruption in Murphy's administration occasioned by his

The interruption in Murphy's administration occasioned by his visit to the United States being temporary, as the Governor General has repeatedly stated, the development of this pretransition in the Philippines will not be affected. But even if events so form themselves as to prevent Mr. Murphy's return to the Philippines, that development, proceeding under the impetus given it by the concerted effort in carrying out his policies, will continue so that when the country enters its next stage, that of the Commonwealth, it will do so under the brightest auspices.

Frank Murphy's achievements in the 19 months which have elapsed since he outlined his policies in his inaugural address on the Luneta on June 15, 1933, must be considered not only as a fruition of those policies in themselves, but in relation to the extent to which they have been carried out by his associates in the government, the willingness with which they were so carried out, and, perhaps most important of all, the readiness with which they were accepted by the people. Taken together these three factors constitute a safe gage of the soundness of those policies, and therefore of the success of the Murphy administration.

DEVOTES LABORS TO ESTABLISHMENT OF FINANCIAL STABILITY IN GOV-ERNMENT

Frank Murphy's goal, from the day he assumed his office here, has been stability. He saw clearly that in preparation for ultimate independence the country's greatest need lay in the assurace of stability in every phase of government—first of all, financial stability, the rock on which the entire structure rests. It was to this that he devoted a great part of his time and effort—to the establishment of a Gibraltarlike fastness in government finance—and his insistence on this point has had far-reaching effects; for not only in the entitles of government concerned nursely with not only in the entities of government concerned purely with financial questions, but in all other departments, a new zeal, a new ardor has developed; a spirit which, fostered by his insistence, equally strong, on the prime duties of government to the people, has radiated among the people.

Murphy's insistence on financial stability has brought as its outstanding concrete result the effect that in the 6 months of 1933 from June 15, and in the year 1934, the Philippine government has spent less than it has taken in the form of revenue. The period being in the midst of the world depression, this feat has not been duplicated, not only by any government in the world but by many private firms in industry and business.

While in the decade just passed there has been a degree of solvency in the Philippine Government, stability in a sense has been lacking. Thus, in 1925 there was a surplus of some P9,000,000. In the following year, in 1926, there was a deficit of P12,000,000. Economies and high collections in the succeeding years, particularly in the 3 years preceding Frank Murphy's administration, reduced this shortage. In the first 6 months under Murphy, June 15 to December 31, 1933, a saving of P1,600,000 was made in the operation of the government.

UNEXPECTED SURPLUS AT CLOSE OF 1934 REACHES 14,000,000 PESOS, WITH A NET SAVING OF 6,000,000 PESOS

A NET SAVING OF 6,000,000 PESOS

On December 31, 1934, a year later, the Philippine government had an unexpended surplus of nearly F14,000,000, of which between six and seven millions is a net saving. The rest is in funds appropriated, but not expended, and there is a likelihood of considerable saving in this respect when the funds are released.

The likelihood of such further savings is increased by the fact that all activities for 1935 are on a program basis. With the principle of living within the income as the supreme policy of the Murphy administration, and the expenditures closely budgeted, sufficient care will have been taken to prevent any outlay beyond those programed for a specific period, and the task of keeping the Government out of the red simplified.

Murphy's specific achievements toward insuring financial stability were the economies he ordered or caused to be brought about, the constant stressing of the necessity for systematic tax collections, his insistence on budgets which must not exceed actual income collected, and his dictum that all public works expenditures must be on the basis of merit. Among his first public pronouncements was that of July 8, 1933, scarcely a month after he took office, urging a sound and conservative banking policy.

DEFICITS OF PREVIOUS YEARS SWALLOWED UP BY ECONOMIES, STRICT SUPERVISION

He set his face determinedly against any form of tax condonation, and he fixed a definite policy of no overdrafts, no filling of vacancies, no new expenditures. The net result of this is shown in the figures for the 3 years preceding his administration. In 1930, 1931, and 1932 expenditures exceeded income by some \$\frac{p}{2}0,000,000\$. In 1932 the deficit, greatly reduced, was still \$\frac{p}{4},000,000\$. At the end of 1933 the insular government had a cash surplus of \$\frac{p}{5}00,000\$.

In provincial finance he caused to be set up a system of monthly survey reports which resulted in the elimination of overdrafts and, in provinces, the establishment of surpluses.

Throughout the government departments the plan of the 5-percent reserve on all appropriation has worked to eliminate deficits

cent reserve on all appropriation has worked to eliminate deficits and has done its share towards establishing stability. And coupled with these were the installation of businesslike methods throughout the entire service, the formation and functioning of economic and efficiency committees, as well as frequent surprise inspections.

#### STABILITY IDEA TAKEN UP BY PEOPLE

Once established as the guiding policy of the financial structure of the government, this notion of stability soon began to filter through other departments until it permeated not only the government services but found its way into the spirit of the people. Everywhere there is noticeable a desire to straighten things out, to organize affairs; everywhere a striving for strong, stable establishment of things in preparation for the sterner tasks which will come with the formation of the new government, a formation to which the present is in its way a transition.

Stable methods, based on constitutionally prescribed processes, a

the present is in its way a transition.

Stable methods, based on constitutionally prescribed processes, a stability in procedure, these have noticeably been taking the place of a spirit which had aimed for novelty, for a different way of doing things. Murphy's legal training is, of course, largely responsible for this outlook of his, which envisages things in the light of orderly procedure. With the unstinted cooperation which he has been able to secure in the government, he has succeeded in encouraging a greater turning to the orderliness and stability of constitutional methods in all activities of the government. A spirit, sane and conservative, has thus been created.

#### INFLUENCE NOTED IN SOCIAL PROBLEMS

In the field of social problems Frank Murphy's influence is particularly noted. It has been held that a social program cannot easily go hand in hand with a well-planned program of government. But Murphy has demonstrated that together with a sound economy in government expenditures, the solution, or at least amelioration of social problems, can well be achieved. The result has been that together with a financially sound government, the Philippines today has the first planned and effective social program in its history. The eradication of slum districts, increased activities in the field of public health, family in particular and social relief in general, the improvement of housing, the reorganization of the hospital service, all these have been initiated in such a way as to insure their proper working out. way as to insure their proper working out.

But all these have been strictly governmental activities, or activities in large part fostered by the government. What is more important in this connection is the fact that in the last 19 months there has been noted a new and wide-spread consciousness of the nature of social problems, a popular sensitiveness to them, and a recognition of the fact that their solution is not solely a task for government but one in which all the people must share. This in itself is a distinct contribution of Frank Murphy's to the strengthening of a national social spirit in the Philippines, one which will go a long way toward solidifying and unifying the people as a

#### ESTABLISHES ERA OF GOOD WILL

Other Governors General have had the willing cooperation of the Filipino participation in the government, but it remained for Frank Murphy, perhaps fittingly, for he is to be the last of the American chief executives in the islands, to have brought about what may well be termed an era of good will here.

He began by demonstrating that he would play honest, above-board politics, recognizing the importance of the political factor, by announcing, a few months after he came here, that he would consult the party leaders before making appointments. Nevertheless, he maintained the principle of merit first, with the result that his appointments have been universally praised, and his government proceeded without friction.

His administration in general has been marked with consideration and tact, two factors which won for him not only the cooperation but the confidence of the leaders in the Filipino participation. The relationship between them has been on the highest plane, since the confidence so generously accorded was proved justified by the fact that all soon came to recognize that Frank Murphy would not bargain, would not make trades, but would proceed in the light of principle and on the basis of securing the best service. Perhaps in no other way was that cooperation and confidence so well demonstrated as in the faintness of the protest against his veto of appropriations totaling nearly twenty-six millions. This act of his received the general support of the legislative leaders. of the legislative leaders.

#### FINANCIAL STABILITY IS FIRST STEP

FINANCIAL STABILITY IS FIRST STEP

Frank Murphy came to the Philippines imbued with the notion of doing his job. His major premise was that the happiness and health of the individual and the actual political freedom of the people are the first and most important objectives of government. As the first step toward these objectives he bent his efforts to establish financial stability, which would set the government free for their attainment. By a strict adherence to principle and by tactful and considerate exercise of his powers, which embraced the recognition of the powers and privileges, as well as obligations, of his associates in the government, he has secured this stability, and effected its spread into other departments of the service and its permeation of all social strata. His policies, and, above all, his winning to those policies of the support and backing of the leaders in the government, has brought about a revitalization of the national social consciousness, and has created a situation which, his severest critics will not be able to deny, is conducive to the successful accomplishment of the task that now faces the Filipinos as a nation. Filipinos as a nation.

By these things the work of Frank Murphy in the Philippines

OPINIONS OF SUPREME COURT IN GOLD CLAUSE CASES-ARTICLE BY FRANK R. KENT

Mr. BARBOUR. Mr. President, I ask unanimous consent to have printed in the Congressional Record an article which has just appeared in the Baltimore Sun, by Frank R. Kent, referring to the recent decision of the Supreme Court, entitled "Victory Not Vindication."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

> [From the Baltimore Sun of Feb. 20, 1935] VICTORY NOT VINDICATION

There is a vast difference between victory and vindication. The day following the Supreme Court decision in the gold cases the newspapers flamed with big headlines such as "Court Sustains the Government", "Administration Backed", "The New Deal Wins."

newspapers named with big headlines such as "Court Sustains the Government", "Administration Backed", "The New Deal Wins."

And so it did win in the material sense. Where it lost was on the moral end. What it lost was its reputation. The new deal was victorious—but it was not vindicated. Now that there has been time for the sense of the decision to sink in, this at least is clear. Whatever impression the general public may have derived from the headlines, the commentators, and the propagandists, no thoughtful man puts any other interpretation upon it. It is not possible to put any other interpretation upon what the majority opinion plainly says. And no matter how great the relief he may experience, no member of the administration above the lower grade of politician feels any pride in the "victory." On the contrary, those of more sensitive natures and higher intelligence are not unashamed of the position in which they are left.

In brief, it is not an opinion upon which the "new dealers" care to dwell. They gladly accept the material victory, but they would rather not stress the moral aspects of the decision. Pleased they may be at having escaped a tremendous reverse, but they wear no badge of honor awarded by the Supreme Court. Quite the contrary. They have a natural reaction from the fear which has gripped them these past few weeks—but the word "relief" rather than "pride" accurately describes their emotion—from the White House down.

Because the undeniable truth is that not only a majority of the

Because the undeniable truth is that not only a majority of the Because the undeniable truth is that not only a majority of the Court but a united Court agreed that the administration had broken the Government's pledged word, repudiated its obligation, disregarded the Constitution, and exceeded its rights when it nullified the gold clause in the Government's own bonds. It had the right to abrogate private contracts through change in monetary policy, but not the right to violate its own contract, which it did.

The decision—the majority decision, not the minority—says these things in plain language. There can be no mistaking their meaning. That, after having taken this unequivocal stand as a unit, five members of the Court, constituting a majority, should then veer around and rule that the Government cannot be compelled to meet its obligations to pay in gold because of various relatively minor reasons, including the fact that the appealing bondholder could show no damage, seems unreasonable and strained.

And so it is unless the "possible consequences" of a thoroughly logical, consistent, and outspoken opinion are considered. These were very great indeed. They might have been actually disastrous, both economically and politically to the Nation as a whole. It is easy to understand that these "possible consequences" entered into the majority opinion in this case, just as they undoubtedly influenced the majority opinion of the Court some 15 years ago in the famous Adamson law case. In brief, the Court, in this instance, as in that, took into consideration the national welfare as well as the law as well as the law.

as well as the law.

It brands as invalid a Government act, but refuses to annul it because of the possible consequences. Upon no other ground does it seem possible to explain logically the majority verdict. It leaves Mr. Roosevelt in the position of being told that he has done a wrong as well as illegal thing. He has stained the Nation's honor, but the stain cannot be wiped out without dangerously impairing the national welfare. Thus, the new deal, with no certificate of character, is enabled to proceed on its course, deprived now of the alibi for failure that the Supreme Court stood in the way. It is easy to understand how Mr. Roosevelt can feel in the way. It is easy to understand how Mr. Roosevelt can feel relieved at this decision but hardly "gratified."

OPINIONS OF THE SUPREME COURT IN THE GOLD CLAUSE CASES

Mr. CONNALLY. Mr. President, allow me to say to the Chairman of the Appropriations Committee that I regret the necessity to speak briefly on a matter not now directly before the Senate. I realize the pressure on the chairman of the committee, but the subject I am about to discuss is one that I regard as highly important.

Mr. President, a few days ago the Supreme Court of the United States rendered a decision which is an outstanding one not only in the legal history of America but, as affecting economic policy and currency and money control, it will become important perhaps to a greater extent than any similar decision in the history of the Republic.

Senators will recall that over a period of practically 2 years the questions of currency and money have been of commanding importance in the United States and that, as a result of policies of the Congress, there was adopted what was known as the devaluation of the gold dollar.

That result was not accomplished alone by a single piece of legislation; but through a process of enactment from time to time, all in harmony with one single plan, there was brought about a devaluation of the gold dollar, the calling into the Treasury of all gold coin and gold certificates, amounting to the establishment by the Government of a new system of money and currency control.

The decision of the Supreme Court was a fine and, I may say, distinguished confirmation of the power of the Congress, almost without limit, over the standard of money, the control of the currency, with the incidental power to do all things necessary to accomplish these purposes. The Supreme Court in rendering that decision rose to the very heights of its dignity. I am happy to know that the decision was not a partisan decision, that it was not a political decision, but that the members of the Court divided upon lines which were not characterized by their predilections or their former political alinement. Attorney General Cummings and others who appeared for the Government are entitled to high praise for the splendid manner in which the interests of the Government were presented and protected. With ability and tireless research the Department of Justice and other legal representatives of the Government not only aided in preparing the legislation but in maintaining it.

Mr. President, as a result of the decision it cannot be said that it is unnecessary for the Government to go one step further and to end whatever uncertainty or whatever feeling of uneasiness may arise from that particular feature of the Court's opinion which held that, though the Congress did not possess the power to strike out of the Government's obligations the gold clause, still by reason of other acts of the Congress and the Government the holder of the obligation in effect had no present recourse.

I suggest to the Senate and those who are charged with responsibility with respect to the policies of the Government that we ought speedily to determine upon some policy which will meet whatever contingencies might arise in order to give entire effect and complete certainty of decision with reference to the currency and money questions of the United States

Mr. President, the press of this morning carries a statement from former President Hoover in which he urges that the United States restore the gold basis, as he terms it, and return to the old policy of issuing coined gold and delivering it in exchange for currency to those who demand gold payment. The former President seems to imply in his statement that the present policy of the Government has introduced a certain degree of uncertainty in the possible future policy of the Government.

I contend that the Government is now on a gold basis under the legislation of the Congress. It is true that the government has called the gold coin into the Treasury and no longer issues it in the form of coined dollars, but the gold in the Treasury is just as much a reserve to maintain the value of the currency, and probably more so, than if it were in the form of coined dollars paid out over the counter. It was to avoid the possibility of corners in gold, it was to avoid the possibility of runs on the gold reserves of the Nation by those who might demand gold payments, thereby depleting the gold reserves and thereby putting the country not upon a gold standard, but upon a paper standard without sufficient gold reserve, that the present policy of the Government was adopted. The measure of standard today under this legislation is just as much the gold dollar of fifteen and a fraction grains as though those coined dollars were exchanged across the counter from time to time. So I challenge the attack of former President Hoover that America is not today upon a gold-standard basis.

Mr. President, what measures the Government ought to adopt in order to settle or extinguish whatever possible claims holders of obligations might in the future have on the ground that they have suffered damage by reason of the policy of the Government, I am not prepared at the moment to suggest except to say that the result may be accomplished in one of two or possibly three ways, either, as was suggested by one of the justices of the Supreme Court, by modifying the jurisdiction of the Court of Claims-which frankly I would prefer we should not adopt if other adequate means may be adopted; through the process of taxation of possible profits accruing through the enhancement of gold bullion, or probably some related process; but whatever the determination may be it ought to be speedily enacted and speedily enforced in order to remove any uncertainty whatever.

Mr. President, so far as the gold standard and gold value are concerned I, as one who has been intensely interested in the method of devaluing the dollar from the beginning, do not regard the Supreme Court decision as forecasting that the policy of the Congress in the future may be to adopt some method of wild paper inflation. It is true that under this decision almost transcendent authority is demonstrated to exist in the Congress regarding what shall be money and the regulation of the standard of money.

As I suggested in this Chamber 2 years ago in a speech—and it is still the truth—when, under the Constitution, Congress was endowed with the power to regulate the value of money and to declare control of the currency, that power was vested in the Congress to be exercised by it under its high responsibility, under its conceptions of patriotism, under its desire to serve the public welfare, and that it would exercise that power in wisdom and in justice and in fairness to the great body of the American people. Under that standard there will never be invited any process of wild inflation by the printing-press process. I desire to say here and now, Mr. President, that I have never been nor am I now in favor of that sort of inflation.

The Senator from Virginia [Mr. Glass], I dare say, will bear me witness that from the very beginning of the discussion of this question the junior Senator from Texas has

not advocated that kind of inflation. One of the reasons why I have favored the devaluation of the gold dollar was to avoid evil of inflation through the printing press of great volumes of unsecured and irredeemable paper money.

One of the compelling motives for devaluation, at least in my own heart, was my belief that the dollar ought to be reduced in value, but that the revalued dollar should be a sound dollar, a dollar of fixed value, a value based upon a standard measurement of gold. Mr. President, under the policies of this Congress and of this administration, fortified and strengthened by the decision of the highest Court in the land, that is exactly what we have today. Instead of having a gold dollar of one value and a paper dollar of a depreciated value, the currency of America today is upon an equal basis. Every dollar is worth the same as every other dollar because of the fact that the Government itself is the custodian of the gold reserves, making it impossible to raid the Treasury, making it impossible to bring about a corner on gold. That Government custody is a guaranty that every dollar sanctioned by the Government shall have the same value, whether in the hands of a private individual or in the vaults of the Treasury itself.

Mr. President, I regard it as most unfortunate that Mr. Hoover should seek this particular moment—when the country and the world, for that matter, are congratulating the Congress of the United States on its policy and the Supreme Court for its great decision—to sound a note of dissent, to sound a complaint as to the financial policies of the Government.

Senators will recall that in the closing days of the Hoover administration Senators were summoned to the White House late at night, with great secrecy, and were warned that the United States, without its own consent, was about to be forced off the gold standard. All the possible horrors, all the dire consequences of that action were related to Senators. Why? Because Mr. Hoover was unable, by the exercise of the powers vested in his administration, to avert the terrors of which he stood so much in dread. He now says he wants "to restore confidence in the dollar." He proposes now to revive the same old system which brought financial disaster to America and which brought his own administration tumbling in ruins about his ears. He now wants to go back to the same old system whereby speculators in foreign exchange, whereby the international bankers, whereby hoarders of gold may make their raids upon Treasury and upon the reserve stocks of the Reserve banks in America. Mr. President, this complaint would seem to be founded upon the pique and disappointment of Mr. Hoover rather than upon any sound economic or constitutional basis.

Mr. Hoover undertakes to point out five reasons why a return to that system is desirable.

He says, first, that a return to the old system of paying out gold—

Would put more men to work out of the 12,000,000 who still remain unemployed than any other single action.

How that is to be done Mr. Hoover fails to tell us. We had that system while he was President. Under that system he was then unable to provide employment. He was then unable to deplete the ranks of the idle; but from month to month and from day to day the recruiting officers of despair added to the swelling ranks of the army of the idle. Yet Mr. Hoover now offers a return to that system as the instrumentality whereby unemployment will be removed. He offers that as a remedy for the very condition which we are seeking to remedy through the pending joint resolution. I deny it, Mr. President.

Second. Mr. Hoover says that-

The Government's program of stimulating the capital goods and giving employment through public works can never result in 25 percent of the jobs which can be provided by recovery of normal private capital-goods activities.

That is a platitude which nobody will deny; but how will a return to the old system of a costly, expensive dollar, a \$1.69 dollar, as against the new devalued dollar, accomplish that? I believe, Mr. President, that when the future historian comes to write the moving chapters of the tragic period through which we have been passing he may note that the outstanding element in the recovery we are now approaching has been the fact that we had the courage and the administration had the wisdom to devalue the gold dollar, and put us in a position whereby we might lift commodity prices, and discharge in a just and equitable dollar something of the vast load of debts and bonds hanging over us.

Former President Hoover intimates that the devaluation which has already taken place has increased the cost of living. If that be true, it means that those who toil and those who manufacture articles are receiving more employment. It means that they are receiving more for their labor. It means that the factories which are dependent upon profits for their operation are busier now and are making more upon their output.

Mr. President, I make these statements through no spirit of partisanship. I regard the policy of the Government with reference to the devaluation of the dollar as already fixed and determined. I am anxious, however, that the Government shall take such other steps as may be wise or desirable to remove whatever doubt or uncertainty may exist with regard to the holders of Government gold obligations; but I deplore the attack of former President Hoover, who now seems by some occult process, at least in his own mind, to have acquired a knowledge of economics and a conception of public policy which he was never able to demonstrate while he was in power, and which perhaps he is hopeful he may have another opportunity of demonstrating in the years to come.

Mr. THOMAS of Oklahoma and Mr. AUSTIN addressed the Chair.

The VICE PRESIDENT. Does the Senator from Texas yield; and if so, to whom?

Mr. CONNALLY. I yield first to the Senator from Oklahoma. Then I shall yield to the Senator from Vermont.

Mr. THOMAS of Oklahoma. Mr. President, the distinguished Senator from Texas has been discussing the monetary policies and record made by the administration now in power. I desire to remind the Senator and state to the Senate that it was the distinguished Senator from Texas who first suggested in this body the necessity of reducing the gold content of the dollar. I remember very well the day he made that speech, standing in the rear of the Chamber, and I well remember the sort of smile that flitted over the faces of gentlemen who are not now here at the idea that any Senator should even dare to suggest that the sacred gold dollar be reduced a single atom in its weight.

The distinguished Senator from Texas has also alluded to another point to which I desire to refer, if he will permit me to do so.

Mr. CONNALLY. I shall be glad to have the Senator do so. After what he has already said, he may consume all the time he desires. [Laughter.]

Mr. THOMAS of Oklahoma. Mr. President, I am glad to give credit where credit is due.

The Senator from Texas suggested that the opinion of the Supreme Court apparently denied the holders of Federal securities an opportunity to recover the value of the old gold dollar; that their only recourse is to accept the legal-tender money in circulation at the time their obligations become due. If I remember correctly, the Senator suggested that under the terms of that decision the holders of Liberty bonds perhaps might go to the Court of Claims and file actions for damages in the Court of Claims against the United States, claiming that they gave up more value when they bought their Liberty bonds than they received when they cashed them.

Here is my question: Is it not a fact that if all the courts of the Nation were denied jurisdiction to consider the complaints of holders of Federal obligations, even so the holders of those obligations, if they feel that they have been injured and have suffered loss, can always come to the Congress and file claims in the Congress? If that is done the claims will go before the proper committee; there they will be considered; and if the holders of the obligations have just

claims against the Government, the Congress of the United States, I hope, always will be available and willing to consider such claims as may be shown to be valid.

The question is: If the courts should be denied jurisdiction to consider the claims of those who think they have suffered loss, will they not still have the Congress as a court into which they can go and submit any claims they may have?

Mr. CONNALLY. Of course. Let me say to the distinguished Senator from Oklahoma that what the Senator from Texas meant to suggest was that so long as there is any uncertainty as to not the right but the privilege, I may say, of bondholders to resort to the Court of Claims or any other court on the theory that they have suffered damage by reason of surrendering a bond calling for the old gold dollar and having to accept in lieu thereof new currency, the more speedily that doubt can be removed the more will be contributed to the stability of the currency system, and the more encouragement will be given to business. Of course, Congress is always here. It is always here to do what the Senator from Oklahoma suggested a moment ago.

Any citizen who may have any kind of a claim is always entitled at least to a hearing before the Congress. He may not always have his claim extinguished, he may not always be paid in the amount to which he feels entitled, but, like all other powers of the Congress, that power is vested here, on the theory, at least, if not always in practice, that Congress, representing the people, deriving its powers from the people, shall legislate for them in wisdom and in justice, and under its high conceptions of patriotism and duty.

There is no other place where we can put the power. All of our agencies here are human; there are no demigods except in their own imaginations, and wherever the power rests we have to trust to some human agency to be fair, to be just, and to sit in the seat of power with a sense of responsibility and a desire to act righteously. Does that answer the Senator?

Mr. THOMAS of Oklahoma. Yes; I thank the Senator. Mr. GLASS. Mr. President, did I understand the Senator from Texas to say there are no demagogues?

Mr. CONNALLY. No; I said "no demigods."

Mr. GLASS. Oh! [Laughter.]

Mr. CONNALLY. I said there were no demigods. I have a suspicion that the Senator from Virginia understood me all the time. [Laughter.] I cannot believe that he was concerned as to the difference between demigods and demagogues at this particular stage of our deliberation and discussion. But for the enlightenment and for the further information of the Senator from Virginia, I said that there were no demigods, except in their own imaginations.

Mr. AUSTIN. Mr. President, will the Senator yield to me? Mr. CONNALLY. I yield.

Mr. AUSTIN. I ask the Senator from Texas whether he will not permit the article about which he is commenting, and which he is criticizing very severely, to be inserted in the Record at the conclusion of his remarks? If so, I ask unanimous consent that it be printed in the Record following the remarks of the Senator from Texas.

Mr. CONNALLY. I have no objection to Mr. Hoover's statement going into the RECORD.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Vermont? The Chair hears none, and it is so ordered.

(See exhibit A.)

Mr. CONNALLY. I desire to thank the distinguished Senator from Oklahoma for his generous reference to the speech of the Senator from Texas made in this Chamber on January 24, 1933, in which he first urged reduction of the gold content of the dollar. I desire to call attention, in that connection, in order to fortify what the Senator said, to the fact that I introduced a bill in this body on the 13th day of March 1933, a few days after the beginning of the present administration, in which it was provided that all gold should be called into the Treasury, and that thereafter no gold coin should be emitted. Section 1 of the bill provided that all debts, public and private, contracted after April 7, 1917,

should be payable in lawful money of the United States, and carrying a number of other provisions similar to those which have been before the Senate from time to time.

Mr. President, I regard the policy adopted by the Government and now pursued with relation to money as having for the first time in the history of the Republic made absolutely clear the power of the Congress, with relation to currency, to control money and its value, and the general financial policy of the Federal Government; and that is something accomplished. The way is now charted; it is indicated just how far and by what processes the road shall be traveled. The monetary question always has heretofore been a disturbing one, and some of the campaigns of the past have been waged very largely on the question of the power of Congress to control money and currency.

Mr. THOMAS of Oklahoma. Mr. President, during the remarks just made by the Senator from Texas he made the assertion, not as boldly as I think it should have been made, that America is today on a gold standard. While the statement was not challenged, yet I heard rumblings which indicated that it did not meet with general acceptance.

I wish to reassert that statement, and to assure the Senator that under the law this Nation is on the gold standard today.

Mr. CONNALLY. Absolutely.

Mr. THOMAS of Oklahoma. In the act passed by the Congress giving the President the power to devalue the gold dollar, the same act provided that in the event he should exercise the power of devaluation, the new dollar, as devalued, should become the standard dollar of the country, and all dollars should be maintained on a parity in value with such new established gold dollar. The President accepted the power granted him by Congress, and reduced the value of the gold dollar from 25.8 grains of gold of 0.9 fineness to 15.521 grains of gold of 0.9 fineness. So the gold dollar back of all our money today contains 15 grains plus of gold.

In that connection, if the Senator will yield, I desire to place in the RECORD one or two statements from the daily statement of the United States Treasury of February 19, which I find on my desk this morning.

Mr. CONNALLY. I gladly yield.

Mr. THOMAS of Oklahoma. This statement shows that on February 19 the United States had in the Treasury the total sum in gold of \$8,479,506,300.62. The same statement shows that on that date we had in silver in our Treasury the total sum of \$732,219,535.82. Of course, if the value of that silver is based on its monetary value and not on its actual bullion value, the silver would approximate a billion dollars in monetary value. That gives the United States today gold and silver of an approximate value of nine and a half billion dollars.

Against that sum we have in circulation less than five and a half billion dollars. So today we could call in all the money in circulation of every kind and character and redeem that money in gold, and after it had all been redeemed, we would still have in our Treasury approximately \$4,000,-000,000 of gold and silver, against which no money is in circulation.

I desired to have these figures appear in the RECORD at this point.

Mr. CONNALLY. Mr. President, I thank the Senator for the insertion of that matter. In other words, the Treasury now has on hand gold stocks sufficient to redeem every dollar that is issued in paper money, every gold and silver certificate, and still have in its vaults a billion or so, after those obligations shall have been discharged. As bankers would say, the Treasury is in a liquid condition. It could pay off every depositor, if we were under the system of paying out gold in redemption of currency.

There is always the possibility, too, whenever the Government may need it, that the \$2,000,000,000 now in the stabilization fund against which there has been issued no currency may be utilized as resources of the Treasury of the Government. That fund will not always be necessary for stabilization purposes. In fact, under the present clear enunciation of the policies of the Government, as sustained

by the Supreme Court, I regard it as unnecessary to maintain any such vast sum in gold bullion in the Treasury simply for equalization purposes.

I thank the Senator. We are on a gold standard, Mr. Hoover to the contrary notwithstanding. We now have in the Treasury more gold than there are outstanding currency promises to pay.

Mr. GLASS. Mr. President, may I ask the Senator from Texas a question?

Mr. CONNALLY. I shall be very happy to endeavor to answer the Senator from Virginia.

Mr. GLASS. How can anyone get a dollar of that gold for redemption purposes?

Mr. CONNALLY. Is that the Senator's question?

Mr. GLASS. Yes.

Mr. CONNALLY. The Senator from Virginia asks me how is anyone going to get a dollar of that gold for redemption purposes. Under the law now he cannot go down to the Treasury and get a gold dollar, but let me say to the Senator—

Mr. GLASS. He cannot go anywhere and get it, can he?

Mr. CONNALLY. No; unless he goes abroad. He cannot get it unless he goes abroad.

Mr. GLASS. Yes; he cannot get it unless he goes to a foreign country and gets it.

Mr. CONNALLY. Yes. Let me answer the Senator now. Why does he want the gold dollar? When he goes down to get the gold dollar for redemption, why does he want it? Can he eat it? Does that gold sustain life? No; he does not eat it. Can he wear it? Not unless he wears it in imitation of the barbaric custom of the savages of wearing earrings and ornaments.

Mr. GLASS. He cannot wear it, he cannot eat it, and he cannot get it. He cannot get it! That is what I am talking about

Mr. CONNALLY. I shall answer the Senator.

Mr. GLASS. He cannot get it anywhere. The gold has been demonetized.

Mr. CONNALLY. In that sense.

Mr. GLASS. Then we are not on the gold standard.

Mr. CONNALLY. The Senator from Virginia believes that individuals should have dominion over gold. I believe that the Government ought to have dominion over gold, because gold is impressed with a public character. We are using it as money. We are using it as a standard of measure. And the only utility as money that gold or any other kind of money has is not in the fiber, it is not in its texture, it is not in its weight, it is not in its color, but it is in its worth to buy some article that can be worn, or can be eaten to sustain human life, or with which to exchange some other article for another. It is simply a yardstick. You do not consume it. Out here in the Bureau of Standards—

Mr. GLASS. You do not get it.

Mr. CONNALLY. No; he does not get it. He does not have to get it. I think that the standard of measurement of the money of the people—the agency which is employed as money—ought to be the Government's property and not the property of those who would seek merely to use it as an instrumentality to hold up the Government and to hold up the people and thereby, as Chief Justice Hughes said, undertake to "enrich" themselves at the expense of the Government.

Mr. GLASS. Oh, the Senator has passed from the amusing part of his speech to the rhetorical part of it. I agree with the Senator—

Mr. CONNALLY. The Senator from Virginia is responsible for whatever errors the Senator from Texas has made in his undertaking to answer.

Mr. GLASS. I do not undertake to say that the Senator has made errors. I say he has been amusing.

Mr. CONNALLY. Well, the Senator from Virginia promotes amusement.

Mr. GLASS. I agree with the Senator that the Government should have dominion over money. But I hope the Senator will agree with the Senator from Virginia that when the Government has dominion over money it will keep

every bill it issues. Let me read the Senator what the Government says. The Government says this \$20 note that T have is

Redeemable in gold on demand at the United States Treasury, or in gold or lawful money at the Federal Reserve banks.

And the Senator knows that is not true. He knows that it is a lie printed right on the face of that bill. He knows that it will not be redeemed except with another piece of paper. And so far from being on a gold standard, we are on a flat currency basis, and under the decision of the Supreme Court we are on a flat bond basis.

Mr. LEWIS. Mr. President-

Mr. CONNALLY. Permit me to answer the Senator from Virginia. I would never undertake to answer the Senator

Mr. LEWIS. Mr. President, I have the floor.

Mr. CONNALLY. I beg the Senator's pardon. I thought

I yielded to the Senator from Virginia.

Mr. LEWIS. I understand, Mr. President, that I have been recognized, and that I have the floor, but I am pleased to yield to any other Senator who desires it.

Mr. CONNALLY. I thank the Senator.

Mr. LEWIS. I just wanted to keep the record straight, Mr. President.

Mr. CONNALLY. Mr. President, I do not undertake to answer the Senator from Virginia. The Supreme Court has

already answered the Senator from Virginia.

Mr. GLASS. No; the Supreme Court has not answered the Senator from Virginia. The Supreme Court said that what Congress did was a cheat and a repudiation, and then it further said that those who had been cheated and those upon whom repudiation has been practiced, if they undertake to recover what the Government agreed to give them, can go to hell. [Laughter.]

Mr. CONNALLY. Well, Mr. President-

Mr. LEWIS. Mr. President-

The PRESIDENT pro tempore. Does the Senator from Illinois yield to the Senator from Texas?

Mr. LEWIS. I yield to the Senator from Texas for the

Mr. CONNALLY. I have heard the Senator from Virginia debate on this money question repeatedly. I knew that he had very strong convictions, but not until this moment did I know how the very deeps of his nature have been stirred when I heard the language he employed in replying to me a moment ago.

Mr. President, I do not want to prolong this discussion. Permit me to say that I respect the Senator from Virginia and his views. We have fought this question out repeatedly. There is no occasion to go on endlessly from chapter to chapter, because I know that the Senator from Virginia is not going to change. I would not have him change. The Senator from Virginia is that fine, rugged type that when he gets a view he maintains it with courage and with high statesmanship. I am not undertaking to convince him.

When I have any cause I do not like to have, in the opposition army, scalawags and those who flee when the first gun is fired. I like to have men in the front ranks with stubborn tenacity and courage, and that is why, even despite the grief which I suffer because of his differing with the Senator from Texas, I am always proud to see standing in the front ranks the valiant Senator from Virginia.

One other word. The Senator says you cannot go down and get a gold dollar. No. There is a yardstick of measurement out in the Bureau of Standards, a metal bar 36 inches long. It is maintained there under conditions of temperature and light and scientific arrangement in order that that yardstick may be there not for every haberdasher who wants to go out and borrow it and take it down town and measure the length of his customer's breeches or his suits or his dry goods, but that is preserved there as a measurement of vardage.

My friends and Senators, that is what the gold dollar is doing now. It is yonder in the Treasury. It is there to

its word and not swindle people, and not write a lie into | afford a standard of measurement for every citizen who sells a cow or a hog or a chicken, for every man, whether he comes from Virginia or from the West-a standard of measurement.

The Government says, "I have got this gold. It is impressed with a public character. I, the Government, am charged with responsibility to see that every citizen is treated fairly when it comes to the measurement of values. I, the Government, shall keep this money in my vaults, in my Treasury, not in some pawnbroker shop, not down the street in some hoarder's underground pit where he will seek to make a raid on these values by gathering as much as he can of the available gold supplies of the Nation." The Government says, "Under my high responsibility and under my duty to all the people I will keep this gold hoard, not for the speculator, but for all the people in these United States." And as long as the Senator from Virginia is here we all know that no injustice will ever be done to the people of America with regard to the dissipation of that gold hoard, until he has raised his voice in warning and protest. Those of us who respect him and love him will answer his call, and we shall see that just as in the cases before the courts every citizen and every dollar shall stand before the law equal in his rights and equal in the protection and security.

I thank the distinguished and the gracious Senator from Illinois for permitting me to trespass upon his time.

Mr. LEWIS. Mr. President, I yield to the Senator from Vermont, who desires to place something in the RECORD.

Mr. AUSTIN. I now send to the desk Mr. Hoover's statement, which has been referred to in the speech of the Senator from Texas [Mr. Connally], and for which unanimous consent was obtained to be printed in the RECORD at the conclusion of the speech of the Senator from Texas.

The PRESIDENT pro tempore. Permission was previously granted to have the statement printed in the RECORD at this

The statement by Mr. Hoover is as follows:

#### EXHIBIT A

I have now had opportunity to read the Supreme Court decision. Apparently all members of the Court agreed that the Government acted unconstitutionally in repudiation of the covenant on its own bonds.

#### NO REMEDY ANGLE CITED

A majority of the members concluded that the citizen has no remedy. That will have long moral consequences. But whatever the morals of right or wrong of the devaluation may be, the face of the American people must be forward.

The need and the opportunity now is to restore confidence in the field and the opportunity now is to restore confidence in the dollar. All threat, actual or potential, of further devaluation should now be removed. To do this and to give a needed contribution to real recovery the dollar should immediately be made convertible at the present 59 cents of gold, making it payable in gold bullion—the modern method of science payment.

There is no need to wait on foreign nations before we reestablish the gold standard and restore confidence in our currency. They would be bound to follow sometime. They are far more afraid of our doing just this than they are of any American managed currency, at which game they have us at a disadvantage.

#### FIVE REASONS LISTED

There are five compelling reasons for this action:

1. It would put more men to work out of the 12,000,000 who 1. It would put more men to work out of the 12,000,000 who still remain unemployed than any other single action. Unemployment rests today largely in the capital goods or construction industries. These industries are dependent largely upon long-term capital. The people are hesitant to invest their savings and take long-term risks because there is uncertainty in what value they will be repaid.

2. The Government's program of stimulating the capital goods and giving employment through public works can never result in 25 percent of the jobs which can be provided by recovery of normal private capital-goods activities. The otherwise inevitable Budget private capital-goods activities. The otherwise inevitable Budget deficits imply either impoverishing taxation or more devaluation or inflation. A convertible gold currency now would help avoid all these by aiding to restore employment and decrease the need

3. The devaluation which has already taken place has shown and will show in still higher costs of living. It affects every wage and salary earner. Surely a 60-percent cost-of-living increase, already now in prospect, should be enough without further increase beyond that level.

#### BOON TO CREDITORS

4. One of the declared purposes of devaluation was to, in effect, write down debts by increasing prices. Surely the debtors, who include most holders of common stock and equities in real property have secured enough if they get a 41-percent reduction. The creditors, who, in the modern world include every holder of a life-insurance policy, of a savings-bank deposit, a veterans' certificate, and every holder of a bond or a mortgage, deserve some consideration. It would be a boon to these if they were assured through immediate convertibility that they would not suffer any further. It would be a boon to our great endowed universities and hospitals if they knew that this is the end of their deprival.

5. We can get in appearance a false prosperity out of inflation. There is much inflation poison in the national blood through the combined effects of the devaluation, expanded bank deposits through Government borrowing, and the Federal Reserve credit policies. The fever may grow at any time. There is no real recovery on inflation medicine. If the currency were made convertible it would tend to check inflation, replace relief with real employment, and contribute materially to a general recovery.

Mr. LEWIS. Mr. President, in view of the Supreme Court's gold decision, I arise to invite the Senate to a much more important, and, to my viewpoint, of a much more grave significance than that engaging the present discussion between the Senators from Texas and Virginia. I am attracted and my attention greatly arrested by the statement coming from the ex-President, Mr. Hoover, such as we have heard commented upon this morning; but my concern is as to a special feature of the whole matter which I now place open to this honorable body. It is one I feel worthy of the most serious consideration. The distinguished ex-President, sincere no doubt in his expression, seems to have found it agreeable to have written out the declarations uttered by him and so reported, immediately on the afternoon of the morning when the international press informed us that there was a meeting of delegates prepared for, to come from the countries called the "gold bloc", their names cited, the prospective place of meeting designated, those delegates representing Belgium, the Netherlands, Switzerland, aided by those who profess to be mere onlookers from France and

Mr. President, these delegates, if we take the report which will be found this morning from the State Department records and that which we read in the international press, seemed to have the opinion, as expressed by the eminent Senator from Virginia, that the highest court of our country has intimated to them they may take their gold claims to Tophet or some similar locality in any attempt on their part to drag gold from the Treasury of the United States under the pretense of a constitutional right.

The delegates of these lands, spoken of as the "gold bloc", intimate, as reported, they are preparing a proceeding at law to be lodged in some foreign tribunal—I take it they refer to the tribunal called the "International Court"—from which they may obtain some form of judgment which will evade the decision of the Supreme Court of the United States and give to the gold-bloc claimants a ruling to be announced in the international world as against the United States. This anticipated judgment is to compel the United States, in obedience to this undertaking of international nature, to reward their demands and pay them the full hundred cents upon every dollar in gold of every American security and American dollar they may lay hands on as owners or representatives.

Mr. President, I speak for myself, and in the presence of my colleagues I utter this warning if these lands abroad that are on the eve of abandoning for themselves what is called the gold standard and finding some form of a governed dollar, as they speak of it, shall assemble any form of ingenuity for the purpose of harassing the United States, reflecting upon its credit and balancing its honor in uncertainty by initiating such proceedings as have for their purpose the rendering of some judgment by some so-called "international tribunal" against this Republic, discrediting its honor and intimating by such decree that the United States is engaged, with the license of its own Supreme Court, in dishonoring its securities or robbing the holder of its paper. If in such manner as proposed it is assumed to control the full volume of all gold which may be due upon the securities of the industrial or commercial organizations of America or upon the Liberty bonds held abroad, I make bold here and now to say that if such nations and their representatives shall undertake such a course for the purpose either of humiliating our credit or embarrassing

our Treasury while dishonoring this Republic, I would advise as retaliation that the Congress then proceed to pass an act authorizing this Government to attach the income payable from the United States on every security held by any foreign citizen whose nation is a part and parcel of this combination and threatened conspiracy. I would have the law compel credit entered upon the debts of the land which owes the United States either on account of the war debt or the debts due us, incurred since the war.

I call attention, sir, that two of these great governments have already charged this Government with being responsible in the doctrine or what is called in equity, as we lawyers speak of it, subrogated for any bond issued by any of the States of our land, where such is forfeited or declined by the States issuing it.

Only lately as against the State of Mississippi, one of the sovereign States of this Nation, one of the representatives of this threatened bloc has intimated that the Federal Government is responsible for bonds issued by the States, which they say have been repudiated, and that nation or its citizens demand that this Government be held through some appropriate proceedings to be liable for the face value of the securities of the State of Mississippi.

Mr. President, by virtue of the same doctrine of international law which eminent leaders of these foreign lands would advocate and urge at this time. I say they may carry on their threat if it pleases them to undertake it, but when it shall have been attempted I, for one, will urge upon the honorable Congress of our land the passing of such laws as will immediately pay to our United States a portion of the money due and owed by those governments which they have failed to pay, either principal or interest. I would order through a proper law the seizing of every dollar of the gold income that would otherwise go from the securities, commercial and industrial, of the United States or from the Liberty bonds which may be owned by foreign citizens and aliens and apply the full sum to the debt of their country, on the theory of their liability as citizens of such country for money we loaned for their protection and the rescue of their nation at the time it was in peril, both of life or death.

Therefore, sir, I rise at this moment to give an additional voice to that of the eminent Senator from Virginia [Mr. Glass] and the Senator from Texas [Mr. Connally] in the particular theme that has been entered upon for the moment. It is high time that this, my land, turn itself to some proper system looking to the collection of the debts which are due us in the amount of billions of dollars, that we may have enough money to meet the wages as to which we have heard debate day after day here in behalf of the toiler whose interest we are seeking to protect under the measure that is now pending. Also, sir, for the payment of such other sums as will provide what is called the "bonus" or compensation to the soldier now due him and for which he is demanding with tears in his heart.

Mr. THOMAS of Oklahoma. Mr. President— Mr. LEWIS. I yield to my friend from Oklahoma.

Mr. THOMAS of Oklahoma. Is it not a fact that there is not enough actual money today in circulation to pay the amount of the appropriation called for by the measure pending before us?

Mr. LEWIS. If my able friend means money that is used in business and circulated cutside the Treasury and the banks, I have to say "yes"; but if he means other forms of money, that which represents money, I will be compelled to advert to his own excellent declaration that nearly \$8,000,000,000 of gold alone are now in the control of this Republic—sufficient to cover the immediate debts now payable.

Mr. THOMAS of Oklahoma. The record shows that we now have in circulation, theoretically, about \$5,400,000,000. It is also conceded that about \$500,000,000 of that money is in foreign countries—Cuba and other nations of the world. It is also admitted that \$500,000,000 of that money is in circulation in the form of gold certificates, and while technically they are in circulation they are hid; they do not dare to show themselves, because the moment they do they are confiscated and converted. So the fact remains that

there is not enough money in circulation in America to pay the appropriation contained in the joint resolution now pending before us.

I should like to ask one other question: Is it not a fact that there is not enough money in all the banks of America to pay the interest on the outstanding bonds of the United States?

Mr. LEWIS. It may be if all the interest on all the bonds were summoned to a single date that the able Senator is correct in his conclusion; but I rather gather that the payments are made on different periods, in different installments, and are made by such timely divisions as will enable us promptly to honor them.

Mr. THOMAS of Oklahoma. I had reference to the actual interest on the Federal indebtedness.

Mr. LEWIS. I must accept the Senator's statement to be true.

Mr. THOMAS of Oklahoma. The Federal indebtedness at the present time is something like twenty-eight and a half billion dollars, and the indebtedness that we are about to create and the debt we will create by next year will make at the end of next year a total indebtedness resting upon the Government of approximately \$35,000,000,000. At 3 percent the total interest bill would be more than a billion dollars, and tonight there will not be in all the banks of America actual money in excess of \$750,000,000—less than \$1,000,000,000. That is what we are facing today.

\$1,000,000,000. That is what we are facing today.

Mr. LEWIS. And does my able friend from Oklahoma intimate that because of such status, assuming it to be true, we should now move to provide some other form of currency and at once add to the present volume sufficient to meet the demands to which he alludes?

Mr. THOMAS of Oklahoma. Mr. President, in view of the length of time I have occupied upon the floor in sustaining that position, I am surprised at the question. I am just asking if the Senator believes that it is good business to appropriate \$5,000,000,000 when there is not enough money in America to pay the bill? Is it good business to keep on appropriating money at that rate when we have not enough money in all the banks to pay the interest for 1 year, without giving some consideration to putting a little more money in circulation so that the people will have a chance to get it in order to pay their interest and their bonds.

Mr. COUZENS. Mr. President, will the Senator from Illinois yield to me for a moment?

Mr. LEWIS. Let me reply first to the Senator from Oklahoma. Whether I would favor the issuing of more circulation to meet the demands would depend on the form of the circulation, the nature of it, and the quality, as I would see it, in its value. I now yield to the Senator from Michigan.

Mr. COUZENS. The Senator from Oklahoma asked the Senator from Illinois whether the pending joint resolution should be passed in view of the fact that there is not enough money in the United States, and he stated the amount of monetary circulation. I wonder if the Senator would tell us the amount of the checks in circulation?

Mr. THOMAS of Oklahoma. Does the Senator mean good checks or bad checks, or both?

Mr. COUZENS. I am only referring to good checks, because it is against the law to issue bad checks.

Mr. THOMAS of Oklahoma. This Nation is being financed today by bad checks.

Mr. COUZENS. The Senator says it is?

Mr. THOMAS of Oklahoma. It is. A check is written and comes in for payment, and the Government then writes a larger check to take up the one coming in and to provide a little more time to meet the next one. This Nation today is being financed by a system of "kiting" checks, and every one is bad, because none of them can be paid and they are not being paid.

Mr. COUZENS. I think, then, the Democratic Department of Justice ought to indict someone for issuing fake checks, because that is against the Federal law.

Mr. GLASS. Mr. President, is it not a fact that the banks of this country own nearly \$16,000,000,000 of United States bonds, upon which they may borrow at any time through the

Federal Reserve banks their credit and their notes, if there were business demands sufficient to warrant the issuance of credit and notes?

Mr. COUZENS. That is quite correct, and that is why I was trying to get the Senator from Oklahoma to say that the volume of business in the United States is not affected in any sense by the circulation of money, as he describes it.

Mr. GLASS. No; because 92 percent of the business of the country is done by check, as the Senator from Michigan knows.

Mr. LEWIS. Of course, Mr. President, it was not my intent to launch myself upon the general discussion touching the value of money based on metals or its expansion. It is evident to all that much of the value of our money depends on credit at this time; but there is no necessity for me to enter upon that subject under the theme I entered this discussion.

I have expressed the object of my rising. I still insist that it is timely for us to consider something of the collection of these foreign debts now due us, and particularly so in the face of the threats on the part of those who are interested in embarrassing us if we shall not pay, as they have it, immediately dollar for dollar for their securities in immediate gold. I have presented the thoughts such as I wanted to express as a proper retaliation for those who shall assume to humiliate this land in that way. I am seeking that our country shall at the appropriate time take such course as becomes a free and independent land. We truly must confess our situation, not as one of fate but in the caustic confession—

The fault, dear Brutus, is not in our stars, But in ourselves, that we are underlings.

Mr. GLASS. Mr. President, I wish to make one observation, and that is to express wonder at what our foreign debtors will think of the measure of our sincerity in reproaching them for repudiating their indebtedness to us when the Congress itself has repudiated the most sacred indebtedness that any nation on earth ever incurred—the indebtedness which was incurred with which to fight the last World War.

Mr. THOMAS of Oklahoma. Mr. President, may I make just one further statement. I was not here, unfortunately, when the World War was fought, but if my recollection of history serves me correctly, during that war, in financing it, we issued something like \$26,000,000,000 of gold bonds. The Congress and the agents of the Government had printed and made promises to pay \$26,000,000,000 of gold in the redemption of those bonds. The agents of the Government at that time must have known that there was not half that much gold in the entire world.

The statement was made a while ago that some of our money bears an inscription that will not bear the closest scrutiny. I agree; but it occurs to me, as to the responsibility for the issuing of \$26,000,000,000 of bonds, each bond carrying a promise to pay gold, that the responsible authorities ought to have known there was not half that much monetary gold in all the world; and they must have known the time would come, sooner or later, when this promise would turn out to be exactly as the Senator from Virginia [Mr. Glass] has described it in connection with the bill which he exhibited to the Senate a few moments ago.

Mr. GLASS. Mr. President, of course, when the Government incurred a bonded indebtedness of \$26,000,000,000 with which to fight the war it was done upon the established theory our banking experience of 150 years had taught us that less than 5 percent of a gold-redemption fund was required to redeem gold bonds and currency. No sane person ever imagined that all of those bonds would become due at the same time or that they would not be refunded into other bonds at a differing rate of interest whenever they should become due. Therefore, the plea that there was not gold enough in the world to meet all of those bonds at one time is, I say, without offense to any Senator, to me quite fanciful.

Not only that, but I invite attention to the fact that at the time those bonds were issued promising payment in gold we

repudiated the promise.

Mr. COUZENS. Mr. President, can the Senator from Virginia see any difference between what the Wilson administration did in selling gold short and what Andy Mellon did in selling stocks short?

Mr. GLASS. Oh, yes; I can see a vast difference.

Mr. GORE. Mr. President, I desire to propound a question to the Senator from Virginia. A good deal has been heard about the incapacity of the Government and debtors in this country to pay their gold obligations because there is not sufficient gold to go around. I do not know a great deal about this subject, but, so far as the debt-paying power of the dollar is concerned, I do not look upon a gold dollar or any other dollar as simply a cartridge to be fired and then cast aside. Here is the question I desire to submit to the Senator from Virginia:

In the United States today there is indebtedness of various kinds, public and private, interest-bearing and non-interestbearing, aggregating about \$250,000,000,000. We have in circulation today, in all forms, money amounting to about \$5,500,000,000, or a little less. Does it follow that we can never pay this \$250,000,000,000 at all because we have only \$5,500,000,000 in money? Are not the two propositions parallel? If we cannot pay \$100,000,000,000 of gold debts because we have only \$5,000,000,000 in gold, does it not follow that if we owe \$250,000,000,000 of debts payable in currency we can never pay that currency debt because we have not enough currency to discharge the obligation-not enough currency to go around?

Mr. GLASS. Of course, the propositions are twins. The Senator knows that to be so.

Mr. GORE. I should like to make one other observation. It is an old story but illustrates the point.

It is the story of the clown in the circus. There were 19 other men standing with the clown and forming a ring. The clown happened to find in his pocket a silver dollar, such as this [exhibiting]. He turned to the man on his left and said, "I owe you \$2. I find I have a dollar I did not know I had, and I will pay you half of the debt that I owe The man to his left said the same thing to the man on his left, and it went around until the man on the right of the clown said the same thing to the clown and paid him half of his debt with the silver dollar.

The clown casually dropped it in his pocket. A moment later he happened to rediscover the dollar in his pocket, turned to the man on his left, and said, "By the way, I have a dollar I did not know I had. I am going to pay you off in full, pay you all I owe you", which he did. The man on his left said that same thing to the man on his left, and it went on around the ring until the man on the clown's right said to him, "I am going to pay you off in full." He did so by handing him the silver dollar. Thus \$40 of debt had been paid in a few minutes with only one "dishonored" silver dollar. [Laughter.] "Thus runs the world away."

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House insisted upon its amendment to the bill (S. 1190) to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. COLE of Maryland, Mr. Pettengill, Mr. Kelly, Mr. Mapes, and Mr. Wolverton were appointed managers on the part of the House at the conference.

#### ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the joint resolution (S. J. Res. 49) authorizing the use of public parks, reservations, and other public spaces in the District of Columbia; and the use of tents, cots, hospital appliances, flags, and other decorations, property of the United States, by Washington (D. C.) 1935

did not have half as much gold as we have now when we have | Shrine Committee, Inc., and for other purposes, and it was signed by the President pro tempore.

#### WORK-RELIEF PROGRAM

The Senate resumed the consideration of the joint resolution (H. J. Res. 117) making appropriations for relief purposes.

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from Nevada [Mr. Mc-CARRAN] in the nature of a substitute for the amendment of the committee.

Mr. HALE. Mr. President, in the remarks I am about to make I have tried to achieve a certain continuity. I hope Senators will not interrupt me until I shall have completed what I have to say.

Whatever any of us may feel about the merits of House Joint Resolution 117, no one can question that it is of real importance to the American people that legislation covering an expenditure of nearly \$5,000,000,000 should be carefully and wisely framed.

Unemployment is very wide-spread in our country, and it is not in any way out of order for the Chief Executive of the country to ask of the Congress legislation to remedy the situation, nor is it out of order for him to suggest the form of the remedy as he has done in the joint resolution, which comes to us in practically the form that it was introduced in the House of Representatives by the administration. Neither is it in any way out of order for us in every way possible to seek light on the measure and to amend it according to our wisdom.

The House Committee on Appropriations held a short hearing on the measure, and whatever information was therein elicited is available to the Senate.

The Senate Committee on Appropriations has been in session for more than 2 weeks examining persons connected with the framing of the resolution and various emergency and public-works administrators and considering the joint resolution. About all that we have been definitely able to bring out is that the intent of the joint resolution is to put to work, on an entirely indefinite public-works program, 3,500,000 of the five-million-odd individuals now on the relief rolls and receiving either direct or work relief from the F. E. R. A.

The intention of the joint resolution as introduced in the House is to pay these individuals an average of \$50 a month, a sum greater than they are now receiving from the relief agencies but not equal to the wages in effect in private industry.

The Appropriations Committee of the Senate has amended the joint resolution by adopting the Russell amendment, which provides that whenever the wage provided by the Government leads to a reduction of the wage scale of industry in any locality, the wage shall be brought up to that of industry.

The President is to have full discretion to decide upon the projects to be undertaken and generally to administer the fund through such agencies as he may see fit to set up; and penalties are provided for failure to comply with the rules and regulations that he or his subordinate agencies may set up.

The fund provided for carrying out the joint resolution includes a direct appropriation of \$4,000,000,000, which is to be used for the aforesaid purposes, and \$880,000,000 transferred from balances of appropriations already made and existing funds in the hands of the Government. It is estimated that \$130,000,000 of this \$880,000,000 will be used to carry on the work of the C. C. C. until June 30 of the present year and \$750,000,000 to meet the requirements of the F. E. R. A. until the 3,500,000 persons on relief are transferred over to the work relief provided for in the joint

The entire appropriation of \$4,880,000,000 is to be administered as one fund, and no limitations are placed on the amount that may be used for direct relief or work relief.

The Appropriations Committee has reported certain changes in the House joint resolution which I think are beneficial, but in general the purport of the measure remains unchanged.

Whatever one may think of the policies of the present administration which have led up to the present system of relief to the unemployed, every one will admit that Federal relief could not be shut off in its entirety at the present time without involving untold hardships to a large number of people in the country. I think it is generally conceded by humane people all over the country that people must not and shall not be permitted to starve or suffer from exposure, and that if other formerly accepted agencies cannot thus care for the unemployed the Federal Government must step in. At this moment the Federal Government is in and for some time to come it probably will continue to be in.

I do not regard the pending measure as a party issue. Relief of some kind has to be provided. I shall try to set forth briefly some of the reasons why I personally do not believe the joint resolution in its present form to be wise legislation.

The constitutional objections to the measure I shall not go into. I am not enough of a constitutional lawyer to make my opinion, one way or the other, of value. The abdication by the Congress of its right and duty to determine the manner in which such enormous sums of money shall be spent, and the delegating of vast powers to the President, I deplore; but that point of view has already been demonstrated by Senators on both sides of the Chamber, and in general I am in accord with their views.

What I do object to, and what will cause me to vote against the measure unless the Senate shall see fit to amend it is the proposition to spend \$4,000,000,000 for work relief to keep up the morale of the 3,500,000 unemployed when for a fourth of that amount of direct relief, or less, we could easily carry them through the coming year. Whether a man who is out of work receives direct relief from the Government or is given a job by the Government on work that the Government does not need to have done and certainly cannot afford to have done, he is in both cases receiving a dole from his Government: and the delicate discrimination between the two kinds of dole does not warrant the strain to the credit of the country that the borrowing of \$3,000,-000,000 will inevitably bring about at this time.

Neither is it a benefit to the future of our people to build up the feeling that the Government owes a Government job to all of its unemployed citizens. It never has had that duty, and it can never assume such an obligation for the future with any possibility of carrying it out unless the Government also is given the right to regulate the birth rate in the country-a form of Government meddling that I do not believe even the new deal would stand for.

The assumption by the Government of the obligation to furnish jobs to its unemployed citizens means that in the future, whenever bad times come and people lose their jobs, the Government, instead of retrenching on its expenditures, must take just the opposite course; and at just the time when it ought to economize to meet its decreased revenues, at just the time when its credit is most under a strain, it must further weaken that credit by borrowing large sums of money to give unnecessary jobs to its unemployed.

It is argued and constantly asserted by the proponents of this measure that turning loose on the country \$4,000,000,000 of wages will cause industry to revive, and that in this way the depression will be brought to an end.

We have already spent on work relief, including the publicworks expenditures, the C. C. C., and the C. W. A., nearly \$3,000,000,000. I cannot see that the depression is in any way being brought to a close when the number of unemployed, instead of decreasing, is increasing or at least holding its own, and the relief rolls, instead of decreasing, are increasing.

The scant wages of \$50 a month contemplated in this measure give to the recipient twice what he gets under direct relief. He will use it, in all probability, to purchase for himself and his dependents somewhat better food and better clothing than the recipients under direct relief. The benefits which a few industries which furnish those necessities will | ing again as they turned before.

receive will not bring general prosperity to the country. What we need, if we are to get back to prosperity, is to start up again the thousand and one industries, large and small, that cater to the wants of the prosperous, and thereby give work all over the country to people who are now out of work, because the formerly prosperous cannot, with their diminishing incomes, afford to buy.

The farmers of the country, the laborers, the clerks, when the country is prosperous, spend their money on more than the bare necessities of life; but, after all, their spendings on luxuries cover very few of the vast number of businesses that go to make up industry in this country. Only when all classes are spending can we have any real prosperity.

Public-works plans for purposes similar to those contemplated in this joint resolution have been tried in other countries. Great Britain has made the experiment and has given it up. Her reply to the recent questionnaire of the League of Nations as to the value of public-works programs was as

The experiment of large public works as a method of dealing with unemployment has been tried and has failed, and it is not intended to repeat it. The expansion of normal activity will most surely and rapidly be brought about by the creation of confidence, particularly by a balanced budget, the lowering of the rate of interest, and facilities for the removal of hindrances to trade.

With the British point of view, as expressed in this reply to the League of Nations, I thoroughly agree.

We have already spent on work relief more than \$2,800,-000,000; and, as I have said, I cannot see many signs of business revival.

Lack of business confidence is what ails America, and great and expensive building programs, which must necessarily add to the national debt, which weaken our credit, and which must in some way be paid for by increased taxation, are not conducive to building up business confidence.

No country can have prosperity unless its owners of capital see a chance to profit by the investment of their capital, and its business men and women see a chance profitably to conduct their business.

Since the panic of 1929 it has been the fashion to run down big business and the confidence of the people in the judgment and integrity of the managers of industry has been deliberately broken down. This feeling has now spread to such an extent that all successful business men are looked on with suspicion.

Without doubt, big business has in the past done shady things, and certain improper and indefensible acts have been proven against some of the heads of industry in the United States; but that the bulk of the business men of this country are corrupt or even unfair in their methods has not been proved, and-the new deal to the contrary notwithstanding-will not be proved, because it is not a fact.

American business men, many of whom have sprung from the ranks of industry, through the generations have built up the commercial strength of the United States and are largely responsible for developing our national resources and for making us the richest and greatest country in the world. Without their aid and their guidance and their achievements the United States never could have occupied the position that she now occupies as the foremost commercial nation in the world.

It is a serious matter to break down the faith of the people in their men of business. In every community, large or small, these men are the solid, influential citizens who lead their fellow citizens and largely determine community sentiment. Shatter that faith throughout the country and the backbone of the country is broken. The demagog-and there are plenty of them in every community-comes into his own and is quick to take the opportunity to get in his destructive work. That is precisely what we are facing in this country.

If, as a result of the world-wide depression which culminated in the panic of 1929, the wheels of industry have slowed down and are threatening to stop altogether, the business men of the country and not the legislators of the country are the only ones who can start those wheels turnYou can turn loose on the country your doles, your work relief, your pensions, your bonuses, all the gifts that the people have been told will put money in circulation and bring back better times, and you will get no prosperity unless the business of the country feels that it can go ahead on a sound financial basis and make adequate profits on its investment.

Panics we have had before. We have worked out of them because our people have had confidence in their country. Where is that confidence now?

In the past few years I do not recall hearing anyone boast of being an American, boast of the freedom enjoyed in the country, boast of our resources, our wealth, our standard of living and our achievements, boast of our honor and our keeping of faith.

I recall very well the League of Nations fight in the Senate in 1920 when the Senate decided that we could not accept article 10 of the treaty, which obligated us to go to war under certain conditions, because if we did so, no matter what other nations might do under the obligations of this article, the United States, at whatever cost, would live up to its given word. We have not seen much of this spirit of late.

Constantly we hear the words, "We must never go back to what we had before." And yet, a few years ago, as a Nation, we were the envy of the civilized world, and we were proud of that distinction.

We were proud that we had more automobiles than any other nation in the world, more radios, more miles of railroad, more telephones, more of almost all the material things used in modern civilization. We were perhaps somewhat blatant over our prosperity, but back of it all there was a real pride in our country, its form of government, and its achievements, and there was something fine in that pride.

The panic of 1929 itself was due as much as anything else to our pride and our confidence—which in this case was overconfidence—in our ability to handle the overproduction which the late 1920's saw in this country.

In those days we believed in our captains of industry. We overestimated their capacity to pull us out of an inevitable, oncoming economic disaster.

We speculated madly in the stocks of industry and we invested in the bonds of industry because we thought that our supercaptains could somehow pull us through. We had confidence, too much confidence, and necessarily we paid for it.

Now the pendulum has swung the other way. We have no confidence at all, and this is worse than overconfidence.

If, at the present time, we had in us a little of the spirit of confidence of 1925–28 we would soon get out of the depression in which we find ourselves.

I think that everyone in the country, with the exception of those who want to try out new theories of government, would like to see prosperity come back to us.

Even in the days of our greatest prosperity, when everything was going well in the land, there were people who insisted that everything was going wrong, and that their own panaceas were the pathway to the millenium.

It is unfortunate that these people should be allowed to use the depression to foster the trying out of their ideas on the American people. For the past 2 years these people have had a chance that no gang of innovationists and reformers in the history of the world has ever had before to experiment almost ad libitum on the richest and greatest country the world has ever seen. They are the ones who are crying that we must never go back to what we had before. This is their opportunity. They well know that with the return of prosperity they go back into the discard.

Their experiments have cost the country a vast sum of money, and up to date I think I may say that nearly every one of their experiments has failed to do what it was intended to do, and has proved just so much of a set-back to returning prosperity.

Furthermore, I am sorry to say that certain other classes of people, not as visionary, not as impracticable as those to whom I have alluded, have also used the depression and are using it now to better the status of their own particular class.

The soldiers of the country think that this is the time for the Government to pay the adjusted-service certificates. The aged of the country and the people who have to support them think that this is the time to provide old-age insurance. The workers think that they need unemployment insurance. Labor calls for short hours and no cutting down of wages, and so forth, and so forth.

All of these calls, worthy as they may be in themselves, are just so much of a setback at this time to any return to prosperity. Only in times of prosperity could the business of the country and the Government of the country ever hope to pay the bills for these largesses to the people.

The business of the country, which can barely stagger along under the existing load, can certainly never carry on with the added burdens which it must earn the money to pay, and unless it does earn the money to pay, we may put all the legislation on the statute books that can be enacted, but the benefits will not accrue.

Of what advantage will it be to the veterans of the country to get the payment of their adjusted-service certificates, to the old people of the country to get their old-age pensions, to the workers of the country to get their unemployment insurance, to labor to get its shorter hours and high pay, if the result of all of these raids on the Treasury is going to mean the breaking down of the credit of the United States, the rapid reduction of the value of the dollar, and the further shutting down of the business of the country?

We are too good a country to allow ourselves to crash. Most of us are pretty good Americans. In times like these we ought all to get together for America, forget our own particular hobbies, and all pull together to get our country back to the normal, safe, and generally profitable condition in which for so many years we have taken pride.

Great lessons we have learned from the depression. Lawless business methods we will not condone, and by legislation we will stop them. More Government supervision where manifest evils have developed we shall undoubtedly need. But one thing we have happily not learned, and that is that we can afford to kill the goose that lays the golden egg— American business.

The problem of the Government does not greatly differ from the problem of the individual head of a family in this period of depression. Like the Government, the head of a family must figure how he and those dependent on him are going to pull through. His business, like that of the Government, is languishing, his credit at the bank is strained. What does he do? Does he decide that now is the time for him further to strain his credit at the bank by borrowing further sums of money, if he is able to do so, to fix up his home and install modern improvements which will make him more comfortable, but will not bring him in any added income; that now is the time to settle an annuity on his wife's mother who lives at his home; to set aside a further sum of money to take care of his help in case they lose their jobs, and to cut down the hours of work of his employees with no decrease in their pay? He does not. He uses his every resource to bolster up his credit with his bank. He takes in his belt a hole or two. He economizes in every way that he can, and he hangs on with his toes and his teeth until times get better. He expects full team work on the part of his family to help him hang on. This is not a bad program for our Government to follow.

I believe that we have reached the point in Government expenditures where the credit of the Government demands the utmost economy in our appropriations; that as far as possible appropriations should be limited to what will enable us to function efficiently as a government, and furnish food and shelter to such of our unemployed as it may be found impossible to care for through State or local agencies.

The figures show that the F. E. R. A. is taking care of direct relief of the unemployed at an average expense of \$25 a month. The administration security wage plan would cost an average of \$50 a month for wages and an additional amount of nearly \$50 a month per individual for materials, or substantially \$100 a month for work relief.

The Russell amendment allowing the security wage in localities where it did not result in the lowering of the wage

scale would in any event cost as much as the administration's plan and an additional amount to cover cases where the higher wage scales were adopted.

The McCarran amendment would involve additional cost for every amount per hour that the average under the wage scale exceeded the 40-cent average of the administration plan. Taking the figures of Mr. Gill, an expert in the F. E. R. A., the additional cost under the McCarran amendment would be something over \$2,000,000,000. This estimate is based on an average wage scale of 80 cents an hour. That average Mr. Gill himself stated was in all probability higher than was warranted, but he also stated that he did not believe that it could be kept below 70 cents an hour. An average of 60 cents an hour would involve an increase of \$1,000,000,000.

The proponents of the amendment argue that the same number of men could be employed as under the administration plan by working less hours, and the projects could be planned to come within the four billions provided in the joint resolution. The fact remains that for every dollar of material required for the completion of any project a certain number of work-hours are necessary for utilization of that material.

At an average labor cost of 40 cents an hour and a 30-hour week, the cost of labor and material are substantially equal. Any raise in the labor cost per hour above 40 cents, to meet which the number of hours of labor per week must be cut down, must involve either the employment of more men per week or the use of less material per week, which would mean the prolonging of the work on projects at additional expense.

I prefer the Russell amendment to the McCarran amendment because I believe it to be more economical. I prefer the administration plan to the Russell plan for the same reason. I prefer the Adams amendment to the administration plan because it cuts off \$2,000,000,000 from the appropriation in the joint resolution, and I would cheerfully vote to cut down the Adams amendment another billion and limit the expenditures by the President to direct relief.

The PRESIDING OFFICER (Mr. Thomas of Utah in the chair). The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. McCarran].

Mr. McNARY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Costigan	King	Pope
Ashurst	Couzens	La Follette	Radcliffe
Austin	Cutting	Lewis	Reynolds
Bachman	Davis	Logan	Robinson
Bailey	Dickinson	Lonergan	Russell
Bankhead	Dieterich	Long	Schall
Barbour	Donahey	McAdoo	Schwellenbach
Bilbo	Duffy	McCarran	Sheppard
Black	Fletcher	McGill	Shipstead
Bone	Frazier	McKellar	Smith
Borah	George	McNary	Steiwer
Brown	Gerry	Maloney	Thomas, Okla.
Bulkley	Gibson	Metcalf	Thomas, Utah
Bulow	Glass	Minton	Townsend
Burke	Gore	Moore	Trammell
Byrd	Guffey	Murphy	Truman
Byrnes	Hale	Murray	Tydings
Capper	Harrison	Neely	Vandenberg
Caraway	Hastings	Norbeck	Van Nuys
Carey	Hatch	Norris	Wagner
Clark	Hayden	Nye	Walsh
Connally	Johnson	O'Mahoney	Wheeler
Coolidge	Keyes	Pittman	White
Coomage	rreles	Tioningii	AA TITLE

Mr. LEWIS. I announce that the junior Senator from Louisiana [Mr. Overton] is detained on account of illness, that the Senator from New York [Mr. COPELAND] is detained on account of illness in his family, and that the Senator from Kentucky [Mr. Barkley] is necessarily detained from the Senate.

The PRESIDING OFFICER (Mr. ADAMS in the chair). Ninety-two Senators have answered to their names. A quorum is present.

Mr. DICKINSON. Mr. President, in my judgment, the pending joint resolution is even broader in its terms than the previous authority which has been delegated to the Executive to carry on the public-works program or any of the other relief programs that have been heretofore authorized.

A reading of the joint resolution, it seems to me, demonstrates that it conveys all the authority which was previously conveyed in the authorization for the \$3,300,000,000 works program and also for the relief program which was authorized by the previous Congress.

Regardless of this authorization to the Executive, all efforts to earmark any of the funds proposed to be appropriated by the joint resolution failed. Furthermore, it was absolutely impossible for us to get any information as to how these funds were going to be used or what specific amounts were going to be used for certain projects. I wish to recite a little of the testimony with reference to the efforts made on the part of the Appropriations Committee of the Senate to obtain this information.

I find this question was asked on page 51 of the hearings:

Now, someone ought to have the information as to how much additional funds can be spent on rivers and harbors, and what I am trying to find out is whether you can tell us, and if not, can you give us the names of persons who can tell us what the possibilities are?

Admiral Proples. In reply to that, Senator, the Corps of Engineers of the Army have a program for the improvement of rivers and harbors and flood control aggregating in all about \$8,000,000,000.

In other words, we find that they suggested these large amounts with no showing whatever whether or not any of the money could be used for the specific projects, no detail as to how much could be used, and a general statement that the whole matter was up to the disposition of the President.

I find on page 52 of the hearings that the chairman, the Senator from Virginia [Mr. GLASS] presiding, said:

I think undoubtedly we can save time if we ask the admiral to furnish the committee with the estimates upon which the drafters of this bill arrived at the \$4,880,000,000 is to be expended.

Admiral Peoples later said, on the same page:

I would say that the President himself emphasized the necessity for a lump-sum appropriation, pointing out the physical impossibility of surveying, weighing, and testing each and every project at this time. He indicated also that a substantial portion of the appropriation would be used for the objectives suggested in the report of the National Resources Board.

On page 53 I find the following:

Senator Dickinson. It seems to me that you could do this, You could call the heads of the bureaus together to a central bureau, and ask them to give you the information. Every bureau can pick out projects that they would like to see go through and that they are prepared to handle to take care of emergencies, and to take care of labor.

In response to the demand of the committee, Admiral Peoples did bring back a list of projects involving a potential outlay of some \$32,000,000,000, but he did not segregate or break down any of the projects and tell how much could be used on any one of them. That list is found on page 60 of the hearings. Admiral Peoples there says:

As a result of our studies, after investigation of types of projects before the Public Works Administration, the Emergency Relief Administration, and other organizations, we can furnish what I should call a reservoir of desirable projects from which the President may make allocations to furnish jobs, at the compensation indicated, to the number of people drawing direct relief. For the information of the committee, I set forth this list:

Slum clearance and urban housing, the approximate reservoir from which to draw, probably \$6,000,000,000.

Rural housing, about \$2,000,000,000.

Rural highways, \$5,000,000,000.

Rural electrification, \$300,000,000.

Rural electrification, \$300,000,000. Reforestation, submarginal lands, \$850,000,000. Soil erosion, \$300,000,000.

Special Federal projects, \$180,000,000.

Community sanitation and health control, \$125,000,000.

Non-Federal projects, \$7,500,000,000.

Rivers and harbors, and so forth, about \$8,000,000,000.

Stream pollution, \$380,000,000.

Making an approximate grand total of over \$32,000,000,000.

That is about all the information the committee had as to the various projects on which this tremendous sum can be used or will be used. The question was then asked:

Senator Dickinson. What we should like to know is, What is the amount that can be spent promptly in putting people to work on the various projects that are now available? Senator Hale. Break it down.

Senator Dickinson. Break it down, so that we will know "where we are at."

Admiral Peoples replied:

Senator, there have been no lists of any approved individual projects predetermined, or which can be predicted in advance.

Senator Dickinson. But can we not have some idea as to the possibilities in these various projects?

Admiral Peoples. Take, for illustration, any community like, say, Atlanta: The regional director there would submit a list of desirable projects to put the unemployed in that city to work. His list might be \$40,000,000. Each of the projects that he lists will then have to be carefully surveyed and weighed and determined. Some of them be \$40,000,000. Each of the projects that he lists will then have to be carefully surveyed and weighed and determined. Some of them may be slum-clearance projects. There might be items of grade crossings there. Some of them may be sanitation items, and so forth. If that list runs the gantlet of inspection and critical analysis, the specific projects approved might be cut down to \$20,000,000. Say there are only 20,000 unemployed there. In that case \$20,000,000 would be enough.

Senator Dickinson. Is not this more or less a continuation of the program we have had under the Public Works Administration, wherein you spent \$3,000,000,000 during the past year?

Admiral Peoples. Many of the projects to be selected would be

of the same kind; yes, sir.

Senator Dickinson. Have they not been making surveys, and have they not had boards in various States making these surveys of the possible improvements in the different States, and are not their reports on file?

Admiral Peoples. I know that the Public Works Administration have received requests amounting to the figure they gave me of

\$2,000,000,000.

This is a confession, in my judgment, that we are continuing the same program we have had under the Public Works Administrator. I do not believe the success achieved under the Public Works Administrator warrants us in making an appropriation of \$4,000,000,000. My reasons for so suggesting is, in the first place, that they have not been able to put people to work in the number that is necessary if we are going to relieve the country of the unemployment situation that now exists.

I find in the House RECORD of January 24 last that Representative Luplow, of Indiana, said:

When I asked recently how many persons had been put to work as the result of the \$3,300,000,000 former public-works program, the personnel director of the Public Works Administration gave the number as less than 900,000. At this rate, it would require an expenditure of \$44,000,000,000 to give temporary synthetic employment to 11,000,000 people now out of work. This, in my judgment, shows the absolute futility and utter hopelessness of the public-works program as a means of solid national recovery.

I find upon reading the Treasury statement of today that has just been brought to my desk-

Mr. KING. Mr. President

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DICKINSON. I yield.

Mr. KING. I should like to ask the Senator whether the only testimony which was before the committee warranting any appropriation for public works or relief was that of Admiral Peoples, and if there was additional testimony, from whom did it emanate, and, generally and in concise form, what did it demonstrate?

Mr. DICKINSON. The only additional testimony the committee had was that of the Budget Director, and that went largely to the matter of the authorship of the joint resolution and what was within its scope. I think that developed the thought that the whole \$4,880,000,000 could be used either for direct relief or for work relief just as ordered by the Executive.

Mr. KING. Will the Senator permit another interruption? Mr. DICKINSON. Certainly.

Mr. KING. Was there anything to indicate whether any part of this stupendous sum may be used for military purposes, such as the building of airplanes and airships and naval craft or the construction of additional fortifications?

Mr. DICKINSON. There was no indication of that kind. The first indication of that kind I have seen was brought to my attention when House bill 5913 was reported to the House of Representatives, that bill being the appropriation bill for the War Department. If the Senator will turn to page 10 of that bill, he will find the following words, beginning at line 12-

Mr. KING. Is the Senator reading from the bill itself?

Mr. DICKINSON. I am reading from House bill 5913, being the Army appropriation bill as reported to the House of Representatives. It is my hope, I will say to the Senator from Utah, that the provision I am about to read will be stricken from the bill in the House. I have faith in the House that they will not permit this bill to pass in the form in which it was reported to the body.

Mr. KING. I should like to ask one other question: Is there anything in the measure which is now under consideration, the joint resolution before us, which would prohibit the

use of these funds for military or naval purposes?

Mr. DICKINSON. There is absolutely nothing of that kind. It is subject to the discretion of the Executive. In view of the fact that this subject has been brought up. I wish to refer now to the joint resolution and to suggest that it is drawn in such broad terms that the money to be appropriated may be used for practically any purpose within the mind of the Chief Executive.

Yesterday my attention was called to the provisions of the appropriation bill to which I have referred, being House bill 5913, as it was reported to the House of Representatives. Beginning in line 12, page 10, I read the following:

Pay of enlisted men of the line and staff, not including the Philippine Scouts, \$51,069,333, together with such additional sums as may be necessary under this and other appropriations contained in this act to defray the cost of increasing, at the discretion of the President and in such increments as he may deem necessary from time to time, the enlisted strength of the Regular Army from an average of 118,750 to an average of 165,000 enlisted men.

That provision would indicate to me that it is proposed to grant a blanket authority to increase the Army by some 50,000 men and to pay for the enlisted personnel out of the relief funds appropriated by the pending measure before the Senate, not provided for in the appropriation act but provided for from the appropriations in the pending relief measure, House Joint Resolution 117, which we are now considering and which is before the Senate. That provision, I hope, will be changed, for the reason that it grants too broad an authority to be left in an appropriation bill if the House of Representatives and the Senate are to retain any control whatsoever over the purse strings of the Nation.

I have another reason for thinking that this sum is too large. I am one of those who voted for the Adams amendment to cut the appropriation down to \$1,880,000,000. I now stand ready to vote for any amount the administration may say is necessary in order to provide all the additional funds which may be necessary to carry on the relief program of the administration. I believe that there could be many economies practiced in the relief program, but I do not believe the Government of the United States can afford to take the stand that we are going to permit people in the United States really to be hungry. On the other hand, I do not believe, in view of the experience we have had with the \$3,000,000,000 public-works program, that it is possible for the administration to use within the limit of 1 year the amount of money for which they are asking in the pending joint resolution.

If it cannot be used within the limit of a year, and we are going to be in session. I hope, a year from now, why should not we appropriate the necessary amount to carry on for 12 months, and then reconsider the matter next year and appropriate such amount as may be necessary to meet the situation existing at that time?

If we will turn to the Treasury statement which came to our desks this morning, dated February 18, and look at page 4, where will be found the emergency program of the Public Works Administration, we will find still in the Treasury of the United States \$1,506,000,000 of the moneys heretofore appropriated for the public-works program for the purpose of relieving distress. We all know we cannot relieve distress by leaving the money in the Treasury of the United States. Yet, with all the projects, the most favorable ones which were reported, we find the administration has not been able to put to work the number of people expected. On the other hand, they have not been able to spend in a judicious way the money that has been given them.

Secretary Ickes testified before the committee that they had not accepted a single, solitary new application since February 28, 1934. That gives some idea of how long it has taken the administration really to put people to work when they had the authority to do it and when they had the money in the Treasury with which to pay the bills. It gives some idea of the impracticability of the President's program as it is now being presented.

Here I should like to read into the Record a paragraph or two from the column headed "The great game of politics", by Frank R. Kent, which appears in the Baltimore Sun of today. It is headed "No information yet", and is dated Washington, February 20, and reads:

The striking thing about the pending \$5,000,000,000 work-relief bill continues to be the cloak of mystery with which the plans for the expenditure of this vast sum are enshrouded. After weeks of effort neither the Senate, the House, nor the press has been able to get anything other than the vaguest and most

cloudy outline.

Actually, there really isn't any mystery about it. Nor is it sheer perverseness upon the part of the administration. The quite obvious reason for the cloak is that there are no plans of a concrete nature. This is another one of those planless plans, recently referred to by a distinguished interpreter of the new deal who occasionally becomes skeptical of the outcome.

The pleasant habit of this administration is to launch the experiment first and then invent the method of conducting it.

In this instance, not only the plans for spending the money but the man to direct the spending has not been disclosed. Many believe the second is as nebulous as the first.

Quoting further, Mr. Kent says, referring to General Wood, who is the head of Sears, Roebuck & Co., of Chicago:

Whether General Wood knows that he is to be window dressing and is consciously willing to lend his aid in that way, there is no means of knowing. His record shows a very full and useful life without any apparent touch with politics. It may easily be, therefore, that he is misled as to the true character of advisory boards, particularly advisory boards in this administration. If that is so, almost any posted observer in this vicinity can tell him that advisory boards, consumers' councils, and emergency commissions are not taken seriously save by the completely unsophisticated.

The truth is that of all the various kinds of bunk which char-

The truth is that of all the various kinds of bunk which characterize the new deal, consumers' councils and advisory boards are the sheerest and most complete. Membership on them is the most futile form of political existence, and no practical man worth his salt can tolerate them for any length of time.

There still are plenty of people who regard consumers' councils and advisory boards seriously, but there are none such in the United States Senate. There the curiosity about who will be the directing head and how the money is to be spent continues unabated and unsatisfied bated and unsatisfied.

That, in my judgment, shows some of the uncertainties with which the full program is surrounded.

Next I want to call attention to the fact that the workrelief program has not relieved. From the United States Daily of February 11 I quote as follows:

Total public relief expenditures for the last 8 months of 1934,

Total public relief expenditures for last 6 months of 1933, \$373,198,500.

Persons on relief January 1, 1935, 19,870,000.
Persons on relief January 1, 1934, including C. W. A., 15,090,000.

That shows that, notwithstanding the expenditure of funds and the authorizations allowed, we have not been able to cope with and meet the problem which has been facing us.

Next I invite attention to the fact that the relief program which has heretofore been carried on has led the Government into various fields where it should not be. From section 2 (a) of the National Industrial Recovery Act, I

To effectuate the policy of this title, the President is hereby authorized to establish such agencies

And so forth. Section 201 (a), under title II of that act. relating to public works and construction projects, reads:

To effectuate the purposes of this title, the President is hereby authorized to create a Federal Emergency Administration of Public Works, all the powers of which shall be exercised by a Federal Emergency Administrator of Public Works, and to establish such agencies \* \* \*. The President may delegate any of his functions and powers under this title to such officers, agents, and employees as he may designate or appoint.

Following out this authority, I wish now to give a little attention to the establishment of the several corporations and the authority given those various corporations. Under

the powers granted him, the President issued Executive orders setting up three corporations under the laws of the State of Delaware, as follows: The Commodity Credit Corporation, October 16, 1933, Executive Order No. 6340; the Public Works Emergency Housing Corporation, November 29, 1933, Executive Order No. 6470; and the Electric Home and Farm Authority Corporation, December 19, 1933, Executive Order No. 6514.

The date of the filing of the articles of incorporation of the Commodity Credit Corporation correspond with the date of the issuance of the Executive order. The filing of the articles of the Electric Home and Farm Authority Corporation was January 13, 1934.

The Public Works Emergency Housing Corporation's first articles were taken out October 27, 1933. Apparently there was in the minds of the incorporators some doubt, as section 2 (a) of the National Industrial Recovery Act reads in part as follows:

To effectuate the policy of this title the President is hereby authorized to establish such agencies—

And so forth. Section 201 (a), under title II of the act, which sets up the Public Works Administration, reads as follows, in part:

To effectuate the purposes of this title the President is hereby authorized to create a Federal Emergency Administration of Public Works, all the powers of which shall be exercised by a Federal Emergency Administrator of Public Works, and to establish such agencies \* \* \*. The President may delegate any of his functions and powers under this title to such officers, agents, and employees as he may designate or appoint.

Using these powers as his authority, the President issued Executive orders setting up three corporations under the State laws of Delaware, as follows:

Section 208, under title II of the National Industrial Recovery Act, reads as follows:

To provide for aiding the redistribution of the overbalance of population in industrial centers, \$25,000,000 is hereby made available to the President, to be used by him through such agencies as he may establish and under such regulations as he may make, for making loans for and otherwise aiding in the purchase of subsistence homesteads-

And so forth.

On July 21, 1933, the President issued Executive Order No. 6209 under the following title:

Redistribution of the overbalance of population in industrial centers by means of making loans for and otherwise aiding in the purchase of subsistence homesteads.

The order read as follows:

By virtue of the authorfty vested in me by the act of Congress entitled "An act to encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain ter fair competition, and to provide for the construction of certain useful public works, and for other purposes", approved June 16, 1933 (Public, No. 67, 73d Cong.), in order to effectuate the intent and purposes of the Congress as expressed in section 208 under title II thereof. I hereby authorize the Secretary of the Interior to exercise all the powers vested in me, for the purpose of administering all the provisions of section 208 under title II, of said act, including full authority to designate and appoint such agents, to set up such boards and agencies, and to make and promulgate such regulations as he may deem necessary or desirable.

Under that authority, the Secretary of the Interior, with two of his subordinates, filed articles of incorporation of the Federal Subsistence Homesteads Corporation November 21, 1933.

It will be noted that in the above Executive order practically unlimited power is transferred by the President from himself to the Secretary of the Interior, to be in turn used by him to "set up such boards and agencies and to make and promulgate such regulations as he may deem necessary

The same unlimited authority is conferred by the President upon the incorporators of the other Delaware corporations. His Executive order authorizing the formation of the Electric Home and Farm Authority, after reciting the title of the National Industrial Recovery Act, continues:

Whereas, in order effectively and efficiently to carry out said policy of the National Industrial Recovery Act, it is expedient and essential that a corporation be organized having the powers and functions of a mortgage-loan company and such other powers and functions as may be necessary to accomplish the purposes of said

Then follows the order for the incorporation and the enumeration of the three members who shall compose the governing body. Then the Executive order continues in the following words:

The persons above named are hereby authorized and directed to cause said Corporation to be formed, with such articles or certificates of incorporation and bylaws as shall be deemed requisite and necessary, and to define the methods by which said Corporation shall conduct its business.

The Executive order authorizing the Public Works Emergency Housing Corporation contains the following language in its concluding paragraph:

(5) The Housing Corporation is authorized and empowered to take any and all such action, do any and all such things, and exer-cise any and all such powers as may be or appear necessary, suit-able, or expedient in connection with the foregoing.

The Executive order creating the Commodity Credit Corporation practically authorizes it to run the Government, insofar as any of the emergency legislation is concerned, as the following two paragraphs in the Executive order clearly

Whereas, in order to meet the said emergency and to provide the relief necessary to protect the general welfare of the people, the Congress of the United States has enacted the following acts:

- 1. The Agricultural Adjustment Act, approved May 12, 1933.
  2. The National Industrial Recovery Act, approved June 16, 1933.
  3. The Federal Emergency Relief Act of 1933, approved May 12, 1933.
- 4. Reconstruction Finance Corporation Act, approved January 22, 1932.
- The Federal Farm Loan Act, approved July 17, 1916.
   The Farm Credit Act of 1933, approved June 16, 1933.
   The Emergency Relief and Construction Act of 1932, approved
- July 21, 1932.

And whereas, in order effectively and efficiently to carry out the provisions of said acts, it is expedient and necessary that a corporation be organized with such powers and functions as may be necessary to accomplish the purposes of said acts.

There has been no Executive order, insofar as the records show, authorizing the incorporation by Harry L. Hopkins, Henry Wallace, and Harold L. Ickes, in their respective official capacities, of the Federal Surplus Relief Corporation, October 4, 1933.

That gives some idea of the ramifications which the various functions of government are taking under the blanket authority that has been given to the President.

Let me suggest, further, that nowhere in any of the acts or in any of the discussions of Congress can I find the authority for setting up a corporation. The President is authorized to set up an agency; but there is a great difference between a State corporation under the laws of the State of Delaware and a Federal agency. In other words, I do not know any way in which a Delaware corporation can be defined as a Federal agency; and yet we have here numerous instances where the corporations are being set up continuously for various projects under the authority which the Executive has to establish a Federal agency.

In order that Senators may have some idea of the scope of some of these corporations, I desire to read from the certificate of incorporation of the Commodity Credit Corporation. This is a corporation established to carry out the provisions of the acts I have heretofore detailed; and here is the authority granted to this corporation:

- (b) To purchase, or otherwise acquire, to hold, or otherwise to deal in, to sell or, otherwise dispose of, any and all agricultural and/or other commodities and/or products thereof, and to loan and/or borrow money upon the same.
- (c) To enter into and to encourage farmers, producers, and others to enter into marketing plans and agreements and to cooperate in any plan which provides for reduction in the acreage or reduction in the production for market of agricultural commodities.

reduction in the production for market of agricultural commodities.

(d) To engage in any activity in connection with or involving the production, carrying, shipping, storing, exporting, warehousing, handling, preparing, manufacturing, processing, and marketing of agricultural and/or other commodities and/or products thereof.

To borrow money and to draw, make, accept, endorse, warrant, guaranty, transfer, assign, execute, and issue bonds, debentures, mortgages, promissory notes, bills of exchange, warrants, and all kinds of obligations, and nonnegotiable, negotiable, or transferable instruments without limit as to amount, and for the security of any of its obligations to convey, transfer, assign, deliver, mortgage, and/or pledge all or any part of its property or assets upon such terms and conditions as the board of directors shall authorize.

(e) Without limiting the generality of the foregoing, to borrow money for the purpose of (1) purchasing, storing, handling, and/or processing agricultural and/or other commodities and/or products thereof, or any surplus of the same, and (2) disposing of or removing the same through orderly marketing in the United States and/or elsewhere.

and/or elsewhere.

(f) To loan money, to buy, discount, sell, rediscount, or otherwise deal in notes, warehouse receipts, pledges, bills of lading, freight receipts, trust receipts, open accounts, mortgages, and other similar evidences of debt, or to loan money and to take notes, warehouse receipts, pledges, bills of lading, freight receipts, trust receipts, open accounts, mortgages, and other evidences of debt as collateral security therefor.

(g) To take and hold for any of its purposes, by bequest, devise, gift, purchase, lease, or otherwise, either absolutely or in trust, any property, real or personal, in the District of Columbia, any of the States, Territories, or colonies of the United States, and in foreign countries, without limitation as to amount or value; to own, operate, manage, lease, mortgage, pledge, sell, assign, and transfer, or ate, manage, lease, mortgage, pledge, sell, assign, and transfer, or otherwise dispose of, and exercise all privileges of ownership over

ate, manage, lease, mortgage, pledge, sell, assign, and transfer, or otherwise dispose of, and exercise all privileges of ownership over such property and to invest and reinvest any principal, and deal with and expand its income and principal within or without the State of Delaware in such manner as in the judgment of its directors will best promote its objects and purposes.

(h) To guarantee, purchase, hold, sell, assign, transfer, mortgage, pledge, or otherwise dispose of shares of the capital stock of, or any bonds, securities, or evidences of indebtedness created by, any other corporation or corporations organized under the laws of this State or any other State, country, nation, or government, and while the owner thereof to exercise all the rights, powers, and privileges of ownership, including the right to vote thereon.

(i) To enter into, make, perform, and carry out contracts of every kind and description for any lawful purpose, without limit as to amount, with any person, firm, association, corporation, municipality, county, State, body politic, Territory, or government or colony or dependency thereof.

(j) To sell, deal in, store, handle, process, transport, deliver, and/or accept delivery of agricultural and/or other commodities and/or products thereof and/or to make contracts for the purchase or sale of the same, by itself or through subsidiaries or other agencies, or to act as agent, broker, shipper, consignee, consignor, trustee, or factor with respect thereto, and as such agent, broker, shipper, consignee, consignor, trustee, or factor, to buy, sell, deal in, hypothecate, pledge, mortgage, store, handle, process, transport, manufacture, deliver, or accept delivery of the aforesaid commodities and/or products thereof and/or to make contracts for the purchase or sale of the same on behalf of the owner thereof and to fix and collect and deduct all charges for such services.

I wonder what there is left for business to do after we get

I wonder what there is left for business to do after we get through with these ramifications.

(k) To acquire by purchase, lease, or construction, or in any other manner, storage and other physical facilities for the handling, carrying, processing, manufacturing, storing, preparing for market and marketing agricultural and/or other commodities, and/or products thereof.

This would mean that the Commodity Credit Corporation could go into the packing business; that it could go into the flour business; that it could go into the canning business; that it could go into the storage business or any type of business which its directors might happen to want to enter.

(1) To have one or more offices, to carry on all or any of its operations and business and without restriction or limit as to amount, in any of the States, Districts, Territories, or colonies of the United States, and in any and all foreign countries.

It can go over and enter business in foreign countries.

(m) In general, to have and to exercise all the powers and (m) In general, to have and to exercise all the powers and privileges conferred by the General Corporation Laws of Delaware upon corporations, and to do all and everything necessary, suitable, and proper for the accomplishment of any of the purposes or for the attainment of any of the objects or for the furtherance of any of the powers herein set forth, either alone or in association with other corporations, firms, agencies, or individuals, and to do every other act or thing lawfully incident or appurtenant to or growing out of or connected with any of the aforesaid objects, purposes, and/or powers.

Mr. President, this gives some idea of the types of business in which the Commodity Credit Corporation may engage.

I shall not recite the powers granted the Federal Subsistence Homesteads Corporation, but I desire to say that it is given very great power. In connection therewith I wish to read the list of the various corporations which have been organized in the State of Delaware for the purpose of carrying on subsistence homestead enterprises. They are as follows:

Austin Homesteads, Inc., incorporated January 16, 1934. Duluth Subsistence Homesteads, Inc., incorporated March 17,

Richton Homesteads of Mississippi, Inc., incorporated December 29, 1933,

Chancellorsville Homesteads Community, Inc., incorporated December 12, 1933.

Jersey Homesteads, Inc., incorporated December 12, 1933. Penderlea Homesteads, Inc., incorporated December 13, 1933. Tygart Valley Homesteads, Inc., incorporated December 12, 1933. Laurel Homesteads of Mississippi, Inc., incorporated December

29, 1933. Mahoning Garden Homesteads, Inc., incorporated December 20, 1933

Meridian Homesteads of Mississippi, Inc., incorporated December

McComb Homesteads of Mississippi, Inc., incorporated December

29, 1933. Tupelo Homesteads of Mississippi, Inc., incorporated December 29, 1933.

Westmoreland Homesteads, Inc., incorporated December 20, 1933. Delaware Homestead Community, Inc., incorporated January 4,

Monroe County Homesteads, Inc., incorporated January 4 Wisconsin Forest-Farm Homesteads, Inc., incorporated January 4, 1934.

Birmingham Homesteads, Inc., incorporated December 30, 1933. Hattiesburg Homesteads of Mississippi, Inc., incorporated Jan-

Hattlesburg Homesteads of Mississippi, Inc., incorporated January 16, 1934.

Jasper Homesteads, Inc., incorporated January 16, 1934.

All of the above-named companies are in existence and good standing with an authorized capital stock of 10 shares, par value \$100, and the following-named incorporators: Frank Fritts, Washington, D. C.; Philip M. Glick, Washington, D. C.; Helen McLean, Washington, D. C.; Washington, D. C.

Mr. President, this gives us some idea of the ramifications wherein the money of the taxpayers can be spent. It gives us some idea of how far we have gone afield in many of these enterprises.

So far as I know, the question of organizing a corporation was never once spoken of in the debates in either the House or the Senate. So far as I know, it was never even mentioned in any of the hearings, or by any of the proponents of the legislation.

Mr. SCHALL. Mr. President-

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from Iowa yield to the Senator from Minnesota?

Mr. DICKINSON. I yield.

Mr. SCHALL. In House Joint Resolution 117, as it came from the House, the Senator will find paragraph after paragraph referring to corporations, which the Senate committee has cut out. It contained in subsections (a), (b), (c), and (d) of section 4 the word "corporations" or "corporation." In subsection (a) is the expression "including corporations with corporate authority only as approved by the President and within the scope of this joint resolution." In subsection (b) I find the expression "including a corporation", in subsection (c) the same, and in subsection (d) the same.

The above references have been eliminated in the measure before us, but I notice it contains an eminent domain clause which, I presume, has been substituted to take the place of the references cut out, which would still give the power to the President to pass on this eminent domain to these Delaware corporations. These corporations are organized in perpetuity, are they not, and will, if allowed to accomplish their end, show the way to centralize all property in the hands of a few and beyond Federal control?

Mr. DICKINSON. I think we should remember that most of these corporations are organized for a time running away beyond the limit of the law permitting the President to create the agencies. For instance, the law will expire next June. There is a proposal now before us, contained in the message of the President of yesterday, to extend the N. R. A. for 2 years; but most of the corporations to which I have referred are either perpetual corporations or are to run for a definite number of years, way beyond the duration of the law which would permit public officials to organize these corporations.

Mr. SCHALL. Mr. President, I placed in the RECORD on February 6 documentary evidence proving that Federal corporations, chartered at various points in the United States, have been created in readiness to take the place of all business activities of the country. Five of the six corporation charters so placed in the RECORD are to be permanent, which will recall the President's message sent to the Congress immediately upon its reconvening for the regular session of the Seventy-third Congress, wherein the Presi-

dent asked that the 77 powers, which, according to Garet Garrett, were usurped from Congress and the judiciary and transferred to the President, should be made permanent. It seems to me that by means of these Delaware corporations he is about to realize his ambition. May I ask the Senator another question?

Mr. DICKINSON. Certainly.

Mr. SCHALL. Congress has no control over these corporations, has it? The corporations are entirely removed from any control of Congress, are they not?

Mr. DICKINSON. The only thing I could think of that Congress could do would be to withdraw the financial support by which the corporations were fed; and that is one of my objections to the pending measure.

Mr. SCHALL. I noticed that the figures the Senator gave accounted for three billion two hundred million of this four billion eight hundred and eighty million appropriation, leaving a billion six hundred million dollars unaccounted for. No doubt the President does not want to disclose that he needs this money to keep in operating condition these corporations, which are to take over the Government of the United States and run every industry, even down to raising oysters.

Mr. DICKINSON. Mr. President, there is one more phase of this program to which I wish to call attention. In the hearings before the Committee on Appropriations request was made that the Director of the Budget furnish a statement of all land purchased by the various agencies under what might be termed the "new deal." It was only a limited number of years ago that we were seeking to dispose of the public domain. The suggestion was even made that the public domain in the various States be deeded to them. Now, I find that we are reversing the policy by having many purchases of land in various States of the Union for different purposes. I find, according to the report sent us by the Acting Director of the Budget, Mr. Bell, under date of February 18, 1934, the following:

I have your letter of February 13, and regret very much that the magnitude of the task has made it impossible to furnish at an earlier date the data on land acquisitions from emergency appropriations that you requested during the hearings on House Joint Resolution 117

However, the data has now been compiled insofar as it has been possible to do so, and I am sending you herewith a copy of a letter which I am sending today to the Chairman of the Senate Committee on Appropriations transmitting the data requested.

Mr. SCHALL. Mr. President, will the Senator yield again? Mr. DICKINSON. I yield.

Mr. SCHALL. The Senator just stated, in response to a question from me, that the only way by which Congress would have any control over these perpetual corporations would be through appropriations. If this billion six hundred million dollars is used to set in motion these corporations, they will need no more help from Congress; they will be selfperpetuating, will they not?

Mr. DICKINSON. I am of the impression that Congress could, of course, repeal the law which permitted their incorporation, and that would automatically cancel the executive orders which created the corporations, and in that way the corporations would be compelled to liquidate. Then, of course, if we did that, we would have to organize an agency or permit some agency to be created that would liquidate the corporations and close up their affairs, and that is what Congress ought to do. Congress has no business permitting its agents to go into various phases of private endeavor and interfere with business.

We hear it asked, what is the trouble with business? The trouble with business is that the Government is doing everything, and private initiative will not go into competition with the Government in business, and therefore private industry is stagnated.

Mr. SCHALL. That is exactly the situation. I offered on February 19 an amendment which will, if adopted, preserve us and make impossible the subversion of our republican form of government to a fascistic one through this Mussolini method. The amendment is printed and is on the table.

Mr. DICKINSON. Mr. President, according to the report as to the purchases of land, I find that the Federal Emergency Relief Administration has acquired, through its activities, under authority granted it, I presume, 15,470,824 acres of land, at a cost of \$68,241,133. That land is scattered in the various States, as follows:

	Acres
Alabama	20,000
Arkansas	691, 226
California	51, 825
Colorado	5, 120
Connecticut	12,090
Delaware	9,964
Florida	578, 788
Georgia	380, 664
Idaho	
Illinois	
Indiana	77, 984
Iowa	None
I am glad we do not have any land for sale in Iowa.	
Kansas	None
I am glad there is no land for sale in Kansas.	
Kentucky	214, 447
Louisiana	28, 450
Maine	68, 957
Maryland	38, 348
Massachusetts	None
Michigan	198, 803
Minnesota	306, 457
Mississippi	241,056
Missouri	87, 751
Montana	3, 663, 641
Nebraska	717, 153
Nevada	33, 831
New Hampshire	24, 196
New Jersey	None
New Mexico	1, 666, 547
New York	77, 107
North Carolina	221, 440
North Dakota	1, 956, 935
Ohio	20, 299
Oklahoma	322, 504
Oregon	302, 275
Pennsylvania	56, 607
Rhode Island	6,000
South Carolina	292, 241
South Dakota	1, 587, 193
Tennessee	89, 389
Texas	3, 750
Utah	56, 010
Vermont	24, 091
Virginia	100, 733
1	100, 100 1

	Acres
Washington	230, 612
West Virginia	55, 510
Wisconsin	464, 473
Wyoming	301, 760

Next, in the emergency conservation work, which is presumed to be purely an emergency matter, we find that the Government has purchased to date 7,584,296 acres at a cost of \$24,101,187. I will not read the list of purchases, but will ask that they be printed in the Record.

The PRESIDING OFFICER (Mr. HATCH in the chair). Without objection, it is so ordered.

(The figures referred to appear in the table below.)

Mr. DICKINSON. Reclamation (Interior) purchased 131,009 acres at a cost of \$4,599,450, and I will ask that that list be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered. (See table below.)

Mr. DICKINSON. Subsistence homesteads: When we debated and passed the bill providing for the Federal Emergency Relief Administration or the emergency conservation work or the reclamation work or the subsistence homesteads, I wonder who then expected that we were going into the land business?

I find that for subsistence homesteads, purchases have been made of 59,292 acres at a cost of \$1,445,739. I ask that that list may be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered. (See table below.)

Mr. DICKINSON. Also, the Department of Agriculture has purchased 5,819 acres at a cost of \$695,396. I ask that that list be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered. (See table below.)

Mr. DICKINSON. I find that building sites under the Procurement Division of the Treasury Department have cost a total of \$8,580,759. No acreages are involved there, I ask to have that list of expenditures in the various States printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table referred to is as follows:

Land acquisitions (under emergency appropriations) as worked out to Jan. 31, 1935, including purchases, options, and desired to purchase

	Federal Emergency Re- lief Administration		Emergency conservation work		Reclamation (Interior)		Subsistence Home- steads (Interior)		Agriculture, De- partment of	
	Acres	Amount	Acres	Amount	Acres	Amount	Acres	Amount	Acres	Amount
United States	15, 470, 824	\$98, 241, 133	7, 584, 296	\$24, 101, 187	131, 009	\$4, 599, 450	59, 292	\$1, 445, 739	5, 819	\$695, 376
Alabama	20,000		13, 222	54, 223		PICTURE ROY	4, 614	170, 330		
Arizona	20,000						135	21, 820		helministedministrated at
Arkansas	691, 226		308, 846	697, 038			200	21,020		
California			10, 870	133, 000	2,000	600, 000	140	63, 520		
California	5, 120		10,010		200	20,000	160	31, 933		Interior to the Assessment of the land on the
Connecticut					200	20,000	100			
Connecticut	12,090					**********				
Delaware	9, 964						attributed a local particular his		100	900 000
District of Columbia									198	386, 000
Florida	578, 788		315, 370	753, 173						
Georgia	380, 664		60, 110	206, 251		***************************************	15, 241	86, 989		
Idaho	144, 818				2,000	500,000				
Illinois	39, 779		113, 679	651, 889			1, 443	75, 836		
Indiana	77, 984						80	7,982		
Iowa							224	27, 995		
Kansas							*********			
Kentucky	214, 447		247, 467	1, 017, 087	********					
Louisiana	28, 450		303, 258	592, 676						
Maine	68, 957								********	
Maryland	38, 348								3, 225	204, 000
Massachusetts										
Michigan	198, 803		1, 050, 992	2, 256, 668						
Minnesota	306, 457		566, 969				616	14,800		
Mississippi	241, 056		776, 540	1, 944, 386			8, 508	37, 965	202	15, 188
Missouri	87, 751		663, 365	1, 388, 741					113	14, 000
Montana	3, 663, 641		3, 047	24, 376	5,000	81,600	2, 438	72, 204	and the substitute	140400000000000000000000000000000000000
Nebraska	717, 153		0,01			01,000	2, 100			
Nevada	. 33, 831				69, 715	775, 685				
New Hampshire	24, 196		160, 088	769, 845		110,000				
New Jersey	34, 230		230,000				1, 279	96, 990		
New Mexico	1, 666, 547				sciente facilica (colorinate)		220	570		
New York	77, 107						50	9, 741		
North Carolina	221, 440		200, 525	1 409 614			4, 620	37, 750	132	7,000
North Dakota	1, 956, 935		31, 847	1, 408, 614 454, 804			287 8, 625	159	2, 400	
Ohio	20, 299		01,017	101,001			731	71, 945	109	
Oklahoma	322, 504		158, 949	312, 034			140	12, 220		
Oregon	302, 275		200,010	525, 001	2,720	102, 515	154	11, 591	(m) minute of minute and a second tree	
Pennsylvania			47, 405	905, 022		102, 010	1, 333	109, 589		
Rhode Island			47, 400				1,000	100,000		

Land acquisitions (under emergency appropriations) as worked out to Jan. \$1, 1935, including purchases, options, and desired to purchase-Continued

	Federal Emergency Re- lief Administration		Emergency conservation work		Reclamation (Interior)		Subsistence Home- steads (Interior)		Agriculture, De- partment of	
	Acres	Amount	Acres	Amount	Acres	Amount	Acres	Amount	Acres	Amount
South Carolina	292, 241 1, 587, 193		305, 452 13, 883	\$1, 826, 251 227, 000	The second distribution of the second distributi		747 308	\$19, 815 12, 428		*********
Tennessee	89, 389 3, 750 56, 010		106, 921 500, 915	861, 467 1, 252, 998	5, 814	\$1, 225, 200	11,749 1,718	93, 770 128, 025	90	\$6,000
Vermônt Virginis Washington	24, 091 100, 733 230, 612		65, 071 299, 885	530, 578 1, 273, 920	14, 500	1, 191, 000	799 153	29, 656 29, 490		
West Virginia Wisconsin	55, 510 464, 473		250, 870 973, 998	720, 124 1, 704, 964			3,910	162, 159		
Wyoming	301, 760				29, 060	103, 450			1,700	60, 788
Hawaii Puerto Rico Virgin Islands			3, 825	44, 871						

	Procuremer (buildi	nt (Treasury) ng sites)	Tenness	ee Valley hority	Miscellaneous sites		Total acres	Amount
	Acres	Amount	Acres	Amount	Acres	Amount		5.00
United States	163	\$8, 580, 759	149, 764	\$6, 672, 041	4, 862	\$2, 291, 513	23, 406, 029	\$116, 627, 198
Alabama	III HERSTON	74, 000	57, 063	2, 400, 015		Alexander Same		
Arizona		50, 000	01,000	2, 100, 010				
Arkansas		13, 200						
California		344, 826			4	5,000		
Colorado		64, 600				0,000		
Connecticut		97, 100						
Delaware		23, 300					2000	
District of Columbia		406, 200						
Florida		94, 000	<b>科技会点的编辑</b>		SafeStrikelerbellerbeltelbil b			
Georgia		77, 050						
Idaho		18,000						
Illinois		450, 331			3/2	415		
Indiana		85, 950						
Iowa		52, 350						
Kansas		51, 284						
Kentucky		21,000					SECURIOR DE LA COMPANION DE LA	
Louisiana		33, 000						
Maine		41, 400			1	10,000		
Maryland		4, 500	Construction Con-		and the same	10,000		
Massachusetts.		1, 346, 000					***********	
Michigan		160, 916			1/2	2, 250		
Minnesota		80, 450	And the second second		12	2, 200		
Mississippi		88, 850		3,008			***********	
Missouri		21,000		0,000				
Montana		18, 300						
Nebraska		12, 250			***********			
Nevada		are the second						
New Hampshire		49, 200						
New Jersey		420, 500			36	4,300		
New Mexico.		120,000				1, 500		
New York		2, 382, 679			1	6,000		
North Carolina		71,690	55	2,910		0,000		
North Dakota		2,500		7.00	3	375		
Ohio		304, 994			11/2	2, 100		
Oklahoma		46, 568		*************	172	2,100		
Oregon		12,000						1974 CO. 1884 CO. 188
Pennsylvania		841, 232						
Rhode Island		200, 000			********			
South Carolina		20, 500			34	266		
South Dakota		20,000			7.	200		
Tennessee		63, 650	92, 646	4, 266, 108			~~~~~~	
Utah		137, 650		1, 200, 100				TOTAL STATE OF THE PARTY OF THE
Vermont		201,000						
Virginia		33, 500			34	500		
Washington		102, 820			250	40, 150		
West Virginia		23, 200			36	700		
Wisconsin		73, 500	<b>CONTRACTOR</b>		72		CONTRACTOR OF THE RESIDENCE	
Wyoming		32, 400						
Not classified		17, 350						
Alaska					200	1, 930, 017	Participation of the second	
Hawaii					200	2, 050, 011		
Puerto Rico								
Virgin Islands		15,000			4, 399	289, 440	The second second	
		20,000			1,000	200, 110		

Mr. DICKINSON. The program I have outlined and the | various ramifications that have been entered into by the bureaus of the Government in carrying out these various laws have not met the situation. I find in the January report of the American Federation of Labor, released for publication Saturday, January 12, 1935, a graph, under which appears the following:

This graph illustrates the fact that there are 429,000 more unemployed today than last year; 11,459,000 were out of work in November 1934, 11,030,000 in November 1933.

Regardless of this record, regardless of all these ramifications and the various enterprises into which the Government

make any headway in relieving unemployment. Personally, I shall vote against the pending joint resolution. I shall be glad to vote for a segregation of any amount necessary to meet the relief situation. I do not believe the work program is feasible. I am thoroughly convinced that it will not be any more effective than it has been in the past year, and that the work program is not a feasible method of relief. It has not worked in the various other countries where it has been tried.

For that reason I believe that this vast authority should be denied, that the joint resolution should be divided, that the relief items should be voted on separately, and then that has entered, it seems to me that we have not been able to we ought either to provide specific projects in connection otherwise, the joint resolution ought not to pass.

The PRESIDING OFFICER. The question is on the amendment in the nature of a substitute offered to the committee amendment by the Senator from Nevada IMr. Mc-CARRANI.

Mr. GLASS. Mr. President, do I understand that no other Senator wishes to speak on the amendment?

Mr. COUZENS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The legislative clerk called the roll, and the following Senators answered to their names:

Pittman Adams Costigan Keves Couzens King La Follette Pope Radcliffe Austin Bachman Bailey Davis Dickinson Lewis Reynolds Robinson Logan Bankhead Barbour Dieterich Lonergan Russell Long McAdoo Donahey Schall Schwellenbach Bilbo Duffy Fletcher Frazier Sheppard Shipstead McCarran McGill Bone Borah George Gerry McKellar Stelwer Thomas, Utah Townsend McNary Bulkley Gibson Maloney Metcalf Minton Glass Trammell Truman Burke Gore Tydings Vandenberg Guffey Moore Byrd Hale Harrison Murphy Byrnes Van Nuys Capper Carey Murray Hastings Hatch Neely Norris Wagner Walsh Clark Nye O'Mahoney Connally Hayden Wheeler Johnson White Coolidge

I announce the absence of the Senator from Mr. LEWIS. Kentucky [Mr. BARKLEY] on account of official business; the absence of the Senator from Louisiana [Mr. Overton] on account of illness; and the absence of the Senator from New York [Mr. Copeland] on account of illness in his

The PRESIDING OFFICER (Mr. CLARK in the chair). Eighty-eight Senators have answered to their names. A quorum is present.

The question is on the amendment, in the nature of a substitute, proposed by the Senator from Nevada [Mr. Mc-CARRAN] to the committee amendment.

Mr. GLASS. Mr. President, yesterday the senior Senator from Arkansas [Mr. Robinson] made such a precise, and, as it seemed to me, impressive exposition of the purposes of the pending joint resolution as that it seems unnecessary, if desirable, for the chairman of the committee to make further explanation. Nevertheless, I may be permitted to occupy a short time of the Senate with some few observations concerning the joint resolution and particularly the pending amendment thereto.

The joint resolution, as was definitely stated by the Senator from Arkansas, was not intended to be a recovery measure in the sense that its purpose is directly to affect the wage scale of organized industry; it was simply intended to be a relief measure and a work-relief measure. In short, there are several million people on doles, and among them it is computed that 3,500,000 are employable; which is to say that they are people of average intelligence and capability, in good health, and are employable on such works as the Government may determine to undertake.

It is also authoritatively stated by those who have most intimately been in contact with those persons that they earnestly desire to be put to work, that they experience a sense of humiliation in being on the Government relief roll merely as mendicants, and that they could wish to give some service to the taxpayers of the country, as, in some measure, compensation for the relief which they are receiving from the Public Treasury.

I am sure it never entered the mind of the President so to administer the measure as to break down the prevailing wage scale in the organized industries of any section of the country, and I think it may well be doubted, notwithstanding the testimony to the contrary, that such a thing would result from the enactment of the joint resolution into law. It was suggested in the course of the debate yesterday that men now receiving a dole of \$24 a month, on the average,

with which a certain measure of relief could be afforded, or, I if put on the work relief roll might easily be induced to leave the service of the Government and take the places of persons now employed in organized industries, for which industries there are now in existence codes that deal with the minimum wage and with the maximum number of hours that might be worked. I should like to ask gentlemen who present an argument of that sort, how many of the persons now on relief roll at an average of \$24 have been persuaded to get off the relief roll and to go into private industry? If none of them has been persuaded to leave a dole of \$24 a month and go into competition with laborers in private industry, how many may be expected to leave a security wage of \$50 a month and go into private industry?

The purpose of the pending joint resolution is to give the men on the relief roll, at an enormous expense to the taxpayers, an opportunity to recover and maintain their selfrespect and to render some service to the people who are paying the taxes which provide the dole and provide the relief.

It has been pretty generally assumed that the average wage is to be \$50 a month. There is not a word in the joint resolution to that effect. The first section of the joint resolution authorizes the President of the United States to fix the compensation that is to be paid to those who may be employed under it. Under the first section of the joint resolution the President may determine for himself or through his agencies whether or not the compensation he shall fix under the measure would or would not disturb the prevailing wage in private industry. The only words said that may reflect the intention of the President in this respect were contained in what the President himself said in his message to Congress.

He said nothing about an average wage of \$50 a month, but he did say that the compensation to be fixed in clearing the relief rolls of persons solely on dole should be somewhat less than the wage paid in private industry.

It is true, however, that the question of an average wage of \$50 a month was brought to the attention of the Congress by spokesmen who were supposed in some degree to represent the administration. In other words, the total sum of \$4,880,000,000 was reached upon the basis of a calculation that the average wage rate paid would be \$50 a month. The official responsible for that suggestion also was responsible for the statement to the committee that to adopt the prevailing-rate-of-wages suggestion would involve an increase in the appropriation of practically \$1,500,000,000, and raise it from \$4,880,000,000 to some \$6,340,000,000. Evidently that information was furnished to the President. The President has expressed himself as utterly opposed to the inevitable increase if that should be done. He is opposed to it because, like many thoughtful citizens, he has begun to consider how much further we may go in public expenditures before wrecking the credit of the Nation. Should such a thing occur, let me ask the proponents of this amendment what would happen to the laboring men, the wage earners in this country? They would be that class first of all which would feel the disastrous effects of a break-down in the public credit.

Let me discuss in a word, as discreetly as I may, the situation in that respect. The existing outstanding indebtedness of the United States is approximately \$28,000,000,000. Listen, Senators: Of that amount \$15,364,000,000 is piled up in the banking institutions of the country. Some of the banks have as much as 60 percent of their entire assets invested in Government securities. They are prohibited, were there the demand, from coming to the aid of business activity. They hold 55 percent of Government securities in the banks of the United States as against but 11 percent of Great Britain's indebtedness held in the banks of Great Britain-55 percent as against 11 percent.

The banks have been brought to a state in which they are literally obliged to take Treasury issues whether they want them or not.

They are compelled to take them in order to maintain the bond market of the United States, because it has been represented to me by competent authorities that a depreciation of 10 percent in Government bonds would render insolvent 90 | percent of the banks of this country.

Mr. LONG. Mr. President-

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from Louisiana?

Mr. GLASS. I wish that I might not be interrupted until I conclude my brief statement.

The PRESIDING OFFICER. The Senator from Virginia declines to yield.

Mr. GLASS. I am always glad to yield to the Senator from Louisiana because he always says something interesting, whether I agree with it or not; but I am not a lawyer and I have not the facility of speech, when I am on my feet, that is possessed by Senators who are lawyers. I am proceeding now without preparation in an attempt to make an extempore explanation of the joint resolution and the particular amendment now pending.

In the situation which I have, I trust with some discretion, described to the Senate, is there any wonder that the President of the United States is intensely interested in the proposition which we have had under discussion for several days?

May he be blamed for pausing and reflecting?

True, there was a suggestion before the committee, three times reiterated, despite the denial of the Senator from Oregon [Mr. STEIWER], by Mr. Green, the head of the American Federation of Labor, that the matter might be adjusted by placing in the joint resolution a provision limiting the hours of labor the \$50-wage men might be employed, and that it would be competent for the President in such circumstances to have one or more shifts of those employed, and thereby employ more of the people now on the relief rolls than may be reached otherwise by the provisions of the pending measure. That, however, would, of course, mean inevitably one of two things: That there would be no difference in the aggregate amount of money expended, or that one-half of the work contemplated would be done.

I think the President of the United States realizes more than can any Senator, who is not quite so familiar with all the circumstances, that the credit of the country is here involved; and understanding that thoroughly, and being concerned about it, I think he takes a patriotic position in exhibiting the intensest opposition to what is known as the

McCarran amendment. I shall say something now that I have never before said in the 15 years I have been a Member of the Senate, or in the 18 years I was a Member of the House, because ordinarily I do not believe in saying such things; but I have substantive reason to believe that if this amendment should be adopted and become a part of this joint resolution the President would veto the measure.

I have been somewhat astonished, as other Senators have, that Senators who are supposed to be intimately identified with the administration, who believe that the result of the last Presidential election was providential—which might be interpreted to mean that the President is God's vicegerent on earth—should have stood here and bitterly opposed, with words of biting scorn and denunciation approximating vituperation, a measure in which the President of the United States is so intensely interested, and which I have reason to say he regards as affecting the credit of this country.

Whenever the senior Senator from Virginia ventures to urge an objection to a Presidential message or to a Presidential measure, he is made a text in every newspaper of the country for weeks thereafter. Because I stood on the floor of the Senate and denounced as utterly dishonest and immoral the action of the Congress of the United States in repudiating the most sacred obligation that this Nation ever incurred—a thing denounced by nearly every member of the Supreme Court of the United States in their divided opinion the other day—I was arraigned as an implacable foe of the administration. But gentlemen who have flourished in the smile of the Chief Executive, and who have assumed with obvious confidence the right to speak for him here on the

integrity and credit of the Government and, I suppose, still bask in the smiles and sunshine of the Executive.

I stated the other day that the President had said to some of us that this was strictly a measure for relief, to be dealt with accordingly, and that it was not his purpose or intention to permit the prevailing rate of wages in organized industry to be violently interrupted, as has been suggested. by this joint resolution. He was so unmistakably emphatic in what he said, as I recall his language, that he said he did not propose that one dollar of the wage of a man employed in private industry should be reduced under his administration for the present or that any of the relief-roll workers should be substituted in private industry except at a decent wage rate.

I was so confident that I had correctly stated the President's position that I found no necessity for repeating it; but it was suggested that I might be mistaken in what I heard. Hence today I took the precaution to communicate with the White House-the White House does not often communicate with me—and I received from the President a letter, which I shall now read and let go into the RECORD. It is as follows:

THE WHITE HOUSE,

Washington, February 21, 1935.

Dear Senator Glass: In response to your telephonic inquiry, I am very glad to repeat what I told you and several members of your committee last week.

Every action of the oder

Every action of the administration during the past 2 years

Every action of the administration during the past 2 years has been directed, first, to the objective of raising wage scales which, from the point of view of public interest, were set at unconscionably low levels; and, secondly, we have constantly followed the objective of preventing reductions in existing wage scales. So much for that, except that I might add that both of these objectives are constantly before us and will continue so to be. As you are aware, the practical operation of the principle of collective bargaining, plus the operation of the National Industrial Recovery Act, have in the overwhelming majority of cases of organized and unorganized labor either raised wages or prevented any reduction in wages. any reduction in wages.

I might add a parenthesis there, but I will not.

I object to and deny any assertion that the payment of wages to workers now on the relief rolls at less than the prevailing rate of wages may, under some theory, result in a lowering of wages paid by private employers. I say this because it is an obvious fact—first, that the Federal Government and every State government will act to prevent reductions; and, secondly, because public opinion throughout the country will not sustain reductions.

I have enough faith in the country to believe that practically 100 percent of employers are patriotic enough to prevent the lowering of wages. In this thought they will have the full support of the

of wages. In this thought they will have the full support of the

Government.

I think that the record of this administration has demonstrated that in the administering of this legislation I will not permit anything to be done that will result in lowering the wage scale of the Nation.

Very sincerely yours,

FRANKLIN D. ROOSEVELT.

Mr. President, in the Committee on Appropriations, if I may properly speak of its proceedings, I held from the first that all that was needed in the pending joint resolution was the first and second provisions of it; that we were proposing to place approximately \$5,000,000,000 in the hands of the President of the United States to do with as his judgment might prompt or as his fancy might please; and that if we were going to place that immense sum in the hands of the President, it must be done because of absolute confidence in his integrity and in his judgment. Therefore I did not think there was any necessity for embracing in the joint resolution these more or less controversial provisions.

I repeat, I do not see how gentlemen here who have given us an exhibition of rhetorical commendation of the President can now have so little confidence in him as not to believe what he has said to the committee and now says, through me, to the Senate, that he is not going to permit the things to be done which they apprehend, and therefore they are going to vote for the McCarran amendment.

Mr. President, I have no lack of appreciation of the earnestness and the skill, and at times the pathos, of the distinguished Senator from Nevada [Mr. McCarran] in purfloor, may denounce measures which he thinks involve the suing this matter. He has been right on the job every day and every hour of the day, and I suppose has dreamed of it at night as well as dreamed of it during the day.

Mr. McCARRAN. Mr. President, will the Senator permit an interruption?

Mr. GLASS. I yield.

Mr. McCARRAN. I wish to say that I have also dreamed of the concluding remarks of the learned Senator from Virginia.

Mr. GLASS. I wish I were learned, and I might be induced to believe that I was learned had not the Senator from Nevada made it a habit of speaking of some other Senators as learned whom I know are not learned. [Laughter.]

Mr. President, there is little else, if anything, to be said about this matter. The whole theory of the entire joint resolution has been opposed by me from the first. I have thought and contended that every State and every civilized community in every State was competent to take care of its own indigent, as they have done since the foundation of the Government, with the subsidiary aid of the Red Cross national organization, and I have felt that every State and every civilized community in every State would have taken care of its own indigent if left to itself.

A different policy has prevailed, however. Every State and nearly every community in every State, including my own home town, has put itself in servitude to the Federal Government, has put itself under some inextricable obligation to the Federal Government to such an extent that some of the miserable little bureaucrats here in Washington have had the insolence to threaten States with withdrawal of so-called "Federal aid" unless those States would go to the extraordinary expense of summoning special sessions of their legislatures, and give these bureaucrats some more of their funds.

Federal aid! There never was such a misnomer written into the English language. Federal aid! The Federal Government has no means of getting a dollar to expend which it first does not take from the pockets of the taxpayers of the respective States. And let me tell my laboring friends that when pay day comes, when the money must be paid back, if ever it shall be paid back—and if we do not have a repetition of repudiation—they will be the first victims of a system of that sort. Into their modest homes will first stalk the grim destroyer of every man who has incurred an indebtedness which he cannot honestly meet. But that is aside. That is my own view, and it is the view of a good many people who now are indebted to the Federal Government and whose pockets will be further picked in order to discharge their indebtedness.

Mr. President, we are now to consider the pending amendment and, I trust, to vote on it, and I conclude by again giving the Senate this warning, that I have substantive reasons for the belief that if the pending amendment to the joint resolution should be incorporated in it, the measure would encounter a Presidential veto.

Mr. McCARRAN. Mr. President, I desire to modify my amendment by the insertion of the proviso which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The Senator from Nevada proposes to modify his amendment to the amendment. The proposed modification will be stated.

The CHIEF CLERK. On page 2, line 4 of the amendment, it is proposed, after the word "Columbia", to strike out the semicolon and to insert a colon and the following proviso:

Provided, however, That nothing in this section shall apply to the administration of the Civilian Conservation Corps.

Mr. McCARRAN. I desire to have that proviso considered as a part of my amendment because I do not wish anything coming out of my amendment to affect the Civilian Conservation Corps as it now exists.

Mr. COUZENS and Mr. RUSSELL addressed the Chair. The PRESIDING OFFICER. Does the Senator from Nevada yield; and if so, to whom?

Mr. McCARRAN. I yield first to the Senator from Michigan.

Mr. COUZENS. Mr. President, I was called out of the Senate Chamber a while ago, and I ask the Senator from Nevada if he put in the suggestion I made to him with respect to stabilization of the prevailing wage?

Mr. McCARRAN. I did not; but if the Senator from

Michigan will offer it, I will accept it.

Mr. COUZENS. I ask to make a modification of the amendment of the Senator from Nevada, which modification the Senator from Nevada says he will accept, on page 2, line 2, after the word "nature", to insert "at the time of the approval of this resolution."

Mr. McCARRAN. I accept that modification of my amendment.

Mr. RUSSELL. Mr. President-

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Georgia?

Mr. McCARRAN. I yield.

Mr. RUSSELL. Am I to understand that the amendment of the Senator from Nevada provides that the prevailing wage schedule shall not apply to the Civilian Conservation Corps?

Mr. McCARRAN. That it shall not affect that organization.

Mr. RUSSELL. Does not the Senator from Nevada know that inequality between the 300,000 young men who are now in the Civilian Conservation Corps and those who might be employed would result if the amendment of the Senator from Nevada were adopted, and that, in addition to those young men, there are in the Civilian Conservation Corps 33,000 ex-service men, many of whom were stricken from the rolls with the passage of the Economy Act, and that those men would be discriminated against in favor of those who are now on relief if the amendment were to be adopted?

The point I desire to make is that the amendment of the Senator from Nevada shows the inherent vice of an amendment of this nature which would tie the President's hand in carrying on this work.

Mr. McCARRAN. Mr. President, if the Senator wishes me to answer a question, I will answer it; but I decline to yield the floor for a discussion.

The PRESIDING OFFICER. The Senator from Nevada declines to yield further.

Mr. McCARRAN. If the Senator from Georgia wishes an answer, the answer comes from his own declaration of yesterday, when he objected to this amendment because it would affect the Civilian Conservation Corps; and in order to meet that very objection I have made the modification.

Mr. RUSSELL. I do not object to an amendment of that character.

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Georgia?

Mr. McCARRAN. I yield for a question, but I will not yield for a discussion.

Mr. RUSSELL. I wish to correct the statement of the Senator that I had objected on the score mentioned. I merely used that as an illustration, if the Senator will recall, of the difficulties we would encounter in attempting here to establish a fixed scale of wages, and that injustices would result, as was pointed out by the Senator from Nevada and others; that some men would still be paid \$1 for \$2 worth of work, just as will be the case if the amendment to the amendment of the Senator from Nevada is adopted. The young men in the Civilian Conservation Corps, a great many of them, are now engaged in stone masonry—

Mr. McCARRAN. Mr. President, I refuse to yield further.

The PRESIDING OFFICER. The Senator from Nevada declines to yield further.

Mr. McCARRAN. If the Senator desires to have my amendment withdrawn, let him say so now, so that the record may be made.

Mr. RUSSELL. I have no desire to undertake to direct the course of the amendment of the Senator from Nevada. Mr. McCARRAN. Mr. President, for 3 weeks it was the

privilege of those who belonged to the Appropriations Committee of the Senate to go into this and other matters.

prudent judgment of the chairman of our committee, with all his years of experience, with all his splendor of character, with all his vast knowledge of national affairs, derived from his service in the House of Representatives in which his experience was extensive, and derived from his service in the Senate of the United States, and from his wonderful administration as Secretary of the Treasury. We had all that presented to us. He has not presented it all here, nor will I touch upon it. He has, however, made some statements on the floor, for which I am grateful to him, because I should not have considered myself permitted even to disclose the very statements he has made here upon the floor. and I am going to dwell upon only a few of those statements.

First of all, the Senator from Virginia said that the outstanding bonded indebtedness of this country is \$28,000,-000,000, of which \$15,000,000,000 is held by the banks of the country-I am using round numbers-and that a depreciation of 10 percent in the value of that bonded indebtedness will bring about rack and ruin to 90 percent of the banks. Then he says, "When that comes about, let me ask those of you who represent labor, into whose humble homes there will come the reaction, where will it reflect its results?

Mr. President, whence comes that which sustains the \$15,000,000,000 of indebtedness held by the banks? Who pays the tax in this country? Do not the taxes of this country come from the sweat of the brow of labor? If they do not, for God's sake whence do they come? What is the origin of all industry? Can industry exist unless there is behind it the force of the toiler? We may manufacture machines until we are black in the face, but who will run the machines when we are through? There never yet was invented a machine that had the power of human mentality. Behind the \$15,000,000,000 whence the banks of this country are drawing their income there stands a power that nothing short of omnipotence can break down, and that is the power of the toiler in the humble walks of life.

Oh, I have listened to the letter of the President. wonder who will challenge my loyalty to what I believe to be the upbuilding of a national institution which will continue to go forward. I do not care whether the answer comes in the form of laughter from the learned Senator from Virginia, which to my mind is unwarranted at this

Mr. GLASS. Mr. President, let me say to the Senator that I was not laughing at him. If I have not the right to laugh at an amusing remark made by a colleague, then I will beg the Senator's pardon.

Mr. McCARRAN. I had colleagues surrounding me, but I did not do the Senator such discourtesy.

Mr. GLASS. I was not laughing at the Senator. I was listening very carefully to what he said.

Mr. McCARRAN. Mr. President, this is a crucial moment, and I know the forces which are operating here. This is a moment when 90 percent of the people of the country are looking to this body for a verdict. When I say "90 percent" I mean that 90 percent of the people of the country are in the toiling class, and 10 percent are in the class that enjoy their income from the fruits of the toilers.

Turn down those who toil, if you will; say to the President of the United States, "You may do as you please with these people"; turn them down if you want to-perhaps we shall go on, and God grant that we shall go on. But the learned Senator from Virginia intimates that there may be a climax coming, when by reason of a reduction in the value of the outstanding bonds held by 10 percent of the people there will be a cataclysm, which will result in a destruction of our financial institutions.

I wonder if we have stopped to think what the extent of the cataclysm may be if 90 percent of the people of this country are without the opportunity to toil, and without the opportunity to hold to a wage scale which has been builded through half a century. I wish to write into this progres-

During the 3 weeks we had the benefit of the wise and | sive legislation, if it be progressive, a reverberation and a reaction from the toil of those who fought to build up the wage structure of America. I wish to have it written into this measure, and I desire the President to underwrite it. If he underwrites it, he will stand in the world's history as one of the men who dared to say that notwithstanding our surrounding sister countries have turned down the wage structure, America, facing a crisis, nevertheless, proposes to say to the toilers of America and to the toilers of the world, "We will go on. We will hold up a living scale and an American standard of living, and we will write it into the greatest appropriation measure in all the history of the world."

The PRESIDING OFFICER. The question is on the amendment of the Senator from Nevada, as modified, in the nature of a substitute for the committee amendment.

Mr. McNARY. Let us have the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. DICKINSON (when his name was called). I have a pair with the senior Senator from Kentucky [Mr. BARKLEY]. I do not know how he would vote, and therefore withhold my vote. If permitted to vote, I should vote "yea."

Mr. KEYES (when his name was called). I have a pair with the senior Senator from New York [Mr. COPELAND]. I understand if he were present he would vote "yea." If at liberty to vote, I should vote "nay."

The roll call was concluded.

Mr. DICKINSON. I have announced my pair with the senior Senator from Kentucky [Mr. Barkley]. I transfer that pair to the senior Senator from North Dakota [Mr. FRAZIER] and vote "yea."

Mr. AUSTIN. I announce the necessary absence of the Senator from South Dakota [Mr. Norbeck] and the Senator from Louisiana [Mr. Overton]. Those Senators are paired on this vote. If the Senator from South Dakota [Mr. Non-BECK] were present, he would vote "nay." If the Senator from Louisiana [Mr. Overron] were present, he would vote "yea."

Mr. FRAZIER entered the Chamber and voted.

Mr. DICKINSON (after having voted in the affirmative). In view of the vote of the senior Senator from North Dakota [Mr. Frazier], I withdraw the transfer which I previously made to him and transfer my pair to the junior Senator from Arkansas [Mrs. Caraway] and permit my vote to stand.

Mr. ROBINSON. Mr. President, I question the right of the Senator from Iowa to transfer his pair to the junior Senator from Arkansas.

Mr. LONG. Mr. President, I was informed by the secretary of the junior Senator from Arkansas and by Mr. Biffle that she desired such a pair.

Mr. LEWIS. I announce that the junior Senator from Louisiana [Mr. Overton] is detained by illness, that the senior Senator from New York [Mr. COPELAND] is necessarily absent because of illness in his family, that the junior Senator from Arkansas [Mrs. Caraway] is detained by illness, and that the senior Senator from Kentucky [Mr. BARKLEY] is necessarily detained.

I also announce that the senior Senator from South Carolina [Mr. Smith] is necessarily detained. I am not advised how he would vote if present.

I further announce that the Senator from Oklahoma [Mr. THOMAS] is detained by important departmental business. If present, he would vote "yea."

The result was announced—yeas 44, nays 43, as follows:

#### YEAS-44

Adams Cutting Austin Barbour Davis Dickinson Black Donahey Bone Frazier Borah Bulkley Gibson Hastings Capper Carey Johnson La Follette Lonergan Long

McCarran McGill McNary Maloney Murray Neely Norris Nye O'Mahoney Schall

Schwellenbach Shipstead Steiwer Townsend Truman Vandenberg Van Nuys Wagner Walsh Wheeler White

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Ashurst Bachman Balley Bankhead Bilbo Brown Bulow Burke Byrd Byrnes Clark	Connally Coolidge Dieterich Duffy Fletcher George Gerry Glass Gore Guffey Hale	Harrison Hatch Hayden King Lewis Logan McAdoo McKellar Metcalf Minton Moore	Murphy Pittman Pope Radcliffe Robinson Russell Sheppard Thomas, Utah Trammell Tydings
	NOT	VOTING-8	
Barkley	Copeland	Norbeck	Smith Thomas Okla

So Mr. McCarran's amendment, as modified, to the amendment of the committee was agreed to, as follows:

SEC. 6. The President is authorized to prescribe, and shall give full publicity to, rules and regulations necessary to carry out the purpose of this joint resolution: Provided, however, That (a) such rules and regulations shall stipulate that the rates of wages paid to all laborers and mechanics employed by any contractor or subcontractor or by the public officer in charge for the United States or for the District of Columbia, for work done under this joint resolution, whether by contract or otherwise, involving the expenditure of any money appropriated by the resolution, need not be uniform throughout the United States but shall not be less than the prevailing rates of wages paid for work of a similar nature at the time of the approval of this resolution in the city, town, village, or other civil division of the State in which the work is located, or in the District of Columbia: Provided, however, That nothing in this section shall apply to the administration of the Civilian Conservation Corps; (b) rules and regulations prescribed under this section shall not abrogate any existing law. The President is authorized to prescribe, and shall give

The VICE PRESIDENT. The question is on agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

The VICE PRESIDENT. The clerk will state the next amendment of the committee.

The CHIEF CLERK. On page 8, after line 7, it is proposed to insert the following:

SEC. 7. Wherever practicable in the carrying out of the provisions of this joint resolution, full advantage shall be taken of the facilities of private enterprise.

The VICE PRESIDENT. The question is on agreeing to the amendment.

Mr. BONE. Mr. President, section 7 seems to be a committee amendment, and I should like to have the author of the amendment advise me just what it means. The term "full advantage" is a rather all-inclusive term, and I should like to know what it means.

Mr. GLASS. Mr. President, I cannot explain it any more than it explains itself. It is the plainest English I have ever seen written.

Mr. BONE. The Senator from Virginia has the advantage of having a more acute intellect than most of us; but I do think the term "full advantage", when used in connection with private business enterprise in the joint resolution, deserves some explanation because it will be too late to explain it after the measure shall be in operation.

Mr. GLASS. I am perfectly sincere in saying to the Senator that I do not know anything more about it than what it says.

Mr. BONE. Then, I am at a loss to know why the committee put that language in the joint resolution.

Mr. GLASS. The Senator from Nevada [Mr. McCarran] may be able to explain it to the Senator.

Mr. McCARRAN. Mr. President, I shall be glad to answer the question of the Senator from Washington if he will repeat it. I am very sorry, but in the confusion I could not hear the Senator's question.

Mr. BONE. As I understood, the Senator from Virginia assumed to answer the question by telling me that if I did not know and the rest of us did not know what the language meant, he could not further enlighten us.

Mr. McCARRAN. Will the Senator kindly repeat the question.

Mr. BONE. I am asking what the peculiar language in section 7 means. What does it imply when it says that "full advantage shall be taken of the facilities of private enterprise "? That is rather all-inclusive language, and I should like to know whether it means to exclude any use of public facilities, or what it means; and if it does not have any clear meaning, why is the language in the joint resolution?

Mr. McCARRAN. Mr. President, the language of the section, as I now recall it, without having the joint resolution before me, is that, wherever practicable, full advantage shall

be taken of private enterprise.

This amendment was suggested by those who had been engaged in the contracting business throughout the country. They feared that perchance the contractors, who have \$1,600,000,000 invested in various lines of employment, might be entirely left out; so they sought a general amendment, which I offered in the committee, and it was adopted to the extent and in the language stated, that, wherever practicable, the facilities of private enterprise should be resorted That simply means, as in the building of highways throughout the country today, we have highway-construction engineers or highway-construction groups, with their equipment, all ready to go to work, that, if the President wishes, and thinks it practicable, he may call upon them so far as their facilities permit.

That is the object of the amendment. I was not the author of it, but I did sponsor it, and I sponsor it now, in furtherance of giving to the contractors of the country an opportunity to employ labor they have carried, during the hours of depression, many of them keeping their equipment and labor contingent, on at a terrific loss. Wherever it is practicable, the amendment provides that their facilities shall be utilized.

That is the explanation of the amendment. If the Senator has any further questions, I shall be glad to answer them. I again apologize to the Senator. I was not giving attention to his question, and I am very sorry.

Mr. BONE. Mr. President, the Senator from Nevada owes me no apology. There was a great deal of confusion in the Chamber when I asked the question. I can understand why everyone would be confused; but I know that these words have meaning, and that some interpretation is going to be given them by those who will construe the joint resolution, especially by those in Washington, D. C., who are going to disburse this money.

Mr. McCARRAN. That is true.

Mr. BONE. I want to be absolutely certain that these words are not misinterpreted to the disadvantage of my State or any other State.

Mr. McCARRAN. That is the object and purpose, and that is the whole idea behind the amendment.

Mr. BONE. These words may be construed absolutely to prohibit force-account work wherever it is possible to let contracts. Is that the Senator's intention?

Mr. McCARRAN. That is the object.

Mr. GLASS. No; wherever it is practicable.

Mr. McCARRAN. Wherever practicable. Mr. BONE. Very well, so long as we understand that. We desire to know what we are doing when we vote "yes" or "no."

The VICE PRESIDENT. The question is on agreeing to the committee amendment known as "section 7."

The amendment was agreed to.

#### POSTMASTER GENERAL FARLEY

Mr. LONG. Mr. President, I send to the desk a little clipping from the State of Texas and ask that it may be read aloud by the clerk.

The VICE PRESIDENT. Without objection, the article will be read.

The Chief Clerk read as follows:

[From the Washington Evening Star, Feb. 20, 1935] FARLEY CONFIDENCE VOTE IS REJECTED BY TEXAS SENATORS By the Associated Press

Austin, Tex., February 20.-The wholly Democratic Texas Senate AUSTIN, TEX., February 20.—The wholly Democratic Texas Senate refused today to vote on a resolution expressing confidence in Postmaster General James A. Farley and deploring a proposed United States Senate investigation of his office.

It was shunted to a committee, 20 to 7, after sharp remarks about both Farley and Senator Huer Long, of Louisiana.

"By reason of the source of such charges", the resolution said. "the people of this great State have little faith in them."

Mr. LONG. Mr. President, in this general effort to call on Democratic legislatures to approve Mr. Farley I must express surprise and gratification that any legislature, being assailed with constant offers of patronage and enormous funds to control sentiment, even momentarily would have shown such spirit as the Texas Legislature showed yesterday. I cannot help adding my voice of commendation for the present position of that State legislature. It is rather gratifying.

The Democrats of this country—and I am a Democrat, still voting with the platform, as my vote a few moments ago proved—are looking for this man to be investigated. He is sending word around here, through the back door and the front door, that he has some intelligence men coming in here to prefer some charges if this, that, and the other be not done.

Mr. President, he is not frightening anybody. I have dealt with clean and bad crooks in my life, both kinds. We are used to this kind of a fence buster. We have seen his stripe too many times—just a common, ordinary, unscrupulous crook, with no defense whatever to be made for him.

If anybody doubts the words I uttered just a moment ago, all he has to do is to read the little article in the New Republic for February 20, 1935, entitled "Mr. Farley's Stamp Act."

I do not believe there is any Member of the Senate who understands the business of stamp collecting. The United States Government reaps a large amount of money, which is almost gratis money, by printing so-called "special occasion" stamps. There are a large number of people who buy such special stamps. The Government will print a Columbus Day stamp, it will print a Pilgrims stamp. It printed a stamp commemorating the life of Pulaski. The United States Treasury prints those stamps because of their souvenir value, and reaps returns running into the millions of dollars from them, which money goes into the Federal Treasury. That is done all the time.

This individual had printed a bunch of stamps, the returns from them not to go into the Treasury of the United States, but to go into his own pockets and into the pockets of his friends. He might just as well have reached into the till of the United States Treasury and taken that much money out of it as to have had those stamps printed for souvenir purposes and put them out in that manner.

Mr. President, I ask that the Senate permit me to print about a two-page article which appears in the New Republic. I will not take the time of the Senate from its business today, but I send to the desk this magazine and ask to have incorporated at the conclusion of my remarks the article beginning on page 39 headed "Mr. Farley's Stamp Act."

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit A.)

Mr. LONG. Mr. President, I have been supplied a copy of the speech Mr. Farley has handed out which he is going to make tomorrow night. [Laughter.]

The VICE PRESIDENT. Let the Chair call the attention of the occupants of the galleries to the rule of the Senate; and this admonition must be heeded. We are not going to have a farcical performance in the Senate if the present occupant of the Chair can prevent it. The occupants of the galleries are the guests of the Senate. If they cannot refrain from audible laughter, the Chair will ask them kindly to retire from the galleries.

Mr. LONG. Mr. President, this speech to be delivered tomorrow night by the Postmaster General—to all those who want to hear him—is entitled "Problems of the President." This "bird" is going to make a speech on the problems of Mr. Roosevelt. He is going to assume a new role—not a new role, but a new name for an old role. He is not exactly like Louis XIV, who gave utterance to that French sentiment, "L'Etat, c'est moi"—"I am the state." I am trying to give both the "Cajun" and the French pronunciations, because down in my section we really speak French. These fellows who have learned it out of a book do not think I know how to pronounce it, and I have to give them the pronunciation we use down there.

He does not say "I am the state." He does not say "I am the President." He is going to tell just what he has the President doing and what he has to tell him to do—taking a little time off.

This Presidential boss-

Mr. ROBINSON. Mr. President, the Senator apparently is about to read a speech which, I take it, was submitted to the press for purposes of release. It is customary here, as everyone knows, to give out memoranda pertaining to speeches, subject to release when the speeches are delivered. I cannot conceive that the Postmaster General, in view of the relationship that is known to exist between him and the Senator from Louisiana, would supply the Senator from Louisiana with an advance copy of his speech, to be delivered in the Senate before the speech is delivered by Mr. Farley himself.

I merely wish to point out that it is, in my judgment, unfair to procure a copy of a speech as delivered for release and to publish it in advance of its delivery. I do not care what the speech contains. This involves a question of fair dealing.

There is not a man who sits in the press gallery who does not understand fully what I am saying. There is no one who receives a speech subject to release who does not understand that it is dishonorable to publish it in advance of the time fixed by the author of the speech.

I suggest to the Senator from Louisiana-

Mr. LONG. Just a moment-

Mr. ROBINSON. That he consider the propriety of his course.

Mr. LONG. I am doing so.

Mr. ROBINSON. I realize that I have no power to control his action, but I do not believe that the Senator from Louisiana would wish to procure a copy of any man's speech 24 hours or 36 hours in advance of the time the gentleman intended to deliver it—the individual to whom the Senator referred—and deliver it himself.

Mr. LONG. The facts are, Mr. President, that this has been very improperly printed by the said Farley, and that my friend from Arkansas does not know the Democratic discipline as I do. He is not in the high councils of the Democratic Party, and I am. This thing has been printed by the Democratic National Committee, of which I am a member in good standing. [Laughter.]

Mr. ROBINSON. Mr. President, the Senator evidently does not grasp the significance of my suggestion.

Mr. LONG. Yes; I do.

Mr. ROBINSON. I do not care by whom it was printed; until it is released, it ought not to be published.

Mr. LONG. It has been released to me, though.

Mr. ROBINSON. The Senator may take that view of it-

Mr. LONG. Yes; I take that view. I take the view that he has not any more right using my money than I have using his money. He has gone up there and he is just using this in an effort to keep himself in office and defend himself.

Mr. ROBINSON. Mr. President, will the Senator yield? Mr. LONG. I yield. I am glad the Senator asked me to ield.

Mr. ROBINSON. There is no relevancy in the reference to use of money. The point I am making is that this is a confidential document until it is released under the rules which everyone who is accustomed to dealing in publicity knows to prevail.

Mr. LONG. I hope I am going to prevent this thing from being said tomorrow night. I am acting for the party. I am acting in defense of the party. I do not get this as a newspaperman. I get this because of my peculiar contact with the Democratic Party, my paying contact. I am on the putting-up end and not on the receiving end of the party.

The Bible says, "It is more blessed to give than to receive", and I still am on the blessed end of this business.

There is always somebody on the receiving end who thinks I am unethical. The only man who thinks what I do is

unethical is on the receiving end. I will swap ends with him | leries. If such manifestations continue, the galleries will be any time he wants to swap, and I will not complain about his conduct.

I put up that money for the Democratic Party; I mean I shelled out the coin and got others to shell out the coin. Now, Mr. Farley, when he finds himself face to face with what he cannot answer, goes up to the Democratic National Committee headquarters. He has got himself a bureau of publicity, and proposes to use my money with which to answer me. Here is his answer. He says:

Each election is a prelude to the next one, and nearly always it is the President who is the target of most of the firing. This is true even when the batteries are, for reasons of expediency, directed at the President's Cabinet, or those to whom are intrusted important duties under him.

In other words, he says the fire is directed at Jim Farley now because the fire is really being directed at the President. I say it is an improper use of the Democratic facilities to send this speech out through the channels of the party, and to use the money of this party, the money that I helped to raise and money that I put up for an organization of which I am a member in good standing. It is improper for him to shield himself on the ground that there is an attack made on the party and on the President, and that all that is said about him would be said about the President, and that the shafts are directed at him.

I did not say a word about Farley giving the President of the United States some of those stamps. I did not even mention the business. I do not know what the stamp business is, and I do not know what the President knows about it, so far as that matter is concerned. I think, however, if he had handed me those stamps, that perhaps I would not have known any better, and that I would have said to him. "Where did you get these stamps? Take back these stamps." I do not know whether I would have done that or not. This article says, and the newspapers say, that when he had these stamps printed he had printed for himself three sets, and had printed for his friends a set or two apiece. I myself do not believe, and I will not be led to believe that the attacks on him because of the things he has done are reflections upon the President of the United States.

Now he comes out undertaking to use the Democratic Party. He has gone to the Legislature of Texas and asked them to defend the Democratic Party, and that means to express confidence in Farley. He has gone to the Democratic National Committee, and he has issued this answer and sent it Nation-wide. He has already mailed out all over the country to the important members in the party, and to the newspapers, the speech he is going to deliver, so that all the party organs will have this speech to hand out to their local newspapers to see that it is published immediately upon his delivering it. He wants to use us as a means to get publicity for this document which he has caused to be sent out to so many of us. He wants to use the party to pay for this kind of publicity; and through the official organ of the party he is sending out the statement that the attacks leveled against him now are really attacks on the President.

Is that what the party is going to be used for? Is that the kind of use he is going to be permitted to make of the party? Are the Democratic Party and the President of the United States to have themselves put in the position where Farley will stand as a defender of the faith, as the rampart and the bulwark and the protection in front of the party and in front of the President? Does he think we are going to help him to get this speech published? If he does, I want to say he is badly mistaken. I have no intention of helping him get it published anywhere—not a word of it, not a line of it.

I will read that clause again. Mr. President, I beg the pardon of the Senator from Alabama [Mr. BANKHEAD] if I am disturbing him. I will wait until conversation is concluded. I do not want to disturb the Senator. I can take plenty of time; but I disturb myself by listening, because I get more interested in what he says than in what I am saying myself.

The PRESIDING OFFICER. The Chair admonishes those in the galleries that they are here through the courtesy of the Senate as guests of the Senate, and no manifestations of approval or disapproval must be made by those in the gal-

cleared.

Mr. LONG. Mr. President, I did not hear any disturbance in the galleries.

The PRESIDING OFFICER. The Senator perhaps may be deaf. The Chair is not responsible for that

Mr. LONG. I understand that. I was only trying to get Senators to desist from talking. I was simply calling attention to the noise on the floor of the Senate. However, the Chair is probably right. Perhaps I did not have my left ear turned that way. What I heard, I heard in my right ear. I always sleep on my right ear so that I can hear out of the left.

Mr. Farley says in his speech:

Each election is a prelude to the next one-

Mr. BANKHEAD. Mr. President

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Alabama?

Mr. LONG. I yield.

Mr. BANKHEAD. I wish to inform the Senator from Louisiana that he was not the subject of discussion.

Mr. LONG. Mr. President, I know that. If the Senator from Louisiana had been the subject of discussion, the discussion would have been complimentary, I know. I thank the Senator for giving me his attention. The Senator and I are good friends, and I hope we shall stay good friends for a long time. I cannot agree with the Senator on some of the positions he takes, but he is going to come back and be right on some of these days, after all these things are over.

Each election-

Says Brother Farley-

is a prelude to the next one, and nearly always it is the Presiwho is the target of most of the firing. This is true

In other words, this is true, he says, now; the President is the target-

This is true even when the batteries are for reasons of expediency directed at the President's Cabinet or those to whom are intrusted important duties under him.

I am not going to disclose any more of this speech than is necessary for the good of the party. As a member of the party I wish to give this speech to my friend from Arkansas. and ask him to take it to the President of the United States and ask him if he wants Mr. Farley to hand out this speech on the problems of the President, and refer to attacks leveled at Mr. Farley as attacks leveled against the President. I protest against his delivering this speech. That is why I am rising here now. I do not want to have the harm done and the stable door locked when it is too late and the horse is

I offer this address to the Senator from Arkansas, and I ask him, as my friend and as the friend of the President and as the friend of the party, to take this speech over to the White House and find out if this man has a right to deliver this kind of a speech under the title of "Problems of the President." I want that found out.

Mr. McKELLAR. Mr. President—
The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Tennessee?

Mr. LONG. I yield.

Mr. McKELLAR. The Senator from Arkansas has been called to the telephone. He will be back shortly.

Mr. LONG. Well, I do not want to take the time of the Senate. I am simply going to leave this speech on the desk of the Senator from Arkansas, and if he does not want it, I do not want it. I will hand it to the Official Reporter.

Mr. McKELLAR. He will not publish it anyway.

Mr. LONG. I will ask the Official Reporter to give it to the Senator from Arkansas, and, if he does not want it, to send it back to me. I am taking action now. I have seen too many things happen to our party. Silence can injure our party. I have seen too many things happen. I am going to stand by the Democrats of Texas and the Democrats of Louisiana. Oh, I do not know; they may send some airplanes down there to see those boys and tell them they made a mistake; that they ought to pass a resolution tomorrow. I understand Mr. Farley can get airplanes pretty cheaply, and get a hat to boot for riding in one of them; so I am not going to make any particular example of them.

I am going to put this matter up to the President of the United States, however. He knows about it now, before the speech is delivered. I have not waited until it is delivered to complain about it. I am sending this speech over to him now so that James Aloysius Farley is going over tomorrow night to make a speech about him, stating what he does and what he does not do, and how he does it; stating that the attacks leveled at Farley were attacks on the President.

I want the President to know, in connection with these statements, that Farley has seven holding companies holding the stock of various and sundry corporations engaged in selling material on United States Government projects; that Farley says to charge him with that is an attack on the President.

I want him to know they have been weighing down for funds on employees and on people convicted of crime; that that has been laid right at the door of James Aloysius Farley; and that he is saying in his speech that that is an attack on the President of the United States.

I want it to be known, as I have shown here, that \$52,-000,000 was to be loaned by the Reconstruction Finance Corporation to the Baltimore & Ohio Railroad, and that James Aloysius Farley called up a man interested in that loan to give him to understand how it had to do with electing a United States Senator; and that now, when that is brought into the front door where Farley cannot dodge it, he hides himself by saying, "I am only here defending the President. This is a shaft which is sought to be directed at the President." He might as well have said that Mr. Roosevelt would have done it himself if he had not done it, as to make that kind of statement. He might as well have said, according to what I have produced in this speech that he is going to deliver, that he was carrying out the orders of the President of the United States. I submit that he might just as well say, and that the speech in effect does say, that the President of the United States is being held clear in order that he, "Big Jim", may absorb this charge of filth and corruption which otherwise would have to go to the President.

Oh, no! All this effort is made to shield Farley. He has not yet come into the Senate Chamber, though he has a right to the floor, I understand, like any other Cabinet member. I do not know definitely about the rule. Of course I should not object to his having the right until he is kicked out of the Cabinet, and he is going out just as sure as 2 and 2 make 4. He is on the way out. He is just as surely on his way out as that we have a Pennsylvania Avenue here in Washington. He does not dare to face this investigation. He knows that he cannot stand up under it. The evidence is here, and I want to state that what I shall show within the next few days in the United States Senate, if this investigation is ordered, will rock this old Capitol from center to circumference, and people will wonder if there is any such thing as government left with

I have not shot from taw yet. No, Mr. President; I have not shot from taw yet. We are going to give them a trip from Dan to Beersheba. Senators are going to be surprised. The letter written to Farley from Kansas City and which I read, is not a starter compared to something else and some other things. I am going to show the two Senators from Tennessee things they have not heard of that happened in Tennessee right around the capitol of the State of Tennessee. I am going to show something they never heard of before if this investigation proceeds. But, no; they want to pass a lot of resolutions. The legislators in Texas, who do not know anything about it except, perhaps, what they may read in the newspapers, are being asked to pass resolutions.

Mr. McKELLAR. Mr. President—
The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Tennessee?

Mr. LONG. I yield.

Mr. McKELLAR. Is the Senator going to have me examined, too?

Mr. LONG. Oh, no.

Mr. McKELLAR. I am thankful the Senator is not going to have me examined.

Mr. LONG. Oh, no. The Senator has been trying to get himself examined here. Ever since I have been trying to get Farley examined the Senator insists on trying himself. I do not want to do that.

Mr. McKELLAR. I have the greatest interest in Tennessee. Tennessee has been kinder to me than perhaps it has ever been to any other man, living or dead. When the Senator tells me he is going to have something brought out that will stir Tennessee from center to circumference, I wonder what it is. The Senator will excuse me if I express the greatest interest.

Mr. LONG. I will tell the Senator what it is. I did not say it would stir Tennessee. I said I would stir the Capitol here from center to circumference with some facts I have developed about what happened in Tennessee. I am going to tell the Senator what it is in just a minute. Let the Senator remain in his seat until I reach it and see if I do not get the whole thing told.

Let me preface my reply to my friend from Tennessee by saying that I once lived in Tennessee. I once was a resident and citizen of Tennessee. I married in Tennessee. I traveled the State of Tennessee. I have relatives and friends in Tennessee. I was in Tennessee a while back and was treated very kindly. When I was up there I paid my friend a compliment. It might have hurt him a little bit. I was surprised that they got as many votes as they did against him. It was not my compliment, I hope, that did it.

Mr. McKELLAR. Notwithstanding the Senator's compliment, I received the largest majority I have ever received in my life. I am not complaining about that at all. I hope the Senator will come to Tennessee again. We will always be courteous to the Senator.

Mr. LONG. All right. Now I am going to tell what was done in Tennessee. Some transactions were had affecting some of the banks down there. So many violations of the law were found that instead of using red ink to show where the violations were, they used blank spaces so it could be shown there was something else besides violations of the law. They had those things up and the orders were out to indict the violators. Then Farley got on the job. Farley came on the scene. They dispatched a man to Nashville, Tenn. Reports had been made by two separate agencies connected with the United States Government showing 4,000 violations, so Farley got on the scene. I have been given the facts upon which the reports were based.

A gentleman came to my office today and said, "I hold a big job in the United States Government. I had been out of work a long time, and I need my job. I hope you do not have to bring me into it, but rather than have this kind of fraud continue, knowing the kind of chance you are taking, I am willing to be called, and I will give up my job the day you want to call me." I have his name and address. He knows the Senator from Tennessee. The Senator from Tennessee helped to get him a job. I know my business, Mr.

Mr. McKELLAR. Mr. President-

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Tennessee?

Mr. LONG. I yield.

Mr. McKELLAR. I think I know to what the Senator has reference in Tennessee. I want to say to the Senator from Louisiana that he has been wholly misinformed about it. There have been no such violations of the law as he states. I should think the Senator would be careful enough to ask those who might know something about it rather than undertake to listen to any Tom, Dick, and Harry who may

Mr. O'MAHONEY. Mr. President, will the Senator yield? Mr. McKELLAR. Just a minute! I want to say to the Senator that these reports that he is talking about-

Mr. LONG. I did not state what they are.

Mr. McKELLAR. I know what they are. They are bank matters. I know of but one banking matter down there which has been discussed in such a way that the Senator could find it out. He is wholly mistaken in it; and if he is

as badly mistaken in what he is saying about Farley as he friend from Wyoming [Mr. O'Mahoney] to hear the bell is in what he is saying about Tennessee, he is very, very ring and hear it said, "Come along; what have you got? badly mistaken.

Mr. LONG. I am not talking about Tennessee.

Mr. O'MAHONEY. Mr. President—
The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Wyoming?

Mr. LONG. Just as soon as I answer the Senator from Tennessee.

Mr. O'MAHONEY. What I was about to ask merely had to do with something the Senator from Tennesse said.

Mr. LONG. All right; go ahead. I will listen to the Senator

Mr. O'MAHONEY. Just an observation. I was about to ask the Senator from Tennessee if he expected the Senator from Louisiana to be careful in any of his statements.

Mr. LONG. Yes. The Senator from Louisiana will prove it now, notwithstanding what the Senator from Tennessee said. I will now take the responsibility. We will prove that, too. Yes, sir; we will prove it. I know what the Senator from Tennessee thinks we have. I happen to know something besides what I think the Senator from Tennessee knows. The Senator from Tennessee cannot dispute the photographs I have up to date, and I am not a bit worried about that last one, either.

Why should we quibble? Let us have the hearing and have a show-down. That is the way to meet this thing. Do not sit around here and hide about it. Let us just come right on out and put what we have down on the barrel head and let us see what there is to it. Let us have a show-down-

Why take all this time here? How long has it been since I introduced the resolution to have a show-down? It has been a long time, a week or so, since the resolution was introduced; and what are they doing? They are over here in Texas trying to get a resolution from the Legislature of the State of Texas. They are down here in Tennessee trying to get the Legislature of Tennessee to give them a resolution. They are over here trying to get a resolution protesting against having an investigation of James Aloysius Farley.

I hope the Senator from Tennessee knows what I am talking about; but I happen to know something besides that. I know how far they have carried these matters. I know they have served notice on every banker who is a friend of mine, or who wanted to be friendly to me, that they were about to indict him. Yes, sir; and I know how they whipped them right into line under threats of indictment; and I know how they went before the grand jury in the city of New Orleans, with \$169,000 of defalcations on which one man was supposed to pay to the Government, and how, when that was brought out, they gave a member of the grand jury, who was a cousin of this man, to understand that if he stood in line and voted for indictments against everybody else his cousin might be let off. I know how they use these things. I know what I am talking about.

It reminds me of the old song, when you talk about what you know and what you do not know. The worst thing that can happen to me, if these things are not true, is to have this investigation and call upon me for the proof. The worst thing that can happen to me, and the best thing that can happen to Farley is to have this investigation, and let us have a complete fall down, if that is going to be the result, as you say it is going to be.

Let us have it. Let us have it. That is what we want. We have the evidence, I think, I believe. I have the photostats. I have them here. We are trying to get an investigation. We are trying to get an investigation. I want to repeat, we are trying to get an investigation of James Aloysius Farley. We are not trying to investigate the President of the United States. We are trying to investigate Postmaster General James Aloysius Farley. That is what we are trying to do.

When are we going to hear about this? When are we going to hear about it? When are we going to know? Why delay? Why tarry? Why quibble? Why argue? The best thing that could happen would be for my distinguished

Let us see it." That is what we ought to have.

I do not understand that my friend from Wyoming is opposing this investigation. My understanding is that he is in favor of it. I do not know, but I just glean from his looks and remarks that he would be in favor of it.

Mr. O'MAHONEY. Mr. President-

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Wyoming?

Mr. LONG. I do.

Mr. O'MAHONEY. I will say to the Senator that I know of nothing that I would be willing to investigate upon the statement of the Senator from Louisiana.

Mr. LONG. I see. I understand now. I mistook the Senator. He is not willing to investigate Mr. Farley on what I have produced here; so I understand the Senator.

I desire to say, Mr. President, that I have a high regard for the integrity and the honor of the Senator, and I believe he is a learned Senator, not like the people my friend from Virginia referred to a few minutes ago when the Senator from Nevada was speaking. I really have all the confidence and faith in the world in the ability and learning of the Senator from Wyoming. It is only natural that we all have certain predilections, and we worry along about some of these things as to what happened back here, and what might not have happened. Hindsight is not always better than foresight, perhaps, but it is in the usual case; and if the Senator would take as an example what has already been proven in cases of this kind I think he would be more inclined to agree with me. I have proved it in the past, and I will prove it this time, I think. That is why I am asking for an investigation.

## EXHIBIT A

[From the New Republic for Feb. 20, 1935]

MR. FARLEY'S STAMP ACT

The uncanny genius of Postmaster General James A. Farley for getting into trouble has landed him in the midst of another scandal—and, of all things, a scandal about stamps. It is one of those things that only General Jim could have done. It is a bust and a

things that only General Jim could have done. It is a bust and a blunder and a bonehead play—and a remarkable illustration of what happens in the average American politician's mind.

Before the days of his present eminence, when he was on the make, they used to call the General a "good guy". Being a "good guy" got him where he is. The General knew it and so, when he became head of the Government's stamp department, he decided to keep on being a "good guy". It meant votes and votes are what count at the moment and General Jim is a man of considerable ambition. So it was not unnatural for him to start being a "good guy" with stamps guy" with stamps.

ambition. So it was not unnatural for him to start being a "good guy" with stamps.

He started off producing freak sheets of stamps for President Roosevelt, a philatelist of no mean standing. Then, to carry on the good work, he had a few freak sheets printed for Mr. Howe, the President's secretary, and a few other friends. It was the business of other friends that got him into trouble. An unperforated sheet of Mother's Day stamps turned up in Norfolk, Va. Its value was estimated at around \$20,000. The millions of stamp collectors in this country set up long and loud individual and collective howls. The howls were eventually heard in Washington and Representative CHARLES D. MILLARD, who apparently is one of those unreconstructed Republicans objecting to the high-handed manner of the General, announced that he would seek a congressional investigation. At the present moment, with the hounds at his heels, the General is reported to have announced that he won't do it again. Instead, to make up for his carelessness in sending small-sized fortunes to a few of his friends, he will henceforth send out sheets to a lot of people. He is still anxious, what with hoping to become Governor of New York, to continue being a "good guy"; Big Jim Farley, the man who never forgets a friend. Since Farley has occupied the chair of Postmaster General, there have been 17 commemorative stamps. The affair of the commemorative stamps is especially interesting because the public does not generally realize that the printing of these stamps is one of the most profitable businesses conducted by the Government. The basis for this handsome profit lies soleiv in the fact

does not generally realize that the printing of these stamps is one of the most profitable businesses conducted by the Government. The basis for this handsome profit lies solely in the fact that from 4 to 5 million persons in this country are stamp-collecting addicts, people who snap up special issues almost as fast as they are printed, thus creating a tremendous reserve that is never used. The devotees consist of a huge group of postal employees, stamp-collecting companies and dealers, and a number of young and old collectors in this country, as well as millions outside of it. They collect for amusement or profit, but all buy the commemoratives in quantities ranging from squares of four to whole sheets, saving them several years in the hope that their value will double or treble, or at least increase much faster than would ever be the case with an equal amount of money in a bank.

Then again, to make the game more interesting, mistakes are sometimes committed by the printers—such as using a wrong shade of ink on a few hundred of an issue, a flaw in the die, or, more rarely, the inversion of the central picture—which render a stamp exceedingly valuable. Errors such as these keep collectors and dealers throughout the entire world constantly on the lookout, many of them buying hundreds of an issue, only to lay them aside. Meanwhile the Government, winking at the ease of the money-making, credits the sales to pure profit and prints another 100,000,000, which will vanish inside of 2 weeks. This is an unadulterated fact. In a first week of selling, the public will buy more than 50,000,000 commemorative stamps.

For example, take the Olympic Winter Games stamp of 1932, commonly called the Lake Placid issue. It pictured a ski-jumper in a ridiculous and clumsy posture that he would never assume intentionally. The Government's first supply of these stamps was

in a ridiculous and clumsy posture that he would never assume intentionally. The Government's first supply of these stamps was very small—only 25,000,000—but they were bought up so quickly that another issue of the same number had to be rushed out.

As a rule, issues of commemoratives average from 10 to 15 millions—about two or three times the number of collectors who desire them—while a very few run into the billions. Beginning with the Columbian Exposition commemorative of 1893, these special stamps were issued on an average of once every 3 years until 1919, the year of the Victory stamp. From that time on they continued on an average of once a year until 1928, through the reign of Harry S. New as Postmaster General (1923–28). It was this final year 1928, which marked the beginning of the United States Government's realization of the profits to be gained from the sale of commemorative stamps. One was issued called the Molly Pitcher stamp, an ordinary 2-cent Washington, with the name of the revolutionary heroine merely printed across it. It was an inexpensive method of raising many hundreds of thousands of dollars from collectors, as well as proving the advisability sands of dollars from collectors, as well as proving the advisability of issuing commemorative stamps. In this same year also appeared the Battle of Monmouth, Valley Forge, and International Aeronautics Conference stamps.

The year 1929 saw the George Rogers Clark stamp, Edison stamp,

Sullivan Expedition stamp, Battle of Fallen Timbers, and the Ohio River Colonization stamps, the majority of them commemorating events that few knew anything about. In 1930, the Government issued the Von Steuben and Battle of Braddock's Field stamps, the Carolina-Charleston, and the Massachusetts Bay Colony stamps, all perhaps an attempt to influence the sale of American history books.

stamps, all perhaps an attempt to influence the sale of American history books.

By 1931, the ingenious Walter F. Brown, then Postmaster General, began to run out of ideas for his new stamps. Washington bureaucrats and intelligent Congressmen ransacked the Congressional Library in a frantic endeavor to find something to commemorate. Innumerable brainstorms must have resulted before they printed 100,000,000 stamps bearing a 2-cent likeness of the Polish patriot Pulaski. Later in the year came the Red Cross issue, just to prove that the Government's heart, or someone's pocketbook, was in the right place. It represented a kneeling nurse dressed in black, and was received with much enthusiasm. Also in that year, the Yorktown Commemorative stamp was issued. The year 1932 saw the issuance of the 12 famous portrait stamps of George Washington, selling for an entire year in celebration of the Sol Bloom anniversary. Also in 1932 there appeared the Daniel Webster, William Penn, and the Olympic Games stamps. But the most astonishing of them all was the Arbor Day stamp of 1932, a picture of two children standing beside a twiglet.

twiglet.

twiglet.

The next year, 1933, saw one of the country's few beautiful stamps, the Georgia Bicentennial. Next to make its debut was the Newburgh Headquarters, of Washington, followed quickly by the Century of Progress and the Byrd Stamp, the latter printed for the mail going down to Little America. Only 10,000,000 Byrd stamps were placed on sale, and they went immediately to collectors. Another was the Graf Zeppelin 50-cent stamp for the South American flight. The price of these was \$25 a sheet, and many collecting companies bought several sheets at a time. These last two, by the way, were sold only in Washington, where they could be obtained from the Government's Philatelic Agency by paying the extra mailing and registering charges.

Most famous of the special stamps was the N. R. A stamp, whose propagandism aroused much comment for two reasons: It carried

Most famous of the special stamps was the N. R. A. stamp, whose propagandism aroused much comment for two reasons: It carried not the slightest suggestion of the Blue Eagle, and the business man—or the banker—was out of step with the other three marchers and was looking in a different direction.

Then along came another amazing issue, the Kosciusko 5-cent stamp, near the end of 1933. The object of this stamp was to impress Poland once again with the honor America paid her countrymen. But back at home, dealers and officials fumed at this waste of material and another general so soon after Pulaski. It was carrying Government unoriginality too far. In the words of a famous California collector and dealer, "The entire thing is becoming nonsense. If a stamp is to be struck off for every foreign volunteer who fought in the Revolutionary War, it will take dozens of years for the hundreds of them. I think it will not be long before the Government will put a stop to this taxing of thousands of dealers throughout the country."

He was speaking for the little trader who has to buy these stamps and must hold all of them until their is a demand for them from the huge number of collectors. Then he sells at what is generally a very slight increase in value. Of course, the more common a stamp becomes, the less it is worth.

The United States Government will probably never discontinue commemorative stamps. It has no intention of losing a penny of

this money that flows so smoothly into its coffers. The stamps are not only legal, but interesting, and an increasing number will make their appearance every year. United States citizens are beginning to look forward to them with interest, though it is hardly to be expected that they will stimulate travel or add an ounce to the

to look forward to them with interest, though it is hardly to be expected that they will stimulate travel or add an ounce to the volume of mail. Witness the 1934 commemoratives: the Wisconsin Tercentenary, the Mother's Day stamps, supposed to help florists, railroads, telegraph companies, and so forth, the Ark and the Dove issue of Maryland, and the eight national park stamps. Now the administration lets out the news that it may change all of its stamps, commemoratives and regular issues, to landscapes.

Whenever new rulers have taken over a government postage stamps have been one of the first things to be changed. In fact, as various people have already suggested, Mr. Farley, whose head is not entirely empty, has stumbled upon a happy little system for inflation by means of the printing press. It is a kind of inflation, furthermore, that does not upset the hard-money boys. If he can just print enough stamps and sell them—or even give them away to people who will promise to sell them to other people—it will provide considerable grease for the wheels of industry. It may even be a way of pushing the country around that famous corner. Well, why not?

Dan Forrest Taylor.

DAN FORREST TAYLOR.

## EXECUTIVE SESSION

Mr. GLASS. I move that the Senate proceed to consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE H (69TH CONG., 1ST SESS.) - MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. CLARK in the chair). The Chair lays before the Senate a message from the President of the United States, transmitting a convention, pursuant to Senate Resolution 76, agreed to on the 15th instant, which will be referred to the Committee on Foreign Relations.

Reports of committees are in order. If there be no reports of committees, the calendar is in order.

## IN THE MARINE CORPS

The legislative clerk read the nomination of Richard P. Williams to be brigadier general in the Marine Corps.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John H. Russell to be major general in the Marine Corps.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. BLACK subsequently said: Mr. President, I had stepped out of the Chamber for a moment, during which time I understand some action was taken on the nominations of General Williams and General Russell for promotion in the Marine Corps.

The PRESIDING OFFICER. The nominations were confirmed.

Mr. BLACK. I ask unanimous consent that the votes by which the nominations were confirmed be reconsidered, because the statement was made on the floor of the Senate several days ago by the Senator from Florida [Mr. TRAM-MELL), the Chairman of the Committee on Naval Affairs, that these nominations would not be acted on immediately. I do not think he desired to have them brought up today.

The PRESIDING OFFICER. The Senator from Alabama asks unanimous consent that the votes by which the nominations of General Williams and General Russell were confirmed be reconsidered. Is there objection? The Chair hears none, and the votes are reconsidered, and the nominations will be restored to the calendar.

Mr. BLACK. I ask that the nominations go over.

The PRESIDING OFFICER. Is there objection? Chair hears none, and the nominations will be passed over.

## POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

Mr. GLASS. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock p. m.) the Senate, as in legislative session, took a recess until tomorrow, Friday, February 22, 1935, at 12 o'clock meridian.

## CONFIRMATIONS

Executive nominations confirmed by the Senate February 21 (legislative day of Feb. 15), 1935

POSTMASTERS

FLORIDA

Riley G. Granger, Branford. Albert V. Prevatt, Green Cove Springs.

MISSOURI

Oliver A. Cook, Portageville.

NEW YORK

Harold T. Hubbard, Riverhead. Charles O'Connor, Westbury.

# HOUSE OF REPRESENTATIVES

THURSDAY, FEBRUARY 21, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Heavenly Father, Thou who dost shed light upon the path of duty, be merciful to hear our prayer. We rejoice in the One of ancient days with His glory never failing. Where He is there are humility, truth, patience, pity, and love. We beseech Thee to let this cluster of flowers from the heavenly garden be united in us. May we enthrone them by kindly words, temperate speech, fineness of demeanor, and thoughtful procedure. In our civic life, in our neighborhood life, and in our business life may we always be true, tender, and gentle. Eternal God, discontent and distraction, arguments and assaults are abroad in our land. Do Thou so direct this Congress that it shall identify itself with whatever is truest in thought, purest in sentiment, and richest in wisdom, that our citizens of every section may feel the ground swell and recover from the lapses of the years. In our Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

## MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 4983. An act to authorize a transfer of forest-reservation lands in Forrest and Perry Counties, Miss., to the State of Mississippi or to the War Department, and for other purposes.

The message also announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 5. Concurrent resolution to print and bind the proceedings in Congress and in the rotunda of the Capitol upon the acceptance in the Capitol of the statues of Caesar Rodney and John M. Clayton, presented by the State of Delaware.

PROPOSED CHILD-LABOR AMENDMENT OF THE CONSTITUTION OF THE UNITED STATES

The SPEAKER laid before the House a letter from Hon. Paul V. McNutt, Governor of the State of Indiana, dated February 18, 1935, announcing the ratification of the proposed child-labor amendment of the Constitution by the State of Indiana.

## HOUR OF MEETING

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that when the House adjourn today it adjourn until 11 o'clock tomorrow. I do that for the reason that the majority have a caucus in this room at 4 o'clock today, so that today will be a short day. On tomorrow there will be the reading of Washington's Farewell Address, and we are

anxious to close this War Department appropriation bill tomorrow so that we may adjourn over Saturday.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

#### MALVINA BECKETT

Mr. WARREN. Mr. Speaker, I offer a privileged resolution from the Committee on Accounts and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 112 (Rept. No. 198)

Resolved, That there shall be paid out of the contingent fund of the House to Malvina Beckett, widow of William C. Beckett, late an employee of the House, an amount equal to 6 months' compensation, and an additional amount, not to exceed \$250, to defray funeral expenses of the said William C. Beckett.

The resolution was agreed to, and a motion to reconsider the vote by which the resolution was agreed to was laid on the table.

### HARRIET H. CREMER

Mr. WARREN. Mr. Speaker, I offer another resolution and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 116 (Rept. No. 199)

Resolved, That there shall be paid, out of the contingent fund of the House, to Harriet H. Cremer, daughter of John D. Cremer, late an employee of the House, an amount equal to 6 months' compensation. SEC. 2. That there shall be paid, out of the contingent fund of

SEC. 2. That there shall be paid, out of the contingent fund of the House, to John D. Cremer and Randall Cremer, executors of the estate of said John D. Cremer, \$250 to defray funeral expenses of said John D. Cremer, deceased.

The resolution was agreed to, and a motion to reconsider the vote by which the resolution was agreed to was laid on the table.

## CONTROL OF POTATO PRODUCTION

Mr. WARREN. Mr. Speaker, I ask unanimous consent to make a short statement.

The SPEAKER. Is there objection?

There was no objection.

Mr. WARREN. Mr. Speaker, I have today introduced H. R. 6082, known as the "potato control bill."

Potatoes are more truly a national crop than any of the crops for which legislation has heretofore been sought. They are produced in 48 States and are a very large and considerable crop in 40 States.

I ask unanimous consent to insert in the Record at this point a brief analysis and summary of the measure.

Mr. MARTIN of Massachusetts. Will the gentleman yield for a question?

Mr. WARREN. Certainly.

Mr. MARTIN of Massachusetts. Is this resolution which the gentleman has introduced a compulsory or a permissive control bill?

Mr. WARREN. In brief, it places a tax on potatoes raised over and above a man's allotment. We think it is a far better bill than either the cotton or tobacco bills, and has been collaborated in by 15 Members of Congress, who helped prepare it.

Mr. MARTIN of Massachusetts. Of course, that is not saying very much for the bill, but is the gentleman aware that a great many of the potato growers do not wish this regulation?

Mr. WARREN. Grower committees in approximately 30 States have unanimously endorsed this measure.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. Warren]?

There was no objection.

The matter referred to is as follows:

SUMMARY OF POTATO CONTROL ACT OF 1935 (H. R. 6082)

Prepared for Hon. LINDSAY C. WARREN, of North Carolina

Title I of this act provides for an amendment to section 2 of the Agricultural Adjustment Act, making potatoes a basic commodity under the act, with the parity base period 1919-29, the same as tobacco.

Title II provides for a tax on the first sale of potatoes, the establishment of exemptions to growers equal to an annual sales allot-

ment, provisions for distribution of the allotment, for collection of the tax, and for various additional features.

The bill provides for a tax on the first sale of potatoes at the rate of three-fourths of a cent per pound, with a provision that under certain findings the Secretary of Agriculture may determine and proclaim a tax at a lower rate, but not less than one-half cent per pound. The crop year is defined as the twelfth-month period commencing December 1 and ending the following November 30, but the first crop year is to commence 100 days after the effective date of the act and end November 30, 1935.

The bill provides that the Secretary of Agriculture shall 30 days

The bill provides that the Secretary of Agriculture shall, 30 days prior to the beginning of each crop year, determine the quantity of potatoes which, if sold in the United States during that crop year, will tend to establish and maintain the parity price in the period August 1919—July 1929.

The apportionment to each State, except as hereinabove im-The apportionment to each State, except as hereinabove immediately provided, shall be determined on the basis of the ratio that the annual average acreage for the 3 years in which the highest acreage of potatoes was harvested in such State in the years 1927-33, inclusive, multiplied by the average yield per acre for the 3 years that the yield of potatoes per acre for such State was highest in the years 1927-33, inclusive, multiplied by the average annual percentage of the crop produced in such State during the years 1929-33, inclusive, which was sold, is to the sum of the products of such average acresses such average yields and during the years 1929-33, inclusive, which was sold, is to the sum of the products of such average acreages, such average yields, and such percentages of sales for all States. The percentage of sales will be determined for each State. It is provided, however, that from the total sales allotment for the United States not more than 2 percent may be deducted from the total and may be used by the Secretary of Agriculture to adjust allotments between States which might otherwise be inequitable.

the Secretary of Agriculture to adjust allotments between States which might otherwise be inequitable.

Allotments to individual producers within the State shall be made upon application by the producer, and may be made by the Secretary of Agriculture based upon a percentage of the average annual sales of potatoes for a fair representative period of any two or more years within the years 1929–33, inclusive. The representative base period fixed for each producer shall be uniform for producers similarly situated upon the basis for classification prescribed by the Secretary. Provision is made for making allotments to potato producers on potato farms; to potato producers operating farms different from the farms operated during the base period; and to new producers. Provision is made for excluding from allotments persons not bona fide producers of potatoes. State and county committees may be established under the direction of the Secretary of Agriculture to aid in the equitable distribution of the allotments.

Producers entitled to allotments will receive tax-exemption stamps to the amount of their allotments. All potatoes shall be sold in closed and marked containers to facilitate enforcement of the tax provisions. In establishing regulations governing packaging, due consideration is to be given to the customs of the industry. Potatoes sold in excess of the allotment shall carry tax-paid stamps evidencing payment of the tax. Collection of the tax is in the hands of the Bureau of Internal Revenue. The Secretary of Agriculture is authorized to issue regulations covering the validity of tax-exempt stamps issued in the various potato-producing areas, and also the transferability of tax-exempt stamps between individual producers. Under certain conditions, the Secretary of Agriculture is authorized to provide for exemptions from the tax on potatoes used for the manufacture of byproducts and for feeding livestock.

Upon potatoes imported into the United States, the Secretary of Agriculture may establish a quota during any

Upon potatoes imported into the United States, the Secretary of Upon potatoes imported into the United States, the Secretary of Agriculture may establish a quota during any crop year which shall be based upon a percentage of the average annual quantity of such potatoes imported from any country during the 1929-33 period equal to the percentage that the quantity of the annual allotment is of the annual average of the quantity of potatoes produced which were sold in the United States during the same period.

The very sold in the United States during the same period.

The administrative costs will be met out of the revenue derived from the tax imposed on the quantity sold over the sales allotment, from sums available to the Secretary of Agriculture under the Agricultural Adjustment Act, and from an appropriation of \$1,000,000 provided for in this act.

Prior to the beginning of each crop year after 1935, the Secretary is directed to determine whether a majority of potato producers wish the provisions of the act to be effective during the following crop year and is directed to conduct a referendum to aid him in his findings.

Mr. BREWSTER. Mr. Speaker, the merits of this measure in seeking to control to some extent the production of potatoes will be considered in due course by the appropriate committee. Meanwhile Members of Congress well may consider the plight of potatoes as seemingly the "forgotten crop."

At the average farm value of the crop for the years 1919 to 1933, inclusive, potatoes rank fourth in a list including the nine original basic commodities. The figures are as follows:

Corn	\$1,917,290,266
Cotton	1, 108, 043, 800
Wheat	867, 851, 666
Potatoes	347, 697, 333
Tobacco	241, 609, 533
Barley	112, 925, 333
Grain sorghums	66, 610, 533
Rice	43, 205, 333

RyePeanuts	\$42,331,800 36,069,758
Flax	32, 100, 000

The foregoing figures are taken from the Year Book of Agriculture for 1934

There are now 14 commodities defined as "basic", and for 7 of these there are adjustment and processing-tax programs

In the past 2 years the price of these 14 commodities has increased from 52 percent of the pre-war level to 106 percent on January 15, 1935.

Meanwhile, in January 1935, potatoes were at 53 percent of the so-called "parity price", or exactly one-half of the figure obtained by the 14 so-called "basic commodities."

When these percentages are converted into figures the impact is terrific.

With an approximate production this past year of 350,-000,000 bushels, this means that the potato growers of America at the January price would receive \$161,000,000; whereas, if potatoes had increased in price comparable with the 14 basic commodities, these same potato growers would receive \$329,000,000.

The difference of \$168,000,000 represents the difference bebetween ruin and recovery to the potato growers of the United States, who are to be found in every one of the fortyeight States.

It cannot be established that the agricultural program is responsible for the improved position of the 14 basic commodities, but the potato growers of the United States are utterly unable to continue longer as rugged individualists and must ask for their place in the agricultural sun if they are not to be pushed entirely off the economic map.

## ADDITIONAL CADETS AT WEST POINT

Mr. STACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute with reference to a bill that I am about to introduce.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. STACK. Mr. Speaker, yesterday afternoon I listened with interest to the discussion regarding the appointment of an additional cadet to West Point. The gentleman from South Carolina [Mr. McSwain], Chairman of the Committee on Military Affairs, said that if such a bill were introduced he would see that it received proper attention and was brought to the floor of this House. As a veteran who fought and bled for his country and who has had some sad experience with Sears-Roebuck officers, I will accommodate the chairman of that committee and introduce this bill today. I thank you. [Applause.]

# LINCOLN AND THE REPUBLICAN PARTY

Mr. DARROW. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a speech delivered by Senator Hastings, of Delaware, in Philadelphia on Lincoln's birthday before the Germantown Republican Club

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania.

There was no objection.

Mr. DARROW. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address of Hon. Daniel O. Hastings, of Delaware, delivered before the forty-fourth annual Lincoln Day banquet of the Germantown Republican Club, February 12, 1935:

This Nation under our form of Government was but two generations old at the time Abraham Lincoln saw the light of day. It is estimated that at that time there were approximately 7,000,000

inhabitants in this country.

I suppose Lincoln's parents believed that they had brought a child into a hard and cruel world, and that he would not have the opportunity which had been afforded to the successful men

of that day.

Lincoln's whole life was one of struggle and hardship. In his boyhood days and as a youth, he sought to better prepare himself for the difficulties that he knew were ahead. Much of his matured life was spent in trying to solve governmental problems, until finally he was called to meet the greatest problem that had confronted us as a Nation. It is difficult to say anything new about Abraham Lincoln, and it is difficult also to tell such an old and beautiful story in an in-

It is dimedit also to tell such an old and beautiful story in an interesting and attractive way.

In many places where it has been made a custom to celebrate the birth of Lincoln, the subject of discussion has been the Republican Party. This is deemed to be exceedingly appropriate because Lincoln was the very foundation of that party, and, because what that party stands for today, and what it will do tomorrow, is of current interest to the country as a whole.

morrow, is of current interest to the country as a whole.

That Lincoln did a great job for his country at the time he lived is now admitted by all. The greatest job he did was to lead the people in saving the union, but that question is an accomplished fact and a discussion of it now is of no particular interest. The laying of a foundation, however, for a great political party which should guide the Nation for generations after is a thing of ever increasing interest as the years come and go. If we would imitate or follow the teachings of this great statesman, we must keep the party which he founded as progressive as the times demand and as conservative as safe democracy dictates.

In these days of depression and apparent darkness we must have

as conservative as safe democracy dictates.

In these days of depression and apparent darkness we must have Lincoln's courage; we must marshal the common sense of the unselfish; we must sound the alarm of the great danger ahead; we must speak with the assurance that our voice will be heard; we must stir the enthusiasm and patriotism of people everywhere.

We must not be led from our course with experimental panaceas. We must realize that our responsibility goes beyond the span of our own lives and reaches into the very vitals of safe democracy for the future. We must repel every effort to manufacture a dictator's crown, however insidious the effort is to create one. We must preserve each branch of our Federal Government with the full knowledge that the failure of one branch means the destruction of the entire structure.

We must preserve our individual State rights inviolate. We

tion of the entire structure.

We must preserve our individual State rights inviolate. We must void taking away any of their rights, and, so far as possible, relieving them of any of their responsibilities.

With these general observations of what I believe to be good Republican doctrine, I should like, if I may, to discuss with you for a little while some of the things that have happened in the past, some that are in the process of accomplishment.

It was Lincoln who said, "To sin by silence when we should protest makes cowards of men." I hope I may have the courage tonight to speak with all frankness to this Republican gathering and to protest without fear that my words may ultimately reach and to protest without fear that my words may ultimately reach the ears of some new-deal Democrat. Whatever sins I may have to the ears of some new-deal Democrat. Whatever sins I may have to answer for in the future, and whatever cowardly acts I may be guilty of, I am determined that I shall not be guilty of the sin or the cowardice of silence when I deem it my duty to protest. I fully realize that I have already established the reputation of being a partisan. I neither deny the charge nor do I attempt to make the fact less emphatic by apology. Lincoln, too, was a Republican partisan, but his partisanship was so interwoven with patrictic motives that history through all time will praise him as the greatest of our American patriots. There has been no time since Lincoln's day when the Republican Party had a greater opportunity to perform a patriotic service than it has at this very moment. In the Senate and in the House of Representatives there is but a small Republican minority left, and in the actual casting of votes they have but little influence upon the President's legislative program,

Republican minority left, and in the actual casting of votes they have but little influence upon the President's legislative program, but if they will but refuse to "sin by silence" and protest when they ought to protest, history will record them as a courageous group and ultimately their voices will be heard.

The American people have not yet lost their common sense. They cannot forever be deceived by the smothering effect of the administration's propaganda. They will not for long permit the promises of men seeking and obtaining high offices to brush such promises aside with a smile and a wave of the hand, and with no other excuse than that the conditions have changed since the promises were made. This country has for many generations been controlled by political parties. The American people have been accustomed to rely upon party platforms. For nearly 2 years I have been directing attention to the Democratic platform of 1932, and the performance under the Democratic administration for 1933 and 1934. So far as I have been able to observe, these statements of mine upon this subject have had but little or no effect. I have not, however, lost faith. I shall continue to protest, and I believe that ultimately the people of the Nation will see the importance of insisting that political promises and performance shall go hand in hand.

It is more or less common talk in conservative contents had

importance of insisting that political promises and performance shall go hand in hand.

It is more or less common talk in conservative groups of business men that after all it became necessary for President Roosevelt to adopt a radical course instead of following the conservative platform, otherwise, they contend, the radicals in the country would have entirely destroyed our form of government. Some go so far as to say that in 1936 the conservative voters of the Nation will be following President Roosevelt as a conservative rather than

will be following President Roosevelt as a conservative rather than take the chance of having the socialistic doctrines preached by the radicals imposed upon the country.

Assuming for the sake of argument that all of this be true, I should like to inquire, in view of the present record, who could feel sure that a conservative Democratic platform in 1936, with President Roosevelt as the candidate, would be any more certain of accomplishment than the promises made in the platform of 1932? In other words, how can you depend upon the promises made by a party or a candidate as to what they will do when they are reelected when their own record shows they paid little or no attention to such promises made in the past. No; this talk of President Roosevelt turning from the Democratic principles to a socialistic trend in order to avoid a mere radical program being forced upon

him is pure political bunk. President Roosevelt has gone the road he wanted to go and where his keen political mind directed. He has surrounded himself with the kind of men that he knew would help him carry out his own ideas. He has kept Mr. Farley and enough men like him to make certain that his political organization was kept intact and was made more powerful as the years go by. This combination of idealists and practical politicians makes a wonderful combination under our democratic form of government. government.

Most conservative and thoughtful people disagree with Upton Sinclair, Dr. Townsend, Father Coughlin, and Senator Lone. But it is President Roosevelt himself who has furnished the food upon which these monstrous ideas feed. It is President Roosevelt, as well as Mrs. Roosevelt, who are constantly arraying class against class. It is the President himself who has made the so-called "underprivileged" believe that their condition is due solely to the class. It is the President himself who has made the so-called "underprivileged" believe that their condition is due solely to the fact that there is a class of people whom the President calls "overprivileged." This is in line with Senator Long's contention that the only remedy for this country is an equitable distribution of its wealth. It was Harry Hopkins, the President's own appointee, who agreed with the socialistic plan of Upton Sinclair in his program to end poverty in California. It is the President's own attack upon the monetary system of the Nation that has made Father Coughlin's plea so effective when he insists that paper money shall be issued and the outstanding bonds retired. It is the President's own program for furnishing social security to all that are in need which has led Dr. Townsend to propose his pension plan of \$200 per month. So, it seems to me that it is not too much to say that the dangerous conditions now confronting us are due to the instability and unsound doctrines preached by the man holding the most powerful position of any man in the world. His position requires that he should lead, and the great respect that the American people have for the position incline them under normal circumstances to follow the road he maps out for them.

My recollection is that early under this administration the

My recollection is that early under this administration the President declared that he was approaching the problems confronting him, and proposing to direct them, in the same way that he would direct a football team. Most of us believed, at the time, that he was speaking of temporary expediency and did not refer to a permanent policy. I think all of us must now agree that the President continues to follow this plan of changing from one experiment to another and without any definite policy upon which the people of the country may depend.

It is important that all persons interested in the Republican

experiment to another and without any definite policy upon which the people of the country may depend.

It is important that all persons interested in the Republican Party should realize the difficult job that confronts them. They must know that the strength of the opposition is very great. The President not only has a pleasing personality, but he has a keen political mind. He has a huge majority in the Congress that do his bidding without much protest. He has had, and will continue to have, billions of dollars of the public money at his disposal, and whether he wills it or not, it has been and will continue to be used for the advancement of the Democratic Party. The Republicans that are left in the Congress are being constantly advised how to vote upon pending measures and frequently with the assurance that a vote in a certain way will make certain future Republican success. I am not complaining about the advice thus given. There is nothing more helpful to any of us than to know what the people back home are thinking.

There are, however, some things that are rather difficult for me to understand. The bankers and the business men frequently work themselves up into a white heat because they are afraid that the Congress is going to pay out something over \$2,000,000,000,000 to the soldiers 10 years before it is due. They assure us that unless we follow the courageous stand taken by President Roosevel upon this subject that there will be no chance for the Republican Patty to regain the confidence of the majority of the people of the Nation. At the same time they are practically

publican Party to regain the confidence of the majority of the people of the Nation. At the same time they are practically silent and make no protest when the President demands that the Congress turn over to him \$4,830,000,000 to be expended as he

Confidence in the President, as the Supreme Court has recently said, does not relieve the Congress of its duty. This bill presented to the Senate by the administration is the most shocking thing that Congress has been asked to do. There is absolutely no limit to what the President might do. He might buy and operate a railroad; he might establish a daily newspaper in every congressional district in the country. He can condemn the presents of sional district in the country. He can condemn the property of individuals in order to carry out this scheme. He might engage in any kind of business in competition with the business people of the country. The only possible safeguard against any of these things is the President's own judgment.

things is the President's own judgment.

It is admitted generally that this is a dangerous thing to do, but the other side of it, as has been pointed out by many newspapers, is that specifications involve the congressional pork-barrel system. That simply means the trading of votes in the Congress in order that each Congressman can get something for his own district. I do not agree that you have to take this as a substitute. The Congress could approve of a \$4,000,000 public-works program and pass a law accordingly. The President might depend upon such a program in order to carry out his objectives. I would not, however, appropriate the money at the time the program is approved. It would be a simple matter for the President to lay before the Congress the projects for which he desired appropriations under such a program. This would not mean that the program was delayed. The Congress is in session now, and there is no reason why it should not be kept in session or called

into special session to approve these projects as rapidly as the President wanted them approved. In view of these facts, how can we avoid the suspicion that is necessarily involved in this request? I repeat that, to my mind, this is a very much more serious question than paying the soldiers' bonus before it is due.

These bankers and business men who complain so much about

request? I repeat that, to my mind, this is a very much more serious question than paying the soldiers' bonus before it is due. These bankers and business men who complain so much about the bonus became disgusted and in many instances abused the Republicans who last year voted to override the President's veto whereby something less than \$22,000,000 was added to a fund to take care of the disabled soldier. They protest hardly at all, however, against the passage of the social-security bill, recommended by the President, and which, in my judgment, if passed in any form that is satisfactory to the administration will be a turning point in America's progress. When the Federal Government takes upon itself the important job of social security in all of its various forms, it immediately furnishes additional foot for the demagogue in politics, and under our form of government will make it difficult, if not impossible for any other than the demagogue to be elected to public office. It is estimated that in a little while there will be 20 millions of people over 65 years of age and if you adopt a Federal pension system, you will have a pension roll that will be all out of proportion to the pension rolls of the veterans of all wars. The result will be the gradual elimination of the primary duty now resting upon the States. In my judgment, it is the most important and the most dangerous piece of legislation that has ever been submitted to any Congress.

Many business men apparently do not look far enough ahead, and to protest sufficiently, to prevent the Congress from making the mistake in the first instance. They know or ought to know that the safety of this country depends very largely upon the business men and his large group of employees. The sooner they become convinced that that safety which is so important to them and to the country depends upon their taking an active political interest in National and State affairs and properly organizing to make their interests effective, the sooner they will improve that condition

Lincoln appreciated, as all thoughtful men ought to appreciate, Lincoln appreciated, as all thoughtful men ought to appreciate, that you cannot compare governmental experiments to those conducted in the ordinary laboratory. The laboratory tests are made for the purpose of finding something new, but they do not even tend to destroy that which is old. The ordinary laboratory adds to the wealth of things previously discovered; the new-deal experiments with the welfare of 120 billion people with the determination to destroy much, if not most of that, which has made this a great resting. nation.

nation.

Lincoln said:

"Before entering upon so grave a matter as the destruction of our national fabric, with all its benefits, its memories, and its homes, would it not be wise to ascertain precisely why we do it? Will you hazard so desperate a step while there is any possibility that any portions of the ills you fly from have no real existence? Will you, while the certain ills you fly to are greater than all the real ones you fly from—will you risk the commission of so fearful a mistake?"

The converged distant when all of we will misk that Lincoln.

The day is not distant when all of us will wish that Lincoln's The day is not distant when all of us will wish that Lincoln's wisdom had made its impression upon the present administration. Fearful mistakes have been made and are being made. We find the President asserting in one breath that "we must build a new order of society and economics upon the ruins of the past" and in the next admitting that the tools he uses are experiments.

Then there are those who call themselves Republicans who insist that the Republican Party is not as progressive as Lincoln was and that the Republicans themselves must join in a portion of this new-deal program.

of this new-deal program.

of this new-deal program.

So far as I am concerned, I do not propose to follow any group that believes in destroying abundance in a vain endeavor to secure the more abundant life. I shall follow no man who discards thrift and preaches that the spending spree is the only way to bring back prosperity. From my point of view, it is necessary for the true Republican to keep his feet upon the ground, to advocate the principles of thrift and opportunity; to insist upon correcting abuses that grow up under our system of government from year to year; to believe in and practice the principles set forth in our Federal Constitution. These basic principles arrayed against the deception, the ballyhoo, the bureaucracy, the spoils system, the costly experiments, the absolute waste of public

money, the increase in the public debt, at the rate of four or five billion dollars a year, the use of Federal money to control elections, the control of the Congress by the Executive will constitute sufficient issues to give the people an opportunity to decide whether they want to continue the present administration or anything that is likely to approach it in the name of the Demogratic Party.

cratic Party.

We have witnessed the election of a President on a platform promising to reduce Federal expenses by 25 percent. We have heard the candidate declare that he is in favor of such a platform. We have heard him exclaim in distressing tones that we must stop the deficit; that the Federal Government must live within its income. have heard him exclaim in distressing tones that we must stop the deficit; that the Federal Government must live within its income. We have heard him declare, since he was inaugurated, that the country was on the road to bankruptcy unless the economies recommended by him were approved. Notwithstanding all this, we have seen the Federal expenses increase by something like ten or twelve billions of dollars within the short period of 2 years, and in the last two messages of the President recommendations have been made that will add something over \$700,000,000 annually to the Federal expenses, after the much-talked-of depression has passed. We have seen our Government's contracts treated as mere scraps of paper. We have seen our monetary system changing from time to time until no man dares speculate as to what the future is to behold. We see our banking system so intervoven with the Federal Treasury that a reduction of 10 percent in the price of Federal bonds would probably close nearly every national bank in the country.

We see the whole system about to be controlled by the Federal Government and thus become politically controlled. We have seen the business man and the farmer placed in strait-jackets, their liberties violated and their initiative paralyzed, with the Government entering into competition now and threatening greater competition in the future. We find labor and capital in a death struggle to see which shall control, and we find millions of people with a right to vote more interested in the amount of relief they get than in the problems confronting the Nation. Notwithstanding all of these things we are assured by the new-deal advocates that

get than in the problems confronting the Nation. Notwithstanding all of these things we are assured by the new-deal advocates that the average person is about to realize the more abundant life; that this is a new era for the country, and that the future holds for us a prosperity which we have never enjoyed before.

for us a prosperity which we have never enjoyed before.

I have faith that the American people cannot much longer be deceived; that we could never have developed men like Lincoln if their families had been placed upon relief; that the great masses will see before it is too late that the manna now falling from the hands of a generous administration is not for their ultimate good; that its source will ultimately run dry, and that the man who would be prosperous and happy in this country must have sufficient initiative and energy to find his own place and make his own way. I am satisfied that this true American spirit shall ultimately prevail and that if the Republican Party keeps the faith, it will be able to do greater good and render as patriotic service in the future as it has in the past.

## MEETINGS OF THE COMMITTEE ON THE JUDICIARY

Mr. CELLER. Mr. Speaker, by direction of the Committee on the Judiciary, I ask unanimous consent that that committee may have the right to sit during the sessions of the House for the consideration of H. R. 5154, providing for the codification of all Federal regulations.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. O'CONNOR. Reserving the right to object, Mr. Speaker, there should be some limitation on this request.

Mr. CELLER. The request is that the committee may have permission to sit on Tuesday and Thursday of next week.

The SPEAKER. The gentleman from New York asks unanimous consent that the Committee on the Judiciary may have permission to sit during the sessions of the House on Tuesday and Thursday of next week. Is there objection? There was no objection.

# OLD-AGE SECURITY

Mr. BEITER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on old-age security. The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BEITER. Mr. Speaker, I am concerned, as you must be, as to the growing insecurity of the position of the aged in industry, resulting in their retirement from gainful occupations at an earlier age than formerly, but also in part to the increase year by year in the number of the aged in our population.

A summary of the report to the president of the Committee on Economic Security in regard to old-age pensions shows this: By 1940, probably 6.3 percent of the population will be 65 years old; by 1975, 10 percent, without taking into consideration a decrease of the mortality rate, which would increase the percentage.

Further items of the report disclose 700,000 people over 65 on the Federal Emergency Relief Administration relief lists at a charge of \$45,000,000 a year, a group which would be first to benefit by uniform pension laws; more than 1,000,000 old people in receipt of public charity, whether or not from the Government; about 180,000 drawing some form of pension from States; a smaller number on public retirement or veterans' pensions, and about 150,000 on industrial and trade-union pensions, which cost more than a hundred million dollars annually. The average State pension last year for a citizen of 70 was \$19.74 a month.

It is estimated that nearly 4,000,000 people over 65 are dependent. There are four times as many old people over 65 on relief lists, as are in receipt of old-age pensions. These aged do not belong on emergency relief lists. They should, instead, be provided for under old-age-pension laws, operating in all States. To my way of thinking many of the needy aged are not now adequately or properly cared for in this country of ours.

The almshouse is not a satisfactory method of providing relief for all classes of the needy. It is the lineal descendant of the workhouses and farms, which were first erected to care for the homeless and unemployed, and not primarily for the sick and the aged who inhabit them today.

Investigations made have shown that in some of the almshouses there is no segregation of the sick from the ablebodied or the mentally alert from the feeble-minded, or, occasionally, the insane. In many instances husband and wife are separated because no provision has been made, or can be made, for keeping them together. Institutions are necessary for certain classes of the poor and for certain of the aged, especially for the sick, but I am convinced that the city and county home should be the last resort for the care of the aged who are normal mentally and physically. In a great many instances, better care and greater comfort can be provided outside of public institutions in the individual's private home.

I believe that we must banish the fleer complex from American life and give youth assurance that age will not be destitute, by making retirement from labor compulsory at a definite age, thereby making place for youth. Extend the Federal-pension system, now applicable to such life work as service in the Army, the Navy, the Post Office Department, and so forth, to include all citizens over the above-mentioned retirement age, and finance this physical security and peace of mind by a tax upon the wages and salaries received during the years each and all of us labor.

We already possess in our Federal Government, and in our State, county, and municipal services, such as firemen and policemen, the security of a pension at a definite retirement age. If we could all enjoy such prospect of security against the future, we would be glad to contribute a small part of the income received during our working years; and the price would be cheap.

Youth would no longer be radical, for they would have nothing to be radical about.

The years of each one's laboring life would be active and carefree—active because compulsory retirement would constantly make place for others and carefree because that terrible fear of old-age penury and destitution would no longer exist.

And what of the years after retirement? Surely none of us wish to be discarded. Certainly not. The fine years to follow retirement will give time and opportunity for those many leisure occupations and activities which too often in our present high-pressure life are unattainable and out of reach except for the very few. Time to do things would be extended to every one of our retired citizens, and their daily security would be safeguarded by their pension.

Among the best and most valuable characteristics of our American democracy have been individualism and initiative. These we must not imperil nor destroy.

What has the boy graduating from school or college today to look forward to? Too often only a heart-breaking search for a job. That boy can only feel that something is wrong with our social set-up. But suppose that jobs were available

Further items of the report disclose 700,000 people over in all branches of our life. What a different outlook for that on the Federal Emergency Relief Administration relief boy. He would be a useful citizen embarking upon a useful, active, and interesting life. No discouragement there.

active, and interesting life. No discouragement there.

And what of our girls? We should do everything possible to preserve the family unit in our national life. Most normal and healthy boys and girls wish to get married and settle down, yet economic conditions today come perilously near denying them the right. Not being able to get married, many girls enter business life in direct competition with men. That only increases the number of applicants for each given job. It solves neither the problem of the girl nor that of the boy. But with jobs generally available, any boy and girl so desiring, could become married, in the knowledge that there existed plenty of work for all those desiring work, and in the security that age would provide an adequate support.

And parents would be even happier. Do most of us fear chiefly for ourselves? No, we fear for our children. Under such a plan, our children's future would be secure and each would have opportunity for betterment through individual effort.

And finally age would be happy. No more the prospect of becoming a public charge or the fear of living upon the charity of relatives or friends. Rather the opportunity to live a fuller life, to study, to read, to travel, to develop oneself.

New York is one of the 27 States which have enacted legislation to provide cash relief to the aged, though not in all of these States have such laws as yet become effective. In some of them the law is not State-wide in its operation, its applications being optional in the several counties. In 13 States the burden is borne entirely by the counties or cities. Delaware administers the relief as a State function; in 6 States, including New York, the administration is a local responsibility with State supervision and State participation in the cost.

From the date of filing of the first applications in September 1930 to June 30, 1933, 116,232 applications were received by public-welfare officials, but of this number 4,654 were withdrawn or the applicant died before an investigation was made, leaving 111,573 applications for consideration. Of this number, 107,700 were investigated before July 1, 1933, and 73,331, or 68 percent, were approved, and a grant made, while 34,369 were denied. Of the total number of grants made, 11,673 have been discontinued because of the death of the recipients, and 9,163 were discontinued for other reasons. Of the 52,495 recipients in June 1933, 23,894 were in New York City where the average relief allowance was \$24.60 for that month, and 28,601 were outside of New York City, where the average payment was \$18.02.

The number of recipients in the entire State during each month of the fiscal year ending June 30, 1933, the aggregate amounts paid monthly, and the average of the individual allowances are indicated in the following table:

	Recipients	Expendi- tures for relief	Average allowance
1932	51, 690	\$1, 258, 022	\$24. 34
	52, 348	1, 271, 606	24. 29
	52, 985	1, 274, 481	24. 05
	53, 508	1, 282, 250	23. 96
	53, 856	1, 269, 159	23. 56
	54, 185	1, 254, 691	23. 15
January 1933 February March April May June	54, 280	1, 253, 068	23. 08
	54, 296	1, 245, 036	22. 93
	53, 153	1, 200, 994	22. 59
	52, 952	1, 153, 932	21. 79
	52, 661	1, 117, 104	21. 21
	52, 495	1, 103, 396	21. 02

The above payments aggregated \$14,683,739, but this expenditure was offset in part by refunds received during the year from recipients or their estates, and from insurance, in the amount of \$227,152, thus reducing the net expenditure for the period to \$14,456,587.

During the 30 months in which old-age-relief payments have been made there has been comparatively little fluctuation in the monthly expenditures, notwithstanding the fact that in other types of public relief which have been affected

to a greater degree by the emergency, there have been marked changes from month to month. The number of recipients has increased constantly from the beginning, but the average payment per individual has diminished gradually to a point which will probably not permit any future reduction. The number of new applications approved monthly is still in excess of the number of deaths of recipients and in all probability the cost will increase from year to year.

Not only has there been an increase in the proportion of the aged in New York State due to the reduction of the birth rate and the restriction of immigration but the actual number of people 70 years of age and over in the State is becoming larger by approximately 10,000 each year. As this increase is approximately  $2\frac{1}{2}$  percent of the total number of persons of that age in the State, it is to be expected that the number of applications for old-age relief will increase annually at least as high a rate.

In this connection the possibility of increase in the number of applications will also be affected by the economic status of the individuals. Persons now arriving at 70 years of age, whatever their experience has been in the past in the matter of unemployment and misfortune, have gone through the present, and most severe depression, which has reduced the savings of all, and entirely exhausted those of many. It may be expected therefore that even a larger proportion of the aged will be dependent than has been true heretofore.

Old age eventually results in permanent unemployment of the individual and frequently in physical or mental disability; aged dependents are therefore without further hope of lucrative employment. A forward-looking social program should include provision for these needs on an insurance basis with plans similar to those which have been in effect in England, Germany, and other countries, to cover risks of sickness, unemployment, or other exigencies. The funds from which such sickness and unemployment benefits are drawn are in general derived from payments made by the insured and the employer during the period of employment, with usually a contribution made also by the government. Old-age insurance should provide an annuity which will be available at a specified age when presumably lucrative employment will no longer be possible. Until such benefit is made available, relief measures will continue to be necessary for an increasing number of dependent aged persons.

ADJUSTED-SERVICE CERTIFICATES LEGISLATION

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Mr. Speaker, I have placed on the Clerk's desk a petition to discharge the Rules Committee from further consideration of House Resolution No. 30, which would make in order on the legislative appropriation bill as an amendment what is known as the "Patman bill" (H. R. 1), which provides for immediate payment of adjusted-compensation certificates.

I hope those who are interested in the Patman bill H. R. 1, will sign this petition, and also sign his discharge petition. If we can put this Patman bill on the legislative appropriation bill it will be passed into law eventually this session, I think. This legislative appropriation bill is the one that carries congressional salaries. Thus we would not place our salaries above this pay to veterans, and would place our rights in with their rights.

I have also filed on the Clerk's desk a petition to discharge the Committee on Immigration and Naturalization from the further consideration of a bill I have introduced to stop all immigration into this country for 10 years.

Mr. CELLER. Mr. Speaker, I make the point of order that the gentleman from Texas is not in order.

Mr. BLANTON. Certainly I am in order. The gentleman ought to learn the rules.

The SPEAKER. The gentleman will state his point of order.

Mr. CELLER. Mr. Speaker, I make the point of order that the gentleman from Texas is not in order in that the gentleman is arguing and not making a statement.

The SPEAKER. The point of order is overruled.

Mr. BLANTON. My friend from New York [Mr. Celler] is an able, profound lawyer, but not so good a parliamentarian.

Rumors have reached me that at a meeting of the Committee on Immigration and Naturalization yesterday the chairman of the committee, the gentleman from New York [Mr. Dickstein], attempted to take action which he thought would prevent me from filing this petition to discharge his committee from further consideration of my bill to stop immigration, but when he looks up the rules he will find that said action was futile, and in no way stopped me from filing this petition to discharge; and my discharge petition is filed, and it is now on the Clerk's desk.

Those who are in favor of stopping immigration and taking back from aliens 12,000,000 jobs that are held by foreigners and giving them to unemployed Americans so that every American will have an American job, I hope will sign this petition to discharge the committee. If enough sign the petition I guarantee that I will get this bill out of Chairman Dickstein's "death house", as he called it, and bring it to a vote in this House. It requires 218 signatures. Now is the time to come to the aid of Americans and help them get back their jobs.

Mr. WHITE. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. WHITE. Mr. Speaker, today I have introduced a resolution to make money available for the construction of roads into isolated mining districts within the national forest boundaries. As a result of legislation passed by this Congress which devalued the gold dollar, and which has now been confirmed by the Supreme Court of the United States, we have, in effect, added \$225,000,000 to the purchasing power and debt-paying power of the gold produced annually from the mines of the British Empire. The British Government is very liberal in supporting the mining industry; and our neighbor to the north, Canada, has a very liberal policy with regard to assisting the development of mine property. If, in Canada, a man has a prospect in an isolated area and develops it to the point of production and makes application to the Minister of Mines, an examination of his prospect is had and report is made; and if the development warrants it, a road is constructed into the property. Here in the United States we have vast gold-bearing areas that are yet undeveloped. We have the authority of Mr. Finch. the head of the Bureau of Mines, that we have in central Idaho one of the greatest undeveloped gold areas in the United States.

Through a short-sighted policy on the part of the Federal Government and the Forest Service, men who have these properties, in many cases, are unable to get transportation. The land is owned by the Government—it is national forest land—and to get a road built into these properties they must rely on the Forest Service.

When application is made to the forestry officials for the construction of a road to a new mining property in the national forest the miner is told that forest roads are built for forest administration and fire protection. I quote from a recent letter from an official of the Forest Service on this subject:

Under the policies heretofore governing the use of forest highway funds money has not been available primarily for the purpose of constructing reads needed by miners to develop their properties or to open up areas of assumed mineral value. \* \* \* There are relatively large demands being made by owners of mineral properties to have the Forest Service build roads into these properties or to have the Forest Service extend roads into particular sections of the national forests where minerals in paying quantities are alleged to exist. Obviously, all these demands can be met only to the extent that the program of forest roads needed

for the protection and utilization of the Government resources of the national forests may incidentally serve the purposes which the miners have in mind.

This policy on the part of the Forest Service is leaving the vast mineral resources located in these isolated areas locked up. The placers of Idaho have yielded \$300,000,000 in gold. In this same area, mostly within the national forest boundaries, there are innumerable gold veins awaiting development that will produce as many millions more.

Mr. Speaker, our miners are struggling to open this country and bring forth this gold. Let our Government fulfill its responsibility assumed when this vast territory was withdrawn and set aside as a national forest.

I am today introducing a resolution, based along the lines of the Canadian law, which provides that when a man makes application for development of a mine property in an isolated area of the national forest it shall be incumbent upon the United States Geological Survey to make an examination and report; and if the report is favorable it shall be mandatory upon the Forest Service to build a road to the property.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include at this point a copy of the resolution I am introducing in support of the mining industry.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

The resolution is as follows:

A bill to assist and promote the development of the mineral resources located within the national forests of the United States, authorizing the construction of roads by the Secretary of Agriculture for the use of the owners or operators of mining properties, and for other purposes

Be it enacted, etc., That when an application is made to the Secretary of the Interior by any owner and/or operator of any mineral or placer claim, or group of mineral or placer claims, located within a national forest of the United States, for the construction of a road and bridges necessary for the transportation of mineral products of, or supplies for, such mineral or placer claims, it shall be the duty of the Secretary of the Interior to cause an examination of said mineral or placer claims by a qualicause an examination of said mineral or placer claims by a qualified representative of the United States Geological Survey, and when it is shown to the satisfaction of the Secretary of the Interior that development on a mineral or placer claim or group of claims situated within any national forest of the United States has proved the existence of mineral or ore bodies in quantity and commercial value sufficient to warrant the expenditure of public moneys for the construction of roads and bridges to facilitate the operation and development of such mineral or placer claims, the Secretary of Agriculture is authorized to provide for the construcoperation and development of such mineral or placer claims, the Secretary of Agriculture is authorized to provide for the construction, reconstruction, or repair of roads, trails, and bridges within the boundaries of any national forest in aid of the development and operation of such mineral claims.

SEC. 2. Any road, trail, or bridge constructed or reconstructed or repaired as provided in section 1 of this act shall be available for the use of the general public under such rules and regulations as

the use of the general public, under such rules and regulations as may be prescribed by the Secretary of Agriculture.

SEC. 3. There is hereby authorized to be appropriated the sums of \$1,500,000 for the fiscal year ending June 30, 1936, and \$1,500,000 for the fiscal year ending June 30, 1937, to be expended for carrying out the provisions of this act.

# WAR DEPARTMENT APPROPRIATION BILL, 1936

Mr. PARKS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 5913) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1936, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 5913, the War Department appropriation bill, 1936, with Mr. Hill of Alabama in the chair.

The Clerk read the title of the bill.

Mr. CARPENTER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the first day this bill came on the floor for debate it was stated that all of our great generals, with the exception of two or three, had been West Pointers, and it was advocated that the number of cadets at West Point be increased so as to give an extra appointment to each

congressional district. At the same time it was stated that man power is what wins war. From my own personal experience and observation in the late World War I will say you did not find any West Pointers up in the front-line trenches to amount to anything, or leading platoons and combat outfits of less than a regiment, but you found the officers leading these organizations were volunteer emergency officers; that is, civilian officers, the same as the men they were leading. Now, I have no quarrel with West Point. I think it is a great institution. I am proud of it, and I believe the training it affords is very useful and essential in training our armies, but the fact remains, nevertheless, that it was the civilians that did the actual fighting to win the war. In the World War there were 1,655 officers killed in action. Of this number only 25 were West Point graduates. There were 559 officers died of wounds received in action, with 7 of that number being West Point graduates, or only 1.5 percent of the killed in action were professional officers West Point trained and 98.5 percent were civilian officers.

While I do not believe in great standing armies and great military expenditures-they lead to war-I do believe in adequate defense and preparation. I am not a pacifist and I am not against West Point, as I have said. As a matter of fact, I believe West Point should graduate more students: more of these professional officers should man the firing lines; the percentage of casualties among the commissioned officers, instead of being 1,655 to 25, should be reversed. in proportion to the number involved. The point I am making is that those who go into the war business for the love of it are not the ones who suffer, and their names do not appear upon the casualty list. War for the most part only means one thing, and that is death and destruction, and, as was brought out in his wonderful speech here on the floor a day or two ago by Congressman Shannon, of Missouri, we do not have to look to foreign countries to discover the atrocities of war, we have plenty of examples here at home. I believe in case of war that wealth should be drafted the same as man power; I do not believe that there would be so many wars if those who agitated the war, if the war profiteers, the professional soldiers, and those who declared war, had to do the actual fighting and dying; and while I think this Congress has always been impelled by the most patriotic and loyal motives in declaring war, I feel quite sure that there would never be a war of aggression declared or a war be fought again across the seas or outside of our own boundaries if the Members of Congress, upon the declaration of war, were automatically inducted into the service as buck privates to form the front ranks of our combat units.

Mr. JOHNSON of Texas. Mr. Chairman, will the gentleman yield?

Mr. CARPENTER. I yield.

Mr. JOHNSON of Texas. Can the gentleman tell us the percentage of West Point officers who participated in the World War? In other words, the gentleman has given us the number of officers killed and the percentage of West Point officers killed, but can he give us the total number of West Point officers who were engaged in the World War?

Mr. CARPENTER. I have not that figure.

Mr. JOHNSON of Texas. Without that figure the other figures are not intelligible. I hope the gentleman will furnish us this information.

Mr. KOPPLEMANN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I ask unanimous consent to proceed out

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. KOPPLEMANN. Mr. Chairman, we who are serving in Congress under the Roosevelt administration may well be proud of our accomplishments for the good of the Nation. Nevertheless, time is bound to prove some deficiencies in our efforts which demand changes in our work. Such a change is being demanded right now by the people of the United

States with regard to subsection B of section 55 of the Revenue Act of 1934, that provision which permits the publicity of income-tax returns.

The motives underlying this publicity section while intended to give fair treatment for all taxpayers of the country lacked a foresight and wisdom in dealing with the problems which arose out of the income-tax laws.

It is almost a year since the Revenue Act of 1934 and this publicity feature were adopted. We have had all that time in which to think the matter over. The people of America have been thinking, too. Those of us who were opposed to the publicity provision when it was first inserted in the Revenue Act of 1934 today more than ever are convinced that this law is an outrage and has no place in the legislation of the Roosevelt administration.

Those who advocated this provision thought that publicity of income-tax returns would help the Government to collect the amount of taxes which were due it. If a taxpayer is going to evade paying his taxes, he is not going to be coerced into becoming an honest man simply by the publication of his income-tax statement.

What seems to have been entirely overlooked are the millions of honest, patriotic, loyal citizens who make every effort to cooperate for the effective operation of the law but who rightfully consider their income and all information pertaining to it strictly private property. They are willing to submit this information to the Government. There is no reason under the sun why they should submit it to the public.

Another most important claim that I make is that, instead of producing more revenue, publicity to income-tax returns will make for less revenue. Citizens who do not want the public to know the extent of their income will become cheats, liars, and perjurers and cut down their income figures. The result then will be the Government will lose millions of dollars which otherwise would flow naturally into the Treasury. The Internal Revenue Department will be spending millions of dollars investigating tax statements, a procedure which will cause the expenditure of more dollars to collect income taxes than will be returned to the Government as the result of such investigations.

Our mail is replete with angry protests from our constituents. It is not the ordinary lobby which has prompted the communications which we are receiving. The letters which are coming to my office, at least, are letters which show individual thought and attention. My letters come from constituents who have nothing to fear or nothing to lose if the small amount of income tax they pay is made public. Their sense of fair play is outraged.

The publicity clause of the Revenue Act of 1934 should be repealed. There is a growing sentiment in this House against this section. I am confident that the administration is not inclined favorably to it. I am confident that the Secretary of the Treasury and others associated with him are not favorably inclined to this provision.

As a step toward the ultimate repeal of this provision I am today introducing a bill to postpone for 1 year the effective date of the publicity section of the Revenue Act of 1934. At the same time I am introducing a resolution authorizing and directing the House Committee on Ways and Means to report to the House of Representatives as soon as practicable, but not later than 10 days after the adoption of this resolution. as to their findings upon investigation whether this section should be repealed.

In order to conduct such an investigation the Ways and Means Committee should hold hearings. Witnesses should be called, including the Secretary of the Treasury, tax experts, and other Government officials, as well as individual citizens. We Members of Congress will thus have a further opportunity to consider the matter. The people who have voiced their opposition to this clause and the millions who feel this opposition but have not voiced it will know that we are fairly reconsidering the matter. [Applause.]

The Clerk read as follows:

For contingent expenses of the Military Intelligence Division, General Staff Corps, and of the military attachés at the United States embassies and legations abroad, including the purchase of

law books, professional books of reference, and subscriptions to newspapers and periodicals; for the hire of interpreters, special agents, and guides, and for such other purposes as the Secretary of War may deem proper, including \$5,000 for the actual and necessary expenses of officers of the Army on duty abroad for the purpose of observing operations of armies of foreign states at war, to be paid upon certificates of the Secretary of War that the expenditures were necessary for obtaining military information, \$46,000, to be expended under the direction of the Secretary of War: Provided, That section 3648, Revised Statutes (U. S. C., title 31, sec. 529), shall not apply to payments made from appropriations contained in this act in compliance with the laws of foreign countries or their ministerial regulations under which the military attachés are required to operate. which the military attachés are required to operate.

Mr. McSWAIN. Mr. Chairman, I move to strike out the last word in order to make an announcement to the Members of the House. A number of Members have spoken to me concerning construction they deem necessary in their respective districts at Army posts, fields, or forts. Of course, before there can be any construction there must be authorization; and I want to say that the War Department has made certain recommendations to the Committee on Military Affairs with regard to a large number of additional alterations, or new construction at various posts, fields, and forts. This bill has been referred to the subcommittee on Army housing, of which the distinguished Chairman of the Committee of the Whole House [Mr. Hill of Alabama] is chairman; and any Members interested in projects regarding construction in their various districts should contact the chairman of this subcommittee. This subcommittee will hold a hearing just as soon as possible. In fact, the chairman of the subcommittee held a partial hearing this morning.

Mr. BOLTON. Does it mean that no P. W. A. funds are to be used for construction in the Army?

Mr. McSWAIN. No; it does not mean that. It means, however, that if you can get a bill out of the committee and have it passed by this House, it will be an almost conclusively persuasive force upon the P. W. A. authorities to use the money there as specified in the bill rather than somewhere else.

Mr. BOLTON. It will be a definite instruction rather than an indefinite instruction?

Mr. McSWAIN. Yes. It is an effort to give direction to the activity of the P. W. A. fund.

Mr. BUCHANAN. Will the gentleman yield?

Mr. McSWAIN. I yield to the distinguished gentleman from Texas.

Mr. BUCHANAN. The hearings before the Appropriations Committee demonstrated the fact that officers in the Army, by reason of their advanced age, are being retired to such an extent that it will leave the Army short of officers. My inquiry is, Has the gentleman's committee considered an increase of cadets at West Point?

Mr. McSWAIN. No. The committee as a whole has not considered that, because there is no bill pending before the committee.

I may say to the gentleman from Texas that a bill was introduced by his colleague the gentleman from Texas [Mr. THOMASON], which has been reported by the committee and is now upon the Union Calendar with reference to increasing the Regular Army officer personnel by, I believe, 381 in order to fill the Air Corps up to its authorized strength, and to call to extended tours of duty not to exceed 1 year at a time 2,000 Reserve officers to be used by the Regular Army, and presumably to be trained in the various service schools during this period.

Mr. BUCHANAN. I would commend to the gentleman the reading of the hearings on the subject of increasing the number of West Point cadets, as appears in the hearings of the Committee on Appropriations. We were without authority to bring in legislation.

Mr. McSWAIN. We appreciate that fact, and we will be glad to consider any bill that anyone may introduce and which may be referred to the committee.

Mr. McFARLANE. Will the gentleman yield?

Mr. McSWAIN. I yield to the gentleman from Texas. Mr. McFARLANE. Has the gentleman's committee considered the advisability of the enactment of a personal selection bill, such as this Congress enacted for the Navy and | have an adequate defense, both on land and on sea; but we Marine Corps at the last session?

Mr. McSWAIN. No; the committee has not considered that matter. There is a bill pending before the committee. introduced by myself at the request of the War Department, which proposes to deal with the subject of promotion, but it does not in any way propose to deal with it by the selecting method.

Mr. McFARLANE. I would like to have the gentleman's committee study the way the measure has worked for the other two branches of the service and would commend to the consideration of the gentleman's committee such a bill for the Army in order to make the personnel selection of officers for the service uniform.

Mr. McSWAIN. We will be very glad indeed to consider any suggestions the gentleman may have to offer.

The pro forma amendment was withdrawn.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the

Mr. Chairman, I would feel just a little recreant to my convictions if I did not on the occasion of the consideration of this \$400,000,000 War Department appropriation bill register a protest at this increased expenditure at the expense of a complete neglect of the consciousness of peace in the United States of America. You who were Members of the Seventy-third Congress will remember that on the 19th of March, 1933, we considered a joint resolution introduced by the gentleman from Tennessee [Mr. McReynolds], conferring upon the President of the United States the authority to embargo shipments of arms to some of these countries in South America where they are now engaged in deadly shambles. I remember a recital from a report that was submitted by the committee, which said that the administration wanted the passage of that resolution in the interest of peace. So it was rather amazing to pick up the Con-GRESSIONAL RECORD of yesterday and read all the interlarding quotations from Abraham Lincoln and George Washington about adequate defense, but not to read the most important and the most salient contribution that the Father of his Country ever made to the cause.

It is recited what he said in 1796 and 1797, but why did they not quote what he said in 1790, when he said that "war, the shame of mankind, should be banished from the earth." It is very intriguing indeed to watch our gradual progress toward the building up of a great military machine and watch our retrogression from the ultimate objective of universal peace.

You who were Members of the last Congress will agree that 90 percent of our problems were the inheritances of war. When Mr. Wallace came with his Agricultural Adjustment Act, did he not say to us there had been an expansion of 53,000,000 tillable acres in this country as a result of the war?

When we voted upon the economy bill in March of 1933 and were literally deluged with letters and telegrams, it was nothing else except a record upon an inheritance of the war of 1917 and 1918. When the Budget makers at the other end of the Avenue cudgled their brain in the hope of restoring some fiscal balance in this country, it was nothing else but an inheritance of the war. If you will pardon the sentimentality, when those beloved gold-star mothers went to France at the instance of this Government some years ago and there let their bittered tears fall upon the last resting place consecrated to a beloved son, blood of their blood, it was nothing more than an inheritance of the war. So I cannot let this opportunity go by, standing as we do upon the eve of the anniversary of the birth of the Father of his Country, without making some sort of protest against the gradual and progressive aggrandizement of the military machine in this

I will be told that the existence of an adequate defense force is no inspiration for war, and I will agree. I will agree also, as a member of several patriotic organizations, including the American Legion and the Veterans of Foreign Wars; I will agree, as one of the defenders of that flag; and I will agree, as a good citizen of the United States, that we should

forget the larger psychological implication of this thing.

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DIRKSEN. Mr. Chairman, if we add \$50,000,000 in this bill and we add other millions of dollars in bills to come in the future, and if the very genial gentlemen of the War Department succeed in wangling from the President of the United States some portion of the \$4,000,000,000 for military construction and otherwise, we are ultimately going to reach a billion dollar level, and certainly that is not conducive to peace. An armed force as such is perfectly all right, and I am in accord with that sentiment; but as we do increase, what happens? Those folks on the other side of the earth in Japan, Germany, France, England, and elsewhere watch our expenditures so far as concerns our military forces, and they in turn say that they have got to build up their own defense forces.

Who, then, is going to assume the leadership in this kind of a race? If Japan watches our expenditures and increases hers year by year and then, in turn, we increase ours because we are watching Japan, there will be no end to this race of armament until you fasten a most intolerable burden upon the taxpayers of the United States of America and upon every other country under the sun. There has to be an end to it sometime, somewhere.

I, for one, would rather take that \$50,000,000 and give it to the distressed and hungry people of this country instead of spending it upon any instrumentality of war.

I appreciate how futile my efforts are here. Last year I suggested at the time we were taking up the War Department appropriation bill the allocation of \$50,000 out of the total fund for the establishment in the Department of State of an additional subdivision to be known as an "under secretary of peace."

At that time we were talking about appropriating for airplanes that were going to cost from \$150,000 to \$200,000. I was asking for 25 percent of the cost of one good bombing plane, and when I wrote to the Secretary of State, he stated in a rather long and exhaustive letter that there might be danger, on the part of the diplomats in other corners of the world, of misinterpreting such an appropriation, thinking, perhaps, that only that section of the Department of State would address itself to the problems of peace. I thought it was a rather thin and vapid kind of excuse, but it only goes to show that we are being more or less dominated day after day by those who believe we ought to build up such a great force and such large armament that, ultimately, along with this jingo psychology, it will be the inspiration for another war. Having come through the last war alive, but having seen my own comrades bleeding over in France, I will not let this come about without some kind of protest. [Applause.]

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. MAY. The gentleman spoke of certain foreign nations taking our preparation for war as an inducement for them to prepare for war. Does not the gentleman think, in view of the history of some certain foreign nations and their attitude toward adjoining neighbors, they will be less likely to provoke war with us if we are adequately prepared for war and that they will withhold their club and look us over before they attack us, if we are prepared, more than they would if we were not prepared?

Mr. DIRKSEN. Does the gentleman honestly and sincerely believe we are in danger of attack?

Mr. MAY. Does the gentleman remember Shanghai and Jehol and Manchuria about 2 years ago?

Mr. DIRKSEN. I remember from my reading of history that war is a form of political action that results from economic causes [applause], and you will find in the history of our own country that this is true.

We like to parade and give out a lot of bombastic information and knowledge and refer to high and patriotic motives with respect to the War of 1812.

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DIRKSEN. Back in 1812 Congressmen on this floor said: "Is not the fur trade of the St. Lawrence and Canada worth something?" while we were heaping encomiums upon Andrew Jackson standing behind the palmetto logs and the cotton bales of the South.

In 1846 the same thing was true of Texas. We made out a most splendid case, and, as a matter of fact, there were lots of people here in the North, in my own State, and in the Halls of Congress, who held a lot of worthless bonds they wanted to see validated and made of value by having the great Lone Star Commonwealth come into the sisterhood of States. So you get right back to the economic cause.

In 1898, it seems to me, we were getting along pretty well until Antonio Maceo in Cuba began to destroy the sugar plantations. General Weyler herded the people into concentration camps, and men, women, and children began to die like flies; but when Antonio Maceo started to destroy the sugar plantations, that was when McKinley took a hand in the proceedings, and there is your economic cause once

Now, I will say to you that if we follow some kind of unsound foreign-trade idea so that we are going to get back to dollar diplomacy and have the flag and the Army follow the dollar, then we will need an army; but I protest against that sort of thing.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Kentucky. Mr. MAY. The gentleman referred in the course of his splendid address here to the fact he had seen his comrades fall on foreign soil during the war. I want to ask him if it is not a fact that one of the saddest and one of the most terrible experiences of this Government was the fact that we were compelled, by reason of our lack of preparation, to rush the youth of this country into war without any preparation whatever?

Mr. DIRKSEN. A sadder fact than that is that when you forge the weapon and put it in the hands of somebody, the slightest provocation will brook its use.

Mr. MAY. Then the gentleman would send his son to war without a weapon, without training, and without any experience whatever?

Mr. DIRKSEN. No; the gentleman forgets my first premise. I am for adequate defense, but I am against building up progressively, year by year, a dominant military machine.

Mr. MAY. I am an extreme pacifist in my continuing desire for world peace, but believing as did Washington that adequate preparation for war is the surest guarantee of peace; but may I ask, Does the gentleman know that this country stands seventeenth on the list of nations insofar as preparation for war is concerned, without regard to its great natural resources?

Mr. DIRKSEN. I will say to the gentleman I do not believe those figures amount to a tinker's whoop. They do not mean anything.

Mr. LUNDEEN. When the gentleman from Illinois referred to his own State. I am reminded of the fact that on this floor in 1846 and 1848, Abraham Lincoln, who came from the gentleman's district, voted against the Mexican War, and for 12 years thereafter was unable to gain the approval of his fellow citizens, but when he did he went into the White House.

Mr. LUCKEY. Will the gentleman yield? Mr. DIRKSEN. I will yield to the gentleman.

Mr. LUCKEY. Is it not a fact that the United States leads in armament and has since 1913? Since that date the United States has increased its appropriations for the Army 197

percent. Through the same term Japan has increased 142 percent; England, 42 percent; France, 30 percent; Italy, 44 percent; and Russia, 30 percent. Now, in view of all this talk about not being prepared, where is the money going to?

Mr. SISSON. Will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. SISSON. The gentleman has just asked the question I was about to ask. Now, I want to say that the gentleman was referring to the military strength and not to the standing army. He is not taking into consideration that embodied in the question the gentleman asked, namely, the amount we are expending in this race.

Mr. DIRKSEN. In spite of anything that has been said before, I want to say that there were soldiers in my battery and in the companies with which I soldiered who had not been in the Army 6 weeks before they walked on a transport and they were pretty good soldiers. [Applause.]

[Here the gavel fell.]

Mr. BOLTON. Mr. Chairman, I rise in opposition to the pro forma amendment. I do so largely to correct a false impression that might have been conveyed by my colleague from Illinois. The gentleman has said that we had before us the \$400,000,000 War Department bill. That is correct in part, but I desire to call attention to the fact that it is for approximately \$378,000,000, and of that \$378,000,000, \$60,-000,000 is for nonmilitary purposes. A part is for river and harbor work, in which the gentleman from Illinois is interested

Mr. DIRKSEN. Forty-nine million dollars represents an increase.

Mr. BOLTON. That is correct; but, unfortunately, the general impression given by a War Department appropriation bill is that the entire sum carried in the bill is to be used for military activities. This, of course, is not correct. The gentleman and I are both members of the American Legion, and from our experiences I do not think he has any more horror of war than I have.

But I believe the greatest asset against war is preparedness. I believe our expenditures by the War Department for the Army are the best insurance against war that we can

In that connection I want to give you some figures as to the expenditures for insurance in this country.

During the past 5 years—and I get these figures from the standard fire-insurance tables-during the last 5 years ending December 1933 we spent \$4,502,992,000 for premiums for fire insurance in the United States alone. That is an average of \$900,598,000 per annum. If we can afford to pay that for just one type of insurance against fire, is \$318,000,000 annual expenditure for national preparedness on the part of our Army excessive? I do not think so, and I think when we compare these expenditures with other insurance expenditures we can agree that this expenditure is the best way to insure peace.

Statements have been made comparing the personnel of the United States Army with other nations of the world. I do not want to take up the time of the committee, but I do desire at this point to call attention to certain tables, comparing the strength of the United States Army with other nations of the world on the basis of per capita, wealth, and so forth, which I believe may correct certain impressions.

The principal reason for high relative costs in the Army of the United States as compared to foreign nations involves fundamental differences in principles of organization. Every foreign army of any size, except that of Great Britain, is recruited and maintained by conscription. Military service in those countries is rendered in peace as an obligation to the state, and pay involved is insignificant. As illustrations, these conscripts are paid as follows:

In France: Seven and one-half francs per month.

In Italy: Twelve lira per month.

Expressed in terms of American money, these amounts are, at normal rates of exchange:

For France: Thirty cents per month. For Italy: Sixty cents per month.

In contradiction to the conscript method of recruiting and maintaining armies, the American establishment is purely voluntary. As a consequence, pay must be sufficient to induce men of the necessary qualifications to enlist in the Army. Admittedly this system is an expensive one, but it nevertheless represents a principle in military organization that has been consistently observed in this country as a peace-time policy since the founding of our Republic. The mere fact that it entails a greater expenditure has never been considered as sufficient reason for its abandonment by the United States.

Enlistment in our Regular Army does not even carry with it an obligation to subsequent service in a reserve. This practice is followed in Great Britain, where the normal enlistment is for 12 years, a large portion of which is spent in a reserve, in which the pay is nominal only.

Another and very important reason for higher per capita costs in the United States is our national standard of living. American labor, American citizenry as a whole, enjoys a standard of living far higher than that obtaining in any other country. This is reflected in higher domestic prices for a piece of steel, a pound of powder, an airplane engine, a uniform, and for every item in the vast congeries of articles that constitute the essential supplies of the Army.

There is given below in tabulated form certain statistical data concerning comparative costs in military establishments of the world. These figures have been determined with such accuracy as was possible in the time available. I hope that they are in sufficient detail to meet the requirements of your purpose.

FIRE-INSURANCE PREMIUMS IN THE UNITED STATES

For the 5-year period ending December 1933 approximately \$4,502,992,821 was paid as fire-insurance premiums in the United States.

This makes an annual average of \$900,598,564. (Authority: Standard fire insurance tables.)

National defense expenditures, as compared to national wealth, for the year 1933 are as follows (Army, Navy, and Air):

	Estimated national wealth	Defense ex- penditures	Percent- age	
United States United Kingdom	\$241, 330, 000, 000	\$650, 149, 600	0. 20	
	121, 663, 000, 000	580, 085, 404	. 43	
	58, 230, 000, 000	594, 115, 227	1. 00	
	25, 000, 000, 000	327, 787, 191	1. 30	
	51, 000, 000, 000	424, 769, 158	. 88	
	73, 000, 000, 000	806, 000, 000	1. 00	

National defense expenditures (Army, Navy, and Air), in 1933, in proportion to population:

	Population	Amount	Per capita
United States. United Kingdom France. Italy. Japan Union of Soviet Socialist Republics	127, 971, 113	\$650, 149, 600	\$5. 08
	46, 189, 445	580, 085, 404	12. 56
	41, 928, 851	594, 115, 227	14. 17
	44, 482, 109	327, 787, 191	7. 37
	64, 450, 000	424, 769, 158	6. 59
	165, 700, 000	806, 000, 000	4. 86

Percentage of total governmental expenditures devoted to national defense (Army, Navy, and Air) for following years:

	United States	United King- dom	France	Italy	Japan
1927	16. 05	13. 86	18. 32	22, 26	27, 46
	16. 83	13. 73	20. 65	21, 90	24, 20
	16. 92	13. 59	21. 55	21, 43	26, 82
	17. 13	13. 58	17. 63	22, 61	28, 41
	13. 42	17. 08	29. 42	30, 21	36, 90

Due to the differences in costs of the voluntary system as opposed to the conscript system, and to differences in living standards, it is extremely difficult to base any accurate comparisons on budgetary considerations. The following tables make military comparisons on a somewhat different basis:

Soldiers per 1,000 population, 1933 (mother countries only)

	#	Active a cluding air force		Active arm serve (in- force)	ny and re- cluding air
	Population	Strength	Per 1,000 popula- tion	Strength	Per 1,000 popula- tion
United States United Kingdom France Italy Japan Union of Soviet Socialist Republics.	127, 971, 113 46, 189, 445 41, 928, 851 42, 000, 000 64, 450, 000	113, 365 230, 804 477, 003 442, 291 143, 100 841, 403	0. 89 5. 00 11. 37 10. 53 2. 22 5. 08	419, 740 529, 708 6, 809, 043 6, 470, 208 2, 205, 100 16, 005, 000	3, 28 11, 47 162, 39 154, 05 34, 21

Approximate number of soldiers per billion dollars of national wealth (mother countries only, 1934)

	Wealth in billions	Aggregate number of soldiers in army, including reserves (National Guard and Officers' Reserve Corps both included in United States figures)	Soldiers per billion
United States United Kingdom France Italy Japan Union of Soviet Socialist Republics	247	419,740	1, 697
	121	471,615	3, 876
	58	6,809,043	116, 994
	25	6,470,208	258, 808
	51	2,205,100	43, 223
	73	16,005,000	217, 046

Philippines and Panama not included in United States figures, since they form no part of the United States.

Mr. DUNN of Pennsylvania. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I wanted the gentleman from Illinois [Mr. DIRKSEN] to yield, but he did not have time, so I will take advantage of this opportunity and make my statement. Every Congressman in the United States knows there are thousands of men and women losing their homes. In Pittsburgh there are many people parking right at the office of the Home Owners' Loan Corporation. They want the Government to do something to save their homes. It seems to me if we would appropriate a little more money to save the homes of the people of the United States instead of appropriating money to destroy human life, it would be a much more humane act. Much time is being consumed in talking about battleships and munitions of war. When we hear the words "battleships" and "munitions of war" we know it is humanity that is going to be slaughtered. I do not hesitate to say that it is our duty to provide funds for the American people who are out of work and who cannot pay their rent and who cannot pay the mortgages on their homes. If we would appropriate money to pay adequate old-age pensions, unemployment insurance, and provide jobs at a living wage for the millions of our unemployed, instead of appropriating money for battleships and munitions of war, we would be recognized as the most humane country in the

The pro forma amendments were withdrawn. The Clerk read as follows:

# PAY, ETC., OF THE ARMY

For pay of not to exceed an average of 12,000 commissioned officers, \$33,307,100, no part of which sum shall be available after September 30, 1935, for the pay of more than 11,750 commissioned officers whose original commissions are dated prior to June 1, 1935; pay of officers, National Guard, \$100; pay of warrant officers, \$1,479,568; aviation increase to commissioned and warrant officers of the Army, including not to exceed 5 medical officers, \$2,033,029, none of which shall be available for increased pay for making aerial flights by nonflying officers at a rate in excess of \$1,440 per annum, which shall be the legal maximum rate as to such nonflying officers; additional pay to officers for length of service, \$9,257,465; pay of enlisted men of the line and staff, not including the Philippine Scouts, \$51,069,333, together with such additional sums as may be necessary under this and other appropriations contained in this act to defray the cost of increasing, at the discretion of the President and in seuch increments as he may deem necessary from time to time, the enlisted strength of the Regular Army from an average of 118,750 to an

average of 165,000 enlisted men; pay of enlisted men of National Guard, \$100; aviation increase to enlisted men of the Army, \$508,782; pay of enlisted men of the Philippine Scouts, \$1,050,447; additional pay for length of service to enlisted men, \$4,480,400; pay of the officers on the refree list, \$11,538,900; for the pay of the officers on the refree list, \$11,538,900; for the pay of the officers on the refree list, \$11,538,900; for the pay of the officers of the refree list, \$11,538,900; for the pay of the officers of the pay of th pay of the officers on the retired list, \$11,538,900; increased pay to not to exceed 5 retired officers on active duty, \$5,676; pay of retired enlisted men, \$13,201,160; pay not to exceed 60 civil-service messengers at not to exceed \$1,200 each at headquarters of the several Territorial departments, corps areas, Army and corps headquarters, Territorial districts, tactical divisions and brigades, service schools, camps, and ports of embarkation and debarkation, \$72,000; pay and allowances of contract surgeons, \$51,576; pay of nurses, \$893,560; pay of hospital matrons, \$600; rental allowances, including allowances for quarters for enlisted men on duty where public quarters are not available, \$6,238,656; Provided, That during the fiscal year ending June 30, 1936, no rental allowance shall accrue to any officer of the Government in consequence of the provisions found in section 10, title 37, United States Code, while occupying quarters at his permanent station rental allowance shall accrue to any officer of the Government in consequence of the provisions found in section 10, title 37, United States Code, while occupying quarters at his permanent station not under the jurisdiction of the service in which serving but which belong to the Government of the United States, or to a corporation the majority of the stock of which is owned by the United States, in excess of the rental rate charged for such quarters on March 5, 1934; subsistence allowances, \$5,841,118; interest on soldiers' deposits, \$30,000; payment of exchange by officers serving in foreign countries, and when specially authorized by the Secretary of War, by officers disbursing funds pertaining to the War Department, when serving in Alaska, and all foreign money received shall be charged to and paid out by disbursing officers of the Army at the legal valuation fixed by the Secretary of the Treasury, \$100; in all, \$141,059,670, less \$285,000 to be supplied by the Secretary of War for this purpose from funds received during the fiscal year 1936 from the purchase by enlisted men of the Army of their discharges, \$140,774,670; and the money herein appropriated for "Pay, and so forth, of the Army " shall be accounted for as one fund: Provided, That no part of this appropriation shall be available to pay any officer detailed as a military aide to any civil officer of the United States outside of the War Department except the President: Provided further, That no appropriation contained in this act shall be available for or on account of the maintenance of more than 32 military attachés: Provided further, That no appropriation contained in this act shall be available for or on account of the maintenance of more than 83 bands: Provided further, That during the fiscal year ending June 30, 1936, no officer of the Army shall be entitled to receive an addition to his pay in consequence of the provisions of the act approved May 11, 1908 (U. S. C., title 10, sec. 803), to receive an addition to his pay in consequence of the provisions of the act approved May 11, 1908 (U. S. C., title 10, sec. 803), or of section 1261 of the Revised Statutes (U. S. C., title 10, sec. 692).

Mr. MAVERICK. Mr. Chairman, I rise to offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Maverick: On page 10, line 7, after the word "exceed", strike out "five medical officers, \$2,033,029" and insert "sixty-five medical officers, \$2,119,429."

Mr. MAVERICK. Mr. Chairman, this amounts to an increase of about \$80,000. We have in our Army certain medical officers who stay with the flying corps, who fly with them and take all of the risks that the flying officers take by going through very hazardous service.

As a member of the Military Affairs Committee, I have requested information from the War Department and I have communications from the Surgeon General and the Chief of the Air Corps, by which it was brought out that if these medical officers are eliminated it will-

First, greatly eliminate the medical service which may be given the Air Corps in active operation of field training and combat.

Second, limit the sphere of effective function of medical officers in maintaining physical fitness for flying.

Third, increase the incidents of aircraft accidents.

Third, increase the incidents of aircraft accidents. Fourth, deprive the Air Corps and indirectly all aviation of the great advantages to be granted in the solution of the many human problems which involve physical and physiological effects of flying, knowledge of which can be obtained only by flight experience. From a service standpoint solely, the functional limitations which removal of medical officers from flying status will necessitate, will severely curtail the kind of medical service which flying requires for security and proficiency of Air Corps personnel. From an economical standpoint, the adoption of a policy of denying flight status and pay to medical officers will be wasteful.

I also have telegrams from different people who are flight Reserve officers, who have no individual interest in this, from Charles F. Guenther, from Lamar Seeligson, and Bernard Ladon. Two of them, I believe, are Reserve officers in the Air Service; all three of them are distinguished citizens of southwest Texas.

Mr. KVALE. Will the gentleman ask permission to put those telegrams in the RECORD?

Mr. MAVERICK. Yes.

Mr. KVALE. I ask that for the reason that the gentleman has laid his finger upon a sensitive spot. These medical officers who fly in actual test conditions and take power dives to determine the effect upon the physique of the fiver and their resistance to the reactions of the power dives, tests for gas conditions, and other hazardous conditions surrounding the work of these pilots, should not be eliminated by this so-called "economy." I am glad the gentleman is waging his fight, and I hope he will be successful.

Mr. MAVERICK. Mr. Chairman, I ask unanimous consent to place these telegrams in the RECORD, and also the recommendation of the Surgeon General, which brings out the various factors in relation to the physical and psycho-

logical effect of flying in the air.

Now, we appropriate billions of dollars to be used at the discretion of the President, and I voted for that and will continue to do so, and then we get up here and quibble about a few thousand dollars. These boys go up into the air, some of them 21 years of age. They have certain psychic reactions and certain nervous reactions. They should have the protection of good medical officers in the Army. If this appropriation of eighty or ninety thousand dollars will save one human life, it will be worth the money. I would be willing to spend much more to save one life.

Mr. Chairman, I ask unanimous consent to include these

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The documents referred to are as follows:

WAR DEPARTMENT. Office of the Surgeon General, Washington, February 21, 1935.

Washington, February 21, 1935.

Hon. Maury Maverick,

House of Representatives, Washington, D. C.

My Dear Mr. Maverick: In compliance with conversation a few minutes ago on the telephone, in which you requested information concerning the need for flight surgeons in the Army, I advise you that the Chief of the Air Corps has approved 65 flight surgeons, and those were the figures that he sent to the Bureau of the Budget, and his representative so testified in the hearings before the military subcommittee of the Appropriations Committee. (See remarks of Colonel Hobley on page 153 of the printed hearings.)

The bill, H. R. 5913, as written, only makes provision for five medical officers on flight-surgeon's pay. Therefore, the number of medical officers as written in the bill, 5, would have to be increased to 65. As money for the payment of 5 medical officers as flight surgeons is already provided for in the bill, it would only be necessary to increase the amount by a sum sufficient to care for 60 additional flight surgeons, or 60 times \$1,440 per annum; that is, \$86,400. Therefore, in line 7, on page 10, of H. R. 5913, the figure "5" should be stricken out and the figure "65" inserted, and, on the same line, the amount, \$2,033,029, should be increased by \$86,400. The sum should then read "\$2,119,429."

In this connection I enclose a copy of a memorandum addressed

In this connection I enclose a copy of a memorandum addressed to me by the Chief, Medical Division, Office of the Chief of the Air Corps, which clearly sets forth the necessity for flight surgeons. If I can give you any further information, advise me. It should be clearly understood that the legislative action proposed—that is, the failure to provide for a reasonable number of flight surgeons, will—

1. Greatly limit the medical service which may be given the Air Corps in the active operations of field training and combat;

2. Limit the sphere of effective function of medical officers to

2. Limit the sphere of effective function of medical officers in maintaining physical fitness for flying;

maintaining physical fitness for flying;

3. Increase the incidence of aircraft accidents;

4. Deprive the Air Corps, and indirectly all aviation, of the great advantages to be gained in the solution of the many human problems which involve physical and psychological effects of flying, knowledge of which can be obtained only by flight experience.

From a service standpoint solely the functional limitations, which removal of medical officers from flying status will necessitate, will severely curtail the kind of medical service which flying requires for security and proficiency of Air Corps personnel. From an economical standpoint the adoption of a policy of denying flight status and pay to medical officers will be wasteful.

I deeply appreciate the interest you are taking in the Medical Corps. It seems very important that the number of flight surgeons considered necessary by the Chief of the Air Corps should be authorized, particularly so at this time as under the present plans the General Headquarters Air Force will be left without medical service during its field-training operations.

With kindest regards.

Sincerely yours,

ROBT. U. PATTERSON,

ROBT. U. PATTERSON, Major General, United States Army, The Surgeon General.

FEBRUARY 20, 1935.

Memorandum for the Surgeon General.

1. The Army Appropriation Act as introduced carries a limita-tion on flying pay for flight surgeons which, if passed, will permit not to exceed five medical officers to remain on flying status. The passage of this act will eliminate an indispensable service to the

Air Corps at a most critical time.

2. The necessity for the performance of flights is completely stated in the instructions contained in letter of The Adjutant

General, dated December 27, 1932:
"e. Medical Corps officers: A minimum of 10 hours per month per fiscal year.

"(1) Flights in connection with: (a) The maintenance of physical fitness of the flyer.

- "1. To check the physical capacity and neuropsychic reactions of pilots upon being restored to flying status after having been removed for physical reasons.

  "2. To determine the physical and neuropsychic reactions of pilots whose accident record suggests a physical or temperamental cause of the relative insecurity of the flyer in the performance of flying tasks. flying tasks.

"3. To contribute to the morale of the flyer of limited experience

by a study of his reactions to simple and complicated flying.

"4. To develop an aggregate of accurate knowledge of the effects of flying on personnel of varying personality composites so that the results may lead to an anticipation of the conduct of individuals under the varying conditions of flying tasks.

"5. To experience the effects of flight under varying conditions."

"5. To experience the effects of flight under varying conditions and with different personnel.

"6. To aid in the development of that intimate relationship and understanding which develops mutual confidence between the

flyer and the doctor.

"7. To determine the presence of carbon monoxide and other deleterious gases in and around the cockpits of aircraft.

"8. To determine the relative physical resistance of pilots to the fatigue of flying missions and to classify them according to their relative physical capacity to maintain sustained flight under varied conditions

- conditions.

  "(b) The attendance upon accidents.

  "1. To proceed by air to the place of aircraft accidents for the administration of first aid and to accompany by air, to proper station or hospital, personnel injured in aircraft accidents.

  "(c) The transportation of sick.

  "1. To accompany the sick and injured selected for transportation from the relatively smaller stations to hospitals where the facilities offer better opportunity for recovery.

  "(d) Scientific investigation.

  "1. To determine the effects of altitude.

  "2. To determine the relative perfection and efficiency of per-

- "2 To determine the relative perfection and efficiency of personal equipment; i. e., clothing, helmets, goggles, etc.
  "3. To study the effects of seating in relation to posture as a

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"4. To evolve an understanding knowledge of mental and emotional requirements for successful flying.

"5. To study the effects of altitude and speed and determine the necessity for classifying personnel.

"6. To determine the oxygen requirements of pilots subjected to oxygen rarefication at high altitudes.

"7. To determine the efficiency of corrective lenses in goggles.

"8. Miscellaneous research.

"(e) Supervisory control of camps by surgeons.

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"1. To make frequent inspections of camps established for gunnery practice, tactical exercises, and similar training missions.

"(f) Accompany extended missions of air corps tactical units away from home field.

"1. To render medical attention, supervise sanitation and hydrone and maintain advisory observation over personnel in order to

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3. The requirements for the performance of flying duty by medical officers have progressively increased with the progress of aviation. The importance of the work and contributions in the

aviation. The importance of the work and contributions in the actual performance of flying duty by flight surgeons are increased by the existing and anticipated speed accelerations and altitude experiments, tests from a research standpoint, and by the indispensability of medical officers on flying duty as a part of the field training of the G. H. Q. air force.

4. The full import of the action proposed should be thoughtfully considered on a basis of service to the Air Corps.

5. Economical retrenchment based upon the bare consideration of expenditure for flying pay is misleading, principally because the understanding of the physiological and psychological reactions to flying by flight surgeons, who acquire a knowledge of the effects and reactions of flight as the result of actual experience, enables them to advise restrictive and corrective action which promoted efficiency of Air Corps personnel and reduces the incidence of air-craft accidents, with associated damage and destruction of expensive

efficiency of Air Corps personnel and reduces the incidence of air-craft accidents, with associated damage and destruction of expensive Government property. Flying duty has always and will continue to be an essential and important function of trained flight surgeons.

6. In the performance of the duties enumerated in the directive of the War Department, flight surgeons render a service which is indispensable in the maintenance of physical fitness of Air Corps personnel for flying, in making contributions in the solution of problems affecting human performance in flight, and in the operation of the medical service for the Air Corps when operating in field training or in actual combat.

7. Restrictions placed on flying duty of flight surgeons for reasons

7. Restrictions placed on flying duty of flight surgeons for reasons of pay is a pretense at economy, since a study of the actual costs resulting from the increase in damage as the result of aircraft

accidents and that entailed by the employment of civil services for the care of casualties among Air Corps troops operating in the field (and separated from a grounded medical service) under the conditions contemplated for the G. H. Q. air force will create an expense which experience has shown will considerably exceed the cost of flying pay for flight surgeons.

8. It is estimated that the total cost of flying pay for flight surgeons for the fiscal year 1935–36 will not exceed \$100,000.

G. I. Jones,

Lieutenant Colonel, Medical Corps,

Chief Medical Division.

WAR DEPARTMENT,

OFFICE OF THE CHIEF OF THE AIR CORPS,

Washington, February 21, 1935.

Subject: Informative memorandum on necessity of flying status for flight surgeons of the Regular Army as requested by you orally this date

Hon. Maury Maverick,

House of Representatives, Washington, D. C.

My Dear Mr. Maverick: The Army appropriation act as introduced carries a limitation on flying pay for flight surgeons which if passed will permit not to exceed five medical officers to remain on flying status. The passage of this act will eliminate an indispensable service to the Air Corps at a most critical time.

The necessity for the performance of flights is completely stated in the instructions contained in letter of The Adjutant General dated December 27, 1932:

dated December 27, 1932:

"e. Medical Corps officers: A minimum of 10 hours per month per fiscal year.

"(1) Flights in connection with: (a) The maintenance of physical fitness of the flyer.

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"3. To contribute to the morale of the flyer of limited experience by a study of his reactions to simple and complicated

flying.
"4. To develop an accurate knowledge of the effects of flying on personnel or varying personality composites so that the results may lead to an anticipation of the conduct of individuals under the varying conditions of flying tasks.

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(b) The attendance upon accidents.

1. To proceed by air to the place of aircraft accidents for the administration of first aid and to accompany by air to proper station or hospital, personnel injured in aircraft accidents.

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(e) Supervisory control of camps by surgeons.

1. To make frequent inspections of camps established for gunnery practice, tactical exercises, and similar training missions.

(f) Accompany extended missions of Air Corps tactical units

away from home field.

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and maintain advisory observation over personnel in order to prevent and treat disease and care for injured of the command.

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The full import of the action proposed should be thoughtfully considered on a basis of service to the Air Corps.

Economical retrenchment based upon the bare consideration of expenditure for flying pay is misleading, principally because the understanding of the physiological and psychological reactions to flying by flight surgeons, who acquire a knowledge of the effects and reactions of flight as the result of actual experience, enables them to advise restrictive and corrective action which promotes efficiency of Air Corps personnel and reduces the incidence of air-craft accidents with associated damage and destruction of expensive Government property. Flying duty has always been and will continue to be an essential and important function of trained flight surgeons.

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In the performance of the duties enumerated in the directive of the War Department, flight surgeons render a service which is indispensable in the maintenance of physical fitness of Air Corps personnel for flying, in making contributions in the solution of problems affecting human performance in flight, and in the operation of the medical service for the Air Corps when operating in

field training or in actual combat.

Restrictions placed on flying duty of flight surgeons for reasons Restrictions placed on flying duty of flight surgeons for reasons of pay is a pretense at economy since a study of the actual costs resulting from the increase in damage as the result of aircraft accidents and that entailed by the employment of civil services for the care of casualties among Air Corps troops operating in the field (and separated from a grounded medical service), under the conditions contemplated for the G. H. Q. air force, will create an expense which experience has shown will considerably exceed the cost of flying pay for flight surgeons.

That flight surgeons on a flying status with the Air Corps are subjected to an increased liability to injury and death can be illustrated by the following:

illustrated by the following:
During the 12-year period from September 1922 to March 1934,
8 flight surgeons have been killed and 2 flight surgeons retired as result of injuries caused by airplane crashes in the performance

of their official duties.

When the relatively small number of flight surgeons maintained When the relatively small number of flight surgeons maintained on a flying status, which has averaged approximately 60 during the period indicated above, is taken into consideration, these figures will illustrate the degree of hazard involved in this work. Consequently it is undoubtedly true that those officers who are on flying status with the Air Corps should receive increased pay for the additional liability incident to flying duty.

It is estimated that the total cost of flying pay for flight surgeons for the fiscal year 1935–36 will not exceed \$100,000.

By order of the Chief of the Air Corps.

G. I. JONES, Lieutenant Colonel Medical Corps, Chief Medical Division, Air Corps.

SAN ANTONIO, TEX., February 20, 1935.

Hon. MAURY MAVERICK,

United States Congress, Washington, D. C.:
Army appropriation bill deprives flight surgeons of flying pay.
These officers are indispensable and experience all hazards of air personnel; furthermore, are constantly experimenting for increased efficiency and safety; therefore, are assets. Must pay material increase insurance premiums. Justice demands that pay of flight surgeons be maintained on flying status. Your cooperation appre-

CHAS. F. GUENTHER. Jr.

San Antonio, Tex., February 20, 1935.

Hon. MAURY MAVERICK, House of Representatives, House Office Building, Washington, D. C.

I understand a bill is before the House limiting flying pay to only five flight surgeons in Air Corps. I believe flight surgeons on flying status are essential to welfare of the Air Corps, and that proposed legislation limiting flying pay will be very detrimental. Best regards,

LAMAR SEELIGSON.

SAN ANTONIO, TEX., February 20, 1935.

San Antonio, Tex., February 20, 1935.

Hon. Maury Maverick, Texas,

House of Representatives, Washington, D. C.:

Army appropriation bill reported to House limits flight surgeons on flying status to maximum of five. If passed, this will eliminate an indispensable medical service to Air Corps at most critical time of the Air Corps reorganization. All flight surgeons on duty with Air Corps should remain on flying status, continue to accompany Air Corps units on flying missions, receive flying pay the same as Air Corps officers, and engage in research in the air with view to solving the many problems now being created by the augmented speed and altitude toward which airplane development and maneuverability is now being pointed. As result of the work they are able to do while on a flying status flight surgeons are saving lives of flyers and the loss of ships and share the same hazard as any other officer who is required to take to the air. The work of a flight surgeon will be rendered ineffectual if he is grounded and not permitted to make necessary observations on personnel and material while in flight.

Bernard Ladon.

BERNARD LADON.

Mr. PARKS. Mr. Chairman, I dislike very much to disagree with my distinguished young friend from Texas [Mr. MAYERICK ]. While it is true the amount involved is not flight physicians who would get a 50-percent addition to their pay up to a maximum extra allowance of \$1,440 per annum were it not for this limitation in the bill.

The only thing on earth they do is to go up at their discretion, or at the discretion of their commanding officers. and look at a flyer's back while he is piloting a plane. They cannot examine him while he is in the plane; they could not help him if anything occurred to him. But they could examine him before he went up and after he came down and ascertain the physical effect of the flight; and that is the only thing on the face of the earth they can do except draw 50 percent additional pay. If this were of any value on earth except to give additional pay, I would be just as quick as any man in this House to vote for it. As I said, the doctors can examine these men before they go up and again when they come down. I believe that to adopt this amendment would be an absolute waste of money which could be better used somewhere else.

Mr. BUCHANAN. Mr. Chairman, will the gentleman vield?

Mr. PARKS. I vield.

Mr. BUCHANAN. Is it not a fact that a great portion of the appropriations we have been making for extra pay to pilots to train flying forces and to induce them to become trained pilots has been taken up and squandered by officers of the Army, such as doctors and others, who were not flyers and who were not being trained as flyers, but who were given extra pay when they flew? This is one right step in the direction of stopping it.

Mr. PARKS. Yes. These are not pilots, as the gentleman

understands.

Mr. BURDICK. Mr. Chairman, I rise to a point of order. The CHAIRMAN. The gentleman will state it.

Mr. BURDICK. I make a point of order against this section of the bill on the ground that it is legislation on an appropriation bill. I refer specifically to lines 16, 17, and 18.

Mr. BUCHANAN. Mr. Chairman, the point of order comes too late.

The CHAIRMAN. The Chair will state that the point of order comes too late; debate has already been had on the section, or on an amendment proposed to the section.

The point of order is overruled.

The question recurs on the amendment offered by the gentleman from Texas [Mr. MAVERICK].

The amendment was rejected.

Mr. THOMASON. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Thomason: On page 10, line 14, beginning with the word "together", strike out all matter down through the word "men" in line 21 and insert in lieu thereof the following: "together with the additional sum of \$5,095,748 to be available under this and other appropriations contained in this act for defraying the cost of increasing the enlisted strength of the Regular Army from an average of 118,250 to an average of 130,321 enlisted men."

Mr. THOMASON. Mr. Chairman, I am not a militarist; neither am I an expert on military affairs; but I am willing to listen to and accept the advice of those whom I believe know something about this subject. For 4 years I have sat upon the Military Affairs Committee of this House and have heard the highest officials in the Army, as well as many prominent civilians who have had much military experience. particularly in the World War, say that our Army today is absolutely inadequate. Testimony has been adduced before the House Committee on Military Affairs, before the Senate Committee on Military Affairs, and also before special committees that an increase is necessary. A bill is now on the calendar, of which I am the author, and it has the unanimous support of the committee. Likewise there comes a recommendation from the Secretary of War, who is not a fighting man but who comes from civilian life and who represents the President and the administration, which says that our forces now are too small, because the combat branches include only about 60,000 men. There comes the recommendation of the Chief of Staff, who has a brilliant military record, setting forth his views, and, as was said yesterday, there was given bequite \$100,000, this money is uselessly spent. There are 76 fore the committee the testimony of an outstanding civilian who distinguished himself as Secretary of War during President Wilson's administration, Mr. Newton D. Baker, who said he favored increasing the enlisted forces by 46,250 men, which is necessary to bring the number of enlisted men up to the smallest estimate any witness favored, which was 165,000.

Mr. BLANTON. Mr. Chairman, will the gentleman yield? Mr. THOMASON. I yield.

Mr. BLANTON. I am with my colleague from Texas on his proposition for adequate Army personnel. But with the Secretary of War, who is a Cabinet officer, heartily in favor of the proposition; with a former Democratic Secretary of War, Newton D. Baker, heartily in favor of it; with high Army officers all approving it; and when this committee has authorized the President, in his discretion, to increase the enlisted personnel to 165,000 men and we are appropriating in this bill the money for him to do so, how much further should we go?

Mr. THOMASON. The bill as presented here leaves it to his discretion. I want to make it definite and certain, so we will be sure to get some increase. Further increases can come leter

Mr. BLANTON. This committee can direct the President, as we are not a legislative committee. Even if you pass an amendment to this appropriation bill and make specific appropriation for \$5,000,000 hoping thereby to enlist more men, you will not increase the size of the Army one man. As Chief Executive and Commander in Chief of the Army the President will use or not use the money as he sees fit, exercising his own judgment.

Mr. THOMASON. I am inclined to think we ought specifically to appropriate the money to increase the Army by one-fourth of the 46,250 increase recommended by all the patriotic organizations, the high officials, and prominent men of experience. The amendment does only this, it says that our enlisted personnel is increased one-quarter of that amount, which means about 11,000 men at a cost of about \$5,000,000.

Mr. BLANTON. If the amendment were adopted, we would be in no better shape than we would be without it, because the President would not be compelled to expand the Army or to increase the number of enlisted men, unless he wanted to so spend the money.

Mr. THOMASON. Yes; but when we carry such a provision in this appropriation bill it is something specific and ought to be mandatory. The increased appropriation being in the bill would at least indicate to the President that the Congress wants him to exercise the discretion with which he is clothed.

The President has indicated his thought that the combat forces of this country ought to be increased. Why not make a direct appropriation in this bill and be done with it?

Mr. MAY. Will the gentleman yield?

Mr. THOMASON. I yield to the gentleman from Kentucky.

Mr. MAY. I did not have the pleasure of hearing the testimony of former Secretary of War Baker during this session, but the gentleman from Texas will remember that when he testified before our committee last year he stated in very emphatic terms that the present establishment was wholly inadequate, even in peace times.

Mr. THOMASON. Not only that, but he testified he would raise it right now to the entire 165,000. This amendment I have offered will only increase it to a total of 130,312. In view of the fact that all of these people have endorsed this matter, I think now is the time to make the change if it is going to be made. It will at least be a part of a loaf and a step in the right direction.

[Here the gavel fell.]

Mr. PARKS. Mr. Chairman, I think this will be the only item in the bill about which there will be much controversy. May I inquire how much time we may devote to this paragraph, so that those who may want to speak on it may be prepared?

Mr. BOLTON. How much time would the gentleman suggest?

Mr. PARKS. Suppose we make it 30 minutes.

Mr. BOLTON. Fifteen minutes on a side?

Mr. PARKS. Yes.

Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. TABER. Mr. Chairman, I am not going to use 5 minutes.

Mr. Chairman, I feel that we should specify the amount in this bill that is to be used for the purpose of increasing the Army. It is true that the President does not have to use it if he feels it should not be used, because he is the Commander in Chief; but I feel that under the Constitution it is our duty to appropriate specifically for the Army requirements. This amendment does not increase the total appropriation in the bill because the bill, as it is now drawn, would permit the President to go further than the \$5,000,000 which is authorized here. It would permit him to go as far as \$23,000,000.

Mr. Chairman, this does tell the story of what ought to be done in the way of increasing the personnel of the Army for the first year. I hope that the amendment will be adopted, so that the man who comes to look at this legislation may see right on the face of it just how much money has been appropriated for the pay and maintenance of the enlisted men of the Army.

Mr. BLANTON. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from Texas.

Mr. BLANTON. Suppose we pass this amendment and the President should see fit not to exercise his prerogative and discretion as Chief Executive and as Commander in Chief of the Army, and does not increase, and does not spend the money, he does not have to do so?

Mr. TABER. No; he does not have to do it, but unquestionably he will do it, and unquestionably the amount of money will be used and we should tell the people the truth about what is in the bill.

Mr. BLANTON. But he may still do that under the provisions of this bill, as we are giving him enough money for 165,000 men.

Mr. TABER. Certainly he can, but let us state in the bill just exactly what we are doing; let us meet our own responsibilities and not cover up the whole situation as much as possible.

Mr. MAY. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from Kentucky.

Mr. MAY. If we adopt this amendment, it will be at least an indication that the House of Representatives is still willing to say what it thinks should be done?

Mr. TABER. Yes; and it will tell out and out what it is doing and not try to cover up.

Mr. Chairman, I hope the amendment will be adopted and that the House will say it wants to do this and how it wants it to be done.

Mr. BUCHANAN. Mr. Chairman, I want to make a plain, simple statement to the Members of this House. We are living in an unsettled time in this country. According to the press there are disturbing activities in many sections of the country aimed at the existence of our Government. How far these domestic disturbers will increase I do not know; but the committee deliberately put this section and another similar section in the bill to permit the President, at his discretion, to increase the Army, as well as the National Guard, in case conditions warranted such increases. He may increase the Regular Army under the provisions of the bill up to the amount appropriated for in the bill, or by a little over 46,000 enlisted men, making a total of 165,000 enlisted men, if he thinks conditions justify such a course, and that expansion is necessary to preserve the peace and tranquility of our country.

Mr. Chairman, the amendment offered by the gentleman from Texas would be a congressional expression that the President could not increase the enlisted strength of the Regular Army by more than 11,000 men. In other words,

the amendment cuts off the discretion of the President to increase the number up to the limit, or 165,000 men, for which we appropriate.

Mr. ANDREWS of New York. Will the gentleman yield?
Mr. BUCHANAN. I yield to the gentleman from New York.

Mr. ANDREWS of New York. We do not necessarily have to limit it if we make it mandatory.

Mr. BUCHANAN. It is limited by the amount of the appropriation. Existing law will allow the President, subject to appropriation, to increase up to 175,000 men. That is on the statute books now. The amount of increase is limited by the amount of money which we appropriate. In this bill, as it came from the committee, it carried an indefinite appropriation whereby the President may actually increase the enlisted personnel by 46,000 men.

Mr. ANDREWS of New York. What does the gentleman suppose the Senate is going to do to this section? Does he think they are going to allow us to extend this discretion to the President?

Mr. BUCHANAN. I thank God I am not responsible for the conduct of the Senate. I never speculate on what it is going to do and never take into consideration what it is going to do. I try to do my duty to my country, as I see it, and let the Senate attend to its business.

Mrs. KAHN. Mr. Chairman, it seems to me that the President has enough to do without piling one more duty on his shoulders, particularly as it means—and let us use plain language—shirking our own duty here. It is up to us to decide definitely just exactly what the size of the Army should be and how much money should be appropriated therefor. Why should we delegate another of our powers? We are doing this constantly, and before the session is over if we keep this up we will have no power left. It is not only a question of our power, but it is our plain duty to appropriate definitely and distinctly and to tell the country exactly what we want. It seems to me we should save the President this extra duty rather than put an additional duty upon his shoulders. [Applause.]

Mr. BLANTON. Mr. Chairman, I am afraid that, however much it was not intended, this amendment carries with it the reflection that the House does not have explicit confidence in the Chief Executive of this Nation, who is the Commander in Chief of the United States Army. Is there a Member of this House who does not believe the President of the United States, with the record he has made and has behind him for the last 20 years, is not thoroughly and keenly alive to the great issue of national defense?

Mr. ANDREWS of New York. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Certainly. Is the gentleman one of those who has no confidence in the President on this question? If he is, I will yield to him.

Mr. ANDREWS of New York. I am wondering if the

Mr. BLANTON. Has the gentleman confidence in the President?

Mr. ANDREWS of New York. I have reasonable confidence in him.

Mr. BLANTON. Certainly; and I have absolute confidence in him, especially on this question.

Mr. ANDREWS of New York. Will the gentleman yield for a question?

Mr. BLANTON. Briefly, yes.

Mr. ANDREWS of New York. I know the gentleman from Texas is a very strong supporter of the President, and I am wondering if he would yield to the discretion of the President in the matter of the soldiers' bonus. [Laughter.]

Mr. BLANTON. That is a question that everyone of us must decide for himself. That is a question upon which the President of the United States is not the commander in chief. That question is not within the scope of his duties as Chief Executive. He has certain well-defined duties. And Congress likewise has duties. I have the right to exercise my prerogative on the floor of the House and in the Congress of the United States on the question of paying the adjusted-

service certificates, even more than the President, because it is the duty of this Congress to provide for the payment of all just debts promptly due by the United States.

Mr. BOLTON. Mr. Chairman, will the gentleman yield? Mr. BLANTON. In just a moment I will yield to my friend from Ohio. I must use a few minutes of the time myself.

The question of the payment of the adjusted-service certificates is one for the Congress to decide. Of course, the President has the veto power and then we have the right, if we want to exercise our prerogative, to override his veto; but the question of national defense is one concerning which the President of the United States is the head of the whole institution. I am one of those who is willing to rely upon his judgment, upon his patriotism, and upon his loyalty to the flag and to the country to provide adequate national defense when we give him the money to do it. And we have done that in this bill. We have placed in this bill an appropriation providing enough money to pay for 165,000 enlisted men in the Army, and 5,000 additional National Guard, and the President of the United States has authority to order the War Department to put their recruiting officers in the field and enlist up to 165,000 men and there is money in this bill to pay them.

Are you not willing to leave this to the President when he wants you to leave it to him? I am. I am not going to get up here on this floor and say, "Mr. President, I am a Democrat, but I am not following you on a question of this kind."

Of course, I expect the Republicans on the other side of the aisle to get up here and try to hamstring him if they can, and try to embarrass him on this question if they can. And they will vote solidly for this amendment. Watch them stand up across that aisle. Talk about taking a load off of the President, you are putting a load upon him whenever you pass an amendment of this kind. And if you pass this amendment, you will force the President to send us a request tomorrow to undo it and vote it down in the House.

Mr. BOLTON. Mr. Chairman, will the gentleman yield? Mr. BLANTON. Oh, I follow my friend from Cleveland, Colonel Bolton, on matters quite frequently. I have the highest regard for his integrity and his loyalty. He is a great help to the Democratic members of this committee. He knows we should not hamstring the President in this way—and this would be hamstringing him.

Mr. BOLTON. Will the gentleman yield?

Mr. BLANTON. Certainly.

Mr. BOLTON. The gentleman inferred at least, although I do not think he intended it, that he was going to allow politics to enter into national defense. There should be no politics in this issue if we do what we believe to be right.

Mr. BLANTON. Watch the record vote in the House. You will see practically a solid Republican vote, and I predict that after we hear from the President on it tomorrow, there will be almost a solid Democratic vote against this amendment, if it carries in the committee. The President is not going to allow politics to enter into our national defense, and politics should not enter this Chamber.

Do not the Members of this House know that my colleague the gentleman from Texas [Mr. Buchanan], Chairman of the Committee on Appropriations, is in close touch with the President and has frequent conferences with him at the White House; and do you not know that the President has let us know what he wants, and if the President were not satisfied, the gentleman from Texas [Mr. Buchanan] would have had this committee provide the money specifically in this bill?

[Here the gavel fell.]

Mr. FADDIS. Mr. Chairman, it may be that my good friend, the gentleman from Texas [Mr. Blanton], would regard this matter as a hamstringing of the President. I, as a Democrat, cannot feel that way about it.

I conceive it my duty as a Member of the Congress, to carry out the provisions of the Constitution that delegate the power of providing for the national defense to the Congress of the United States. The Constitution does not say that the Congress shall delegate this power to any one individual.

We have had experience in the past in matters that would relate very closely to this one and we know they have not always been carried out in accordance with our wishes as Members of the Congress. We of the Committee on Military Affairs sat for days listening to testimony of men who know what is demanded in the way of national defense for this country, and we have unanimously backed the amendment of the gentleman from Texas [Mr. Thomason].

We have determined that so far as we are concerned we are going to fulfill our duty as Members of this House and provide for an adequate national defense, and I think we would be weak and without proper regard for our duty if

we did not do so.

I fail to see where there is any question of politics entering into national defense, and any attempt to drag in any political inferences is only an attempt to befog the issue.

[Applause.] I thank you.

Mr. CULKIN. I have been somewhat amazed, Mr. Chairman, by the extraordinary argument of the gentleman from Texas [Mr. Blanton]. He has endeavored to excite the other side of the aisle and get them in a partisan mood on the question of national defense.

The House will notice that the amendment in question was offered by a gentleman on the other side of the aisle, a Member well informed and most familiar with military questions.

May I say again there is no politics in national defense, and has not been since the Republic was founded.

My judgment is that the President will welcome this amendment, for as the gentlewoman from California says, it takes a burden off his shoulders.

This amendment simply adds to the money appropriated for national defense the sum of \$5,000,000 for the purpose of increasing the Army by 11,000 enlisted men. It is a start in the right direction. Our Army is pitifully inadequate for national safety.

Mr. MAY. Will the gentleman yield? Mr. CULKIN. I yield to the gentleman.

Mr. MAY. Is the gentleman willing to follow the gentleman from Arkansas when he said that we were already sitting on a volcano at home and abroad, and that our present Regular Army only equaled the police force in New York, Philadelphia, and Chicago?

Mr. CULKIN. I thank the gentleman for his contribution. We are sitting on a volcano, and every true American who knows the possibilities of the world situation is for a

fair measure of preparedness.

Mr. Chairman, what I rose to emphasize is that there is no reason given for dragging a political red herring across the trail of national preparedness. Mr. Chairman, by voting for amendment this House takes a step in the right direction and inaugurates a proper program for a modest increase in our land forces.

Mr. HOOK. Will the gentleman yield?

Mr. CULKIN. I yield.

Mr. HOOK. I am for adequate national defense, but will the gentleman answer this question: why did the distinguished gentleman from New York [Mr. Fish] bring in partisan politics without any objection from the other side, and now they claim that they do not want partisan politics?

Mr. CULKIN. Does the gentleman want to hold national defense responsible for the alleged sins of the gentleman from New York [Mr. Fish]? Is the question of national security to be intermingled with and neglected by reason of the alleged partisan remarks of the gentleman from New York [Mr. Fish]?

Mr. BLANTON. He is one of the active, strong leaders on your side of the aisle.

Mr. CULKIN. Mr. Chairman, I object to the interruption of the gentleman from Texas. I have not yielded to him. I think it is entirely improper for this situation to be tinged with partisan politics. I am for this amendment because it makes America slightly more secure.

Mr. BUCHANAN. Will the gentleman yield?

Mr. CULKIN. I yield.

Mr. BUCHANAN. The gentleman is in favor of preparedness?

Mr. CULKIN. Yes; I am.

Mr. BUCHANAN. Does the gentleman know that this bill now permits the President to take care of a Regular Army of 165,000 men? This amendment limits the appropriation so that he cannot increase it over 11,000. There is no command either way under either bill. There is no command about it in the committee's bill and no command in the amendment. He is just authorized to do it, so that the amendment is a step backward in the matter of national defense.

Mr. CULKIN. I thank the distinguished Chairman of the Appropriations Committee for his information, but my advices are that the section in question, as it now stands, is simply permissive. This provision makes it mandatory and will, in my opinion, if adopted by the House and Senate, meet the approval of the President. The House cannot rid itself of its constitutional responsibility by placing another burden on the shoulders of the President.

The CHAIRMAN. The time of the gentleman from New York [Mr. Culkin] has expired.

The Chair will advise that those in favor of the amendment have 3 minutes remaining, and those opposed to the amendment have  $6\frac{1}{2}$  minutes remaining.

Mr. MAVERICK. Mr. Chairman, I have as much confidence in the President of the United States as anybody in this House, but I believe this House should have some confidence in itself. [Applause.] I believe we should vote for this amendment. It has the unanimous approval of the Committee on Military Affairs. Twenty-five members of that committee are in favor of it. Aside from that, right or wrong, we should either vote for something or against something. Why load the President down with this responsibility? He will no doubt have delegations worrying him with a heavy mass of correspondence. Let us assume our responsibility.

Mr. BOLTON. Mr. Chairman, I did not intend to speak on this subject, because we had our discussion in committee, and I am one of those who was not successful in my belief that we should write a definite appropriation in the bill. However, I do want to make myself clear in this position. I very much believe in the statement made by the lady from California [Mrs. KAHN] that it is much fairer to the President of the United States to be definite in our wishes with reference to military defense and with reference to the appropriations for the Army than to leave it to his judgment. True it is, he is Commander in Chief of the Army. True it is, he will have the advice of the Chief of Staff and of our military experts; but I believe in these times, where there are forces for as well as against preparedness, the people of the country should know the wishes of the Congress and the President should be fortified in what he does by direct action by Congress.

Mr. MAY. Will the gentleman yield?

Mr. BOLTON. I gladly yield to the gentleman.

Mr. MAY. Another reason why we should take off the shoulders of the President this burden is because he is beseiged and beset on all sides for money by this whole gang of bureaucrats, and we are not.

Mr. BOLTON. That is correct. Without getting into any argument as to the advantages of increasing the Army, in which we all agree, not only from a military standpoint but from the standpoint of unemployment, I believe it is our duty as Members of a body that is supposed to appropriate money, that we be definite in this matter.

I yield back the balance of my time.

Mr. PARKS. Mr. Chairman, it is evident that this amendment is greatly misunderstood. It does not increase the Army one single, solitary man. It is not as liberal as the provision in the bill. The bill provides that the President, at his discretion, may increase the Army to 165,000 men, and it makes an indefinite appropriation to take care of the increased cost. What does this amendment do? It does but one thing. It carries an appropriation, without Budget support, of \$5,000,000, and that should not be done.

If it is necessary to increase the Army, if the President of the United States with his advisers in the Army and his budgetary adviser believes that the exigencies of the situation demand an increase in the Army, he can increase it and he can draw on this indefinite appropriation just as readily and effectively as under this \$5,000,000 direct appropriation that has been proposed. It ought not to be done.

We have worked and struggled along with the members, on the other side, of this committee to hold this bill within the Budget recommendations. You do not by the amendment add a single man to the Army. The amendment is not mandatory. You could not put mandatory legislation in this bill to compel the President of the United States to add that many men to the Army under our rules, but as we have written the bill it provides that we can have not to exceed 165,000 men or a lesser number, subject to determination by the President. If you pass this amendment, you will lessen the number by which the Army may be increased and not increase it.

Mr. BLANTON. Will the gentleman yield?

Mr. PARKS. I yield.

Mr. BLANTON. If we were to pass this amendment, would not the President consider it a direction to him by Congress not to increase over the 11,000, whereas under the bill as it is written he has absolute authority to increase it up to 165,000?

Mr. PARKS. That is correct.

Mr. THOMASON. Will the gentleman yield?

Mr. PARKS. I yield.

Mr. THOMASON. Is it not a fact that under the National Defense Act the President has authority to increase the Army to 200,000?

Mr. PARKS. If he has the money; yes.

Mr. THOMASON. And so far as the appropriation it carries, is not this amendment just as mandatory as any other provision of this bill?

Mr. PARKS. There is not a mandatory provision in the bill. The amendment absolutely limits the President to this five million and some odd thousand dollars and 11,000 men. It does not provide anything beyond that. However, here is the point about it: If the President should find it necessary to increase the Army and we adopt this amendment, he would be so situated that although it would be necessary to go to 165,000 men he would not have that authority under the amendment that has been proposed, and he would not have the money. Here we have made the money available to him under this indefinite appropriation. I say to every patriotic man here, and it make no difference where you sit in this House, you should not limit this bill. There is no man in this House who is more strongly for national defense than I am, and I say the amendment is restrictive and, therefore, not in the best interests of national defense.

Mr. THOMASON. Will the gentleman support an amendment if I change the amendment to include the entire 165,000?

Mr. PARKS. We already have that.

Mr. THOMASON. But you have no appropriation for it. Mr. PARKS. Yes. We have the appropriation in the bill and authority for the President to increase the enlisted strength at will. That is why I am standing for this. That is why I believe the Membership in this House, in the limited debate we have had, have not had an opportunity to understand it.

Mr. RAMSPECK. Will the gentleman yield?

Mr. PARKS. I yield.

Mr. RAMSPECK. If the contention of the gentleman from Arkansas [Mr. Parks] is correct, that this amendment is not mandatory and that the provision is already in the bill to do that, what difference does it make one way or the other?

Mr. PARKS. It makes this difference: Under the bill the President may or may not, at his discretion, increase the enlisted strength to 165,000 men. Under the amendment he may not increase it beyond some 130,000 and odd, and if he does not increase it we are in the position of having added \$5,000,000 to his Budget unnecessarily.

Mr. TABER. The gentleman's proposition is \$23,000,000 above the Budget.

Mr. PARKS. No, it is not; this amendment is \$5,000,000 over the Budget. If the President does not desire to increase the enlisted strength, and it is optional with him under the committee's provision, as well as under the pending amendment, whether he will or will not, the committee's provision is not one single penny over the Budget.

I hope the amendment will be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. Thomason].

The question was taken; and on a division (demanded by Mr. Faddis) there were—ayes 81, noes 66.

Mr. PARKS. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. Parks and Mr. Thomason.

The Committee again divided; and the tellers reported that there were—ayes 97, noes 66.

So the amendment was agreed to.

The Clerk read as follows:

None of the money appropriated in this act shall be used to pay any officer on the retired list of the Army who for himself or for others engages in the selling, contracting for the sale of, negotiating for the sale of, or furnishing to the Army or the War Department any supplies, materials, equipment, lands, buildings, plants, vessels, or munitions. None of the money appropriated in this act shall be paid to any officer on the retired list of the Army who, having been retired before reaching the age of 64, is employed in the United States or its possessions by any individual, partnership, corporation, or association regularly or frequently engaged in making direct sales of any merchandise or material to the War Department or the Army.

Mr. RICH. Mr. Chairman, I move to strike out the last word.

Yesterday the gentleman from Missouri [Mr. Cochran] stated that he had offered me an amendment which would prohibit the Philadelphia quartermaster department from manufacturing clothing, and also stated that I did not care to present the amendment. I stated to Mr. Cochran that it was in my State of Pennsylvania and that I did not expect to offer any amendment, but that if he would do as he said he would do—offer the amendment—I would not only vote for it but I would support it. This, the gentleman well understands, is my position and always has been. I am opposed to the Government in business regardless of where it is, in any State of the Union.

Two years ago I inspected the plant at Philadelphia. They were then employing some 1,200 people, making not only Army uniforms but overalls, towels, bags, handkerchiefs, and a great many other simple articles that anyone could manufacture.

With the aid of the Quartermaster General of the Army, General DeWitt, also Colonel Game, who had charge of the plant at Philadelphia, and Mr. Christie, superintendent of the plant, we figured that six or seven hundred operators could manufacture all the uniforms the Army would need, considering the number of men enlisted. By discontinuing those items of minor importance they were manufacturing they then would not be keeping their plant in full operation and overproducing for Army needs, placing in storage much more equipment than they needed, and thus tying up capital and manufacturing supplies and uniforms that may become out-of-date or obsolete, which was the result with much of their stock on hand. The manufacturers who were objecting to the operation of the uniform plant also agreed if they would gradually cut down their operators to 500 or 600 and only make uniforms, then the manufacturers would withdraw their objections. Thus an amicable adjustment between parties was effected. So we cut down, as was stated by the gentleman from Missouri yesterday, the number of items that will be manufactured from 100 to 25, the direct result of the work of investigation of the Special Committee to Investigate Government Competition with Private Industry.

Mr. Chairman, speaking as one who is interested in not permitting the Government to operate the industries of this Nation and in prohibiting the Government's engaging in anything that will interfere with the rights of its citizens and put them out of business, I contend that, since the Governthem to eliminate people from business then we are on the road to a soviet union. We are headed for that state more today than ever. Will this Congress permit it to go on?

The appropriations in this bill carry permission for additional facilities for equipment in dry cleaning and laundry. It permits the uniform factory at Philadelphia to make uniforms for the National Guard, for the Reserve officers, and citizens' military training camps-which was not permitted a year ago. The bill also provides for coffee-roasting plants, saddlery shops, arsenals to manufacture equipment that has heretofore been manufactured in private enterprise. Why permit this to go on?

You, as Members of Congress, are responsible, and I appeal to you members of the committee to amend this bill in conformity to the wish of the people and industries of this Nation who pay the taxes and support the Government.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. FITZPATRICK. How long has this depot been in existence?

Mr. RICH. I do not know; but I think for a great many

Mr. FITZPATRICK. And it employs about 1,000 people, does it not?

Mr. RICH. It employs about 1,000 people, so I understand. Mr. FITZPATRICK. These people will be thrown out of employment if such an amendment is adopted.

Mr. RICH. Not necessarily. Arrangements can be made whereby they can be assimilated into other industries in the cities and towns. There is no reason why they should be thrown out of work.

Mr. FITZPATRICK. I am against the Government engaging in business; but if we close this depot, it will throw out of employment 1,000 people who have been employed there for years and years.

Mr. RICH. This same 1,000 people will be employed in other industries; and there is no reason why the Government should continue to engage in business.

Mr. FITZPATRICK. They have been in this business there for years and years, and there are 1,000 American citizens employed in this plant there now.

Mr. RICH. Because the Government has been in business all these years is no reason why they should continue to be in business. The gentleman will find that by the money appropriated in this bill to carry on these industries the Government will be put still more into competition with private business.

Mr. FADDIS. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. FADDIS. Will the gentleman take these people now employed in the Government depot into his own woolen fac-

Mr. RICH. We will do everything we can. I believe the industry of this country will soon afford employment to the people engaged on this Government work.

Mr. FADDIS. The gentleman is evading the issue. Will the gentleman guarantee that the people there now will be reemployed if this plant is closed?

Mr. RICH. They will find employment in other industries.

Mr. FITZPATRICK. Will the gentleman guarantee that? Mr. RICH. Yes; if the Congress will eliminate Government competition with private business. If the Congress does that these people will soon be absorbed in other lines of industry.

Mr. RANSLEY. Mr. Chairman, will the gentleman yield? Mr. RICH. I yield.

Mr. RANSLEY. Will the gentleman tell the House how many contracts his firm received from the quartermaster's depot last year?

Mr. RICH. I think we received one contract last year from the quartermaster's depot. We turned the contract over to the Penn Garment Co. in Williamsport, because they were unable to get a contract from the Government. We

ment is the people, when the taxpayers' money is used against | turned over to them the only quartermaster contract we got last year.

Mr. RANSLEY. The gentlemen's firm sublet the contract? Mr. RICH. Yes.

Mr. RANSLEY. That was a contract for the manufacture of shirts?

Mr. RICH. Yes.

Mr. RANSLEY. What about the contract for blouses? Mr. RICH. They were manufactured in our plant.

I may say to my colleague from Philadelphia that in taking the attitude I have I am not interested in getting this business. I am interested in the proposition that the manufacturers of his country who are paying the taxes to sup-

port the Government should not be faced with Government

competition in a business which rightfully belongs to the manufacturers. [Applause.]

[Here the gavel fell.] The Clerk read as follows:

Subsistence of the Army: Purchase of subsistence supplies: For issue as rations to troops, including retired enlisted men when ordered to active duty, civil employees when entitled thereto, hospital matrons, applicants for enlistment while held under observation, general prisoners of war (including Indians held by the Army as prisoners but for whose subsistence appropriation is not otherwise made), Indians employed by the Army as guides and scouts, and general prisoners at posts; ice for issue to organizations of enlisted men and officers at such places as the Secretary of War may determine and for preservation of stores: Secretary of War may determine, and for preservation of stores; for the subsistence of the masters, officers, crews, and employees of the vessels of the Army Transport Service; meals for recruiting parties and applicants for enlistment while under observation; for sales to officers, including members of the Officers' Reserve Corps while on active duty, and enlisted men of the Army. For payments: Of the regulation allowances of commutation in lieu of rations to enlisted men on furlough, and to enlisted men when stationed at places where rations in kind cannot be economically issued, including retired enlisted men when ordered to active duty. For payment of the regulation allowance of commutation in lieu of rations for enlisted men, applicants for enlistment while held under observation, civilian employees who are entitled to subsistence at public expense, and general prisoners while sick in hospitals, to be paid to the surgeon in charge; advertis-ing; for providing prizes to be established by the Secretary of War ing; for providing prizes to be established by the Secretary of war for enlisted men of the Army who graduate from the Army schools for bakers and cooks, the total amount of such prizes at the various schools not to exceed \$900 per annum; and for other necessary expenses incident to the purchase, testing, care, preservation, issue, sale, and accounting for subsistence supplies for the Army; in all, \$18,601,297: Provided, That none of the money appropriated in this act shall be used for the purchase of oleomargarine or butter substitutes for other than cooking purposes, except to supply an expressed preference therefor or for use where climatic or other conditions render the use of butter where climatic or other conditions render the use of butter impracticable.

Mr. LANHAM. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in times of catastrophe we seldom think or speak deliberately and dispassionately. I have been very much interested in reading some of the observations concerning the unfortunate loss of the Macon; and I think some statements that were not dispassionate and that were not deliberate have been made with reference to this lamentable occurrence.

We have a great many automobile wrecks each year, but automobiles continue to run. We have numerous accidents on railroads, involving quite a toll of human lives, but trains continue to operate. One steamship company in the United States has recently lost, or had seriously damaged, three of its vessels, yet steamships continue to ply the waters. We have lost three dirigibles, and I want to bring it to the attention of the committee that in spite of this fact dirigibles also are being operated successfully.

We should be slow to abandon the use of this implement of defense. This country, of course, is fortunately circumstanced in having a practical monopoly of helium, the noninflammable, inert gas which has a buoyancy of about 92 percent that of hydrogen.

No other nation under the sun has this element in sufficient volume to justify with absolute safety lighter-than-air operations. I wish to call it to your attention that the German Government has been operating dirigibles without the use of this noninflammable nonexplosive element for many years, | and that the large Graf Zeppelin now in their service has crossed and recrossed the Atlantic Ocean over and over again and is now running on a regular schedule without accident and without mishap.

What has led to the destruction of dirigibles in this country, especially in view of the fact that we have this valuable asset of helium? I think I may speak dispassionately now with reference to this element by reason of the fact that it is no longer produced in the district which I represent. I talked about it many times in this Chamber in years gone by, when in the early period of operation, perhaps many who heard me did not know whether I was speaking about a patent medicine or a breakfast food. The case with reference to helium has been proved. If the gas bags of the Macon had not been inflated with helium, it is likely that every member of the crew would have perished and the inflammable parts of the ship would have gone up in flames before the framework struck the water.

Why have we not operated dirigibles successfully? I think there is one very pertinent cause. That cause is that we do not give adequate training to those who operate these ships and do not retain commissioned personnel in that line of service. Before the destruction of the Shenandoah you will recall that it broke loose from its mooring mast in a storm at Lakehurst. Two or three of the bags filled with helium were ruptured.

[Here the gavel fell.]

Mr. LANHAM. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. LANHAM. Mr. Chairman, in spite of that fact the ship was brought back safely to the mooring mast in that damaged condition, but it was piloted by a German who had been well trained in that character of aviation. Each one of these ships we have lost has been lost by reason of a storm, the Shenandoah going into a veritable cyclone in order to attend a county or State fair.

Mr. HARLAN. Will the gentleman yield? Mr. LANHAM. I yield to the gentleman from Ohio.

Mr. HARLAN. Does the gentleman remember the experience of Germany in the early days of their lack of experience in training and has he observed the fact that they had more catastrophes than we have had and the fact also that they have now built well over 150 of these ships and are sailing them successfully after having trained the crews and perfected their manufacture?

Mr. LANHAM. And the losses they had originally were due principally to the fact they were using an inflammable element in the inflation of those ships.

I say that every one of these three dirigibles we have lost has been lost in or because of a storm.

The dirigibles as they have been developed have a sufficient speed, if warned properly with reference to meteorological conditions, to get to the outskirts of a storm and avoid the damage that has come to all three of our lighterthan-air ships. The Akron was sent out around stormy Barnegat Bay, where surface ships often have great difficulty. Perhaps we could learn something from the standpoint of construction from the Germans, but there is one thing certain we could learn from them in connection with the successful operation of dirigibles, and that is adequate and continuous training of commissioned personnel.

Commander Rosendahl, who happens to hail from my district, perhaps knows more about the operation of lighterthan-air craft than any other man n this country. He was assigned for a few years to Lakehurst and flew the Los Angeles and other airships many, many times. He was aboard the Shenandoah when it was destroyed. However, as soon as he had finished his tour in the Navy Department with lighter-than-air craft he was sent off to sea, That has been the trouble in our lighter-than-air development. The efficient men should be retained to direct the operation of these ships. The operation of these ships is a

highly technical matter, and they are much more difficult to navigate than a vessel on water. About the time we get our commissioned personnel qualified to engage in this activity of our Government their tour of duty is up and they are sent somewhere else and relatively inexperienced officers placed in their stead.

Mr. Chairman, let us not too quickly conclude that because of the recent catastrophe dirigibles have no place, because a little reflection will indicate that one nation at least without our advantages is operating these ships daily with great success. They dodge the storms and through the superior training of their personnel they go to the outer edges of the storms, which they can do by reason of their speed, where the wind will bring them little or no damage.

It may be that the operation of our lighter-than-air craft should be taken out of the hands of the Navy, I do not know, but I do know that in their operation the men who run them should not be shifted from pillar to post. They ought to be kept in that one line of endeavor in order that we may have efficient personnel.

Mr. Chairman, I trust that we will not come to conclusions too rapidly with reference to the practicability and the efficiency of this element of defense.

[Here the gavel fell.]

Mr. SUTPHIN. Mr. Chairman, I ask unanimous consent that the gentleman may have an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. BOILEAU. Will the gentleman yield?
Mr. LANHAM. I yield to the gentleman from Wisconsin.
Mr. BOILEAU. Is it not a fact that, in order for naval officers to secure promotion, those who have been assigned to the aeronautics division are required to have a certain amount of sea duty, and because they want promotion they are forced to this sea duty before they have had an adequate experience in this particular line of work?

Mr. LANHAM. I am not familiar with all the minutia of their system, but I do know it is absolutely true that these officers are kept such a short time in this highly technical line of work that they are not prepared to operate these ships as efficiently as they could be operated. It is no fault of theirs, and I do not make these statements in disparagement of the officers or the crew of the Macon or the Akron or the Shenandoah; but it is a foolish policy to shift these officers about to various branches of the service.

Mr. BOILEAU. May I suggest that the other evening I had a meeting with many mechanics and pilots in the Navy Department and they made the same suggestion, and stated that the main fault with our naval aeronautics is the fact that they change the officers from sea duty to air duty before they become expert in one line or the other.

Mr. LANHAM. I thank the gentleman for that contribution, because one thing is sure, the Germans who are operating these ships successfully keep their trained personnel in this line of work.

Mr. SUTPHIN. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from New Jersey. Mr. SUTPHIN. I am very much impressed with the remarks of my friend from Texas. In 1932 I went down to the Navy Department and endeavored to have Commander Rosendahl retained as the commanding officer at the naval air station at Lakehurst and in command of the Akron, but that request was denied by the Bureau at that time.

Mr. LANHAM. I think it is most unfortunate, and I think the policy most regrettable that these men who know most about the operation of airships are sent from one place to another and not allowed to continue both in such operation and in the instruction of the personnel.

Mr. SUTPHIN. I believe what the gentleman has said is correct, and it might be well to take the lighter-than-air ships away from the Navy Department so that they may progress more rapidly and favorably under some other department or bureau.

Mr. LANHAM. I think, certainly, wherever the responsibility may be, we ought to have a different policy of operation; and to say that dirigibles are worthless is to speak foolishly and inadvisedly, because the Germans are operating them, crossing and recrossing the Atlantic month after month

Mrs. KAHN. Mr. Chairman, will the gentleman yield? Mr. LANHAM. I yield to the gentlewoman from California.

Mrs. KAHN. I want to ask the gentleman if it is not a confession on our part that we have failed absolutely in a line of endeavor that other nations are carrying on successfully if we now abandon the dirigible?

Mr. LANHAM. I think so, undoubtedly, because we have the advantage of every nation under the sun by reason of the fact that we have a practical monopoly of this asset that makes the navigation of lighter-than-air craft safe from either explosion or conflagration.

Mrs. KAHN. Then, again, why not establish a special bureau in the Navy Department where service on a dirigible would rank with service on a ship and keep our men in this bureau until they are absolutely trained navigators? It seems to me we could have a separate bureau and leave it with the Navy, but simply make their duty in this service comparable with their duty at sea, so they would not have to leave the dirigibles just when they are beginning to know something about them.

Mr. LANHAM. I think something of that kind should be done because I believe that all three of these catastrophes we have had in the lighter-than-air field are largely inexcusable and attributable to a faulty policy.

Mrs. KAHN. Or if they are due to faulty construction, let us remedy our construction and not abandon the whole project.

Mr. LANHAM. I agree very heartily with the gentlewoman from California.

Mr. DONDERO. Mr. Chairman, will the gentleman yield? Mr. LANHAM. I yield.

Mr. DONDERO. Does not the gentleman think that as an instrument of war the dirigible is too vulnerable, in view of the high-speed airplanes we have today?

Mr. LANHAM. No; because it is easily within the range of probability, and I think of certainty, that these dirigibles can be so constructed as to carry airplanes themselves that could combat any such attack; and by reason of their invulnerability, due to our use of helium, I think they could be made wenderful weapons if necessary. I think they have quite as important a function with the Army as they have with the Navy, and they have a very decided utility with reference to each branch of our service. [Applause.]

Mr. COCHRAN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, the Quartermaster Corps—and the paragraph of the bill we are now considering deals with the Quartermaster Corps—has been acting as supply officers of the conservation camps and have been doing a very good job up until a week or 10 days ago when an order went out providing that supplies for the conservation camps should be purchased through the Army depots. The Army depots cover a number of States. As to Missouri, our camps are now purchasing through Leavenworth, Kans. Before this order went into effect the purchasing officers at the various camps purchased from competing wholesale grocers, and a better quality has been secured than by buying through the Army depots.

The order was issued, I understand, because they wanted the camp buyers to keep within their monthly per-man ration allowance. Well, as far as Missouri is concerned, I understand they have always been within that allowance.

The purpose in establishing these camps was to relieve the unemployment situation by sending the young men in the country into the camps and also to help conditions generally in the various cities and States.

While my State does not have as many conservation camps as some of the others, nevertheless there was about \$1,000,000 a year in supplies being purchased within the State for the conservation camps, and under this new pro-

cedure wholesale houses in my State have lost the business of furnishing supplies for personnel of the camps.

Yesterday I received a letter from a corporation that makes a powder that is used in pudding. They sent me an order that had been issued to the various camps which showed that in the future they should buy this powder from one of three firms. The firms were named and not one was within 1,200 miles of where a camp is located in my State. Let that State supply its own camps. Let Missouri merchants supply Missouri camps is my motto.

I am arising now to call this condition to the attention of the Members in the hope they will take the matter up with the Quartermaster General and the Secretary of War and do whatever they possibly can to correct this situation. It not only is in Missouri that this is being done, but all over the country, and you will soon hear from your merchants who are deprived of this business.

It seems to me it is perfectly fair that the supplies that are needed for these camps should be purchased in the State where the camps are located, everything else being equal. We must take into consideration the matter of freight rates when we consider a price, and I cannot conceive that supplies can be purchased outside of my State and shipped into the State cheaper than they can be purchased within the boundaries of the State, freight charges being considered. It is true that by buying very large quantities the Army depots are able to probably save about 2 percent, probably 3 percent; but the amount is so small that, taking everything in consideration, it should not even be considered. My merchants are taxpayers and should have the same right as others, and I insist that the supplies in the State should come from the merchants in the States where the camps are located. Every State has its camps, some more than others, and it will be fair for all if the policy is adopted to buy within the State.

One of the outstanding conditions that we have and that is in part the cause of this depression is mass production and mass distribution. We have had too much of it. The big fellow gets it all and the little fellow gets nothing.

We have a purchasing agent for the Quartermaster in my city—St. Louis—although they moved the depot away. He can secure bids for the Missouri camps, if they want to follow that policy, but why not let things go along as they were in the past when everyone was satisfied?

The information I have is that the quality is superior when purchased from the wholesale grocer. This the Department denies, but those in charge of the camps say so when not talking to their superiors.

The director of the conservation camps tells me that while the purchases rest with the War Department, still, in his opinion, all things being equal and the Government not having to pay excessive charges, supplies for the camps should be purchased locally in order that the business may be distributed throughout the country. That is exactly my opinion, and I think it is sound.

I repeat that the camps are not only to give employment to young men but also to help business. It is a poor way to help business by placing it all in the hands of a few rather than the many.

The War Department cannot sustain its position other than by showing that when large quantities are purchased they might get the goods for a few cents cheaper. I am in receipt of a letter telling me that some canned goods arrived at one of the camps and the commodity was packed in small cans like those used in the home, while the wholesale grocers in my city would have furnished the same goods, or their equal, in the large cans that the Army and other Government agencies always demand.

I repeat, I think the Quartermaster Corps should realize that it is only fair to all the States of the Union to let the business concerns within the boundaries of the States where the camps are located have this business, and I hope the Members of the House will look into the situation; and when they find that this condition I say exists does exist, they will file a complaint with the Quartermaster General, [Applause.]

Mr. AMLIE. Mr. Chairman, the gentleman from Texas [Mr. Lanham] has observed that we have automobile wrecks and still have automobiles on the highways. We have no dirigibles operating in this country today. I understand that Germany during the war had approximately 80 dirigibles, and now has only a few in operation.

If the operating crew of the Akron, which was destroyed 2 years ago, was changed six times in 1 year, it seems to me the people of the Navy Department in charge of things must be not more than half-witted. If that is the kind of policy they are going to pursue, I do not see why we should give them two-and-a-half-million-dollar toys to play with.

I think the real purpose of the dirigible was brought out in the remarks of the gentleman from Texas when he said that a dirigible is an airplane carrier. That is true, and the *Macon* could carry 24 airplanes. In other words, a dirigible is not a defensive machine in war, it is an offensive machine. These instruments that can travel 90 miles an hour and carry 24 airplanes are designed for offensive attack. They are unreliable, and would not serve as a defense in time of war, and they are only a means of arousing hostility and suspicion on the part of foreign nations. It seems to me we have gained nothing in building these machines, except to excite suspicion on the part of foreign powers.

I saw a statement in the newspapers a short while ago by a high Navy official in the Navy Department that they were contemplating the holding of the annual Navy maneuvers in the Aleutian Islands next summer. Such a program on our part would result in nothing but arousing grave hos-

tility and fear in certain quarters.

Mr. CARTER. Will the gentleman yield?

Mr. AMLIE. I yield.

Mr. CARTER. I have been in the Aleutian Islands and seen there the ships of Japan. Does not the gentleman think we have as much right in the Aleutian Islands as has Japan?

Mr. AMLIE. We have the right to go there and to hold

maneuvers there.

Mr. CARTER. We were not alarmed when Japan had her ships there.

Mr. AMLIE. No; they were only a few miles from their shores—I am not denying that we have the right to go there.

Mr. SUTPHIN. Will the gentleman yield?

Mr. AMLIE. I yield.

Mr. SUTPHIN. I am sure that the gentleman wants to be accurate. The crew of the Akron was not changed six times in a year. It was not designed to carry 24 airplanes and was never supposed to carry more than 5, and, further, it did not have a speed of 100 miles an hour but 90 miles an hour.

Mr. AMLIE. I am only relating the testimony of General Mitchell before the Patent Committee a week ago.

Mr. SUTPHIN. Did General Mitchell ever fly in the *Macon* or the *Akron*, and was he speaking from his own knowledge and experience, or hearsay?

Mr. AMLIE. General Mitchell was presumably brought before the committee as an outstanding authority on the subject of aviation, and on the subject of dirigibles in particular. I understand he was in command of our aviation forces during the war.

Mr. SUTPHIN. He is no longer connected with the service. Mr. AMLIE. That is true.

Mr. SUTPHIN. Under what conditions or circumstances did he leave the service; is the gentleman aware?

Mr. SIROVICH. Will the gentleman yield for me to answer that?

Mr. AMLIE. I yield to the gentleman from New York [Mr. Sirovich].

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. Amlie] has expired.

Mr. SIROVICH. Mr. Chairman, I ask unanimous consent that the gentleman be given 2 additional minutes that I may answer the question propounded by the gentleman from New Jersey [Mr. Sutphin].

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SIROVICH. General Mitchell stated the reason he left the Aviation Corps was because men were being sent up in flaming coffins and being murdered and burned alive, and that the airplanes they went up in were unfit for American patriotic boys to go up in. One billion six hundred million dollars had been spent and not one airplane was sent up that was fit for an American boy to be sent up in. That is the reason he resigned.

Mr. SUTPHIN. Is that the kind of airplane that is being used today?

Mr. SIROVICH. I do not know. I answered the gentleman's question. He asked why General Mitchell left the Service.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. AMLIE] has again expired.

Mr. TABER. Mr. Chairman, I rise in opposition to the amendment. In view of what has been said with reference to the crews of the different dirigibles that have come to a terrible end, I think I should say that having spent 15 years' service upon the naval appropriations committee and having a thorough knowledge of what was done with reference to those crews, that no substantial change has been made in the crews of those dirigibles. When men were put upon those ships they were kept upon them and there were very few changes in the crews.

Now, with reference to the statement that has been made, I think that Congress should know that when General Mitchell was Assistant Chief of the Air Corps of the Army he personally approved the form, type, design and construction of every airplane that was built during the period in which he was Assistant Chief of the Air Corps.

I yield back the balance of my time.

The pro forma amendments were withdrawn.

The Clerk read as follows:

Army transportation: For transportation of Army supplies; of authorized baggage, including packing and crating; of horse equipment; and of funds for the Army; for the purchase or construction, not to exceed \$10,000 alterations, operation, and repair of boats and other vessels; for wharfage, tolls, and ferriage; for drayage and cartage; for the purchase, manufacture (including both material and labor), maintenance, hire, and repair of pack saddles and harness; for the purchase, hire, operation, maintenance, and repair of wagons, carts, drays, other vehicles, and horse-drawn and motor-propelled passenger-carrying vehicles required for the transportation of troops and supplies and for official military and garrison purposes; for hire of draft and pack animals; for travel allowances to officers of National Guard on discharge from Federal service as prescribed in the act of March 2, 1901 (U. S. C., title 10, sec. 751), and to enlisted men of National Guard on discharge from Federal service, as prescribed in amendatory act of September 22, 1922 (U. S. C., title 10, sec. 752), and to members of the National Guard who have been mustered into Federal service and discharged on account of physical disability; in all, \$9,-191,981, of which amount not exceeding \$250,000 shall be available immediately for the procurement and transportation of fuel for the service of the fiscal year 1936: Provided, That not to exceed \$1,000,000 of this appropriation shall be available for the purchase or exchange of motor-propelled passenger-carrying vehicles and trucks, of which amount not to exceed \$750 for light automobiles and \$1,200 for medium automobiles, including the value of any vehicles exchanged, and not to exceed \$750 for light automobiles and \$1,200 for medium automobiles, including the value of any vehicles exchanged, and not to exceed \$75000 may be expended for the purchase of rechange of motor-propelled ambulances and motorcycles: Provided further, That no appropriation contained in this act shall be available for my character

Mr. PARKS. Mr. Chairman, on page 23, line 19, after the figures "\$10,000", I would like to offer an amendment to insert a comma, which was inadvertently left out.

The CHAIRMAN. Without objection the comma will be inserted at the place mentioned.

There was no objection. The Clerk read as follows:

HORSES, DRAFT AND PACK ANIMALS

For the purchase of draft and pack animals and horses within limits as to age, sex, and size to be prescribed by the Secretary of War for remounts for officers entitled to public mounts, for the United States Military Academy, and for such organizations and members of the military service as may be required to be mounted, and for all expenses incident to such purchases (including \$72,155 for encouragement of the breeding of riding horses suitable for the Army, in cooperation with the Bureau of Animal Industry, Department of Agriculture, including the purchase of animals for breeding purposes and their maintenance), \$222,155.

Mr. THOMASON. Mr. Chairman, I move to strike out the last word. I want to express my appreciation to this committee for this section of the bill, and also to note the fact that probably the horse has found some friends once more on the War Department appropriation committee. In times past all the members of the committee were not so friendly. I realize and appreciate the value of airplanes and trucks and all the motorization and mechanization that we hear so much about these days, but I still contend that you cannot do without one of man's best friends, and that is the horse.

Until quite recently I represented a district that extended for more than 600 miles along the Mexican border, from El Paso nearly to San Antonio, including what is known as the "Big Bend" country of Texas. I still have in my district 300 miles of the Mexican border. I am the friend of the Cavalry branch of the Army. I know what they meant to my people in the Mexican raids of a few years ago. It is all right to talk about mechanization and motorization, but in that country down there, where there are no roads, and even if there were roads you could not go a half mile away from them, it is absolutely essential that we have cavalry. I am glad to know that there is an effort now being made by this committee to see to it that the Army does have sufficient horses and that it have good horses. In addition to that, I believe the farmers and ranchers of this country very heartily endorse a reasonable appropriation for the purchase of good, well-bred horses. Some of the finest men in the world are in the ranch business in my part of the country. Due to drought and depression they are hard pressed financially. Many of them have good horses, and this will provide a market for some of them.

As I said, I just wish to express my appreciation to this committee for the fact that the horse that we all love so much, I hope, is going to come back into his own. [Applause.]

The pro forma amendment was withdrawn. The Clerk read as follows:

BARRACKS AND QUARTERS AND OTHER BUILDINGS AND UTILITIES

For all expenses incident to the construction, installation, operation, and maintenance of buildings, utilities, appurtenances, and accessories necessary for the shelter, protection, and accommodation of the Army and its personnel and property, where not specifically provided for in other appropriations, including personal services, purchase and repair of furniture for quarters for officers, warrant officers, and noncommissioned officers, and officers' messes and wall lockers and refrigerators for Government-owned buildings as may be approved by the Secretary of War, care and improvement of grounds, flooring and framing for tents, rental of buildings, including not to exceed \$900 in the District of Columbia, provided space is not available in Government-owned buildings, and grounds for military purposes and lodgings for recruits and applicants for enlistments, water supply, sewer and fire-alarm systems, fire apparatus, roads, walks, wharves, drainage, dredging channels, purchase of water, disposal of sewage, shooting galleries, ranges for smallarms target practice, field, mobile, and railway artillery practice, including flour for paste for marking targets, such ranges and galleries to be open as far as practicable to the National Guard and organized rific clubs under regulations to be prescribed by the Secretary of War; warehouse and fuel-handling equipment; stoves required for use of the Army for heating offices, hospitals, barracks, quarters, recruiting stations, and United States disciplinary barracks, also ranges and stoves for cooking food at posts, for post bakery and bake-oven equipment and apparatus and appliances for cooking and serving food when constituting fixed installations in buildings, including maintenance and repair of such heating and cooking appliances; for furnishing heat and light for the author-

ized allowance of quarters for officers, enlisted men, and warrant officers, including retired enlisted men when ordered to active duty, contract surgeons when stationed at and occupying public quarters at military posts, officers of the National Guard attending service and garrison schools, and for recruits, guards, hospitals, storehouses, offices, the buildings erected at private cost, in the operation of the act approved May 31, 1902 (U. S. C., title 10, sec. 1346), and buildings for a similar purpose on military reservations authorized by War Department regulations; for sale of fuel to officers; fuel and engine supplies required in the operation of modern batteries at established posts, \$10,049,104, and \$2,500,000 of this appropriation shall be available immediately for the procurement and transportation of fuel for the service of the fiscal year 1936: Provided, That not more than \$16,000 of the appropriations contained in this act shall be available for rent of offices outside the District of Columbia in connection with work incident to the assurance of adequate provision for the mobilization of matériel and industrial organizations essential to war-time needs: Provided further, That this appropriation shall be available for the rental of offices, garages, and stables for military attachés: Provided further, That no part of the funds herein appropriated shall be available for construction of a permanent nature of an additional building or an extension or addition to an existing building, the cost of which in any case exceeds \$20,000: Provided further, That the monthly rental rate to be paid out of this appropriation for stabling any animal shall not exceed \$10.

Mr. MAVERICK. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Maverick: Page 28, line 4, after the word "posts", strike out "\$10,049,104" and insert "\$16,049,104."

Mr. MAVERICK. Mr. Chairman, when this bill was brought out the chairman of the subcommittee, the distinguished gentleman from Arkansas [Mr. Parks], stated that—

The Budget allowance is less than one-fourth of 1 percent for maintenance per annum. Even with the increase the committee is recommending the amount is ridiculously low. Of course, it might be that some reconditioning funds may be allotted from recovery funds, but that is entirely problematical at this time.

I am going to show certain official figures of the War Department, which show that the maintenance of the Army has ordinarily been from \$6,000,000 to \$10,000,000 per annum. Even pacifists are willing that a soldier have safe, clean, well-repaired housing to live in. This is merely for maintenance of barracks, quarters, and other buildings. It is not directly military, but for maintenance of decent housing.

The depreciation of buildings of all kinds over the United States runs from 3 to 7 percent. The value of all military buildings in this country is \$500,000,000—although I will put it at \$400,000,000—I notice that the figure given by the chairman as original cost was \$176,000,000, but even with his figure, it is ridiculously low, to use his own words.

I say, in all seriousness, that we have a large investment, a large military investment, and, further, I speak from personal experience, because I have inspected a large amount of the military property of the United States. This property is depreciating very rapidly; the buildings are not being painted, repaired, plastered, or kept up. The worst thing about it is that civilian laborers who have been doing this work for upward of 25 years, and who thought they had lifetime jobs, have been displaced, and this work is now being done by soldiers. Soldiers were not employed to be laborers. Let them go back to their duty of being soldiers instead of forcing them to be plumbers, plasterers, and to do all kinds of labor. I believe we should put the civilian laborers back to work.

I have figures here from the United States Bureau, called "Preliminary Report on Depreciation Studies", showing depreciation allowable at from 2 to 6½ percent per annum. Other authorities place depreciation on various buildings at from 3 to 7 percent. Many of our buildings are very old and therefore have a high rate of depreciation. It is a correct policy, I think, to have a large building program, such as the P. W. A., but it is false economy to let our present buildings depreciate and fall into decay. It is very unlikely that any money will be allocated for ordinary maintenance, hence we should provide it.

The amount of increase which I offer is proportionately very small and much less than the usual depreciation. If it amounted to 3 percent of \$500,000,000 it would be \$15,000,000; and if it amounted to 7 percent it would come to \$35,000,000. So this amount of \$6,000,000, although some-

what above the recommendation, is a fair amount and ought to be allowed for the maintenance of the Military Establishment.

Mr. CULKIN. I understand this bill carries these sums just for maintenance, not for any additional or new housing.

Mr. MAVERICK. No; there is not to be any new housing on the appropriation. As I understand it, something like \$900,000 has been allowed for maintenance. I ask the gentleman from Arkansas if my understanding is correct?

Mr. PARKS. Yes.

Mr. MAVERICK. Nine hundred thousand dollars is included in the bill for maintenance. So the whole amount, as shown by the amendment I have submitted, would be \$6,900,000 for maintenance.

The chairman of the subcommittee says himself that he does not know whether we are going to get it from P. W. A. I do not think so either. Past practices have been to build new buildings. These, in turn, bring new costs. In my own district a beautiful officers' club was built which gave some temporary work, yet the general buildings in that military establishment have been left in terrible shape. In fact, besides depreciating so rapidly, many are dangerous to life.

The matter of maintaining the Military Establishment is just a common, ordinary routine duty. The more we neglect it, the more we allow it to depreciate, the more it will cost in the end to get it back into shape. I am informed it would take something like \$14,000,000 or \$15,000,000 to restore it. So this \$6,000,000 is a comparatively small amount.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include therein a table with reference to maintenance of the Army.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The table referred to follows:

# Maintenance of Army

[Official figures of the War Department]

War, Quartermaster Corps, barracks and quarters appropriation—repair and alteration:

Appropriations.	
1925	\$4, 102, 030
1926	5, 602, 634
1927	4, 987, 713
1928	6, 868, 654
1929	8, 605, 139
1930	7, 717, 784
1931	6, 692, 483
1932	7, 437, 532
1933	5, 363, 716
1934	2, 166, 273
1935	1, 234, 445
Estimates, 1936	893, 000
Committee recommendation, 1936	None
Increase (+) or decrease (-), bill compared with	a tomo
appropriations for 1935	None
Increase (+) or decrease (-), bill compared with	HOHE
appropriations for 1935, exclusive of amount for	
salary restoration and automatic promotions	None
Increase (+) or decrease (-), bill compared with	None
1936 estimates as recommended by the com-	
mittee	None

Note.—The barracks and quarters' appropriation covers various projects, of which a number represent fixed charges which cannot be appreciably reduced, such as fuel, light and power, operating supplies, incandescent lamps, removal of garbage, purchase of water, rentals, key operating personnel, and the procurement of equipment. The remaining projects cover repair and alteration of buildings and utilities. The figures submitted above represent the funds that were available for these latter purposes.

Mr. CULKIN. Mr. Chairman, I rise in opposition to the amendment in order to ask a question or two of the chairman of the subcommittee. I am interested in the question of military housing, and am frank to say I am not clear as to just how far the bill goes.

Mr. PARKS. We have not made any appropriations for housing for the Army since 1933. This bill does not carry any money for housing. The appropriation we are now considering of slightly more than \$10,000,000, which is \$500,000 more than the Budget estimate, is, among other things, for maintenance and repair of military posts under the jurisdiction of the Quartermaster General.

Mr. CULKIN. That is simply for maintenance of existing structures.

Mr. PARKS. Yes; it is not for new construction.

Mr. CULKIN. But there is no specific item for housing. Mr. PARKS. No.

Mr. CULKIN. Has not such an item always been carried in the military appropriation bill?

Mr. PARKS. Not for several years; as I said, not since 1933. Before that we carried funds for the housing program to the extent of several million dollars a year.

Mr. CULKIN. It is being done now by the P. W. A., or whatever body may succeed it.

Mr. PARKS. Yes. Mr. CULKIN. Mr. Chairman, I desire to call the attention of the House and of the committee to a condition that exists in two of the posts in my own district. In one of the posts, Fort Ontario, at Oswego, N. Y., a battalion post where there is now quartered a brigade headquarters, the headquarters company has preempted the entire post exchange. so the men have no recreational facilities. This building was not constructed for a barracks and is utterly unsuited for the purpose. The noncommissioned staff of the brigade headquarters are quartered in buildings that were built about the time of the Mexican War, wooden structures, extremely dangerous; and, of course, not fireproof. Other construction is needed for housing and drill purposes if the enlisted men are to maintain their morale.

The other post, Madison Barracks, at Sackets, N. Y., a regimental post, has \$60,000 of modern equipment that is insufficiently protected. Hospitalization and other housing is needed. Both these posts are used by the National Guard and the C. C. C. Their activities have greatly increased. I have called the attention of the Quartermaster General and the Army authorities generally to this situation, but there is no relief from it. They properly pass the "buck" to Congress. I desire to call the attention of Congress to the situation in these two posts, a condition that is crying to heaven for relief. A soldier must have a dignified environment if he is to be a good soldier; his pay is small; the environment is what helps out the situation.

I trust that the P. W. A., or whatever mysterious agency succeeds the P. W. A., or however it is born, will see that these men and this equipment are given adequate housing.

Mr. MAVERICK. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. I yield.

Mr. MAVERICK. The P. W. A., as a rule, makes capital investment; they put up a building; they do not maintain the building or have any current expenditures. The purpose of this amendment is to provide current expenditures to maintain the old buildings.

Mr. CULKIN. I understand that. This bill does not carry any appropriation for new structures or new housing.

Mr. MAVERICK. Nor do I think it carries sufficient appropriation for proper maintenance. In the words of the committee chairman, it is a ridiculously small amount.

Mr. CULKIN. I emphasize again, Mr. Chairman, the necessity of giving the enlisted men in the American service decent and dignified housing. It is an essential part of their

Mr. CARPENTER. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I have a Cavalry school in my district, so I join with the gentleman from Texas in expressing appreciation for the rehabilitation of the old horse and bringing that noble animal back into the Army.

While the newspapers are heralding this bill as the second largest war-appropriation bill we have ever passed, nevertheless, we are letting our Army posts all over the country go to wrack and ruin. This committee must not misunderstand the proposition and think that \$9,000,000 or \$10,-000,000 is being appropriated for maintenance of Army buildings; only some \$800,000 out of that amount has been provided for maintenance.

Fort Fort Riley, in my district, with a valuation of \$12,000,-000 comprised largely of buildings, in 1930 there was provided \$348,265 for maintenance; that is, for plastering, painting, fixing floors, repairs of roofs, and so forth; whereas last year only \$47,246 was allowed. The amount that was originally recommended to this committee for this year was \$383,800 for all the Army posts in the United States, and there are several hundred of them; practically the same amount as was allowed to this one big Army post back in

In 1933 there was \$3,403,437 allotted for maintenance and repair of buildings, which went down to \$600,245 for 1935.

I appeared before the war appropriation committee and they gave me a very courteous hearing. They also heard other gentlemen who appeared before them for this same purpose, and they increased the allotment \$500,000, which I appreciate very much, but it is not nearly enough.

General Bash, the Quartermaster General, stated before the hearings that they should have at least between \$6,000,000 and \$8,000,000 to put these buildings back into a proper state of repair. He stated that a year or two ago they made a survey, and at that time it was shown by the inventory that it would require \$10,000,000 to restore the posts to a proper degree of maintenance, and on the last survey that it would take \$20,000,000 for the same purpose.

Yesterday I asked the gentleman from California [Mr. DOCKWEILER], a member of the committee, what he thought about it, as follows: "Does the gentleman think there has been enough allowed to take care of this repair work which the gentleman just mentioned in the posts all over the

The gentleman from California [Mr. Dockweiler] answered: "No; I do not think so. I am convinced it is not. I wish the President would spend some of the Public Works' money in rehabilitating these places."

Day before yesterday the gentleman from Ohio [Mr. BoL-TON] explained that the P. W. A. money was only used to construct new buildings, and he explained further that there was some \$400,000,000 invested in these properties, and it has been brought out here that the amount allotted for maintenance was less than one-fourth of 1 percent.

Mr. LUCKEY. Will the gentleman yield?

Mr. CARPENTER. I yield to the gentleman from Nebraska.

Mr. LUCKEY. Is it not a fact that most of the deficiency, waste, and loss in getting these buildings in condition is due to mismanagement, and is it not further a fact that in 1932 the Army sold goods costing \$9,155,000 for something like \$697,000?

Mr. CARPENTER. That is not true of the Army post in my district, I may say to the gentleman. They do not have money enough to keep the roofs over the buildings there.

Mr. Chairman, I ask permission to include as a part of my remarks the statement I made before the committee. It is just a short statement.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

TUESDAY, FEBRUARY 5, 1935.

FORT RILEY, KANS., MILITARY RESERVATION

STATEMENT OF HON. RANDOLPH CARPENTER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF KANSAS

Mr. Parks. Mr. Carpenter, we will be glad to hear you at this

time.

Mr. Carpenter. Mr. Chairman, and gentlemen of the committee, I am appearing in regard to Fort Riley, which is in my congressional district.

Fort Riley is one of the most important of all the military reservations in the United States, and where is located the Government's largest and principal Cavalry school. It is located within the State of Kansas and my district.

The value of this project as a whole, the principal part of which includes the buildings erected thereon, is of the approximate value of \$12,000,000. It is, therefore, necessary that sufficient funds be provided for repairing, maintaining, and upkeep of this establishment.

The amount provided by the Government a few years ago was one \$300,000 yearly for such maintenance. There has been a The amount provided by the Government a few years ago was some \$300,000 yearly for such maintenance. There has been a reduction each year of approximately \$50,000 on this amount until it has now been reduced to below \$50,000.

The following is a statement of General Lott, commandant of

the Cavalry School.

I might say, Mr. Chairman, that this information is contained in a letter. Of course, as you understand, Army officers are a little bit reluctant about giving out information. The officer gave me this information because he has the public interest there at heart.

They are always very reticent about giving out any information.

I am now quoting from his statement:

"The allotment for maintenance and repair was the smallest this post has received since the World War, amounting to approximately \$50,000, which, as you know, is very little indeed for a \$12,000,000 project."

I further quote to the committee from a letter of C. G. Harvey.

I further quote to the committee from a letter of C. G. Harvey, colonel, Quartermaster Corps, assistant, dated January 30, 1935, as

The quartermaster states that at the present time, mainterice quartermaster states that at the present time, maintenance and repair funds at his station are not sufficient to retain even the permanent employees, 50 percent of whom are on furlough without pay at all times."

These two statements show the condition of the fort at this time in regard to the funds allowed for maintenance.

While I appreciate the fact that these funds are appropriated in a lump sum by the Government and allotted by the Quartermaster Corps, I wish to urge the committee in making this appropriation to designate or otherwise indicate the amount of such appropriation that should be allotted to Fort Riley for this work.

In this connection I am submitting the following items that have been furnished me by these in command at Fort Riley or

have been furnished me by those in command at Fort Riley as

necessary at this time:

Repair of roofs on Government buildings Painting of Government buildings, inside and out\_\_\_\_\_\_ New floors for officers' and noncommissioned officers' 125,000 quarters\_\_ 45,000

POST EXCHANGES

I would like to make one other statement: I have heard the discussion here today on the subject of post exchanges. As a Member of Congress I am opposed to any extension of this service by the post exchanges that will permit them to encroach upon private business.

I thank you for this opportunity to appear.

Mr. Parks. We will give the matter you present our careful consideration.

Mr. CARPENTER. Mr. Chairman, I want to say further that regular civilian employees who are under the civil service have been employed for many years at Fort Riley, and who have remained at these jobs during the prosperous years instead of seeking more lucrative positions, have recently been discharged or put on half time, and if they received any work at all, they worked one month and were furloughed the next without pay, so that they have been working 50 percent and less of the time.

These men, as it must be remembered, having been regularly employed for years back, because of their familiarity with the buildings and the work to be done, can more economically maintain the buildings and keep them in repair than by discharging them and bringing in a totally new force later on; and if they keep on cutting the forces down as they have the past year or two, they will not have anyone there regularly employed to keep up the post.

[Here the gavel fell.]

Mr. WEARIN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. WEARIN. Mr. Chairman, I listened with great interest to some recent remarks on the part of my good friend the distinguished gentleman from Texas and a number of others with reference to the dirigible program in the United States. It is my intention at sometime in the very near future to address the House upon this question in an authoritative manner, when I have completed the preparation of some facts and data that I believe will be of interest.

Some statements were made during the course of this colloguy that I think should be elucidated a little bit. Preliminary to that I want to call attention to the fact that there are few people today in public life who say that the dirigible is absolutely impossible as a mechanical engineering structure, but it certainly has not proved practical as an instrument of military defense. Furthermore, the Government of the United States has spent many millions of dollars fruitlessly in an effort to construct one which can withstand a little storm or squall. It is about time, in the opinion of many people who are paying the taxes of this country, that private enterprise be permitted to go on with the experiment from this point.

It is rather strange that all of the money we have spent in the last few years in these enterprises has come to the same end. I refer to the Shenandoah, the Roma, which was an Italian-built, American-purchased ship, the Akron, and the Macon. That, of course, does not include a considerable number of blimps, one of which went down searching for the Akron. Many others have been destroyed under various

These pertinent thoughts call to mind the fact that our experience with the operation of dirigibles has been, to say the least, rather unfortunate. I was interested, and I wish the policy of the House would permit me to insert in my remarks at this time some editorials from the New York Sun, to which the Washington Post devoted a full page on February 15, 1935, because they were very enlightening, with reference to what we have vainly and extravagantly attempted to accomplish in this particular field. During the course of this discussion a few minutes ago someone said "America ought to be able to do what other countries are doing", or words to that effect. What other countries? Germany is the only country that I know of that has endeavored to proceed with any degree of rapidity with the development of dirigibles. We have heard a lot of late through the beating of publicity tom-toms they are in the process of constructing new ships of that type, but to date none of them have appeared and they are still in the business of navigating the Graf Zeppelin.

I want you to keep this in mind, when we are constructing ships for the defense of this country or agencies of any description for the defense of the Nation: We should keep in mind the percentage of effectiveness that is to be obtained from the investment involved, and that is what I am going to go into in detail when I address the House a little later upon this subject. I could not permit this opportunity to go by and this Record to go to press without inserting these

Now, with reference to the navigation of the Graf Zeppelin, it is true it has proceeded with a good deal of success; but it is also true, if you will watch and observe the progress of that ship, that the navigator of it is very careful not to advance her into a storm area of any severity. I would remind you that as she crossed the United States, when she was here upon her visit, he frequently diverted her course several hundred miles to escape a storm area, and he did not at any time, or only upon rare occasions, say he would arrive definitely at a certain place at a certain time and via a definite route, because the navigator of that ship knew only too well its vulnerability.

I stated on the floor of this House about a year ago that if the Macon ever got into a bad squall she would come to the same end as the Akron a year and a half or 2 years ago, and that is exactly what happened, but with even less than a squall. I predict the same thing with reference to other ships of the same type if they are navigated into storm areas.

Did you ever stop to think that a mere dew on the surface of one of those envelopes enclosing the framework of a dirigible will add a weight of 8 or 10 tons to the lifting capacity of the ship, and the effectiveness of the implement is gauged by its capacity to lift and carry implements of defense, as has been said by some of the Members of this House.

Mr. DARDEN. Mr. Chairman, will the gentleman yield?

Mr. WEARIN. Yes. Mr. DARDEN. Does the gentleman propose at a later date to discuss the military effectiveness of lighter-than-air craft?

Mr. WEARIN. I do, in detail. [Applause.]

[Here the gavel fell.]

Mr. PARKS. Mr. Chairman, I hope the amendment offered by my distinguished friend from Texas will not prevail. The committee gave a great deal of consideration to this question of maintenance, to such an extent that we went \$500,000 above the Budget. I want to call the attention of the Committee to the fact that there is now pending before the Mili-

tary Affairs Committee and, I believe, before a subcommittee presided over by the distinguished gentleman who is now presiding [Mr. Hill of Alabama] a measure under which it is intended to give this matter very intensive and thorough study, with a view to reporting a bill. That measure, according to the Chairman of the Committee on Military Affairs, will be an indication of the congressional viewpoint as to allocations that may be made out of "recovery" money. That measure has relation to the bill just recently passed through the House appropriating nearly \$5,000,000,000. Everybody here believes the bill eventually will become law, and I do not believe there is a man in this Congress but who is absolutely sure we are going to get a large amount of this money from the President, the exact amount to be determined by him, for construction of housing, fortifications, reconditioning, and so forth. I cannot say how much this will be, because I have no authority to make any such statement, but I am reasonably sure it will not be a sum of generous proportions; and in view of the amount we have in this bill and the amount that probably will be made available after the manner I have indicated, I hope you will not vote for this amendment.

Mr. CULKIN. Mr. Chairman, will the gentleman yield? Mr. PARKS. I yield.

Mr. CULKIN. The bill, as I understand it, provides \$900,-000 for maintenance?

Mr. PARKS. About that for buildings alone.

Mr. CULKIN. And the amendment of the gentleman from Texas adds \$6,000,000 to the total amount of the appropriation.

Mr. PARKS. Yes.

Mr. CULKIN. I have here the hearings of the committee. page 264, where General Bash states in substance that the average amount for maintenance and repair is somewhat over \$3,400,000. The gentleman is more familiar with this subject than I am.

Mr. PARKS. I think it was in 1933 that approximately \$3,400,000 was allocated to the maintenance and repair of buildings. That amount has been diminishing ever since, because recovery funds have been available and because the new buildings we have do not require the same amount for repairing as formerly.

Mr. CULKIN. And, of course, the gentleman is relying on the good will of the P. W. A., or whatever agency may succeed it. May I make this suggestion to the gentleman: Will not the gentleman consent to accept the amendment of the distinguished gentleman from Texas making it \$3,000,000 additional instead of \$6,000,000? This instead of speculating on what will come out of the \$4.800.000,000.

Mr. PARKS. I do not think there is any speculation

Mr. CULKIN. The gentleman stated he did not know about what would be available nor how.

Mr. PARKS. I am going to tell the gentleman now if he will allow me just a moment.

There is one fact we are overlooking in connection with this \$4,800,000,000. That has no effect upon our current revenues and no effect upon the Budget, but if we add \$6,000,000 to a Budget that we have already exceeded by \$5,000,000, we are going to unbalance it absolutely when everybody in the United States practically is demanding that we balance the Budget if it is possible to do so. This \$4,800,-000,000 will not be paid for now, as everybody knows. This will come out of a bond issue, but if you continue to upset the regular Budget with various amendments when we only have about 50 Members present, you may create a situation whereby we will not be able to sell these bonds, and it is for this reason that I am urging you to stay within the bounds of the Budget. Of course, we are all interested in our local projects and the matters that come up around our homes, and we try to protect them; but we must try to keep within the Budget.

Mr. CARPENTER. Mr. Chairman, will the gentleman yield?

Mr. PARKS. I yield.

Mr. CARPENTER. Up to this time, there has been very | little P. W. A. money available for maintenance.

Mr. PARKS. For the present year that is true, but they have got quite a sum out of C. W. A. and P. W. A. prior to this year.

Mr. CULKIN. How does the gentleman distinguish the money under this bill and the bond issues for the P. W. A. or its successor? Do they not both come out of the Treasury?

Mr. PARKS. Yes; but they come out of the Treasury in a different way.

Mr. CULKIN. There are no hidden sources of revenue. Mr. PARKS. What I am trying to explain is that the regular Budget is expected to represent current expenses to be paid out of the revenues accruing in the same fiscal year, while these bonds, like the bonus, if you pay it, will come due at some future time out of revenue from other sources to be determined upon later.

Mr. CULKIN. I would like to ask the gentleman one more question-the gentleman has been very kind so far. Has the gentleman any very definite information that the P. W. A. or its successor will give sufficient money to construct additional housing buildings and provide for their maintenance?

Mr. PARKS. I am not authorized to say it, but I think that is what is going to be done.

[Here the gavel fell.]

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the question is on the amendment offered by the gentleman from Texas.

The question was taken; and the amendment was rejected. The Clerk read as follows:

## HOSPITAL CARE, CANAL ZONE GARRISONS

For paying the Panama Canal such reasonable charges, exclusive For paying the Panama Canai such reasonable charges, exclusive of subsistence, as may be approved by the Secretary of War for caring in its hospitals for officers, enlisted men, military prisoners, and civilian employees of the Army admitted thereto upon the request of proper military authority, \$40,000: Provided, That the subsistence of the said patients, except commissioned officers, shall be paid to said hospitals out of the appropriation for subsistence of the Army at the rates provided therein for commutation of rations for enlisted patients in general hospitals.

Mr. SAUTHOFF. Mr. Chairman, I move to strike out the last word. This appropriation relating to hospital and medical care is about the only appropriation in the entire bill with which I am in sympathy. These huge increases in the Army appropriations will be followed by others in the naval appropriations. Then we will find that there will be chiseling of the P. W. A. and the C. C. C. and other activities of some more hundreds of millions of dollars until we have an increase in our Military and Naval Establishments of \$1,000,000,000.

My purpose in raising an objection to any such huge increase is this. If we have plenty of money I might see some sense in it, but when we are advised by the newspapers, as we were last night, that 5,000 public schools in the United States will have to close by March 1 because they will not have sufficient funds to continue their operation, and while there are 1,300 more in addition to the 5,000 schools that would have to close by April 1 because of insufficient funds, I think it is high time for us seriously to consider whether or not we are justified in spending such huge increases for naval and military affairs, while we neglect the little children in learning how to read and write.

I feel that we should cut down some of these huge appropriations so that we might well provide that money for our educational affairs. We are advised that there will be necessary about \$300,000,000 to help maintain the public schools of the United States until the end of this school year.

How are we going to do it? My idea is that we should take it out of these huge appropriations for the Army and the Navy; that we should allocate some of this money for the benefit of the educational department.

In addition to that, what is the situation in the North Central States, where our dairy herds have been slaughtered and have died for the lack of food? The last thing that many of our farmers have left to depend upon for any cash money is a small milk check, and we do not have the fodder to feed cattle in order that the cattle may survive. In Wis-

consin, Minnesota, and the Dakotas they are giving us \$24.99 to feed a basic herd of not less than 10 cows. You cannot even buy 1 ton of hay for less than \$30. How can they exist? They are losing their homes and losing their cattle; they do not have enough money with which to buy seed to raise a crop this year, and still we scatter away a billion dollars. There is \$60,000,000 increase in this bill alone over last year and there will be other increases all along the line.

I feel, Mr. Chairman, that there is a solemn obligation on our part to discharge our duty to our citizens and not drive them all out on the relief department in order that we may lift the appropriations to the military and naval forces to the extent of \$1,000,000,000. [Applause.]

[Here the gavel fell.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

For repairs and improvements of ordnance establishments, and to meet such unforeseen expenditures as accidents or other contingencies may require, \$1,068,186, of which amount there shall be available immediately \$265,368 for the restoration of roofs to magazines at Raritan Arsenal.

Mr. DARDEN. Mr. Chairman, I move to strike out the last word. I wish to call attention to a situation that exists in my district with reference to ammunition depots. There are two ammunition depots in the Second District of Virginia, one at St. Julians Creek, the naval depot, and the other, the Nansemond ordnance depot, an Army station. Unfortunately, when the Nansemond ordnance depot was created a few years ago, the wage scales were set much below those existing at the naval ammunition depot at St. Julians

I have in mind what the chairman of the subcommittee says about not increasing the appropriation carried in this bill, but I would like to ask the gentleman if he does not feel that it would be possible, within the present appropriation, to make some readjustment of the present wage scales at the Nansemond ordnance depot, to bring them more nearly in line with the pay schedules existing at St. Julians Creek?

Mr. PARKS. Is that the same matter which the gentleman spoke to me about recently?

Mr. DARDEN. It is. Mr. PARKS. The truth of the matter is, Mr. Chairman, I cannot see why they cannot find that money. I think it is an injustice to those men who are working there getting 65 or 70 cents a day less than men doing similar work in the naval ammunition depot a few miles away. Does that answer the gentleman?

Mr. DARDEN. Yes; it does. I wish to advise the gentleman that I have taken it up with the Chief of Ordnance, and he tells me that he feels the money can be found in the present appropriation to make the adjustment.

Mr. PARKS. I do not think there is any doubt about it.

Mr. McMILLAN. Will the gentleman yield?

Mr. DARDEN. I yield.

Mr. McMILLAN. I simply desire to say to the gentleman from Virginia [Mr. DARDEN] and to the chairman of the subcommittee that it seems to me that is a matter of policy that should apply with equal force to all of these ordnance depots, whether they are located in Virginia or any other section of the country.

The pro forma amendment was withdrawn.

Mr. KELLER. Mr. Chairman, I ask unanimous consent to return to page 8 in order to offer an amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. KELLER. I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Keller: On page 8, line 18, before the period, insert a comma and "and in addition, not to exceed \$35,000 may be transferred to this appropriation from other ap-propriations contained in this act to be used exclusively for or on account of preserving Government-owned moving-picture films having historical value."

Mr. PARKS. Mr. Chairman, as far as I am personally concerned, I have no objection to the amendment. I think those films are valuable and should be preserved. The amendment occasions no increase to the bill.

Mr. KELLER. I thank the gentleman very much.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. Keller].

The amendment was agreed to.

The Clerk read as follows:

For expenses, selected officers and enlisted men, military service, schools, including medical and hospital treatment authorized by law, \$450,209.

Committee amendment: Page 46, line 21, after the word "service", strike out the comma.

The committee amendment was agreed to.

The Clerk read as follows:

#### ORGANIZED RESERVES

For pay and allowances of members of the Officers' Reserve Corps on active duty in accordance with law; mileage, reimbursement of actual traveling expenses, or per diem allowances in lieu thereof, as authorized by law: Provided, That the mileage allowance to members of the Officers' Reserve Corps when called into active service for training for 15 days or less shall not exceed 4 cents per mile; pay, transportation, subsistence, clothing, and medical and hospital treatment of members of the Enlisted Reserve Corps; conducting correspondence or extension courses for instruction of members of the Reserve Corps, including necessary supplies, procurement of maps and textbooks, and transportation and travelling expenses of employees; purchase of training manuals, including Government publications and blank forms, subscriptions to magazines and periodicals of a professional or technical nature; establishment, maintenance, and operation of divisional and regimental headquarters and of camps for training of the Organized Reserves; for miscellaneous expenses incident to the administration of the Organized Reserves, including the maintenance and operation of motor-propelled passenger-carrying vehicles; for the actual and necessary expenses, or per diem in lieu thereof, at rates authorized by law, incurred by officers and enlisted men of the Regular Army traveling on duty in connection with the Organized Reserves; for expenses incident to the use, including upkeep and depreciation costs, of supplies, equipment, and materiel furnished in accordance with law from stocks under the control of the War Department, except that not to exceed \$845,725 of this appropriation shall be available for expenditure by the Chief of the Air Corps for the production and purchase of new airplanes and their equipment, spare parts, and accessories; for transportation of baggage, including packing and crating, of Reserve officers ordered to active duty for not less than 6 months; for the medical and hospital treatment of members of the Officers' R

Mr. ANDREWS of New York. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Andrews of New York: Page 52, line 19, after the word "headquarters", insert a new paragraph to read: "For such additional sums as may be necessary under this and other appropriations contained in this act to defray the cost of calling into active service at the direction of the President, who is hereby directed to call into active service, with their consent, for a period of not more than 1 year for any one officer, not to exceed at any time 2,000 Reserve officers of the combatant arms, for active duty with the Regular Army: Provided, That members of the Officers' Reserve Corps so called to active service shall be distributed as nearly as may be practicable among the said combatant arms in proportion to the commissioned strength of such arms and service, and shall be apportioned in grades therein, so far as possible, as follows: Not to exceed 5 percent in the field grades, 20 percent in the grade of captain, 35 percent in the grade of first lieutenant, and 40 percent in the grade of second lieutenant: Provided further, That no Reserve officer shall be called to active service under the provisions of this section who is more than 45 years old at the time of such call: And provided further, That nothing herein contained shall affect the number of Reserve officers that may be called to active duty under existing laws nor the conditions under and purposes for which they may be so called."

Mr. PARKS. Mr. Chairman, I reserve a point of order on the amendment, for I assume the gentleman desires to discuss his amendment. Mr. ANDREWS of New York. Mr. Chairman, this amendment represents substantially the verbiage of section 3 in the so-called "Thomason bill", of which you have heard before today. This provided for a certain increase of officers in the Air Corps, for an increase in the enlisted strength of the Army, and contained provision for calling annually not to exceed 2,000 officers of the Reserve Corps for training in the Regular Army for periods not to exceed 1 year.

I want to again remind the Members of the House that there are approximately 7,000 officers graduating each year from our colleges and their R. O. T. C. schools throughout the country. We have heard a good deal about providing for an additional cadet from each district at West Point, but may I point out to you the fact that even though we appoint an additional cadet to the Military Academy, it will be 4 years at least before he is available for Army service. A very large number of the present Reserve Officers are unemployed at the present time, a great many more of them in each congressional district than there can be possible cadets at West Point.

This amendment is in keeping with the distinct recommendation made by General Pershing, by ex-Secretary of War Baker, and by General MacArthur to your Military Committee. It is an economic way to bring into the service by rotation for Regular Army training young men graduating from R. O. T. C. schools today, and particularly those who because of its provision that the majority must be selected from those in the grade of second lieutenant would have the greatest expectancy of future service and value to the country.

We must look at this from the standpoint not only of preparedness but also from the standpoint of relief for the unemployed. Many of these R. O. T. C. Reserve officers are unemployed today and have nothing to do. We might well take the best of them into the Regular Army for periods of between 6 months and 1 year.

I believe this amendment deserves the support of the House. It is a part of the bill which has the unqualified approval of the Military Affairs Committee, a measure which was adopted by that committee unanimously.

Mr. PARKS. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state the point of order.

Mr. PARKS. Mr. Chairman, I make the point of order that the amendment constitutes legislation on an appropriation bill

The CHAIRMAN. Does the gentleman from New York desire to be heard on the point of order?

Mr. ANDREWS of New York. Mr. Chairman, I am not very well versed on the rules or in parliamentary procedure, but it has been well said here that the President is the commanding officer of the Army. It seems to me that he is authorized to call into service Reserve officers. Beyond that, we are calling into active service today Reserve officers not only for the Regular Army but for extra duty with the C. C. C. camps. This bill as written makes provision for calling Reserve officers to active duty. It seems to me this is merely an expansion of the powers which already exist.

The CHAIRMAN. The Chair is ready to rule. The Chair will state that an examination of the language of the amendment shows clearly that the amendment is legislation; that it is in no sense a limitation of an appropriation, and it is therefore out of order.

The Chair sustains the point of order.

Mr. PARKS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Hill of Alabama, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 5913, the War Department appropriation bill, 1936, had come to no resolution thereon.

RESOLUTION FROM THE LEGISLATURE OF PUERTO RICO

Mr. IGLESIAS. Mr. Speaker, I ask unanimous consent to address the House for I minute.

The SPEAKER. Is there objection to the request of the Resident Commissioner from Puerto Rico?

There was no objection.

Mr. IGLESIAS. Mr. Speaker, I have received a resolution from the Legislature of Puerto Rico, which I desire to call to the attention of the House. In view of the lateness of the hour I ask unanimous consent to extend my remarks and to include therein this resolution.

The SPEAKER. Is there objection to the request of the Resident Commissioner from Puerto Rico?

There was no objection.

Mr. IGLESIAS. Mr. Speaker, I have received from the Legislature of Puerto Rico a resolution which contains petitions sent to the President regarding conditions in the island, which, in all justice, should be remedied.

The conditions to which I refer are set forth in this resolution. The Puerto Rican sugar industry is not only suffering from an abnormal situation but also is being punished by not as yet having received a satisfactory agreement whereby the sugar employers and the workers in general are compensated for the terrible cuts in production in the island, in spite of the fact that the Jones-Costigan Act in substance provides, under section 15 (f), that the Secretary of Agriculture shall use and spend the processing taxes collected on Puerto Rican sugar for the benefit of Puerto Rican agriculture. So far, Puerto Rico, as this resolution states, has not received fair and just treatment.

SENATE OF PUERTO RICO, February 18, 1935.

Hon. SANTIAGO IGLESIAS

Hon. Santiago Iglesias,

Resident Commissioner for Puerto Rico in Washington,

House Office Building, Washington, D. C.

Sir: I have the honor to transmit herewith a certified copy of Senate Concurrent Resolution No. 4, entitled "Concurrent resolution to petition His Excellency the President of the United States, Hon. Franklin Delano Roosevelt, to urge effective and immediate action in regard to the disposal of the surplus sugar produced in 1934, the fixing of individual quotas, and the final delineation of the program for the 1935 crop; and that provisions benefiting the 60,000 unemployed agricultural and factory workers be adopted, as well as other measures that should be adopted by the Agricultural Adjustment Administration of the Federal Government, and for other purposes", which was unanimously approved by the for other purposes", which was unanimously approved by the Senate of Puerto Rico on February 14, 1935, and by the House of Representatives on February 15, 1935.

Very respectfully yours,

ENRIQUE GONZALEZ MENA. Secretary of the Senate.

I, Enrique Gonzalez Mena, Secretary of the Senate of Puerto Rico, do hereby certify that the following concurrent resolution was unanimously approved by the Senate of Puerto Rico on February 14, 15, 1935: 14, 1935, and by the House of Representatives on February

"Concurrent resolution to petition His Excellency, the President of the United States, Hon. Franklin Delano Roosevelt, to urge effective and immediate action in regard to the disposal of the surplus sugar produced in 1934, the fixing of individual quotas, and the final delineation of the program for the 1935 crop; and that provisions benefiting the 60,000 unemployed agricultural and factory workers be adopted, as well as other measures that should be adopted by the Agricultural Adjustment Administra-tion of the Federal Government, and for other purposes

"Whereas the sugar industry, the principal source of income and livelihood for the government and for the people of Puerto Rico, is passing through a serious economic crisis made more acute by the reigning uncertainty caused principally by the Jones-Costigan Act and by the indecision and delay of the Agricultural Adjustment Administration in formulating a program to govern

the present and the next crops;
"Whereas due to the small exportation quota assigned to Puerto
Rico for the special benefit of Cuba and other production areas,
concerting also with Cuba tariff measures that prejudice our products and our industry, leaving us without powers that allow us to defend our own interests, and decreasing by more than 25 per-

cent the opportunities of employment within the industry;

"Whereas Puerto Rico has been obliged to withhold from the
market 240,000 tons of sugar from the last crop without financial
means having been furnished to support this burden, thus depriving the island of the circulation of about \$15,000,000 through a law

ing the island of the circulation of about \$15,000,000 through a law having a retroactive effect;

"Whereas the beet growers of the continent and the cane growers of Louisiana, Florida, and Hawaii have been, and will be, duly compensated either in the form of payments of parity, benefits, or income in accordance with the letter and the philosophy of the Agricultural Adjustment Act, while these privileges have been denied in the application of the act to Puerto Rico;

"Whereas the principal object of the Agricultural Adjustment Act is the stabilization of the price of agricultural products, and

in the case of Puerto Rican sugar that was selling at \$3.40 when in the case of Puerto Rican sugar that was selling at \$3.40 when the Jones-Costigan Act was adopted, the price has now fallen to \$2.80, while all other articles covered by this act have increased by more than 100 percent, thus making still more burdensome the condition of the agriculturists and laborers, if the proper compen-

condition of the agriculturists and laborers, if the proper compensations are not quickly granted;

"Whereas our cane growers and our field and factory workers have received, and will receive, the greatest punishment and all the economic calamities which may befall as a consequence of the great restriction of the Puerto Rican sugar crop;

"Whereas the agriculturists and the laborers of Puerto Rico lack legitimate means of protest and of defense and it is the inalienable duty of the Legislature of Puerto Rico to guard the interests of the life and finances of its people;

"Whereas by reason of the application of the Jones-Costigan Act, which imposes a general restriction on the production of sugar, there has arisen the unemployment of more than 60,000 laborers who earned their living in the sugar industry, but neverlaborers who earned their living in the sugar industry, but nevertheless the provisions that might benefit the working class have not been extended to Puerto Rico: Now, therefore, be it

"Resolved by the Senate of Puerto Rico (the house of repre-

sentatives concurring):

"Section 1. To petition the President of the United States, the Honorable Franklin Delano Roosevelt, as he is hereby petitioned, to urge, for the benefit of the agriculturists, the laborers, and the sugar industry of Puerto Rico, effective and immediate action in

"1. The disposal of the surplus sugar of 1934.

"1. The disposal of the surplus sugar of 1934.

"2. The fixing of individual quotas and the final delineation of the program for the 1935 crop.

"3. The fixing of compensations and the program for the crop of 1936 and succeeding years, considering Puerto Rico on a par with other areas of the Nation.

"4. The stabilization of the price of Puerto Rican sugar with a margin equal to that granted to States of the North American

" 5. The raising of wages and the improvement in the living con-

ditions of the laborers in the industry in general.

"6. The immediate application of measures for the benefit of more than 50,000 workmen out of work as a result of the restric-

"Sec. 2. That the preceding concurrent resolution be transmitted by airplane immediately after it is passed, to the President of the United States and to the Resident Commissioner for Puerto Rico in Washington."

For transmittal to the Honorable Santiago Iglesias, Resident Commissioner for Puerto Rico in Washington, I have hereunto set my hand and caused to be affixed the seal of the Senate of Puerto Rico on this the 18th day of February 1935.

[SEAL]

ENRIQUE GONZALEZ MENA Secretary of the Senate.

# NATIONAL DEFENSE

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein an address delivered by myself over the radio last evening.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. RAMSPECK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address, delivered over the Columbia Broadcasting System by Representative Robert Ramspeck, Democrat, of Georgia, Wednesday, February 20, at 11:15 p. m. Representative Rams-PECK spoke under the auspices of the Reserve Officers' Association of the United States as part of the celebration of National Defense Week. His topic was "National Defense." He spoke from the studios of WJSV, Columbia's station for the Nation's Capital.

It is a privilege to have a part in the celebration of National Defense Week under the auspices of the Reserve Officers' Association of the United States.

This splendid organization is composed of approximately 90,000

of America's finest citizens, who, because of their love of country and of the lessons brought to us in the World War, devote many hours each year toward fitting themselves for service to our Nation in the event of an emergency.

They receive pay only when on active duty. Since the average pay is only \$19.17 per year, they could not be charged with having selfish interest in what they are doing.

The Organized Reserves, under our plan of defense, are to provide immediately trained officers for an expanded Army if an emergency should occur.

gency should occur.

We owe to this fine group the thanks of all of America for their unselfish devotion to the duty for which they have volunteered.

The United States is essentially a peace-loving Nation. Since the World War our Presidents have continuously endeavored to promote peace among the nations of the earth.

We have joined in conferences for the purpose of bringing about disarmament; we have actually destroyed naval vessels and curtailed our defense program as an example to others; have made agreements for the curtailment of implements of war, only to see

these agreements abrogated and all our peace efforts spurned to a

great extent by the other nations

In Georgia we have a great and godly man who has for many years faithfully served humanity as a bishop of the Methodist faith. In a newspaper article he once expressed sympathy with peace societies, but observed that the hope of peace on earth could rest only in the hearts and souls of the peoples of this earth. This great churchman was correct. This great churchman was correct

all hope and work for peace in the United States, but we had

We all hope and work for peace in the United States, but we had very little encouragement from the nations of Europe.

When Armistice Day arrived on November 11, 1918, the legions of the American Expeditionary Forces had turned the tide of that great world conflict into a victory for the Allied nations.

It is interesting to recall, however, that during our participation in the World War, we never fired an American cannon nor flew an American airplane. We went into that conflict totally unprepared, and many of our soldiers lost their lives because of our failure in this respect.

this respect.

Out of the conflict we learned the absolute necessity of having plans for an emergency and a trained personnel to cope with the

Thus in 1920 Congress enacted the National Defense Act, providing for the first time a plan in keeping with the advice of Washington, the father of our country.

Ington, the latner of our country.

This act provides for a small standing Army with three volunteer civilian components, the Organized Reserves, the National Guard, and the Reserve Officers' Training Corps.

This is a democratic and American plan of national defense. In it there is no danger of encouraging a spirit of militarism. It will, however, prevent—if carried out—our facing another emergency in the state of unpreparedness such as existed in 1917.

There are those who sincerally beligned that to prepare for national

There are those who sincerely believe that to prepare for national

defense encourages war.

To them I would like to say that we have never been prepared even for national defense, and yet that fact did not prevent our becoming involved in the War of 1812, the Spanish War, or the

becoming involved in the war of loss, the World War.

From my point of view it seems that it is beyond dispute that preparedness to enforce our rights would have prevented our being drawn into that terrible conflict of 1917 and 1918. Had Germany thought that we could train and transport to Europe an army large enough to turn the tide, that nation would not have drawn us into the Allied forces through violation of our rights.

Did you ever hear of anyone picking a quarrel with Jack Dempsey? Of course not. He is known to have the ability to defend himself

Did you ever hear of a safe blower trying to rob the safe in a police station? No; because it is adequately protected.

Did you ever hear of a firebug setting fire to the headquarters of a fire engine company? No; because it is equipped to put out fires. We people of the United States spend more money each year for fire insurance than we spend upon national defense.

We spend as much money for police protection as we do for national defense.

national defense.

Money spent upon our democratic plan of national defense is an investment for peace. It is insurance against the far greater cost of war.

In comparison with other nations our plan of national defense is a modest one. Those included in our plan consist of little more than a third of 1 percent of our population. In France the figure is 16½ percent, and in Italy 15½ percent, and in Russia almost 10 percent.

the figure is 16½ percent, and in Italy 15½ percent, and in Russia almost 10 percent.

While we have been trying by example to persuade the nations to disarm our Navy has dropped from second to third in rank.

In our own country we are faced not only with those sincere advocates of peace, who—mistakenly, I think—believe it can be promoted by not maintaining adequate forces for defense, but we now face the Communist agitator, who endeavors to instill into the minds of our people the false doctrines of foreign lands.

Are we to sit idly by while the foreign agitator spills his false doctrines into the ears of those who suffer from economic distress? No; we should clearly put the facts before the loyal and peace-loving citizens of the United States in order that they may understand the falseness of these subservient statements.

Because our plan of national defense is in keeping with the history and traditions of America, because it is based upon the teachings of Washington, and because it is so designed as to guard against building up a spirit of militarism, I am glad to pay tribute to the members of the Reserve Officers' Association.

These men advocate adequate appropriations with which to carry out the National Defense Act.

I am glad also to commend the War Department subcommittee of the House Committee on Appropriations for the manner in which they have met this problem in the bill reported on yesterday, and which is now under consideration by the House of Representatives.

The bill makes adequate provision during the fiscal year 1936 for the Army and its commonent parts with the possible avenue.

The bill makes adequate provision during the fiscal year 1936 for the Army and its component parts, with the possible exception of the sum provided for the citizens' military training camps.

I regret that the committee did not provide for training a

greater number of young men in these camps.

It is only in the citizens' military training camps that young men who do not have the opportunity of attending college can get the chance to attain a commission in the Organized Reserves.

The Organized Reserves are recruited from the R. O. T. C. of our colleges and universities, and from the C. M. T. camps. We must not neglect these camps for many reasons. They are places where all young men have a chance to participate in our system of na-

tional defense, no matter if they are not privileged to attend college

They are an important part of the plan and a valuable source from which the Organized Reserves get the men to be trained as officers for service in any emergency.

If an emergency should again face the United States, and we

If an emergency should again face the United States, and we all hope that no such thing will happen, under our plan for defense, 87 percent of the officers of the Army would be drawn from the reserves—and yet the appropriation for the reserves constitutes only 1.1 percent of the total spent for national defense. Our plan of national defense was drafted by patriotic citizens of our Nation after the World War. It was enacted by Congress after careful study and consideration. We should not do less than it calls for, and Congress should provide the appropriations with which to carry out its provisions.

it calls for, and Congress should provide the appropriations with which to carry out its provisions.

In this time of stress and uncertainty in our country, do you not agree with me in the belief that it is the part of wisdom to be prepared for any possible emergency?

I share with my fellow citizens an earnest desire to see the nations of the world join in all sincere efforts toward the settlement of differences by peaceful methods. I applaud the efforts of those actively and sincerely working toward this end, while I condemn the disloyal who preach against our institutions and endeavor to destroy the foundations upon which our forefathers erected this great Nation.

It is in this spirit that I speak tonight for a policy—for a national policy of adequate preparedness for an emergency, coupled with a sincere desire to live in harmony and understanding with those of other nations.

Under the wise leadership of Washington and his associates of

Under the wise leadership of Washington and his associates of that era was established this powerful Nation as a haven for a peace-loving people, but to maintain the freedom which our fore-fathers won with their blood we must keep the faith and be prepared to repel any invasion of our lands, or any infringement of our

pared to repel any invasion of our lands, or any infringement of our dearly beloved liberty.

For those to whom we are indebted for the founding of this Nation where the masses enjoy greater liberty than do those of any other country, I am grateful. They gave to you and to me a heritage in which we rejoice. The least we can do in their memory is to be always prepared to defend that which they gave us. We will do that, I am sure, but we cannot do so unless we join with our fellows in all sections of this Nation in supporting our patriotic young men, such as compose the Reserves, who stand our patriotic young men, such as compose the Reserves, who stand ready always to sacrifice their lives on the altar of their country.

## DECLARATION OF PRINCIPLES

1. The object of the Reserve Officers' Association of the United States is to support and assist in the development and execution of a military policy for the United States which shall provide adequate national defense. The association believes this to be the surest and most economical insurance against future wars, to be essential to the prestige of our country, and necessary to further our world policies and interests.

2. The association believes this insurance against attack and

2. The association believes this insurance against attack and loss of prestige in international affairs can best be secured by:

(a) Maintaining a Navy adequate in all its parts to defend our shores and commerce, as outlined in the United States naval policy, thus providing a properly balanced Navy.

(b) Maintaining an adequate Regular Army, together with a National Guard and Organized Reserves as provided in the National Defense Act, which constitutes the framework on which a great national army of well-trained men can be quickly built to defend our country in time of war.

(c) Maintaining an appropriate air force equipped with aircraft of modern design, with sufficient periodic replacements to insure highly developed facilities for proper procurement in the event of

(d) Keeping abreast with the development of war material, so to insure a sufficient supply of ammunition and material for initial defensive operations; supporting the continual operation of plants necessary for the production of such material; and providing the machinery for the effective and economical mobilization of the industrial resources of the country.

(e) Providing for the annual training of all Reserve officers assigned or attached to combatant units, and such training of other Reserve officers as may be required, to the end that all Reserve officers may be at all times competently prepared to train unorganized militia, comprising the citizenry of the country, and to perform their duties as officers of the Army of the United States in the event of an emergency.

3. The association believes it to be the duty and obligation of its members as American citizens to urge Congress to make national defense a reality and to give effect to the National Defense Act and the United States naval policy by making appropriations adequate for all of the foregoing purposes; and their particular duty as members of this association to aid in the securing of appropriations needed for the training of Reserve officers, and to promote legislation in the interest of a more perfect organization of the Reserves. tion of the Reserves.

Among other important reasons for supporting the purposes enunciated by the Reserve Officers' Association is the effect of such policy upon the physical welfare of the young men of our country.

During the past 5 years it has been my privilege as a part of

my official duties to have intimate contact with thousands of World War veterans, and I have been amazed to find how many of these men went into the service of their country laboring under minor physical handicaps. In most instances had these

men been given the privilege of prior military training such defects would have been discovered and corrected.

During the past 2 or 3 years I have in the same manner come into intimate contact with thousands of our fellow citizens now dependent for their daily bread upon the relief program of the United States Government. Just as in the group of World War veterans, this group suffers from many physical disabilities which could have been corrected in earlier years had they been given the opportunity of physical examination which accompanies military

training.

By supporting our modest plan of national defense, and especially by supporting the citizens' military training camps and the Reserve Officers' Training Corps, we offer the opportunity of physical training and medical examination to those of the young men of the Nation, thus insuring in the future a Nation better fit physically to deal with the problems of modern civilization.

To those listening to me tonight may I not say that America needs your active interest in a reasonable program of national defense? It needs your patriotic support of the young men who have volunteered their service in this plan; and I trust that you will join with them in creating the sentiment necessary to sustain

will join with them in creating the sentiment necessary to sustain this reasonable and democratic policy.

## HOLDING COMPANIES

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to extend my remarks by including remarks I made over the radio last night on the holding company situation.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RAYBURN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

(Mr. RAYBURN is seated at the fireside with Cecil Dickson, of the Associated Press, and Sherman Mittell, of the National Home

Associated Press, and Sherman Mittell, of the National Home Library Foundation.)

Mr. Mittell. Mr Rayburn, we are glad to have as guest at our fireside one who has played the important part you have in the history-making legislation of the last 4 years.

Mr. Dickson. All Texans know Sam Rayburn for his long service to his State and the Nation. He was the youngest speaker of the house the Texas Legislature ever had and has distinguished himself in Congress for more than 20 years.

Mr. Dickson. Mr. Rayburn, what do you consider should be the aims of men in public life at this critical period?

Mr. Rayburn. The fundamental purpose should be to ensure to every individual the greatest amount of freedom to work and earn a livelihood and to bring to every individual security in economic freedom. Physical and spiritual well being can rest only on economic well being. And economic well being for all of our citizens cannot be achieved unless we eliminate the inefficiency, waste, and

cannot be achieved unless we eliminate the inemciency, waste, and greed from our business and economic life.

Mr. Dickson. In that connection, Mr. Rayburn, as Chairman of the House Interstate Commerce Committee, I understand you have introduced a bill to regulate and eventually eliminate utility holding companies because of what you term abuses and evils. Since you handled the Securities Act in 1933, and the Stock Market Control Act of 1934 will you give your rivers on the third measure.

you handled the Securities at in 1935, and the stock Market Control Act of 1934, will you give your views on the third measure designed to improve the economic welfare of our people?

Mr. RAYBURN. The President of the United States, in his message to Congress on January 4, said, among other things, that there should be brought about a restoration of sound conditions in the public-utilities field through abolition of the evil features of hold-

On February 6, 1935, I introduced H. R. 5423 which will, when enacted, have the effect of rapidly freeing our power and gas companies from the ownership and control of holding companies. Generally the holding company leads to secrecy, mismanagement, and in many instances, to downright fraud. We want American business to be free from a control which is secret.

business to be free from a control which is secret.

The holding company has developed to where control is exercised through a maze of intercorporate relationships, impossible to be understood by the ordinary man. The holding-company device has been pyramided to give a few small but powerful groups control of the billions of dollars of the public's money invested in the utility industry. This has placed the great utility properties of the country in the control of men who themselves have only a small stake in their real ownership and who have shown neither prudence nor capacity in the management of these properties.

Mr. Mittell. So, these are some of the evil features of holding companies to which the President referred? Tell us, Mr. Rayburn, what, exactly, is a holding company?

what, exactly, is a holding company?

what, exactly, is a holding company?

Mr. Rayburn. A corporation, as we know, is a company chartered by authority of a legislature. Such a corporation may go into the power business. What is the name of the company from which you get the electricity which is now burning in the lamps in your home? This company to which you pay for the electricity which comes through the meter into your house owns the electric-light plant and the transmission wires bringing the electric energy into your residence. The company itself issues stocks and bonds. It was through the sale of these stocks and bonds that the company got the money to build its power house and to lay its cables. But a holding company does not own a power plant. It is a company which holds—that is, buys—the stocks or bonds of power companies which do operate plants and lighting systems. Your electric-light company has an office in

your home town. But very likely the company in your home town is itself owned by another company called a "holding company", which may be in Chicago or New York. A holding company with its office in New York may not own any property at all except the stock certificates issued by electric-light companies. The holding company buys these stock certificates not for an investment as a savings bank or an insurance company would buy them, but for the purpose of controlling the policies of the operating companies. That is, the manager of the holding company, because his company owns the voting stock of 100 electric-light companies, can appoint the manager of each electric-light company. The manager of the electric-light company in Your town is perhaps appointed to his position by the officers of some holding company in New York City.

Mr. Dickson. What does the holding company gain by this control of the operating companies?

Mr. Dickson. What does the holding company gain by this control of the operating companies?

Mr. Rayburn. The manager of the holding company becomes the big boss for all the electric-light companies which are controlled by the holding company. The controlling figure appoints the presidents and managers of each electric-light company and he tells them what to do. They cannot have any money for improvements without getting it through the master in the far-away city. When the manager of your local electric-light company needs a new dynamo in the power plant, or the money to extend cables in

ments without getting it through the master in the far-away city. When the manager of your local electric-light company needs a new dynamo in the power plant, or the money to extend cables in a new addition to your town, he has to take the matter up with the supermanager in a holding company in another city.

This big boss tells him whether or not he can have the money to use in your town, how much can be used, what is to be bought with it, and more importantly, from whom he is to make the purchase, and how much he is to pay. Now if the top man is interested in a factory manufacturing the machinery your electric-light plant needs, he can make the manager of the company in your home town buy the machinery from the factory belonging to the big boss at the price he fixes. If the big boss in the faraway city charges the electric-light company in your home town more for the machinery than it is worth, nobody knows it. Then when your city council fixes the electric-light rates you shall pay, it has to fix them so that your company can pay the high price for the machinery which the chief of the holding company made it buy. If the holding company controls enough electric-light plants in enough towns and cities, it can, in various ways, make them pay millions of dollars into the holding company with the operating companies are secret, it is natural that loose and careless practices will develop, and sometimes frauds are perpetrated against whole communities. That is why I have introduced a bill into the House of Representatives. That is why Senator Wheeler, of Montana, has introduced a bill into the United States Senate. That is why in each House of your Congress there will soon be a discussion of these bills. It is in order that you naw know the price you pay for the electricity that lights your lamp, and the gas that cooks your food is a fair price; and that if you have saved \$100 or \$1,000, and bought a share of stock or a bond of your local light company, or of your gas company, that your investment will be protecte

Mr. Mittell. Mr. Rayburn, there must be an enormous investment in the utility business. How much are the electric-light plants in this country worth?

Mr. Rayburn. They and the gas plants have a value on the books of the companies of about \$20,000,000,000. There are over 2,000 operating companies which own these properties in the different towns and cities, serving the countryside throughout our 48 States. Each operating company averages about \$20,000,000 of property. Of course, there are some small ones with only \$100,000 investment. Then there are great companies which serve cities such as Chicago and which have investments of many millions.

Two thousand companies are not so many to own \$20,000.

such as Chicago and which have investments of many millions.

Two thousand companies are not so many to own \$20,000,000,000 of property. A company with an average of \$20,000,000 is
itself a big company. But even those 2,000 companies are not independent. It may surprise you, but about 50 holding companies
completely control these 2,000 operating companies. One holding
company controls so many operating companies that the grand total
value of the properties of all of the companies in that system
amounts to \$3,000,000,000. That is, just one holding company
dominates one-seventh of all the property operated by electric-light
companies

And then the banking houses control the holding companies which control the operating companies. One big banking house has an arrangement by which 8 or 10 of these big holding companies are tied together, so that more than one-fourth of the electric-light companies in the entire United States are subject to that banking influence.

Mr. Dickson. That seems to be a clever arrangement, this use

Mr. Blokson. That seems to be a clever arrangement, this use of the holding company. Will you tell us how it affects ordinary users of electricity?

Mr. RAYBURN. The holding-company device is so clever that a schoolgirl cannot use her curling iron, a housewife cannot clean her rug with a vacuum cleaner, or preserve her food in an electric her rug with a vacuum cleaner, or preserve her food in an electric refrigerator, a schoolboy cannot turn on a light to read his lesson, and a cook cannot light the gas in her stove without paying tribute to a holding company. The payment of this tribute is indirect. It is included in the rate paid for the lights and the gas. The amount is a secret. One hundred and forty-one million customers of power and light companies are subject to this secret assessment by the management of public-utility holding comYour President believes, I think, and your Congress believes, that all this secrecy must end. The charges for power and gas must be known to be fair and just. The investments in power and gas companies must be safe against the fraud, manipulation, mismanagement, or bad judgment of those sitting in the secret chambers of holding companies.

In 1933 I introduced and Congress passed the Securities Act, which regulates, and in many instances controls, the issuance of securities. From the Securities Commission the prospective investor can secure the facts about any security that he contemplates

buying

In 1934 I introduced and the Congress passed the stock-exchange bill which controls trading in securities.

With these measures on the statute books and with the proposed bill to regulate holding companies passed, we will have completed a circle, so to speak, of Federal control which will be fair and just to those controlled, and bring about fair dealing by them with the

to those controlled, and bring about fair dealing by them with the public.

It has never been my purpose, nor has it been the purpose of Congress, to pass laws to punish any but the guilty, but it has rather been to bring about simple justice for all people. This is what I have in mind in dealing with holding companies. Investors in securities and the public, who are paying for the service of these utilities, have the right to feel and know, if possible, that they are getting these services at a fair and reasonable price.

Mr. Mittell. In this country we have always believed in individual freedom and initiative. Should not a corporation be permitted to buy anything it pleases?

Mr. Rayburn. This is a country in which the individual enjoys the maximum of freedom, and our business delevopment has been characterized by the initiative of the individual But by the individual we mean a living human being. There is a difference between a human being and a corporation when it comes to buying and selling and initiating some lawful activity. A corporation is a creature of the State. It is created by a charter, and the charter sets out what it can do and how long it can live. Certainly a corporation has no inalienable rights. It is for the people to say through their legislative bodies, first, whether there should be any corporations at all, and, second, just what a corporation may or may not do.

Mr. Dickson. Corporations have always owned stocks of other corporations, haven't they?

Mr. Rayburn. No. The corporation itself is a very recent development. It was not until about 1890 that States began to authorize corporations to own the stock of one another. My bill will eliminate that authority as far as public-utility holding companies are concerned. However, a provision has been inserted to permit an investment company like a savings bank or insurance company to purchase stocks and bonds in other corporations, but prohibits them from controlling the management of other corporations. But it is rare that investment compani

Mr. Dickson. The provision in your bill for the killing of the holding companies at the end of 5 years seems to have hit the

Mr. Dickson. The provision in your bill for the killing of the holding companies at the end of 5 years seems to have hit the utility industry as a pretty severe surprise.

Mr. Rayburn. I don't see why. If the holding companies have been listening to public opinion they must know that the public, and the Congress which represents the public, have long been making up their minds—not hurriedly but deliberately—that the abuses of the holding company and the terrific concentration of power it gave to a few bankers and promoters over the all-important power industry and the public can't go on. And if the publicutility holding company ultimately must be eliminated as a practical matter it seemed good sense to put in a deadline of 5 years, so that the industry and the public will both know that there will be a definite end of this holding-company business at some specific time, rather than have it drag on indefinitely and forever. This is very strongly the President's view, as I understand—and I'm very sure the holding-company leaders know it was his view. So I don't understand what they were surprised about.

Mr. Mittell. If you simply wanted to provide for the abolition of holding companies at the end of 5 years, why does the bill provide for regulation in the meantime?

Mr. Rayburn. In order to be practical and foresighted. Most of the regulation provided for in the bill is simply control of a process of rearrangement of properties and simplification of securities, under the supervision of the Securities and Exchange Commission. From all I hear even the holding companies are willing to trust that commission implicitly. I've just pointed out how many of the electric light and power companies in individual localities a few big holding companies control. It's a big job to persuade or make them break up. If we insisted the break-up begin tomorrow and be finished within a year, there would be great complaining that the job couldn't be physically and legally carried out in that time. And there would be a lot in the compla

business will not be difficult either for the Government or for their investors

investors.

The rest of the regulatory provisions are to protect the electric light and power companies in everybody's home town from being milked by holding companies during the 5-year break-up period. That really means protecting both the consumer who buys light and power from those local companies, and the people who finance those local companies with their savings. We have to give the public that protection immediately, no matter what we ultimately do with the holding companies.

Mr. DUKKSON, I understand that on Friday officers of leading

do with the holding companies.

Mr. Dickson. I understand that on Friday, officers of leading public-utility holding companies sent letters to all their security holders, asking them to write their Congressmen to oppose the bill, because it would destroy the value of their securities. Now, Mr. Rayburn, what is going to happen to the thousands of investors, widows, orphans, educational and charitable institutions who own securities of holding companies during all this process of whittling down and transforming and abolishing holding companies prodown, and transforming, and abolishing holding companies pro-vided for in this bill?

Mr. RAYBURN. I think the report of the Federal Power Commission has shown that the sentimental propaganda that holding-company securities are held largely by widows and orphans just

isn't true

But passing by all that, I'm especially glad you asked that question. I am deeply interested in the investor, particularly the small investor who tries to conserve his or her savings for old age, sickness, and the education of children. I am still old-fashioned enough to believe in thrift and the rewards of thrift. I am really worried by the growth of the feeling, particularly among the youth of the country, that it does not pay to save; that it is impossible to provide for tomorrow, anyhow, so we might as well spend what we have got and let the devil take the hind-most. I want to see it possible for people who work to be able to put aside enough for a rainy day. I want the great mass of the people of this country to feel that they have some savings to preserve, and consequently have a genuine stake in the stability of serve, and consequently have a genuine stake in the stability of our Government and our economic system.

The truth is that wherever securities of holding companies now represent actual value, those values will not be hurt by this bill, and the investors whose money has financed the public-utility industry will profit by the bill as investors, just as certainly as they will profit by it as consumers. The proposed legislation, let me say emphatically, does not destroy or confiscate any property right or investment. It will require that companies simplify the number and kind of securities they have sold to the public. It may, for instance, require a company with a dozen kinds of stocks and bonds to boil them down to one or two. It will require that operating companies and the stockholders of operating companies be freed from the many devices by which holding companies control the properties these stockholders really own. It will require companies to rearrange their properties so that they are compact and not scattered all over the United States. But nothing of value is taken from any investor, and when the simplification process is completed the investor will really know, as he does not know today, what he owns.

Mr. MITTELL. Do you mean to state that elimination of the hold-The truth is that wherever securities of holding companies now

Mr. Mittell. Do you mean to state that elimination of the holding company would not be a great hardship on the owners of the stocks of these companies?

Mr. Rayburn. I believe any bill which the Congress will pass will provide for equitable arrangements fair to all security owners, even where the company relationships are most mixed, intertwined, and confused. I want to call your attention to the fact that the owners of these stocks of holding companies have not been any too well cared for under our present lack of Federal legislation. For example, the low price for the common stock of American Power & Light Co. in December 1929 was 68%, in December 1934 it was 3. Low price for the common stock of Columbia Gas & Electric Corporation in December 1929 was 62½, in December 1934 it was 6%. Low price for the common stock of Commonwealth & Southern in December 1929 was 11¾ and in December 1934 it was 1. Low price for the common stock of Stone & Webster, Inc.. in December 1929 was 72½ and in December 1934 it was 3%. From these quotations from the market, you can see that the stocks of power and gasholding companies, as a class, have ceased to be very attractive even to speculators. As you recognize, I have given quotations from some of the holding companies which are among the best managed. Insull has long ago crashed altogether; and I understand there is a proceeding on now to force Associated Gas & Electric Co. through bankruptoy.

a proceeding on now to force Associated Gas & Electric Co. through bankruptcy.

Let's just look at the position of holding-company securities today, frankly and realistically. On the average they are selling at a very small fraction of the prices at which the public originally bought them—their drop is far greater in proportion than the drop in almost any other class of security. Why? Because on the whole they simply were not good securities. The millions of dollars made through the holding companies did not go to the investor. They went to the banker, the stock promoter, and the corporate insider. Thousands of investors throughout the country, when they bought holding-company securities thought they were putting their money into the industry that brings to you your gas and electricity. But in so many cases their money never went into the industry at all. Their money went to buy, at fantastic prices, from corporate insiders, utility properties that had already been built. The reports of the Federal Trade Commission show how that happened over and over again. The millions lost by how that happened over and over again. The millions lost by investors in holding-company securities has not been due to the

Government, nor will it be due to the bill that I have introduced. It will be due solely to the greed for money and power, to the incompetence and recklessness of those who created and manipulated these holding devices

Mr. Dickson. Do you think if holding companies were allowed to continue, investors would eventually receive their money at the rate of a hundred cents on the dollar?

Mr. Rayburn. No. There have been too many casualties in the holding-company field. In most cases the investments in holding companies could not come back to anywhere near the ridiculous prices that investors paid for them, even if the Government left the holding companies forever free to continue their financial manipulations. The Government didn't have to do anything to make Insull crash. Under the most favorable conditions the manipulations. The Government didn't have to do anything to make Insull crash. Under the most favorable conditions the holding companies have simply got to go through a period of reorganization. The real question is whether we are going to allow these reorganizations to be carried on by the same people who brought us into this mess, or whether we are going to protect the investor, and see to it that what he has left in the enterprises to be reorganized are not taken from him.

MITTELL. Just what are the assets of holding companies on which they issued securities?

which they issued securities?

which they issued securities?

Mr. RAYBURN. A public-utility holding company usually has only two kinds of assets. One kind is a series of contracts with the local electric light and power companies it controls. These contracts, to put it bluntly, are usually intended to permit the holding companies to milk local companies by collecting fees from them for management, construction, financial, and all other kinds of services, in which all independent competition has been carefully eliminated. Everyone has known ever since the revelations of the Federal Trade Commission that these contracts have not to go. The better companies have already taken steps to get got to go. The better companies have already taken steps to get rid of them, and the prices of holding-company securities have already discounted, as the saying goes, the certainty that sooner or later legislation would make all holding companies drop these contracts

The other kind of assets owned by holding companies are the stocks and bonds and other securities they own in the local electric light and power companies. The bill I have introduced does not hurt these local properties at all. As a matter of fact, its chief purpose is to help those local companies by freeing them from the contracts and secret arrangements by which the holding companies have milked them. Management of the operating companies will be turned back to local people who live in the com-munity, and who know how to manage the local company so as to get fair returns for the holders of its securities, without milking the community to the point where it revolts and demands a municipal plant. The only effect this bill will have upon those local properties, is to compel the holding company to dissolve, so that the holders of its securities will receive securities of local that the holders of its securities will receive securities of local operating companies or their cash value. And when he actually operating companies or their cash value. And when he actually holds these securities of operating companies the investor will receive all the legitimate dividends that these operating companies can pay. These dividends have in the past too frequently never reached the investor. They have been used to pay holding-company officials and bankers high salaries, bonuses, and fees, or used to purchase further securities at exorbitant prices from corporate insiders. In many cases the only dividend the holding company paid was a stock dividend which turned out to be a worthless piece of paper!

Mr. DICKSON. Do you believe that growing demands for munic-

Mr. Dickson. Do you believe that growing demands for municipal power plants result from holding companies and the rates

their operating companies charge?

Mr. Rayburn. I do. Only yesterday a legislative committee investigating the conditions in the utility industry in the conservative State of New York, reported that rates in the State were "grossly excessive." I'd like to quote a little from the report: "The present rates probably arise from the idea that public utilities are operated by the executives for the sole benefit of the stockholders and without consideration for the consuming public. "A persistence in this belief can only result in loss and grief for the stockholder unless marked reductions can be had in rates for electrical energy."

for electrical energy.

"The consuming and long-suffering public can only be protected by municipal operation or the rates controlled by a municipal

"We believe the progressive elements in the operating companies are carefully considering our suggested plans for progressive reduc-tion in rates with the likelihood of their adoption.

"Stockholders must now realize that only by fair and reasonable rates can their investment be safeguarded and a fair return guar-

I believe the statement that the future existence of private operating companies depends upon lower rates, is absolutely true.

Mr. Mittell. Will the very process of reorganization of holding companies, their rearrangement into operating companies, and the

distribution of securities of operating companies to investors, eat up the investor's interest in reorganization fees and expenses?

Mr. Rayburn. Of course, in the usual process of reorganization and regrouping of properties the investor would be given the same and regrouping of properties the investor would be given the same milking by reorganizing bankers and their lawyers that he has had to take in reilroads, real estate, and every other kind of corporate reorganization. But to meet that danger this bill puts the entire process of reorganization, including fees and so-called "reorganization plans" under the control of the Securities and Exchange Commission. I know there will be a great deal of complaining about this on the part of those who hope to trim the

investor on the break-up of the holding companies as they trimmed him in the process of putting them together. These are the sections of the bill on which I am going to watch amendments most closely. But as the bill is now drawn, I feel sure there isn't any closely. But as the bill is now drawn, I feel sure there isn't any place where scalpers can get their knives into the oyster. And if no amendments weaken the protection the bill tries to give the investor in this regard, there is no reason why there should be any shrinkage in the actual value of the investor's interest in the operating companies which underlie the holding companies, and the investor ought to come out of the process with far better securities than those with which he went into it.

Mr. Dickson. Has opposition developed to the point where strong efforts will be made to defeat the measure?

Mr. RAYBURN. As usual where the Federal Government sets out to regulate something, there is much propagands. I know all sorts of attempts will be made to frighten the people. Already sorts of attempts will be made to frighten the people. Already telegrams and letters have been sent by holding-company people. You've already told me about that batch of letters sent out on Friday. I suppose most of them will be delivered on Monday morning. I know the people will be told that the securities and properties will be dumped on the market; that the banks will call loans and that the public-utility business will be demoralized. A picture of disaster will be painted in the same false colors that the get-rich-quick people painted when they sold the public securities at outrageous prices. But just remember that when we passed the Stock Market Control Act last year, some leading brokers claimed that it would close the stock markets, and instead they are operating better under Federal regulation than before.

And it is going to be hard for us here who are really trying to protect your interests in Washington to get your ear, to answer

And it is going to be hard for us here who are really trying to protect your interests in Washington to get your ear, to answer all the arguments that will be made to you. The flood of propaganda this year will undoubtedly be just like the flood of propaganda which was used to frighten investors last year about the stock-exchange bill. We have no way of sending you a letter and a telegram every day to answer those you probably will get. We have no money for advertisements in newspapers. We have no way of carrying on a whispering campaign.

In all the charges and countercharges that will be made on the

In all the charges and countercharges that will be made on the fight on this bill you will have to trust someone. The bill combines the best knowledge available in your Government after years of investigation by the Federal Trade Commission, the Federal Power Commission, special investigatory committees of Congress, the National Power Policy Committee, which represents all Government Departments concerned, and many State commissions. If you have to trust someone, why don't you trust your Government in this business rather than the people who sold you securities at 100 that are now selling about 10. Instead of taking the suggestion of the officers of your holding company to write your Congressman to stop this bill, which after careful investigation the Government has devised for your protection, why don't you write back to those officers and suggest that after mismanaging your investment as they have for the last 10 years, they save what little is left of it by not paying big fees to publicity agents and a lot of lawyers to make the process of protecting you as expensive a job as possible for your Government and for you?

Mr. Mittell. Is this bill constitutional?

Mr. Rayburn. I am sure it is. This bill has been reviewed by a committee headed by the Attorney General of the United States. The managers of your holding company will, of course, pay exorbitant fees to big New York lawyers to come down here to delay this bill by telling Congress, as they always try to tell Congress, that it can't legally do anything which will affect the Interests of the clients who are paying them these exhorbitant fees. But this bill has been worked out by men whom we consider just as good constitutional lawyers as those big New Yorkers. And I'd like to remind the people who want to talk about the constitutionality of the regulation; second, there is absolutely no constitutional doubt that if the nolding companies are not satisfied with the carefully worked out provisions of this bill, to make the process of elimination as gentle as In all the charges and countercharges that will be made on the fight on this bill you will have to trust someone. The bill com-

Mr. Dickson. Mr. Rayburn, you used to have the reputation of being the most conservative man in the House. How do you reconcile your advocacy of the holding-company legislation and of the Securities Acts with your supposedly deep-grained conserva-

Mr. Rayburn. In my opinion these bills I have sponsored are truly conservative. We wouldn't need legislation of this character if we were going to change our system of private property. But we do need it to preserve that system. This holding legislation, like the securities legislation, is chiefly aimed to obtain fair play for property interests, whether that interest is the interest of millions of investors throughout the country or millions of consumers. It is becoming increasingly evident that the system of individual enterprise and private property has got to be made to work fairly, if it is to be preserved from the attacks of predatory rich men on the one hand and selfish demagogues on the other. When I first entered public life over 20 years ago I found that Government tended to steer a middle course, merely by refusing to yield to pressure from the right and from the left, or by merely Government tended to steer a middle course, including the yield to pressure from the right and from the left, or by merely allowing the extreme forces to counteract each other. Today, howallowing the extreme forces to counteract each other. Today, how-ever, I find it much more difficult for the Government to steer a middle course, because the extremists to the right and the extremists to the left are coming more and more to have a similar philosophy of government. Both of them want to run everybody. I find little difference between the state Socialists on the one hand,

who would subject us to the tyrannies of a superstate, and those whom my friend, Ray Moley, so aptly called "private Socialists"—the greedy, power-mad managers of other people's property—who would subject us to the tyrannies of supermanagement and superindustry. Twenty years ago the conservative middle-of-the-roaders could afford to remain calm and be content to resist impulsive action. Today the true conservative must fight and fight vigorously to maintain the principle of fair play for individual enterprise against competing tyrannies.

Mr. Mittell. Thank you, Congressman Rayburn.

#### THE BONUS SITUATION

Mr. PATMAN. Mr. Chairman, I ask unanimous consent to extend my remarks by inserting a radio speech I intend to make this evening.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a radio address delivered by myself February 21, 1935, in which I discussed the payment of the adjusted-service certificates.

The address is as follows:

I hope to convince you that the adjusted-service certificates, which are held by three and a half million veterans of the average value of \$1,000 each, should be paid in cash now in a way that no new debt will be created and without the issuance of more bonds

or the levying of more taxes.

World War veterans hold these certificates, and less than 500,000 of them have not borrowed 50 percent of each certificate, the limit allowed by law.

On these loans at first they were required to pay 6-, 7-, and 8-

percent interest compounded annually. The interest rate has been reduced. Yet, under the present arrangement, if the contract is not changed by 1945, when the certificates are made payable, compound interest that they are paying on what they have borrowed will practically consume the remaining half of their certificates.

#### BANKS AND GOVERNMENT CONSUME ONE-HALI

Loans were made to them by the Government and the banks. I do not believe that the Government should now permit the remaining half of these certificates to be consumed in interest charges on a loan of the first half, and I do not believe it is right for the veterans to be required to pay the banks and the Government \$2 of their certificates in order to get \$1 in cash.

#### ARE THEY DUE BEFORE 1945?

The question is often asked, "How can you justify asking for the payment of a debt that is not due until 1945?" The answer is, Although the certificates are made payable January 1, 1945, there was a mistake made in the enactment of this law, caused by star chamber proceedings and "gag rule" tactics, which caused the veterans to lose 7 years' interest on the money that Congress confessed was due them as of the time they rendered the service. In my presence the then Secretary of the Treasury admitted—I do not believe that the word "confessed" would be too strong—that interest for 7 years was completely ignored in arriving at the

that interest for 7 years was completely ignored in arriving at the amount due the veterans.

If we will now correct this mistake and adjust the interest for the veterans so as to give them the same consideration, and no more, that all others received on contracts growing out of the

more, that all others received on contracts growing out of the World War, each veteran was entitled to an amount equal to the full face value of his certificate on October 1, 1931.

If the contract is revised to do equity and carry out the intent of Congress, a veteran who has borrowed 50 percent has not been paid what Congress intended him to have, but he has received what amounts to the accumulated interest on what Congress confessed was due. The principal of the debt remains intact.

During the past 6 years we have sold the country and Congress on the proposition that these contracts should be revised. In asking for the revision we have also shown the country how the debt can be paid if the contracts are revised, as we believe they should be, without costing the Government one penny and by actually saving the Government over a billion and a half dollars.

#### DOUBLE CROSSERS

If we were to come in now and ask that our plan be changed in a way that will cost this Nation \$4,000,000,000, I imagine we would have to face the charge of being double crossers.

The plan of payment has been an essential part of the question of paying the adjusted-service certificates. Sixty percent at least of our support is contingent upon the plan of paying the certificates without new nontaxable bonds or new taxes. Therefore any effort to change this plan is in the direction of defeating the proposal entirely.

posal entirely.

We made a definite promise to the people of this Nation that the debt could be paid without cost to them and that such pay-

ment would promote the general welfare.

The term "bonus" is a misnomer. It was coined by the enemies of the law and should never be used. If it is a bonus we have no right to ask for payment at this time. If it is a debt for services rendered, as it is, we have a right to ask that it be paid in the same way and manner that the Government pays all of its other debts.

#### H. R. 1 CARRIES OUT PROMISES

The bill H. R. 1, the Patman bill, provides for the payment of these certificates in the way that we have told the country the past 6 years that they should be paid. This bill carries out the mandates of the major veterans' organizations, including the American Legion resolution at Miami, which said that the payment will not create a new debt.

It is the same principle that passed the House of Representatives June 15, 1932, by a vote of 211 for and 176 against, and again March 12, 1934, by a vote of 295 for to 125 against.

#### MONKEY WRENCH

It is the bill that the House of Representatives would have passed a month ago had it not been for the action of Mr. Frank N. Belgrano, Jr., National Commander of the American Legion, who caused to be thrown into the legislative machinery a monkey wrench in the form of another bill that will not carry out our promises to the people and is contrary to the American Legion resolution resolution.

#### BANKERS' BONUS BILL

Commander Belgrano says that our bill cannot pass the Senate. Therefore, he wants a bill that will require \$2,000,000,000 in taxes to be raised to pay the veterans and \$2,000,000,000 in taxes to be raised to pay the large bankers' interest on the \$2,000,000,000 that the veterans received. His bill is a bankers' bonus bill. It is true that such a proposal will give the large bankers their customary rake-off, but it will be violating the promises we have made to the people on this issue.

#### UNITED STATES SENATE DEFENDED

I expect to defend the United States Senate against the charge that Commander Belgrano made that the Senaters will not vote for our bill, H. R. 1, on account of the method of payment.

July 11, 1932, the question before the United States Senate was, "Shall national banks be allowed to deposit Government obligations payable in 1945 or in the future and receive new money in return for them and at the same time continue to receive interest on the bonds deposited to secure the money?" The proposal was adopted by a vote of 53 to 18.

Again on March 9, 1933, 73 Senators voted for end 7 contests

Again, on March 9, 1933, 73 Senators voted for and 7 against Again, on March 9, 1933, 73 Senators voted for and 7 against a bill which permitted Federal Reserve banks to deposit Government obligations payable in 1945 or in the future and receive "new money" in return for them. Under this law the money cost these banks about 27 cents a thousand dollars, the cost of printing.

SAME LAW FOR ONE WHO PLOWS FURROW AS ONE WHO OWNS FIELD

Again, on February 27, 1934, there was passed in the United States Senate a bill embodying this same principle. There was no record vote, but no Senator raised his voice in opposition to it. Therefore, when Mr. Belgrano charges that the Senate will not pass our bill, he, in effect, says that the Members of the United States Senate are not willing to give the veterans the same rights and privileges with Government obligations that they have voted to give the banks of this country. In other words, he says that the Senators will contend for one law for banks and another law for veterans; that they are not willing to have the same law apply to the man who plows the furrow as the man who owns the field.

I do not believe that Commander Belgrano's charges are well founded. I think they were made without a knowledge of the facts, and since I have shown him that the Senate has heretofore

endorsed the same principles as embodied in H. R. 1, he should withdraw his opposition to the bill and support it.

Since I will not have the time to include everything that I would like to discuss, a copy of this speech and all information relating to this question will be sent to anyone requesting it of Representative WRIGHT PATMAN, Washington, D. C.

## WHAT SIN ARE WE TRYING TO COMMIT?

Now, let us see what H. R. 1 provides. What sin are we trying to commit in our efforts to get the veterans paid in "new money"?

The veterans hold Government obligations. They rendered services for these obligations. The banks hold Government obligations which they paid money or credit for. An obligation purchased with services is just as valuable as one purchased with money.

The banks are privileged to deposit 1945 Government obligations and receive "new money" in return for them. In addition to the use of the money they receive interest on the obligations each year until 1945.

until 1945.

We are asking that the veterans be allowed to deposit 1945 obligations and receive "new money" in return for them. The veterans will not be allowed to draw interest between now and 1945, as allowed the banks.

The Bank of America, formerly the Bank of Italy, of which the commander of the American Legion is vice president, deposited \$45,000,000 in bonds and received \$45,000,000 in money in return. The commander evidently believes it is right for his bank to receive money in this way or he would not be a party to it. I have asked him to tell me why he opposes the veterans doing identically the same thing in the same way. He has refused to answer.

The commander's bank receives interest on the bonds while it uses the money. The interest on the bonds, if the average rate is paid, will amount to over a million and a quarter dollars a year, which the Government is paying the commander's bank each year to put \$45,000,000 in circulation. The veterans offer to put that much money in circulation without any million and a quarter dollars a year bonus, or any other bonus.

It will help the country more to pay the veterans \$2,000,000,000 than it will to give the banks of the Nation \$60,000,000 or \$80,-000,000 a year bonus to put \$2,000,000,000 in circulation.

In 1932 the large banks, same as the small ones, were in need of Government aid. They owed money that they could not pay.

of Government aid. They owed money that they could not pay. They were in need of Government help.

The commander's bank was aided by the Government, which not only helped his bank but helped the people of California. The 64½ million dollars which it received in the early part of 1932 substantially helped, if it did not save, the institution. It is true that this was a loan from the Reconstruction Finance Corporation and the bank's averaged that the bank's averaged that the falls. and the bank's prosperity since that time has enabled it to fully repay the loan.

I mention this not for the purpose of criticizing the banks or the commander but for the purpose of impressing upon the commander the fact that the veterans of the country are in the same condition as his bank was in 1932. They owe for loans on their certificates which they cannot repay. The compound interest on the first half is eating up the other half. They desire the Government to pay the remainder due now on the showing that it is really past due, although payable in 1945, and that it will help everybody. They can take the money and buy comforts and necessities of life which are very much needed by many of them. They can pay debts that they are now forced to pay from 10 to 40 percent interest on. They can purchase or pay for a home or a farm. I mention this not for the purpose of criticizing the banks or

The substantial sum will help them greatly at a time in life when their children are young, when the money is needed the most.

#### VETERANS ASKING FOR SAME RIGHTS AS COMMANDER'S BANK

Since the Government helped the commander's bank under the Since the Government helped the commander's bank under the same circumstances and since the Government is allowing the commander's bank to obtain money in the same way that we want the veterans to obtain money, and, further, in view of the fact that the House is overwhelmingly in favor of our bill and the Senate has heretofore unanimously endorsed the same principle of payment as embodied in our bill, the commander should take these points into consideration, admit that he is wrong, and work shoulder to shoulder with us in this fight and help us get this debt paid. Cooperation and not division is needed to further our cause cause.

The fact must not be overlooked that the country is very much in need of an additional circulating medium.

#### MORE ACTUAL MONEY NEEDED

My good friend, J. S. Cullinan, of Houston, Tex., has just pointed out to me that we have less actual money per capita in circulation than we have had since 1917. In fact, the demand deposits subject to check and money outstanding in the form of "greenbacks" and coins represent our medium of exchange.

These demand deposits aggregated \$21,000,000,000 when times were good—from 1926 to 1929—but have decreased to \$14,000,000,000 at the end of 1934. Therefore, the banks have destroyed

\$7,000,000,000 of our circulating medium.

Are we committing an economic crime in trying to restore \$2,000,000,000 of this circulating medium, that the banks have destroyed \$7,000,000,000 of through their deflationary policies?

The per capita circulation of money and credit in 1916 was \$141. From 1926 to 1930 it averaged \$200 per capita. It is now down to \$150 per capita. Therefore, one-quarter of our medium of exchange has been absolutely destroyed. You can no more do business with an insufficient amount of money than you can handle the commerce of this country with insufficient transportahandle the commerce of this country with insufficient transportation facilities.

If we pay the veterans \$2,000,000,000, no one will be paying interest on this money while it is outstanding.

#### SAFETY CLAUSES

If there is too much money in circulation the Secretary of the Treasury will be privileged to cause Federal Reserve banks and national banks to return some of their money and receive their deposited bonds. The money will be canceled and put out of circulation if there is danger of inflation.

There is no danger on earth of uncontrolled expansion or unbridled inflation of the currency under the terms of our bill. No informed person will deny this statement.

#### STORM CELLAR FOR CONGRESSMEN

The Belgrano bill, H. R. 3896, which my friend FRED VINSON, of Kentucky, introduced at the request of the commander, does not provide for a method of payment. It represents a storm cellar with all modern convenience for any Representative or Senator who desires to vote with the veterans and at the same time give them nothing. Of course, I do not say that any Member of Congress has such a thing in mind.

The Belgrano bill merely authorizes an appropriation to be made which would be all right if the amount involved were a small sum and under ordinary facts and circumstances, but in this case \$2,000,000,000 is involved, and we do not want the bill in such a condition that we will have to make two successful fights in order to attain our goal.

If the Belgrano bill should pass and become a law, a bill would then have to be introduced, providing for the method of payment and, of course, Congress would be reluctant to issue \$2,000,000,000 in bonds right now. It would cost the Government \$4,000,000,000 by the time they were paid, and there is a likelihood that no agree-

ment could be reached on the method of payment, and the veterans would have a law but no money. They would be right where they started.

Those of us who have studied this question for years believe that the best strategy is to have the method of payment attached to the bill as we have it in H. R. 1.

Today we filed a petition to force early consideration of H. R. 1 which will permit any bill to be considered. Commander Belgrano's actions and words are causing many members to fail to sign this petition who are favorable to the proposal.

#### BELGRANO CHALLENGED TO DEBATE

It has come to my attention that Mr. Frank N. Belgrano, national commander of the American Legion, who will speak over the Columbia Broadcasting System's network from 11:45 to 12 o'clock on the night of February 27, will make an appeal to the rank and file of the American Legion to support the bill H. R. 3896, by Representative Fird Vinson, of Kentucky.

I was a member of the committee at the American Legion convention held at Miami, Fla., which adopted a resolution by a vote of 987 to 183, on October 25, 1934, recommending the immediate cash payment of the adjusted-service certificates without creating any additional debt, and I charge that Mr. Belgrano has violated the mandate of that convention by endorsing the Vinson bond-issue bill.

bond-issue bill.

The House must soon decide which of these measures, which so vitally affect the welfare of the former service men, is to be passed. In order that the rank and file of the American Legion may be informed fully on the provisions of these two bills before they decide which to support, I most respectfully here and now challenge Mr. Belgrano to debate this question with me. I will undertake to show that H. R. I carries out the mandate of the American Legion convention, while Mr. Belgrano endeavors to justify his repudiation of that mandate.

can Legion convention, while Mr. Belgrano endeavors to justify his repudiation of that mandate.

No doubt it can be arranged for me to speak over the Columbia Broadcasting System on the night of February 27. I am willing that Mr. Belgrano arrange the time to suit himself, providing that the one opening the debate shall have time for a rejoinder. I trust that Mr. Belgrano will avail himself of this opportunity to have both sides of this issue presented to the members of the American Legion in particular and the radio audience in general.

#### MY BROADCAST ALSO FEBRUARY 27

On the night of February 27, 1935, from 11:30 to 11:45 eastern standard time I will make a speech on this same subject over the National Broadcasting Co,'s network. I will attempt to convince the radio audience that H. R. 1 and not H. R. 3896 should be enacted into law.

If you desire a copy of this speech and full information on this subject, request it of Representative WRIGHT PATMAN, Washington, D. C.

#### LEAVE OF ABSENCE

By unanimous consent leave of absence was granted as follows:

To Mr. Healey, for 3 days, on account of illness in family. To Mr. HANCOCK of North Carolina, indefinitely, on account of illness.

To Mr. Moritz, for 2 days, on account of illness in family. To Mr. Dorsey (at the request of Mr. Daly), indefinitely, on account of death in his family.

To Mr. Connery, for 3 days, on account of important busi-

#### APPOINTMENTS

The SPEAKER. Pursuant to the provisions of title 20, section 43, United States Code, the Chair appoints as Regent of the Smithsonian Institution, to fill the existing vacancy. the following Member of the House: Mr. Cannon of Missouri.

Pursuant to the provisions of title 20, section 134, United States Code, the Chair appoints as a consulting trustee for the National Training School for Boys the gentleman from Oklahoma, Mr. Massingale.

## ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 4983. An act to authorize a transfer of forest-reservation lands in Forrest and Perry Counties, Miss., to the State of Mississippi or to the War Department, and for other

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 49. Joint resolution authorizing the use of public parks, reservations, and other public spaces in the District of Columbia, and the use of tents, cots, hospital appliances,

flags, and other decorations, property of the United States, by Washington, D. C., 1935 Shrine Committee, Inc., and for other purposes.

#### ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock p. m.) the House, under its previous order, adjourned until tomorrow, Friday, February 22, 1935, at 11 o'clock a. m.

# REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. STARNES: Committee on Immigration and Naturalization. H. R. 5839. A bill to authorize the shortening or termination of the stay in the United States of certain aliens not admitted for permanent residence, and for other purposes; with amendment (Rept. No. 200). Referred to the Committee of the Whole House on the state of the Union.

Mrs. JENCKES of Indiana: Committee on the District of Columbia. H. R. 5711. A bill to provide pensions for needy blind persons of the District of Columbia and authorizing appropriations therefor; with amendment (Rept. No. 201). Referred to the Committee of the Whole House on the state of the Union.

Mr. STEAGALL. Committee on Banking and Currency. H. R. 6021. A bill to provide additional home-mortgage relief, to amend the Federal Home Loan Bank Act, the Home Owners' Loan Act of 1933, and the National Housing Act, and for other purposes; without amendment (Rept. No. 202). Referred to the Committee of the Whole House on the state of the Union.

Mr. PALMISANO: Committee on the District of Columbia. H. R. 83. A bill to provide for the conservation and settlement of estates of absentees and absconders in the District of Columbia, and for other purposes; with amendment (Rept. No. 203). Referred to the Committee of the Whole House on the state of the Union.

Mr. PALMISANO: Committee on the District of Columbia. H. R. 3464. A bill to amend certain sections of the code of law for the District of Columbia, approved March 3, 1901, as amended, relating to descent and distribution; without amendment (Rept. No. 204). Referred to the House Cal-

Mrs. NORTON: Committee on the District of Columbia. H. R. 4538. A bill to change the designation of Lefler Place to Second Place; with amendment (Rept. No. 206). Referred to the House Calendar.

Mr. PALMISANO: Committee on the District of Columbia. S. 402. An act to amend section 824 of the Code of Laws for the District of Columbia; with amendment (Rept. No. 207). Referred to the House Calendar.

Mr. PATMAN: Committee on the District of Columbio. S. 408. An act to promote safety on the public highways of the District of Columbia by providing for the financial responsibility of owners and operators of motor vehicles for damages caused by motor vehicles on the public highways in the District of Columbia; to prescribe penalties for the violation of the provisions of this act, and for other purposes; without amendment (Rept. No. 208). Referred to the Committee of the Whole House on the state of the Union.

# REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. PALMISANO: Committee on the District of Columbia. H. R. 3477. A bill relating to the incorporation of Trinity College of Washington, D. C., organized under and by virtue of a certificate of incorporation pursuant to the incorporation laws of the District of Columbia, as provided in subchapter 1 of chapter 18 of the Code of Laws of the District of Columbia; without amendment (Rept. No. 205). Referred to the Committee of the Whole House.

### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WARREN: A bill (H. R. 6082) to amend the Agricultural Adjustment Act to make all varieties of potatoes included in the species Solanum tuberosum a basic agricultural commodity, to impose a tax on the first sale of such potatoes, to provide exemptions therefrom, to regulate the packaging of such potatoes, and for other purposes; to the Committee on Agriculture.

By Mr. BEITER: A bill (H. R. 6083) to restrict habitual commuting of aliens from foreign contiguous territory to engage in skilled or unskilled labor or employment in continental United States; to the Committee on Immigration and Naturalization.

By Mr. DIMOND: A bill (H. R. 6084) to authorize the city of Ketchikan, Alaska, to issue bonds in any sum not to exceed \$1,000,000 for the purpose of acquiring the electric light and power, water, and telephone properties of the Citizens' Light, Power & Water Co., and to finance and operate the same, and validating the preliminary proceedings with respect thereto, and for other purposes; to the Committee on the Territories.

Also, a bill (H. R. 6085) to authorize the incorporated town of Petersburg, Alaska, to undertake certain municipal public works, including the filling, grading, and paving of streets and sidewalks and construction of necessary bridges and viaducts in connection with the same, and for such purposes to issue bonds in any sum not exceeding \$40,000; to the Committee on the Territories.

By Mr. KENNEDY of Maryland: A bill (H. R. 6086) to extend the time for the refunding of certain taxes erroneously collected from certain building and loan associations; to the Committee on Claims.

By Mr. KOPPLEMANN: A bill (H. R. 6087) to postpone the effective date of the publicity of certain income-tax statements; to the Committee on Ways and Means.

By Mr. STACK: A bill (H. R. 6088) for an additional appointment to the United States Military Academy; to the Committee on Military Affairs.

By Mr. WEARIN: A bill (H. R. 6089) to amend the Packers and Stockyards Act, 1921; to the Committee on Agriculture.

By Mr. WEST: A bill (H. R. 6090) to extend the time for the construction of a bridge across the Rio Grande at or near Rio Grande City, Tex.; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 6091) to control destructive flood waters on the American side of the Rio Grande in the State of Texas; to aid and improve agriculture and industrial development within said river basin, and for other purposes; to the Committee on Flood Control.

By Mr. WILCOX: A bill (H. R. 6092) authorizing the Secretary of the Navy to purchase certain lands in Duval County, State of Florida; to the Committee on Naval Affairs.

By Mr. KNUTSON: A bill (H. R. 6093) to amend paragraph 713 of the Tariff Act of 1930; to the Committee on Ways and Means.

By Mr. KENNEY: A bill (H. R. 6094) to establish an Aviation Bureau in the office of the Commissioner of Education in the Department of the Interior, and for other purposes; to the Committee on Education.

By Mr. BINDERUP: A bill (H. R. 6095) to authorize the Federal Radio Commission to purchase and enclose additional land at the radio station near Grand Island, Nebr.; to the Committee on Merchant Marine, Radio, and Fisheries.

By Mr. CHURCH: A bill (H. R. 6096) to provide for the establishment of a Coast Guard station on the shore of Illinois, at or near Highland Park, Lake County; to the Committee on Interstate and Foreign Commerce.

By Mr. WELCH: A bill (H. R. 6097) to provide for the repatriation of Filipinos resident in continental United States or the Territory of Alaska, to authorize appropriations to accomplish that result, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. WHITE: A bill (H. R. 6098) to assist and promote the development of the mineral resources located within the national forests of the United States, authorizing the construction of roads by the Secretary of Agriculture for the use of the owners or operators of mining properties, and for other purposes; to the Committee on the Public Lands.

By Mr. LEMKE: Resolution (H. Res. 123) to make H. R. 2066, a bill to liquidate and refinance agricultural indebtedness at a reduced rate of interest by establishing an efficient credit system, through the use of the Farm Credit Administration, the Federal Reserve banking system, and creating a Board of Agriculture to supervise the same, a special order of business: to the Committee on Rules.

By Mr. KOPPLEMANN: Resolution (H. Res. 124) directing the Ways and Means Committee to report certain information relative to section 55 (b) of the Revenue Act of 1934; to the Committee on Rules.

By Mr. HOLLISTER: Joint resolution (H. J. Res. 180) to amend the joint resolution of June 5, 1933, assuring uniform value to the coins and currencies of the United States; to the Committee on Banking and Currency.

#### MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Colorado, supporting the Wagner-Costigan antilynching bill; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of New York, regarding self-government in Puerto Rico; to the Committee on Insular Affairs.

### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions

were introduced and severally referred as follows:

By Mr. CROWE: A bill (H. R. 6099) granting a pension to Cora S. Day; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6100) granting a pension to Benjamin F. Bennett; to the Committee on Invalid Pensions.

By Mr. DEEN: A bill (H. R. 6101) for the relief of D. W. F. Maloy; to the Committee on Claims.

By Mr. DINGELL: A bill (H. R. 6102) for the relief of Henry M. Tunis, captain, United States Army Air Corps Re-

serve; to the Committee on Military Affairs. By Mr. FORD of California: A bill (H. R. 6103) for the

relief of Martin Crowe; to the Committee on Military Affairs. By Mr. HILL of Alabama: A bill (H. R. 6104) for the relief of H. L. Jones; to the Committee on Claims.

By Mrs. KAHN: A bill (H. R. 6105) for the relief of the

New Amsterdam Casualty Co.; to the Committee on Claims, By Mr. LLOYD: A bill (H. R. 6106) for the relief of August Svelund and St. Paul & Tacoma Lumber Co., a corporation, or either or both of them; to the Committee on Claims.

By Mr. McREYNOLDS: A bill (H. R. 6107) granting a pension to Dellar Griffith; to the Committee on Invalid

By Mr. MAPES: A bill (H. R. 6108) granting a pension to Maatje Rookus; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6109) granting a pension to Geziena Rookus; to the Committee on Invalid Pensions.

By Mr. RAYBURN: A bill (H. R. 6110) for the relief of the Texas Military College, of Terrell, Tex.; to the Committee on Claims.

By Mrs. ROGERS of Massachusetts: A bill (H. R. 6111) for the relief of John F. Farley; to the Committee on Military

By Mr. DONDERO: Joint resolution (H. J. Res. 179) authorizing the President to present in the name of Congress a medal of honor to J. Harold Arnold; to the Committee on Naval Affairs.

# PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1749. By Mr. BACHARACH: Resolution adopted by the city commissioners of Atlantic City, N. J., asking for the amendment of the revenue law exempting municipally owned utilities from Federal taxes; to the Committee on Ways and Means.

1750. By Mr. BOYLAN: Letter from the Bridgeport Council of Catholic Men, Bridgeport, Conn., regarding conditions in Mexico; to the Committee on Foreign Affairs.

1751. By Mr. BRUNNER: Resolution of the New York State Legislature, urging Congress to enact necessary laws to extend to the people of Puerto Rico complete and full local self-government and to permit the people of Puerto Rico to elect their own Governor and other local officers; to the Committee on Insular Affairs.

1752. By Mr. BUCKLER of Minnesota: Petition of Joe Estling, president, Greenbush, and Daniel Danielson, secretary, Malung, Minn., of the Roseau County Farm Holiday Association, and like officers of the Farmers Union and the Farmer-Labor Association of Roseau County, Minn., in behalf of their members, all praying for passage into law a Federal old-age-pension plan without State participation, and legislation calling for cash payment of the adjustedservice certificates; to the Committee on Ways and Means.

1753. Also, petition of Eddy E. Billberg, president, and G. T. Nelson, secretary, of Roseau, Minn., of the Roseau County Farmer Union, and like officers of the Farm Holiday Association and the Farmer-Labor Association of Roseau County. in behalf of their members, all praying for passage into law the Massingale-Thomas cost-of-production bill; to the Committee on Agriculture.

1754. Also, petition of G. T. Nelson, president, and Verner Nelson, secretary, of Roseau County, Minn., of the Roseau County Farmer-Labor Association and like officers of the Farmers' Union and the Farm Holiday Association of Roseau County, in behalf of their members, all praying for passage into law of the Frazier-Lemke farm-refinancing bill; to the Committee on Agriculture.

1755. By Mr. CULKIN: Petition of certain residents of Oswego, N. Y., favoring the Townsend old-age pension; to the Committee on Ways and Means.

1756. Also, petition of 91 residents of Watertown, N. Y., favoring the Townsend plan of old-age insurance; to the Committee on Ways and Means.

1757. By Mr. CULLEN: Petition of the Legislature of the State of New York, requesting Congress to enact the necessary laws to extend to the people of Puerto Rico complete and full local self-government and to permit the people of Puerto Rico to elect their own Governor and other local officers; to the Committee on Insular Affairs.

1758. By Mr. DELANEY: Petition of the Society of St. Vincent de Paul, Conference of the Assumption, Brooklyn, N. Y., urging the adoption of sections 203 and 703 of the social-security bill with amendments; to the Committee on Ways and Means.

1759. Also, petition of the committee on pensions and relief of the Presbytery of Brooklyn-Nassau, N. Y., urging an amendment to section 307 of Senate bill 1130, excluding every individual for whom a provision is made and maintained through an organization for the purpose, which provision is at least equal to the provision made under this act for such individual, as found from time to time by the social-insurance board; to the Committee on Pensions.

1760. By Mr. FITZPATRICK: Petition of Board of Supervisors, county of Westchester, State of New York, urging the passage of an amendment repealing section 55 (b) of the Revenue Act of 1934 to eliminate the publication of incometax returns filed with the Federal Government; to the Committee on Ways and Means.

1761. By Mr. GOODWIN: Petition of Virginia Dark-Fired Tobacco Growers' Marketing Association, urging Congress to support the Flannagan grading bill (H. R. 3258); to the Committee on Agriculture.

1762. Also, petition of Sentinels of the Republic, urging in the cause of freedom and for the dignity and protection of self-respecting citizens that section 55 (b) of the Revenue Act of 1934 be repealed prior to March 15, 1935; to the Committee on Ways and Means.

1763. By Mr. KENNEY: Resolution of the Bergen County Joint Action Committee, of Hackensack, N. J., urging adoption of the unemployed and insurance bill (H. R. 2827); to the Committee on Ways and Means.

1764. By Mr. MAPES: Petition of Group No. 744, the Polish National Alliance of the United States of North America, by Charles Kowiejza, president; Ben Kalinka, secretary; and John Rzepko, treasurer, of Grand Rapids, Mich., recommending the designation of October 11 of each year as General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Library.

1765. Also, petition of Group No. 2120, the Polish National Alliance of the United States of North America, recommending the designation of October 11 of each year as General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski, signed by Felix Durka, president; M. Ulanowski, secretary; and Stanley Lach, treasurer, of Grand Rapids, Mich; to the Committee on the Library.

1766. By Mr. MILLARD: Petition signed by resident of Ardsley, N. Y., opposing the enactment of the holding-company bill; to the Committee on Interstate and Foreign

1737. By Mr. MILLER: Petition of T. G. Nelson and other citizens of White County, Ark., urging early enactment of an adequate old-age pension; to the Committee on Ways and Means.

1768. By Mr. MOTT: Senate Joint Memorial No. 5 of the Thirty-eighth Legislative Assembly of the State of Oregon, petitioning the Public Works Administration for a loan to finance construction of an aerial cableway and cable railway to Mount Hood, Oreg.; to the Committee on Appropriations.

1769. By Mr. McCORMACK: Resolution of the Massachusetts Leg'slature, urging early and favorable consideration of legislation providing that a mortgage on vessels of the United States of smaller tonnage than 200 tons shall have the same priority over such liens as vessels of 200 tons or upward, that the fishing industry of the United States might be assisted and preserved; to the Committee on Merchant Marine, Radio, and Fisheries.

1770. Also, memorial of the Massachusetts Legislature, memorializing the Congress of the United States to repeal the cotton-processing tax and not spread the tax over industry in general; to the Committee on Ways and Means.

1771. By Mr. PFEIFER: Resolution of the Assembly of the State of New York, Albany, urging Congress to enact the necessary laws to permit local self-government for Puerto Rico; to the Committee on Insular Affairs.

1772. Also, petition of W. H. Meyer & Son, Inc., Brooklyn, N. Y., concerning the Black-Connery 30-hour-week bills; to the Committee on Labor.

1773. Also, petition of S. Haskel & Sons. Inc., Brooklyn, N. Y., opposing House bill 5363, which proposes to amend paragraph (3) (c) of section 16 of the Interstate Commerce Act; to the Committee on Interstate and Foreign Commerce.

1774. By Mr. PEARSON: Petition of the citizens of Fayette County, Tenn., concerning old-age pension; to the Committee on Ways and Means.

1775. Also, petition of citizens of Decatur County, Tenn., concerning old-age pension; to the Committee on Ways and

1776. Also, petition of citizens of Carroll County, Tenn., concerning old-age pension; to the Committee on Ways and

1777. Also, petition of citizens of Benton County, Tenn., concerning old-age pension; to the Committee on Ways and Means.

1778. Also, petition of citizens of Chester County, Tenn., concerning old-age pension; to the Committee on Ways and Means.

1779. By Mr. ROGERS of Oklahoma: Petition of Mary Taylor and 12 other citizens and residents of Lauderdale 2856, by Representative Will Rogers, of Oklahoma, embracing a Federal system of old-age pensions without State participation, and proposing \$30 per month to citizens and residents of the United States of 20 years' standing who are more than 55 years of age and who have been separated from the field of competitive earning; also proposing \$30 per month to every person over 21 years of age who is physically incapacitated in earning own sustenance; to the Committee on Ways and Means.

1780. Also, petitions of certain citizens resident of the State of Mississippi in the counties of Chickasaw, Humphreys, Pike, and Tallahatchie, all numerously signed, urging enactment of House bill 2856, by Representative WILL ROGERS, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1781. Also, petitions of certain citizens resident of the State of Alabama in the counties of Crenshaw, Colbert, Hale, Lawrence, Madison, Morgan, Perry, and Wilcox, all numerously signed, urging enactment of House bill 2856, by Representative WILL ROGERS, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1782. Also, petitions of certain citizens resident of the State of West Virginia in the counties of Cabell, Jefferson, Preston, and Raleigh, all numerously signed, urging enactment of House bill 2856, by Representative WILL ROGERS, of Oklahoma, embracing the Pope plan of direct Federal oldage pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1783. Also, petitions of certain citizens resident of the State of North Carolina in the counties of Bladen, Duplin, Gaston, Granville, Harnett, Mecklenburg, Nash, and Transylvania, all numerously signed, urging enactment of House bill 2856, by Representative WILL ROGERS, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1784. Also, petitions of certain citizens resident of the State of Oklahoma in the counties of Choctaw, Caddo, Mc-Curtain, Osage, Sequoyah, and Tulsa, all numerously signed, urging enactment of House bill 2856, by Representative WILL Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1785. Also, petition of certain citizens resident of the State of Illinois in the counties of Lake and Sangamon, all numerously signed, urging enactment of House bill 2856, by Representative WILL ROGERS, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1786. Also, petition of certain citizens resident of the State of Maryland in the counties of Allegany, Garrett, and Washington, all numerously signed, urging enactment of House bill 2856, by Representative WILL ROGERS, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1787. Also, petitions of certain citizens resident of the State of Tennessee in the counties of Carter, Greene, Hamilton, Haywood, Johnson, Knox, McMinn, Tipton, Washington, and Warren, all numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1788. Also, petitions of certain citizens resident of the State of South Carolina in the counties of Charleston, Cherokee, Chester, Greenville, Jasper, Lexington, and Richland, all numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embrac-County in Tennessee, urging Congress to enact House bill | ing the Pope plan of direct Federal old-age pensions of \$30

per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1789. Also, petitions of certain citizens resident of the State of Mississippi in the counties of Bolivar, Humphreys, Quitman, Sunflower, and Yazoo, all numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1790. Also, petitions of certain citizens resident of the State of New Mexico in the counties of Grant and Taos, all numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1791. Also, petitions of certain citizens resident of the State of Virginia in the counties of Brunswick, Dickenson, Russell, Smyth, Scott, Wythe, and Wise, all numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1792. Also, petitions of certain citizens resident of the county of Blair in the State of Pennsylvania, numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1793. Also, petitions of certain citizens resident of the county of Morgan in the State of Colorado, numerously signed, urging enactment of House bill 2856, by Representative Will Rocers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1794. Also, petitions of certain citizens resident of the State of Texas in the counties of Atascosa, Coleman, Dallas, Fayette, Floyd, Grayson, Grimes, Hamilton, Harris, Houston, Jefferson, Johnson, McCulloch, Medina, Nacogdoches, Navarro, Newton, Polk, Robertson, Shelby, Smith, Scurry, Taylor, Trinity, Upshur, Victoria, and Wharton, all numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1795. Also, petitions of certain citizens resident of the State of Louisiana in the parishes of Allen, Avoyelles, Bossier, Caddo, Calcasieu, De Soto, Grant, Iberville, Morehouse, Natchitoches, Orleans, Rapides, Sabine, Vernon, and West Carroll, all numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1796. Also, petitions of certain citizens resident of the State of Arkansas in the counties of Ashley, Bradley, Crittenden, Jefferson, Johnson, Montgomery, Pulaski, Polk, and St. Francis, all numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1797. Also, petitions of certain citizens resident of the State of Georgia in the counties of Fannin, Hall, and Rabun, all numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1798. Also, petition of certain citizens resident of the State of Kentucky in the county of Hopkins, numerously

signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1799. Also, petition of certain citizens resident of the State of Missouri in the county of Jefferson, numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1800. Also, petition of Krance Porch and 13 other citizens and residents of Erwinville, La., urging Congress to enact House bill 2856, by Congressman Will Rogers, of Oklahoma, embracing a Federal system of old-age pensions without State participation and proposing a schedule of \$30 per month to all citizens and residents of the United States of 20 years' standing above 55 years of age and not engaged in competitive earning; to the Committee on Ways and Means.

1801. By Mr. RUDD: Petition of George H. Toepfer, 8765 Ninety-fifth Street, Woodhaven, Long Island, N. Y., and 46 other citizens of Woodhaven, concerning Senate bill 1725 and House bill 5423, public-utility bills, pending in the Senate and House committees; to the Committee on Interstate and Foreign Commerce.

1802. Also, petition of Frank L. Prest, 91–35 Seventy-ninth Street, Woodhaven, Long Island, N. Y., and nine other citizens of Woodhaven, concerning Senate bill 1725 and House bill 5423, public-utility bills pending in the Senate and House committees; to the Committee on Interstate and Foreign Commerce.

1803. By Mr. SCHULTE: Memorial of the Legislature of Indiana, relative to the legislation regarding General Pulaski's Memorial Day; to the Committee on the Judiciary.

1804. By Mr. SUTPHIN: Petition of the Grand Lodge of the State of New Jersey, Order Sons of Italy in America, favoring old-age pensions; to the Committee on Ways and Means.

1805. By Mr. TARVER: Petition of certain citizens resident of Trenton, county of Dade, in the State of Georgia, numerously signed, urging enactment of House bill 2856, by Representative Will Rocers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1806. Also, petition of certain citizens resident of St. Elmo, county of Walker, in the State of Georgia, numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1807. Also, petition of Mrs. S. M. Chandler and 10 other citizens of Haralson County, Ga., favoring old-age pensions; to the Committee on Ways and Means.

1808. By Mr. TREADWAY: Resolution of Group No. 2569, Polish National Alliance of the United States of North America, South Deerfield, Mass., memorializing Congress to designate October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

1809. Also, resolution of Group No. 1220, Polish National Alliance of the United States of North America, Holyoke, Mass., memorializing Congress to designate October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

1810. By Mr. TRUAX: Petition of the Ross County Veterans' Council, of Chillicothe, Ohio, by their president, Roy C. Donnells, urging the immediate passage of House bill 1 (Patman bill); to the Committee on Ways and Means.

1811. Also, petition of Akron (Ohio) Arms Reference Club, urging the adoption of Senate bill 3 as a Federal firearm law; to the Committee on the Judiciary.

1812. Also, petition of Mike Rocisko, Geauga County, Ohio, and others, desiring that they be allowed to take out full

naturalization papers at one time; to the Committee on Immigration and Naturalization.

1813. Also, petition of Baptist Ministers' Conference, Cleveland, Ohio, by their president, Rev. M. F. Washington, urging that the Costigan-Wagner antilynching bill be passed by Congress; to the Committee on the Judiciary.

1814. Also, petition of Gen. Edward Sigerfoos Post, No. 156, of the American Legion of America and the Ladies' Auxiliary, of Arcanum, Ohio, asking their Congressmen and Senators, and through them the entire Congress of United States of America, to appropriate the sum of \$25,000 for the purpose of the erection of a building or some suitable memorial to the memory of Brig. Gen. Edward Sigerfoos within the limits of the village of Arcanum, Darke County, Ohio; to the Committee on Appropriations.

1815. By Mr. WOLCOTT: Petition of Angus Kennedy, and 503 other members of farmers' unions in St. Clair County, Mich., urging the prompt enactment of the Frazier-Lemke refinancing bill; to the Committee on Agriculture.

1816. Also, petition of George A. Winter, of Akron, Mich., and 38 other members of Local No. 90, Farmers Union, urging the prompt enactment of the Frazier-Lemke refinancing bill; to the Committee on Agriculture.

1817. By the SPEAKER: Petition of the Sentinels of the Republic; to the Committee on Ways and Means.

# SENATE

FRIDAY, FEBRUARY 22, 1935

(Legislative day of Friday, Feb. 15, 1935)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

#### THE JOURNAL

On request of Mr. Robinson, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, February 21, 1935, was dispensed with, and the Journal was approved.

#### CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum, The VICE PRESIDENT. The clerk will call the roll. The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Costigan	King	Pope
Ashurst	Couzens	La Follette	Radcliffe
Austin	Cutting	Lewis	Reynolds
Bachman	Davis	Logan	Robinson
Bailey	Dickinson	Lonergan	Russell
Bankhead	Dieterich	Long	Schall
Barbour	Donahey	McAdoo	Schwellenbach
Bilbo	Duffy	McCarran	Sheppard
Black	Fletcher	McGill	Shipstead
Bone	Frazier	McKellar	Smith
Borah	George	McNary	Steiwer
Brown	Gerry	Maloney	Thomas, Okla.
Bulkley	Gibson	Metcalf	Thomas, Utah
Bulow	Glass	Minton	Townsend
Burke	Gore	Moore	Trammell
Byrd	Guffey	Murphy	Truman
Byrnes	Hale	Murray	Tydings
Capper	Harrison	Neely	Vandenberg
Caraway	Hastings	Norbeck	Van Nuys
Carey	Hatch	Norris	Wagner
Clark	Hayden	Nye	Walsh
Connally	Johnson	O'Mahoney	Wheeler
Coolidge	Keyes	Pittman	White

Mr. LEWIS. I announce the absence of the Senator from Kentucky [Mr. Barkley], who is necessarily detained; also the absence of the Senator from New York [Mr. COPELAND], who is detained by reason of illness in his family; and the absence of the Senator from Louisiana [Mr. Overton], caused by illness.

The VICE PRESIDENT. Ninety-two Senators have answered to their names. A quorum is present.

#### READING OF WASHINGTON'S FAREWELL ADDRESS

The VICE PRESIDENT. Under an order of the Senate, the Senator from Vermont [Mr. Austin] will read the Farewell Address of President Washington.

Mr. AUSTIN read the address, as follows:

To the people of the United States.

FRIENDS AND FELLOW CITIZENS: The period for a new election of a citizen to administer the executive government of the United States being not far distant, and the time actually arrived when your thoughts must be employed in designating the person who is to be clothed with that important trust, it appears to me proper, especially as it may conduce to a more distinct expression of the public voice, that I should now apprise you of the resolution I have formed, to decline being considered among the number of those, out of whom a choice is to be made.

I beg you, at the same time, to do me the justice to be assured, that this resolution has not been taken, without a strict regard to all the considerations appertaining to the relation which binds a dutiful citizen to his country; and that, in withdrawing the tender of service which silence in my situation might imply, I am influenced by no diminution of zeal for your future interest; no deficiency of grateful respect for your past kindness; but am supported by a full conviction that the step is compatible with both.

The acceptance of, and continuance hitherto in the office to which your suffrages have twice called me, have been a uniform sacrifice of inclination to the opinion of duty, and to a deference for what appeared to be your desire. I constantly hoped that it would have been much earlier in my power, consistently with motives which I was not at liberty to disregard, to return to that retirement from which I had been reluctantly drawn. The strength of my inclination to do this, previous to the last election, had even led to the preparation of an address to declare it to you; but mature reflection on the then perplexed and critical posture of our affairs with foreign nations, and the unanimous advice of persons entitled to my confidence, impelled me to abandon the idea.

I rejoice that the state of your concerns external as well as internal, no longer renders the pursuit of inclination incompatible with the sentiment of duty or propriety; and am persuaded, whatever partiality may be retained for my services, that in the present circumstances of our country, you will not disapprove my determination to retire.

The impressions with which I first undertook the arduous trust, were explained on the proper occasion. In the discharge of this trust, I will only say that I have, with good intentions, contributed towards the organization and administration of the government, the best exertions of which a very fallible judgment was capable. Not unconscious in the outset, of the inferiority of my qualifications, experience, in my own eyes, perhaps still more in the eyes of others, has strengthened the motives to diffidence of myself; and, every day, the increasing weight of years admonishes me more and more, that the shade of retirement is as necessary to me as it will be welcome. Satisfied that if any circumstances have given peculiar value to my services they were temporary, I have the consolation to believe that, while choice and prudence invite me to quit the political scene, patriotism does not forbid it.

In looking forward to the moment which is to terminate the career of my political life, my feelings do not permit me to suspend the deep acknowledgment of that debt of gratitude which I owe to my beloved country, for the many honors it has conferred upon me; still more for the steadfast confidence with which it has supported me; and for the opportunities I have then enjoyed of manifesting my inviolable attachment, by services faithful and persevering, though in usefulness unequal to my zeal. If benefits have resulted to our country from these services, let it always be remembered to your praise, and as an instructive example in our annals, that under circumstances in which the passions, agitated in every direction, were liable to mislead amidst appearances sometimes dubious, vicissitudes of fortune often discouraging-in situations in which not unfrequently, want of success has countenanced the spirit of criticism,—the constancy of your

support was the essential prop of the efforts, and a guarantee | maritime and commercial enterprise, and precious materials of the plans, by which they were effected. Profoundly penetrated with this idea, I shall carry it with me to my grave, as a strong incitement to unceasing vows that heaven may continue to you the choicest tokens of its beneficence—that your union and brotherly affection may be perpetual—that the free constitution, which is the work of your hands, may be sacredly maintained—that its administration in every department may be stamped with wisdom and virtue-that, in fine, the happiness of the people of these states, under the auspices of liberty, may be made complete by so careful a preservation, and so prudent a use of this blessing, as will acquire to them the glory of recommending it to the applause, the affection and adoption of every nation which is yet a

Here, perhaps, I ought to stop. But a solicitude for your welfare, which cannot end, but with my life, and the apprehension of danger, natural to that solicitude, urge me, on an occasion like the present, to offer to your solemn contemplation, and to recommend to your frequent review, some sentiments which are the result of much reflection, of no inconsiderable observation, and which appear to me all important to the permanency of your felicity as a people. These will be offered to you with the more freedom, as you can only see in them the disinterested warnings of a parting friend, who can possibly have no personal motive to bias his counsel. Nor can I forget, as an encouragement to it, your indulgent reception of my sentiments on a former and not dissimilar

Interwoven as is the love of liberty with every ligament of your hearts, no recommendation of mine is necessary to fortify or confirm the attachment.

The unity of government which constitutes you one people, is also now dear to you. It is justly so; for it is a main pillar in the edifice of your real independence; the support of your tranquility at home: your peace abroad; of your safety; of your prosperity; of that very liberty which you so highly prize. But, as it is easy to foresee that, from different causes and from different quarters much pains will be taken, many artifices employed, to weaken in your minds the conviction of this truth; as this is the point in your political fortress against which the batteries of internal and external enemies will be most constantly and actively (though often covertly and insidiously) directed; it is of infinite moment, that you should properly estimate the immense value of your national union to your collective and individual happiness; that you should cherish a cordial, habitual, and immovable attachment to it; accustoming yourselves to think and speak of it as of the palladium of your political safety and prosperity; watching for its preservation with jealous anxiety; discountenancing whatever may suggest even a suspicion that it can, in any event, be abandoned; and indignantly frowning upon the first dawning of every attempt to alienate any portion of our country from the rest, or to enfeeble the sacred ties which now link together the various parts.

For this you have every inducement of sympathy and interest. Citizens by birth, or choice, of a common country, that country has a right to concentrate your affections. The name of American, which belongs to you in your national capacity, must always exalt the just pride of patriotism, more than any appellation derived from local discriminations. With slight shades of difference, you have the same religion, manners, habits, and political principles. You have, in a common cause, fought and triumphed together; the independence and liberty you possess are the work of joint counsels, and joint efforts, of common dangers, sufferings and successes.

But these considerations, however powerfully they address themselves to your sensibility, are greatly outweighed by those which apply more immediately to your interest.—Here, every portion of our country finds the most commanding motives for carefully guarding and preserving the union of the whole.

The north, in an unrestrained intercourse with the south, protected by the equal laws of a common government, finds in the productions of the latter, great additional resources of

of manufacturing industry.-The south, in the same intercourse, benefiting by the same agency of the north, sees its agriculture grow and its commerce expand. Turning partly into its own channels the seamen of the north, it finds its particular navigation invigorated; and while it contributes, in different ways, to nourish and increase the general mass of the national navigation, it looks forward to the protection of a maritime strength, to which itself is unequally adapted. The east, in a like intercourse with the west, already finds, and in the progressive improvement of interior communications by land and water, will more and more find a valuable vent for the commodities which it brings from abroad, or manufactures at home. The west derives from the east supplies requisite to its growth and comfort—and what is perhaps of still greater consequence, it must of necessity owe the secure enjoyment of indispensable outlets for its own productions, to the weight, influence, and the future maritime strength of the Atlantic side of the Union, directed by an indissoluble community of interest as one nation. Any other tenure by which the west can hold this essential advantage. whether derived from its own separate strength; or from an apostate and unnatural connection with any foreign power, must be intrinsically precarious.

While then every part of our country thus feels an immediate and particular interest in union, all the parts combined cannot fail to find in the united mass of means and efforts, greater strength, greater resource, proportionably greater security from external danger, a less frequent interruption of their peace by foreign nations; and, what is of inestimable value, they must derive from union, an exemption from those broils and wars between themselves, which so frequently afflict neighboring countries not tied together by the same government; which their own rivalship alone would be sufficient to produce, but which opposite foreign alliances, attachments, and intrigues, would stimulate and embitter.-Hence likewise, they will avoid the necessity of those overgrown military establishments, which under any form of government are inauspicious to liberty, and which are to be regarded as particularly hostile to republican liberty. In this sense it is, that your union ought to be considered as a main prop of your liberty, and that the love of the one ought to endear to you the preservation of the other.

These considerations speak a persuasive language to every reflecting and virtuous mind, and exhibit the continuance of the union as a primary object of patriotic desire. Is there a doubt whether a common government can embrace so large a sphere? let experience solve it. To listen to mere speculation in such a case were criminal. We are authorized to hope that a proper organization of the whole, with the auxiliary agency of governments for the respective subdivisions, will afford a happy issue to the experiment. It is well worth a fair and full experiment. With such powerful and obvious motives to union, affecting all parts of our country, while experience shall not have demonstrated its impracticability, there will always be reason to distrust the patriotism of those who, in any quarter, may endeavor to weaken its hands.

In contemplating the causes which may disturb our Union. it occurs as matter of serious concern, that any ground should have been furnished for characterizing parties by geographical discriminations,-northern and southern-Atlantic and western; whence designing men may endeavor to excite a belief that there is a real difference of local interests and views. One of the expedients of party to acquire influence within particular districts, is to misrepresent the opinions and aims of other districts. You cannot shield yourselves too much against the jealousies and heart burnings which spring from these misrepresentations: they tend to render alien to each other those who ought to be bound together by fraternal affection. The inhabitants of our western country have lately had a useful lesson on this head: they have seen, in the negotiation by the executive, and in the unanimous ratification by the senate of the treaty with Spain, and in the universal satisfaction at the event throughout the United States, a decisive proof how unfounded were the suspicions propagated among them of a policy in the general government and in the Atlantic states, unfriendly to their interests in regard to the Mississippi. They have been witnesses to the formation of two treaties, that with Great Britain and that with Spain, which secure to them everything they could desire, in respect to our foreign relations, towards confirming their prosperity. Will it not be their wisdom to rely for the preservation of these advantages on the union by which they were procured? will they not henceforth be deaf to those advisers, if such they are, who would sever them from their brethren and connect them with aliens?

To the efficacy and permanency of your Union, a government for the whole is indispensable. No alliances, however strict, between the parts can be an adequate substitute; they must inevitably experience the infractions and interruptions which all alliances, in all times, have experienced. Sensible of this momentous truth, you have improved upon your first essay, by the adoption of a constitution of government, better calculated than your former, for an intimate union, and for the efficacious management of your common concerns. This government, the offspring of our own choice, uninfluenced and unawed, adopted upon full investigation and mature deliberation, completely free in its principles, in the distribution of its powers, uniting security with energy, and containing within itself a provision for its own amendment, has a just claim to your confidence and your support. Respect for its authority, compliance with its laws, acquiescence in its measures, are duties enjoined by the fundamental maxims of true liberty. The basis of our political systems is the right of the people to make and to alter their constitutions of government.—But the constitution which at any time exists, until changed by an explicit and authentic act of the whole people. is sacredly obligatory upon all. The very idea of the power, and the right of the people to establish government, presuppose the duty of every individual to obey the established

All obstructions to the execution of the laws, all combinations and associations under whatever plausible character, with the real design to direct, control, counteract, or awe the regular deliberations and action of the constituted authorities, are destructive of this fundamental principle, and of fatal tendency.—They serve to organize faction, to give it an artificial and extraordinary force, to put in the place of the delegated will of the nation the will of party, often a small but artful and enterprising minority of the community; and, according to the alternate triumphs of different parties, to make the public administration the mirror of the ill concerted and incongruous projects of faction, rather than the organ of consistent and wholesome plans digested by common councils, and modified by mutual interests.

However combinations or associations of the above description may now and then answer popular ends, they are likely, in the course of time and things, to become potent engines, by which cunning, ambitious, and unprincipled men, will be enabled to subvert the power of the people, and to usurp for themselves the reins of government; destroying afterwards the very engines which have lifted them to unjust dominion.

Towards the preservation of your government and the permanency of your present happy state, it is requisite, not only that you steadily discountenance irregular opposition to its acknowledged authority, but also that you resist with care the spirit of innovation upon its principles, however specious the pretext. One method of assault may be to effect, in the forms of the constitution, alterations which will impair the energy of the system; and thus to undermine what cannot be directly overthrown. In all the changes to which you may be invited, remember that time and habit are at least as necessary to fix the true character of governments, as of other human institutions:-that experience is the surest standard by which to test the real tendency of the existing constitution of a country:-that facility in changes, upon the credit of mere hypothesis and opinion, exposes to perpetual change from the endless variety of hypothesis and opinion: and remember, especially,

that for the efficient management of your common interests in a country so extensive as ours, a government of as much vigor as is consistent with the perfect security of liberty is indispensable. Liberty itself will find in such a government, with powers properly distributed and adjusted, its surest guardian. It is, indeed, little else than a name, where the government is too feeble to withstand the enterprises of faction, to confine each member of the society within the limits prescribed by the laws, and to maintain all in the secure and tranquil enjoyment of the rights of person and property.

I have already intimated to you the danger of parties in the state, with particular references to the founding them on geographical discrimination. Let me now take a more comprehensive view, and warn you in the most solemn manner against the baneful effects of the spirit of party generally.

This spirit, unfortunately, is inseparable from our nature, having its root in the strongest passions of the human mind.—It exists under different shapes in all governments, more or less stifled, controlled, or repressed; but in those of the popular form it is seen in its greatest rankness, and is truly their worst enemy.

The alternate domination of one faction over another, sharpened by the spirit of revenge natural to party dissension, which in different ages and countries has perpetrated the most horrid enormities, is itself a frightful despotism.—But this leads at length to a more formal and permanent despotism. The disorders and miseries which result, gradually incline the minds of men to seek security and repose in the absolute power of an individual; and, sooner or later, the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to the purpose of his own elevation on the ruins of public liberty.

Without looking forward to an extremity of this kind, (which nevertheless ought not to be entirely out of sight) the common and continual mischiefs of the spirit of party are sufficient to make it the interest and duty of a wise people to discourage and restrain it.

It serves always to distract the public councils, and enfeeble the public administration. It agitates the community with ill founded jealousies and false alarms; kindles the animosity of one part against another; foments occasional riot and insurrection. It opens the door to foreign influence and corruption, which finds a facilitated access to the government itself through the channels of party passions. Thus the policy and the will of one country are subjected to the policy and will of another.

There is an opinion that parties in free countries are useful checks upon the administration of the government, and serve to keep alive the spirit of liberty. This within certain limits is probably true; and in governments of a monarchial cast, patriotism may look with indulgence, if not with favor, upon the spirit of party. But in those of the popular character, in governments purely elective, it is a spirit not to be encouraged. From their natural tendency, it is certain there will always be enough of that spirit for every salutary purpose. And there being constant danger of excess, the effort ought to be, by force of public opinion, to mitigate and assuage it. A fire not to be quenched, it demands a uniform vigilance to prevent it bursting into a flame, lest instead of warming, it should consume.

It is important likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding the exercise of the powers of one department, to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of government, a real despotism. A just estimate of that love of power and proneness to abuse it which predominate in the human heart, is sufficient to satisfy us of the truth of this position. The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian

of the public weal against invasions of the others, has been evinced by experiments ancient and modern: some of them in our country and under our own eyes.—To preserve them must be as necessary as to institute them. If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the constitution designates.—But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil, any partial or transient benefit which the use can at any time yield.

Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism, who should labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, where is the security for property, for reputation, for life, if the sense of religious obligation desert the oaths which are the instruments of investigation in courts of justice? and let us with caution indulge the supposition that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect, that national morality can prevail in exclusion of religious principle.

It is substantially true, that virtue or morality is a necessary spring of popular government. The rule, indeed, extends with more or less force to every species of free government. Who that is a sincere friend to it can look with indifference upon attempts to shake the foundation of the fabric?

Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it should be enlightened.

As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense by cultivating peace, but remembering, also, that timely disbursements, to prepare for danger, frequently prevent much greater disbursements to repel it; avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions, in time of peace, to discharge the debts which unavoidable wars may have occasioned, not ungenerously throwing upon posterity the burden which we ourselves ought to bear. The execution of these maxims belongs to your representatives, but it is necessary that public opinion should co-operate. To facilitate to them the performance of their duty, it is essential that you should practically bear in mind, that towards the payment of debts there must be revenue; that to have revenue there must be taxes; that no taxes can be devised which are not more or less inconvenient and unpleasant; that the intrinsic embarrassment inseparable from the selection of the proper object (which is always a choice of difficulties,) ought to be a decisive motive for a candid construction of the conduct of the government in making it, and for a spirit of acquiescence in the measures for obtaining revenue, which the public exigencies may at any time dictate.

Observe good faith and justice towards all nations; cultivate peace and harmony with all. Religion and morality enjoin this conduct, and can it be that good policy does not equally enjoin it? It will be worthy of a free, enlightened, and, at no distant period, a great nation, to give to mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence. Who can doubt but, in the course of time and things, the fruits of such a plan would richly repay any temporary advantages which might be lost by a steady adherence to it; can it be

that Providence has not connected the permanent felicity of a nation with its virtue? The experiment, at least, is recommended by every sentiment which ennobles human nature. Alas! is it rendered impossible by its vices?

In the execution of such a plan, nothing is more essential than that permanent, inveterate antipathies against particular nations and passionate attachments for others, should be excluded; and that, in place of them, just and amicable feelings towards all should be cultivated. The nation which indulges towards another an habitual hatred. or an habitual fondness, is in some degree a slave. It is a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its duty and its interest. Antipathy in one nation against another, disposes each more readily to offer insult and injury, to lay hold of slight causes of umbrage, and to be haughty and intractable when accidental or trifling occasions of dispute occur. Hence, frequent collisions, obstinate, envenomed, and bloody contests. The nation, prompted by ill will and resentment. sometimes impels to war the government, contrary to the best calculations of policy. The government sometimes participates in the national propensity, and adopts through passion what reason would reject; at other times, it makes the animosity of the nation subservient to projects of hostility, instigated by pride, ambition, and other sinister and pernicious motives. The peace often, sometimes perhaps the liberty of nations, has been the victim.

So likewise, a passionate attachment of one nation for another produces a variety of evils. Sympathy for the favorite nation, facilitating the illusion of an imaginary common interest, in cases where no real common interest exists, and infusing into one the enmities of the other, betrays the former into a participation in the guarrels and wars of the latter, without adequate inducements or justifications. It leads also to concessions, to the favorite nation, of privileges denied to others, which is apt doubly to injure the nation making the concessions, by unnecessarily parting with what ought to have been retained, and by exciting jealousy, ill will, and a disposition to retaliate in the parties from whom equal privileges are withheld; and it gives to ambitious, corrupted or deluded citizens who devote themselves to the favorite nation, facility to betray or sacrifice the interests of their own country, without odium, sometimes even with popularity; gilding with the appearances of a virtuous sense of obligation, a commendable deference for public opinion, or a laudable zeal for public good, the base or foolish compliances of ambition, corruption, or infatuation.

As avenues to foreign influence in innumerable ways, such attachments are particularly alarming to the truly enlightened and independent patriot. How many opportunities do they afford to tamper with domestic factions, to practice the arts of seduction, to mislead public opinion, to influence or awe the public councils!—Such an attachment of a small or weak towards a great and powerful nation, dooms the former to be the satellite of the latter.

Against the insidious wiles of foreign influence, (I conjure you to believe me fellow citizens), the jealousy of a free people ought to be constantly awake; since history and experience prove, that foreign influence is one of the most baneful foes of republican government. But that jealousy, to be useful, must be impartial, else it becomes the instrument of the very influence to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike for another, cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other. Real patriots, who may resist the intrigues of the favorite, are liable to become suspected and odious; while its tools and dupes usurp the applause and confidence of the people, to surrender their interests.

doubt but, in the course of time and things, the fruits of such a plan would richly repay any temporary advantages which might be lost by a steady adherence to it; can it be with them as little political connection as possible. So far

as we have already formed engagements, let them be fulfilled | public records and other evidences of my conduct must witwith perfect good faith:-Here let us stop.

Europe has a set of primary interests, which to us have none, or a very remote relation. Hence, she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves, by artificial ties, in the ordinary vicissitudes of her politics, or the ordinary combinations and collisions of her friendships or enmities.

Our detached and distant situation invites and enables us to pursue a different course. If we remain one people, under an efficient government, the period is not far off when we may defy material injury from external annoyance; when we may take such an attitude as will cause the neutrality we may at any time resolve upon, to be scrupulously respected: when belligerent nations, under the impossibility of making acquisitions upon us, will not lightly hazard the giving us provocation, when we may choose peace or war, as our interest, guided by justice, shall counsel.

Why forego the advantages of so peculiar a situation? Why quit our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?

It is our true policy to steer clear of permanent alliance with any portion of the foreign world; so far, I mean, as we are now at liberty to do it; for let me not be understood as capable of patronizing infidelity to existing engagements. I hold the maxim no less applicable to public than private affairs, that honesty is always the best policy. I repeat it, therefore, let those engagements be observed in their genuine sense. But in my opinion, it is unnecessary, and would be unwise to extend them.

Taking care always to keep ourselves by suitable establishments, on a respectable defensive posture, we may safely trust to temporary alliances for extraordinary emergencies.

Harmony, and a liberal intercourse with all nations, are recommended by policy, humanity, and interest. But even our commercial policy should hold an equal and impartial hand; neither seeking nor granting exclusive favors or preferences; consulting the natural course of things; diffusing and diversifying by gentle means the streams of commerce, but forcing nothing; establishing with powers so disposed, in order to give trade a stable course, to define the rights of our merchants, and to enable the government to support them, conventional rules of intercourse, the best that present circumstances and mutual opinion will permit, but temporary, and liable to be from time to time abandoned or varied as experience and circumstances shall dictate; constantly keeping in view, that it is folly in one nation to look for disinterested favors from another; that it must pay with a portion of its independence for whatever it may accept under that character; that by such acceptance, it may place itself in the condition of having given equivalents for nominal favors, and yet of being reproached with ingratitude for not giving more. There can be no greater error than to expect, or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard.

In offering to you, my countrymen, these counsels of an old and affectionate friend, I dare not hope they will make the strong and lasting impression I could wish; that they will control the usual current of the passions, or prevent our nation from running the course which has hitherto marked the destiny of nations, but if I may even flatter myself that they may be productive of some partial benefit, some occasional good; that they may now and then recur to moderate the fury of party spirit, to warn against the mischiefs of foreign intrigue, to guard against the impostures of pretended patriotism; this hope will be a full recompense for the solicitude for your welfare by which they have been

How far, in the discharge of my official duties, I have been guided by the principles which have been delineated, the

ness to you and to the world. To myself, the assurance of my own conscience is, that I have, at least, believed myself to be guided by them.

In relation to the still subsisting war in Europe, my proclamation of the 22d of April, 1793, is the index to my plan. Sanctioned by your approving voice, and by that of your representatives in both houses of congress, the spirit of that measure has continually governed me, uninfluenced by any attempts to deter or divert me from it.

After deliberate examination, with the aid of the best lights I could obtain, I was well satisfied that our country, under all the circumstances of the case, had a right to take, and was bound, in duty and interest, to take a neutral position. Having taken it, I determined, as far as should depend upon me, to maintain it with moderation, perseverance and firmness.

The considerations which respect the right to hold this conduct, it is not necessary on this occasion to detail. I will only observe that, according to my understanding of the matter, that right, so far from being denied by any of the belligerent powers, has been virtually admitted by all.

The duty of holding a neutral conduct may be inferred, without any thing more, from the obligation which justice and humanity impose on every nation, in cases in which it is free to act, to maintain inviolate the relations of peace and amity towards other nations.

The inducements of interest for observing that conduct will best be referred to your own reflections and experience. With me, a predominant motive has been to endeavor to gain time to our country to settle and mature its yet recent institutions, and to progress, without interruption, to that degree of strength, and consistency which is necessary to give it, humanly speaking, the command of its own fortunes.

Though in reviewing the incidents of my administration, I am unconscious of intentional error, I am nevertheless too sensible of my defects not to think it probable that I may have committed many errors. Whatever they may be, I fervently beseech the Almighty to avert or mitigate the evils to which they may tend. I shall also carry with me the hope that my country will never cease to view them with indulgence; and that, after 45 years of my life dedicated to its service, with an upright zeal, the faults of incompetent abilities will be consigned to oblivion, as myself must soon be to the mansions of rest.

Relying on its kindness in this as in other things, and actuated by that fervent love towards it, which is so natural to a man who views in it the native soil of himself and his progenitors for several generations; I anticipate with pleasing expectation that retreat in which I promise myself to realize, without alloy, the sweet enjoyment of partaking, in the midst of my fellow citizens, the benign influence of good laws under a free government—the ever favorite object of my heart, and the happy reward, as I trust, of our mutual cares, labors and dangers.

GEO. WASHINGTON.

UNITED STATES, 17th September, 1796.

# "FAREWELL TO WASHINGTON"

Mr. ROBINSON obtained the floor.

Mr. BORAH and Mr. BARBOUR addressed the Chair.

The VICE PRESIDENT. Does the Senator from Arkansas yield; and if so, to whom?

Mr. ROBINSON. I yield to the Senator from Idaho. Mr. BARBOUR. Will the Senator from Idaho permit me to present a request for unanimous consent?

Mr. BORAH. Certainly.

Mr. BARBOUR. Mr. President, I request that the article by David Lawrence, entitled "Farewell to Washington", which appeared in the United States News of February 18. 1935, be printed in the RECORD at the conclusion of Washington's Farewell Address, which has just been read by the senior Senator from Vermont [Mr. Austin].

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the United States News, Feb. 18, 1935]

"FAREWELL TO WASHINGTON"-THE IGNOBLE CHANT OF THOSE WHO WE HAVE OUTLIVED THE CONSTITUTION IS HEARD ONCE MORE AS CONGRESS CONSIDERS LEGISLATION PLAINLY IN VIOLATION OF CONSTITUTIONAL PRINCIPLES AND PRECEDENTS—A CALL FOR STATES-

#### By David Lawrence

To the Spirit of George Washington:

Within a few days—on your birthday anniversary—Members of the Seventy-fourth Congress will assemble to listen to the reading

of your Farewell Address.

The meeting will be perfunctory. And your solemn words which once thrilled the hearts of our people and stirred throughout the world an unstinted measure of devotion will pass into the echoes of the Capitol as merely the plea of a bygone age too far removed from our lives to be meaningful, too remote from our present-day experiences to be pertinent to our welfers. experiences to be pertinent to our welfare.

For there have arisen voices which now challenge the truth

indeed, the wisdom—of what you warned us in parting.

These voices, in no conscious antipathy to patriotism but in the mistaken ardor of a new design for living, would brush aside the tenets of the advice you so wisely imparted to your countrymen as the shadows of mortal life lengthened around you.

Yours was then no partisan zeal. You did not speak the language of ambition nor betray the lust of power. You had won all the glory that mankind could bestow.

#### RECIPROCAL CHECKS IN OUR GOVERNMENT

From the depths of a heart which had known the sacrifices of From the depths of a heart which had known the sacrinces of Valley Forge and the bitter sting of ungrateful contemporaries, as you sought to steer clear of entanglements abroad, came words of caution, oft quoted only with respect to foreign relations.

Your appeal for the perpetuation of the Constitution and the great principles of fairness and equity which it embodied was directed even more to those at home who might some day seek to alter and underwine if not to destroy our form of government.

alter and undermine, if not to destroy, our form of government.

With prophetic insight, you penned these immortal lines:

"It is important that the habits of thinking in a free country should inspire caution in those intrusted with its administration to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department to encroach upon another.

"The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of government, a real despotism.

"A just estimate of that love of power and proneness to abuse it which predominate in the human heart is sufficient to satisfy us of the truth of this position.

The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasions of the others, has been evinced by experiments, ancient and modern; some of them in our own country and under our own eyes.

"To preserve them must be as necessary as to institute them.

"If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the Constitutional powers in the way which the constitutions are constitutional powers."

tion designates.

"But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed.

"The precedent must always greatly overbalance in permanent evil any partial or transient benefit which the use can at any time yield."

# USURPATIONS IMPERIL OUR LIBERTIES

You told us also to "cherish public credit" and observed that "one method of preserving it is to use it as sparingly as possible." You warned us, too, that one scheme of assault upon our Government might be "to effect, in the forms of the Constitution, alterations which will impair the energy of the system; and thus to undermine what cannot be directly overthrown."

You bade us remember that in all the changes to which we might be invited "time and habits are at least as necessary to fix the true character of governments as of other human institutions—that experience is the surest standard by which to test the real tendency of the existing constitution of a country."

You did not besitate to declare that liberty itself would find in

You did not hesitate to declare that liberty itself would find in a government such as ours, with powers properly distributed and adjusted, its "surest guardian", and you did not fail to include in your definition of liberty "the rights of person and property."

#### COUNSEL FROM RIPE LESSONS OF EXPERIENCE

Only 138 years have passed since your Farewell Address was delivered. Reckoned in the broad spans of time, in the long life of nations, in the centuries of human history, we are still a youthful people.

Your estimate of the perils faced by democracy was no empty choice of words as to the future. You knew then the battles which had been fought by English-speaking peoples for the cause of human freedom. To you Magna Carta was not the shibboleth of a doddering old deal nor the feeble protest of a selfish group of money changers.

Tyranny was as femiliar to you and your forebears as it was in the earlier epochs that gave birth to Christian civilization. The Revolution, which you and your colleagues fought to victory, was a crusade of principle against caprice, freedom above despotism, and individual right of the many above the dictatorship of the

Principles of right and wrong were in your day as deeply ingrained in the minds of men as when eloquently proclaimed in the ancient democracies which first gave us the light of fundamental knowledge.

But somehow today there has come over our land a strange

We are told that to speak of liberty is to prate of a meaning-less patriotism brought forth only to mask the cruelties of those who would hide their own exploitations behind the phrases of Fourth of July orations.

#### RELIGION, TOO, A VICTIM OF CYNICISM

If this were but a single manifestation of disregard for old forms of government, for traditions of a constitutionalism supposedly obsolete, we might be disposed to mistrust our own fidelity to things old-fashioned and accept these innovations as the spirit of a new day, of a new era, of a new deal in the application of our governmental mechanism to this vast terrain and huge population which we now embrace in the 48 States.

But, unfortunately, the same cynicism brushes aside morality and religion, too. You wrote in your Farewell Address that of all the dispositions and habits which lead to prosperity, "religion and morality are indispensable supports." To quote from your

"Let it simply be asked where is the security for property, for reputation, for life, if the sense of religious obligation desert the oaths which are the instruments of investigation in courts of

justice?
"And let us with caution indulge the supposition that morality

and let us with caution induige the supposition that morality can be maintained without religion.

"Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect that national morality can prevail in exclusion of religious principle."

#### PASSING YEARS CANNOT DULL VITAL IDEALS

With us there has been, of course, no church interwoven with With us there has been, of course, no church interwoven with the State, but we have, in generations past, exalted religion as the inspiration of human behavior. Abroad in these very times, however, the contempt for religion grows apace as Russia and Germany have struck down the rights of the churches to teach their own ways of allegiance to the God of their fathers. In our own country there is a calloused indifference to religious principle as the fruits of man's toll are wantonly appropriated in orgies of waste and destruction. waste and destruction.

But, you were living 138 years ago.

We are constantly being reminded of the distance between you and us and of the transformations which invention and the genius of creative minds have wrought in even this relatively short period of world history.

The are, to be sure, some among us who see clearly that time and distance are merely physical factors measuring, perhaps, the intensity of human action or reaction, but erasing none of the qualities of character and fair dealing which your Farewell Address bequeathed to us as the immutable principles of American constitutionalism.

The messes of our people have a second among the principles of the process of our people have a second principle.

The masses of our people, however, are at the moment the prey of demagogues whose voices ring in our ears.

Having sent to Congress men pledged by oath to support the Constitution and to remain faithful to the trust imposed in them, bewildered democracy awaits the inevitable hour of courageous statesmanship.

But, alas, we have no independent Congress. We have, in the parlance of the day, a group of rubber-stamp Senators and Representatives, who, in the interest of political submissiveness, refuse to accept the real responsibilities of legislation.

# LET CONGRESS LEGISLATE, NOT ABDICATE

This may seem like a harsh condemnation, and there are, of course, notable exceptions in both Houses, but this comment is born, nevertheless, of a deep-seated fear that only blunt words of truth will awaken among our people such sensibility to danger as may impel them to issue to their chosen representatives a mandate to legislate and not abdicate.

The insidious doctrine, made famous by Machiavelli, that the end justifies the means has wrecked our governmental customs, laws, and traditions by artifice and subterfuge, as well as by political preferment and spoliation. These excursions into the realm of political expediency have brought us usurpation after usurpation,

political expediency have brought us usurpation after usurpation, the mixing of administrative and judicial processes, and the piling up of orders and rules without hearing or trial.

We have witnessed the alarming growth of the idea that it is the proper function of the legislative and executive branches of the Government to conspire to evade the Constitution, leaving it wholly to the slow-moving processes of judicial determination to correct these wrongs, albeit such abuses are not remediable and the damage in the interim is incalculable.

No greater betrayal of public trust can be imagined than the passage under the guise of evolution of an act known to be in violation of the precedents and principles of American constitutionalism. Nor are such steps any more justified because of the ill-conceived notion that in an emergency there is but one course of action or that wisdom in public policy is finite.

DEMAGOGUES DO NOT SPEAK FOR THE PEOPLE

The American people cannot long be misled by impassioned appeals to bias and prejudice nor drawn far by the promises of a synthetic prosperity through the tempting wiles of a fascinating empiricism. In moments of calm reflection some day they will visit their wrath upon all who will have betrayed them.

We shall witness, in the meantime unfortunately, the fulfillment of your warnings as the scheming groups among us seek to undermine that which they dare not overthrow.

These would-be reformers make no secret of their desire to say

mine that which they dare not overthrow.

These would-be reformers make no secret of their desire to say farewell to Washington, farewell to nineteenth century liberalism, farewell to laissez faire and rugged individualism, terms and epithets invented primarily to camouflage a crass contempt for the American principles laid down by the fathers of this Republic.

But even as we hear the farewell to Washington chanted with ignoble hypocrisy in the name of a people presumably emancipated from the voke of a system of profits or losses, presumably freed from the witchcraft of business infidels who worship Mammon alone, there seems to come to us a faith that militant leaders will arise once more in America.

We shall dealers our independence of the disciples of chaos

We shall declare our independence of the disciples of chaos and enlist again in the cause of freedom.

We shall pledge anew our lives, our fortunes, and our sacred honor to uphold the principles of your Farewell Address against all who would use government, its powers and its privileges, to break down our currency, to bring hardship to the employed, to withhold succor from the unemployed; in short, against those would-be spokesmen for the common man who are in fact his most dangerous enemies—the arch foes of our national welfare and of the Republic you once endowed with the spirit of undying

#### GEORGE WASHINGTON'S FOREIGN POLICY

Mr. BORAH. Mr. President, I wish to occupy the time of the Senate briefly upon a matter which seems to me peculiarly pertinent to the occasion of the reading of Washington's Farewell Address. I ask that the clerk read the editorial, which I send to the desk.

The VICE PRESIDENT. The clerk will read, as requested. The legislative clerk read as follows:

[From the Washington Post, Friday, Jan. 12, 1934]

QUOTATIONS FROM WASHINGTON

It is perhaps too much to hope that some day an advocate of isolation will embroider the theme in public without using as his text that historic passage from Washington's Farewell Address: "The great rule of conduct for us in regard to foreign nations is,

"The great rule of conduct for us in regard to foreign nations is, in extending our commercial relations, to have with them as little political connection as possible."

And it is also perhaps too much to hope that some day a speaker on this theme will arise with sufficient intellectual honesty—and knowledge of Washington's political philosophy—to cap the above quotation with another from the writings of our first President. Certainly it is equally worth recalling that Washington foresaw a future "when, our institutions being firmly consolidated and working with complete success, we might safely and perhaps beneficially take part in the consultations held by foreign states for the advantage of the nations."

Senator Boyan in his trenchant speech to the Council on Foreign

Senator Borah, in his trenchant speech to the Council on Foreign Relations last Monday night, spoke as though the foreign policy which was judicious in the eighteenth century must by that token be the judicious policy today. It is useful to recall that, judging by his published writings, Washington himself would have denied any such static concept, so contradictory to the dynamic character of a changing civilization.

Mr. BORAH. Mr. President, when I read that impressive editorial I concluded that the Post had been imposed upon or in some way misled. In my brief readings with reference to Washington and his policies I had never happened to come across the second alleged quotation found in the editorial. I felt that the editorial contained either something startlingly new or something startlingly false. I immediately began an investigation, which I have continued from time to time during the last year, to find when and where Washington used the language attributed to him in the second quotation found in the editorial.

I first took the matter up with the Legislative Reference Service, which made a thorough investigation of the matter and reported to me under date of January 15, 1934:

I am obliged to report that we have not found this in Washington's writings.

I ask that the letter from the Legislative Reference Service be published in full in the RECORD.

The VICE PRESIDENT. Is there objection?

Then, being no objection, the letter was ordered to be printed in the RECORD, as follows:

LIBRARY OF CONGRESS Washington, January 15, 1934.

Hon. WILLIAM E. BORAH,

Hon. William E. Borah,

United States Senate, Washington, D. C.

Dear Senators: In response to your telephone request of January 12 for the source of the second quotation in the editorial of the Washington Post for Friday, January 12, under the caption "Quotations from Washington", I am obliged to report that we have not found this in Washington's Writings. We find the quotation used by George H. Blakeslee in his Recent Foreign Policy of the United States, New York, 1925, on page 20, but in crediting the authorship to Washington, Blakeslee does not give any reference to any one of his papers.

We have made a search through the most likely parts of Washington's Writings but fail to find it. We have also called in the assistance of Mr. Fitzpatrick, the editor of the new complete edition of Washington's Writings. He did not recognize it and said that it would probably take a careful reading of all of his published writings to demonstrate that he either did or did not say or write it.

There is one other possibility and that is a letter addressed to Prof. George H. Blakeslee and ask him in what one of Washington's writings the quotation was found. If you care to have me do this, I shall be glad to undertake it at a word from you.

Very respectfully,

H. H. B. MEYER, Director Legislative Reference Service.

Mr. BORAH. It will be noted that the Legislative Reference Service refers to a book published by Prof. George H. Blakeslee on foreign affairs, which it was thought might afford some information upon the subject. Examination of that volume disclosed this quotation:

Washington at least regarded the policy of isolation as partially a temporary one; he looked forward to the time when the United States would meet with other nations to consider world affairs. He spoke of the future, "when, our institutions being firmly consolidated and working with complete success, we might safely and perhaps beneficially take part in the consultations held by foreign States for the advantage of the nations."

Correspondence with Professor Blakeslee disclosed that the professor did not know whence this quotation came. I ask to have incorporated in the RECORD a letter from Professor Blakeslee under date of January 24, 1934.

The VICE PRESIDENT. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> CLARK UNIVERSITY Worcester, Mass., January 24, 1934.

Mr. H. H. B. MEYER,

Director Legislative Reference Service,

Library of Congress, Washington, D. C.

My Dear Mr. Meyer: The quotation to which you refer in your letter of the 16th was not taken directly from Washington's works, but from an article which placed in quotation marks the words I attributed to Washington, and stated that Washington used them in 1792 in some communication to Congress.

You may find the quotation in Horace M. Kallen, The League of Nations and American Foreign Policy, in the Journal of Interna-

Nations and American Foreign Policy, in the Journal of International Relations (vol. 12, no. 2, October 1921, p. 276).

I should be interested to know if Dr. Kallen was incorrect in

his quotation.

Sincerely yours,

G. H. BLAKESLEE.

Mr. BORAH. In the letter of Professor Blakeslee is a reference to Horace M. Kallen, who is the author of an article appearing in the Journal of International Relations, volume 12, no. 2, October 1921, at page 276. Examination of that article disclosed the following, speaking of Washington:

And, finally, he recognized that the time would come when we should be able to hold our own and to participate in the politics of the world, "when, our institutions being firmly consolidated and working with complete success, we might safely and perhaps beneficially take part in the consultations held by foreign states for the advantage of the nations." Indeed, some competent students have shown ample evidence for holding that both Washington and Jefferson urged not isolation in itself but freedom from entanglement in purely European matters, so that the United States might be the more free to intervene in matters of world interest and general justice to humanity.

A correspondence followed with Professor Kallen, and the professor did not know whence this quotation came. He was unable apparently to get any information upon the subject. I ask that the letter from his secretary upon that subject be incorporated in the RECORD.

The VICE PRESIDENT. Is there objection?

There being no objection, the letter was ordered to be clumsy, impudent forgery. It carries the brand of criminal printed in the RECORD, as follows:

> THE NEW SCHOOL FOR SOCIAL RESEARCH New York, February 28, 1934.

Mr. H. H. B. MEYER

Director Legislative Reference Service,
Library of Congress, Washington, D. C.

DEAR MR. MEYER: I must apologize for delaying so long in replying to your letter of February 2 to Dr. Kallen.

Complete files of Dr. Kallen's work in 1921 are not available. We complete files of Dr. Kallen's work in 1921 are not available. We have on hand no copy of the article to which you refer, and Dr. Kallen does not remember it. The secretary who assisted him at that time is no longer in his employ. There is, of course, some possibility that she quoted incorrectly. I have myself looked through such of Washington's works as are available, and have been unable to find that passage.

to find that passage.

I regret that I am unable to furnish the information you request. Thank you for so courteously calling it to our attention.

Yours very truly,

MADLYN MILLER, Secretary.

Mr. BORAH. Mr. President, I was not investigating so much with a view of ascertaining whether this was a part of the writings of Washington as to ascertain, if I could, who was the author of it. I had formed the opinion immediately upon reading the editorial that George Washington had never uttered any such view, but I was anxious to find the authorship, if possible. I wrote to a number of distinguished educators and historians, people whom I thought would have some knowledge upon the subject, and while I do not propose to incorporate all their letters in the RECORD. the answer was one and the same. No one knew of the quotation or whence it came after it was discovered in Professor Kallen's article.

Finally, I addressed a letter to the secretary of the American Historical Association under date December 28, 1934. I ask that the letter be incorporated in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The letter is as follows:

DECEMBER 28, 1934.

Secretary American Historical Society,
The Mayflower Hotel, Washington, D. C.
DEAR MR. READ: The followinging quotation has been attributed to George Washington by different writers, editorially and other-

working with complete success, we might safely and perhaps beneficially take part in the consultations held by foreign states for the advantage of the nations."

I have made every effort to ascertain when, or if at all, Washington made any such statement. I have been unable to find this, or anything similar to it. I have also consulted numerous people whom I thought would likely know where this quotation could be found in Washington's writings. I have received no information

on the subject from any source.

It occurred to me that you, or someone connected with the historical association, might be able to advise me whether this is correctly attributed to Washington, and if so, when and where the statement was made and where it may be found in his works. I am very anxious, as a matter of historical truth, to know, first, whether any such statement was ever made by Washington;

and, secondly, where it may be found.

Thanking you in advance for your kindness in giving me such information as you may, I am,

Most respectfully,

(Signed) WM. E. BORAH.

Mr. BORAH. Under date of February 16, 1935, I received an answer to that letter from the American Historical Association, which I ask to have read.

The VICE PRESIDENT. The clerk will read as requested. The legislative clerk read as follows:

> AMERICAN HISTORICAL ASSOCIATION. Washington, D. C., February 16, 1935.

Senator WILLIAM E. BORAH,

Washington, D. C.
DEAR SENATOR BORAH: I have made careful investigation through various scholars as to the quotation which you submitted at the time of the meeting of the American Historical Association. I can find no warrant for the statement which you quote in your letter of December 28. I think I may confidently state that Washington never said what he is therein assumed to have said.

Yours sincerely.

DEXTER PERKINS, Secretary.

Mr. BORAH. It is clear to me, Mr. President, that this statement attributed to George Washington is a crude, 1

falsehood upon its face. In style, in manner of expression, in substance, and in thought it is manifestly a weak but vicious

Even had Washington entertained such an opinion he would not have expressed it in such feeble and impotent terms.

It was forged for a purpose; that purpose was to plant in our historic literature a view contrary to all views expressed and opinions entertained by the Father of our Country.

'76 AND '36

Mr. SCHALL. Mr. President, I have gone over the measures of national welfare, including the financial operations, of the administration of George Washington, the American statesman whose birthday we celebrate as that of "The Father of his Country."

He was the presiding head of that new deal which is ever new-the cause of American freedom, which is expressed in the Constitution of 1787 by the convention over which he presided.

He was the presiding head of that first administration, which was the first administration under the Constitution of the United States.

There were some outstanding features of that administration, though it had no "brain trust" of assistant professors to guide its steps, which are well worth the prayerful consideration and even the emulation of the present day and generation, including the Seventy-fourth Congress.

I am not bringing up the achievements of that first administration simply for the purpose of invoking an odious comparison. Indeed, if the comparison is odious, it is not my fault, but the fault of history, and more particularly the fault of those who by their public actions and declarations make the comparison odious.

It will certainly do no harm to anyone today to know that there were statesmen in those days, notwithstanding the dearth of professors to make "brain trusts." George Washington picked a Cabinet-Jefferson, Hamilton, Randolph, Pickering, Osgood, Wolcott, Knox, Lee-of practical patriots who had brains enough to run the Government without tutors from New York colleges. If we do not dare to take that risk today, it is certainly not the fault of George Washington, nor of the people of the United States.

One of the outstanding features of those days was the usual absence of Treasury deficits. The first four Presidents-Washington, Adams, Jefferson, and Madison-found no particular necessity or virtue in deficits in time of peace. In the 24 years from the first inauguration of Washington down to the War of 1812, there were only 5 years with small deficits, while the general rule was a Treasury surplus. In the occasional year that showed a deficit, the amount of it seldom reached one-third of the amount of ordinary receipts. It is only under the new deal of this latter day—the latter day saints of the "brain trust"—that the deficit equals 100 percent of the ordinary receipts, and the United States Chamber of Commerce voicing 1,500 major companies demanding of the Government a two billion slash on the ground that-

All experience proves that there must be an end sooner or later to government deficits.

Washington had three small deficits in the first 8 years of the United States Government.

Adams had one deficit in 4 years.

Thomas Jefferson had no deficits in 8 years. His was the first administration that bore the name "Republican", though also Jefferson has been called a Democrat until disowned by the new deal. Under the new deal of today Jefferson would be known as a "Tory" in speeches from the White House. That is because the administration has become federalist, while the Jeffersonians, whether they may call themselves Republicans or Democrats, are in principle anti-Federalists today as 130 years ago.

Washington had few deficits and no emergency. Jefferson had no deficits and no emergency. Yet they are known to the American people and to history as patriots and statesmen. Their new deal was Americanism. Their new deal was based upon the Declaration of Independence, the Constitution, and the Bill of Rights. It was not only a fair deal, a sound deal based upon common sense and common honesty, but it was popular both here and abroad.

It brought to this country the free man and freedomloving immigrants of the world.

It inspired the confidence and faith of the American people, both labor and capital, farmers and home builders.

It inspired the organization of 10 neighboring South American republics—all based on the American Constitution and the Bill of Rights.

Washington and the early Presidents succeeding him, I repeat, had few deficits, and those only nominal; and they had no foreign entanglements and no emergency. They had no need, no urge, they had no political ambition requiring an emergency to put it over. They had no motive or purpose to evade the Constitution. They believed in the Constitution and the Bill of Rights. They needed no emergency as a pretext for eyading or suspending the Constitution. Hence they planned no emergency.

In the nature of the case, an emergency, if it is going to fool all the people or most of the people very long, must

be a well-planned emergency.

Likewise, in the nature of the case, an emergency that can be forecast a year or more or 2 years ahead—as in the case of the 1936 emergency, for which we are asked to vote the four-billion lump subject to the allocation of the Executive—is a planned emergency that is to be maintained by the continuance of the N. R. A. to crack down industry, and the A. A. A. to plow under the crops, kill the pigs, and otherwise destroy the productive income of the United States.

George Washington had no planned emergency, and therefore no emergency. Thomas Jefferson had no planned emergency, and therefore no emergency. The Adamses had no emergency except that of the Presidential election which eliminated them from the White House. It seems that both of the Adamses needed a few millions subject to the allocation of the Executive to afford the work relief needed to hold their political jobs. They needed at least a four-million lump.

In the days of George Washington the total ordinary receipts of the Federal Government were around \$4,000,000, or one-tenth of 1 percent of the annual regular expenditures of the Federal Government today.

Let us suppose that George Washington, when the Second Congress of his new deal convened in 1791, had gone before Congress with a message to this effect:

Gentlemen, I see no vast need of relief this year, which can be taken care of with an appropriation of, say, \$800,000. But I foresee that next year, which happens to be Presidential election year, we shall need five times that amount, or \$4,000,000, for emergency in addition to the usual \$4,000,000 to run the Government. Therefore, I demand that in addition to the regular cost of government you appropriate \$4,000,000 in one sum subject to the allocation of the Executive.

Suppose, I say, George Washington had gone before the Second Congress of our American new deal, something over a year ahead of the 1792 election, and made that demand—that Congress abrogate its constitutional power over appropriations, abdicate its powers under article I, ignore its sworn duty to uphold the Constitution, and vote a four-million lump subject to the allocation of the Executive. Would the people of the United States during the past 100 years have been celebrating the birthday of Washington as the Father of our Country?

Would we be here today reading Washington's Farewell Address?

Would we be here extolling Washington as the Father of our Country or as the father of a Tammany Hall system of irresponsible finance applied to Federal Government?

Would the admiring people of the United States have built here in their Capital City a Washington Monument 555 feet high? No. More likely they would have dug here a Washington grave 555 feet deep.

It is doubtful if Washington ever would have been reelected. More likely, Washington and his four-million lump

would have expired with one term, and either Hamilton, Adams, Randolph, or Jefferson would have been given Washington's second term in the White House.

Washington had the backbone, the brains, the statesmanship to resist all temptation to squander public funds to build up a powerful centralized government. Indeed, he had the character and foresight to refuse a third term, which might well have drifted into a Federal dictatorship or monarchy, and thereby have wrecked the Republic. He had too much regard for the future of his country to wreck it upon the rocks of financial irresponsibility.

The same is true of Washington's successors—Jefferson, Madison, Monroe, and the Adamses. They believed in government economically administered, with the least burden upon productive industry. They builded for all time—not for

a momentary hullabaloo.

In the year 1800 the total ordinary Government disbursements were only \$2.04 per capita. Today, besides nearly \$40 per capita for the ordinary expenditures of government, we are asked to appropriate a four-billion lump subject to the allocation of the Executive, to meet the emergency of 1936. That is to say, on top of the \$40 per capita to meet the actual cost of government, we must give the chief candidate a sum equal to \$100 per voter for each of the 40,000,000 voters of the United States, subject to the allocation of the Executive candidate.

Had George Washington made such a demand upon the Second Congress, the result might well have been an impeachment trial instead of a rubber-stamp acquiescence.

Of course, Alexander Hamilton, as Secretary of the Treasury, was not made according to the financial specifications of Henry Morgenthau, Jr. Had such an unthinkable demand come from Washington, what would have happened? Hamilton would have resigned promptly and declared his candidacy for the Presidency on the issue of saving the country's financial future.

It will be noted that under Washington's immediate successors in the White House the public interest-bearing debt of the United States was reduced from \$15.63 per capita in July 1800 to \$7.34 in 1810. The early fathers believed in reducing the public debt and reducing the interest burden on taxpayers, producers, and consumers.

Today, under a new deal which, it eventually begins to appear, knows neither financial stability nor the interests of industry and seems to care nothing for public faith and confidence, the present interest-bearing debt of \$28,000,000,000 amounts to \$230 per capita; and if we go to the limit of the \$35,000,000,000 named in the bill passed here a few days ago, the debt will stand at nearly \$300 per capita, or 40 times the per capita debt of this Republic in the days when Republican-Democrats were true to their oaths to support the Constitution.

From the inauguration of Washington down to Madison, just before the War of 1812, the annual interest on the public debt averaged around \$3,000,000, or less than one-third the average annual revenue collections from customs dues. From \$3,490,000 in 1794, the interest burden dropped to \$2,465,000 in 1811—a reduction of one-third in yearly interest, because of the determination of the first four Presidents to maintain the credit of the United States and keep down the tax burden on productive industry for the support of labor.

In the present fiscal year of 1935 the interest on our public debt exceeds the total revenue receipts from income taxes. It not only imperils public credit and destroys financial confidence in the Government, but it stands like the Leaning Tower of Pisa as a threat to industrial enterprise.

This interest burden—estimated in the President's Budget at \$835,000,000 for 1935 and \$875,000,000 for 1936—amounts to \$28 per family on the 30,000,000 families that eventually pay it in increased living costs.

In 1810 the entire interest-bearing debt was only \$7.34 per capita, and the interest thereon was only a few cents per capita.

In 1840 the public debt itself was only 21 cents per capita, and the interest burden per capita could be paid with one of those big 2-cent coppers.

From the time of Washington to that of Lincoln, and thence on through the administration of Theodore Roosevelt down to Wilson, before the World War, no chamber of commerce was found in this country voicing the demands of business to slash Government outlays two billions, and no warning was given that the Budget must be balanced to save business, which employs labor.

However much I may differ from the distinguished Senator from Kentucky [Mr. Logan] on some national questions. such as the tariff, I am in hearty accord with his observation in this Chamber on Tuesday, February 19, when he declared, in discussing this four billion lump joint resolution:

We are taking from those people in the United States who employ labor, and we must look to them to employ labor.

The Government itself has no money. All it does is to collect or borrow from those who engage in productive industries by the employment of labor. Taking from productive industry takes from the wages of productive labor. The politician robs Peter to pay Paul. However it may benefit or gratify the ambition of the politician, it is hard on both Peter and Paul, because both are eventual losers, and the entire body economic and politic suffers waste and demoralization by the bold experiment with its lives, liberty, and property.

If there ever was a time when Democrats and Republicans and Progressives should get together to save their country from brain trust experiments in government and honor the Father of his Country by real service in the cause of the Republic, instead of by mere lip service, that time has now arrived in this the first session of the Seventy-fourth Congress; and there is no parliamentary body on earth in which this mission of statesmanship can be so fittingly begun as in the Senate of the United States.

It was once well said:

If ve love me, keep my commandments.

Let us keep the commandments of George Washington.

#### MIGRATORY BIRD CONSERVATION COMMISSION

The VICE PRESIDENT. In accordance with the provisions of title 16, chapter 7a, section 715a, United States Code, the Chair reappoints the Senator from Nevada [Mr. PITTMAN] a member of the Migratory Bird Conservation Commission.

# SPECIAL COMMITTEE ON CONSERVATION OF WILDLIFE RESOURCES

The VICE PRESIDENT. The Chair reappoints the Senator from Nevada [Mr. PITTMAN] and the Senator from Virginia [Mr. Byrd] as members of the Special Committee on Conservation of Wildlife Resources, created by Senate Resolution 246, Seventy-first Congress, and continuing resolution, and Senate Resolution 96, Seventy-third Congress, and appoints the Senator from Maine [Mr. WHITE] a member of the committee, to fill the vacancy caused by the expiration of the term of service of Hon. Frederic C. Walcott.

#### PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint memorial of the Legislature of the State of Colorado, which was referred to the Committee on the Judiciary:

#### Senate Joint Memorial 2

Whereas there has been introduced in the Congress of the United States a bill known as the "Costigan-Wagner antilynching bill";

Whereas one of the greatest blots on the escutcheon of the several States and the fair name of our country as a whole is the evil of lynching and the unrestrained activities of such lawless mobs; and

Whereas among the victims of these atrocities have been not only men but women and children; some 5,068 lynchings having disgraced our country since 1882, 15 of which occurred in the year 1934: and

Whereas the governments of the several States have been unable to cope successfully with the continuous uprising of mob law in that respect: Now, therefore, be it

Resolved by the senate of the thirtieth general assembly (the house of representatives concurring herein). That the Congress of the United States is hereby respectfully memorialized and urged to enact the said Costigan-Wagner antilynching bill into

RAY H. TALBOT, President of Senate. M. J. WALSH, Secretary of Senate. Moses E. Smith, Speaker of House of Representatives.

JOHN T. DOYLE,

Chief Clerk.

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of the State of Colorado, which was referred to the Committee on Finance:

#### Senate Joint Memorial 3

A joint memorial memorializing Congress of the United States of America to eliminate the taxation of gasoline by the Federal

Whereas the Congress of the United States of America has imposed a tax upon all sales of gasoline; and ,
Whereas the State of Colorado and all other several States of the United States have already imposed taxes upon such sales; and Whereas the Federal tax on such sales is untimely and prohibitive and, coupled with the respective State taxes on such sales, places a burden upon the users of gasoline beyond that which they should carry and beyond that which the traffic can legitimately bear; and

bear; and
Whereas the taxation of sales of gasoline should properly be left
to the exclusive use of the States as a means of providing funds for
road construction and maintenance: Now, therefore, be it
Resolved by the Senate of the State of Colorado (the house of
representatives concurring therein), That the Congress of the
United States be, and it is hereby, respectfully memorialized to
enact with all convenient speed such legislation as may be necessary
to abolish the Federal gasoline sales tax and to surrender to the
States exclusively the power to tax such sales in the future; and States exclusively the power to tax such sales in the future; and be it further

be it further

Resolved, That a copy of this resolution be transmitted to the President of the United States, the Clerk of the House of Representatives, the Secretary of the United States Senate, and to each Member of Congress elected from the State of Colorado, and that the latter be urged to use their best offices to procure the enactment of such legislation as will accomplish the purpose of this memorial.

RAY H. TALBOT,

President of Senate.

President of Senate. M. J. Walsh, M. J. WALSH,
Secretary of Senate.
Moses E. Smith,
Speaker of House of Representatives.
John T. Doyle,
Chief Clerk.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of New York, which was referred to the Committee on Territories and Insular Affairs:

STATE OF NEW YORK,

IN ASSEMBLY,
Albany, January 28, 1935.
Whereas the people of Puerto Rico, as citizens of the United Whereas the people of Puerto Rico, as citizens of the United States of America, have shown that they are capable and able to manage and conduct their own local government; and Whereas it is the traditional policy of our constitutional form of government to leave in the hands of community, State, or Territory all matters of local government; and Whereas there is no just reason why an exception to the rule should be made, insofar as the people of Puerto Rico are concerned:

cerned;

Resolved (if the senate concur), That it is the sense of this legislature that Congress should enact the necessary laws to extend to the people of Puerto Rico complete and full local self-government and to permit the people of Puerto Rico to elect their own Governor and other local officers.

Resolved (if the senate concur), That a copy of this resolution be transmitted forthwith to the Secretary of the Senate, and the Clerk of the House of Representatives and to each Member of the Congress at Washington.

By order of the assembly.

By order of the assembly.

HOMER W. STOREY, Clerk.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Pennsylvania, which was referred to the Committee on

IN THE HOUSE OF REPRESENTATIVES,

January 21, 1935.

Whereas in many cases boats on rivers are operated in open competition with railroad transportation; and

Whereas boats so operated are not compelled to maintain rights-of-way in the manner required of railroads, and as a consequence can offer lower rates for transportation; and

Whereas the belief prevails that river transportation is not subjected to a burden of Federal and State taxation equal to that imposed on railroads; and

Whereas railroad transportation is essential to the development of the commerce and business of the United States; and

Whereas river transportation is in most instances a matter of

interstate commerce over which the Federal Government has control: Therefore be it

Resolved (if the senate concur), That the general assembly memorialize Congress of the United States to enact legislation which will equile the hardwhich will equalize the burden of taxation between river and railroad transportation, in order to enable railroads to secure a fair share of the business.

Resolved, That a copy of this resolution be forwarded by the chief clerk of the house of representatives to the President of the Senate and Speaker of the House of Representatives of the United

States.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Finance:

STATE OF WISCONSIN.

Joint resolution relating to a protective tariff on agricultural products

Whereas the national administration and the Congress, while

whereas the national administration and the Congress, while pretending to help the American farmer, have, on the contrary, neglected him by leaving the American home market wide open to the importation of foreign agricultural products; and Whereas cheese comes in from Europe, butter from New Zealand, rye from Europe, oats from Canada and South America, vegetable oils from the Philippines, barley and barley malt from a dozen countries in tremendous quantities, especially from Canada—all in competition with the products of American farms, which is strong evidence that the farmers of foreign countries are better represented at Washington and are more the concern of the administra-

evidence that the farmers of foreign countries are better represented at Washington and are more the concern of the administration than are the farmers of the United States of America; and Whereas in 5 months from July to December 1934, 1,800,000 bushels of barley from Canada have been brought in on Canadian boats and unloaded at Manitowoc, Wis., every bushel to take the place of barley produced on Wisconsin and American farms, and every dollar paid therefor going out of this country to the detriment of American farmers and American interests; and in addition, foreign barley malt, ready for the manufacture of beer, is being foreign barley malt, ready for the manufacture of beer, is being imported, such imports in some months exceeding 700,000 bushels;

Whereas the last Congress placed a tariff of 3 cents a pound on coconut oil from the Philippines, and the Secretary of the Treasury, Mr. Henry Morgenthau, under authority given the President by Congress at its last session, has suspended that tariff protection, to the great detriment of American farmers engaged in dairy and hear register industries and in like and hog-raising industries, and in like manner the tariff on foreign oats and hay have been taken off by Department action: Therefore be it

Resolved by the senate (the assembly concurring), That the Legislature of the State of Wisconsin respectfully memorializes the Congress of the United States to enact an adequate protective tariff to protect the products of American farms against foreign

tariii to protect the products of American farms against foreign competition and to save the home market for the American farmer, to whom it rightfully belongs; and be it further Resolved, That this legislature respectfully memorializes the Congress of the United States to repeal all laws by which the power to change or suspend tariff rates has been delegated to department heads of the Federal Government; and be it further Resolved, That this legislature respectfully petitions the national administration to make no further reciprocal tariff or trade agreements by which the interests of American farmers are seen

agreements by which the interests of American farmers are sacrificed; and be it further

Resolved, That properly attested copies of this resolution be sent to the President of the United States, to the Secretary of the Treasury, to both Houses of Congress, and to each Wisconsin Representative.

THOMAS J. O'MALLEY, THOMAS J. O'MALLEY,
President of the Senate.
LAWRENCE R. LARSEN,
Chief Clerk of the Senate.
J. W. CAROW,
Speaker of the Assembly.
LESTER R. JOHNSON,
Chief Clerk of the Assembly.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Interstate Commerce:

STATE OF WISCONSIN.

Joint resolution memorializing Congress to pass uniform laws regulating motor vehicles in interstate service

Whereas there is an apparent lack of uniformity in State laws

whereas there is an apparent tack of uniformity in State laws regulating motor vehicles; and
Whereas the several States are without authority to regulate motor vehicles in interstate service: Now, therefore, be it

Resolved by the senate (the assembly concurring), That this legislature respectfully memorializes the Congress of the United States to enact suitable legislation to the end that uniform laws

regulating motor vehicles in interstate service be passed at an early date; be it further

Resolved, That suitably attested copies of this resolution be transmitted to the President of the United States, to the presid-ing officers of both Houses of Congress, and to each Wisconsin Member thereof.

> President of the Senate. LAWRENCE R. LARSEN, Chief Clerk of the Senate.
> J. W. Carow,
> Speaker of the Assembly.
> LESTER R. JOHNSON, Chief Clerk of the Assembly.

The VICE PRESIDENT also laid before the Senate the petition of sundry citizens, being veterans located at the Veterans' Administration Hospital, Johnson City, Tenn., praying for the passage of House bill no. 1, known as the "Patman bill", providing for the immediate payment of adjusted-service certificates of World War veterans, which was referred to the Committee on Finance.

He also laid before the Senate the memorial of M. Carl Downs, of Philadelphia, Pa., remonstrating against the enactment of proposed measures adversely affecting investments in the securities of public-utility companies, which was referred to the Committee on Interstate Commerce.

He also laid before the Senate resolutions adopted by the City Council of Rockford, Ill., the City Council of Bethlehem, Pa., the Common Council of the City of Tonawanda, N. Y., and the Council of the City of Two Rivers, Wis., favoring the enactment of pending legislation establishing October 11 of each year as General Pulaski's Memorial Day, which were referred to the Committee on the Judiciary.

He also laid before the Senate an open letter from Francis Williams, chairman of the Jackson Democratic Club, New Orleans, La., favoring an investigation of alleged acts and conduct of the senior Senator from Louisiana [Mr. Long], which was referred to the Committee on Privileges and Elections.

He also laid before the Senate a telegram from Hilda Phelps Hammond (for and on behalf of the Women's Committee of Louisiana), New Orleans, La., favoring an investigation of alleged acts and conduct of the senior Senator from Louisiana [Mr. Long], which was referred to the Committee on Privileges and Elections.

Mr. WALSH presented a resolution adopted at a meeting of the Quincy Business and Professional Women's Club, Quincy, Mass., favoring the repeal of section 213-A of the so-called "Economy Act", which was referred to the Committee on Appropriations.

He also presented a petition of several citizens of the State of Massachusetts, remonstrating against the publication of personal income-tax returns, which was referred to the Committee on Finance.

He also presented a petition of sundry citizens of Brockton, Mass., praying for the adoption of the so-called "Townsend old-age-pension plan", which was referred to the Committee on Finance.

He also presented resolutions adopted by Group No. 2281, of Boston; Group No. 1934, of Hyde Park; and Group No. 2170, of Three Rivers, all of the Polish National Alliance of the United States of North America, in the State of Massachusetts, favoring the enactment of pending legislation establishing October 11 of each year as General Pulaski's Memorial Day, which were referred to the Committee on the Judiciary.

Mr. LEWIS presented the following resolution of the House of Representatives of the State of Illinois, which was referred to the Committee on the Judiciary:

### House Resolution 27

Whereas great numbers of persons have been lynched in the United States in the last 50 years with less than a dozen convictions resulting therefrom, and, moreover, that in each of these convictions only nominal prison terms were given the lynchers; and, furthermore, during the year 1934 there were a total of 18 lynchings, which is a travesty on justice in our country; and Whereas further miscarriage of justice should be prevented:

Therefore, be it
Resolved by the House of Representatives of the Fifty-ninth
General Assembly of Illinois, That Congress is respectfully impor-

tuned to enact either the Costigan-Wagner antilynching bill or the Arthur Mitchell bill, which are now before that legislative

body; and be it further

Resolved, That copies of this preamble and resolution be forwarded to the President of the United States, the President of the Senate, and Speaker of the House of Representatives of the Seventy-fourth Congress, and to each Congressman and Senator from Illinois

Adopted by the house of representatives February 12, 1935.

JOHN P. DEVINE.

JOHN P. DEVINE,
Speaker of the House of Representatives.
HAROLD J. TAYLOR,
Clerk of the House of Representatives.

#### REPORTS OF COMMITTEES

Mr. LOGAN, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 694. A bill for the payment of the claims of the Fidelity Trust Co., of Baltimore, Md., and others (Rept. No. 159);

S. 929. A bill for the relief of the Southern Products Co. (Rept. No. 160); and

S. 1878. A bill conferring jurisdiction upon the Court of Claims to hear and determine the claim of the Mack Copper Co. (Rept. No. 161).

Mr. LOGAN also, from the Committee on Claims, to which was referred the bill (S. 1846) for the relief of the estate of Anton W. Fischer, reported it with an amendment and submitted a report (No. 162) thereon.

He also, from the same committee, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

S. 941. A bill for the relief of William J. Cocke (Rept. No. 187); and

S. 1360. A bill for the relief of Teresa de Prevost (Rept.

Mr. TOWNSEND, from the Committee on Claims, to which was referred the bill (S. 760) for the relief of Harry P. Hollidge, reported it with an amendment and submitted a report (No. 164) thereon.

He also, from the same committee, to which was referred the bill (S. 155) for the relief of John Henry Tackett, reported it with amendments and submitted a report (No. 165) thereon.

Mr. GIBSON, from the Committee on Claims, to which was referred the bill (S. 38) for the relief of Winifred Meagher, reported it without amendment and submitted a report (No. 166) thereon.

He also, from the same committee, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

S. 799. A bill for the relief of Yvonne Hale (Rept. No. 167); and

S. 1110. A bill for the relief of A. Randolph Holladay (Rept. No. 168).

Mr. GIBSON also, from the Committee on Claims, to which was referred the bill (S. 1781) for the relief of George Voeltz, reported it with amendments and submitted a report (No. 169) thereon.

Mr. BAILEY, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 741. A bill for the relief of the Union Shipping & Trading Co., Ltd. (Rept. No. 170);

S. 921. A bill for the relief of C. J. Mast (Rept. No. 171); and

S. 1053. A bill authorizing adjustment of the claim of the Rio Grande Southern Railroad Co. (Rept. No. 172).

Mr. BAILEY also, from the Committee on Claims, to which were referred the following bills, reported them severally with an amendment and submitted reports thereon:

S. 1054. A bill authorizing adjustment of the claim of White Bros. & Co. (Rept. No. 173);

S. 1057. A bill authorizing adjustment of the claim of the Pennsylvania Railroad Co. (Rept. No. 174); and

S. 1059. A bill authorizing adjustment of the claim of Francis B. Kennedy (Rept. No. 175).

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 563. A bill for the relief of the Jay Street Terminal, New York (Rept. No. 176);

S. 742. A bill for the relief of Charles A. Lewis (Rept. No. 177);

S. 1474. A bill for the relief of Paul H. Creswell (Rept. No. 178); and

S. 1487. A bill for the relief of Mick C. Cooper (Rept. No. 179).

Mr. CAPPER also, from the Committee on Claims, to which was referred the bill (S. 1363) for the relief of John A. Jumer, reported it with an amendment and submitted a report (No. 180) thereon.

Mr. WHITE, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 483. A bill for the relief of Stanley A. Jerman, receiver for A. J. Peters Co., Inc. (Rept. No. 181); and

S. 581. A bill for the relief of Harold E. Seavey (Rept. No. 182).

Mr. WHITE also, from the Committee on Claims, to which were referred the following bills, reported them severally with an amendment and submitted reports thereon:

S. 281. A bill for the relief of the Fred G. Clark Co. (Rept. No. 183):

S. 1027. A bill for the relief of Dr. R. N. Harwood (Rept. No. 184);

S. 1062. A bill for the relief of James R. Young (Rept. No. 185); and

S. 1328. A bill for the relief of the Snare & Triest Co., now Frederick Snare Corporation (Rept. No. 186).

Mr. McKELLAR, from the Committee on Appropriations, to which was referred the bill (H. R. 5255) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1936, and for other purposes, reported it with amendments and submitted a report (No. 188) thereon.

# EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters.

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nominations of several general officers for appointment in the National Guard, and also the nominations of sundry officers for appointment, by transfer, in the Regular Army.

The VICE PRESIDENT. The reports will be placed on the Executive Calendar.

### BILLS AND JOINTS RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BONE:

A bill (S. 1965) to authorize the presentation of a Congressional Medal of Honor to Elzie Jones; to the Committee on Military Affairs.

By Mr. VAN NUYS:

A bill (S. 1966) providing for the advancement on the retired list of the Marine Corps of Hiram I. Bearss (with an accompanying paper); to the Committee on Naval Affairs; and

A bill (S. 1967) granting a pension to Laura A. Spanswick (with accompanying papers); to the Committee on Pensions.

By Mr. KING:

A bill (S. 1968) authorizing an appropriation for payment to certain bands of Ute Indians in the State of Utah for certain coal lands, and for other purposes; to the Committee on Indian Affairs.

By Mr. SMITH:

A bill (S. 1969) granting a pension to Samuel W. Orr; to the Committee on Pensions.

By Mr. LEWIS:

A bill (S. 1970) to amend section 30, title III (veterans' provisions), of Public Law No. 141, Seventy-third Congress, to extend to Spanish War veterans the same benefits as are extended to World War veterans with regard to income; to the Committee on Pensions.

By Mr. MURPHY:

A bill (S. 1971) for the relief of Merton E. Bent; to the Committee on Claims; and

A bill (S. 1972) granting a pension to Anna Wandell; to the Committee on Pensions.

By Mr. TRAMMELL:

A bill (S. 1973) to amend section 5 of the act entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved March 3, 1925, to authorize the payment of a per diem in connection with naval aerial survevs and flight checking of aviation charts;

A bill (S. 1974) to authorize the transfer of officers of the Construction Corps of the Navy to the line of the Navy for aeronautical engineering duty only, and for other purposes;

A bill (S. 1975) to authorize certain officers of the United States Navy, and officers and enlisted men of the Marine Corps, to accept such medals, orders, diplomas, decorations, and photographs, as have been tendered them by foreign governments in appreciation of services rendered;

A bill (S. 1976) to amend the act entitled "An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1927, and for other purposes", approved April 15, 1926, so as to equalize the allowances for quarters and subsistence of enlisted men of the Army, Navy, and Marine Corps;

A bill (S. 1977) to amend the act approved February 15, 1929, entitled "An act to permit certain warrant officers to count all active service rendered under temporary appointments as warrant or commissioned officers in the Regular Navy, or as warrant or commissioned officers in the United States Naval Reserve Force, for the purpose of promotion to chief warrant rank "; and

A bill (S. 1978) to regulate the strength and distribution of the line of the Navy, and for other purposes; to the Committee on Naval Affairs.

By Mr. BLACK:

A joint resolution (S. J. Res. 65) to extend the period of suspension of the limitation governing the filing of suit under section 19, World War Veterans' Act, 1924, as amended; to the Committee on Finance.

By Mr. SMITH:

A joint resolution (S. J. Res. 67) relating to crop-production loans; to the Committee on Appropriations.

#### PAYMENT OF ADJUSTED-SERVICE CERTIFICATES

Mr. GORE. Mr. President, I ask consent to introduce a joint resolution for appropriate reference. It has necessarily been drawn in haste so that I might introduce it on this memorial day. I reserve the right to revise and modify it.

The VICE PRESIDENT. Without objection, the joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 66) to authorize the President to enter into agreements with foreign governments to readjust the obligations of such governments held by the United States and to secure payments on such readjusted obligations sufficient to pay the adjusted-service certificates now outstanding, and for other purposes, was read twice by its title and referred to the Committee on Foreign Relations.

#### MARGARET ANN CHAMBERLAIN

Mr. NEELY submitted the following resolution (S. Res. 88) which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate is hereby authorized and directed to pay from the contingent fund of the Senate to Margaret Ann Chamberlain, widow of Charles J. Chamberlain, late superintendent in charge of construction, Senate Office Building, a

sum equal to 1 year's compensation at the rate he was receiving at the time of his death, such sum to be considered inclusive of funeral expenses and all other allowances.

#### INVESTIGATION RELATIVE TO FROZEN SWORDFISH

Mr. WALSH submitted the following resolution (S. Res. 89), which was referred to the Committee on Finance:

Resolved, That the United States Tariff Commission be, and hereby is, requested to make an investigation, under the authority conferred by section 336 of the Tariff Act of 1930, of frozen

#### VESTED INTEREST IN PUBLIC SPENDING-ARTICLE BY SENATOR BAILEY

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD a very able article, entitled "Vested Interest in Public Spending", written by the senior Senator from North Carolina [Mr. Barley] and published in the Saturday Evening Post of February 2, 1935.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

There has been and there is now current a decided improvement There has been and there is now current a decided improvement in business—our retail merchants and their clerks will tell you so. For more than a year business failures have been rare. The volume of business and industry is about 17 percent better than in January 1933, according to the charts. That was the low point that preceded the acute collapse of March 1933. From the low point of the March collapse, business and industry are about 27 percent better. But I prefer the comparison with January 1933, since the March condition was one of acute papir. So we never the better. better. But I prefer the comparison with January 1833, since the March condition was one of acute panic. So we may say we have gained and held for 2 years a recovery of 17 percent, and there is evidence of further improvement. The gain in retail business is considerably more than 14 percent; but taking business, industry,

considerably more than 14 percent; but taking business, industry, and agriculture together we are safe in the statement that there has been a gain of not less than 17 percent since January 1933. Just how we shall stand after the New Year remains to be seen. But we must look beneath the surface of the situation if we would understand it. We ought to realize that no small part of the gains made in 2 years is due to the expenditure of vast sums of money borrowed by the United States Government and scattered throughout the country. The amount so borrowed and expended up to now is about \$6,000,000,000, and provision has been made for borrowing if we can and expending from four been made for borrowing if we can, and expending from four to six billions more. Gains made upon borrowed money are not substantial, of course, and due regard must be had to this fact. They would be lost when the money gave out! And we would fall below even the March 1933, condition.

The first effect of the expenditure of borrowed money is bene-The first effect of the expenditure of borrowed money is bene-ficial; it is like the realization of the same amount of profits made in business, industry, or agriculture, but the later or actual effect is bad. If the reader should succeed in borrowing \$10,000 to-morrow, payable in 90 days, he would present for a time the morrow, payable in 90 days, he would present for a time the appearance of a very prosperous citizen—the merchants, the bankers, and others would get the benefit of his expenditures. But at the end of 90 days all his prosperity would have vanished, and his last state would be far worse than it was before he borrowed

his last state would be far worse than it was before he borrowed the money. He would have not only the \$10,000 to pay back but also the interest, and all would depend on whether he had made really profitable use of the borrowed money.

It is the same way with money borrowed by the Government. The first effect is good, but the last effect is the handicap of debt. Things went well during the World War when we were borrowing and spending, but now we have been paying the bill—and it has just about bankrupted the whole world.

#### A BOTTOM TO UNCLE SAM'S BARREL

Our Government has been running behind now for 5 years. Our debt has increased from \$16,026,086,000 (low post-war point) to about \$28,000,000,000. We have not balanced our Budget because it seemed out of the question to raise the taxes to meet the

cause it seemed out of the question to raise the taxes to meet the expenditures. We did not have the fortitude to balance the Budget—it predicated more than we could endure.

The pay day will come. The bottom of your Uncle Sam's barrel will be reached. In the meantime the more we borrow the harder it will be to pay the debt, the longer the depression will last. Moreover, the more we borrow the harder it will be to borrow. There is an end to Government credit. It is limited by the tax-paying power of the people—that is, by their earnings.

But no one is willing to stop now. Just as we felt that we had to borrow this money to prevent suffering, to provide employment, to preserve order and maintain government, so now, notwithstanding there is improvement, the conditions are such that the feeling is universal that we must go on with the program if we can.

is universal that we must go on with the program if we can. Senator Robinson comes from his interview with the President and speaks hopefully of "tapering off." But certain important and speaks hopefully of "tapering off." But certain important men in the Government say, "Not now; let us spend at least \$8,000,000,000 more." It is only too plain that 6,000,000 workers are out of work, and that at least 17,000,000 of our fellow citizens are now dependent and will be dependent upon public relief for months to come. Only too plain that to stop now would paralyze retail business. We are a civilized Nation, and we cannot let men, women, and children starve. Besides, we know they would not starve. Nor may we hope to carry on well with 6,000,000 willing workers with nothing to do. They must have work. In a word, the demand for Government borrowing and spending has grown

greater, rather than less.

It is likely, therefore, that the borrowing and expending of money by our Government will increase by several billions, and that this sort of stimulation of business, industry, and agriculture will go on for some months, perhaps for 2 years, if that be possible. But, remember, there is a definite end—there is an end to Uncle Sam's credit, there is a bottom to his barrel. And remember also the more the Government borrows, the less there will be to lend to individuals and corporations.

The crucial question of our time is this: Will we have the forti-

The crucial question of our time is this: will we have the fortitude to stop borrowing and spending before it is too late, or will we go on into national bankruptcy and ruin, when stop we must?

At this point I ask the reader to consider what would be the situation if we should reach this end, find ourselves unable to borrow, and, of necessity, stop all public expenditure while 6,000,000 men were out of work and 17,000,000 human beings were looking to a bankrupt and a helpless Government—looking in vain. The same thing would occur here that has always occurred under similar conditions. People do not consent to starve. They do not accept starvation. Here is the gravest reason for conserving the Government's credit.

#### FIRM BASES FOR PERMANENT RECOVERY

For this reason we must learn not to look for long to Government borrowing and expenditure as the means of quickening business. Conceding that conditions have justified the policy, we must also realize that in its nature it is temporary and if prolonged will defeat itself. The business man may profit by it for a time, but in the end it means his ruin. He ought not to depend

a time, but in the end it means his ruin. He ought not to depend on it, for it must fail him.

At the present moment thoughtful men realize with deep concern that we have created a vested interest in Government borrowing and spending. That is, merchants are doing business on this money, railroads are running on this money, banks are operating on this money, factories are running on this money. No matter how we spend it or to whom we pay it, it is reflected in trade. Business men join with the jobless and the dependent and protest, "Do not stop now!" Let them be well assured we are not going to stop now. We dare not! But let them also realize that going to stop now. We dare not! But let them also realize that the day is not far distant when we will stop because we can borrow no more. They must find a time when they will stand up and say, "Stop now", or the hour will come when, whether they and say, "Stop now", or the hour will come when, whether they will or no, there will be an end—a terrible end. The credit of most of our States is manifestly running low—each and all are depending on the Federal Government. The credit of the United States can be exhausted. It is but little stronger than that of

The banks are now carrying \$14,000,000,000 of United States Government paper. The Federal Government already owes nearly \$28,000,000,000, and is committed to borrow \$4,000,000,000 more. Can it safely go beyond \$32,000,000,000 of debt? Its interest account now is nearly \$1,000,000,000 a year. Add to this the indebt-edness of States eities and country. count now is nearly \$1,000,000,000 a year. Add to this the indebt-edness of States, cities, and counties, not less than \$18,000,000,000. Manifestly, we are near the danger line. The credit of the Gov-ernment is even now strained. Consider what would happen if its bonds and notes now in the banks should be offered in the open market in considerable quantities. There would be no buyers. It is fair to say that these notes and bonds are really frozen in the

banks. They dare not throw them on the market.

We must all look, therefore, to other means of meeting our difficulties than the expenditure of money borrowed by the Government, and we must be looking now. We must be seeking all difficulties than the expenditure of money borrowed by the Government, and we must be looking now. We must be seeking all the ways and means of reducing expenditures consistent with carrying on. We must set the standard of expending only what we have to spend, and in the meantime look for the more substantial means of lasting recovery. We must foster agriculture, we must encourage industry, we must give business the fairest chance. For upon these we must depend for real recovery. Fortunately, we have no little reason to be hopeful that these more substantial means may be found and established. Fortunately, we may assert that some real part of the present improvement is due to other factors than borrowed Government money. Let us see what these are. what these are.

First of all, the American people have recovered from the hysteria of 1932-33 conditions. We have proved our capacity for order, for faith under conditions that would have overthrown any other nation, except England, perhaps. We have indeed come through deep waters with admirable spirit. We may not have again to go through them, but if we should, we will have a new faith in our capacity to take it—a new sense of our competence. Let this not be forgotten. It is the source of infinite strength, and we may need it. For nations as well as individuals must live by faith—faith in themselves and in God. We have sound reason for assuming that the American people are all right.

But we have more than this—we have a record of really substan-

tial progress.

Millions of farmers have refinanced their farms, transferring their mortgages from hard-pressing creditors to patient Uncle

Millions of home owners have done likewise.

This has relieved not only the farmers and home owners but also their creditors. Their frozen mortgages were made liquid. The money went into circulation, but business was too feeble to

The general indebtedness of the people has been reduced by fully \$30,000,000,000 by payment, compromise, or liquidation.

Wages paid labor are at least \$50,000,000 more per week than in 1932.

The value of stocks and bonds has been doubled. The value of those listed on the New York Stock Exchange has risen from \$35,000,000,000 to \$70,000,000,000. This is a tremendous gain in the

\$35,000,000,000 to \$70,000,000,000. This is a tremendous gain in the base of credit. For these stocks are widely held.

Deposits in banks have increased by more than \$5,000,000,000, while borrowings have decreased. This means somebody has been making money, and profits indicate recovery.

The corporations reporting to the New York Stock Exchange show profits for the first 10 months of 1934 amounting to \$345,-000,000—by far the best showing since 1929. Inventories have been reduced and durable goods are at any rate in the process of wearing out. The time element is doing its indispensable work.

#### THE FARMER'S SHARE OF INCOME

Best of all, our farmers have received for their 1934 crops more than \$6,500,000,000—one-third more than in 1932, and more than \$1,000,000,000 more than in 1933. This is due largely to the devaluation of the dollar, I will concede, but this does not seriously affect the value of the fact, since the dollar value did not drop so much at home. Cotton was selling for 7 cents a pound in gold in 1932. It is selling for about 8 cents a pound in gold today. But it is selling for  $12\frac{1}{2}$  cents in American currency. The difference lies is selling for 12½ cents in American currency. The difference lies largely in the fact that the gold value of the American dollar has been reduced from 25.8 grains to 15 5/21. The same thing is true of tobacco. The price of our tobacco in gold is only 18 cents a pound abroad, where settlements are made in gold. The price in American dollars is 30 cents, because they are no longer 25.8-grain gold dollars. As our dollar went down prices of our synthesis. gold dollars. As our dollar went down, prices of our exports sold in the world market went up.

There is another way to look at this matter of agricultural prices. A few years ago the farmer's share in the national income was only 6 percent. This fact alone was enough to have created depression. 6 percent. This fact alone was enough to have created depression. Now the farmer's share of the national income is 12 percent. Clearly, while others have been getting less our farmers have been getting more. But the farmers are entitled to more than 12 percent of the national income. They and their families constitute nearly one-fourth of the population. They are destined, in a balanced national economy, to get at least 20 percent of the national cash income; and whenever they shall the situation will be better for all. So this jump from 6 percent of the national income for our farmers to 12 percent is really one of the most significant evidences of recovery. That it was achieved by more income for our farmers to 12 percent is really one of the most significant evidences of recovery. That it was achieved by more than one device is well recognized, but that it was achieved with respect to cotton and tobacco—our export crops—by reason of the devaluation of our currency, is plain to anyone who will compare gold prices with the current devalued-dollar prices. This act of the administration has never been fully appreciated by the farmers, whom it benefited more than any others, almost exclusively. But should we return to the 25.8-grain gold dollar and cotton go to 7 cents and tobacco to 18 or 20 cents—as they surely would—there would be an understanding and an appreciation that would

there would be an understanding and an appreciation that would leave nothing to be desired.

In addition to all these more substantial factors in our partial recovery, I may add that there is a decided measure of recovery in many nations—in England, in Canada, in Japan, in Australia. They appear to be securely on their way. It is often remarked that these nations did not invoke the extraordinary measures that was invoked. They did not horrow money for public expenditures. that these nations did not invoke the extraordinary measures that we invoked. They did not borrow money for public expenditures. They balanced their budgets and rode out the hurricane. There is an explanation. They went into the depression 10 years ahead of us. They have had 15 years of struggle. We have had 5. They took a long time to get out; we are trying to get out in a short time. Moreover, they did not owe as much money as our people did; they had no such speculative credit-inflation boom as we had. They did not have our high standard of living to maintain. They did not have so far to fall. And the taller they are the harder they fall, as Bob Fitzsimmons used to say.

It is fine that they are getting out ahead of us—that will help.

It is fine that they are getting out ahead of us-that will help It is fine that they are getting out ahead of us—that will help us. The world is interdependent. If Japan sells more silk, she will smoke more tobacco, buy more cotton. As England recovers she will buy more of us, and England is recovering as only England could. I wish Europe so well that I could hope she may do well enough to pay us something substantial on account of the war debt of \$11,000,000.000. That would be a lift.

Altogether, between the artificial means of stimulation by borrowed public money and the evidences of substantial means of sound recovery, we have reason to be encouraged. There has been progress.

#### HOW TO PREVENT INFLATION

Our one danger now is some serious mistake, some national misstep that might bring on a fatal relapse. There is serious menace in the increasing demands for public expenditures, in the threat of exhausting the national credit and bringing on a ruinous inflation. There is grave danger in the vested interest in public spending. It is for this re son that we ought to seek the ways and means of gradually reducing expenditures and of balancing our Budget; that is, spending no more than we receive from taxes. We cannot sell bonds and notes forever.

All prudent men fear inflation; they know that it means ruin

All prudent men fear inflation; they know that it means ruin to all, wiping out bank deposits, insurance policies, all fixed investments and destroying the value of money itself. No government deliberately inflates its currency, just as no honest man deliberately passes bogus money. He knows he cannot do it long. Governments cannot manufacture money. They must collect it in taxes from the earnings of the people.

All told, taxes now amount to \$10,000,000,000 a year; that is 20 percent of the national income. Every billion we borrow adds \$40,000,000 to annual taxes. Many governments have been driven

into inflation—or the attempt to manufacture money—by excessive expenditure and the exhaustion of their credit. Once the point of necessity is reached, there is no stopping. To prevent inflation, we must maintain our credit, we must make no debt which cannot be paid in taxes. We must balance our Budget. The longer we delay, the more difficult it will be to do this.

I fear that there will be not a few in the session of Congress who, with the best of intentions, will find borrowing and spending so popular—and they are more popular than economy—that they will advocate a course that can have but one consequence—not just the arresting of the healthful processes of recovery but national bankruptcy, national helplessness when human need is greatest, universal ruin, and other consequences of which I prefer not to speak.

not to speak.

greatest, universal ruin, and other consequences of which I prefer not to speak.

I have no respect for a public servant who will purchase public favor with public money. It is a corruption that works both ways and is as damnable as stealing. Demands upon Congress for billions are insistent and importunate. The temptation to purchase favor with borrowed public money is powerful. The vested interest in public spending is growing; businesses are too dependent upon it. Millions who demand this money do not realize what the consequences would be if their demands should be granted. They would get nothing—nothing but worthless paper. I appeal, therefore, to my readers to remember that the credit of our Government may be exhausted, that the value of its bonds may be brought low, wrecking the banks that hold them, and that national bank-ruptcy under existing conditions would be a disaster of unprecedented magnitude and indescribably terrible consequences.

As matters stand, stark necessity will compel us to borrow and spend every dollar we may dare to borrow and spend. Let us not ask for one dollar more than is demanded by grave necessity. Let us avoid any course that makes for inflation as we would a plague. It is a disease, a contagion, which no nation can endure, no statesman can cure. Once started, it runs irresistibly its course of national and personal ruin. The lessons of history, past and recent, bear out my statement.

We are not out of the woods. We can come through, but we cannot come through on borrowing and spending, helpful as these have been as cushions.

The progress other nations have made, the progress we have

have been as cushions.

The progress other nations have made, the progress we have made, convince us we can come through—that there is a way. But that way is not easy. To rely upon public borrowing and spending for business stimulation is not that way. There must be courage, patience, a patriotic and sensible regard for one's country, capacity for sacrifices, self-reliant living, diligence in one's own business, fracelity, and saving.

for sacrinces, sen-reliant living, differed in one's own business, frugality, and saving.

How much we may rely upon ourselves, how little on the strained credit of our Government, must be the standard in every man's and woman's mind.

Our generation has, in a degree, as no other has had, the task of preserving the Republic of the United States.

#### THE TEXTILE INDUSTRY

Mr. FRAZIER. Mr. President, I ask unanimous consent to have printed in the RECORD an article on the textile industry by John W. Edelman, editor of the Hosiery Worker.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

As an epilogue to the great textile strike of 1934—but an epilogue played without an audience—the United States Department of Labor has issued findings which drive home the unalterable fact that by and large the textile industry is a social parasite.

The newspapers of this country with their usual gift for failing to emphasize and play up that which is significant and fundamental in our American sense, have completely fumbled their handling of the report by the United States Bureau of Labor Statistics on earnings in the cotton-textile industry which was undertaken under instructions of the President as a condition of calling off the strike of last year.

off the strike of last year.

This report which was issued on January 20, 1935, makes this startling statement: "Actually the average textile worker during the first year of the code never made more than \$11.05 a week, or \$875 a year."

the first year of the code never made more than \$11.05 a week, or \$575 a year."

At the time of the strike, August 1934, official curtailment—as distinct from the unofficial curtailment which had prevailed in the industry except for brief periods in some mills right along—had reduced the actual weekly earnings of the average textile worker to the astounding figure of \$9.65. In those stark and elementary figures you have the entire explanation for the unprecedented and astounding walkout of almost three-quarters of a million workers in the textile mills of this country in August of 1934.

So that we shall not be guilty of the same sort of selection of data which results in the distortion of facts, which newspapers too frequently employ, permit me to give other pertinent and neglected conclusions of the United States Labor Department wage survey covering some 450,000 cotton-textile employees in approximately 1,200 mills. Two-thirds of the cotton textiles are now produced in the South and one-third in the North. We can give both the philanthropic southern mill owners and the generous northerners their due by quoting the following figures: Average weekly wages for all female textile employees in the South during August 1934 were \$9.19 per week, while male employees in the South in the same month earned weekly wages of \$10.29. In the North female cotton-textile employees drew weekly wages of \$12.18 and male employees made \$14.48 during the month of August 1934.

It is futile to go into the argument that textile workers could have earned more if there had been more employment.

It should be perfectly clear to all of us by this time that unless some very definite changes in the industry are brought about that cotton textiles cannot even insure its employees the wretchedly low minimum weekly consists. low minimum weekly earnings of \$12 per week in the South and \$13 in the North which the textile code calls for.

that cotton textiles cannot even insure its employees the wretchedy low minimum weekly earnings of \$12 per week in the South and \$13 in the North which the textile code calls for.

It is completely irrelevant to point out, as the Cotton Textile Institute does in an effort to cover up, that hourly wage rates in cotton textiles were raised more substantially than any other industry, except men's furnishings, as a result of the application of the code. In July 1933, the only industry which paid lower rates of wages than cotton textiles was cottonseed oil, cake, and meal manufacturing, which paid 19.3 cents per hour. Today average hourly rates in cotton textiles have climbed to the proud position of being fifth from the bottom in a list of 85 industries. Today cigars and cigarettes, canning and preserving, ertilizers, and the tasty and wholesome cottonseed oil, cake, and meal manufacturing are lower than cotton. Incidentally, cottonseed oil hourly wages have been swollen from 19.3 cents to 21 cents per hour.

The fact is that cotton textiles has always been a gigantic sweatshop industry and continues to be so today. What is true of cotton textiles is more or less true of the other major divisions of textile silk and wool. It may be predicted with entire assurance that what has been revealed in the cotton manufacturing branch of the industry by the United States Department of Labor survey will be duplicated with slight difference in degree as to conditions in the silk and woolen branches of the trade.

It is essential that the wavering and fickle attention of the public be kept on textiles as closely as possible because the combined and allied textle manufacturing industries employ a total of over one million and a quarter people. This is the largest number of people employed in any single type of manufacturing in America. For that reason alone governmental action to remedy conditions in textiles is not merely warranted but is essential and urgent.

The survey by the Federal Trade Commission into the earnings, the p

the experience of consumer-goods industries generally during the depression that the value volume of consumption remained fairly stable despite price fluctuations.

Textiles is a basic industry, and its continued development is vital to the whole of our industrial civilization. It should be obvious that the public has more than a constitutional or legal interest in the conduct of the industry, the community has a definite and imperative responsibility for initiating such action as will establish and maintain what for the sake of brevity we will call "American conditions in the textile industry." The codes should have established the fact that the industry needs more leverage on its bootstraps than can possibly be provided by the same gentlemen who dragged the industry into the morass of permanent depress.on. Self-regulation under the direction of those who have created the impossible condition which should be regulated out of existence is, shall we say, a doubtful expedient.

It is out of the question in a 14-minute speech to give a blueprint for the reconstruction of the textile industry. There is, however, ample data on hand and talent available to undertake this necessary task. Manufacturers of basic textile fabrics should, if their public professions are to be taken at any face value, welcome a reorganization of their industry which would insure certain but modest returns on actual investments and which would also increase the market for textile products by improving purches in the stable products by improving purches in the stable

come a reorganization of their industry which would insure certain but modest returns on actual investments and which would also increase the market for textile products by improving purchasing power for the vast population now dependent on the industry directly and indirectly for a livelihood.

The simple and effective legalistic framework which has been devised by legal experts for the regulation of the bituminous mining industry and introduced on January 21 in the Congress for the United Mine Workers of America by Senator Guffer, of Pennsylvania, as bill 1417, could no doubt be readily adapted to the needs of the textile industry.

A governmental cooperative selling corporation might be set up which would market all textiles at prices based on actual costs of production. It is notorious that for years textiles, due to peculiar selling conditions in the industry, were actually marketed below the real cost of manufacture. The Guffey bill provides that wages and working conditions in mining should be fixed in the first place by collective dealings between employers and employees.

When over half of the production in a given area of the industry agrees upon a scale, that scale should become uniform and shall be compulsory. Costs of production in textiles could be figured after fair rates of wages are established and plants and overhead costs are established by independent audit. Profits of the selling corporation could be properly used to retire the obsolescent or excess equipment which creates permanent instabil-

ity in the industry, and would enable present unsuitable, insanitary, or inefficient plants to be modernized and made fit to work in.

The public would rapidly welcome the opportunity of purchasing textiles and textile products made according to specification ing textiles and textile products made according to specification and free from that frightful adulteration which a crazy and destructive competitive system has more or less forced on the industry. It should be to the benefit of the industry—and I include in the term "industry" those who work in it as well as those who own stocks or bonds—to remove the stigma of "cheap and nasty", which has been fairly widely fixed on the entire trade. Textile manufacturing, even under mass-production methods, could and should be restored to its rightful place as an industrial art. Today a piece of cloth is a symbol of sweated labor. Tomorrow that same cloth might be the product of competent workmen, capable technicians, and creative decorative artists. The enormous advances which have been made in applying art and science to the manufacture of textiles can only be realized in any adequate manner when the interest of the public is fully protected against the present parasitic methods prevailing in the protected against the present parasitic methods prevailing in the production of textiles.

#### THE SILVER QUESTION

Mr. FRAZIER. Mr. President, I ask unanimous consent to have printed in the RECORD an article appearing in the Denver Post on January 28, 1935, entitled "The Moses of

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Denver Post, Jan. 28, 1935]

THE MOSES OF SILVER

By Albert E. Hayes

It took Moses 40 years to lead the children of Israel through the wilderness and his only reward was a mountain vista of the promised land. It took Senator Norris, of Nebraska, about that long to abolish the "lame duck" Congress. But both stuck to their long to abolish the "lame duck" Congress. But both stuck to their tasks. Neither accepted a compromise. Senator Burton K. Wheeler, of Montana, is the Moses of bimetallists, and let us hope that in the end he will be permitted to enter the promised land. His Senate bill no. 70 for the legal remonetization of silver with free coinage at 16 to 1 with gold is before the Senate. It is clear, brief, and to the point, with no apologies. He says the act will relieve the farmers, livestock producers, and producers of raw materials generally. It will promote our foreign trade in all silver-using countries and prevent silver boarding and manipulation by terials generally. It will promote our foreign trade in all silver-using countries and prevent silver hoarding and manipulation by foreign manufacturers who have an advantage by cheap silver over the manufacturers of this country. It will stabilize metal money and give the masses of Asia a chance to elevate their standards of

The pros and cons of this issue have been threshed out to the point of exhaustion in three sessions of Congress and by so-called "economists" of all persuasions. Much fog thrown about the question has been dispelled since Uncle Sam took to purchasing domestically mined silver at 64.50 cents and foreign silver at the world market. It is now plain that the amount of silver available to the market is far short of what was predicted a year or two ago. China and India are the main reservoirs for foreign silver, and are proving that our silver Senators were right when they said it is China and India are the main reservoirs for foreign silver, and are proving that our silver Senators were right when they said it is contrary to human nature to dump good, hard money when its price is on the upward trend. Our money policy worries the statesmen and bankers of England, who are losing their ancient grip on oriental finance and commerce. France, the chief gold country, is gasping for breath and wondering how long she can stick to her single standard with her foreign trade rapidly slipping. To complete the financial leadership of America it is only necessary for Congress to legally establish gold at its present price and to legally restore silver money to the status it held for years after 1792, as is plainly set forth in Senator Wheeler's bill. The trouble now is that both are resting merely on an Executive order.

#### ADDRESS BY JAMES E. VAN ZANDT

Mr. LEWIS. Mr. President, lately the commander in chief of the Veterans of Foreign Wars, Mr. James E. Van Zandt, delivered a very interesting radio address on the occasion of the thirty-fifth anniversary of the founding of that organization. There have been various constructions of that address, some of which have led to unjust criticism of the commander. I am in receipt of a copy of his address, and I ask that it be printed in the Congressional Record in order that it may be seen exactly what the commander said and its relation to the relief legislation about to come forth to this body.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Friends of the radio audience: As national commander of the Veterans of Foreign Wars of the United States, I am deeply grateful to the National Broadcasting Co. for its cooperation in the presentation of this program which marks the thirty-fifth anniversary of the founding of our organization. I am also grateful to Maj. Gen. Smedley D. Butler, of the Marines, to Comrade James C.

Putnam, our first commander in chief, and to the members of the United States Marine Band for the manner in which they have participated in the success of this anniversary celebration.

From reports received at national headquarters, more than 3,000

local posts of the Veterans of Foreign Wars of the United States are observing this anniversary tonight in their own communities. Through the facilities of the radio, at this moment, we are joined together in a birthday party that extends from coast to coast and from the borders of Canada to Mexico. In fact, this birthday party is an international occasion. Similar celebrations in recognition of this anniversary are being held tonight by the far-flung outposts of the Veterans of Foreign Wars of the United States over in the Philippines; in Shanghai, China; in the Canal Zone; in Habana, Cuba; and by the members of Benjamin Franklin Post, No. 605, in Paris, France

Just as the science of radio brings us together under the same roof tonight, we—the members of the Veterans of Foreign Wars of the United States—are joined together by the invisible tie of comradeship. It is this spirit of comradeship that has made possible the growing success of the Veterans of Foreign Wars of the

sible the growing success of the Veterans of Foreign Wars of the United States. It is this spirit of comradeship that makes the Veterans of Foreign Wars of the United States the fastest growing veteran organization in the country today.

Although September 23 marked our thirty-fifth birthday as a veteran fraternity, the records show that as an organization we are younger, more vigorous, more aggressive, and more active than we have ever been in the past. We are working together with a definite objective in view and with a determination that these goals will be attained no matter what the cost.

As an organization we have every right to be proud of our past contributions to the welfare of the veteran, his dependents, and to the country at large. Those who have builded this organiza-

to the country at large. Those who have builded this organiza-tion have displayed a rare devotion to the unselfish principles for which we are banded together. As an organization we are justly proud of the things that have already been accomplished in behalf of our disabled comrades. We have only to think of the security and comforts we have gained for the widows and orphans of many of our deceased comrades to feel more than well repaid for our labors.

our labors.

In the affairs of veterans, however, we have learned that eternal vigilance is absolutely essential. As veterans we will never forget the problems of our disabled comrades. We will never forget the widows and orphans who have been left in our care. Unfortu-

widows and orphans who have been left in our care. Unfortunately, new generations are prone to overlook the Nation's obligation to its disabled defenders and their dependents. We who are able-bodied must guard against this tendency in times of peace to ignore the plight of those whom we glorified in times of war. On Sunday, September 30, the delegates of more than 3,000 local posts of the Veterans of Foreign Wars of the United States will meet in Louisville, Ky., for our thirty-fifth national encampment. The great majority of these delegates will abandon their personal duties and travel hundreds of miles at their own expense to discuss and deliberate over the many problems that confront the veteran cause.

The week of September 30 to October 5 in Louisville is not to be an occasion for hilarious celebration or unleashed appetites for pleasures. The men who gather at this conclave will be there for a serious purpose. They are deeply concerned not only with the problems that face the disabled and needy veteran but the Nation as a whole. Although they are looking forward to happy reunions with former comrades in arms, their mission will be one of serious intent. intent.

These men know that thousands of our comrades are still suffering from disabilities that are depriving them of an opportunity to help themselves. They know that thousands of widows and orphans of husbands and fathers who served honorably in the armed forces of the United States in times of war are today existing only through the grace of charity and kind-hearted neighbors. They recognize also that this country is standing on the threshold of a new era—threatened with the forces of various isms directly in contrast to the principles of the democracy they the threshold of a new era—threatened with the forces of various isms directly in contrast to the principles of the democracy they fought to save. They see the menace of many vicious theories sweeping the Nation. They see the threat of autocracy and the crushing hand of dictatorship throwing their shadows over this broad land of ours. And they know that the time is ripe for a mobilization of all citizens who are loyal to the Constitution of the United States and prefer its protection in preference to the new and untried experiments that others would thrust upon us. In conclusion, I send my greeting and felicitations to all members of the Veterans of Foreign Wars of the United States and to the members of its auxiliary who have been so loyal and constant in their support and assistance. In this Nation-wide celebration we are not only giving recognition to a significant anniversary; we are rededicating ourselves, and our labors, to objectives that are untainted by selfishness or personal gain. In so doing, we are exemplifying the true spirit of Americanism and brotherhood among men.

among men.

among men.

To all overseas veterans of the War with Spain or the World War, we greet you as comrades. We invite you to extend your friendly cooperation in a cause that needs your support. We ask you to remember that your service to the Nation, and your loyalty to your comrades, did not end when you received your honorable discharge from the Army, Navy, or Marine Corps. These are obligations that each one of us must recognize and accept without reservation as a heritage that is ours as long as we take pride in the services we have been privileged to render as American citizens.

REGULATION OF INTERSTATE AND FOREIGN COMMERCE IN PETRO-LEUM—CONFERENCE REPORT

Mr. LOGAN submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1190) two Houses on the amendment of the House to the fill (S. 1190) to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the amendment of the House insert the following: "That it is hereby declared to be the policy of Congress to protect interstate and foreign commerce from the diversion and obstruction of, and the burden and harmful effect upon, such commerce caused by contraband oil as herein defined, and to encourage the conservation of deposits of crude oil situated within the United States.

"SEC. 2. As used in this act—

"(1) The term 'contraband oil' means petroleum which, or any constituent part of which, was produced, transported, or withdrawn from storage in excess of the amounts permitted to be produced, transported, or withdrawn from storage under the laws of a State or under any regulation or order prescribed thereunder by any board, commission, officer, or other duly authorized agency of such State, or any of the products of such petroleum.

"(2) The term 'products' or 'petroleum products' includes any article produced or derived in whole or in part from petroleum or any product thereof by refining, processing, manufacturing, or otherwise.

"(3) The term 'interstate commerce' means commerce between any point in a State and any point outside thereof, or between points within the same State but through any place outside thereof, or from any place in the United States to a foreign country, but only insofar as such commerce take place within the United States.

United States.

"(4) The term 'person' includes an individual, partnership, corporation, or joint-stock company.

"Sec. 3. The shipment or transportation in interstate commerce from any State of contraband oil produced in such State is hereby prohibited. For the purposes of this section contraband oil shall not be deemed to have been produced in a State if none of the petroleum constituting such contraband oil, or from which it was produced or derived was produced transported or withdrawn. produced or derived, was produced, transported, or withdrawn from storage in excess of the amounts permitted to be produced, transported, or withdrawn from storage under the laws of such State or under any regulation or order prescribed thereunder by any board, commission, officer, or other duly authorized agency of

"SEC. 4. Whenever the President finds that the amount of petroleum and petroleum products moving in interstate commerce is so limited as to be the cause, in whole or in part, of a lack of parity between supply (including imports and reasonable withdrawals from storage) and consumptive demand (including exports and reasonable additions to storage) resulting in an undue burden on or restriction of interstate commerce in petroleum and petroleum products, he shall by proclamation declare such finding, and thereupon the provisions of section 3 shall be inoperative until such time as the President shall find and by proclamation declare that the conditions which gave rise to the suspension of the operation of the provisions of such section no longer exist. If any provision of this section or the application thereof shall be held to be invalid, the validity or application of section 3 shall not be affected thereby.

"Sec. 5. (a) The President shall prescribe such regulations as

"Sec. 5. (a) The President shall prescribe such regulations as he finds necessary or appropriate for the enforcement of the provisions of this act, including but not limited to regulations requiring reports, maps, affidavits, and other documents relating to the production, storage, refining, processing, transporting, or handling of petroleum and petroleum products, and providing for the keeping of books and records, and for the inspection of such books and records and of properties and facilities.

"(h) Whenever the President finds it necessary or appropriate

records and of properties and facilities.

"(b) Whenever the President finds it necessary or appropriate for the enforcement of the provisions of this act he shall require certificates of clearance for petroleum and petroleum products moving or to be moved in interstate commerce from any particular area, and shall establish a board or boards for the issuance of such certificates. A certificate of clearance shall be issued by a board so established in any case where such board determines that the petroleum or petroleum products in question does not constitute contraband oil. Denial of any such certificate shall be by order of the board, and only after reasonable opportunity for hearing. Whenever a certificate of clearance is required for any area in any State, it shall be unlawful to ship or transport petroleum or petroleum products in interstate commerce from such area unless a certificate has been obtained therefor. a certificate has been obtained therefor.

"(c) Any person whose application for a certificate of clearance is denied may obtain a review of the order denying such application in the United States District Court for the district wherein the board is sitting by filing in such court within 30 days after the entry of such order a written petition praying that the order of the board be modified or set aside, in whole or in part. A copy of such petition shall be forthwith served upon the board, and thereupon the board shall certify and file in the court a

transcript of the record upon which the order complained of was entered. Upon the filing of such transcript, such court shall have jurisdiction to affirm, modify, or set aside such order, in whole or in part. No objection to the order of the board shall be considered by the court unless such objection shall have been urged before the board. The finding of the board as to the facts, if supported by evidence, shall be conclusive. The judgment and decree of the court shall be final, subject to review as provided in sections 128 and 240 of the Judicial Code, as amended (U. S. C., title 28, secs. 225 and 347).

"Sec. 6. Any person knowingly violating any provision of this act or any regulation prescribed thereunder shall upon conviction be punished by a fine of not to exceed \$2,000 or by imprisonment.

"Sec. 7. (a) Contraband oil shipped or transported in interstate commerce in violation of the provisions of this act shall be liable to be proceeded against in any district court of the United States within the jurisdiction of which the same may be found, and seized for forfeiture to the United States by a process of libel for condemnation; but in any such case the court may in its discretion, and under such terms and conditions as it shall prescribe, order the return of such contraband oil to the owner thereof where undue hardship would result from such forfeiture. The proceedings in such cases shall conform as nearly as may be to proceedings in such cases shall conform as nearly as may be to proceedings in rem in admiralty, except that either party may demand a trial by jury of any issue of fact joined in any such case, and all such proceedings shall be at the suit of and in the name of the United States. Contraband oil forfeited to the United States as provided in this section shall be used or disposed of pursuant to such rules and regulations as the President shall prescribe.

"(b) No such forfeiture shall be made in the case of contraband

prescribe.

"(b) No such forfeiture shall be made in the case of contraband oil owned by any person (other than a person shipping such contraband oil in violation of the provisions of this act) who has, with respect to such contraband oil, a certificate of clearance to the face appears to be valid and to have been issued by which on its face appears to be valid and to have been issued by a board created under authority of section 5, certifying that the shipment in question is not contraband oil, and such person had no reasonable ground for believing such certificate to be invalid or to have been issued as a result of fraud or misrepresentation of

shipment in question is not contraband oil, and such person had no reasonable ground for believing such certificate to be invalid or to have been issued as a result of fraud or misrepresentation of fact.

"Szc. 8. No common carrier who shall refuse to accept petroleum or petroleum products from any area in which certificates of clearance are required under authority of this act, by reason of the failure of the shipper to deliver such a certificate to such carrier, or who shall refuse to accept any petroleum or petroleum products when having reasonable ground for believing that such petroleum or petroleum products constitute contraband oil, shall be liable on account of such refusal for any penalty under section 6 in any case where (1) such carrier has a certificate of clearance which on its face appears to be valid and to have been issued by a board created under authority of section 5, certifying that the shipment in question is not contraband oil, and such carrier had no reasonable ground for believing such certificate to be invalid or to have been issued as a result of fraud or misrepresentation of fact, or (2) such carrier, as respects any shipment originating in any area where certificates of clearance are not required under authority of this act, had no reasonable ground for believing such petroleum or petroleum products to constitute contraband oil.

"Szc. 9. (a) Any board established under authority of section 5, and any agency designated under authority of section 11, may hold and conduct such hearings, investigations, and proceedings as may be necessary for the purposes of this act, and for such purposes those provisions of section 21 of the Securities Exchange Act of 1934 relating to the administering of oaths and affirmations, and to the attendance of testimony of witnesses and the production of evidence (including penalties), shall apply.

"(b) The members of any board established under authority of section 5 shall be appointed by the President, without regard to the civil-service laws, but subject

"SEC. 10. (a) Upon application of the President, by the Attorney General, the United States district courts shall have jurisdiction to issue mandatory injunctions commanding any person to comply with the provisions of this act or any regulation issued there-

under.

"(b) Whenever it shall appear to the President that any person is engaged or about to engage in any acts or practices that constitute or will constitute a violation of any provision of this act or of any regulation thereunder, he may in his discretion, by the Attorney General, bring an action in the proper United States district court to enjoin such acts or practices, and upon a proper showing a permanent or temporary injunction or restraining order shall be residued without bond.

granted without bond.

"(c) The United States district courts shall have exclusive juris-"(c) The United States district courts shall have exclusive jurisdiction of violations of this act or the regulations thereunder, and of all suits in equity and actions at law brought to enforce any llability or duty created by, or to enjoin any violation of, this act or the regulations thereunder. Any criminal proceeding may be brought in the district wherein any act or transaction constituting the violation occurred. Any suit or action to enforce any liability or duty created by this act or regulations thereunder, or to enjoin any violation of this act or any regulations thereunder, may be brought in any such district or in the district wherein the defendant is found or is an inhabitant or transacts business, and process in such cases may be served in any other district of which the defendant is an inhabitant or wherever the defendant may be found. Judgments and decrees so rendered shall be subject to

found. Judgments and decrees so rendered shall be subject to review as provided in sections 128 and 240 of the Judicial Code, as amended (U. S. C., title 23, secs. 225 and 347).

"Sec. 11. Wherever reference is made in this act to the President such reference shall be held to include, in addition to the President, any agency, officer, or employee who may be designated by the President for the execution of any of the powers and functions vested in the President under this act.

"Sec. 12. If any provision of this act, or the application thereof to any person or circumstance, shall be held invalid, the validity of the remainder of the act and the application of such provision to other persons or circumstances shall not be affected thereby.

"Sec. 13. This act shall cease to be in effect on June 16, 1937."

And the House agree to the same.

And the House agree to the same.

M. M. LOGAN, TOM CONNALLY, JAMES J. DAVIS, Managers on the part of the Senate. WILLIAM P. COLE, Jr., SAMUEL P. PETTENGILL, EDWARD A. KELLY, Managers on the part of the House.

Mr. CONNALLY. Mr. President, I ask unanimous consent for the present consideration of the conference report.

Mr. McNARY. Mr. President, before consent is granted I suggest to the Senator that he describe the changes which have been made by the conferees.

Mr. CONNALLY. I shall be glad to do so, with the consent of the Senator from Kentucky [Mr. Logan].

The conference report makes very slight changes in the original text of the bill as it passed the Senate. The chief change was in this respect:

The House adopted a substitute for the Senate bill. In that substitute it qualified the absolute prohibition of the interstate shipment of oil, which the Senate bill contained, by tying on a proviso to the effect that whenever the President determines that supply and demand are out of balance he may lift the prohibition and open up the interstate shipment of oil. The conferees agreed to put the absolute prohibition in one section and put the qualifying phrase in another section; and in the qualifying phrase we put this clause:

If any provision of this section or the application thereof shall be held to be invalid, the validity or application of section 3 shall not be affected thereby.

The purpose of doing that was that the Senate conferees were fearful that if we should adopt the language of the House bill we should be just where we were before; that the Supreme Court would hold the whole measure unconstitutional because it was dependent upon the President's finding certain facts to exist. Other than that, the changes are insignificant, in the main merely declarative.

Mr. LOGAN. Mr. President, I desire to call the Senator's attention to the fact that the bill as it passed the Senate provided for permanent legislation.

Mr. CONNALLY. That is correct.

Mr. LOGAN. The House changed it so that it will expire in June 1936, and the conferees agreed to the date June 1937.

Mr. CONNALLY. I thank the Senator for that suggestion. As we passed the bill, Senators will remember, it was to be permanent legislation. The House modified it by making it terminate on the 15th of June 1936. The conferees agreed that it should terminate on June 15, 1937, extending it practically 2 years.

Mr. BORAH. Mr. President, am I to understand that there was incorporated in the conference report a provision that under certain circumstances the President might suspend the operation of the law?

Mr. CONNALLY. That is correct.

Mr. BORAH. And that is the provision to which the conference attached another provision-that in case the former should be held to be unconstitutional, it would not affect the rest of the bill?

Mr. CONNALLY. That is correct.

Mr. BORAH. I think that was a wise and an expedient provision.

Mr. CONNALLY. I thank the Senator.

The VICE PRESIDENT. Is there objection to the request of the Senator from Texas [Mr. Connally] that the Senate proceed to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the conference report.

Mr. CONNALLY. I move that the Senate agree to the conference report.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to:

#### WORK-RELIEF PROGRAM

The Senate resumed the consideration of the joint resolution (H. J. Res. 117) making appropriations for relief

Mr. ROBINSON. Mr. President, yesterday the Senator from Virginia [Mr. Glass], the Chairman of the Committee on Appropriations, stated to the Senate that in the event House Joint Resolution 117 should pass as the Senate subsequently amended it the joint resolution would encounter a veto.

There is a situation with which all Senators are familiar relating to funds for destitution relief. Manifestly, before any final resolution of the controversies could be reached under this measure, there would be a very distressing con-

The Senator from Virginia [Mr. GLASS] feels that it is wise and desirable to recommit the joint resolution to the Committee on Appropriations. He has requested me to make a motion to that effect, and I now move that House Joint Resolution 117 be recommitted to the Committee on Appropriations.

Mr. McNARY. Mr. President, no one can doubt the propriety of a motion of this character. I was informed when I entered the Chamber this morning that such probably would be the procedure. It is somewhat unusual, coming, as it does, from those who supported the joint resolution.

I should like to have the Senator from Arkansas, the able leader on the Democratic side of the Chamber, or the Chairman of the Committee on Appropriations, state what particular reasons they have in mind for this procedure, and what they expect to accomplish. I make this request so that we may vote intelligently, so that our action may be supported by some legitimate reasons.

I may add also that when this matter was before the Committee on Appropriations the Republican members of that committee attempted to bring in a bill immediately, without loss of time, to take care of destitution. If the Republicans should support the pending motion, I want it understood that when the joint resolution goes back prompt action will be taken by the committee in bringing out a bill to relieve distress.

What has held the measure up is the unusual and probably unconstitutional power sought to be conferred upon the President. That has led to an interminable debate, and we have to meet the present situation. I am sure that the Republican members of the committee will gladly cooperate with the Democratic members, who are responsible for the proposed legislation, in bringing back without delay a bill which will meet the true situation.

If a good reason is given for the return of the joint resolution to the committee, I am curious to know whether it is, in fact, the purpose to get rid of the McCarran amendment, which was placed in the joint resolution yesterday, or some other amendment which may be lying upon the desk of the clerk.

I think we should have an ample, fair, and frank expression from those who are responsible for the motion so that we may intelligently cast our votes.

Mr. GLASS. Mr. President, the Committee on Appropriations, in an extended consideration of the pending joint resolution, was pretty evenly divided on some of its most important provisions. For example, there was an even division on the proposition which the Senator from Oregon [Mr. Mc-NARY] just a moment ago mentioned, as to whether or not we should report a bill immediately providing for relief, and give more extended consideration to that portion of the measure which relates to public works; and on other questions there was almost a tie vote.

As stated by the distinguished Senator from Arkansas [Mr. ROBINSON], the joint resolution is in such a condition now as that it will, in my judgment, inevitably meet with a Presidential veto if it shall pass in its present form, and I think it extremely desirable that the joint resolution go back to the committee, in order that the committee may, as promptly as the circumstances will permit, go over its provisions again, and determine whether or not it may report to the Senate a bill which will not be quite so controversial.

Mr. HASTINGS. Mr. President, before the joint resolution shall be recommitted to the committee for the purpose. I assume, of bringing to the Senate promptly a bill for relief, I desire to call the Senate's attention to the evidence now in the record to the effect that out of this sum of \$4,880,000,000 it was contemplated that \$750,000,000 would go for relief and that \$130,000,000 would go to the Civilian Conservation Corps.

In that connection, and in order that the members of the committee, if they will, may give it consideration, I desire to call their attention to an article appearing today in the Washington Post headed "10,000 posts in C. C. C. open to Democrats."

This was such startling news to me that I called the Washington Post to verify the article, and I was assured that I could rely upon it; and I desire to read certain portions of it. It begins by saying:

The Civilian Conservation Corps, to some extent at least, is

The Civilan Collectivation
going political.

Speaker Byans created an uproar yesterday at a caucus of House
Democrats on patronage when he announced at least 10,000 jobs
as superintendents and foremen in charge of the camps would be
distributed among deserving members of the party recommended

He indicated there would be an average of six jobs to each camp, paying from \$110 to \$200 a month. The Speaker promised Senators would have no say-so on such patronage.

Mr. LONG. Mr. President, I rise to a point of order. The VICE PRESIDENT. The Senator will state it.

Mr. LONG. Is not that reflecting on the Senate, for the Senator to stand here and inform us that we are going to get none of this pie? [Laughter.]

The VICE PRESIDENT. That is not a point of order. That is a question for the Senator from Louisiana to decide for himself. [Laughter.]

Mr. HASTINGS. I read further from the article:

Representative McFarlane, of Texas, instigator of the patronage revolt, told the caucus President Roosevelt planned to appoint a personnel man in each department to receive complaints from House Members and assure them of courteous treatment.

"The President assured us", the Texan explained, "that he would cooperate with us in every way possible and consider our wishes. I think we're making progress."

I wish to say that I agree with him.

Mr. President, there has been much complaint here about the pending joint resolution, particularly by the distinguished Senator from South Carolina [Mr. Byrnes], because the Republicans had a conference about it. He went on to say that, so far as he could recall, it was the first time any conference had been held about an appropriation bill.

He asked us to take from the inaugural address of the President the evidence as to what should be done with this huge sum. But I inquire why the statement which I have just read from the Washington Post was not included in the President's inaugural address, or why some of the administration's witnesses appearing before the committee did not frankly state that this was a part of the program?

I think all of us have gotten the distinct impression that the money used for wages was to go to persons now on the relief roll, and that the average pay was to be \$50 a month, but before the bill gets through the Senate we find the Speaker of the House announcing to the Democratic caucus that 10,000 deserving Democrats were to be taken care of out of the \$130,000,000 to be appropriated for the C. C. C.

Will the explanation be made that this is not inconsistent with the President's statement, because the Speaker was talking about the money appropriated for the C. C. and 10,000 Republicans in the United States to take such jobs.

did not refer to the \$4,000,000,000 for public works? Perhaps so; but I should like to inquire whether this is a satisfactory explanation to labor, which is asked to work on permanent Federal jobs at an average of \$50 per month.

The Senator from South Carolina [Mr. Byrnes] has complimented the House upon the speed with which it passed this bill and has complained about the delay the bill has experienced in the Senate, but I am wondering if this promise or the possibility of the existence of 10,000 jobs to deserving Democrats had anything to do with the speed this bill experienced in the House.

Let us analyze this statement for a moment. We are assured that the salaries to be paid will be from \$110 to \$200 per month. This makes an average of \$155 per month, or \$1,860 per year. There are 322 Democratic Congressmen; and assuming all of them to be loyal and the distribution to be equal, this will permit each of them to place 31 persons in jobs, and the total annual salaries of the persons so placed by each Congressman will amount to \$57,650. I think the average American has watched with some interest and with some pride the angels of relief administering to those in need, but I doubt whether he will take the same pride in finding \$18,600,000 of public funds being administered annually to the relief of the "deserving" Democratic Members of the House.

These figures of 31 jobs for each Democratic Congressman are based upon the assumption that all of them will go along with the administration. If you eliminate the independent Congressmen who will not share in this distribution of jobs, you increase very greatly the number that goes to the loyal Congressman. But, perhaps, with this political patronage dangling before the eyes of the independent Democratic Congressman, it may have sufficient influence with him to partially, at least, eliminate that class from the Congress, so that it is not possible, therefore, to give an entirely accurate picture as to what the result will finally be.

Perhaps that same independence shown in this body has something to do with the statement that the Democratic Senators will have no say-so as to such patronage. They apparently are not to share in this huge birthday cake.

The political parties have struggled for years and have criticized each other about making political jobs for the postmasters of the country, but the total annual salaries of the postmasters is only something like \$50,000,000, or \$1,053 for each, but the Congress by a joint resolution of only a few lines has given an opportunity to make political patronage, amounting to a sum of nearly two-fifths of the total amount paid to postmasters.

If it be demonstrated so quickly, even before the bill passes, that they find 10,000 jobs out of an allocation of \$130,000,000. how many jobs will they find for "deserving" Democrats out of the \$4,000,000,000 named in this bill? Nobody on this side of the Chamber raised this question of partisanship with respect to this bill, but the very first speech made on the other side in favor of it, except, of course, that of the distinguished chairman, who merely explained the purposes of the bill, accused us on this side of making a political issue out of it.

I give these facts to show that the distinguished Senator from South Carolina evidently cried "wolf, wolf", so as to allay any suspicions on this side; but I respectfully suggest to the committee that when they are considering appropriating this sum for the benefit of those suffering from distress, those who are hungry and cold, they bear in mind the demand of the Democratic Congress that \$18,600,000 of it shall first go to deserving Democrats, regardless of how much may be paid or how little may be paid to those in distress.

Mr. LONG obtained the floor.

Mr. HARRISON. Mr. President-

The VICE PRESIDENT. Does the Senator from Louisiana yield to the Senator from Mississippi?

Mr. LONG. I yield.

Mr. HARRISON. I merely wanted to ask the Senator from Delaware [Mr. HASTINGS] if he thought he could find

Mr. LONG. Mr. President, I just want to say about 30 or 40 words. The Senator from Virginia [Mr. Glass], in the Senate yesterday, pointed out the rank discrimination that has been practiced by some of the bureaucrats in Washington in reading the riot act to States, one to one and something else to another, and it appealed to me very much.

I am very glad to see this joint resolution go back to the committee under the Senator from Virginia [Mr. Glass], and I expect to appear before that committee in line with what the Senator from Virginia said, hoping that we will get a great deal of good out of putting something in this measure which will cure the condition he mentioned yesterday.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Arkansas to recommit the joint resolution to the Committee on Appropriations.

The motion was agreed to.

Mr. ROBINSON obtained the floor.

Mr. GORE. Mr. President-

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Oklahoma?

Mr. ROBINSON. Not just at this juncture.

I do not desire to enter into a prolonged political debate with the Senator from Delaware [Mr. Hastings]. He has suddenly become the champion of nonpartisanship in the administration of governmental affairs. Every administration and every Senator and Representative have problems which present difficulties, problems pertaining to what is commonly called "patronage"; and it is a rather singular fact that when a Senator or Representative gets in the minority he immediately develops and demonstrates virtues which he was never before suspected of possessing. I doubt if there is anyone among us who is a more vigorous, not to say bitter, partisan than is the Senator from Delaware. I do not say that in criticism or denunciation, because there is sound reason underlying the proposition that those who administer measures and governmental affairs should be in sympathy with the principles and purposes of the head of the administration. You cannot justify, Mr. President, nor can the Senator from Delaware justify, retaining in most of the key positions in the departments and in the various other agencies which from time to time are created those who are allied with him in a partisan way while the Democratic administration is in control.

What the Senator from Delaware really would like to see happen is that under a Republican national administration all the offices be filled up by Republicans, and under a Democratic administration most of them, if possible, still be filled by Republicans.

Mr. LONG. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield.

Mr. LONG. As our Senate leader-

Mr. ROBINSON. Oh, the Senator in naming me as our Senate leader does he monor overmuch. [Laughter.]

Mr. LONG. Unless I misunderstood the Senator from Delaware while reading the paper, the Speaker of the House was quoted as saying that in the dispensation of this fodder Senators would not be permitted to have any dip. That is where I take offense. I agree with the Senator that Democrats ought to get all the jobs; I agree with that.

Mr. ROBINSON. I am not so strong as is the Senator Irom Louisiana in believing that the Democrats ought to have all the jobs, but I do affirm and reaffirm that under a Democratic administration they ought to have fair recognition; they ought to have most of the jobs. [Laughter.]

The VICE PRESIDENT. The occupants of the galleries will refrain from any demonstration of approval or disapproval.

Mr. LONG. The point I am making is-

Mr. ROBINSON. The Senator from Louisiana and I are more nearly in accord at this moment than we have been in a long time. [Laughter.]
Mr. LONG. The Senator overlooked my last point. I was

Mr. LONG. The Senator overlooked my last point. I was willing to concede, I meant to say, that the Democrats ought to have the jobs; I think that they ought to have at least most of the jobs, but what is my friend from Arkansas going to do for the remainder of his loyal followers in this body when

Mr. Byrns has announced that we are to be excommunicated in the award of this pie and none of us are going to be allowed to have anything; in other words, none of us are going to be allowed to come up to the pie counter? That is where I am kicking. I have never even been up there, but I at least want my friend from Montana to sit there for a while. [Laughter.]

Mr. ROBINSON. Well, Mr. President, there is, as I was attempting to say, a basis for fair action in the matter of patronage; and I unhesitatingly say that I think the present administration has kept in office in key positions too many Republicans too long. If I chose to go into details, I could name hundreds of old mossback Republicans [laughter], some of them not having heard a single movement on this mundane sphere within the last 15 years, literally thousands of them, placed in office by that great partisan associate of the Senator from Delaware, former Senator Smoot, of Utah.

If a Senator who has been out of this body for a long time could be reduced to a level of political recognition in key places in various departments with Democratic Senators who are serving here now, there would be ample recognition to gratify even the luxurious and constantly expanding ambition and desire of my friend the Senator from Louisiana. [Laughter.]

Mr. President, there is another thing that I am going to speak of in this connection while I am talking about it. There is an organized agitation, led by such nonpartisans as the Senator from Delaware, going on throughout the United States to the effect that you must not inject politics into this and that; that this and that are too good and too pure to have anyone who is associated with political affairs connected with it, and at the same time those who are carrying on the agitation, or, at least, those who are directing it, for the most part, themselves are the beneficiaries of long-lasting political influence, and many of them could not secure recognition, even in minor positions, if they had to rely solely on their merit. So, while the Senator from Delaware is criticizing the Speaker of the House for attempting to assist his valiant associates in that body, I ask him just to remember that whatever the Speaker may be able to do will not equal in the one-tenth degree what the Senator from Delaware did and what he was able to accomplish in a political way when he was not too holy to regard himself as a patronage dispenser.

I see that the Senator from Delaware is eager to resume the floor. [Laughter.] I am wondering now whether he is going to declare himself a champion of civil service. [Laughter.] I wish that some way could be found and applied to work out the selection of those who fill administrative Government positions without suggestion from such statesmen as the Senator from Delaware, and no doubt he feels the same desire with regard to myself.

In a time when a new administration comes into power there is a great deal of pressure exerted on Senators and Representatives from those who, having lifted aloft and borne with courage the banner of the party, feel that they are entitled to some consideration as against those who, entrenched under other administrations, resisted in every possible way the success of the reformers. I do not know of any method by which Senators may escape devoting a material and substantial part of their time, which is really required in connection with their official duties, in the attempt to reward their supporters and friends, their party associates by securing for them political offices. The representatives of the defeated party always cry, "Keep politics out of the Government", and the reason they do so is that it is the most effective way of retaining in office incompetent partisans associated with themselves.

Ah, it was not politics when my good friend the Senator from Delaware was naming postmasters in Delaware. That was patriotism. [Laughter.] It was not politics when my good friend the Senator from Delaware was suggesting to the then President the appointment of almost every officer to fill a vacancy in the State of Delaware. That was a natural tribute which any good President should pay to one so capable and so virtuous politically as is the Senator from Dela-

ware. But when the tables are turned, when the opposition is in power, the Senator from Delaware joins the ranks of those who think it is a sin to recognize politics in governmental affairs. I am telling you that, whether you call it politics or not, that which you have in mind when you say politics" extends sometimes even into church organizations, even into school organizations, even into social organizations; and I have never yet found a practical way of dispensing with politics in governmental control. If the Senator from Delaware, in the chastened and purified state in which he is now living, has discovered and will reveal a plan by which we may escape the detrimental effects of unfair political influence, the whole country will welcome it; but, make no mistake, should the tables again be turned, he would be the same old spoilsman that he was in years gone by. [Laughter.] He would be reaching out and looking up and, mayhap, striking forward aggressively in an effort to obtain his share of

I believe that underlying this discussion is a serious principle. I do not believe that anybody should be appointed to office merely because of his politics. I do not believe anyone should be placed in a position who is incapable of performing the duties of that position fairly and efficiently. But I must now and ever repudiate the implied theory of the Senator from Delaware-namely, that only Republicans possess high standards of qualification to perform public service.

Everyone here knows my friendship for those who sit on the other side of this Chamber. Through all the years of my feeble efforts to serve here I have enjoyed their confidence and support. I have a feeling of positive affection for most of the Senators who have labored during the period of my efforts here.

There is only one consideration which I hesitate in extending to a Republican. I do not believe he is especially fitted for office. I cannot join with my friend, the Senator from Delaware, in the theory that Democrats are so lacking in intelligence or in patriotism that in a Democratic administration Republicans are entitled to occupy key positions and determine the effectiveness of the very measures which are advanced by the administration.

I believe, too, that there has been less politics displayed under this administration in the appointment of officers than under any other administration during the memory of my friend, the Senator from Delaware, or my own much longer memory. I do not believe there has been any injustice done; I do not believe the Senator from Delaware has any valid ground of complaint; but if he really is devoted to the cause of efficiency, if he is anxious to make it certain that no Republican in Delaware who is incompetent and inefficient should be retained in office or in the event of a change in the control of the Government be appointed to office, my theory is that the Senator would find himself standing in lonely isolation facing a restless and ever-rolling political sea.

Mr. HASTINGS. Mr. President, I am a little surprised that the mere statement I read from a Washington newspaper should have brought forth such a labored effort upon the part of the distinguished Senator from Arkansas [Mr. ROBINSON]. I did one thing evidently which I had not even hoped to do. I tore off the cloak of deception which has been worn by the Democratic Party ever since they began the relief business. We have charged not once but many times that the Democratic Party was using for political purposes the funds which we appropriated for relief. The Senator from Arkansas took a long time to affirm that charge which we have frequently made. He talked about jobs ranging from \$110 to \$200 a month, and he said they are jobs the Democrats ought to have and that those jobs are to go to deserving Democrats.

Mr. ROBINSON. Mr. President, will the Senator yield? The VICE PRESIDENT. Does the Senator from Delaware yield to the Senator from Arkansas?

Mr. HASTINGS. Yes. Mr. ROBINSON. I was talking about jobs generally. Mr. HASTINGS. I said nothing about jobs generally.

Mr. ROBINSON. I was making no reference to any particular class of jobs, and I never intimated that we were using appropriations for political purposes. My point was that in the Democratic administration, under the claim of avoiding politics, Senators like the Senator from Delaware ought not to be permitted and enabled to control such appointments as it might be necessary to make.

Mr. HASTINGS. It was not necessary to make that point in answer to anything I had said. I complained because in this relief measure we were asked to appropriate \$130,000,000 to carry on the army of the C. C. C., which is three times as large as the Regular Army. The only point I made about it was that there were 10,000 jobs, ranging from \$110 a month to \$200 a month, which were to be given only to deserving Democrats.

I say, if the Democratic principle is applied, if the principle is applied that only deserving Democrats shall get that kind of jobs, then may I inquire whether the rate of wages has been kept down under this measure so that nobody particularly would be interested in the \$50 per month jobs except in order to obtain food? I ask why not provide that there shall be taken from the relief roll the 10,000 men who are necessary to handle these jobs? The Senator will find plenty of them on the relief rolls. He will find plenty of them out of employment, both Democrats and Republicans.

But, no; the Speaker of the House says this is to be confined to deserving Democrats. If we apply this political principle, this patronage principle, to anything in the relief matter, then I say it comes clear down to the very fellow who is getting bread at the hands of the Federal Government in order that he may feed himself. If it is proposed to practice it at all in that way, eventually it will be practiced down to the very lowest level. That is my complaint.

I am not complaining about the Democratic Party ignoring all they have said during the last 30 or 40 years about civil service. I have passed that up long ago and given up any idea of doing anything about it. With their great majority they have ignored it and placed in every bill a provision that the civil service shall be ignored. I have given up any fight about that, but I do insist that it is part of my duty and part of the duty of every conscientious man in the Senate to go as far as he can to prevent the President of the United States, or anybody under him, using the relief money intended to feed and clothe the people, in order that deserving Democrats may have jobs.

Mr. WHEELER. Mr. President, will the Senator yield? Mr. HASTINGS. I yield.

Mr. WHEELER. I desire to make just one statement to the Senator.

Mr. HASTINGS. If the Senator desires to make a statement, I suggest that he make it in his own time. I am

Mr. WHEELER. Did the Senator mean to intimate that the relief which has been handled has been handled by Democrats throughout the country? Is that the point the Senator is trying to make—that it has been handled in that way?

Mr. HASTINGS. Oh, no!

Mr. WHEELER. Let me say to the Senator that during the Hoover administration, when relief organizations were set up in my State and practically every other State in the Northwest, they were composed almost entirely, in every county and in every city, of Republicans. Not only that, but the same organization in my State that handled the relief funds during the Hoover administration is still handling them, and the work is in the hands of Republicans in every city and in every county in the State of Montana.

Mr. HASTINGS. No, Mr. President; what I was talking about in particular was the giving of a million dollars for relief to Maine, for instance, and distributing it all over that State just a few weeks before election. That is what I mean when I talk about your using relief money for political purposes; and it is true not only of Maine but of other States in the Union. We have charged time and time again that citizens have had so much relief that they felt it necessary to vote for Democrats in order that they might get more.

Mr. WHEELER. I will say to the Senator that, if that were done in Maine or in any other State for political purposes, it was a despicable thing to do, and I have no brief for anybody who would attempt to resort to that sort of thing. I do say, however, that in my State and throughout the Northwest, so far as I know, in Minnesota and North Dakota and South Dakota and practically all the States with which I am familiar, relief was distributed through the Republican organizations that had been set up during the Hoover administration, and they were all Republican organizations. Any Senator from any one of those States, I am sure, will confirm what I am saying.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. McKELLAR. I desire to say with reference to Tennessee that exactly the same conditions prevailed there. The relief administration appointed under President Hoover was substantially carried on under the present administration. I desire to say further that that relief administration was almost solidly for the opponent of the nominee for the Senate on the regular Democratic ticket, namely, the Republican candidate who ran against me; and, also, for the Fusion candidate who ran against the Democratic candidate for Governor in my State. In other words, if there was any politics about it—and there was politics about it—the politics was used in behalf of the Republican nominee in my State and against the regular Democratic nominee.

Mr. WHEELER. As a matter of fact, in my home city of Butte men came to me and said that they did not dare be seen coming to my office, because if they were seen they might be cut off the relief rolls. That has been going on in many other places. I am told that the relief in the State of Indiana was dominated and controlled by the United States Steel Corporation. The relief in other places has been controlled by the big interests of this country, where it was placed during the Hoover administration.

Mr. LONG. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. LONG. I just want to say that that does not apply only to the Northern States. Down in my State of Louisiana a patronage committee of 3 was appointed and 2 of them were Republicans; 2 of them voted for Hoover.

What I did not hear discussed, however, and what I am objecting to, is that nobody seems to have noticed that it has been announced that none of these jobs shall go to Senators. [Laughter.] I want the integrity of the Senate defended and respected; that is all. I think we are failing to consider ourselves. What is going to happen to us, Mr. President? [Laughter.]

Mr. WHEELER. Mr. President, I am not interested in what is going to happen to us. Let me say to the Senator that I have not any desire for any of this relief patronage. I wish it were all taken away. It is only a burden and a detriment to the man who has it. So far as I am concerned, I am not interested in it; but so far as the States with which I am familiar are concerned, and I am told the same thing is true in other States, when Republicans complain because of the way in which relief was handled, it was handled in those States to a large extent by the big interests of the States, and it was handled by the Republican organization, and it is handled by the Republican organization, and it is handled by the Republican organization in many of those States today.

Mr. GLASS. Mr. President, I am totally unconcerned about all this discussion regarding partisan politics. I am almost tempted to say that I am unconcerned because there are not enough Republicans in Virginia to give me any concern as to the distribution of patronage; but what I am concerned about is the effort to make it appear that there has been one particle of partisan politics in the consideration of the joint resolution which we have just recommitted to the Committee on Appropriations.

I have always had some degree of respect for the intellectual capabilities of the Senator from Delaware [Mr. Hastings], but I discover now that he has not sense enough or discernment enough to understand that if he undertakes

to make politics of this situation he is simply submerged in the beginning. Neither in the Senate nor in the House nor in the Senate Committee on Appropriations has there been one word of partisan politics uttered on the subject of this appropriation; and upon divisions in the Senate committee as to the various problems arising in connection with the joint resolution there was at all times a nonpartisan division in the vote. I am not only astonished but I deplore the fact that the Senator from Delaware has perverted what I really thought was his intellectual capability by introducing this subject in such a vicious way.

Mr. BORAH. Mr. President, I shall occupy only a moment. This joint resolution has now gone back to the committee. There is a possibility—I suppose a probability—that it will come back to the Senate more in the nature of a relief measure than a public-works measure. I desire to suggest to the committee that in considering it in the nature of a relief measure it should provide very specifically a method for the distribution of this fund, a method which will fix responsibility.

I made an investigation last fall, and I have at hand the material resulting from that investigation, whenever it is necessary to discuss it. The investigation disclosed very clearly that there was a vast amount of politics in the distribution of the relief fund, and that as a result there was a vast amount of waste in its distribution.

I will say that I did not discover that there was any politics upon the part of the Administrator himself, Mr. Hopkins; but the method which was adopted in the distribution of the fund—namely, turning over to the States a large amount of the fund for distribution—while Mr. Hopkins claimed that he was in no sense responsible after it left him, resulted in the exercise of politics and political favoritism and a vast amount of waste.

I think I can demonstrate to the Senate that not only thousands and hundreds of thousands but millions of dollars were wasted, and they were wasted because there was no method or means by which to check against the people who were distributing the fund in the different districts and in the different States.

For instance, I have a report from the attorney general of a certain State. He is not a partisan in the sense that he would be biased, because he is a Democrat, but he called attention to the vast amount of waste that was going on in his State. In reply he was told that the officials here at Washington were not responsible; that the money had been furnished, and when it was furnished the responsibility of Washington ended.

The joint resolution should provide that the authorities in Washington should be responsible for every dollar that is expended, and they should be responsible for those who expend it. Those who expend it in the first place should be required to make reports directly to the authorities in Washington, and the authorities in Washington, in the final analysis, should be responsible for the expenditure. Otherwise we shall have a repetition of the vast waste which I say has already taken place.

I repeat, I am not charging partisanship to Mr. Hopkins, but I am charging a looseness of method in the distribution which enabled local individuals to exercise it in the interest of party, and they did that very thing.

Mr. LA FOLLETTE. Mr. President, will the Senator yield for just a moment?

Mr. BORAH. I yield.

Mr. LA FOLLETTE. So long as the States are putting up a substantial amount of money—and some of them are putting up a substantial amount of money for relief in conjunction with the Federal Government—it seems to me we should consider that the State has some right to cooperate in the administration of those funds. I think perhaps the Senator's proposition might be more applicable if the entire sum were being put up by the Federal Government, as it is in a great many States, or nearly all of it. In many cases, however, the States themselves are raising money through taxation, the counties and the municipalities are raising

money, and it seems to me that in that situation we must have cooperation between the Federal Relief Administration and that of the State in the expenditure of their joint fund.

Mr. GLASS. Mr. President, as a matter of fact, the States are putting it all up in the last analysis. Where else does the Federal Government get any money?

Mr. BORAH. Of course, that is true in a sense. Nevertheless, it is appropriated out of the Federal Treasury. It is put into the hands of a Federal administrator. The Federal administrator sends it to certain officers in the States. and when he sends it there he claims that his responsibility ends. I claim that it does not end or should not end there.

Mr. LONG. Mr. President, will the Senator yield?

Mr. BORAH. In just a moment.

So far as the suggestion of the Senator from Wisconsin [Mr. La Follette] is concerned, I readily admit that, if State authorities are administering State funds, they should be held responsible for them and they accept responsibility for administering State funds; but where they are administering Federal funds-and that is the case now in a very large majority of all of the States-I say that the responsibility ought to attach right here at Washington, and never end, so that somebody may be responsible for the money.

I have a copy of a telegram from an investigator in one of the States which says in substance, "A million dollars has disappeared and we cannot find it." [Laughter.] It had disappeared through the activities of State agencies, and they were apparently responsible to nobody. I say that the responsibility should attach right here for every dollar that goes out of the Federal Treasury.

Mr. GLASS. Who here is responsible to anybody? Mr. BORAH. I am responsible to the Senator from Virginia in the sense that I want to state the facts so that he may know them when he comes to deal with the matter before his committee.

Mr. LONG. Mr. President, will the Senator yield to me?

Mr. BORAH. I yield. Mr. LONG. What I want to find out is this: What is going to be done with the rank discrimination in apportioning these funds? There should be one rule for one State and the same rule for another State. Why do they say to Louisiana to put up so much, to Mississippi to put up nothing, to Arkansas to put up nothing, and to Mississippi, which puts up nothing, "You name your administrator"; to Arkansas, which puts up practically nothing, "You name your administrator"; but they come down to Louisiana and sandbag Louisiana into putting up \$600,000, and say, "We will not allow you to name the administrator, we have to name somebody else"; and in that particular case they name somebody whom they bring from outside of the State, which action is pleasing to a local Republican organization down there?

Mr. BORAH. Mr. President, that seems to be a family affair. [Laughter.]

Mr. LONG. It is not much of a family matter if you are the child that is being made to put up and the other one is not made to put up anything. Is it against the law, is it against conscience, for the Senator from Virginia to write something into this bill to stop this kind of rank discrimination?

We should have some kind of a rule here. This man up here says to the Connecticut Legislature, and to another legislature, "You meet. You pass this law, otherwise I cut off your relief." One little man here who has not been elected to anything and never will be elected to anything, perhaps, calls on one State legislature, "You meet and do this and do the other"; and the State legislature right next to it they do not call into session; and they do not meet; they do not do anything; but he sends them perhaps double the amount of relief money and puts it in their hands. That is the kind of thing that is going on, and we do nothing to correct it.

Mr. FLETCHER. Mr. President, I desire to draw to the Senate's attention this fact: My understanding is that our

purpose now is to get rid of the system under which we have been operating direct relief, and to substitute for it what is called "work relief." If we are determining now to do away with the dole system of relief, which we have been heretofore practicing, furnishing food and supplies and that sort of thing, and to substitute for it work relief, it seems to me we need not be bothered so much about the other plan.

Mr. BORAH. Mr. President, I had that in mind, and for that reason I have not discussed the subject heretofore. If the whole plan was to be changed, I see nothing to be gained by discussing waste under the old system. But let me say that, in my opinion, it will be pertinent when the measure gets back to the Senate.

Mr. FLETCHER. My idea is that we are undertaking now to give relief to people by providing work for them, and paying them something on which to live. My conception is that this work plan means the advancement and advantage of the public generally. It means that we are to have some increase of national wealth. It means that we are to do real work, and the projects which the President will undertake under this plan will be such as to be practically self-liquidating. In other words, the money will come back to the country, will come back to the people directly or indirectly in that we will increase public advantage, convenience, facilities, and benefits. That is the plan. It involves doing away with the system of direct relief, the practice of which the Senator has been men-

We want to put three million and a half men to work on public enterprises, on enterprises which will be, to some extent at least, self-liquidating, on enterprises which will add to the wealth of the Nation, on enterprises which will help the whole country, not any particular section, but the whole country. That is the purpose, and I cannot understand why there should be any opposition to such a plan.

Mr. KING. Mr. President, does not the Senator believe that if we should send word out to the country that we are going to lighten taxes, that we are not going to increase the burden by four or five million dollars-and I am not speak-. ing of the \$880,000,000 for relief—that men would be willing to invest more in private enterprises, and that within a year more men would be employed than as a result of taxing the people of the United States four or five billion dollars for alleged public works?

#### CROP PRODUCTION AND HARVESTING LOANS

Mr. SMITH. Mr. President, the bill for farm relief recently passed has been signed by the President, but in signing the bill he made the recommendation that the appropriation authorized in the measure should come out of the funds which would have been appropriated under the work relief bill which has just been recommitted.

If relief is to be had as contemplated under the so-called "seed-loan legislation", other provision must be made from appropriations so that the work may begin. We are practically at the 1st of March, and from every State in the Union there have come requests for assistance.

I have today introduced a joint resolution, being Senate Joint Resolution 67, covering this point, and I hope that on Monday when the Senate reconvenes we may dispose of that measure, so that the necessary funds may become available to the distressed farmers.

Mr. McKELLAR. Mr. President, has the joint resolution introduced by the Senator been referred to the Committee on Appropriations?

Mr. SMITH. It has been so referred.

### EMERGENCY RELIEF

Mr. COUZENS. Mr. President, on December 4, 1934, the Federal Emergency Relief Administration issued a statement showing the sources of public emergency-relief funds, by quarters, for 1933 and 1934.

This report, which will be found very illuminating, shows the distribution of the fund about which there has been some discussion this afternoon. I am not charging that any

politics was involved in the distribution of the fund. I do contributions in excess of 99 percent from the Federal not believe the report has been put into the RECORD or Government. printed and, if it has not been, I ask consent now that it may be printed in the RECORD, and printed as a public docu-

The PRESIDING OFFICER. Is there objection to the request of the Senator from Michigan?

There being no objection, the report was ordered to be It is shown in this report to what extent some States have printed as a public document, and to be printed in the contributed to their own relief while other States have had RECORD, as follows:

> Federal Emergency Relief Administration—Sources of public emergency relief funds, by quarters, 1933 and 1934 [Revised as of Dec. 14, 1934]

> > [As reported by State and local relief administrations]

			Federal funds		State fund	ls	Local fund		
States	Quarters	Year	Amount	Percent	Amount	Percent	Amount	Percent	Total obligation
Alabama	First quarter Second quarter Third quarter Fourth quarter	1933 1933	\$1, 535, 505. 75 2, 268, 518. 94 2, 183, 840. 17 3, 347, 799. 68	99. 2			\$33, 381, 74 18, 800, 74 106, 931, 31 88, 016, 86	2.1 .8 4.7 2.6	\$1, 568, 887, 4 2, 287, 319, 6 2, 290, 771, 4 3, 435, 816, 5
	1933 total		9, 335, 664. 54	97.4	*********		247, 130. 65	2.6	9, 582, 795. 1
	First quarter Second quarter Third quarter	1934	2, 627, 935, 07 4, 337, 092, 51 6, 249, 456, 20	98. 4 92. 7			42, 022. 94 339, 561. 05 320, 334. 90	1.6 7.3 4.9	2, 669, 958, 0 4, 676, 653, 5 6, 569, 791, 1
	1934 (9 months)		13, 214, 483. 78	95.0			701, 918. 89	5.0	13, 916, 402. 6
	Total (21 months)		22, 550, 148. 32	96.0			949, 049. 54	4.0	23, 499, 197. 8
Arizona	First quarterSecond quarterThird quarterFourth quarter	1933	520, 813, 16 592, 409, 71 632, 931, 06 932, 312, 99	75. 6 82. 5 79. 5 81. 7	3, 793, 58 5, 038, 45 98, 606, 50 183, 818, 88	0. 5 . 7 12. 4 16. 1	164, 404, 53 120, 942, 20 64, 743, 23 25, 077, 20	23.9 16.8 8.1 2.2	689, 011, 2 718, 390, 3 796, 280, 7 1, 141, 209, 0
	1933 total		2, 678, 466. 92	80.1	291, 257, 41	8.7	375, 167. 16	11. 2	3, 344, 891, 4
	First quarterSecond quarterThird quarter	1934	872, 961. 06 1, 714, 625. 16 1, 828, 974. 65	76. 3 84. 7 86. 3	265, 401, 63 308, 229, 83 290, 047, 59	23. 2 15. 2 13. 7	5, 567. 58 2, 814. 39	.5	1, 143, 930, 2 2, 025, 669, 3 2, 119, 022, 2
	1934 (9 months)		4, 416, 560. 87	83. 5	863, 679. 05	16.3	8, 381. 97	.2	5, 288, 621. 8
	Total (21 months)		7, 095, 027. 79	82. 2	1, 154, 936, 46	13.4	383, 549. 13	4.4	8, 633, 513. 3
Arkansas	First quarter Second quarter Third quarter Fourth quarter	1933 1933	2, 236, 880, 58 1, 822, 669, 39 1, 382, 137, 93 2, 098, 134, 63	98. 1 100. 0 100. 0 100. 0			43, 866. 80	1.9	2, 280, 747. 3 1, 822, 669. 3 1, 382, 137. 9 2, 098, 134. 6
	1933 total		7, 539, 822. 53	99.4			43, 866. 80	.6	7, 583, 689. 3
	First quarterSecond quarterThird quarter	1934 1934 1934	2, 733, 770. 82 3, 361, 155. 25 4, 452, 818. 30	100. 0 95. 7 91. 7	14, 321. 00 93, 639. 10	.4 1.9	136, 135, 32 309, 315, 58	3. 9 6. 4	2, 733, 770. 8 3, 511, 611. 5 4, 855, 772. 9
	1934 (9 months)		10, 547, 744. 37	95. 0	107, 960. 10	1.0	445, 450. 90	4.0	11, 101, 155, 3
	Total (21 months)		18, 087, 566. 90	96.8	107, 960. 10	.6	489, 317, 70	2.6	18, 684, 844, 7
California 3	First quarter Second quarter Third quarter Fourth quarter	1933	4, 359, 214, 31 8, 049, 799, 81 3, 182, 047, 91 2, 330, 940, 00	42.8 72.1 31.5 30.2	879, 168. 30 709, 377. 51 25, 764. 08 3, 140, 059. 80	8.6 6.4 .3 40.7	4, 951, 035. 26 2, 397, 537. 75 6, 869, 094. 51 2, 244, 730. 24	48. 6 21. 5 68. 2 29. 1	10, 189, 417, 8 11, 156, 715, 0 10, 076, 906, 5 7, 715, 730, 0
	1933 total		17, 922, 002. 03	45.8	4, 754, 369. 69	12.1	16, 462, 397. 76	42.1	39, 138, 769. 4
	First quarterSecond quarterThird quarter	1934	3, 349, 760. 94 9, 027, 703. 53 13, 295, 410. 23	47. 1 62. 3 64. 8	2, 222, 038. 56 598, 887. 54	31. 3 4. 1	1, 534, 953. 51 4, 858, 992. 48 7, 212, 266. 25	21. 6 33. 6 35. 2	7, 106, 753. 0 14, 485, 583. 5 20, 507, 676. 4
	1934 (9 months)		25, 672, 874. 70	61, 0	2, 820, 926. 10	6. 7	13, 606, 212. 24	32.3	42, 100, 013. 0
	Total (21 months)		43, 594, 876. 73	53. 7	7, 575, 295. 79	9.3	30, 068, 610. 00	37.0	81, 238, 782, 5
Colorado	First quarter Second quarter Third quarter Fourth quarter	1933 1933 1933 1933	1, 764, 598, 50 1, 852, 078, 46 808, 267, 13 1, 252, 722, 37	85. 2 88. 7 67. 6 86. 2	5, 571. 45 5, 466. 50	.5	305, 935, 72 236, 016, 44 381, 983, 30 195, 282, 14	14.8 11.3 31.9 13.4	2, 070, 534, 2 2, 088, 094, 9 1, 195, 821, 8 1, 453, 471, 0
	1933 total		5, 677, 666. 46	83. 4	11, 037. 95	.2	1, 119, 217. 60	16.4	6, 807, 922. 0
	First quarterSecond quarterThird quarter	1934 1934 1934	1, 050, 166. 66 3, 343, 527. 59 4, 689, 852. 36	70. 0 78. 4 79. 3	181, 962, 05 446, 857, 00 634, 350, 00	12. 1 10. 5 10. 7	268, 031. 17 474, 915. 35 588, 515. 69	17. 9 11. 1 10. 0	1, 500, 159. 8 4, 265, 299. 9 5, 912, 718. 0
	1934 (9 months)		9, 083, 546. 61	77.8	1, 263, 169. 05	10.8	1, 331, 462, 21	11.4	11, 678, 177. 8
	Total (21 months)		14, 761, 213. 07	79.8	1, 274, 207. 00	6.9	2, 450, 679. 81	13. 3	18, 486, 099. 8
Connecticut	First quarter Second quarter Third quarter Fourth quarter	1933	535, 606, 58 598, 975, 83	25. 4 30. 9	373, 486, 49 402, 027, 67 322, 536, 01 344, 318, 21	12. 7 14. 4 15. 3 17. 7	2, 573, 985, 36 2, 387, 165, 10 1, 249, 393, 35 999, 516, 96	87. 3 85. 6 59. 3 51. 4	2, 947, 471, 8 2, 789, 192, 7 2, 106, 935, 9 1, 942, 811, 0
g , jard leham-fo	1933 total		1, 133, 982. 41	11.6	1, 442, 368. 38	14.7	7, 210, 060. 77	73.7	9, 786, 411.
	First quarterSecond quarterThird quarter	1934 1934 1934	662, 204, 24 3, 386, 457, 39 2, 303, 635, 30	38. 8 61. 5 46. 8	295, 514, 59 365, 767, 36 464, 752, 60	17. 3 6. 6 9. 4	749, 467, 99 1, 754, 026, 32 2, 159, 047, 56	43. 9 31. 9 43. 8	1, 707, 186. 8 5, 506, 251. 0 4, 927, 435. 0
	1934 (9 months)		6, 352, 296. 93	52.3	1, 126, 034. 55	9.3	4, 662, 541, 87	38. 4	12, 140, 873.
	Total (21 months)		7, 486, 279. 31	34.1	2, 568, 402. 93	11.7	11, 872, 602. 64	54. 2	21, 927, 284.

# CONGRESSIONAL RECORD—SENATE

Federal Emergency Relief Administration—Sources of public emergency relief funds, by quarters, 1933 and 1934—Continued

			Federal funds		State funds		Local fund	ls	m
States	Quarters	Year	Amount	Percent	Amount	Percent	Amount	Percent	Total obligations
Delaware	First quarter	1933			\$670, 160. 49	100.0			\$670, 160. 49
	Second quarter	1933	\$357, 718. 52	79.6	775, 288. 06 91, 443. 18	100. 0 20. 4			775, 288. 06 449, 161. 70
	Third quarter	1933 1933	261, 400. 00 619, 118. 52	26. 5	1,720,110.09	73.5		200000000000000000000000000000000000000	2, 339, 228. 61
Delaware	1933 total	1934	337, 105. 79	53, 3	295, 153, 61	46, 7			632, 259, 40
	Second quarter Third quarter	1934 1934	109, 338. 99 185, 648. 99	36. 4 54. 9	108, 000. 00	36. 0	\$82, 656. 93 152, 753. 17	27. 6 45. 1	299, 995, 92 338, 402, 16
	1934 (9 months)		632, 093. 77	49.8	403, 153. 61	31.7	235, 410. 10	18. 5	1, 270, 657. 48
	Total (21 months)		1, 251, 212. 29	34.7	2, 123, 263. 70	58.8	235, 410. 10	6.5	3, 609, 886. 00
District of Columbia	First quarter 3 Second quarter	1933	130, 767. 00	25. 1			422, 301, 77 389, 294, 27	100. 0 74. 9	422, 301, 77 520, 061, 27
	Third quarterFourth quarter	1933	164, 208, 68 47, 400, 45	21. 6 5. 8			594, 976. 92 773, 556. 41	78, 4 94, 2	759, 185, 60 820, 956, 83
	1933 total		342, 376. 13	13. 6			2, 180, 129. 37	86.4	2, 522, 505. 50
	First quarterSecond quarter	1934 1934	1, 008, 764. 51 2, 447, 121. 29	93. 9 99. 4			65, 078. 68 14, 738. 64	6.1	1, 073, 843. 19 2, 461, 859. 93
	Third quarter	1934	1, 807, 874. 54	79. 6			464, 518. 97	20.4	2, 272, 393. 51
	1934 (9 months)		5, 263, 760. 34	90.6			544, 336. 29	9.4	5, 808, 095. 63
Manida	Total (21 months)	Pavas	5, 606, 136, 47	67.3 89.4			2, 724, 485. 66	32.7	8, 330, 602. 13
Florida	First quarter Second quarter Third quarter		1, 433, 859. 21 1, 600, 972. 58 2, 360, 153. 43	86.3 95.6			169, 514, 77 254, 754, 68 107, 637, 74	10. 6 13. 7 4. 4	1, 603, 373. 98 1, 855, 727. 28 2, 467, 791. 17
	Fourth quarter	1933	2, 864, 708. 45	97. 2			82, 313. 10	2.8	2, 947, 021. 55
	1933 total	CONTRACTOR OF THE PARTY OF THE	8, 259, 693. 67	93. 0			614, 220. 29	7.0	8, 873, 913. 96
	First quarter	1934	2, 277, 670. 65 5, 303, 589. 22	99. 7 99. 9			6, 664. 10 4, 643. 27	.3	2, 284, 334, 75 5, 308, 232, 49
	Third quarter		5, 353, 226. 85 12, 934, 486. 72	99.9			11, 307. 37	.1	5, 353, 226. 85 12, 945, 794. 09
	Total (21 months)	-	21, 194, 180. 39	97.1			625, 527. 66	2.9	21, 819, 708. 05
Georgia	First quarter	1933	414, 574. 78	77.7	4. 95	(1)	119, 150. 10	22.3	533, 729. 38
	Second quarter	1933	1, 038, 396, 30 1, 333, 029, 98	100. 0 95. 0			70, 050. 68	5. 0	1, 038, 396, 30 1, 403, 080, 66
	Fourth quarter		2, 897, 721, 25	96, 6	4.95	(1)	100, 722. 35 289, 923. 13	4.9	2, 998, 443. 60
	First quarter	1934	5, 683, 722. 31 2, 659, 498. 87	91.8	4. 90		238, 345, 07	8. 2	5, 973, 650. 39 2, 897, 843, 94
	Second quarter Third quarter		5, 403, 393, 70 5, 130, 225, 03	95. 8 96. 2			234, 642, 89 203, 293, 03	4.2 3.8	5, 638, 036, 59 5, 333, 518, 06
	1934 (9 months)		13, 193, 117. 60	95. 1			676, 280. 99	4.9	13, 869, 398. 59
	Total (21 months)		18, 876, 839. 91	95. 1	4, 95	(4)	966, 204, 12	4.9	19, 843, 048. 98
Idaho	First quarter	1933	453, 474, 92 400, 930, 94	83.3 74.1			90, 637, 25 140, 403, 17	16. 7 25. 9	544, 112, 17 541, 334, 11
	Third quarterFourth quarter	1933	237, 971, 52 88, 460, 10	70. 0 29. 3			102, 058, 13 213, 222, 53	30. 0 70. 7	340, 029. 65 301, 682. 63
	1933 total		1, 180, 837. 48	68. 4			546, 321. 08	31.6	1, 727, 158. 56
	First quarter	1934 1934	219, 988, 53	63. 5	2 620 05		126, 582, 88	36. 5	346, 571. 41
	First quarterSecond quarterThird quarter	1934	1, 045, 277, 27 1, 884, 765, 58	92. 4 92. 3	3, 630. 95 1, 529. 98	.3	82, 735, 27 154, 994, 63	7. 3 7. 6	1, 131, 643, 49 2, 041, 290, 19
	1934 (9 months)		3, 150, 031, 38	89. 5	5, 160. 93	.1	364, 312, 78	10.4	3, 519, 505. 09
	Total (21 months)	The same	4, 330, 868, 86	82.5	5, 160. 93	.1	910, 633. 86	17.4	5, 246, 663. 65
Illinois	Second quarter	1933	19, 640, 446. 21 18, 422, 095. 29 14, 035, 048. 80	88. 0 92. 0	57, 885. 79 179, 764. 87	.3	2, 605, 659. 03 1, 421, 021. 86	7.1	22, 303, 991. 03 20, 022, 882. 02
	Third quarter	1933 1933	7, 849, 160. 62	80. 7 41. 3	2, 860, 262, 09 10, 722, 650, 54	16. 4 56. 5	497, 597. 39 423, 035. 90	2.9 2.2	17, 392, 908. 28 18, 994, 847. 06
	1933 total		59, 946, 750. 92	76. 1	13, 820, 563, 29	17. 6	4, 947, 314. 18	6.3	78, 714, 628. 39
	First quarter Second quarter Third quarter	1934 1934	3, 047, 971. 82 17, 998, 524. 57	18. 4 70. 8	13, 245, 769, 56 6, 689, 818, 53	79. 9 26. 3	278, 593. 90 722, 993. 65 1, 617, 606. 08	1.7 2.9 5.3	16, 572, 335, 28 25, 411, 336, 75
	The state of the s		21, 016, 075, 44	68.3	8, 126, 669. 37	26.4			30, 760, 350. 89
	1934 (9 months)	MARKET PROPERTY.	42, 062, 571. 83 102, 009, 322. 75	67. 3	28, 062, 257. 46 41, 882, 820. 75	27. 7	2, 619, 193. 63 7, 568, 507. 81	3. 6 5. 0	72, 744, 022. 92 151, 458, 651. 31
Indiana			2.051 203 74	48. 1			2, 216, 042, 23	51.9	
	First quarterSecond quarterThird quarter	1933	2, 831, 773. 90 2, 083, 287. 53	78. 9 69. 0	5, 146, 12 2, 987, 58	0.1	754, 193, 21 931, 590, 96	21. 0 30. 9	4, 267, 245. 97 3, 591, 113. 23 3, 017, 866. 07
	Fourth quarter	1933	1, 341, 908, 02	41.5	4, 502, 80	.2	1, 884, 326, 37	58.3	3, 230, 737. 19
	First quarter	-	8, 308, 173, 19 1, 579, 979, 71	58, 9	12, 636, 50	1	5, 786, 152, 77	41.0	2 964 823 55
	Second quarter	1934	4, 316, 164, 83 6, 031, 391, 86	60, 1 67, 8	3, 895. 64 3, 930. 87 3, 185. 61	(9)	1, 380, 948, 20 2, 864, 910, 08 2, 858, 805, 27	46. 6 39. 9 32. 2	2, 964, 823, 55 7, 185, 005, 78 8, 893, 382, 74
	1934 (9 months)	1	11, 927, 536. 40	62. 6	11, 012, 12	.1	7, 104, 663. 55	37.3	19, 043, 212. 07
	Total (21 months)		20, 235, 709. 59	61.0	23, 648. 62	,1	12, 890, 816, 32	38. 9	33, 150, 174, 53

Federal Emergency Relief Administration—Sources of public emergency relief funds, by quarters, 1883 and 1884—Continued

			Federal fund	ls	State fund	S	Local fund	is	
States	Quarters	Year -	Amount	Percent	Amount	Percent	Amount	Percent	Total obligations
Iowa	First quarter	1933 1933	\$788, 231, 00 1, 518, 905, 78 870, 064, 00 738, 659, 40	37. 5 62. 2 54. 3 50. 7	\$65, 00 750, 00 66, 51	99	\$1, 311, 667. 00 921, 431. 05 733, 289. 67 719, 035. 19	62. 5 37. 8 45. 7 49. 3	\$2, 100, 363, 00 2, 441, 086, 83 1, 608, 420, 18 1, 457, 604, 59
	1933 total		3, 915, 860. 18	51. 5	1, 281. 51	(4)	3, 685, 422. 91	48. 5	7, 602, 564, 60
	First quarter Second quarter Third quarter	1934	787, 643, 82 1, 950, 987, 97 2, 344, 513, 36	60, 9 62, 7 55, 3	600, 000. 00	14. 2	506, 717, 16 1, 161, 779, 36 1, 292, 667, 52	39, 1 37, 3 30, 5	1, 294, 360, 98 3, 112, 767, 33 4, 237, 180, 88
	1934 (9 months)		5, 083, 145. 15	58. 8	600, 000. 00	6.9	2, 961, 164. 04	34. 3	8, 644, 309. 19
	Total (21 months)		8, 999, 005. 33	55, 4	601, 281. 51	3.7	6, 646, 586. 95	40.9	16, 246, 873. 79
Kansas	First quarter Second quarter Third quarter Fourth quarter	1933 1933	1, 054, 693. 05 979, 665. 20 1, 089, 373. 62 538, 665. 80	57. 0 59. 4 65. 5 44. 8	92, 372, 95 102, 888, 46 30, 368, 90	5. 0 6. 3 1. 8	. 702, 836. 08 565, 729. 32 514, 254. 85 663, 988. 97	38. 0 34. 3 32. 7 55. 2	1, 849, 902, 08 1, 648, 282, 98 1, 663, 997, 37 1, 202, 651, 77
	1933 total		3, 662, 397. 67	57.5	225, 630. 31	3.7	2, 476, 809. 22	38.8	6, 364, 837. 20
	First quarter Second quarter Third quarter	1934	463, 167. 07 2, 229, 966. 50 4, 713, 285. 04				646, 701. 83 1, 347, 045. 10 1, 521, 158. 37	58. 3 37. 7 24. 4	1, 109, 868, 90 3, 577, 011, 60 6, 234, 443, 41
	1934 (9 months)		7, 406, 418. 61	67.8			3, 514, 905. 30	32. 2	10, 921, 323. 91
	Total (21 months)		11, 068, 816. 28	64. 0	225, 630, 31	1.3	5, 991, 714. 52	34. 7	17, 286, 161, 11
Kentucky	First quarter	1933	3, 055, 241, 64 3, 203, 047, 63 1, 767, 911, 17	94.3 93.3 93.9	127.00	(4)	184, 775. 74 229, 639. 13 113, 898. 21	5.7 6.7 6.1	3, 240, 144, 38 3, 432, 686, 76 1, 881, 809, 38
	Fourth quarter	-	2, 103, 357. 47	86. 6	250, 000. 00	10.3	74, 095. 77	3.1	2, 427, 453. 24
	First quarter	_	10, 129, 557. 91 3, 161, 082. 81	92. 2 89. 2	250, 127. 00 350, 000. 00	9.9	602, 408. 85 32, 654. 25	5.5	10, 982, 093, 76 3, 543, 737, 06
	Second quarter	1934	2, 574, 287. 63 3, 200, 685. 08	92. 5 83. 4	8, 162, 01 113, 702. 37	3.0	200, 708. 53 524, 696. 61	7. 2 13. 6	2, 783, 153, 17 3, 839, 084, 06
	1934 (9 months)	-	8, 936, 055, 52	87. 9	471, 864. 38	4.6	758, 059, 39	7.5	21, 149, 072, 05
Louisiana	First quarter	=	19, 065, 613. 43	90. 2	721, 991. 38 1, 697. 16	3. 4	1, 360, 468. 24	6. 4	21, 148, 073. 05 4, 136, 767. 90
Louis and	Second quarter Third quarter Fourth quarter	1933	3, 954, 278. 82 2, 859, 270. 71 3, 605, 537. 99 3, 562, 137. 11	96.5 99.8	1,007,10		104, 054. 40 8, 112. 45	3.5	2, 963, 325, 11 3, 613, 650, 44 3, 562, 137, 11
	1933 total		13, 981, 224. 63	97. 9	1, 697. 16	(4)	292, 958. 77	2.1	14, 275, 880. 56
	First quarter Second quarter Third quarter	1934	3, 442, 875, 52 4, 643, 899, 02 4, 999, 682, 18	99.3			30, 405, 06 231, 748, 35	. 7 4. 4	3, 442, 875, 52 4, 674, 304, 08 5, 231, 430, 53
	1934 (9 months)		13, 086, 456. 72	98.0			262, 153. 41	2.0	13, 348, 610. 13
	Total (21 months)		27, 067, 681, 35	98.0	1, 697. 16	(4)	555, 112, 18	2.0	27, 624, 490. 69
Maine	First quarter	1933	237, 726. 80 231, 670. 08 202, 822. 69	21. 3 23. 5 22. 1	163, 715, 49 172, 953, 78 119, 291, 93	14. 6 17. 5 13. 0	1, 205, 613, 00 717, 270, 59 583, 095, 34 594,-045, 56	100. 0 64. 1 59. 0 64. 9	1, 205, 613, 00 1, 118, 712, 88 987, 719, 20 916, 160, 18
	1933 total		672, 219. 57	15.9	455, 961. 20	10.8	3, 100, 024, 49	73. 3	4, 228, 205, 26
	First quarterSecond quarterThird quarter	1934 1934 1934	331, 743. 55 1, 219, 991. 00 1, 485, 117. 73	30. 6 57. 3 64. 0	153, 651, 32 147, 949, 51 129, 514, 43	14. 1 7. 6 5. 6	599, 743, 32 758, 883, 12 703, 953, 14	55. 3 35. 7 30. 4	1, 085, 138, 19 2, 126, 823, 63 2, 318, 585, 30
	1934 (9 months)	1934	3, 036, 852. 28	54.9	431, 115. 26	7.8	2, 062, 579. 58	37.3	5, 530, 547. 12
	Total (21 months)		3, 709, 071. 85	38. 0	887, 076, 46	9.1	5, 162, 604. 07	52. 9	9, 758, 752. 38
Maryland	First quarter Second quarter Third quarter Fourth quarter	1933	172, 507. 81 998, 862. 98 3, 076, 836. 71	7. 6 41. 4 99. 7	22, 588, 00 2, 053, 493, 03 1, 409, 227, 69 1, 291, 16	1. 6 90. 9 58. 3 (4)	1, 359, 706, 59 33, 680, 62 7, 216, 45 8, 819, 54	98.4 1.5 .3 .3	1, 382, 294, 59 2, 250, 681, 46 2, 415, 307, 12 3, 086, 947, 41
	1933 total	-	4, 248, 207. 50	46.5	3, 486, 599. 88	38.1	1, 409, 423, 20	15. 4	9, 144, 280, 58
	First quarterSecond quarterThird quarter	1934	2, 623, 833. 86 4, 924, 955. 75 3, 415, 131. 05	62. 2 86. 3 71. 0	1, 589, 546, 64 525, 000, 00 1, 169, 264, 71	37. 6 9. 2 24. 3	8, 537. 64 256, 207. 85 222, 905. 48	6. 2 4. 5 4. 7	4, 221, 918, 14 5, 706, 163, 60 4, 807, 301, 24
	1934 (9 months)		10, 963, 920, 66	74.4	3, 283, 811. 35	22.3	487, 650. 97	3.3	14, 735, 332, 98
	Total (21 months)		15, 212, 128. 16	63.7	6, 770, 411. 23	28.4	1, 897, 074, 17	7.9	23, 879, 613, 56
Massachusetts	First quarter. Second quarter Third quarter Fourth quarter	1933	5, 750, 463. 00 1, 405, 307. 45	63. 8	166, 090. 37 98, 454. 48 29, 073. 31	1. 5 1. 1 . 3	11, 695, 664, 10 10, 812, 941, 87 3, 161, 909, 63 7, 338, 156, 08	100. 0 98. 5 35. 1 83. 7	11, 695, 654, 10 10, 979, 033, 24 9, 010, 827, 11 8, 772, 536, 84
	1933 total	-	7, 155, 770. 45	17.7	293, 618. 16	.7	33, 008, 671. 68	81.6	40, 458, 000. 29
	First quarterSecond quarterThird quarter	1934	226, 083, 37 10, 265, 968, 31 12, 050, 110, 01	2. 9 51. 7 57. 3	15, 234, 81 73, 533, 97 32, 153, 71	.2 .4 .2	7, 505, 546, 38 9, 531, 967, 05 8, 939, 735, 24	96. 9 47. 9 42. 5	7, 746, 864, 56 19, 871, 463, 33 21, 021, 998, 96
	1934 (9 months)	-	22, 542, 161. 69	46.3	120, 922. 49	.3	25, 977, 248. 67	53. 4	48, 640, 332, 85
	Total (21 months)		29, 697, 932. 14	33.3	414, 540. 65	.5	58, 985, 920, 35	66. 2	89, 098, 393, 14

# CONGRESSIONAL RECORD—SENATE

		Year	Federal fund	is	State fund	3	Local fund	ls	Total obligation
States	Quarters	1 car	Amount	Percent	Amount	Percent	Amount	Percent	Total congation
Michigan	First quarter. Second quarter. Third quarter. Fourth quarter.	1933	\$9, 453, 425, 50 10, 700, 813, 74 7, 326, 583, 26 8, 611, 695, 86	79. 4 91. 5 73. 4 70. 9	\$30, 579. 03 91, 980. 60 2, 035, 179. 02 3, 001, 521. 61	.7 .8 20.4 24.8	\$2, 370, 783, 15 900, 209, 47 621, 211, 17 524, 925, 17	19. 9 7. 7 6. 2 4. 3	\$11, 904, 787. 6 11, 693, 003. 8 9, 982, 973. 4 12, 138, 142. 6
	1933 total	-	36, 092, 518. 36	78.9	5, 209, 260. 26	11.4	4, 417, 128. 96	9.7	45, 718, 907. 8
	First quarterSecond quarterThird quarter	1934	4, 149, 745, 48 9, 125, 787, 73 10, 770, 695, 49	54. 0 67. 3 64. 3	3, 020, 399, 60 2, 988, 497, 33 2, 980, 477, 07	39. 3 23. 0 17. 8	511, 409. 22 868, 624. 38 3, 000, 609. 27	6. 7 6. 7 17. 9	7, 681, 555. 3 12, 982, 909. 4 16, 751, 781. 8
	1934 (9 months)		24, 046, 229. 70	64. 3	8, 989, 374. 00	24. 0	4, 380, 642, 87	11.7	37, 416, 246.
	Total (21 months)		60, 138, 748, 06	72.3	14, 198, 634. 26	17.1	8, 797, 771. 83	10.6	83, 135, 154.
finnesota	First quarter Second quarter Third quarter Fourth quarter		1, 427, 008, 02 1, 143, 126, 64 935, 181, 42 1, 281, 689, 90	61. 6 55. 0 45. 8 49. 2	1, 834, 04 6, 760, 67 5, 353, 16 5, 216, 59	.1 .3 .2 .2	887, 416, 77 928, 177, 87 1, 103, 020, 87 1, 317, 601, 23	38.3 44.7 54.0 50.6	2, 316, 258. 2, 078, 065. 2, 043, 555. 2, 604, 507.
	1933 total		4, 787, 005. 98	52.9	19, 164, 46	.2	4, 236, 216. 74	45.9	9, 042, 387.
	First quarter	1934 1934 1934	1, 940, 936, 39 6, 828, 617, 08 8, 922, 499, 91	63. 1 86. 2 89. 2	454, 015, 43 347, 340, 31 136, 571, 97	14.8 4.4 1.4	681, 755, 19 742, 430, 54 946, 268, 16	22.1 9.4 9.4	3, 076, 707. • 7, 918, 387. 10, 005, 340.
	1934 (9 months)		17, 692, 053, 38	84. 2	937, 927. 71	4.5	2, 370, 453. 89	11.3	21, 000, 434.
	Total (21 months)	-	22, 479, 059. 36	74. 8	957, 092. 17	3. 2	6, 606, 670. 63	22. 0	30, 042, 822.
Aississippi	First quarter	1933	2, 234, 749. 71 1, 213, 118. 20 1, 000, 784. 68 1, 522, 235. 37	99.3			20, 222, 39 25, 378, 65 7, 530, 69 5, 006, 61	2.0 .7 .3	2, 254, 972. 1, 238, 496. 1, 008, 315. 1, 527, 241.
	1933 total		5, 970, 887. 96	99.0			58, 138. 34	1.0	6, 029, 026.
	First quarter Second quarter Third quarter	1934	2, 361, 679. 60 3, 352, 820. 85 3, 636, 363. 92	99. 8 99. 7 98. 2	20, 949. 74	.6	4, 628, 23 11, 012, 15 43, 362, 29	.2 .3 1.2	2, 366, 307. 3, 363, 833. 3, 700, 675.
	1934 (9 months)	=	9, 350, 864. 37	99. 2	20, 949. 74	.2	59, 002. 67	. 6	9, 430, 816.
	(Total 21 months)		15, 321, 752, 33	99, 1	20, 949. 74	.1	117, 141. 01	.8	15, 459, 843.
Aissouri	First Quarter 3 Second quarter Third quarter Fourth quarter	1933	2, 015, 749, 60 1, 933, 680, 26 1, 468, 756, 45 2, 689, 223, 39	88. 5 61. 1 61. 3 82. 8	2, 541. 22 253, 920. 18 10, 293. 90	0.1 10.6 .3	261, 581. 00 1, 226, 373. 40 673, 381. 47 549, 089. 22	11. 5 38. 8 28. 1 16. 9	2, 277, 330. 3, 162, 594. 2, 396, 058. 3, 248, 603.
	1933 total		8, 107, 409. 70	73.1	266, 755. 30	2,4	2, 710, 425. 09	24. 5	11, 084, 590.
	First quarter Second quarter Third quarter	1934	1, 696, 697, 78 5, 137, 326, 46 6, 850, 631, 98	54. 6 87. 0 83. 3	854, 821. 98 18, 102. 88 612, 377. 69	27. 5 . 3 7. 5	555, 018. 67 750, 208. 11 759, 510. 54	17. 9 12. 7 9. 2	3, 106, 538. 5, 905, 637. 8, 222, 520.
	1934 (9 months)		13, 684, 656. 22	79. 4	1, 485, 302. 55	8.6	2, 064, 737. 32	12.0	17, 234, 696.
	Total (21 months)	=	21, 792, 065. 92		1, 752, 057. 85	6. 2	4, 775, 162. 41	16. 9	28, 319, 286.
Aontana	First quarter Second quarter Third quarter Fourth quarter	1933 1933 1933	993, 879, 89 1, 100, 255, 96 679, 975, 14 815, 284, 17	82. 5 75. 4	4, 491, 15 24, 33 516, 61	(1)	275, 092. 80 228, 968. 97 222, 388. 01 200, 961. 85	17. 2 24. 6	1, 268, 972. 1, 333, 716. 902, 387. 1, 016, 762.
	1933 total	The second second	3, 589, 395. 16	79.4	5, 032. 09	.1	927, 411, 63	29. 5	4, 521, 838.
	First quarter Second quarter Third quarter	1934 1934 1934	696, 363, 40 2, 335, 156, 95 3, 604, 024, 93	75. 0 88. 0 99. 9	31, 100. 57 24, 856. 76	1.2	231, 715. 71 286, 905. 20 338, 071. 11	25. 0 10. 8 8. 5	928, 079. 2, 653, 162. 3, 966, 952.
	1934 (9 months)		6, 635, 545. 28		55, 957, 33	.7	856, 692. 02	11,4	7, 548, 194,
	Total (21 months)		10, 224, 940. 44	84. 7	60, 989. 42	.5	1, 784, 103. 65	14.8	12, 070, 033.
ebraska	First quarter 3 Second quarter Third quarter Fourth quarter	1933	174, 205, 40 563, 824, 70				548, 584, 68 284, 209, 11 261, 169, 26 311, 498, 47	60.0	548, 584, 284, 209, 435, 374, 875, 323,
	1933 total		738, 030, 10	34. 4			1, 405, 461. 52	65, 6	2, 143, 491,
	First quarterSecond quarterThird quarter	1934	911, 097, 22 1, 863, 712, 97 2, 025, 711, 25	80, 2			166, 901, 40 458, 703, 94 660, 095, 35	19.8	1, 077, 998 2, 322, 416 2, 635, 806
	1934 (9 months)		4, 800, 521. 44	78. 9			1, 285, 700. 68	21, 1	6, 086, 222
the Local Control of	Total (21 months)		5, 538, 551. 54				2, 691, 162. 21	-	8, 229, 713.
Nevada	First quarter Second quarter Third quarter Fourth quarter	1993	112, 610. 11 99, 039. 41 62, 792. 90 157, 141. 12	69. 9			3, 988, 99 42, 615, 44 36, 030, 31 22, 976, 84	30. 1 36. 5	116, 599 141, 654 • 98, 823 180, 117
	1933 total		431, 583. 54	80. 3			105, 611. 58	19.7	537, 195
	First quarter	1934 1934 1934	161, 498. 07 381, 407. 08 754, 022. 55	92.8	13, 910. 49 2, 473. 89	3.4	18, 808, 86 15, 829, 12 16, 788, 43	3.8	180, 306 411, 146 773, 284
	1934 (9 months)		1, 296, 927. 70	95.0	16, 384. 38	1.2	51, 426, 41	3.8	1, 364, 733
	Total (21 months)		1, 728, 511. 24	90. 9	16, 384. 38	.9	157, 037. 99	8. 2	1, 901, 933

	Quarters		Federal fund	ls	State fund	S	Local funds		
States		Year -	Amount	Percent	Amount	Percent	Amount	Percent	Total obligation
New Hampshire	First quarter	1933	\$546, 001. 50 518, 886. 00 118, 240. 50 306, 345. 92	75. 6 72. 3 33. 2 46. 5	\$236, 481, 01 352, 243, 89	66. 8 53. 5	\$176, 248. 61 198, 378. 42	24. 4 27. 7	\$722, 250, 1 717, 264, 4 354, 721, 5 658, 589, 8
	, 1933 total	-	1, 489, 473. 92	60.7	588, 724, 90	24. 0	374, 627. 03	15. 3	2, 452, 825. 8
	First quarter Second quarter Third quarter	1934 1934 1934	230, 681, 94 720, 027, 56 674, 685, 67	35. 0 64. 4 64. 0	428, 676, 05 343, 817, 11 326, 800, 87	65. 0 30. 8 31. 0	53, 176, 38 52, 709, 82	4. 8 5. 0	659, 357, 9 1, 117, 021, 0 1, 054, 196, 3
	1934 (9 months)		1, 625, 395, 17	57.4	1, 099, 294. 03	38.8	105, 886. 20	3.8	2, 830, 575. 4
	Total (21 months)		3, 114, 869. 09	59.0	1, 688, 018. 93	31. 9	480, 513. 23	9. 1	5, 283, 401, 2
New Jersey	Second quarter Third quarter Fourth quarter	1933	1, 976, 660. 05 2, 015, 110. 08 2, 213, 398. 93	31, 0 33, 3 33, 4	5, 148, 828, 61 3, 786, 117, 07 3, 579, 974, 45 3, 793, 710, 72	76, 0 59, 4 59, 2 57, 3	1, 625, 497. 26 615, 089. 17 450, 245. 74 613, 634. 91	24. 0 9. 6 7. 5 9. 3	6, 774, 325, 8 6, 377, 866, 2 6, 045, 330, 2 6, 620, 744, 5
	1933 total		6, 205, 169. 06	24. 0	16, 308, 630. 85	63. 2	3, 304, 467. 08	12. 8	25, 818, 266, 9
	First quarter	1934 1934 1934	2, 429, 995, 33 12, 195, 875, 62 11, 551, 908, 89	34. 6 94. 3 93. 0	3, 958, 929, 83 40, 331, 02 88, 317, 62	56. 3 . 3 . 7	636, 625. 72 694, 661. 04 779, 381. 76	9. 1 5. 4 6. 3	7, 025, 550, 8 12, 930, 867, 6 12, 419, 608, 2
	1934 (9 months)		26, 177, 779. 84	80. 9	4, 087, 578. 47	12. 6	2, 110, 668, 52	6. 5	32, 376, 026, 8
	Total (21 months)		32, 382, 948. 90	55. 6	20, 396, 209, 32	35, 1	5, 415, 135. 60	9, 3	58, 194, 293, 8
New Mexico	First quarter Second quarter Third quarter Fourth quarter	1933	272, 931. 94 71, 559. 74 95, 760. 59 218, 908. 32	96, 5 83, 1 90, 2 94, 4	1, 322, 19 1, 042, 49 669, 47 660, 17	.5 1.2 .6 .3	8, 656, 59 13, 493, 48 9, 806, 08 12, 179, 74	3. 0 15. 7 9. 2 5. 3	282, 960, 7, 85, 095, 7 106, 236, 1- 231, 748, 2
	1933 total	-	659, 210. 59	92.6	3, 694. 32	.6	44, 135. 89	6.8	707, 040. 8
	First quarter Second quarter Third quarter	1934 1934 1934	397, 082, 92 1, 158, 423, 20 2, 456, 328, 32	96. 7 98. 6 99. 5	660. 17 1, 621. 84 212. 83	.2 .1	12, 962, 28 14, 732, 72 11, 223, 00	3. 1 1. 3 . 5	410, 705. 3 1, 174, 777. 7 2, 467, 764. 1
	1934 (9 months)		4, 011, 834, 44	99. 0	2, 494. 84	.1	38, 918. 00	.9	4, 053, 247, 2
	Total (21 months)	=	4, 671, 045. 03	98. 1	6, 189. 16	.1	83, 053. 89	1.8	4, 760, 288 0
New York	First quarter Second quarter Third quarter Fourth quarter	1933	13, 395, 484, 00 22, 117, 270, 74 14, 337, 296, 23 11, 585, 536, 34	35. 9 54. 6 42. 4 36. 2	5, 177, 882, 00 1, 702, 223, 99 4, 887, 989, 47 9, 014, 936, 98	13. 9 4. 2 14. 4 28. 1	18, 746, 316, 00 16, 681, 555, 68 14, 636, 014, 24 11, 451, 215, 74	50. 2 41. 2 43. 2 35. 7	37, 319, 682, 0 40, 501, 050, 4 33, 861, 299, 9 32, 051, 689, 0
	1933 total		61, 435, 587. 31	42.7	20, 783, 032. 44	14.5	61, 515, 101, 66	42.8	143, 733, 721. 4
	First quarter Second quarter Third quarter	1934	4, 956, 313, 54 46, 635, 888, 86 48, 692, 470, 10	18.3 59.5 60.3	13, 194, 333. 47 13, 797, 874. 20 10, 535, 001. 44	48. 9 17. 6 13. 0	8, 857, 451, 22 17, 963, 537, 83 21, 598, 733, 48	32. 8 22. 9 26. 7	27, 008, 098, 2 78, 397, 300, 8 80, 826, 205, 0
	1934 (9 months)		100, 284, 672, 50	53.8	37, 527, 209, 11	20. 2	48, 419, 722, 53	26. 0	186, 231, 604. 1
	Total (21 months)	G-1020000	161, 720, 259. 81	49.0	58, 310, 241. 55	17.7	109, 934, 824, 19	33. 3	329, 965, 325. 5
North Carolina	First quarter	1933 1933 1933 1933	2, 802, 577, 73 2, 364, 282, 88 1, 512, 399, 59 1, 685, 559, 47	87. 0 86. 3 90. 9 95. 9			417, 555. 00 374, 727. 46 151, 433. 04 71, 714. 54	13. 0 13. 7 9. 1 4. 1	3, 220, 132, 7 2, 739, 010, 3 1, 663, 832, 6 1, 757, 274, 0
	1933 total		8, 364, 819. 67	89. 2			1, 015, 430. 04	10.8	9, 380, 249. 7
	First quarter	1934	2, 155, 101. 03 3, 311, 203. 08 3, 910, 008. 34	98, 1 98, 7 98, 8			42, 108, 90 43, 383, 39 49, 228, 48	1.9 1.3 1.2	2, 197, 209, 9 3, 354, 586, 4 3, 959, 236, 8
	1934 (9 months)	-	9, 376, 312. 45	98.6			134, 720. 77	1.4	9, 511, 033. 2
	Total (21 months)	-	17, 741, 132, 12	93. 9		SECRETARION SEC	1, 150, 150. 81	6, 1	18, 891, 282. 9
North Dakota	First quarter Second quarter Third quarter Fourth quarter	1933	179, 189, 19 262, 718, 26 205, 669, 47 897, 190, 91				398, 945. 89 252, 502. 77 190, 183. 47 225, 669. 67	69. 0 49. 0 48. 0 20. 1	578, 135, 9 515, 221, 0 395, 852, 9 1, 122, 860, 5
	1933 total		1, 544, 767. 83	59. 1			1, 067, 301. 80	40.9	2, 612, 069. 6
	First quarter Second quarter Third quarter	1934	2, 192, 940, 93 3, 010, 786, 61 2, 404, 387, 45	91. 7 92. 2 90. 6			198, 678. 75 253, 481. 47 248, 462. 91	8.3 7.8 9.4	2, 391, 619, 6 3, 264, 263, 0 2, 652, 850, 3
	1934 (9 months)	=	7, 608, 114. 99	91.6			700, 623. 13	8.4	8, 308, 738. 1
	Total (21 months)	=	9, 152, 882. 82	83.8			1, 767, 924. 93	16. 2	10, 920, 807. 7
Ohio 6	First quarter Second quarter Third quarter Fourth quarter	1933	3, 874, 367, 67 8, 871, 887, 32 8, 563, 254, 36 6, 584, 362, 54	40. 2 72. 9 75. 6 58. 5	5, 529, 50 10, 759, 05 1, 490, 047, 69 2, 544, 016, 15	(1) 13. 2 -22. 6	5, 763, 810. 82 3, 287, 122. 13 1, 271, 662. 29 2, 132, 492. 70	59. 8 27. 0 11. 2 18. 9	9, 643, 707, 9 12, 169, 768, 5 11, 324, 964, 3 11, 269, 871, 3
HARLES TO STATE	1933 total		27, 893, 871. 89	62.8	4, 050, 352. 39	9.1	12, 455, 087. 94	28. 1	44, 399, 312. 2
	First quarter	1934	2, 859, 030. 20 14, 037, 984. 64 17, 886, 246. 48	32. 9 77. 9 78. 3	1, 330, 747, 70 1, 918, 553, 66 3, 901, 913, 25	15. 3 10. 6 17. 1	4, 507, 884, 28 2, 073, 497, 33 1, 059, 227, 28	51. 8 11. 5 4. 6	8, 697, 662, 1 18, 030, 035, 6 22, 847, 387, 0
	1934 (9 months)	=	34, 783, 261. 32	70. 2	7, 151, 214, 61	14. 4	7, 640, 608. 89	15. 4	49, 575, 084. 8
	Total (21 months)		62, 677, 133. 21	66. 7	11, 201, 567, 00	11.9	20, 095, 696, 83	21. 4	93, 974, 397. 0

# CONGRESSIONAL RECORD—SENATE

	Mary Street	Year	Federal fund	is	State fund	S	Local fund	is	
States	Quarters	Year	Amount	Percent	Amount	Percent	Amount	Percent	Total obligation
Oklahoma	First quarter Second quarter Third quarter Fourth quarter	1933 1933 1933 1933	\$2, 146, 653, 93 2, 021, 786, 91 2, 317, 582, 37 2, 504, 091, 60	88. 3 82. 7 86. 0 85. 2	\$15, 126. 98 7, 029. 18 22, 530. 60	.6	\$268, 466, 32 417, 180, 12 354, 269, 05 434, 053, 07	11. 1- 17. 0 13. 2 14. 8	\$2, 430, 247, 23 2, 445, 996, 21 2, 694, 382, 03 2, 938, 154, 67
	1933 total		8, 990, 114, 81	84. 5	44, 686, 76	.9	1, 473, 978. 56	14. 6	10, 508, 780-1
	First quarterSecond quarterThird quarter	1934	807, 908, 79 3, 398, 189, 87 5, 536, 547, 34	76. 9 100. 0 75. 3	7 104, 206, 85 (7) 14, 300, 39	9.9	7 138, 129. 05 (7) 1, 800, 952. 39	13. 2 24. 5	7 1, 050, 304. 69 7 3, 398, 189. 8 7, 351, 800. 1
	1934 (9 months)		9, 742, 706. 00	82. 6	118, 507. 24	1.0	1, 939, 081. 44	16. 4	11, 800, 294. 6
	Total (21 months)		18, 732, 820. 81	84.0	163, 194. 00	.7	3, 413, 060. 00	15.3	22, 309, 074. 8
)regon	First quarter	1933	1, 398, 730. 03 1, 617, 701. 10 710, 554. 86 829, 777. 96	81, 8 89, 1 86, 6 90, 1	21, 840. 75 2, 593. 86 2, 960. 65 2, 351. 86	1.3 .1 .4 .3	288, 426, 51 195, 045, 16 107, 009, 48 88, 553, 98	16. 9 10. 8 13. 0 9. 6	1, 708, 997. 2 1, 815, 340. 1 820, 614. 9 920, 683. 8
	1933 total	- 100	4, 556, 763. 95	86. 5	29, 747. 12	.6	679, 125. 13	12.9	5, 265, 636, 2
	First quarter Second quarter Third quarter	1934	1, 115, 991, 17 2, 197, 314, 80 2, 530, 293, 31	91. 0 98. 1 90. 6	42, 828, 03 694, 13 56, 176, 11	3.5 (4) 2.0	68, 080, 68 41, 435, 69 206, 810, 27	5. 5 1. 9 7. 4	1, 226, 899. 8 2, 239, 444. 6 2, 793, 279. 6
	1934 (9 months)		5, 843, 599. 28	93. 4	99, 698. 27	1.6	316, 326, 64	5.0	6, 259, 624. 1
	Total (21 months)		10, 400, 363. 23	90, 2	129, 445. 39	1.1	995, 451. 77	8.7	11, 525, 260. 39
Pennsylvania	First quarter Second quarter Third quarter Fourth quarter	1933	14, 596, 610. 08 10, 441, 657. 15 11, 265, 050. 12 11, 147, 095. 29	67. 6 47. 6 53. 6 49. 2	5, 500, 000. 00 9, 970, 984. 91 8, 680, 843. 29 10, 483, 942. 67	25. 4 45. 4 41. 3 46. 2	1, 508, 375. 81 1, 539, 255. 06 1, 075, 757. 60 1, 050, 769. 00	7.0 7.0 5.1 4.6	21, 604, 985, 86 21, 951, 897, 13 21, 021, 651, 0 22, 681, 806, 96
	1933 total		47, 450, 412, 64	54, 4	34, 635, 770. 87	39. 7	5, 174, 157. 47	5. 9	87, 260, 340. 9
	First quarterSecond quarterThird quarter	1934 1934 1934	9, 269, 438, 31 32, 434, 196, 96 31, 781, 258, 20	39. 4 79. 5 89. 1	12, 857, 390. 95 5, 470, 601. 23 190, 434. 05	54. 7 13. 4 . 5	1, 379, 511. 26 2, 905, 848. 76 3, 686, 416. 98	5. 9 7. 1 10. 4	23, 506, 340. 5 40, 810, 646. 9 35, 658, 109. 2
	1934 (9 months)		73, 484, 893. 47	73. 5	18, 518, 426. 23	18. 5	7, 971, 777. 00	8, 0	99, 975, 096. 7
	Total (21 months)		120, 935, 306. 11	64. 6	53, 154, 197. 10	28. 4	13, 145, 934. 47	7.0	187, 235, 437. 6
Rhode Island	First quarter Second quarter Third quarter Fourth quarter	1933 1933 1933 1933	379, 946, 90 589, 593, 49 176, 348, 22 471, 934, 78	33. 2 38. 6 17. 5 65. 2	347, 108. 67 431, 415. 41 382, 118. 00 115, 645. 05	30. 4 28. 2 37. 8 16. 0	416, 530. 41 508, 206. 55 452, 156. 12 135, 602. 70	36. 4 33. 2 44. 7 18. 8	1, 143, 585. 9 1, 529, 215. 4 1, 010, 622. 3 723, 182. 5
	1933 total	-	1, 617, 823, 39	36.7	1, 276, 287. 13	29. 0	1, 512, 495. 78	34. 3	4, 406, 606, 3
	First quarter Second quarter Third quarter	1934	526, 348. 52 1, 004, 468. 93 768, 835. 60	86. 7 51. 2 36. 7	38, 568, 26 411, 724, 93 568, 408, 31	6. 3 21. 0 27. 1	42, 470. 14 544, 634. 12 760, 172. 83	7. 0 27. 8 36. 2	607, 386. 9 1, 960, 827. 9 2, 097, 416. 7
	1934 (9 months)		2, 299, 653. 05	49. 3	1, 018, 701. 50	21.8	1, 347, 277. 09	28. 9	4, 665, 631. 6
	Total (21 months)		3, 917, 476. 44	43. 2	2, 294, 988. 63	25, 3	2, 859, 772. 87	31.5	9, 072, 237. 9
South Carolina	First quarter	1933 1933	2, 422, 461. 72 2, 574, 797. 17 2, 073, 800. 34 2, 173, 399. 18				18, 661. 95 7, 389. 68 3, 535. 13	.8 .3 .2	2, 441, 123. 6 2, 582, 186. 8 2, 077, 335. 4 2, 173, 399. 1
	1933 total		9, 244, 458, 41	99.7			29, 586. 76	.3	9, 274, 045. 1
	First quarter	1934 1934 1934	1, 530, 259, 49 3, 650, 029, 17 3, 727, 139, 57	100. 0 98. 3 95. 6			61, 358, 43 173, 488, 73	1.7 4.4	1, 530, 259, 49 3, 711, 387, 69 3, 900, 628, 30
	1934 (9 months)		8, 907, 428, 23	97.4			234, 847. 16	2.6	9, 142, 275. 3
	Total (21 months)	=	18, 151, 886, 64	98.6			264, 433. 92	1.4	18, 416, 320. 5
South Dakota	First quarter Second quarter Third quarter Fourth quarter	1933	753, 806. 31 524, 309. 32 368, 605. 09 1, 299, 385. 60	58.8 .			217, 049, 49 268, 228, 84 257, 964, 16 271, 505, 58	22. 4 33. 8 41. 2 17. 3	970, 855. 8 792, 538. 1 626, 569. 2 1, 570, 891. 1
	1933 total		2, 946, 106. 32	74.4			1, 014, 748. 07	25. 6	3, 960, 854. 3
	First quarter	1934	3, 193, 375, 83 4, 684, 514, 24 5, 105, 785, 49	94. 5 93. 5 92. 7		Intelliging the Control of the Contr	186, 348. 90 323, 353. 17 400, 051, 18	5. 5 6. 5 7. 3	3, 379, 724. 7 5, 007, 867. 4 5, 505, 836. 6
	1934 (9 months)		12, 983, 675. 56	93, 5			909, 753, 25	6.5	13, 893, 428. 8
	Total (21 months)	=	15, 929, 781. 88	89, 2			1, 924, 501. 32	10.8	17, 854, 283. 2
Tennessee	First quarter Second quarter Third quarter Fourth quarter	1933 1933	1, 734, 967. 37 1, 329, 263. 22 1, 042, 531. 08 844, 311. 22	98. 7 97. 3 99. 1 87. 2	124, 258. 47	12.8	23, 738. 11 37, 032. 23 9, 745. 69 476. 00	1.3 2.7 .9	1, 758, 705. 4 1, 366, 295. 4 1, 052, 276. 7 969, 045. 6
	1933 total		4, 951, 072, 89	96, 2	124, 258. 47	2.4	70, 992. 03	1.4	5, 145, 323. 3
	First quarter Second quarter Third quarter	1934	1, 308, 901. 07 3, 523, 676. 64 4, 729, 650. 99	90. 1 98. 8 100. 0	144, 064, 91 41, 666, 66	9.9			1, 452, 965, 9 3, 565, 343, 3 4, 729, 650, 9
	1934 (9 months)		9, 562, 228. 70	98.1	185, 731. 57	1.9			9, 747, 960. 2
	Total (21 months)		14, 513, 301. 59	97.4	309, 990. 04	2.1	70, 992, 03	.5	14, 894, 283. 6

			Federal fund	is	State fund	3	Local fund	ls	
States	Quarters	Year	Amount	Percent	Amount	Percent	Amount	Percent	Total obligation
Texas.	First quarter Second quarter Third quarter Fourth quarter	1933 1933 1933 1933	\$3, 992, 885, 38 3, 487, 140, 88 3, 912, 775, 72 3, 933, 927, 49	90. 7 92. 1 98. 4 100. 0			\$408, 414, 52 297, 117, 61 62, 096, 12 260, 04	9.3 7.9 1.6 (4)	\$4, 401, 299, 90 3, 784, 258, 49 3, 974, 871, 84 3, 934, 187, 50
	1933 total		15, 326, 729, 47	95. 2			767, 888. 29	4.8	16, 094, 617. 76
	First quarter	1934 1934 1934	603, 186, 96 2, 303, 071, 11 7, 407, 984, 38	19. 7 30. 0 65. 6	\$2, 458, 595, 66 5, 370, 863, 32 3, 882, 846, 57	80, 3 70, 0 34, 4	942, 23 976, 53 4, 877, 61	(1)	3, 062, 724, 88 7, 674, 910, 96 11, 295, 708, 56
	1934 (9 months)		10, 314, 242. 45	46. 8	11, 712, 305. 55	53, 2	6, 796. 37	(4)	22, 033, 344, 37
	Tetal (21 months)		25, 640, 971, 92	67. 3	11, 712, 305, 55	30. 7	774, 684. 66	2.0	38, 127, 962, 13
Utah	First quarter Second quarter Third quarter Fourth quarter	1933 1933 1933 1933	1, 024, 360. 17 1, 031, 729. 65 508, 072. 85 303, 835. 02	93.7 90.6 71.7 39.4	128, 394, 32 429, 522, 98	18. 1 55. 7	69, 352, 63 106, 745, 82 72, 408, 22 38, 075, 82	6.3 9.4 10.2 4.9	1, 093, 712, 80 1, 138, 475, 47 708, 875, 39 771, 433, 83
	1933 total		2, 867, 997. 69	77.3	557, 917. 30	15.0	286, 582. 49	7.7	3, 712, 497. 49
	First quarter Second quarter Third quarter	1934 1934 1934	559, 033, 93 1, 618, 852, 39 3, 498, 020, 41	59. 3 76. 1 84. 5	332, 313. 19 345, 000. 00 345, 000. 00	35. 2 16. 2 8. 3	51, 675. 61 162, 868. 25 297, 727. 05	5. 5 7. 7 7. 2	943, 022, 78 2, 126, 720, 64 4, 140, 747, 46
	1934 (9 months)		5, 675, 906. 78	78.7	1, 022, 313, 19	14. 2	512, 270. 91	7.1	7, 210, 490. 88
	Total (21 months)		8, 543, 904. 47	78.2	1, 580, 230. 49	14.5	798, 853. 40	7.3	10, 922, 988. 36
Vermont	Second quarter Third quarter Fourth quarter	1933 1933 1933	121, 657, 00 24, 453, 23 164, 925, 92	36. 2 9. 7 97. 6	2, 146. 09 4, 003. 17	.8 2.4	421, 432, 24 214, 447, 16 226, 073, 38	100. 0 63. 8 89. 5	421, 432, 24 336, 104, 16 252, 672, 70 168, 929, 09
	1933 total		311, 036. 15	26. 4	6, 149. 26	.5	861, 952. 78	73.1	1, 179, 138. 19
	First quarter Second quarter Third quarter	1934 1934 1934	69, 839, 45 312, 252, 54 353, 491, 24	49. 0 58. 7 60. 5	6, 071. 22 4, 164. 66	1.1 .7	72, 646. 13 213, 499. 93 226, 648. 85	51. 0 40. 2 38. 8	142, 485, 58 531, 823, 69 584, 304, 75
	1934 (9 months)		735, 583. 23	58. 5	10, 235. 88	.8	512, 794. 91	40.7	1, 258, 614. 02
	Total (21 months)		1, 046, 619. 38	42.9	16, 385. 14	.7	1, 374, 747. 69	56. 4	2, 437, 752. 21
Virginia	First quarter Second quarter Third quarter Fourth quarter	1933 1933 1933 1933	2, 196, 493. 19 413, 372. 45 277, 346. 39 369, 704. 51	88. 0 56. 6 73. 0 78. 3			298, 767, 38 316, 502, 08 102, 592, 77 102, 269, 63	12.0 43.4 27.0 21.7	2, 495, 260. 57 729, 874. 53 379, 939. 16 471, 974. 14
	1933 total	-	3, 256, 916. 54	79.9			820, 131. 86	20. 1	4, 077, 048. 40
	First quarter Second quarter Third quarter	277102300	745, 730. 40 1, 628, 507. 86 1, 835, 568. 52	93. 1 90. 0 82. 6	1, 342. 77 8, 061. 51	0.1	55, 282. 91 180, 375. 05 378, 404. 01	6. 9 9. 9 17. 0	801, 013, 31 1, 810, 225, 68 2, 222, 034, 04
	1934 (9 months)		4, 209, 806. 78	87.1	9, 404. 28	.2	614, 061. 97	12, 7	4, 833, 273. 03
	Total (21 months)		7, 466, 723. 32	83. 8	9, 404. 28	.1	1, 434, 193. 83	16. 1	8, 910, 321. 43
Washington	First quarter Second quarter Third quarter Fourth quarter	1933 1933 1933 1933	2, 302, 921. 00 3, 422, 382. 55 2, 075, 602. 90 1, 587, 256. 22	81. 3 95. 3 90. 1 63. 8	8, 150. 00 27, 722. 76 798, 285. 34	1. 2 1. 2 32. 1	528, 583, 00 161, 123, 25 201, 645, 39 103, 147, 59	18.7 4.5 8.7 4.1	2, 831, 504. 00 3, 591, 655. 80 2, 304, 971. 05 2, 488, 689. 15
	1933 total		9, 388, 162. 67	83. 7	834, 158. 10	7.4	994, 499. 23	8.9	11, 216, 820. 00
	First quarterSecond quarterThird quarter	1934 - 1934 1934	808, 795, 25 4, 053, 013, 90 4, 335, 457, 68	34. 7 97. 3 89. 9	1, 476, 374, 86 14, 280, 11 27, 958, 82	63. 2 .3 .6	49, 488. 62 99, 408. 15 457, 421. 80	2.1 2.4 9.5	2, 334, 658, 73 4, 166, 702, 16 4, 820, 838, 30
	1934 (9 months)		9, 197, 266. 83	81, 2	1, 518, 613. 79	13. 4	606, 319, 57	5.4	11, 322, 199, 19
	Total (21 months)	=	18, 585, 429. 50	82.5	2, 352, 771. 89	10.4	1, 600, 817. 80	7.1	22, 539, 019. 19
West Virginia	First quarter Second quarter Third quarter Fourth quarter	1933 1933 1933 1933	4, 501, 435. 89 4, 977, 929. 35 3, 436, 669. 43 3, 306, 367. 37	93. 4 95. 2 95. 6 98. 2	2, 155. 17 168. 15	(1).1	314, 011. 75 251, 936. 60 158, 296. 67 59, 709. 85	6. 5 4. 8 4. 4 1. 8	4, 817, 602, 81 5, 230, 034, 10 3, 594, 966, 10 3, 366, 077, 22
	1933 total	-	16, 222, 402. 04	95.4	2, 323, 32	(4)	783, 954. 87	4.6	17, 008, 680. 23
	First quarterSecond quarterThird quarter	1934 1933 1933	2, 556, 588, 68 3, 953, 145, 58 4, 275, 524, 11	90. 8 91. 0 78. 5	242, 127. 18 343, 446. 49 1, 111, 191. 64	8. 6 7. 9 20. 4	16, 671, 41 46, 241, 99 57, 838, 53	.6 1.1 1.1	2, 815, 387, 27 4, 342, 834, 06 5, 444, 554, 28
	1934 (9 months)		10, 785, 258. 37	85. 5	1, 696, 765. 31	13. 5	120, 751. 93	1,0	12, 602, 775. 61
	Total (21 months)	-	27, 007, 660. 41	91. 2	1, 699, 088. 63	5.7	904, 706. 80	3.1	29, 611, 455. 84
Wisconsin	First quarter Second quarter Third quarter Fourth quarter	1933 1933 1933 1933	4, 358, 144. 91 3, 792, 984. 78 3, 239, 135. 95 2, 316, 312. 57	70. 0 66. 8 65. 8 49. 0	1, 725. 17 843, 318. 24	(17.8	1, 864, 713, 38 1, 884, 799, 58 1, 682, 662, 98 1, 572, 509, 63	30. 0 33. 2 34. 2 33. 2	6, 224, 583, 46 5, 677, 784, 36 4, 921, 798, 93 4, 732, 140, 44
	1933 total		13, 706, 578. 21	63. 6	845, 043. 41	3.9	7, 004, 685. 57	32, 5	21, 556, 307. 19
	First quarter Second quarter Third quarter	1934 1934	4, 243, 560, 62 5, 897, 108, 72 9, 354, 690, 34	77. 6 76. 1 79. 2	60, 931, 41 73, 133, 44	1, 1	1, 165, 466, 63 1, 848, 002, 56 2, 391, 455, 81	21. 3 23. 9 20. 2	5, 469, 958, 66 7, 745, 111, 28 11, 819, 279, 59
	1934 (9 months)		19, 495, 359. 68	77.9	134, 064. 85	.5	5, 404, 925, 00	21.6	25, 034, 349, 53
	Total (21 months)		33, 201, 937. 89	71.3	979, 108. 26	2.1	12, 409, 610, 57	26, 6	46, 590, 656. 72

Federal Emergency Relief Administration-Sources of public emergency relief funds, by quarters, 1933 and 1934-Continued

			Federal fund	ls	State fund	ls	Local fund	ls	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
States	Quarters	Year	Amount	Percent	Amount	Percent	Amount	Percent	Total obligations
Wyoming	First quarter	1933 1933 1933 1933	\$19, 277. 07 42, 685. 02				\$133, 884. 12 96, 679. 03 36, 550. 35 26, 933. 71	100. 0 100. 0 65. 5 38. 7	\$133, 884, 12 96, 679, 03 55, 827, 42 69, 618, 73
	1933 total		61, 962. 09	17.4			294, 047. 21	82. 6	356, 009. 30
	First quarter	1934	108, 598, 44 860, 053, 30 1, 320, 934, 51	80. 8 97. 9 99. 1			25, 886, 53 18, 388, 28 11, 878, 01	19. 2 2. 1 . 9	134, 484, 97 878, 441, 58 1, 332, 812, 52
	1934 (9 months)		2, 289, 586, 25	97.6			56, 152, 82	2.4	2, 345, 739. 07
	Total (21 months)		2, 351, 548, 34	87.0			350, 200. 03	13.0	2, 701, 748. 37
Continental United States	First quarter Second quarter Third quarter Fourth quarter	1933 1933	122, 380, 457, 41 136, 701, 140, 47 113, 553, 347, 77 107, 966, 837, 71	58, 4 65, 0 62, 8 56, 2	\$18, 405, 681, 82 20, 589, 837, 78 26, 854, 596, 74 46, 508, 135, 89	8.8 9.8 14.8 24.2	68, 622, 076, 56 52, 865, 367, 19 40, 564, 763, 87 37, 750, 784, 46	32. 8 25. 2 22. 4 19. 6	209, 408, 215, 79 210, 156, 345, 44 180, 972, 708, 38 192, 225, 758, 06
	1933 total		480, 601, 783, 36	60. 6	112, 358, 252. 23	14. 2	199, 802, 992. 08	25. 2	792, 763, 027. 67
	First quarterSecond quarterThird quarter	1934	88, 050, 990. 46 271, 217, 442. 18 317, 139, 046. 75	48. 5 73. 8 74. 9	59, 618, 153. 94 40, 800, 928. 84 36, 570, 438. 10	32.9 11.1 8.6	33, 674, 705. 13 55, 537, 336. 22 69, 896, 131. 77	18. 6 15. 1 16. 5	181, 343, 849, 53 367, 5\$5, 707, 24 423, 605, 616, 62
	1934 (9 months)		676, 407, 479. 39	69. 5	136, 989, 520. 88	14.1	159, 108, 173, 12	16.4	972, 505, 173. 39
	Total (21 months)		1, 157, 009, 262. 75	65. 6	249, 347, 773. 11	14. 1	358, 911, 165. 20	20.3	1, 765, 268, 201. 06
Alaska	First quarter Second quarter	1933 1933	103, 887. 92	100.0					103, 887. 92
	Third quarter	1933	72, 247. 25 89, 889. 58	73. 4 100. 0	26, 162. 00	26. 6			98, 409. 25 89, 889, 58
	1933 total		266, 024. 75	91.0	26, 162, 00	9.0			292, 186, 75
First quarterSecond quarterThird quarter *	1934	594, 485. 30 122, 092. 79	100. 0 100. 0					594, 485, 30 122, 092, 79	
	1934 (6 months)		716, 578. 09	100.0					716, 578. 09
	Total (18 months)	8 60 9	982, 602. 84	97.4	26, 162. 90	2,6			1, 008, 764. 84
Hawaii	First quarter Second quarter Third quarter Fourth quarter	1933 1933	181, 548. 91 109, 133. 11 135, 658. 21 77, 792. 93	77. 4 53. 7 67. 6 38. 4	16, 964, 13 70, 366, 77 38, 395, 04 124, 912, 21	7. 2 34. 7 19. 1 61. 6	36, 210. 32 23, 641. 65 26, 716. 36	15. 4 11. 6 13. 3	234, 723. 36 203, 141. 53 200, 769. 61 202, 705, 14
	1933 total		504, 133. 16	59. 9	250, 638. 15	29. 8	86, 568, 33	10.3	841, 339. 64
	First quarter	1934	33, 691. 93 454, 270. 56 574, 510. 05	100. 0 67. 3 65. 7	110, 868. 65 120, 615. 47	16. 4 13. 8	110, 404, 14 179, 331, 48	16. 3 20. 5	33, 691. 93 675, 543. 35 874, 457. 00
	1934 (9 months)		1, 062, 472. 54	67.1	231, 484. 12	14.6	289, 735. 62	18.3	1, 583, 692. 28
	Total (21 months)		1, 566, 605. 70	64. 6	482, 122, 27	19.9	376, 303. 95	15. 5	2, 425, 031. 92
Puerto Rico	First quarter	1933 1933 1933 1933	133, 441, 36 41, 160, 13 33, 509, 12 801, 264, 30	97. 8 55. 5 100. 0 100. 0	2, 977. 28 33, 027. 74	2.2			136, 418, 64 74, 187, 87 33, 509, 12 801, 264, 30
	1933 total		1, 009, 374. 91	96. 6	36, 005. 02	3.4			1, 045, 379. 93
	First quarter Second quarter Third quarter *	1934 1934 1934	1, 279, 723, 81 1, 670, 337, 78 2, 460, 750, 24	100. 0 100. 0 100. 0					1, 279, 723. 81 1, 670, 337. 78 2, 460, 750. 24
	1934 (9 months)		5, 410, 811. 83	100.0					5, 410, 811. 83
	Total (21 months)		6, 420, 186. 74	99. 4	36, 005. 02	.6			6, 456, 191. 78
Virgin Islands	First quarter	1933 1933 1933 1933	2, 396. 68 19, 375. 04	36. 7 82. 1			4, 916. 85 4, 319. 21 4, 133. 43 4, 230. 57	100. 0 100. 0 63. 3 17. 9	4, 916, 85 4, 319, 21 6, 530, 11 23, 605, 61
	1933 total		21, 771. 72	55.3			17, 600. 06	44.7	39, 371. 78
	First quarter	1934 1934 1934	9, 427, 39 94, 185, 16 49, 265, 29	70. 2 95. 7 90. 7			3, 998, 65 4, 196, 57 5, 054, 43	29.8 4.3 9.3	13, 426. 04 98, 381. 73 54, 319. 73
	1934 (9 months)		152, 877. 84	92.0			13, 249. 65	8.0	166, 127. 49
	Total (21 months)		174, 649. 56	85. 0			30, 849. 71	15.0	205, 499. 27

Includes obligations incurred for relief extended under the general relief program; under all special programs, and for administration; beginning April 1934 these figures also include purchases of materials, supplies, and equipment (such as team and truck hire), earnings of nonrelief persons, and other expenses incident to the work program.
 State funds for the periods through April 1934 include indeterminate amounts which should have been included under local funds.
 Partially estimated.
 Local funds for periods through April 1934 probably include indeterminate amounts which should have been included under State funds.
 All State and local funds contributed between Feb. 26 and Sept. 30, 1934, were reported as of September; break-down by months is not yet available.
 No reports received.
 No report received for July.

### AUTHORITY TO SIGN AN ENROLLED BILL

On motion by Mr. Connally, it was

Ordered, That the Presiding Officer of the Senate be, and he is hereby, authorized to sign, after the adjournment of the Senate today, the enrolled bill (S. 1190) to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1190) to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes.

#### ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 4983) to authorize a transfer of forest-reservation lands in Forrest and Perry Counties, Miss., to the State of Mississippi or to the War Department, and for other purposes, and it was signed by the Vice President.

### ADJOURNMENT TO MONDAY

Mr. GLASS. I move that the Senate adjourn until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 2 o'clock and 45 minutes p. m.) the Senate adjourned until Monday, February 25, 1935, at 12 o'clock meridian.

# HOUSE OF REPRESENTATIVES

FRIDAY, FEBRUARY 22, 1935

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

God be merciful unto us and bless us and cause His face to shine upon us, that Thy way may be known upon earth. Heavenly Father, we most humbly and gratefully acknowledge Thy providence. Amid the tumult and passion of war, staggering and benumbing the ideals of our forefathers, Thou gavest us one to inspire and light the torch of a new civilization. In the sweeping deserts of accusation and criticism, suspicion and selfishness, his moral earnestness held aloft the aspirations of a burdened people. By his chivalry of soul and undaunted spirit he reclaimed human rights, restored organized government, and became the morning star of the new world. Eternal God, may this day be one of rededication at the altar of our Republic. Crown our entire citizenship with the capacity to sacrifice and suffer for our country, which they love to call their home. We pray that this Congress may add flower to flower, fruit to fruit in our national garden until it is borne to the realm of peace and prosperity. In the name of our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

### GEORGE WASHINGTON

The SPEAKER. Under the special order of the House of February 4, 1935, the Farewell Address of Washington is to be read today.

The Chair will ask the gentleman from Pennsylvania [Mr. Driscoll] to read the address.

Mr. HAINES. Mr. Speaker, I think we ought to have more of the Members present to listen to the address of the immortal Washington. I therefore make a point of order that there is not a quorum present.

The SPEAKER. Evidently there is not a quorum present. Mr. HAINES. Mr. Speaker, I move a call of the House. A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

Roll	NO	201

Allen	Eaton	Kelly	Polk
Amlie	Eicher	Knutson	Quinn
Andrews, N. Y.	Engel	Kvale	Rayburn
Bacharach	Englebright	Lea, Calif.	Reece
Bankhead	Evans	Lesinski	Reilly
Bell	Farley	McAndrews	Robinson, Utah
Bloom	Fenerty	McDuffle	Sabath
Brooks	Fish	McGehee	Sadowski
Brunner	Flannagan	McKeough	Sandlin
Buckley, N. Y.	Focht	McLaughlin	Scrugham
Burch	Ford, Calif.	McLean	Seger
Carlson	Fulmer	McLeod	Smith, Va.
Carmichael	Gambrill	McMillan	Somers, N. Y.
Cary	Gasque	Maloney	Stack
Casey	Gassaway	Mansfield	Starnes
Chapman	Gearhart	Martin, Colo.	Steagall
Clark, Idaho	Gifford	Martin, Mass.	Stewart
Connery	Gilchrist	Maverick	Sumners, Tex.
Cooper, Ohio	Goldsborough	Mead	Taber
Crawford	Goodwin	Meeks	Terry
Crosser, Ohio	Griswold	Merritt, Conn.	Thurston
Crowther	Hancock, N. Y.	Mitchell, Ill.	Tinkham
Dear	Hancock, N. C.	Monaghan	Tobey
Dickstein	Hartley	Montet	Tolan
Dietrich	Healey	Moritz	Tonry
Dirksen	Higgins, Conn.	Norton	Wadsworth
Dockweiler	Hollister	O'Day	Werner
Dorsey	Hull	O'Leary	Whittington
Doutrich	Jacobsen	Pearson	Wilson, Pa.
Duncan	Johnson, W. Va.	Pettengill	Woodrum
Dunn, Miss,	Keller	Peyser	Young

The SPEAKER. Three hundred and seven Members have answered to their names. A quorum is present.

On motion of Mr. Cullen, further proceedings under the call were dispensed with.

### WASHINGTON'S FAREWELL ADDRESS

The SPEAKER. The Chair recognizes the gentleman from Pennsylvania [Mr. Driscoll] to read the Farewell Address of Washington.

Mr. DRISCOLL. Mr. Speaker, Washington's Farewell Address to the people of the United States in September 1796 is in the following words:

# To the people of the United States.

FRIENDS AND FELLOW CITIZENS: The period for a new election of a citizen to administer the executive government of the United States being not far distant, and the time actually arrived when your thoughts must be employed in designating the person who is to be cloathed with that important trust, it appears to me proper, especially as it may conduce to a more distinct expression of the public voice, that I should now apprise you of the resolution I have formed, to decline being considered among the number of those, out of whom a choice is to be made.

I beg you, at the same time, to do me the justice to be assured, that this resolution has not been taken, without a strict regard to all the considerations appertaining to the relation which binds a dutiful citizen to his country; and that, in withdrawing the tender of service which silence in my situation might imply, I am influenced by no diminution of zeal for your future interest; no deficiency of grateful respect for your past kindness; but am supported by a full conviction that the step is compatible with both.

The acceptance of, and continuance hitherto in the office to which your suffrages have twice called me, have been a uniform sacrifice of inclination to the opinion of duty, and to a deference for what appeared to be your desire. I constantly hoped that it would have been much earlier in my power, consistently with motives which I was not at liberty to disregard, to return to that retirement from which I had been reluctantly drawn. The strength of my inclination to do this, previous to the last election, had even led to the preparation of an address to declare it to you; but mature reflection on the then perplexed and critical posture of our affairs with foreign nations, and the unanimous advice of persons entitled to my confidence, impelled me to abandon the idea.

I rejoice that the state of your concerns external as well as internal, no longer renders the pursuit of inclination incompatible with the sentiment of duty or propriety; and am persuaded, whatever partiality may be retained for my services, that in the present circumstances of our country, you will not disapprove my determination to retire.

The impressions with which I first undertook the arduous trust, were explained on the proper occasion. In the discharge of this trust, I will only say that I have, with good intentions, contributed towards the organization and administration of the government, the best exertions of which a very fallible judgment was capable. Not unconscious in the outset, of the inferiority of my qualifications, experience, in my own eyes, perhaps still more in the eyes of others, has strengthened the motives to diffidence of myself; and, every day, the increasing weight of years admonishes me more and more, that the shade of retirement is as necessary to me as it will be welcome. Satisfied that if any circumstances have given peculiar value to my services they were temporary, I have the consolation to believe that, while choice and prudence invite me to quit the political scene, patriotism does not forbid it.

In looking forward to the moment, which is to terminate the career of my political life, my feelings do not permit me to suspend the deep acknowledgment of that debt of gratitude which I owe to my beloved country, for the many honors it has conferred upon me; still more for the steadfast confidence with which it has supported me; and for the opportunities I have thence enjoyed of manifesting my inviolable attachment, by services faithful and persevering, though in usefulness unequal to my zeal. If benefits have resulted to our country from these services, let it always be remembered to your praise, and as an instructive example in our annals, that under circumstances in which the passions, agitated in every direction, were liable to mislead amidst appearances sometimes dubious, vicissitudes of fortune often discouraging-in situations in which not unfrequently, want of success has countenanced the spirit of criticism,—the constancy of your support was the essential prop of the efforts, and a guarantee of the plans, by which they were effected. Profoundly penetrated with this idea, I shall carry it with me to my grave, as a strong incitement to unceasing vows that Heaven may continue to you the choicest tokens of its beneficence—that your union and brotherly affection may be perpetual—that the free constitution, which is the work of your hands, may be sacredly maintained—that its administration in every department may be stamped with wisdom and virtue-that, in fine, the happiness of the people of these States, under the auspices of liberty, may be made complete, by so careful a preservation, and so prudent a use of this blessing, as will acquire to them the glory of recommending it to the applause, the affection and adoption of every nation which is yet a stranger to it.

Here, perhaps, I ought to stop. But a solicitude for your welfare, which cannot end, but with my life, and the apprehension of danger, natural to that solicitude, urge me, on an occasion like the present, to offer to your solemn contemplation, and to recommend to your frequent review, some sentiment; which are the result of much reflection, of no inconsiderable observation, and which appear to me all-important to the permanency of your felicity as a People. These will be offered to you with the more freedom, as you can only see in them the disinterested warnings of a parting friend, who can possibly have no personal motive to bias his counsel. Nor can I forget, as an encouragement to it, your indulgent reception of my sentiments on a former and not dissimilar occasion.

Interwoven as is the love of liberty with every ligament of your hearts, no recommendation of mine is necessary to fortify or confirm the attachment.

The unity of Government which constitutes you one people. is also now dear to you. It is justly so; for it is a main pillar in the edifice of your real independence; the support of your tranquility at home: your peace abroad; of your safety; of your prosperity; of that very liberty which you so highly prize. But, as it is easy to foresee, that from different causes and from different quarters, much pains will be taken, many artifices employed, to weaken in your minds the conviction alliances, attachments, and intrigues would stimulate and

of this truth; as this is the point in your political fortress against which the batteries of internal and external enemies will be most constantly and actively (though often covertly and insidiously) directed; it is of infinite moment, that you should properly estimate the immense value of your national union to your collective and individual happiness; that you should cherish a cordial, habitual, and immovable attachment to it; accustoming yourselves to think and speak of it as of the palladium of your political safety and prosperity; watching for its preservation with jealous anxiety; discountenancing whatever may suggest even a suspicion that it can in any event be abandoned; and indignantly frowning upon the first dawning of every attempt to alienate any portion of our country from the rest, or to enfeeble the sacred ties which now link together the various parts.

For this you have every inducement of sympathy and interest. Citizens by birth or choice, of a common country, that country has a right to concentrate your affections. The name of American, which belongs to you, in your national capacity, must always exalt the just pride of patriotism, more than any appellation derived from local discriminations. With slight shades of difference, you have the same religion, manners, habits, and political principles. You have in a common cause fought and triumphed together; the independence and liberty you possess, are the work of joint councils, and joint efforts, of common dangers, sufferings and successes.

But these considerations, however powerfully they address themselves to your sensibility, are greatly outweighed by those which apply more immediately to your interest.-Here every portion of our country finds the most commanding motives for carefully guarding and preserving the union of the whole.

The north, in an unrestrained intercourse with the south, protected by the equal laws of a common government, finds in the productions of the latter, great additional resources of maritime and commercial enterprise and precious materials of manufacturing industry.—The south in the same intercourse, benefiting by the same agency of the north, sees its agriculture grow and its commerce expand. Turning partly into its own channels the seamen of the north, it finds its particular navigation invigorated; and while it contributes, in different ways, to nourish and increase the general mass of the national navigation, it looks forward to the protection of a maritime strength, to which itself is unequally adapted. The east, in a like intercourse with the west, already finds, and in the progressive improvement of interior communications by land and water, will more and more find a valuable vent for the commodities which it brings from abroad, or manufactures at home. The west derives from the east supplies requisite to its growth and comfort-and what is perhaps of still greater consequence, it must of necessity owe the secure enjoyment of indispensable outlets for its own productions, to the weight, influence, and the future maritime strength of the Atlantic side of the Union, directed by an indissoluble community of interest as one nation. Any other tenure by which the west can hold this essential advantage, whether derived from its own separate strength; or from an apostate and unnatural connection with any foreign power, must be intrinsically precarious.

While then every part of our country thus feels an immediate and particular interest in union, all the parts combined cannot fail to find in the united mass of means and efforts, greater strength, greater resource, proportionably greater security from external danger, a less frequent interruption of their peace by foreign nations; and, what is of inestimable value, they must derive from union an exemption from those broils and wars between themselves, which so frequently afflict neighbouring countries, not tied together by the same government; which their own rivalship alone would be sufficient to produce, but which opposite foreign embitter.—Hence likewise, they will avoid the necessity of those overgrown military establishments, which under any form of government are inauspicious to liberty, and which are to be regarded as particularly hostile to republican liberty; in this sense it is, that your union ought to be considered as a main prop of your liberty, and that the love of the one ought to endear to you the preservation of the other.

These considerations speak a persuasive language to every reflecting and virtuous mind, and exhibit the continuance of the Union as a primary object of patriotic desire. Is there a doubt whether a common government can embrace so large a sphere? let experience solve it. To listen to mere speculation in such a case were criminal. We are authorized to hope that a proper organization of the whole, with the auxiliary agency of governments for the respective subdivisions, will afford a happy issue to the experiment. It is well worth a fair and full experiment. With such powerful and obvious motives to union, affecting all parts of our country, while experience shall not have demonstrated its impracticability, there will always be reason to distrust the patriotism of those who, in any quarter, may endeavor to weaken its bands.

In contemplating the causes which may disturb our Union, it occurs as matter of serious concern, that any ground should have been furnished for characterising parties by geographical discriminations,-northern and southern-Atlantic and western; whence designing men may endeavor to excite a belief that there is a real difference of local interests and views. One of the expedients of party to acquire influence within particular districts, is to misrepresent the opinions and aims of other districts. You cannot shield yourselves too much against the jealousies and heart burnings which spring from these misrepresentations: they tend to render alien to each other those who ought to be bound together by fraternal affection. The inhabitants of our western country have lately had a useful lesson on this head: they have seen, in the negotiation by the executive, and in the unanimous ratification by the senate of the treaty with Spain, and in the universal satisfaction at the event throughout the United States, a decisive proof how unfounded were the suspicions propagated among them of a policy in the general government and in the Atlantic states. unfriendly to their interests in regard to the Mississippi. They have been witnesses to the formation of two treaties, that with Great Britain and that with Spain, which secure to them everything they could desire, in respect to our foreign relations, toward confirming their prosperity. Will it not be their wisdom to rely for the preservation of these advantages on the union by which they were procured? will they not henceforth be deaf to those advisers, if such they are, who would sever them from their brethren and connect them with aliens?

To the efficacy and permanency of your Union, a government for the whole is indispensable. No alliances, however strict, between the parts can be an adequate substitute; they must inevitably experience the infractions and interruptions which all alliances, in all times, have experienced. Sensible of this momentous truth, you have improved upon your first essay, by the adoption of a constitution of government, better calculated than your former, for an intimate union, and for the efficacious management of your common concerns. This government, the offspring of our own choice, uninfluenced and unawed, adopted upon full investigation and mature deliberation, completely free in its principles, in the distribution of its powers, uniting security with energy, and containing within itself a provision for its own amendment, has a just claim to your confidence and your support. Respect for its authority, compliance with its laws, acquiescence in its measures, are duties enjoined by the fundamental maxims of true liberty. The basis of our political systems is the right of the people to make and to alter their constitutions of government.-But the constitution which at any time exists, untill changed by an explicit and authentic act of the whole people, is sacredly obligatory upon all. The very idea

of the power, and the right of the people to establish government presuppose the duty of every individual to obey the established government.

All obstructions to the execution of the laws, all combinations and associations under whatever plausible character, with the real design to direct, control, counteract, or awe the regular deliberations and action of the constituted authorities, are destructive of this fundamental principle, and of fatal tendency.—They serve to organize faction, to give it an artificial and extraordinary force, to put in the place of the delegated will of the nation the will of party, often a small but artful and enterprising minority of the community; and, according to the alternate triumphs of different parties, to make the public administration the mirror of the ill concerted and incongruous projects of faction, rather than the organ of consistent and wholesome plans digested by common councils, and modified by mutual interests.

However combinations or associations of the above description may now and then answer popular ends, they are likely, in the course of time and things, to become potent engines, by which cunning, ambitious, and unprincipled men will be enabled to subvert the power of the people, and to usurp for themselves the reins of government; destroying afterwards the very engines which have lifted them to unjust dominion.

Towards the preservation of your government and the permanency of your present happy state, it is requisite, not only that you steadily discountenance irregular opposition to its acknowledged authority, but also that you resist with care the spirit of innovation upon its principles, however specious the pretexts. One method of assault may be to effect, in the forms of the constitution, alterations which will impair the energy of the system, and thus to undermine what cannot be directly overthrown. In all the changes to which you may be invited, remember that time and habit are at least as necessary to fix the true character of governments, as of other human institutions:-that experience is the surest standard, by which to test the real tendency of the existing constitution of a country-that facility in changes, upon the credit of mere hypothesis and opinion, exposes to perpetual change from the endless variety of hypothesis and opinion: and remember, especially, that for the efficient management of your common interests in a country so extensive as ours, a government of as much vigor as is consistent with the perfect security of liberty is indispensable. Liberty itself will find in such a government, with powers properly distributed and adjusted, its surest guardian, It is, indeed, little else than a name, where the government is too feeble to withstand the enterprises of faction, to confine each member of the society within the limits prescribed by the laws, and to maintain all in the secure and tranquil enjoyment of the rights of person and property.

I have already intimated to you, the danger of parties in the state, with particular reference to the founding of them on geographical discriminations. Let me now take a more comprehensive view and warn you in the most solemn manner against the baneful effects of the spirit of party generally.

This spirit, unfortunately, is inseparable from our nature, having its root in the strongest passions of the human mind.—It exists under different shapes in all governments, more or less stifled, controlled, or repressed; but in those of the popular form it is seen in its greatest rankness, and is truly their worst enemy.

The alternate domination of one faction over another, sharpened by the spirit of revenge natural to party dissension, which in different ages and countries has perpetrated the most horrid enormities, is itself a frightful despotism.—But this leads at length to a more formal and permanent despotism. The disorders and miseries, which result, gradually incline the minds of men to seek security and repose in the absolute power of an individual; and, sooner or later, the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to

the purpose of his own elevation on the ruins of public

Without looking forward to an extremity of this kind, (which nevertheless ought not to be entirely out of sight) the common and continual mischiefs of the spirit of party are sufficient to make it the interest and duty of a wise people to discourage and restrain it.

It serves always to distract the public councils, and enfeeble the public administration. It agitates the community with ill founded jealousies and false alarms; kindles the animosity of one part against another; foments occasionally riot and insurrection. It opens the door to foreign influence and corruption, which find a facilitated access to the government itself through the channels of party passions. Thus the policy and the will of one country are subjected to the policy and will of another.

There is an opinion that parties in free countries are useful checks upon the administration of the government, and serve to keep alive the spirit of liberty. This within certain limits is probably true; and in governments of a monarchical cast, patriotism may look with indulgence, if not with favor, upon the spirit of party. But in those of the popular character, in governments purely elective, it is a spirit not to be encouraged. From their natural tendency, it is certain there will always be enough of that spirit for every salutary purpose. And there being constant danger of excess, the effort ought to be, by force of public opinion, to mitigate and assuage it. A fire not to be quenched, it demands a uniform vigilance to prevent it bursting into flame, lest instead of warming, it should consume.

It is important likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department, to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of government, a real despotism. A just estimate of that love of power and proneness to abuse it which predominate in the human heart, is sufficient to satisfy us of the truth of this position. The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasions of the others, has been evinced by experiments ancient and modern: some of them in our country and under our own eyes.—To preserve them must be as necessary as to institute them. If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the constitution designates.—But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed.—The precedent must always greatly overbalance in permanent evil any partial or transient benefit which the use can at any time yield.

Of all the dispositions and habits which lead to political prosperity, Religion and Morality are indispensable supports.-In vain would that man claim the tribute of Patriotism, who should labour to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, where is the security for property, for reputation, for life, if the sense of religious obligation desert the oaths which are the instruments of investigation in courts of justice? and let us with caution indulge the supposition that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect, that national morality can prevail in exclusion of religious principle.

It is substantially true, that virtue or morality is a necessary spring of popular government. The rule, indeed, extends with more or less force to every species of free government. Who that is a sincere friend to it can look with indifference upon attempts to shake the foundation of the fabric?

Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it should be enlightened.

As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense by cultivating peace, but remembering, also, that timely disbursements, to prepare for danger, frequently prevent much greater disbursements to repel it; avoiding likewise the accumulation of debt, not only by shunning occasions of expense. but by vigorous exertions, in time of peace, to discharge the debts which unavoidable wars may have occasioned, not ungenerously throwing upon posterity the burden which we ourselves ought to bear. The execution of these maxims belongs to your representatives, but it is necessary that public opinion should co-operate. To facilitate to them the performance of their duty, it is essential that you should practically bear in mind, that towards the payment of debts there must be revenue: that to have revenue there must be taxes; that no taxes can be devised which are not more or less inconvenient and unpleasant; that the intrinsic embarrassment inseparable from the selection of the proper object (which is always a choice of difficulties,) ought to be a decisive motive for a candid construction of the conduct of the government in making it, and for a spirit of acquiescence in the measures for obtaining revenue, which the public exigencies may at any time dictate.

Observe good faith and justice towards all nations; cultivate peace and harmony with all. Religion and morality enjoin this conduct, and can it be that good policy does not equally enjoin it? It will be worthy of a free, enlightened, and, at no distant period, a great nation, to give to mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence. Who can doubt but, in the course of time and things, the fruits of such a plan would richly repay any temporary advantages which might be lost by a steady adherence to it; can it be, that Providence has not connected the permanent felicity of a nation with its virtue? The experiment, at least, is recommended by every sentiment which ennobles human nature. Alas! is it rendered impossible by its vices?

In the execution of such a plan, nothing is more essential than that permanent, inveterate antipathies against particular nations, and passionate attachments for others, should be excluded; and that, in place of them, just and amicable feelings towards all should be cultivated. The nation, which indulges towards another an habitual hatred, or an habitual fondness, is in some degree a slave. It is a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its duty and its interest. Antipathy in one nation against another, disposes each more readily to offer insult and injury, to lay hold of slight causes of umbrage, and to be haughty and intractable when accidental or trifling occasions of dispute occur. Hence, frequent collisions, obstinate, envenomed, and bloody contests. The nation, prompted by ill will and resentment, sometimes impels to war the government, contrary to the best calculations of policy. The government sometimes participates in the national propensity, and adopts through passion what reason would reject; at other times, it makes the animosity of the nation subservient to projects of hostility instigated by pride, ambition, and other sinister and pernicious motives. The peace often, sometimes perhaps the liberty of nations, has been the victim.

So likewise, a passionate attachment of one nation for another produces a variety of evils. Sympathy for the favorite nation, facilitating the illusion of an imaginary common interest, in cases where no real common interest exists, and infusing into one the enmities of the other, betrays the former into a participation in the quarrels and wars of the latter, without adequate inducements or justification. It leads also to concessions to the favorite nation, of privileges denied to others, which is apt doubly to injure the nation making the concessions, by unnecessarily parting with what ought to have been retained, and by exciting jealousy, ill will, and a disposition to retaliate in the parties from whom equal privileges are withheld; and it gives to ambitious, corrupted or deluded citizens who devote themselves to the favorite nation facility to betray or sacrifice the interests of their own country, without odium, some-times even with popularity; gilding with the appearances of a virtous sense of obligation, a commendable deference for public opinion, or a laudable zeal for public good, the base or foolish compliances of ambition, corruption, or

As avenues to foreign influence in innumerable ways, such attachments are particularly alarming to the truly enlightened and independent patriot. How many opportunities do they afford to tamper with domestic factions, to practice the arts of seduction, to mislead public opinion, to influence or awe the Public Councils!—Such an attachment of a small or weak, towards a great and powerful nation, dooms the former to be the satellite of the latter.

Against the insidious wiles of foreign influence, (I conjure you to believe me fellow-citizens,) the jealousy of a free people ought to be constantly awake; since history and experience prove, that foreign influence is one of the most baneful foes of republican government. But that jealousy, to be useful, must be impartial, else it becomes the instrument of the very influence to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike of another, cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other. Real patriots, who may resist the intrigues of the favorite, are liable to become suspected and odius; while its tools and dupes usurp the applause and confidence of the people, to surrender their interests.

The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little *political* connection as possible. So far as we have already formed engagements, let them be fulfilled with perfect good faith:—Here let us stop.

Europe has a set of primary interests, which to us have none, or a very remote relation. Hence, she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves, by artificial ties, in the ordinary vicissitudes of her politics, or the ordinary combinations and collisions of her friendships or enmittes.

Our detached and distant situation invites and enables us to pursue a different course. If we remain one people, under an efficient government, the period is not far off when we may defy material injury from external annoyance; when we may take such an attitude as will cause the neutrality we may at any time resolve upon, to be scrupulously respected; when belligerent nations, under the impossibility of making acquisitions upon us, will not lightly hazard the giving us provocation, when we may choose peace or war, as our interest, guided by justice, shall counsel.

Why forego the advantages of so peculiar a situation? Why quit our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?

It is our true policy to steer clear of permanent alliance with any portion of the foreign world; so far, I mean, as we are now at liberty to do it; for let me not be understood as capable of patronizing infidelity to existing engagements. I hold the maximum no less applicable to public than private affairs, that honesty is always the best policy. I repeat it, therefore, let those engagements be observed in their gen-

uine sense. But in my opinion, it is unnecessary, and would be unwise to extend them.

Taking care always to keep ourselves by suitable establishments, on a respectable defensive posture, we may safely trust to temporary alliances for extraordinary emergencies.

Harmony, and a liberal intercourse with all nations, are recommended by policy, humanity, and interest. But even our commercial policy should hold an equal and impartial hand: neither seeking nor granting exclusive favors or preferences; consulting the natural course of things; diffusing and diversifying by gentle means the streams of commerce, but forcing nothing; establishing with powers so disposed. in order to give trade a stable course, to define the rights of our merchants, and to enable the government to support them, conventional rules of intercourse, the best that present circumstances and mutual opinion will permit, but temporary, and liable to be from time to time abandoned or varied as experience and circumstances shall dictate; constantly keeping in view, that it is folly in one nation to look for disinterested favors from another; that it must pay with a portion of its independence for whatever it may accept under that character; that by such acceptance, it may place itself in the condition of having given equivalents for nominal favors, and yet of being reproached with ingratitude for not giving more. There can be no greater error than to expect, or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard.

In offering to you, my countrymen, these counsels of an old and affectionate friend, I dare not hope they will make the strong and lasting impression I could wish; that they will control the usual current of the passions, or prevent our nation from running the course which has hitherto marked the destiny of nations; but if I may even flatter myself that they may be productive of some partial benefit, some occasional good; that they may now and then recur to moderate the fury of party spirit, to warn against the mischiesf of foreign intrigue, to guard against the impostures of pretended patriotism; this hope will be full recompense for the solicitude for your welfare by which they have been dictated.

How far, in the discharge of my official duties, I have been guided by the principles which have been delineated, the public records and other evidences of my conduct must witness to you and to the world. To myself, the assurance of my own conscience is, that I have, at least, believed myself to be guided by them.

In relation to the still subsisting war in Europe, my proclamation of the 22d of April, 1793, is the index to my plan. Sanctioned by your approving voice, and by that of your representatives in both houses of congress, the spirit of that measure has continually governed me, uninfluenced by any attempts to deter or divert me from it.

After deliberate examination, with the aid of the best lights I could obtain, I was well satisfied that our country, under all the circumstances of the case, had a right to take, and was bound, in duty and interest, to take a neutral position. Having taken it, I determined, as far as should depend upon me, to maintain it with moderation, perseverance and firmness.

The considerations which respect the right to hold this conduct, it is not necessary on this occasion to detail. I will only observe that, according to my understanding of the matter, that right, so far from being denied by any of the belligerent powers, has been virtually admitted by all.

The duty of holding a neutral conduct may be inferred, without any thing more, from the obligation which justice and humanity impose on every nation, in cases in which it is free to act, to maintain inviolate the relations of peace and amity towards other nations.

The inducements of interests for observing that conduct will best be referred to your own reflections and experience. With me, a predominant motive has been to endeavor to gain time to our country to settle and mature its yet recent institutions, and to progress without interruption, to that

degree of strength, and consistency which is necessary to give it, humanly speaking, the command of its own fortunes.

Though in reviewing the incidents of my administration, I am unconscious of intentional error, I am nevertheless too sensible of my defects not to think it probable that I may have committed many errors. Whatever they may be, I fervently beseech the Almighty to avert or mitigate the evils to which they may tend. I shall also carry with me the hope that my country will never cease to view them with indulgence; and that, after forty-five years of my life dedicated to its service, with an upright zeal, the faults of incompetent abilities will be consigned to oblivion, as myself must soon be to the mansions of rest.

Relying on its kindness in this as in other things, and actuated by that fervent love towards it, which is so natural to a man who views in it the native soil of himself and his progenitors for several generations; I anticipate with pleasing expectation that retreat in which I promise myself to realize, without alloy, the sweet enjoyment of partaking, in the midst of my fellow citizens, the benign influence of good laws under a free government—the ever favorite object of my heart, and the happy reward, as I trust, of our mutual cares, labors, and dangers.

GEO. WASHINGTON.

UNITED STATES, 17th September, 1796.

### PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I ask unanimous consent that I may proceed for 5 minutes.

Mr. CULLEN. Mr. Speaker, reserving the right to object—and I am not going to object—we want to pass this appropriation bill today. If we are going to have 5- and 10-minute speeches on everything and anything, it will hold up the passage of this legislation. I am not going to object to the gentleman's request, but I think we ought to have some consideration for this appropriation bill.

Mr. SNELL. Mr. Speaker, we were rather generous in agreeing to meet at 11 o'clock this morning.

Mr. CULLEN. I am not going to object.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, after we have listened to the immortal words of George Washington on this, his anniversary, and we think of the challenge he has laid down to every Member of the Congress, it seems to me there could be nothing more fitting than to carry out, to the best of our ability, those things which he practiced and to obey the teaching he has given us.

I would ask that every Member of the House to again read this address as just read by my colleague from Pennsylvania. I think it would do us all a lot of good.

It seems to me when Washington did all that he could for his country and for every man who lived in the country at that time in order that they might support the Constitution of the United States and assist in building up this country to be the greatest country in the world, it behooves each and every Member of the Congress to give his time and attention to the duties of his office, so that each Member of the Congress may serve his country in trying to do those things which will continue the Constitution of the United States and keep the country under Old Glory, the flag which we have back of the Speaker at the present time, the Stars and Stripes, the Red, White, and Blue.

It grieves me very much when I pick up this morning's paper and I see some of the things we read there:

Speaker Byans created an uproar yesterday at a caucus of House Democrats on patronage when he announced at least 10,000 jobs as superintendents and foremen in charge of the camps would be distributed among "deserving" members of the party recommended by Congressmen.

mended by Congressmen.

Between bursts of tumultuous applause the Speaker assured his job-hungry followers their leather-lunged protests against failure of the new deal to consult House Members in distributing spoils have borne fruit.

The vacancies, some to be created by broad expansion of the C. C. C., will be filled promptly, Byrns said. He indicated there

would be an average of six jobs to each camp, paying from \$110 to \$200 a month. The Speaker promised Senators would have no say-so on such patronage.

The thing that is in my mind today is that since we are going to have no say in patronage, I want to warn you, Mr. Speaker, I do not want southern Democrats from Alabama, from Georgia, from Tennessee, or from Texas, or any other State, coming into the State of Pennsylvania and taking jobs that ought to be there for Pennsylvanians.

I want to say that if the Senators are not going to make the appointments, they ought to be appointed on merit, and we should insist on men who are qualified to do the job properly. This is no time for us to be playing politics.

I want to say to the Members of this House that if you will try to do the things that George Washington inculcated in his last address you will be doing your duty, you will assume your responsibility, and you will not be shoving everything over to the other end of the Avenue and getting your orders and then coming here and acting like a bunch of men who do not think for themselves but say, "All right, I will agree to anything that you send down here and put it through."

I want to say that the President of the United States is unable to assume the great responsibilities you are placing upon him. They are your responsibilities, and you must assume them.

[Here the gavel fell.]

Mr. HIGGINS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

Mr. CULLEN. Mr. Speaker, I did not object to the request of the gentleman who addressed the House a few moments ago, but I am now going to reserve the right to object until I know what the Members are going to talk about. I understand the gentleman who has just asked for permission to address the House is going to bring to the attention of the House the death of a former Member.

Mr. HIGGINS of Massachusetts. That is right. Mr. CULLEN. I have no objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HIGGINS of Massachusetts. Mr. Speaker, I desire today to call to the attention of the Members of the House the death of a former Member of Congress who represented the district I now have the honor to represent, Hon. Joseph H. O'Neil, of Boston. He spent practically his entire life in the service of the people of our city. His public career commenced with his election to the Massachusetts House of Representatives in 1878, and he served with distinction in that body until 1884. His brilliant record in the legislature, his independence in thought, and his loyalty to the then Governor of our Commonwealth, Gen. Benjamin Butler, caused him to follow Governor Butler into the Peoples Party movement in 1884, when the general was an unsuccessful candidate for President of the United States. President Cleveland appointed Mr. O'Neil as Assistant Treasurer of the United States, and upon terminating his duties in that office he served three consecutive and distinctive terms as a Member of this House.

Upon his retirement from Congress he organized the Federal Trust Co., one of the largest banks in our city, and of which he was president for 23 years. In 1918 he was the Democratic candidate for Lieutenant Governor of Massachusetts, and in 1925 made final and unsuccessful attempt in politics as a candidate for mayor of Boston.

Joe O'Neil had the happy faculty of making friends and holding them. He was tolerant and generous, and numbered among his friends all classes, creeds, and races. For many years past he had been a trustee of the Massachusetts General Hospital, named by Republican and Democratic Governors alike at the expiration of his terms.

The character of the man, and the type of unselfish service he rendered to the city, State, and Nation, is ably portrayed by the pen of Clifton Carberry, editorial writer for the Boston Post and one of the foremost journalists of our

time, who, in an editorial of February 20, 1935, wrote as | could well be recited by every Member of Congress in the follows:

A life spent unselfishly—working for others—was the life of Joseph Henry O'Neil. In humble graciousness he accepted the honors that came to him. With zealous, uncomplaining courage he carried burdensome responsibilities. When the State wanted best man to serve its interests as trustee of the Massachusetts

the best man to serve its interests as trustee of the Massachusetts General Hospital a Republican Governor called upon him. His activities covered a wide range, far beyond the scope of his own interests. He knew the meaning of true humanitarianism, for his heart was truly great. The Working Boys' Home, the St. Vincent de Paul Society, St. Elizabeths Hospital, and a host of other organizations and individuals, too, received his kindly, generous, far-seeing assistance. His was a life of good works. Boston and Massachusetts can ill afford to lose him.

Mr. McCORMACK. Mr. Speaker, I am very much moved by the announcement of Mr. Higgins of the death of my late friend, former Congressman Joseph H. O'Neil, who served the Commonwealth of Massachusetts with great distinction in this body in the Fifty-first, Fifty-second, and Fifty-third Congresses-March 4, 1889-March 3, 1895. It is not my purpose to refer to his public service, which was outstanding in its character, and which covered so many years, as our colleague Mr. Higgins has ably and properly mentioned the same. My remarks are more from the personal sense. I have known the late Congressman for the past 15 years, and I am deeply indebted to him for many kind words of counsel and advice. I have gone to him on many occasions for his advice, which was always sound and logical. He possessed a sincere and logical mind, which, as years went by, became keener and keener. He spent his life unselfishly-working for others, always trying to assist those in trouble or in less fortunate position than himself. In humble graciousness he accepted the honors that came to him. With zealous, uncomplaining courage he carried burdensome responsibilities. His was a life of good works. He has given a lifetime of service to Nation, State, and city, and leaves behind him a broad circle of friends, to whom his absence will be felt keenly.

Mr. GILLETTE. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

Mr. CULLEN. Mr. Speaker, reserving the right to object, on what subject does the gentleman intend to talk?

Mr. GILLETTE. On a matter of commemorative interest to the soldiers.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GILLETTE. Mr. Speaker, on this occasion, commemorative of the birth of the greatest American soldier, and when his message to the American people has been so fittingly and effectively read by the gentleman from Pennsylvania [Mr. Driscoll], I hope my colleagues will not consider it amiss that I have asked for these few minutes to do an act of simple justice to another great American soldier, not a commander in chief but a buck private of Infantry, not known to every man, woman, and child, but unknown, but who likewise left a message of consecration to public service for the people of the United States under dramatic circumstances.

I felt it would be lost to future Americans if we did not preserve it in the RECORD of the proceedings of this House.

In 1917 Martin Treptow was living in my home town in Iowa. He was engaged in the trade of a barber. He had an eighth-grade education. He enlisted in the Rainbow Division and went to France. As a runner employed by the battalion and at the Battle of Chateau-Thierry he was hit by a shell and killed instantly. As his remains were carried from the field his clothing was searched for any mementos to be sent to his family, and they found a diary, and on the flyleaf appeared this pledge. He designated it as "My Pledge." This was published by papers in Paris, and by a number in the United States, and was quoted by President Wilson as the "Treptow pledge." But a very few people know of it, and for fear it will disappear I want to have it in the RECORD, and so I have asked for this time.

As I say, this boy was unlettered, but I do not believe that for simplicity of expression, for purity of diction, any passage in literature contains such a gem of diction. I think it

struggle we are engaged in.

Here is Martin Treptow's pledge:

America must win this war. Therefore, I will work, I will save, will sacrifice, I will endure, I will fight and do my utmost as if the whole issue of the struggle depended on me alone.

And Martin Treptow did his utmost. [Applause.]

Mr. EKWALL. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes to pay a tribute to a nation which has paid its duty in full to the United States-the Republic of Finland.

Mr. CULLEN. Reserving the right to object, what is the gentleman going to talk about?

Mr. EKWALL. A resolution of thanks to the Republic of Finland for having paid its debt.

Mr. CULLEN. I have no objection.

The SPEAKER. Is there objection?

There was no objection.

Mr. EKWALL. Mr. Speaker, in this day and age, when many nations have shamelessly repudiated their just debts to us, we might pause for a few moments in the busy affairs of life to give due recognition to a small nation whose action, in my judgment, has been a beacon light in the darkness and one which should be emulated by other great nations of the world.

Our country came to the assistance of a number of nations during the World War when they were hard pressed, fighting for their very existence, with their backs against the wall, so to speak, and we gave unstintingly of our men and our money and our substance that we might aid those nations to perpetuate representative government in this world. Those nations were very, very solicitous of our friendship and our help during those trying times, but in the following years after victory perched on their banners, when the danger was removed, and we asked them to pay their just obligations. many of those great nations, much more able to pay, have refused to do so; and it has been left to a small nation, the Republic of Finland, to stand like the Rock of Gibraltar through the sea of broken obligations. I think we should give this Republic a vote of thanks. We have wealthy nations, such as France and Great Britain, who refuse to pay any portion of their obligation to us, yet we find Great Britain today in a wave of prosperity, so they tell us, in better financial condition than many other nations.

Mr. McFARLANE. Will the gentleman yield?

Mr. EKWALL. Yes; I yield.

Mr. McFARLANE. Will the gentleman kindly insert in his remarks a list of the nations in default and the amount they owe?

Mr. EKWALL. I shall be glad to do that when I extend my remarks, but I am not sure of all of them, and I do not want to do an injustice to any nation. Undoubtedly Great Britain is in position to make at least a friendly gesture by paying us some portion of the obligation they owe us. France, which cannot pay a dollar to us, so they say, is nevertheless said to be loaning hundreds of millions of dollars to other countries. As I say, the Republic of Finland, a small country which has been buffeted around by the great nations of Europe for centuries, and which is none too sound financially, has come forward honestly and honorably and has paid our obligation in full to date.

Rather than take up too much time, Mr. Speaker, I wish to read a joint resolution which I am introducing, and then I should like permission to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. EKWALL. The resolution is as follows:

Joint resolution extending the thanks of the Government and people of the United States to the Republic of Finland

Be it resolved, etc., That the President of the United States is Be it resolved, etc., That the President of the United States is requested to extend the thanks of the Government of the United States and of the American people to the Republic of Finland for the prompt, full, and satisfactory manner in which the Republic of Finland discharged its obligation to the Government of the United States in accordance with the agreement between the two Republics for the settlement of the debt contracted during the World War by the Republic of Finland with the Government of the United States

A similiar resolution has recently been introduced in the State Legislature of Oregon by Representative Norblad, of Clatsop County.

Mr. Speaker, it seems to me that this Republic of Finland has followed the admonition of the great English playwright, poet, and litterateur, William Shakespeare, when he wrote these memorable lines:

This above all: to thine own self be true,

And it must follow, as the night the day, thou canst not then be false to any man.

I am sure that this same great Englishman, if he were alive today, would admonish his compatriots to pay their just obligations and debts.

Mr. McREYNOLDS. Will the gentleman yield?

Mr. EKWALL. I yield.

Mr. McREYNOLDS. In view of what the gentleman has said and in view of the need of a legation in Finland, I beg to advise the gentleman there is a bill before the Committee on Foreign Affairs for that appropriation at this time. I presume the gentleman would support such a bill?

Mr. EKWALL. I certainly would.

May I say this: That if the various governments which owe us upward of \$12,000,000,000 were to pay their obligations, or make an honest effort to pay at least a portion of them, within their real ability to do so, we would have money with which to take care of the aged and of the needy people in our country at this time. We would have sufficient means to take care of the blind, the crippled, and the unfortunate in our country generally, and to give work to our unemployed without being compelled to borrow billions of dollars for public works. We could take care of them much more liberally than we can under present circumstances, and these defaulting nations could once again reestablish the feeling of respect and confidence which their unwarranted actions have seriously impaired.

Mr. SISSON. Will the gentleman yield?

Mr. EKWALL. I yield.

Mr. SISSON. Would the gentleman have those countries pay us in goods or gold?

Mr. EKWALL. Anything would be better than the way they are paying us now.

At the request of the gentleman from Texas [Mr. McFar-LANE], I am inserting the only available data which I have been able to secure on short notice showing a list of nations in default and the amount they owe:

WHAT FOREIGN NATIONS OWE UNITED STATES TABULATED

Washington, May 5, 1934.—The indebtedness of foreign nations to the United States Government (including those countries which have no funding agreement) is shown in the following table pre-pared for the Senate by the Treasury Department last January.

### FUNDED INDEBTEDNESS

Countries which have made payments on account of amounts due July 1, 1932-January 4, 1934:

	Total indebtedness	Amounts unpaid according to contract
Czechoslovakia	\$165, 283, 195. 35	\$2, 852, 898. 61
Great Britain	4, 636, 157, 358. 30	176, 120, 246. 63
Greece.	32, 583, 338. 65	1, 379, 690. 83
ItalyLatvia	2, 008, 103, 288, 76 7, 312, 658, 38	13, 687, 010. 12 286, 462, 10
Latvia.	6, 554, 544, 23	221, 169, 92
Rumania	63, 871, 783. 49	1, 048, 750. 08
Total	6, 919, 866, 167, 16	195, 596, 228. 29
Countries which made no payments on	MITEN AND BUILDING	THE STATE OF
account of amounts due in same period:	00 000 004 10	04 808 00
Austria	23, 757, 934, 13	34, 707. 23
Belgium	411, 166, 529. 09	11, 309, 453, 89
Estonia	17, 784, 695, 59	989, 985, 22
France.	3, 960, 772, 238. 30	82, 308, 312, 22
Germany (reichsmarks convertible, at	724, 186, 140, 53	959, 377, 17
Hungary	2, 051, 938, 61	114, 628, 64
Poland	222, 560, 466, 43	12, 317, 829. 71
Yugoslavia	61, 625, 000. 00	525, 000. 00
Total	5, 423, 905, 542, 68	108, 559, 354. 14
Total under funding agreements	12, 352, 498, 355. 47	304, 155, 582, 43

	\$20, 313, 416. 66 416, 559. 13 337, 223, 288. 14 357, 953, 254. 93 12, 710, 451, 610. 40	Amounts unpaid according to contract
UNFUNDED INDEBTEDNESS Armenia Nicaragua Russia	416, 550. 13	\$20, 313, 416, 66 416, 550, 13 337, 223, 288, 14
Total	357, 953, 254. 93	357, 953, 254, 93
Grand total	12, 710, 451, 610. 40	662, 108, 837, 36

NOTE.—Finland, with a total debt of \$8,726,645.63, has met every payment when due.

The situation will change on June 15, 1934, when further install-

ments fall due, as follows:
Great Britain, \$85,670,765; France, \$59,000,218; Italy, \$14,741,593;
Belgium, \$7,159,453; Poland, \$4,039,039; Czechoslovakia, \$1,682,812;
Rumania, \$1,248,750; Estonia, \$322,850; Yugoslavia, \$800,000; Finland, \$166,538; Lithuania, \$147,864; Latvia, \$134,883; Hungary, \$32,669.

Another fact which should be mentioned is that the Republic of Finland is paying 3-percent interest on her indebtedness. The present interest charge is fixed for Finland by H. R. 5557, Sixty-eighth Congress. Let me say that Finland funded her debt early and agreed to pay the sum of \$8,282,000 in 62 years. She did not wait to drive the hard bargain that some of the other debtor nations subsequently made.

The description of this indebtedness as war debts is a misnomer. Much of the money loaned to these nations they used for internal rehabilitation. A large part of these funds were used by these various countries in the construction of highways, railways, and port development. This fact makes the existing repudiation all the more defenseless.

For the information of the House, permit me to state that the amount of the entire war indebtedness, principal and interest, as funded over a period of 62 years is \$22,188,436,000. As you well know, France, Austria, Belgium, Czechoslovakia, Estonia, Germany, Great Britain, Greece, Hungary, Italy, Latvia, Lithuania, Poland, Rumania, Yugoslavia, Armenia, and Russia are in default. Finland alone has steadfastly maintained her national integrity by paying on this indebtedness. It is stated on excellent authority that Finland is more or less outlawed by the other debtor countries for the reason that she has refused to join in this concert of repudia-

It is pertinent at this time to state that the approximate annual disbursements for armament of the countries in default is \$2,000,000,000 per year. One-fourth of this disbursement would be sufficient to carry on the engagements made by the defaulting nations on the various debt settlements. In the debt settlements we wiped out the sum of approximately \$10,000,000,000, for which we gave them a receipt in full.

It cannot be repeated too often that under the Treaty of Versailles we took none of the spoils of war. We received not a dollar in reparations and not a square foot of land. Our defaulting debtors, on the other hand, were tremendously benefited by the acquisition of the German colonies, or in other material ways.

We must not let the world forget that much of the money that was loaned to the defaulting nations was received by them after the armistice. Some of it was involved in the sale to France for \$400,000,000 of property, food, building material, railroad equipment, and other types of property valued at \$2,000,000,000. This sum of \$400,000,000 was subsequently merged into the war-debt settlement, and, of course, has never been paid. The enforced collection of this indebtedness is probably impossible; but we of the present generation should not permit our children and, so far as we can keep the story alive, future generations to forget this repudiation. The fact is that our people for many generations will be paying the obligations which these debtors have repudiated.

It is my belief that integrity is more vital in a nation even than in an individual. The wholesome example given these defaulting nations by Finland is my reason for offering this resolution.

Finland is in the far north. It has an area of about | 133,000 square miles and a population estimated at 3,611,791. It already has one of the best common-school systems of any nation in the world. Ninety-three percent of its population, over 15 years of age, are literate. Its people are remarkable athletes. This race has written a bright chapter in the history of the nation's struggle for racial freedom and integrity. They have had a long fight to maintain their nationalism. For centuries they were a subject people under the domination of Sweden and Russia. This gallant young Republic was born on December 9, 1917, and a constitutional form of government established. Since then this people have battled bravely and successfully against the introduction of bolshevism and communistic influence.

This young and struggling sister Republic deserves our encouragement. Her refusal to join in the concert of nations who have repudiated their just debts to America indicates the high integrity of their government. This is a reflection of real national character.

A splendid recognition would be as suggested by the gentleman from Tennessee [Mr. McReynolds] that we authorize the building of a legation in Finland which will be a real expression of our gratitude and good will. [Applause.] [Here the gavel fell.]

### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1190) entitled "An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes."

### WAR DEPARTMENT APPROPRIATION BILL, 1936

Mr. PARKS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 5913) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1936, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 5913, with Mr. HILL of Alabama in the chair.

The Clerk read the title of the bill.

The Clerk read as follows:

No appropriation made in this act shall be available for pay, allowances, or traveling or other expenses of any officer of the Organized Reserves who may be drawing a pension, disability allowance, disability compensation, or retired pay from the Government of the United States.

Mr. BIERMANN. Mr. Chairman, I move to strike out the last word. This bill calls for a total appropriation of \$378,-000,000. On page 5 of the report it is set out that emergency funds to the extent of \$74,000,000 will be added. That makes a total of \$452,000,000 that the War Department will have to expend next year. In addition to that, according to the statement of the chairman yesterday, there will be considerable additional funds from the emergency set-ups.

I want this Committee to be duly impressed with the meaning of \$452,000,000 as an appropriation before they vote for it. That equals \$51,598 an hour, 24 hours a day, for every day of the fiscal year for which the appropriation is made.

If we did not spend that money on the War Department, I | military powers shows the following: want to call to your attention some of the other things that we could get for it. In Iowa we have some pretty good heavy pavements, 18 feet wide. This appropriation which I have mentioned would build that kind of pavement, 18-foot heavy concrete pavement, from Washington to Bismarck, N. Dak. It would build another similar road from Washington to Boston; another one from Washington to Charleston, S. C.; another one from Washington to Chicago; another concrete road from Washington to Denver; another one from Washington to Galveston, Tex.; another one from Washington

to Los Angeles, Calif.; another 18-foot concrete pavement from Washington to New York; another 18-foot concrete pavement from Washington to Portland, Oreg. After having done all this there would still be left money enough to build in the county seat of each of the 99 counties of the State of Iowa a \$100,000 hospital and endow each one of these hospitals with \$100,000. In addition it would put up a \$2,000,000 library in each capital of the 48 States of this country; it would endow the three colleges of my district in Iowa, Luther, Lenox, and Upper Iowa University, with \$1,000,000 apiece; and then, lastly, but not least, it would leave almost \$10,000,000 to establish a department of peace, with a Secretary in the President's Cabinet, the principal duty of which department would be to instill into the congressional mind that all history teaches that armament races end in war; and that for this Nation to enter that race is the most stupendous and incredible folly.

The other day, when there were not many Members here, I called attention to the fact that the Democratic Party in 1932 made a solemn promise to carry out its platform pledges to the people of this country if intrusted with power. Among those pledges was one to reduce the expenses of our country for armament. A Democrat who votes for this appropriation granting, in effect, \$452,000,000 for the Army alone, according to my view, is violating the pledge of the Democratic platform upon which he was elected to this Congress.

I have tried to discover against what nation we are preparing, but no one in this House has been able to tell us against what nation we are preparing. They say we are not preparing against any nation; we are just preparing, just preparing. Before this bill is passed I should like to have someone tell me against what nation we are preparing. what war we are anticipating. [Applause.]

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. BIERMANN. I yield.

Mr. CULKIN. The gentleman's discussion is most interesting, but I am wondering if he is willing to follow the same analogy in the matter of the police forces in the municipalities of the country.

Mr. BIERMANN. There is a distinct difference between a police force and an army.

Mr. CULKIN. Are there not international problems similar in nature to municipal problems in the matter of keeping order?

[Here the gavel fell.]

Mr. LUCKEY. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, during the discussion on this military appropriations bill there have been made a great number of statements that I feel call for further comment and elucidation. I want to state at the outset that I am not opposed to, or finding fault with, a program for reasonable and adequate preparedness. What I propose to criticize is the alleged low state of preparedness as stated here on the floor of the House by the proponents of this bill in the face of the enormous sums expended by our Government for that nurpose

It has been stated that our Army ranks sixteenth in comparative strength with those of the other powers. It has been repeatedly asserted that we are woefully unprepared, and that this was all due to the fact that we are not appropriating sufficient funds for this purpose. Let us examine the facts.

An examination of the relative strength of the leading

		June 30, 1933		
	Actives	Air forces	Reserves	
United States	135, 052 199, 804 584, 300 437, 568 225, 000	45, 526 37, 913 173, 171	307, 609 284, 278 6, 323, 000 5, 885, 000 1, 952, 000	

If we examine the appropriations of these same powers, we find that their appropriations for national defense were as follows:

United States	\$650, 149, 600
England	580, 085, 404
France	594, 115, 227
Italy	327, 787, 191
Japan	424, 769, 158

According to the statement of Senator NyE, the United States has, since 1913, led the world in the increase of armaments. Those figures are as follows:

1934

Per control of the second of t	cent
United States	197
Japan	142
England	42
France	30
Italy	44
Russia	30

Maj. Gen. Johnson Hagood, commander of the Seventh Corps Area, in a speech in Kansas City, April 1933, described the Army as top-heavy and extravagant:

So far as the Army is concerned we have too many bureaus already, and we could spare six or eight of them with advantage to the national defense and to the joy of the taxpayer. \* \* The Army has too many overlapping agencies. We are overstaffed. I have twice as many staff officers, clerks, and orderlies as I need, but I cannot get rid of them under the existing set-up. Our system of administration and supply is so complicated and involved that it would collapse at the outbreak of the next war, just as it has collapsed at the outbreak of every war in the past.

To show some of the waste, if not outright graft, let me summarize a small portion of a recent work on this subject. The tremendous waste resulting from overstocking is illustrated when the Army in 1932 sold goods which had cost \$9,155,000 for \$687,399. One part of this sale consisted of 1,100,000 pairs of winter drawers, which had cost \$1,375,000. This lot was sold for \$159,500. Is it possible that there was a change of style so radical as to render these particular garments obsolete or unfit for use?

This is just one item. Scores of others could be mentioned of like or similar nature. We lead in the amount expended on national defense, yet find ourselves sixteenth in military strength among the powers of the world. This year our combined expenditures for national defense under the proposed appropriation will nearly reach the fantastic amount of \$1,000,000,000. Basing this estimate on \$1,000,000,000, in comparison with the comparatively paltry amounts appropriated by the other powers, we might be able to advance our position to about the eighth place in relative military strength. In the past we have spent far greater amounts than the leading military powers, yet we find ourselves sixteenth on this list. It seems indisputable that the fault lies, if fault there is, not in the amount appropriated but in the manner in which those funds are administered.

We claim that we are for peace, yet we are in the forefront in this armament race. Where are we going to stop and where are we going to land? Are our appropriations to be made greater every year? Napoleon Bonaparte once said, after most of his delusions of military grandeur were gone and his whole scheme of world dominance had crumbled at his feet:

The more I study the world, the more I am convinced of the inability of brute force to create anything durable.

If we plunge into the vicious circle of the military preparation, we must do it with our eyes open. The armament race of 1902 to 1914, and its disastrous consequences, are too fresh before us to allow us to ignore them. We need an adequate and reasonable national defense, but the problem of attaining and maintaining that defense is not one of increasing appropriations but is one of elimination of waste and inefficiency within our Army. Is there any valid reason why the American dollar should not go as far as that of the European powers?

By unanimous consent the pro forma amendment was withdrawn.

The Clerk read as follows:

No appropriation made in this act shall be expended for the pay of a reserve officer on active duty for a longer period than 15 days,

except such as may be detailed for duty with the War Department General Staff under section 3a and section 5 (b) of the Army Reorganization Act approved June 4, 1920 (U. S. C., title 10, secs. 26, 37), or who may be detailed for courses of instruction at the general or special service schools of the Army, or who may be detailed for duty as instructors at civilian military training camps, appropriated for in this act, or who may be detailed for duty with tactical units of the Air Corps, as provided in section 37a of the Army Reorganization Act approved June 4, 1920 (U. S. C., title 10, sec. 369): Provided, That the pay and allowances of such additional officers and nurses of the Medical Reserve Corps as are required to supplement the like officers and nurses of the Regular Army in the care of beneficiaries of the United States Veterans' Administration treated in Army hospitals may be paid from the funds allotted to the War Department by that administration under existing law.

Mr. WITHROW. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, under the War Department appropriation for the fiscal year 1936 there is a material increase over the fiscal year 1935, an increase to the extent of approximately \$50,000,000, making the total amount appropriated in the bill \$378,000,000; but this is not the entire picture. I believe it is conservative to say that at least \$100,000,000 more of Public Works money will be spent by other governmental agencies under the jurisdiction and for the benefit of the War Department. For example, in the State of Texas alone the General Staff has approved and recommended on five projects calling for the expenditure of more than \$20,000,000. So, in reality, instead of appropriating \$378,000,000 to the War Department we are appropriating possibly \$500,000,000—a half billion dollars for military purposes.

Mr. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. WITHROW. I yield.

Mr. BOLTON. It should be understood, however, that that is not a War Department expenditure; it is not for military purposes, at least.

Mr. WITHROW. Military and nonmilitary expenditures; yes, indeed. I just wonder, Mr. Chairman, how many Members there are in this House who would support this War Department appropriation bill if it actually did contain, as it should, \$500,000,000?

Mr. BIERMANN. Mr. Chairman, will the gentleman yield? Mr. WITHROW. I yield.

Mr. BIERMANN. There would be plenty of men in this House who would vote for a \$500,000,000 bill, a \$600,000,000 bill, or a \$700,000,000 bill for the War Department, given sufficient time to spread enough propaganda to plant the seeds of fear and distrust upon which this bill is based.

Mr. WITHROW. I yield to no Member in the desire to provide adequate national defense; but I do feel that this measure, in conjunction with the other moneys that will be spent by other governmental agencies, is going beyond the point of providing for adequate national defense. Now, I want to make just one or two observations in regard to this. During the time that I have served as a Member of Congress this body has always been more liberal with the War Department and the Navy Department than the other departments; and, by the way, this appropriation, as you all know, has nothing to do with the Navy Department; they, too, will come in asking an appropriation, and large as this appropriation is, the Navy Department will dwarf it.

We have always been more liberal with the War Department and with the Navy Department than with the other branches of government, and I want to contrast our treatment of these two defense arms with the treatment we have afforded other groups.

I have in mind the action of the House when we turned authority over to General Hines, the present head of the Veterans' Administration, and to Lew Douglas, who was then the Director of the Budget, to crucify the disabled veterans of our Nation; and crucify them they did. We are not as liberal to our disabled veterans as we are to our War Department.

In addition, I want to call attention to the treatment this Appropriations Committee has afforded the dairy farmers of our Nation.

In 1934, under a very strict gag rule that would not allow the offer of amendments, we passed what was known as a "beef and dairy relief measure", providing \$200,000,000 for the relief of beef and dairy farmers. The reason that bill I was brought in under a strict gag rule was because it was realized that if an opportunity were given that amount would have been materially increased.

The measure went over to the Senate and the Senate put another \$50,000,000 in the appropriation, making a total of \$250,000,000. Then what happened? When, as is the custom, the deficiency bill was brought it, the Appropriations Committee, which is supposed to be a servant of the House, did not recommend an item providing for \$250,000,000 for dairy relief.

[Here the gavel fell.]

Mr. WITHROW. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. WITHROW. Mr. Chairman, did they include in that deficiency appropriation an item providing for \$250,000,000 for dairy relief which the House had previously authorized? No. They brought in an item of \$150,000,000 and shortchanged the dairy farmers of the Northwest to the extent of \$100,000,000. I just want to bring to your attention that it was the same Appropriations Committee which did that knowingly despite the fact that the dairy farmer is in dire need of aid because he has been penalized by the activities of the A. A. A., N. R. A., and other governmental agencies.

In conclusion, may I say that we have been mighty liberal in appropriating the taxpayers' money to the War Department and to the Navy Department. May I ask that we be equally liberal with our dairy farmers when we ask the Appropriations Committee to bring in an appropriation of \$100,000,000 for the dairy farmers of the Northwest, and all over the country. I sincerely hope that you gentlemen will not protest when we ask that the dairy farmer be granted funds to relieve his dire distress. I demand that our dairy farmers, our veterans, and our ordinary citizens receive the same consideration which we are giving to our national defense. [Applause.]

[Here the gavel fell.]

Mr. BLANTON. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, no man in this House has been stronger against militarism than I have been, but I am not a spineless pacifist that will rock along and let conditions arise that might overcome us in a time of great emergency.

National defense has two purposes, one to repel any invasion of our country, and another to put down any internal disorder that may arise. If my colleague will read the evidence brought before the committee by the adjutant generals of the various States and by high officers of the National Guard, as well as by the General Staff, they will see that every provision in this bill for national defense is most conservative and reasonable.

I do not see how anyone can read the testimony of Adjutant General Howard, of the great State of California, and not be keenly alive to the necessity of having reasonable preparedness.

Adjutant General Howard showed us a state of anarchy, a condition of absolute revolution, which covered a period of three whole days intensely, and threatened the peace of California, the peace of the United States, and the peace of the world for several months. This condition still exists.

I am not one of those who is willing to sit here idly and refuse to appropriate the necessary amount of money to make reasonable preparedness, because overnight a condition might arise that would cause the expenditure of hundreds of millions of dollars and the lives of thousands of men before it could be corrected.

Mr. BIERMANN. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Iowa.

Mr. BIERMANN. What kind of condition does the gentleman anticipate? What does he imagine or dream is going to happen?

Mr. McMILLAN. Mr. Chairman, if the gentleman will

mittee, and if he will go over this record, as the gentleman from Texas has just stated, he will find plenty of reasons why this increase is justified at the present time.

Mr. BIERMANN. The gentleman undoubtedly has read

the testimony. Will he tell us?

Mr. McMILLAN. Read in the printed hearings on this bill the testimony of the adjutant generals of the various States, which the gentleman from Texas has referred to already. This condition exists not alone in California but in many other States of this country. He will find reasons in the hearings.

Mr. BLANTON. If the gentleman from Iowa [Mr. BIER-MANN] will read the testimony of Adjutant General Howard. that evidence alone ought to convince him of the necessity of

passing this bill. I think it is most conservative.

Mr. Chairman, while I am for peace, and I do not believe in continual strife between nations or between individuals, I want to see the Government of the United States so strong that it can handle any kind of a condition that may arise, internally or otherwise. [Applause.] We are giving the President in this bill what the President wants. We are giving to the President in this bill what the General Staff of the Army say is absolutely necessary to preserve the peace of the United States. We are giving to this country in this bill that which the adjutant generals of our States say is absolutely necessary if we want to be able to preserve peace in our land. It is what the President wants.

[Here the gavel fell.]

Mr. BIERMANN. Mr. Chairman, I move to strike out the

Mr. Chairman, I rise particularly to answer the question of the gentleman from New York [Mr. Culkin], who asked whether I would favor disbanding the police forces of the United States. Well, that is a sophistical argument used to support these huge appropriations and has been made from time immemorial.

There is a very vast difference between a police force and an army. A police force is calculated to enforce recognized rules of law and conduct. An army is calculated to settle differences without any rules of conduct, without any law, or without rules governing the difficulty in dispute.

I was interested in what the distinguished gentleman from Texas [Mr. Blanton] stated.

Mr. CULKIN. Will the gentleman yield?

Mr. BIERMANN. I yield to the gentleman from New York.

Mr. CULKIN. The gentleman is getting me into the realm of international law. I am going to ask him if he will state to the House what the object of war is.

Mr. BIERMANN. That is entering into the domain of philosophy further than I want to go.

Mr. CULKIN. I will tell the gentleman what the answer is-the purpose of war is peace.

Mr. BIERMANN. The gentleman has made a discovery that people up to this time and all during the last five or six thousand years have not discovered.

Mr. SISSON. Mr. Chairman, will the gentleman yield? Mr. BIERMANN. I yield.

Mr. SISSON. I have asked the gentleman to yield merely to ask the gentleman from New York a question, or rather, perhaps, to make this comment: Will the gentleman point out to us any war in which the United States has been engaged, with the possible exception of the war from 1861 to 1865, which produced any lasting benefit, and I shall not even except the Civil War? There has never been a war in which the country has engaged, except the war which Jefferson said was fought for the sacred right of revolution, which has accomplished anything of permanent good or has accomplished anything but evil and suffering.

Mr. CULKIN. The gentleman is classic in his allusions, and, of course, general. He forgets the Revolutionary War.

Mr. SISSON. I excepted it. Mr. CULKIN. And the War of 1812. Mr. SISSON. I do not except the War of 1812. The War of 1812 was absolutely unnecessary and accomplished no read the hearings, and if he had appeared before the com- lasting good any more than the Mexican War or the Span-

ish-American War, which the jingoes of the country, together with the jingo newspapers of Hearst, brought on.

Mr. CULKIN. I am going to let the gentleman who has the floor answer the distinguished gentleman from New York in his own time. I regret I cannot impose further on the time of the gentleman from Iowa.

Mr. BIERMANN. I want to refer to something the gentleman from Texas [Mr. Blanton] said a while ago. gentleman said that the General Staff, the Adjutant General's Office, and the representatives of the National Guard from all over the country indicate that we need more appropriations. I should like to have the well-informed members of this committee who have read these hearings that they want us all to read, to tell this House of a single year in the history of this Republic when the War Department and all these Army officials did not ask for more and more and more money.

I wonder if there is anyone in this Hall this afternoon who has the slightest idea that if we grant this appropriation that these same forces will not come in next year and ask for a vastly increased appropriation. They want more and more money all the time and I call the attention of men on this side to the fact that this appropriation is a distinct violation of the platform upon which we were elected and I defy any of you to disprove this statement.

Mr. McMILLAN. Mr. Chairman, will the gentleman yield?

Mr. BIERMANN. I yield.
Mr. McMILLAN. Do I assume from the gentleman's argument that the Chief of Staff, the General Staff, and other high Army officers, as well as the enlisted men of the Army, are in favor of war?

Mr. BIERMANN. I am not going into an examination of the morality of the people who gave this testimony.

Mr. McMILLAN. The gentleman is making the statement that they come here year after year asking for an increase in these funds.

Mr. KOPPLEMANN. Is not that the fact?

Mr. McMILLAN. Does the gentleman assume from that that they are all in favor of war?

Mr. BIERMANN. I assume, and it is a safe assumption, they do it from a biased or narrow viewpoint and they want more and more appropriations all the time.

Mr. McMILLAN. I may say to the gentleman that the hearings show in place after place that the Secretary of War, the General Staff, and, in fact, every man who appeared before the committee representing the War Department is in favor of peace and against war.

Mr. BIERMANN. But none of them has told us against what nation we are preparing.

[Here the gavel fell.]

Mr. KENNEY. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, the appropriation in this bill is very, very generous; but after all, we must have an adequate national defense, and the provisions of the bill show that the committee has recognized that aviation in the future will be our most important and first line of defense.

A large amount of money is being appropriated for aviation purposes. There has been an increase from something like \$26,000,000 to \$45,000,000. If we are to have an outstanding air force, and we should have it, sufficient money should be provided, of course. I hope, however, that this appropriation will not strain the Budget so that there may not be left about \$25,000 or \$30,000 for purposes which I shall mention presently. It is necessary for us to promote and foster education and training in aviation. We believe in progress and aviation is progress. Many superstitions

blind flying and use of the radio beam. It is to be hoped that in the Army aviation schools the best and most advanced instruction will be imparted. Given the facilities, our American pilots will develop and excel.

The Military Academy at West Point a few days ago announced that in the future its cadets would be given instruction in aviation and trained to fly as a part of their course at the Academy.

The great University of Notre Dame, according to the press, is about to add to its curricula a course in aeronautical engineering. A high school in my district now offers instruction in aviation to its students. Other instances may be cited of the advance in the teaching of aviation and its correlated subjects.

Unquestionably we are going forward to a rapid development of aviation in this country. The trail has been blazed by great, fearless flyers. Thrilled and amazed by their accomplishments and awakened to the importance of the plane and its uses, we are ready to support and enthusiastically boost aviation in all its phases. But, if we are to inculcate the proper knowledge of, and interest in, aviation, we should build up from the ground. We, therefore, must concern ourselves with the youth of the country.

It may, then, be said that Congress has been put to shame by a movement started about a year ago by the liberal, public-spirited William Randolph Hearst. The movement took concrete form in the Nation-wide organization known as the "Junior Birdmen of America." It is an organization of splendid young boys and girls interested in aviation residing in all sections of the country. Its membership is now about 175,000, and that membership is growing daily. It has come into being only because of the liberality and progressiveness of the far-sighted Mr. Hearst.

The purpose of that organization is to furnish to the youth of the Nation the means of acquiring the rudiments of flying and ingraining in them the basic principles of aerodynamics in order to promote the cause of aviation in all its phases. Mr. Hearst has already expended in the cause, according to estimate, in the neighborhood of \$200,000, besides contributing the columns of his newspapers in instructing and enthusing the youth of the country in the principles of aviation.

Congress has yet to take any advanced step in carrying aviation to our youth, but it can and ought to do so. There is a simple and inexpensive way at hand. That way is by establishing an aviation bureau in the office of the Commissioner of Education in the Department of Interior for the purpose of providing information on aviation to the public schools of the country and birdmen and other aviation organizations as set forth in a bill introduced by me yesterday, and I now ask leave, Mr. Chairman, to incorporate this bill in my remarks at this point.

The CHAIRMAN. Without objection, it is so ordered. The bill referred to is as follows:

A bill to establish an Aviation Bureau in the office of the Com-missioner of Education in the Department of the Interior, and for other purposes

Be it enacted, etc., That there is hereby established in the office of the Commissioner of Education in the Department of the Interior a bureau to be known as the Bureau of Aviation.

SEC. 2. That a Chief of the Bureau of Aviation shall be ap-pointed by the Commissioner of Education in the Department of the Interior, and shall be subject to the general direction of the Commissioner of Education. He shall devote his time to the inves-

Commissioner of Education. He shall devote his time to the investigation of the aviation industry, and the dissemination of information for the promotion of the aviation industry.

SEC. 3. The information to be so disseminated shall have as its objectives, (1) the broadening of the reader's horizon with respect to progress made in aviation in our commercial, industrial, and social life; (2) providing outlines for suitable elementary academic background instruction for secondary schools in such subjects as in progress and aviation is progress. Many superstitions about flying must be struck down. Education is essential. Our horizon must be broadened with respect to aviation. Not only should its military value be stressed, but we should enlarge our perspective of the place of aviation in our commercial, industrial, and social life.

In line with this view, the bill before us provides for courses of instruction in the Army. There is need for it. Only last summer did our Army pilots begin to receive instructions in

training needs in a region or locality; (8) indicating procedure for the improvement of aviation personnel by conference methods.

Sec. 4. For the purpose of enabling the Commissioner of Education in the Department of the Interior and the Chief of the Bureau of Aviation to carry out the purposes of this act, the Commissioner of Education is hereby authorized to transfer to the Bureau of Aviation such activities of the office of the Commissioner of Education such activities of the office of the Commissioner of Education such activities of the office of the Commissioner of Education such activities of the office of the Commissioner of Education such activities of the office of the Commissioner of Education such activities of the office of the Commissioner of Education such activities of the office of the Commissioner of Education such activities of the office of the Commissioner of Education such activities of the office of the Commissioner of Education such activities of the office of the Commissioner of Education such activities of the office of the Commissioner of Education such activities of the office of the Commissioner of Education such activities of the office of the Commissioner of Education such activities of the office of the Commissioner of Education such activities of the office of the Commissioner of Education such activities of the office of the Commissioner of Education such activities of the office of the Commissioner of Education such activities and the office of the Commissioner of Education such activities of the office of the Commissioner of Education such activities of the office of the Commissioner of Education such activities and the office of the Commissioner of Education such activities and the office of the Commissioner of Education such activities and the office of the Commissioner of Education such activities and the office of the Commissioner of Education such activities and the office of the Commissioner of Education such activities and the office of the Commissioner of Education su sioner of Education as he may designate which relate primarily to the aviation industry, and to employ such additional persons in the city of Washington and elsewhere as may be necessary and fix the compensation of the Chief of the Bureau and other employees: *Provided*, That no salary shall exceed the sum of \$6,000 per annum.

SEC. 5. That this act shall be in full force and effect on and after July 1, 1935.

Mr. KENNEY. The idea of an aviation bureau may loom large in the minds of some. In reality, however, it will mean only a small department to take care of the work. There are men now in the office of the Commissioner of Education capable of undertaking the matters outlined in the bill. A chief and two assistants, with a stenographic corps, could handle everything. The expense of such a bureau should not exceed in the aggregate \$30,000 annually. After all, there is, perhaps, no better method of promoting and perpetuating the cause of aviation than by bringing up our youth with a knowledge and appreciation of its true value to the country. Laying the groundwork by dissemination of aviation information to our public schools and organizations of young birdmen and birdwomen, we shall go far in making the United States the greatest force in aviation in the world. [Applause.]

Mr. PARKS. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. CULKIN. Mr. Chairman, I desire to say a few words in behalf of a vigorous nationalism. One of the distinguished Members this morning bewailed our disbursements for national defense. I am content to accept the decision of the Committee on Appropriations on that proposition. Another of the distinguished gentlemen had some question about the necessity or propriety of other wars. In effect, the gentleman cast some aspersions upon the memories of those who have died in other wars, or rather the intents and purposes for which they shed their blood. I speak today for a vigorous nationalism, one that reveres the past and can hold its own in the future in behalf of right and justice.

Mr. SISSON. Will the gentleman yield?
Mr. CULKIN. I yield.
Mr. SISSON. I would like to ask my colleague from New York, for whom I have the greatest affection, if he by any chance refers to me as having cast aspersions upon any

Mr. CULKIN. I did not mean the gentleman when I said that.

Mr. SISSON. I did not understand any gentleman had cast any aspersions upon any soldier. I think the gentleman from Iowa [Mr. Biermann] and myself have the greatest respect and affection for our soldiers, living and dead. We want to prevent there being more dead soldiers, more suffering, and maimed and blind soldiers.

Mr. CULKIN. I thank the gentleman for the contribution. What I contend for, Mr. Chairman, is a vigorous nationalism, not a flabby, weak, contemptible nationalism, which would permit arms to fall out of our soldiers' hands. Nationalism was never more rampant in the world than it is today. In the countries across the sea it is especially vigorous. We gave generously to preserve democracy to the world, but in vain. Whatever urge there was toward international peace has disappeared, and today the situation requires that America should be on the watch and on guard. We have a mere skeletonized force of 90,000 men in America, hardly more than an adequate police force. They are in the nature of the fire department that goes on the scene when a conflagration first starts.

I will say in response to the gentleman from New York [Mr. Sisson] that I had no intention to cast any aspersions on him, as I know him to be a patriotic, high-minded Member; but I do decry the suggestion from other sources that the history of our past is unworthy or that the sacrifices of the past in a proper case could not bear repetition. It is my belief that America should be ready. It is my belief that this skeleton force which we have should be maintained adequately and generously by the Federal Government. The propriety of the disbursements for equipment, supplies, pay, and training I am willing to leave to the members of the Committee on Appropriations who are in charge of that. I say it is no time now to modify our support of the Army, our first line of defense. Now is the time to strengthen it and give it the highest measure of technical fitness that it may be given. I speak, Mr. Chairman, for a stronger and a more adequate national defense without any flabby sentimentalism, pacifism, or misplaced confidence as to the kind of times in which we are living. [Applause.]

Mr. GRAY of Pennsylvania. Will the gentleman yield for a question?

Mr. CULKIN. I yield.

Mr. GRAY of Pennsylvania. Can the gentleman tell the Membership how long it would take the President of the United States, in case of a sudden emergency, to reconvene this Congress and to get any number of troops or any appropriation necessary to protect the country?

Mr. CULKIN. The gentleman must know it takes time to make a soldier. Sherman once said that it took 6 months to teach a soldier how to wear his uniform and a year to make him an adequate killer. The history of past wars show that unpreparedness in men and supplies caused a great sacrifice of human life.

[Here the gavel fell.]

Mr. DUNN of Pennsylvania. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, a great deal of time has been consumed in the discussion that we need money because there is danger of an uprising in the United States. The gentlemen who made those statements are correct. There is a danger, but I am going to tell you why that danger exists. It exists because of the unemployment in the United States. I believe our Government should spend money for self-protection, but the amount of money which is now being demanded for defense purposes in this bill is tremendous. If we would use some of this money to eradicate the slum districts in our country, we would be doing something worth while. We know it is a fact damage caused by forest fires amounts to millions of dollars annually. Why do we not use some of this money to construct reservoirs and canals to prevent forest fires and for irrigation purposes; also for the building of highways, schools, hospitals, reforestation, elimination of dangerous road crossings, purification of rivers and streams. and for other needed projects which would provide employment for the millions of our citizens who are in distress?

I wish to say, Mr. Chairman, that I think we are going a little too far when we ask the taxpayers to appropriate such a large sum of money to be used for battleships and other war implements. If we would pass a law prohibiting any one person or corporation making profits on the construction of battleships and other armaments of war, the taxpayers would be saved a considerable amount of money.

Mr. EDMISTON. Will the gentleman yield?

Mr. DUNN of Pennsylvania. Gladly.

Mr. EDMISTON. For the information of the gentleman, I will state that the Committee on Military Affairs has reported out such a bill unanimously. That will relieve the situation about which the gentleman is talking. It is a bill to take the profits out of war.

Mr. DUNN of Pennsylvania. Yes. There have been many bills introduced, but will those bills be passed this session of

Mr. EDMISTON. I firmly believe so.

Mr. DUNN of Pennsylvania. I hope they will be.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

The pro forma amendments were withdrawn.

The Clerk read as follows:

CITIZENS' MILITARY TRAINING RESERVE OFFICES' TRAINING CORPS

For the procurement, maintenance, and issue, under such regulations as may be prescribed by the Secretary of War, to institutions at which one or more units of the Reserve Officers' Training Corps are maintained, of such public animals, means of transportation, supplies, tentage, equipment, and uniforms as he may deem necessary, including cleaning and laundering of uniforms and clothing at camps; and to forage, at the expense of the United States, public animals so issued, and to pay commutation in lieu of uniforms at a rate to be fixed annually by the Secretary of War; for transporting said animals and other authorized supplies and equipment from place of issue to the several institutions and training camps and return of same to place of issue when necessary; for purchase of place of issue to the several institutions and training camps and return of same to place of issue when necessary; for purchase of training manuals, including Government publications and blank forms; for the establishment and maintenance of camps for the further practical instruction of the members of the Reserve Officers' Training Corps, and for transporting members of such corps to and from such camps, and to subsist them while traveling to and from such camps and while remaining therein so far as appropriations will permit, or, in lieu of transporting them to and from such camps and subsisting them while en route, to pay them travel allowfrom such camps and while remaining therein so far as appropriations will permit, or, in lieu of transporting them to and from such camps and subsisting them while en route, to pay them travel allowance at the rate of 5 cents per mile for the distance by the shortest usually traveled route from the places from which they are authorized to proceed to the camp and for the return travel thereto, and to pay the return travel pay in advance of the actual performance of the travel; for expenses incident to the use, including upkeep and depreciation costs, of supplies, equipment, and materiel furnished in accordance with law from stocks under the control of the War Department; for pay for students attending advanced camps at the rate prescribed for soldiers of the seventh grade of the Regular Army; for the payment of commutation of subsistence to members of the senior division of the Reserve Officers' Training Corps, at a rate not exceeding the cost of the garrison ration prescribed for the Army, as authorized in the act approved June 3, 1916, as amended by the act approved June 4, 1920 (U. S. C., title 10, sec. 387); for medical and hospital treatment until return to their homes and further medical treatment after arrival at their homes, subsistence during hospitalization and until furnished transportation to their homes, and transportation when fit for travel to their homes of members of the Reserve Officers' Training Corps who suffer personal injury or contract disease in line of duty while at earns of instruction under Corps who suffer personal injury or contract disease in line of duty while en route to or from and while at camps of instruction under the provisions of section 47a of the National Defense Act approved June 3, 1916 (U. S. C., title 10, sec. 441), as amended; and for the cost of preparation and transportation to their homes and burial expenses of the remains of members of the Reserve Officers' Traincost of preparation and transportation to their homes and burial expenses of the remains of members of the Reserve Officers' Training Corps who die while attending camps of instruction as provided in the act approved April 26, 1928 (U. S. C., Supp. VII, title 10, sec. 455); for mileage, traveling expenses, or transportation, for transportation of dependents, and for packing and transportation of baggage, as authorized by law, for officers, warrant officers, and enlisted men of the Regular Army traveling on duty pertaining to or on detail to or relief from duty with the Reserve Officers' Training Corps; for the maintenance, repair, and operation of motor vehicles, \$3,452,304; of which \$400,000 shall be available immediately: Provided, That the Secretary of War is authorized to issue, without charge, in lieu of purchase, for the use of the Reserve Officers' Training Corps, so many horses now belonging to the Regular Army as he may consider desirable: Provided, That uniforms and other equipment or material issued to the Reserve Officers' Training Corps in accordance with law shall be furnished from surplus or reserve stocks of the War Department without payment from this appropriation, except for actual expense incurred in the manufacture or issue: Provided jurther, That in no case shall the amount paid from this appropriation for uniforms, equipment, or material furnished to the Reserve Officers' Training Corps from stocks under the control of the War Department be in excess of the price current at the time the issue is made: Provided further, That none of the funds appropriated in this act shall be used for the organization or maintenance of an additional number of mounted, motor transport, or tank units in the Reserve Officers' Training Corps in excess funds appropriated in this act shall be used for the organization or maintenance of an additional number of mounted, motor transport, or tank units in the Reserve Officers' Training Corps in excess of the number in existence on January 1, 1928: Provided further, That none of the funds appropriated in this act shall be available for any expense on account of any student in Air Corps, Medical Corps, Dental Corps, or Veterinary units not a member of such units on May 5, 1932, but such stoppage of further enrollments shall not interfere with the maintenance of existing units: Provided further, That none of the funds appropriated elsewhere in this act, except for printing and binding and pay and allowances of officers and enlisted men of the Regular Army, shall be used for expenses in connection with the Reserve Officers' Training Corps.

Mr. MARCANTONIO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Marcantonio: Page 57, line 20, before the period, insert: "Provided further, That none of the funds appropriated in this act shall be used for or toward the support of any compulsory military course or military training in any civil school or college or for the pay of any officer, enlisted man, or employee at any civil school or college where a military course or military training is compulsory, but nothing herein shall be construed as applying to essentially military schools or colleges."

Mr. PARKS. Mr. Chairman, I make a point of order against the amendment that not only is it legislation on an appropriation bill but it is forbidden by title X, section 38 (d), of the National Defense Act.

Mr. MARCANTONIO. Mr. Chairman, I would like to be heard on the point of order.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. MARCANTONIO. Mr. Chairman, my amendment is clearly a limitation; in fact, it is a negative limitation. The National Defense Act provides that Congress shall appropriate funds to carry on military courses in colleges and schools of this Nation. It does not state whether these courses are to be compulsory or voluntary. All my amendment does is to refuse to appropriate sums for the carrying out of certain purposes which Congress, under the National Defense Act, has authorized.

I also respectfully submit to the Chair a precedent from the Seventy-first Congress which is on all fours with this amendment. I refer to page 2261 of the Congressional Record, volume 74, of the Seventy-first Congress, third session. The amendment that was offered at that time was identical with the amendment I have just offered, word for word.

I read as follows:

Amendment: Page 55, line 25, before the period, insert "Provided further, That none of the funds appropriated in the schall be used for or toward the support of any compulsory military course or military training in any civil school or college, or for the pay of any officer, enlisted man, or employee at any civil school or college where a military course or military training is compulsory, but nothing herein shall be construed as applying to essentially military schools or colleges."

A point of order was made against the amendment.

I now read the ruling of the Chair, Mr. Tilson, of Connecticut, being Chairman of the Committee:

The Chairman. The Chair is ready to rule. The amendment offered by the gentleman from New York [Mr. LaGuardia] is in the form of a negative limitation. It is assumed that it is now authorized by law to appropriate for compulsory military courses or military training in civil schools or colleges. It is also authorized by law to pay an officer, an enlisted man, or an employee at a civil school or college where military training or courses are compulsory. The Chair is unable to find any affirmative direction in this amendment. In effect, it simply refuses to appropriate for purposes which are authorized by law and for which Congress may or may not appropriate, as it may see fit. The Chair is constrained to overrule the point of order, because he is unable to find any affirmative direction or any limitation of authority of an executive officer other than a refusal to appropriate for certain purposes for which there is authority of law and for which Congress has heretofore appropriated. It does to a certain extent change a policy of the War Department, but the Chair believes that a change of policy can be made by the fallure of Congress to appropriate for an authorized object. The Chair therefore overrules the point of order.

The CHAIRMAN. The Chair is ready to rule.

The Chair will state that the amendment unquestionably is a negative limitation and that the amendment is in exactly the same words as a former amendment offered on January 15, 1931, which was held in order by the then Chairman of the Committee of the Whole House on the state of the Union, the distinguished majority leader, the gentleman from Connecticut. Mr. Tilson.

The Chair therefore overrules the point of order.

Mr. MARCANTONIO. Mr. Chairman, I did not introduce this amendment for the purpose of raising any issue as to the merits or the demerits, or as to the advantages or disadvantages of military training. Some people believe that it is beneficial; some people do not agree. That is not the issue; there is a more fundamental issue raised by my amendment; and the issue which I now raise is whether or not the freedom of choice and the liberty of the young men of this Nation are to be completely annihilated and abolished.

Mr. RAMSPECK. Mr. Chairman, will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. RAMSPECK. Does there not now exist freedom of choice on the part of the institutions which get these appropriations?

Mr. MARCANTONIO. There does; but may I say to the gentleman that these institutions which receive these appropriations are beneficiaries of Federal funds, and the least these beneficiaries can do is to abide by the wishes and the intent of Congress, the body which gave them the funds with which to carry out this work.

Mr. RAMSPECK. Of course, we have the authority, but does not the gentleman think that the proper method is to leave it to the institutions, to the colleges, and to the universities to determine that policy themselves? They can make it voluntary or compulsory.

Mr. MARCANTONIO. In answer to the gentleman, may I say that when we passed the National Defense Act we settled once and for all that national defense is not a matter of State right and it is by no means a matter of college right. It is matter that comes entirely and solely within the jurisdiction of the United States, and the Congress alone should regulate any matter that pertains to national defense.

Mr. RAMSPECK. I do not agree with the gentleman. We have the National Guard, which is still a State institution and regulated to a very large extent by the State law.

Mr. MARCANTONIO. This is no longer a question of State rights. The National Defense Act regulates to a great extent the National Guard in every State.

Mr. RAMSPECK. They may make any regulations they want to, and Congress should not attempt to stop them from making mandatory regulations.

Mr. CULKIN. Will the gentleman yield?

Mr. MARCANTONIO. I yield to the gentleman from New York.

Mr. CULKIN. Has not the Supreme Court held in a California case that it was within the power of a college to prescribe whether or not those attending should be subject to military training?

Mr. MARCANTONIO. No. The issue raised in the Morril Act decisions was simply that in those cases colleges had changed from compulsory to voluntary, and the War Department at that time sought to interpret that change so as to refuse appropriations for the benefit of these colleges that had changed from compulsory to voluntary. The decisions of the Court set down the rule that these appropriations applied to all colleges where they had military-training courses, irrespective of whether those colleges had voluntary military training or compulsory military training.

Mrs. KAHN. Will the gentleman yield?

Mr. MARCANTONIO. I yield to the gentlewoman from California.

Mrs. KAHN. How would a rule of this kind affect those universities and colleges known as "land-grant colleges"?

Mr. MARCANTONIO. If the land-grant colleges are considered essentially military schools, this amendment, if adopted, will not affect land-grant colleges.

Mrs. KAHN. Of course, they are not considered military colleges. They are considered essentially agricultural colleges.

Mr. MARCANTONIO. In that case, if they have compulsory military training, then the amendment would affect land-grant colleges.

Mrs. KAHN. I do not know how that is going to affect these agricultural colleges. In every one of these land-grant colleges the military training was to offset the agricultural education, and they established military training because they had established the agricultural college.

Mr. MARCANTONIO. May I say that this bill, as I understand it, does not go into effect until July 1; therefore those colleges have ample opportunity to change their system from compulsory to voluntary between now and July 1 in order to protect themselves.

Mr. DONDERO. Will the gentleman yield?

Mr. MARCANTONIO. I yield to the gentleman from Michigan.

Mr. DONDERO. If I understand the gentleman's amendment correctly, what he is attempting to do is to change the discretion from the colleges and universities to the individuals?

Mr. MARCANTONIO. What I am attempting to do is to preserve the liberty and freedom of choice of the young men of the United States. I am attempting to curtail and abolish the further appropriation of money to schools which make it

compulsory for young men who are seeking a higher education to goose step through the campus and mentally goose step in the classroom, using this system to stifle liberal thought in our educational institutions.

[Here the gavel fell.]

Mr. MARCANTONIO. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. LAMNECK. Mr. Chairman, I object.

Mr. SNELL. Will the gentleman withdraw his objection?
Mr. DUNN of Pennsylvania. Mr. Chairman, may I ask
the gentleman to withdraw his objection?

Mr. MERRITT of New York. Mr. Chairman, I join in the request that the gentleman withdraw his objection.

Mr. LAMNECK. Mr. Chairman, I withdraw the objection. The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. McFARLANE. Will the gentleman yield?

Mr. MARCANTONIO. I yield to the gentleman from Texas.

Mr. McFARLANE. The gentleman is making an interesting statement, but I am wondering if the gentleman can point out any compulsion that requires any of the young men he is so interested in to attend these colleges which receive the funds referred to in this bill?

Mr. MARCANTONIO. I will answer the gentleman's question. That is true in theory and it is also true that a young man may go to any college he pleases if he comes from a wealthy family; but the average young man who goes to college does not choose a college because he happens to like a particular college. He chooses the college because of economic and other factors and his choice is forced upon him by the economic elements involved.

Mr. McFARLANE. Outside of the interesting statement just made, can the gentleman submit facts as a basis for his statement which would indicate that these land-grant colleges that will be the beneficiaries under this measure are cheaper in their requirements than are other colleges?

Mr. MARCANTONIO. These land-grant colleges or any other college receiving benefits receive funds only to the extent of the number of young men who are attending the military courses. In other words, the appropriation is not made for the benefit of the institution. The appropriation is made for the purpose of carrying out training in the military course for each and every young man who is in that military course.

Mr. McFARLANE. But the course is there before the student goes to that college, and if he does not like that school he does not have to attend?

Mr. MARCANTONIO. That is very nice, but it is theoretical. I submit, Mr. Chairman, if a young man goes to college and commences his studies and then we say, "If you do not like military training you do not have to stay", that is not the American manner in which to treat the young men of the United States. [Applause.]

Mr. O'MALLEY. Will the gentleman yield?

Mr. MARCANTONIO. I yield to the gentleman from Wisconsin.

Mr. O'MALLEY. Is it not true that where compulsory military training is in vogue, if a student does not take it or if he is a rather poor soldier but a good student, his marks as a poor soldier are counted against him?

Mr. MARCANTONIO. Yes. In many of these colleges where military training is required, he must be proficient in the eyes of the drill master in order to graduate, even though he may be the most brilliant student in that school.

Mr. COLE of Maryland. Mr. Chairman, will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. COLE of Maryland. I want to ask the gentleman if the purpose of the gentleman's amendment is to offset the effect of the opinion of the Supreme Court of the United States in the University of Maryland case?

Mr. COLE of Maryland. Does not the gentleman know that this question has been in litigation? I may say to the gentleman that I am a member of the board of regents of the University of Maryland. As I recall, the first case on the subject which went to the Supreme Court of the United States was where 2 young men, and only 2 in a student body of nearly 2,000, refused to drill. These two young men presented the first objection in a period of 5 years. The sentiment of the other students was overwhelmingly in favor of military training.

Mr. MARCANTONIO. That is not the issue involved here.

Mr. COLE of Maryland. If what I have said is not the issue involved, as the gentleman suggests, certainly it has a very direct bearing upon the issue raised on the amendment offered by the gentleman.

The case I have reference to, with which I am entirely familiar, was tried in the lower court upon mandamus proceedings instituted by the claiming students against the board of regents of the University of Maryland. The Court of Appeals of Maryland, in One hundred and sixty-fifth Maryland, page 224, sustained the right of the University of Maryland to suspend a student by reason of his refusal to take the regular prescribed course in military training, although such refusal is based on a conscientious religious opposition to war and its preparation for war. The University of Maryland, which is a land-grant college, requires military training of its students and the catalog of the university so states. The young man in question matriculated with this knowledge, and after a brief period protested the requirements of military training, filing a written statement with the president of the university setting forth his reasons, two of which were as follows:

I wish to protest against the course in military science which students at the University of Maryland are supposed to take. I object to it on the following grounds:

1. I have conscientious scruples against war or preparation for

war.

2. I do not believe that the United States should prepare for war after signing the Paris Peace Pact.

The opinion of the Court of Appeals of Maryland referred to the Morrall Act and the financial aid the university received by virtue thereof. This, of course, presented the situation not alone from a State standpoint but brought directly in the proceedings the right of the university to take the action it did notwithstanding part of the expense of the university was defrayed by Federal money. The opinion discussed in such cases as United States v. Macintosh (283 U. S. 605) and Jacobson v. Massachusetts (197 U. S. 11, 29). The following language from the opinion 165 Maryland 239 is, in my judgment, most appropriate:

It may have been that Coale was to some extent opposed to war and participation in war. But upon the facts stated it is certainly now shown that this refusal to take military training was alone due to such opposition. The question arises, Was not he much less influenced by conscientious, religious scruples than by a disposition to join the society mentioned to defeat the Government in an attempt to be ready for war, if forced upon the country, by providing military training in some or all of the Federal-aided educational institutions.

aided educational institutions.

The court, we think, would be going very far should it encourage this or like societies, or persons with similar views, in their interference with the constituted authorities in the management and control of colleges and universities when acting upon authority duly and lawfully conferred upon them. Or to give encouragement to such societies or persons to interfere with the Government in all lawful efforts to keep the country in a state of preparedness for war so long as the nations of the world continue to settle their disputes by means of war. A great majority of people of this country are opposed to war, but unlike those of whom we have been speaking, they recognize the necessity of being prepared for war when it comes upon us. In preparing for defense, a military training for those who may be called upon to take arms in defense of their country is a necessary incident thereto, and any effort on the part of any of the people to hinder or defeat the Government in doing so should not be countenanced by the courts so long as the Government acts in the lawful exercise of such power. lawful exercise of such power.

The student carried the case to the Supreme Court of the United States, and in a per curiam opinion, Two Hundred and

Mr. MARCANTONIO. I am not familiar with that | Ninetieth United States Reports, page 597, the appeal was dismissed and the decision of the highest court of the State of Maryland sustained for want of substantial Federal questions being presented.

Mr. MARCANTONIO. I want to complete my statement, and as my time is limited I must refuse to yield further.

Mr. Chairman, in conclusion let me say that the only argument that may be advanced here is that this might cut down the number of Reserve officers.

Let me point to the committee's report at page 25, where the committee makes this statement:

The total enrollment for the current school year is 123,202, which is not widely different from former years, and yet out of that large number the graduates over the past several years have averaged about 6,200. Manifestly there is much wasted effort and money on students who should not have been enrolled in the first instance. The Army and the schools themselves should ferret out the responsible factors and take steps to correct them.

My amendment will do the correcting. A young man who is forced is not going to strive for a commission, but the young man who volunteers will accept a commission, and by adopting my amendment you will be eliminating the waste, and you will be correcting the condition that the committee has pointed out. [Applause.]

Mr. Chairman, I fully realize that there is a strong tendency toward government by edict, a clamor for the strong man on horseback, an urge for regimentation, but despite these conditions I still believe that the American people are still a liberty-loving people, still opposed to compulsory military training, whether it be applicable to the young man in the office, in the fields, in the factory, or in every school or college in our Nation. [Applause.]

[Here the gavel fell.]

Mr. POWERS. Mr. Chairman, I ask unanimous consent that the gentleman may have 1 additional minute to answer two questions which I desire to ask him.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. POWERS. May I ask my friend and colleague two questions: First, must these colleges accept this money from the Government?

Mr. MARCANTONIO. They do not have to; no.

Mr. POWERS. If I may ask my friend and colleague another question, Must these boys attend these particular colleges that are accepting money from the Government?

Mr. MARCANTONIO. I have answered that question before. The choice of colleges, theoretically, is a free choice, but when you take the balances of convenience into consideration, the choice is no longer free.

Mr. BOLTON. Mr. Chairman, will the gentleman yield for one further question?

Mr. MARCANTONIO. Certainly.

Mr. BOLTON. As I understand the gentleman's argument, it boils down to the fact that he desires to place the choice of curriculum in the college or university in the hands of the students instead of the faculty. If the gentleman would permit the student to choose with respect to military training. he could follow that with regard to chemistry, agriculture, or any other study.

Mr. MARCANTONIO. Yes; and, as a matter of fact, in our colleges today a student can choose one language instead of another-

Mr. BOLTON. But there is a specified course of instruction prescribed by every school.

Mr. MARCANTONIO. And military training has never been considered an educational factor. It has been considered a physical and psychological factor.

Mr. SNYDER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I desire to make a statement, if I may, at this time. The committee took into full consideration this question. Being a schoolmaster myself for 25 years, I myself considered what the last speaker was talking about with reference to the students attending these colleges. I am sure, if the gentleman will go to his fireside and sit down and study the hearings and look into the matter fully, he

will come to the conclusion that what the committee has Government could quickly build an army. The Officers Redone is best for all concerned.

I would like to make this further statement, Mr. Chairman: Many of the Members are in their offices now waiting to be called here, perhaps, to vote on a certain amendment. Their wives are waiting for them to go back home, because we have told them we would get through at an early hour this afternoon. I am going to ask the Members to try to cut out this field-day talk as much as possible.

Mr. LEE of Oklahoma. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in opposition to the amendment which is offered by the gentleman from New York for the purpose of prohibiting compulsory military training in our colleges and universities.

Surely if our Government gives free education to the young men of this country, it is not unreasonable for that Government to ask of those same young men enough of their time to learn the fundamentals of military science. Our Government gives more and asks less than any government on the face of the earth, and surely while this Government is giving free education, it is not asking too much to require the young men to take military training in order that they might better serve that Government in case of a national crisis

I believe that the training received in the R. O. T. C. units in the colleges and universities of this country is in reality in the interest of peace. I have been teaching at the University of Oklahoma ever since I got out of the Army. I have had a good opportunity to observe the work of the R. O. T. C. unit there. The Government has sent to that university, as officers and military instructors, some of the finest and highest type men it has ever been my pleasure to meet.

I have seen boys come there and take military training, the result of which was training in character, training in discipline, training in manliness, training in physical hygiene, and these same young men go out of the university proud of their record in the R. O. T. C. and with the consciousness that they are better prepared for the life of a citizen and, if necessary, that of a soldier.

The compulsory military training at the University of Oklahoma has been successful. It has been a splendid thing and has worked no injustice whatever on any student.

Many students, after having taken the course, have expressed the opinion that they are glad that it was compulsory, otherwise they might have missed that fine training.

I believe that every citizen of the United States owes it to his Government to be prepared in times of national emergency to give the best he has in defense of his country. That is only a part of our obligation as a citizens of our Government.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman

Mr. LEE of Oklahoma. Certainly.

Mr. MARCANTONIO. Does the gentleman believe in universal compulsory military training in the United States?

Mr. LEE of Oklahoma. That is beside the question, sir. Mr. MARCANTONIO. Does the gentleman believe that compulsory military training should be applied to all students and young men who seek a higher education?

Mr. LEE of Oklahoma. That is not the subject before us. I am speaking on the gentleman's amendment.

Mr. MARCANTONIO. On that very point, I wish the gentleman would answer the question.

Mr. LEE of Oklahoma. Mr. Chairman, I am not in favor of abolishing these R. O. T. C. units, because I am familiar with the splendid results they are achieving. As a matter of fact, it gives the United States the greatest possible military preparation with the least possible military display. In reality it is a peace measure. The young men who come out of our colleges naturally become the leaders in this country. They are men with university and college training. They are absorbed back into civilian life; they wear civilian clothes, but underneath the civilian clothes there is trained leadership that would form the nucleus around which our

Government could quickly build an army. The Officers Reserve Corps gives the greatest military preparation at the lowest possible cost. Trained leadership is undoubtedly the most important part of preparation. These men do not wear uniforms after they finish their college years, but they are trained, nevertheless, and would become the officers in case of a national crisis.

I have seen, and others who have been to France have seen, the results of the lack of preparation.

Mr. Chairman, I yield to no person in my zeal for peace. I hate war with every atom and fiber of my being, but the day has not arrived when the world has come to the philosophy of peace on earth for the sake of brotherly love.

Weakness invites attack. When the Boston police struck, were the thugs of that city so honorable that they refused to plunder, simply because the people were unprotected? No; they pillaged all the more. Weakness invites attack. To make our Nation helpless is not the road to world peace, but rather to war.

Mr. Chairman, our World War program called for 25,000 American-made planes, 20,000 to be on the front by January 1918. General Pershing attested the record that not one American-made plane ever reached the front during the war. The result was that our flyers had to fly planes that we could beg, borrow, or buy from the Allies. Naturally, the Allies used their more efficient planes for their own men, and we got the more out-of-date and less efficient ones. The result was that the casualties among the American flyers were three times greater than among the Allies, not because our boys were not good pilots but because every time they took off in one of those "flaming coffins", as Colonel Mitchell called them, death rode in the cockpit with them.

Mr. Chairman, the lack of preparation is murder. I oppose this amendment because it would destroy one of the best and most unmilitary forms of preparation, that of giving the fundamentals of military science to the college men of America. [Applause.]

[Here the gavel fell.]

Mr. BULWINKLE. Mr. Chairman, I move to strike out the last word. I wish to say briefly, without any heat, that I am opposed to this amendment. Speaking generally, I cannot understand how any man could object to these young men going to college of their own volition, knowing that they will have military teaching, drill, and training at that school—how anyone could object to it.

No man who served in the World War will ever forget the unpreparedness with which we went into that war. I am not saying this in criticism of those who came out of the training camps, as well as officers from the National Guard, but I am saying that not only the lives of officers were sacrificed unnecessarily but the lives of the men who served under them.

Talk about this being a militaristic government. My goodness! Anybody knows different than that, except the pacifists of the worst type. Our people would not stand for a militaristic government.

Speaking as one of the American citizens, I do believe in adequate national defense. I do believe that the young men should be properly trained to be able to defend our Government in another such emergency, which God forbid!

We have heard this same argument in this House from time to time year after year—the same things come up, and all I want to say is that in future generations I want—if a national emergency does happen—to be well and adequately prepared. [Applause.]

Mr. McFARLANE. Mr. Chairman, I take this opportunity to speak in opposition to this amendment.

I had the privilege of attending one of these land-grant colleges of our country, and have first-hand information of the kind and character of military training brought about by the colleges and universities who come under the provisions of the law under which this appropriation is made.

I know, and you know, that we have had very few isolated cases throughout all of the colleges where any young man in any college has ever objected to the very light and lim-

those institutions.

In the universities I attended we had 3 hours' training per week. Do I understand it to be the attitude before this Congress that that Old Flag shall not be protected, that the young men shall not be prepared in case of an emergency, shall not be given the opportunity they ought to have for the military training which will make us prepared in any future emergency?

ADEQUATE NATIONAL DEFENSE HAS NEVER BROUGHT US INTO WAR

Very certainly an adequate national-defense policy such as advocated by the War and Navy Departments, and approved by the administration, will not involve us in any conflict with any other nation. But I believe it can safely be said such preparedness will be our best guaranty against any such conflicts with other nations. Looking back through history we most certainly agree that our Nation has never been the aggressor nation in any conflict. Very certainly we have never found ourselves prepared when these conflicts have come. And as a result of our lack of preparedness it has cost us tremendously in loss of lives and loss of property, We have been forced to defend ourselves in all past wars badly unprepared—there is no doubt but what some of these past conflicts would have been avoided had we been adequately prepared. All will remember the world tour of the Navy during the last administration of our great Theodore Roosevelt and the great good accomplished. There is no doubt in my mind that adequate preparedness now will be the cheapest insurance we can have against another war. Preparedness has certainly never been responsible for any of our wars and it will be our best guaranty against future wars.

Certainly we had ample experience in the last conflict as to the need for preparedness and the total lack of it in many instances, as has already been mentioned.

Mr. O'MALLEY. Will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. O'MALLEY. What does the gentleman consider preparedness in modern warfare? Drilling up and down the campus or learning to operate a machine gun or wear a gas mask? A legless man could function perfectly in the wars we may face in the future.

Mr. McFARLANE. I yielded for a question.

Mr. O'MALLEY. What does the gentleman consider preparedness? Taking a lot of students out and walking them up and down the campus?

Mr. McFARLANE. The close-order drill is just one of the systems of preparedness that is being used. The program is very wide. I trust the gentleman is familiar with it. If he is not, he should look into it and see how wide it is.

Mr. O'MALLEY. The gentleman has been to one of these schools where they compel them to drill.

Mr. BULWINKLE. Permit me to say to the gentleman from Wisconsin that obedience and discipline are a part of the training.

Mr. McFARLANE. Yes. Obedience and discipline are part of the training, and this training is very necessary for all young men; it means the difference between orderly action of a well-trained army as compared to a mob. I do not understand that it is the attitude of this Congress, because of the Maryland case, the California case, or some other isolated case, to dispense with military training at all these colleges. Those are isolated cases where everybody was out of step but Jim, and just because someone does not want to subject himself to the discipline of military training this training should not be taken out of all the colleges. As was stated by our Supreme Court in the Hamilton case (79 L. Ed. 159) at page 167:

Government, Federal and State, each in its own sphere, duty to the people within its jurisdiction, to preserve itself in adequate strength, to maintain peace and order, and to assure the just enforcement of law. And every citizen owes the reciprocal duty, according to his capacity, to support and defend government against all enemies.

We had ample experience in the World War of the great need for preparedness. There were thousands upon thou-

ited amount of military training that is given to students in | sands of young men in the last war who paid the supreme sacrifice because of insufficient or improper training of themselves and their superior officers. The little training which they receive under the provisions of this bill and under the appropriation here made might save many lives in some future conflict. Who knows? The Supreme Court has spoken on this question in very clear language. I think in keeping with their decisions we ought to think well before we approve any such amendment as the one pending.

[Here the gavel fell.]

Mr. PARKS. Mr. Chairman, I ask unanimous consent that all debate on this paragraph, and all amendments thereto, close in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. BIERMANN. Mr. Chairman, if we assume for military training at a college all the merit that has been ascribed to it here-and that is a tremendous assumptionthe adoption of this amendment will not make a particle of difference in preparedness. I wish to read to you what some of the authorities say about compulsory military training.

At the University of Wisconsin, a land-grant college, which made the R. O. T. C. elective in 1923, Major Wood, who first opposed abolition of compulsory training there, said:

Voluntary training has eliminated those students who have an intense hatred of drill. Our corps is better because of it.

In other words, the abolition of compulsory military training in Wisconsin has improved the Wisconsin corps. The University of Washington, Maj. F. J. DeRouen, of the R. O. T. C., said he would like-

To give every student who does not like to drill an excuse and tell them to get out. It is the university's ruling, not ours. We do not want compulsory drills.

Maj. Enoch B. Garey, former commandant of the Johns Hopkins' R. O. T. C., made this statement:

Compulsory military training is an unfortunate plan because of its unpopularity.

Major Walser, former major, Field Artillery, said:

I do not think that any military men think it is possible to make officers out of unwilling students.

Mr. Chairman, at this point I ask unanimous consent to put in the RECORD a list of some of the organizations in the United States that object to the compulsory feature of military training for our land-grant colleges.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa [Mr. BIERMANN]?

Mr. DUNN of Pennsylvania. Reserving the right to object, just to interrogate the gentleman, there is not any danger of those officers who made that statement being dismissed, is there?

Mr. BIERMANN. I cannot answer that.

Mr. DUNN of Pennsylvania. Well, I hope they are not.

The CHAIRMAN. Is there objection?

There was no objection.

The statement referred to is as follows:

ORGANIZATIONS WHICH HAVE EXPRESSED THEIR OPPOSITION TO COMPUL-SORY MILITARY TRAINING IN SCHOOLS AND COLLEGE

Educational groups: American Physical Education Association, 1916; National Education Association (department of superintendence), 1917; World Federation of Education Associations, 1929; American Federation of Teachers, 1929.

Official reports, including school surveys, which contain findings

adverse to compulsory military training: Report of special commission on military education and reserve of the State of Massa-chusetts, 1915; report of the New Jersey State Commission on Military Training in High Schools, 1917; report of the New York State Reconstruction Commission on military training under the Welsh-Slater Acts of 1916, 1919; Sacramento (Calif.) school survey, 1928; Salt Lake City (Utah) school survey; survey of the public educational system of Virginia, 1928; Chicago (Ill.) school survey; Fort Worth (Tex.) school survey, 1931.

General organizations: American Federation of Labor, 1927; National Council of Jewish Women, 1926; National Farmers' Union

National Council of Jewish Women, 1926; National Farmers Union convention, 1928; National Grange, 1928; Farmer-Labor Party, 1923; National Federation of Temple Sisterhoods, 1927; National Congress of Parents and Teachers, 1920; National Women's Christian Temperance Union, 1922; National Women's Trade Union

League, 1926; National Congress of Mothers and Parent-Teacher Associations, 1923; National Council for the Prevention of War; National Conference on the Cause and Cure of War; Women's International League for Peace and Freedom; Fellowship of Reconciliation; American League Against War and Fascism; American Chall Departs and Prevention of Part of Parents and Parent Civil Liberties Union

Student organizations: National Council of Student Y. M. C. A.'s;

Student organizations: National Council of Student Y. M. C. A.'s; Student League for Industrial Democracy; National Student League; National Student Federation of America.

Religious organizations: Federal Council of Churches of Christ in America, 1926; World Alliance for International Friendship Through the Churches, 1928; National Study Conference on the Churches and World Peace, 1928; Federation of Women's Boards of Foreign Missions, 1926; General Conference of the Methodist Episcopal Church in the United States of America, 1928; Northern Baptist Convention, 1926; Synod of the Reformed Presbyterian Church of North America, 1926; National Council of Congregational Churches of the United States, 1927; Presbyterian Church in United States of America, general assembly, 1926; General in United States of America, general assembly, 1926; General Synod of the Reformed Church in America, 1930; Society for the Advancement of Judaism, 1926; Central Conference of American Rabbis, 1928; Disciples' Convention, 1926; Western Unitarian Conference, 1930; International Convention of the Disciples of Christ, 1930; United Presbyterian General Assembly, 1930; Church of the Brethren, 1932; General Council of Congregational and Christian Churches, 1934; Evangelical Synod of North America, 1934; General Conference of Friends, 1928; General Conference of Methodist Episcopal Church South, 1934; Universalist General Convention, 1933; American Unitarian Association, annual meeting, 1934.

Mr. BIERMANN. Mr. Chairman, I look upon compulsory military training at a State institution as an example of intolerance. The religion of the Seventh-day Adventist will not permit him to take military drill. The religion of the Quaker will not allow him to take military drill. I want the Seventh-day Adventists and the Quakers to have free access to our land-grant colleges.

In Iowa we spend several million dollars a year on our State university and our agricultural college and several other State institutions. I do not want it said that the Congress of the United States agrees to a system that will keep out of those colleges the Seventh-day Adventists and the Quakers.

Mr. RAMSPECK. Will the gentleman yield? Mr. BIERMANN. In just a moment. If, instead of its being the Seventh-Day Adventists and the Quakers who have religious scruples, we assume it was the Methodists and the Catholics who had such scruples against taking military training, is there any chance at all that anybody would vote to give an appropriation to a college that shut out the Methodists and shut out the Catholics?

I now yield to the gentleman from Georgia [Mr. Rams-PECK].

Mr. RAMSPECK. In the State of Iowa, has not the State legislature authority to regulate that college?

Mr. BIERMANN. Yes. Mr. RAMSPECK. Is there anything in this act or in any Federal statute which requires that college to have compulsory military training?

Mr. BIERMANN. No, sir. Mr. RAMSPECK. Then why do they not settle that out there in Iowa?

Mr. BIERMANN. In answer to the gentleman, I do not want this group to be a party to compelling any boy out in Iowa to take these silly square-corner drills that they give at our State institutions.

Mr. RAMSPECK. The gentleman knows we are not compelling anyone to take compulsory military training.

Mr. O'MALLEY. We are compelling them indirectly, because this Congress is authorized to hold out a bait in the shape of money for those schools who need a little money with which to get along.

Mr. BIERMANN. Precisely.

MILITARISM IN EDUCATION ON THE INCREASE

The extension of military training in American schools and colleges since the close of the World War has been startling. Before the war 57 institutions were listed as giving military training under War Department aid; in 1932-33 the number was 399. In 1913 the War Department had 85 men on duty with such school and college military-training units; in 1933 the number was 1,658.

ELEMENTAL RIGHTS OF AMERICAN DEMOCRACY THREATENED

These far-flung military-training units in our schools and colleges are being used as propaganda channels for the military point of view. Through them a militaristic nationalism, a belief in the inevitability of war, and a skepticism as to any save military means of avoiding war are being taught. The great danger of this militarism in education is not only that it exposes students to a philosophy and viewpoint which is entirely alien to the essentials of American tradition, which has always looked with distrust upon the military caste, but also that it threatens the essentials of democratic and academic freedom at their very source. In many school and college communities our hard-won liberties, the constitutional rights of free speech, free press, and assemblage have been suppressed or restricted at the behest of, or out of deference to, the militarists who have invaded American education. Militarizing Our Youth, a pamphlet by Roswell P. Barnes, with a foreword by Prof. John Dewey, lists 10 such cases of suppression from several States, including Ohio, Pennsylvania, Nebraska, Georgia, Oklahoma, Massachusetts, and Colorado.

#### MILITARISM RUNS RAMPANT

The incredible intensity of the intolerant and undemocratic militarism which has made its way into our educational system, and another manifestation of the incompatibility between this militarism and the essential American liberties, has been revealed within the last 3 or 4 years by a series of cases in which students have been denied their educational opportunities in tax-supported schools and colleges because of their religious convictions against compulsory military training. In 1931-32 three high-school students, sons of Seventh-day Adventist parents, were suspended from Council Bluffs (Iowa) High School because of their unwillingness to violate their religious training and principles by enrolling in compulsory R. O. T. C. courses. In 1932-33 two students, also sincere, religious, conscientious objectors to war and training for war, were suspended from the University of Maryland because they refused to compromise their convictions by enrolling in the compulsory R. O. T. C. In 1933-34 the University of California at Los Angeles suspended two such conscientious objectors. In 1934 seven such students were suspended from Ohio State University, and one was suspended from the University of Missouri. At the present time such students are under the threat of suspension at Kansas State College. Regardless of whether or not individual Congressmen agree with the views of these religious conscientious objectors, these cases of suspension present a condition which should challenge all who are even mildly devoted to free inquiry in education and who believe in the constitutional provisions of religious freedom in America.

### STUDENTS FORCED TO APPEAL TO COURTS

In three cases students, denied their education because of their religious convictions against compulsory military training, have carried their petitions to the courts. Courts in Maryland, California, and Kansas, and the United States Supreme Court have recently passed upon the issues involved in cases where conscientious objectors to compulsory military training have been suspended because of their refusal to engage in such courses. The case of Coale against University of Maryland was decided in favor of the student by Baltimore Superior Court on January 27, 1933; a judgment reversed by Maryland State Court of Appeals on June 21, 1933. An appeal from this ruling was filed with the United States Supreme Court, but it was dismissed on November 20, 1933, "for want of a substantial Federal question." The case of Hamilton and Reynolds against regents of the University of California, after a decision sustaining the University's suspension of the students given by California Supreme Court on January 8, 1934, reached the United States Supreme Court in October 1934. That Court, on December 3, 1934, affirmed the California court's ruling. At the present time a similar case involving a student suspended by Kansas State College because of his objections to compulsory military training is on appeal before Kansas Supreme Court.

ADVERSE COURT RULINGS PLACE RESPONSIBILITY UPON CONGRESS

The Maryland, California, and Kansas courts and the United States Supreme Court, in declining to overrule the suspension of these various students, have in effect said: Upon the basis of present statutes these students cannot successfully claim exemption from such military training, nor can the constitutional guaranties of religious freedom be so interpreted as to offer them protection. The courts have indicated that remedy may properly be sought by legislation.

The responsibility, therefore, for remedying the problem of compulsory military training and the practice of penalizing students opposed to the necessity of training for Reserve officerships in the Federal Military Establishment rests upon legislative authority, Federal and State. Congress, which annually votes funds for the maintenance of R. O. T. C. units in schools and colleges, is in a large measure responsible for the perpetuation of compulsory military courses in American education.

The immediate question of policy involved is this: Is it the intention of Congress in voting funds for the R. O. T. C. that students having religious, ethical, or mere educational reservations to compulsory military training should be denied their educational opportunities in schools and colleges supported by public funds? Of course, such is not the intention of Congress. But to guarantee that none of the funds appropriated in the War Department appropriation bill shall be thus misused, Congress should include in this bill a specific provision restricting R. O. T. C. funds to those institutions which maintain their military units upon an elective basis.

In adopting such an amendment Congress will do only what has been urged for many years by our most prominent educators; countless farm, labor, and peace organizations; many church denominations and religious leaders; and, in fact, a number of professional military men.

Mr. O'MALLEY. Mr. Chairman, I think this amendment to abolish compulsory military training in colleges ought to be adopted, if for no other reason than to show this country that we oppose the compulsory induction of our citizens into any military establishment in peace time. This is not Russia, this is not Germany, Italy, or a country which compels her young men to be inducted and impressed into the army at certain ages and made to goose step and go along like the dictators of those foreign countries want, causing their youth to be cogs in a militaristic machine.

The young men of this Nation should have the right to go to any college in this country that they can afford to attend and not be compelled to take military training if they do not wish to do so. It is all right to talk about the selection of a college being a free choice and base it on the argument that any young man can go to any college he desires, but that is not the fact. I had to go to a school that I could afford to attend, as do all who want education but must work their way through because they have not wealthy parents to pay their bills. I have seen some of this goose stepping. I have seen boys made to take military training who might better have devoted their time to studying scientific courses, for when another war comes along it will be a war of brains and death-dealing machines and these boys would be just as valuable in their knowledge of the sciences as the parade-ground soldiers.

It is unfair to hold out this militaristic bait of money to the colleges which need money to carry on and make as a condition for obtaining the money the compulsory institution of a system which the militarists of this country have set up as one sure way to keep themselves in jobs and a safe way to continue drawing their pay when there are not enough commissions in the Army to go around. I think we in this Congress should give notice to the American people we represent that we, too, believe that no young man who wants to acquire an education must be compelled to join a campus army as a condition of his getting into college. We are not a militaristic nation. Our people abhor and distrust the European systems of compulsion and education for war. We do not want our boys taken into the Army under compulsion, because the soldier who is conscripted against

his will is bound to be a poor soldier and always will be a poor soldier and may be the cause of unneeded disaster to his fellow soldiers if he were ever called upon for active service. [Applause.]

We talk a lot about preparation for war as being the surest way to prevent war. I have no argument with the proponents of reasonable preparation, but I say that the building up of a militaristic machine, the creation of a militaristically inclined class of citizenry in this country, starting with the attempt to mold growing minds into the idea that war is inevitable and must always come, is the surest way to start a war. Every time the Army or Navy appropriation bill comes up we hear the hue and cry for the creation of an even greater Military Establishment, because we fear some unknown nation somewhere may attack us. That is the usual propaganda fostered by the controlled press and the well-financed lobbies that make their profits from the manufacture of munitions and the implements of death. Many remedies are offered for the prevention of war and none of them get anywhere except the doubtful remedy of the militarists that great preparations must be made in order to prevent armed conflict. For over 2 years I have had pending before the Judiciary Committee a constitutional amendment to provide that in the event of war no person can be conscripted for military service until and unless private industry and private wealth are likewise conscripted for service without profit.

If our good committee would report this bill out and this amendment were put to a vote of the people of the United States, I am sure it would pass by an overwhelming majority; and then, what would happen? Those who finance war propaganda, the rich saber rattlers of the press and of the international bankers, would spend their propaganda dollars to prevent wars, since there would be no profits in an armed conflict for them.

Only recently I introduced another bill, which has received some ridicule from certain portions of the press, but on which I have received hundreds of letters of congratulation. This bill provides that the collectors of internal revenue of the district in the United States in the event of war shall provide the War Department with a list of those with highest incomes, who shall be drawn for military service first in the order of their incomes before the poor and down-trodden shall be asked to offer their lives. Of course, I know that there is very little chance of this measure passing this Congress, but I shall continue to fight for it because, if it were passed, the thousands of dollars tossed into war propaganda in this country would be diverted into the channels of peace. No one loves life more than a rich old man, and he is not inclined to care much about how many wars we have if he is sure he can sit safely at home contributing a little to the Red Cross. But if he knew that war meant the giving up of his many luxuries to stand shoulder-to-shoulder with workmen from his factory in blood-spattered, water-soaked, and muddy trenches, each threat of war would find him reaching into his pocket to pay for propaganda of press and pulpit urging deliberate consideration and counsel for peace.

In the past, America's wars, with few exceptions, have been commercial wars for the enrichment of a few. If these measures which I have introduced, and which I call to the attention of this Congress, were enacted, then the lowliest one of our citizens could serve his country in a defensive war with at least the feeling that while he was shedding his blood no one at home would be making millions off his sacrifices and the price of foodstuffs, clothing, and other things that his own little family might need desperately. When we stop crying about preparedness as the only way to prevent war and start taking the profit out of war, as I proposed, we will find wars becoming fewer and farther apart in this world.

Mr. McCORMACK. Mr. Chairman, 4 years ago, and again 3 years ago, we fought this same battle in this House. At that time the Appropriations Committee came in with the recommendation for a reduction of 2,000 officers, with the recommendation for a reduction of the enlisted personnel, with the recommendation which practically

amounted to the elimination of the R. O. T. C., but in any event sharply reducing the activities thereof; and with a recommendation along the lines of the amendment offered by the gentleman from New York. This House decisively defeated every one of those recommendations on those two occasions.

The gentleman from New York, the sponsor of the amendment, talks about the freedom of one's conscience and the freedom of one's mind. He overlooks many practical considerations; he overlooks the necessary considerations for the best interests of one's country; he overlooks that there is a proper place for freedom of conscience but that there is a line of demarcation between the academic side and the practical side thereof. From the gentleman's argument one would draw the inference that colleges did not have the opportunity of making a voluntary choice as to whether or not they would participate in and collaborate with the Federal Government with reference to military training. Insofar as this particular legislation is concerned, it in no way makes it compulsory; it is voluntary, it is discretionary, and it is a reasonable provision to insert into our law.

In 1917, when we entered into the World War, this country was absolutely unprepared. In 1898, when we entered the Spanish-American War, this country was also absolutely unprepared. In the eyes of some it is very laudable for every other nation of the world to be prepared in case of war, and in the eyes of these same people it is absolutely wrong for the United States to make reasonable preparation for our own protection. I disagree with them. We see other nations of the world preparing—for what? And we are justified in making reasonable preparations in order to defend our people, our shores, and our institutions in the event of any nation or combination of nations declaring war against the United States. While it is true that the United States is 3,000 miles removed from other large nations, it is equally true that the conditions that existed 50 or 75 years ago no longer exist. Three thousand miles mean nothing in the light of the improvements of recent years. We are faced with a very practical situation; we are faced with the responsibility of reasonably providing for the defense of 125,000,000 of American people, with other nations of the world feverishly entering into a course which has as its objective, undoubtedly, war. I am not for war, but I am for the United States being prepared to defend ourselves in the event war is declared against our Nation.

I have no criticism to offer of the gentleman from New York. So far as he is concerned, he is sincere; and it would be wrong to impugn his motives. The gentleman and I honestly disagree, however, and we can honestly disagree. believe that the present law is reasonable and proper. I believe the gentleman is wrong from a practical angle in his conclusions. We are not concerned with theory when the practical side of life is inconsistent therewith. We are living in a selfish world. We cannot have disarmament, much as we might wish for it, when every other nation in the world is arming. There is a school of thought in this country which believes that the only way to prove to other nations of the world our sincerity in our desire for peace is for the United States to disarm completely. There are other forces in this country who are advocating pacifism because they are enemies of our form of government, and such a campaign is one of their methods to obtain their objective of the overthrow of government by force. The first school have nothing in common with the latter group, but they overlook practical con-

We are vested with the responsibility of saving the Nation, of protecting 125,000,000 people, and protecting our shores and our institutions. This is an internal problem. I am not criticizing any other nations in their feverish effort toward building up their navies and armies if they want to. Although I dislike to see such policies pursued, I am justified in criticizing our own country if we did not make reasonable preparation in anticipation of any hostile move that may be made toward the United States. I am selfish in that view, cold-bloodedly and honestly selfish. When I see other coun-

tries arming, I want my country to prepare to defend, if necessary, its people.

Mr. Chairman, I want the United States to be prepared in case other nations should entertain warlike dispositions toward us. Military training in our schools and colleges is a necessary and important part of our national defense, and I hope that the amendment of the gentleman from New York will be defeated. [Applause.]

Mr. KNUTE HILL. Mr. Chairman, the question raised by this amendment is whether the young men, or young women for that matter, going to a college shall be compelled to take military training or not. As has been stated by the author of the amendment, I believe it is an interference with religious freedom. The only thing that they have in the college that is not optional is military training, and yet they tell us if these young men do not want to go to that college they do not have to. If that is true with reference to military training why should not that apply to all other courses in the college? If we are going to compel them to take military training, why not compel them to take Latin? Why not compel them to take Greek? Why not tell them "If you do not like this college and its compulsory requisitions, go to some other college"?

Mr. Chairman, if this is good physical training, if it is good for the discipline of our young men attending these colleges, why not the same for the young girls in those same colleges?

Mr. McCORMACK. Does the gentleman want an answer? Mr. KNUTE HILL. No; not now.

Mr. Chairman, the question that arises is whether we are going to prepare or not. I am rather amused when Members get up here and say, "I am not for war, I am for peace", and then go on to talk about preparedness. May I ask, What are you preparing for? It is stated that you are preparing for peace, but I defy you to prove that you are not preparing for war.

If you see a man going out on Sunday morning with his golf suit on, is he going to church? No; he is going to play golf. If he goes out with a fish pole in his hand, is he going to Sunday school, or is he going out to fish? When we see our Nation and other nations preparing, I ask you, are they preparing for peace or are they preparing to go out to kill each other? A gentleman over here stated that it takes 6 months to train a man to be an adequate killer. Now, you want our colleges to take 4 years to prepare our young men to become adequate killers. I submit that a young man who has conscientious scruples against that kind of a training has the right to go to any kind of a college and demand his rights—to determine what subjects he wants to take; what courses he wants to pursue.

Mr. Chairman, I want to speak on another phase of this matter.

Mr. CULKIN. Will the gentleman yield?

Mr. KNUTE HILL. Not at this time.

Mr. CULKIN. Mr. Chairman, the gentleman referred to me, and I understand that it is the customary rule of courtesy to yield.

Mr. KNUTE HILL. I yield for a brief question.

Mr. CULKIN. The gentleman's theory is that the young men should permit themselves to be killed rather than use the necessary aggression?

Mr. KNUTE HILL. Not at all.

Mr. Chairman, it has been stated on this floor that we were not prepared for the World War. Is there a man on the floor of this House who will get up and justify our entry into that war? [Applause.] Not one of you. We did not have to be prepared for that war if we had not had the propaganda, and we do not have to be prepared for another war if we leave out of consideration the Hearsts and the other propagandists in this country who are trying to build up a sentiment for war.

Mr. Chairman, I, for one, will fight as long as I am in Congress against military preparedness, because I am not only going to talk against war but I am going to vote against war as long as I am here. [Applause.]

Mr. LAMBERTSON. Mr. Chairman, I do not think there will be any circumstance that could possibly arise, while I am a Member of the House, that would make me vote for a declaration of war. I am for going to the extreme to take the profits out of the hands of munition makers and out of war. However, Mr. Chairman, I think there has arisen quite a confusion in the States here with reference to preparedness, so far as concerns our agricultural colleges and their military training. I am 100 percent for this military training. The Legislature of the State of Kansas, made up of more than a majority of farmers, last week, after 2 full days' discussion, voted to sustain the board of regents to make military training compulsory. We like that kind of Americanism. We do not like the kind that refers to this training as "goose stepping"; not making reference to Members here, but in most cases in the outside world, this spirit is a half sister to the kind that refuses to salute the flag. [Applause.]

[Here the gavel fell.]

Mr. FADDIS. Mr. Chairman, as a man who in his time has seen war, I appeal to you as American citizens, as fathers of families, to take the necessary steps to insure that our country will have an adequate system of national defense. Pay no attention to those who would place us in a state of weakness which would invite imposition. [Applause.] As a father of two sons, and having myself seen war in its most horrible details, I make the statement that I hope to God my sons may never have to go forth to do battle for their country; but if ever the time comes when it is necessary for them to do so, I hope to God they go forth hardened in body and in mind, trained, prepared, and equipped for participation in the hardest game the world ever saw [applause], because they will go forth into a situation that calls for the utmost that is in a man, and I want them to go forth into combat with every chance that this Nation can give them for their lives. If they perish on the battlefield, they will have perished as men have perished in the past, as brave, honest-to-God American citizens who dared to stand up and fight for their own country. I cannot conceive of a man who has not enough red blood in his veins to defend his country in war time. I cannot see the viewpoint of those who oppose national preparedness. Who can guarantee that we may not be forced to fight a war in self-defense this year or next? Who will for one moment believe that war can be averted by prayers? If such were true, there would have been no wars since womankind has learned to pray. Would these misguided individuals who demand that we do away with our Army be willing also to have us disband our local police forces? Would they advocate doing away with fire departments?

Mr. Chairman, I was a student at a land-grant college prior to the war. They may make light of the military instruction given in them. At the worst it is far superior to none. This was the Pennsylvania State College, and those who had religious scruples against receiving military instruction were excused from it. War is a horrible situation. No one realizes this more than the men who have been through one. Nevertheless, I can imagine situations far more horrible. The history of this world shows it to be but a series of invasions and supplantings of one race against another. Would it not be very unpleasant to be the supplanted? Who can estimate the heights of patriotism or self-sacrifice the citizens of a nation will rise to in defense of their native land? If the time ever comes—and it may come—when the men of this Nation must go forth to battle untrained and unprepared, the blood of countless thousands of brave and heroic men, slaughtered because they sprung to arms which were not there, will be on the heads of those idealistic fanatics who are today opposing an adequate system of national defense.

We must have reasonable preparedness, and we must have equipment for the defense of this Nation. As a man who has had experience in the Army, I want to tell you that close-order drill is the only salvation of men in battle. By the discipline instilled by close-order drill, the men are given a preparation which provides for them their only chance for their lives in battle. God knows men going into battle are entitled to all we can give them. They are given a prep-

aration which marks the only distinction between an army and a mob. They are put in a position where they can contribute to the defense of their country and at the same time have a chance for their lives. Close-order drill, I want to tell you, is the entire foundation of any military system, and without it, no man going into battle has a chance for his life.

Mr. O'MALLEY. Mr. Chairman, will the gentleman yield?

Mr. FADDIS. No; I cannot yield. I would scorn to live in a nation and say that I would not defend it. [Applause.] [Here the gavel fell.]

The pro forma amendments were withdrawn.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

Mr. FITZPATRICK. Mr. Chairman, may we have the amendment read?

The Clerk read the Marcantonio amendment.

The question was taken; and on a division (demanded by Mr. Dunn of Pennsylvania and Mr. Marcantonio) there were—ayes 31, noes 119.

So the amendment was rejected.

The Clerk read as follows:

MILITARY SUPPLIES AND EQUIPMENT FOR SCHOOLS AND COLLEGES

For the procurement and issue as provided in section 55 (c) of the act approved June 4, 1920 (U. S. C., title 10, sec. 1180), and in section 1225, Revised Statutes, as amended, under such regulations as may be prescribed by the Secretary of War, to schools and colleges, other than those provided for in section 40 of the act above referred to, of such arms, tentage, and equipment, and of ammunition, targets, and target materials, including the transporting of same, and the overhauling and repair of articles issued, as the Secretary of War shall deem necessary for proper military training in said schools and colleges, \$8,900.

Mr. COCHRAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this bill carries the appropriation for the greatest military college in the world, which is at West Point. I rise to call the attention of the Members of the House to a situation which I feel should be corrected.

My State and your State pay the taxes that support the Army and that support our military college. Quite recently the people of my city—St. Louis—expressed the desire that either the Army or the Navy football team should come out to the Middle West to our city and play one of our university teams. If they do not get a game, at least they will get a real work-out from one of our teams. [Laughter and applause.] Seriously speaking, we have several excellent teams.

West Point is a national institution, and so is the Naval Academy, but those in charge of the academies confine their activities, so far as football is concerned, to a small area. It is true they play some of the best teams in the country, but I think the States throughout the Nation should have an opportunity to see our Army and Navy football teams in action. They should not confine their playing to Pennsylvania, New Jersey, New York, and Massachusetts. Those States alone do not support our Army. They should meet some of the teams in other parts of the country. It has been demonstrated that we have some very fine football teams in the Middle West.

I find that West Point has its schedule arranged up to and including 1938, and Annapolis has its schedule arranged up to and including 1937. It is unfair to the rest of the country for the Army and Navy to play the same teams year after year.

I want to express the hope that the Members of the House whose States have never had the opportunity of seeing either of the teams in action will get busy with the superintendents of the academies and see if we can get them to change their present policy. The superintendents say they do not want to keep the men away from school too long. Our distinguished colleague Fred Britten, when Chairman of the Naval Affairs Committee, managed to have the teams go to Chicago, and you can get to St. Louis just as fast as you can to Chicago, and I think you can get down South, where they have some mighty fine teams, just as fast as you can get to Chicago, if not faster.

This would furnish an opportunity for some of the people who pay the taxes that maintain the schools to see the teams play.

Mr. FORD of California. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I vield.

Mr. FORD of California. I would suggest that they come

Mr. COCHRAN. So far as I am concerned, all right. I do not think they would have much trouble out there, although you have a couple of good teams. [Laughter and applause.] Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. DONDERO. I am in sympathy with what the gentleman is saying, but are there not some good reasons why they do not want to go that far west?

Mr. COCHRAN. One of the reasons is the money involved. Another, and what they say is the main reason, is keeping the men away from their studies. I challenge that, because they can get to the Middle West and back in 2 days.

Mr. DONDERO. And also the time involved.
Mr. COCHRAN. They get about 50 percent wherever they play; and if they will come out to our city, we will give them a real game, and we will give them 85 percent, win or lose. That will be more money than they are getting right now.

Mr. DONDERO. I would like to have them come to Michigan.

Mr. COCHRAN. Fine. You, too, are entitled to a game. We want to see them play, and we are willing to make any agreement if they will come out to our State. We will even agree not to beat them bad. Our boys will score just enough to win. [Laughter and applause.]

Mr. COSTELLO. Mr. Chairman, will the gentleman vield?

Mr. COCHRAN. I yield.
Mr. COSTELLO. Would it not be possible for the academy to transport the team by airplane and in this way conserve time? I would like to put in a bid for a game with Loyola at Los Angeles.

Mr. COCHRAN. They could use airplanes, but it might make them a little nervous, because they are not all aviators.

Better keep them on the rails. I think I express the sentiments of the House when I say Congress does not like the present arrangement. Our friends from the East, I feel, agree with us. The people in the States that have had the pleasure of seeing the teams year after year should want to see one of the teams come out to St. Louis. We are strongly in favor of the appropriation bills that maintain our Army and Navy. We have our boys at West Point and Annapolis, and we have furnished a great deal of the material that has made history for the Army and Navy teams. Both academies have as many cadets and midshipmen from other States in the Middle West, West, South, and North as the Eastern States are allowed. Even though we are a thousand miles from the sea, we want and support a strong Navy. When the Army and Navy need votes, they do not confine their efforts to Representatives from the States where they let their football teams play. Why, here today you have as chairman of the subcommittee Mr. Parks, of Arkansas, handling the Army appropriation bill, and on the other side you have as the ranking member of the committee Mr. Bolton, of Ohio. Then you have others on the subcommittee who are not from Eastern States.

Our former colleague from Kansas, William Ayers, now a member of the Federal Trade Commission, who happens to be visiting us today, for many years handled the Navy appropriation bill. I merely call this to the attention of the House to show that it is not the East alone that furnishes the friends of the Army and Navy, and I hope the superintendents of the academies will take notice.

I sincerely hope the membership of the House will give some thought to the suggestion I advance. [Applause.]

Mr. PARKS. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto now close.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read as follows:

CITIZENS' MILITARY TRAINING CAMPS

For furnishing, at the expense of the United States, to warrant For furnishing, at the expense of the United States, to warrant officers, enlisted men, and civilians attending training camps maintained under the provisions of section 47d of the National Defense Act of June 3, 1916, as amended (U. S. C., title 10, sec. 442), uniforms, including altering, fitting, washing, and cleaning when necessary, subsistence, or subsistence allowances and transportation, or transportation allowances, as prescribed in said section 47d, as amended; for such expenditures as are authorized by said section 47d as may be necessary for the establishment and maintenance of said camps, including recruiting and advertising therefor, and the cost of maintenance, repair, and operation of maintenance of said camps, including recruiting and advertising therefor, and the cost of maintenance, repair, and operation of passenger-carrying vehicles; for expenses incident to the use, including upkeep and depreciation costs, of supplies, equipment, and matériel furnished in accordance with law from stocks under the control of the War Department; for gymnasium and athletic supplies (not exceeding \$20,000); for mileage, reimbursement of traveling expenses, or allowance in lieu thereof as authorized by law, for officers of the Regular Army and Organized Reserves, and for the travel expenses of enlisted men of the Regular Army, traveling on duty in connection with citizens' military training camps; for purchase of training manuals, including Government traveling on duty in connection with citizens' military training camps; for purchase of training manuals, including Government publications and blank forms; for medical and hospital treatment, subsistence, and transportation, in case of injury or disease contracted in line of duty, of members of the citizens' military training camps and for transportation and burial of remains of any such members who die while undergoing training or hospital treatment, as provided in the act of April 26, 1928 (U. S. C., Supp. VII, title 10, secs. 454, 455); in all, \$1,000,000: Provided, That the funds herein appropriated shall not be used for the training of any person in the first year or lowest course, who shall have reached his 24th birthday before the date of enrollment: Provided further, That none of the funds appropriated elsewhere in this act except for printing and binding and for pay and allowances of officers and enlisted men of the Regular Army shall be used for expenses in connection with citizens' military training camps: Provided further, That uniforms and other equipment or materiel furnished in accordance with law for use at citizens' military training camps shall be furnished from surplus or reserve military training camps shall be furnished from surplus or reserve military training camps shall be furnished from surplus or reserve stocks of the War Department without payment from this appropriation, except for actual expenses incurred in the manufacture or issue: Provided further, That in no case shall the amount paid from this appropriation for uniforms, equipment, or materiel furnished in accordance with law for use at citizens' military training camps from stocks under the control of the War Department he in accordance with law for use at citizens' military training camps from stocks under the control of the War Department he in accordance with law for use at the time the issue is ment be in excess of the price current at the time the issue is

Mr. RAMSPECK. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 59, line 16, after the word "all", strike out the figures \$1,000,000" and insert in lieu thereof "\$2,600,000."

Mr. RAMSPECK. Mr. Chairman, this item relates to citizens' military training camps established by Gen. Leonard Wood back in 1913, which furnish the only method by which the boys back in the States from which we come have the opportunity of obtaining a commission in the Organized Reserve. It is the foundation stone of the democratic plan of a citizen army.

The bill provides for training only 14,000 in the citizens' military training camps during the coming fiscal year. The amendment which I have offered would provide for the training of 37,000 young men in these camps. I wish to call the attention of members of the committee to the fact that up until about 2 years ago we did train 37,000 young men in these camps, and it furnished a splendid occupation for young boys just out of high school during the summer months.

It seems to me that it is very desirable at this time, when there is so little opportunity, if any opportunity at all, for these young men to get employment during the time they are out of school. These young men who cannot go further than the high school ought not to be turned out to search in vain for employment. I am sure if they have an opportunity of attending these camps and getting several weeks of training they will come out of the camps better able to contend with the economic problems which face our country today.

We ought to do everything in our power so that the young men of this country can get proper training for citizenship.

We heard read today from that desk the immortal words of the Father of our Country.

Washington said:

Frugal expenditures in the time of peace will prevent a larger expenditure at a later date.

He was speaking of our military organization. The very system laid down in the National Defense Act is the system advocated by Washington, a small Regular Army, an Organized Reserve, the R. O. T. C., from which you get most of the Reserve officers, as a foundation, and below that this great body of citizens who get the first principles of military training in these camps. In the time of emergency, Mr. Chairman, 87 percent of the officers in the expanded Army must come from the Organized Reserves, yet the appropriation which we make for them is only about 1.1 percent of the total for military preparedness.

I wish to say to the gentleman from Iowa [Mr. BIERMANN], who asked the question. "Against what nation are we preparing?" that we are not preparing necessarily against any nation, but we are preparing against any nation which may seek to invade our shores or seek to take away from us the liberties which our forefathers won for us in the Revolu-

Mr. BIERMANN. Will the gentleman yield for a question?

Mr. RAMSPECK. I yield. Mr. BIERMANN. Can the gentleman tell us the name of any nation who might come 2,000 miles across the Atlantic Ocean or 5,000 miles across the Pacific Ocean and overwhelm 444,000 men now on the active list and the trained reserves we have today?

Mr. RAMSPECK. I would say to the gentleman from Iowa that any nation that is equipped with the instruments of modern warfare could invade this country without any trouble whatsoever, and if we followed the gentleman's policy and abolished the Army and Navy, we would have 125,000,000 people with all of the billions of wealth of this country at the mercy of any nation that might attempt to invade our shores. [Applause.]

Mr. BIERMANN. But the gentleman will not name any nation, will he?

Mr. RAMSPECK. No. I do not want to involve any nation in this particular discussion, but the gentleman knows they can come here.

[Here the gavel fell.]

Mr. PARKS. Mr. Chairman, I understand there are one or two who would like 5 minutes, and I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

Mr. MARTIN of Colorado. Has all the time been allotted? Mr. PARKS. No; it has not. The gentleman will get recognition from the Chair.

Mrs. ROGERS of Massachusetts. I would like 2 or 3 minutes. Otherwise I would object.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Chairman, preparedness against war has been stressed. I want to emphasize just one phase of the training camps. I have seen thousands of boys from all over the country in these camps. I visited the training camps in the West. I have one in my own district. There are four in New England. I know those camps. I want to speak of what those camps do for the boys' character. I want to speak of what those camps do in making them good citizens. I want to tell you what the mothers of those boys have told me. In the beginning some of the mothers wondered whether they wanted their boys to go to the citizens' military training camps or not. When they came back they were extremely grateful that their boys had had the discipline of the citizens' military training camps. The boys are taught that no task is too menial, that every task accomplished is a contribution of real service and possibly a great service. When these young men

return home they want to help their families. They want to help others.

Recently two boys came to my office; they had been refused admission to Annapolis on account of eye disabilities. They and their families were extremely bitter. They were bitter against me; bitter against the Navy. They felt that the Government owed them a living. Later I saw those boys in the citizens' military training camp at Fort McKinley in Maine. They said to me that they were wrong. They said, "We know now we were not physically fit to go into the Navy, but we want to serve our country; we want to become good citizens. How can we help?"

To me one of the great benefits of these camps is that the rich boy, the boy who has no means, and the boy who makes a sacrifice to go to camp, all serve together. The rich boy is treated no better than the poor boy; all have the same discipline; all have the same privileges. They are united in giving service to their country and in mutual helpfulness. The citizens' military training camp is one of the greatest things in character building and in citizenship that we have in these great United States of ours. Both character building and citizenship are safeguards against crime. I also believe in the military training part of it—not for war but against war. I am 100 percent for good citizenship. These camps teach it. [Applause.]

Mr. SNELL. Mr. Chairman, I have always been very much interested in this special provision in the National Defense Act, perhaps primarily because the original camp was at Plattsburg, in my district, and ever since it was established it has been one of the most successful camps in the entire country. I have followed the work of that camp very carefully each year. I want to emphasize what the lady from Massachusetts [Mrs. Rogers] has said, and that is that the most important part of its work is real character building. There is a great deal done in these camps aside from giving military training. There are many of the boys who go to these camps who have no idea of responsibility or of government itself. At these camps they are taught the fundamentals of good citizenship as well as military training and the things they ought to know to become good citizens. If there ever was a time in our history when we needed to inculcate those views in the minds of young men, I believe it is at the present time. I believe this money is well spent, and I shall vote for the increased appropriation. [Applause.]

[Here the gavel fell.]

Mr. MARTIN of Colorado. Mr. Chairman, I think we all recognize that a discussion of war and preparedness at this time is academic, because unquestionably this bill will go through practically as it is written; but I could not let the opportunity pass without saying a few words in explanation of my attitude toward this bill as a result of very deep and long-held convictions.

The eloquent gentleman from Massachusetts [Mr. Mc-CORMACK] a few moments ago said that they had this fight on the floor 4 years ago, that they had it 3 years ago, and that they had it again 2 years ago. Two or three weeks ago I made some remarks on the bond bill in which I went back about 40 years in a review of national-debt history. That was a little bit ancient for a lot of the Members of this House. I am not going back quite so far at the present moment, but as I listened to this debate my mind did go back to a debate on this floor in the Sixty-second Congress. At that time a naval bill was under consideration which made some provision for additional naval strength; and the same fight was made against that bill that is being made against this bill. They said: "For what nation are you preparing for war?" They said: "What do you want of a Navy? This country is never going to have another war; why should we squander the money of the taxpayers of the country to build up a great navy?" Those statements, Mr. Chairman, were made in a body which at that time numbered among its Members veterans of two wars, the Civil War and the Spanish-American War; and back of them there was a history of 5,000 years of war. Yet men supposedly with sufficient intelligence to be sent to Congress to represent the American people in a body constituted as was that Congress, stood on the floor of the House and opposed a provision for an increased navy on the ground that we would never have another war. That was just 6 years before the World War.

I recall another incident in connection with that debate. I was for preparedness; my idea of preparedness was a big Navy. I stood right back there in that aisle 25 years ago and said that we did not need an army in this country. I said: "We will never seek to invade any other country; no other country will ever dare to invade this country; therefore I am not for land preparation, but I am for the utmost preparation on the water."

Within 6 years from the day I made that statement on this floor we had 2,000,000 men in France and 2,000,000 more men in this country in process of preparation; and I am one of those who thinks that if we had not sent those 2,000,000 men to France we would have had, at a later day, after Germany had beaten the Allies to the ground, to send the same number of men to South America and meet Germany there.

Some of these days I am going to answer a statement I have heard cheered here—it was made on the floor this afternoon—I have heard it made a hundred times, but I have never heard it made without resenting it to the bottom of my heart: That the war of 1917 and 1918 for this country was an unjust war. I resent that statement. I say that history will falsify that statement. I do not believe the soldiers of this country ever fought in a more just or necessary war than that of 1917 and 1918. They played a dominant role in the greatest war in the history of the world. It was not a war to make the world safe for democracy; it was a war to make the world safe for the United States. [Applause.]

[Here the gavel fell.]

Mr. MARTIN of Colorado. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. MARTIN of Colorado. The name of Gen. Leonard Wood was mentioned by the gentleman who just preceded me. It recalled an instance in 1916 when Gen. Leonard Wood was making a speech in the city of Boston in favor of preparedness, at which time a heckler in the audience asked him: "General, for what war do you want us to prepare?" It was the same kind of a question that has been asked here today. General Wood said: "If you will tell me for what storm the captain trims his ship when he leaves port, I will tell you now for what war this country should prepare." [Applause.]

The point I want to bring out is the blindness and shortsightedness of the type of question that was asked Gen. Leonard Wood less than 1 year before our declaration of war against Germany and our precipitation into the World War.

[Here the gavel fell.]

Mr. MARTIN of Colorado. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

Mr. SCOTT. Mr. Chairman, I object. Time for debate on this paragraph has been fixed.

Mr. PIERCE. Mr. Chairman, I ask unanimous consent that the time for debate on this paragraph be extended an additional 5 minutes and that the gentleman from Colorado be allowed to proceed for 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. SCOTT. Mr. Chairman, I object.

Mr. PARKS. Mr. Chairman, I regret very much that the gentleman from Colorado was unable to secure additional time, for he was making a most interesting statement. I was constrained to object to the extension because the time for debate on this paragraph has been previously limited, and only 4 minutes now remain for debate on the pending amendment.

Mr. Chairman, I am forced to object to the attempt to increase the number of C. M. T. C. traineess to 37,000 and to increase the appropriation by \$1,600,000. No one has a higher regard than I for these young men, and no one would go further than I to build up the character of these

men; but we are the guardians of the money of the people of the United States. From one end of this land to the other the membership of this House has been denounced for undertaking to build up the kind of an Army we ought to have.

You have already added \$5,000,000 to this military budget, and I appeal to you not to go further and take \$1,500,000 additional of the people's money, even though it be for training a larger number of these splendid young men. We have provided generously for the R. O. T. C. We carry in this bill \$1,000,000 for 14,000 C. M. T. C. trainees. We are going to add thousands upon thousands of dollars for the C. C. C. camps throughout the United States doing a similar work. I should be delighted to join the gentlemen offering the amendment, because there is not a thing in the world wrong with the amendment, except it digs down into the pockets of the people of the United States when they cannot afford to spend the money.

Mr. POWERS. Will the gentleman yield?

Mr. PARKS. I yield to the gentleman from New Jersey. Mr. POWERS. The War Department, if I understand correctly, asked the Budget for \$1,000,000 to cover this item.

Mr. PARKS. That is right.

Mr. POWERS. The individuals appearing before our committee for the citizens' military training camps also asked for \$1,000,000, which is included in this bill?

Mr. PARKS. From the War Department; yes. Mr. O'MALLEY. Will the gentleman yield?

Mr. PARKS. I yield to the gentleman from Wisconsin. Mr. O'MALLEY. The gentleman mentioned the C. C. C.

The gentleman does not consider the C. C. as a military establishment?

Mr. PARKS. No, I do not; but it is a training ground for the idle young manhood of this country, and that is what this is as much as anything else; at least, that is responsible in large measure for the amendment being proposed.

Mr. Chairman, no one in an official status has asked for this money except a Member of Congress. I hope you will not follow the gentleman in this instance and appropriate this money which we can ill afford to spare at this time. The committee has provided for this activity as generously as we feel existing circumstances warrant. We have endeavored to allocate the moneys carried in the bill to those projects of greatest military importance. I do not believe that this House ought to go beyond the recommendation of the committee. Both the subcommittee and the full committee went over this measure very carefully. They found it in this respect to be in agreement with the Budget, in accord with the request of the War Department, and also in harmony with the recommendations of departmental officials who appeared before the committee. In all instances the amount asked was \$1,000,000. Under these circumstances, Mr. Chairman, why should we adopt this amendment appropriating an additional \$1,600,000?

The pro forma amendments were withdrawn.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia.

The question was taken; and on a division (demanded by Mr. Ramspeck) there were—yeas 22, noes 68.

So the amendment was rejected.

The Clerk read as follows:

Under the authorizations contained in this act no issues of reserve supplies or equipment shall be made where such issues would impair the reserves held by the War Department for two field armies or 1,000,000 men.

Mr. MARTIN of Colorado. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, when I had the floor a few minutes ago I was coming to one other statement made by Gen. Leonard Wood in his speech at Boston. He at that time said that this country had never been prepared for war but once. Mind you, Mr. Chairman, this speech was made in 1916. He stated that this country never had been prepared for war but once in its history, and that was at the close of the Civil War. In other words, at the close of the Civil War the United States had finally gotten prepared for war. That

statement is just as true now as when Leonard Wood made it, although we have participated since then for 2 years in the greatest war in the history of the world. We were not prepared for that war, even when we got through with it.

Mr. FADDIS. Will the gentleman yield?

Mr. MARTIN of Colorado. I yield to the gentleman from Pennsylvania.

Mr. FADDIS. It might be pertinent to tell the House what our preparedness for war at the end of the Civil War saved us at that time.

Mr. MARTIN of Colorado. Well, it saved us down there in Mexico. When France got a hint to get out of Mexico she got out, and she got out because the United States was

prepared to expedite her exit if she did not go.

Mr. Chairman, during the World War I was at Camp Kearny, and the thing that dumfounded me most during that time was reading statements in the papers made by Newton D. Baker, then the brilliant Secretary of War, before a committee of the United States Senate, wherein he told that committee how well and thoroughly prepared all of the Army divisions and encampments were, when every man in those encampments knew to the contrary.

I was a member of a division that never had a thing but its uniforms, and it went to France without a thing; after we were there for a year we were without equipment except the uniform on our backs. That is the way most of the 2,000,000 men went to France. They went without training, without equipment, and fought over there with the equipment of the Allies. They never had a combat plane or a piece of artillery. That is the reason I make the statement that even at the end of the World War we were not prepared for war.

May I say further that I am not a militarist and I am not a "jingo", and while I did muss around with a uniform on for a year and could not get to France there is nothing military about me. You could not make the American people militaristic in a hundred years. It is just not in them. They have not a military consciousness or tradition. As soon as a war is over they take off their uniforms, throw them away, throw their guns away, and go back to civil pursuits, forgetting about war and Army life. So there is no danger at all that by making these reasonable contributions to the national defense we are building up a military system in this country and making America a militaristic nation.

May I say that my formula for the national defense is very simple. It is based on a long life of observation and reflection. My formula for the national defense is just to be so ready that the other fellow cannot start. [Applause.]

I do not know whether I will live to see it, and I am sorry to say it, but I feel just as sure as I am standing on this floor looking into your faces that the day is again coming when this country will have to be just that ready. I think every Army officer in the service of the United States recognizes that eventuality on the horizon. He hopes and prays in his heart it may never come, but he feels that it will, and when it does come he wants to be prepared and he wants his country to be prepared so as to avoid the sacrifice and slaughter and blunders that characterized our participation in the World War in France.

It is for these reasons that I am in favor of the moderate increases carried in this bill providing for the addition of 5,000 men in the Federalized National Guard and an authorization to the President to increase the enlisted personnel of the Regular Army from 118,750 to 165,000; increasing the number of trainees in the Reserve officers from 16,000 to 20,000 annually, and an increase of camp duration from 28 to 42 days in the Reserve Officers' Training Corps; also the preserving the 30-day C. M. T. C. camps for 14,000 boys. There is no finer body of men in the country than the men who are sacrificing their time and interests in the Officers' Reserve, and while I am opposed to compulsory training and consider it a mistaken policy, I wish that every boy might get the benefit of the training received in the citizens' military training camps. I look upon these activities not only without fear but with approval.

Mr. DUNN of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Colorado. I will.

Mr. DUNN of Pennsylvania. Does the gentleman think the soldiers who were in France and were disabled forgot about the war, especially those who today are not receiving adequate compensation from the Government?

Mr. MARTIN of Colorado. I do not know that I just get the gentleman's question. There is nothing I would not do for the disabled veterans of the World War. I am not defending war. I wish there might never be another war in the history of the world, but I am not so foolish as to think there will not be one, and I want to be prepared against any such eventuality. [Applause.]

[Here the gavel fell.]

Mr. BIERMANN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, it seems remarkable to me that this Democratic Congress can be so tangled up on the facts regarding the World War.

I called attention the other day to the fact that it is now orthodox procedure on this side to rise and villify one of the greatest men who was ever President of the United States, Woodrow Wilson. [Applause.] You see, I do not get very much applause. If I had said something against him I would have received a big hand. [Cries of "No, no."]

It is customary here to say that the big bankers got us into that war, when 373 Members of the Congress voted for the war, including some of the most illustrious men now in this body on both sides, and only 50 voted against it.

We have come to think that the international bankers pulled the wool over the eyes of the President of the United States and over the eyes of 373 Members of this body.

I now want to refer to something else. They say we were entirely unprepared when we went into the World War. This is fine stuff to ring the changes on and to harp on; and then they say we did not get ammunition or equipment over on the other side.

How short is the memory of the Members of this Congress? Their memory certainly ought to go back to 1917 or 1918; and if it does, they will recall that the Allies, who ought to have known something about what was going on over there, did not want us to send any planes over there; did not want us to send any artillery or any ammunition or any rifles over there. They had all that kind of stuff and they begged us to send food and supplies. When General Joffre was on his first mission to this country he asked us not to send anything but foodstuffs. Later on, they wanted men, but never, at any time during the 19 months, did the Allies ask us to send airplanes or equipment to the other side.

Let us keep somewhere near the facts in discussing the World War and keep somewhere near the facts when we use this as an illustration of what we ought to have now in these appropriations.

The Clerk read as follows:

No part of the appropriations made in this act shall be available for the salary or pay of any officer, manager, superintendent, foreman, or other person having charge of the work of any employee of the United States Government while making or causing to be made with a stop watch, or other time-measuring device, a time study of any job of any such employee between the starting and completion thereof, or of the movements of any such employee while engaged upon such work; nor shall any part of the appropriations made in this act be available to pay any premiums or bonus or cash reward to any employee in addition to his regular wages, except for suggestions resulting in improvements or economy in the operation of any Government plant.

Mr. FOCHT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman and gentlemen of the Committee, we have had some enlightening discussion on this great question, which has been here regularly every 2 years. The question now seems to present itself in this form—that there must not only be adequate protection but still more adequate protection.

I was wondering what had become of the added Reserve officers. I voted for them when originally provided for.

These Reserve officers are men who have been enlisted for the next war, if we have one. Then in addition to that, we have the nationalizing of the State guard, which means nothing more nor less than that the entire National Guard is subject to the authorities in Washington, all of which adds to our previous military strength.

I am for ample preparedness, and my friends, that is due to the past experiences of our country. We all know what happened, due to our lack of preparedness, in the War of 1812, at Bladensburg, in Washington, and Erie.

When the Spanish-American War was declared there was a lamentable lack of preparedness, and the great loss we experienced by not having it was the result.

We had to blush again at the opening of the World War because of that same lack of preparedness.

Now, I want to know if you expend these untold millions for preparedness you are going to impose such conditions as we had during the World War, when they spent hundreds of millions for munitions that never saw a battlefield. Within a few miles of my home they spent millions for shells that never got to Europe.

Again we blushed with shame when they tore down the giant pines of the great Northwest and not a single stick of that timber ever got into an airplane.

We want to prepare against that; that is the preparation I want to see. After you make provision in this appropriation and you are ready to put up as a sacrifice the blood of our sons, then see that they get a fair chance with the trained soldiers of other nations, if it is to be a war of resistance or otherwise.

Mr. BULWINKLE. Will the gentleman yield?

Mr. FOCHT. I yield.

Mr. BULWINKLE. I may state to the gentleman thatif the gentleman, who was in Congress, will recall—the high command of the Allies could not tell how long the war was going to last. We had to be prepared for a year or 2 years beyond the time of the armistice. That is the reason why some of the gentleman's shells did not get to France, unless they were rejected.

Mr. FOCHT. Oh, yes; rejected! They did not reject our young men when they said, "The Yanks are coming." They took them over there when they were unprepared. They took them into the camps of England and gave them 2 weeks' training and sent them against the greatest trained troops of the world; yet the Yankee boys made good, with all the deficiency here. I do not want such deficiency again if I am to vote for this bill. I want you leaders on the Democratic side who control the situation to see that these hundreds of millions appropriated for preparedness accomplish the purpose of preparation, with the elimination of the plus-10-percent contracts.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. TREADWAY. Mr. Chairman, I move to strike out the last two words, and I ask unanimous consent that I may proceed out of order, but upon a subject having connection with this bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. TREADWAY. Mr. Chairman, I do not know whether the other Members of Congress have had the same experience I have had or not in relation to the admission of boys to West Point and Annapolis. I have found it quite difficult for the young men to qualify, both mentally and physically, to pass the rigid examination. I think one reason why it is difficult to qualify mentally is that the young men do not get information about our great service schools which they do about colleges.

In looking up this matter I found that schools in my district had no information whatever about either academy, but any principal of a high school or of a private school could give the young man all the information he wanted about any college. I realize, of course, that there is great demand for these appointments. Nevertheless, in order to of the test is concerned, but the rigid standards that our schools rightly have, the young man must begin early to get the necessary training. In order to get that training he must naturally have information about the schools. I realize further that the principals of our schools usually are college men. They are proud of the institutions from which they may have graduated.

Therefore, when those young men go to them for information and advice as to where to continue their training they are very prone to recommend the institutions from which they themselves may have graduated. None of these instructors has graduated from West Point or Annapolis in all probability. Consequently the attention of the young man is not directed to our service schools. I want to offer the suggestion, Mr. Chairman, that the committees in charge of issuing the pamphlets-and I am not sure whether it is a matter in the hands of the Printing Committee or in the departments-do toward West Point and Annapolis exactly the same as is done by the colleges themselves, namely, to place in the hands of instructors and principals of schools and academies throughout the country pamphlets of information such as we provide them with when they send to us. The expense would be practically nothing and it would give our young men a chance to know about these wonderful educational opportunities. I offer that as a suggestion only, in no sense as a criticism.

Mr. McMILLAN. Will the gentleman yield? Mr. TREADWAY. I yield. Mr. McMILLAN. The gentleman is aware that those pamphlets are issued by the War Department and the Navy Department, showing the regulations governing admission of cadets.

Mr. TREADWAY. They are issued, of course, in large quantities, and they are available to the gentleman and to myself; but the boy back home must send to us in order to get them. Probably they could apply for them direct, but what I would like to see is that those institutions be placed on a parity for information with the colleges to which the boys may be likely to go, by having available in the libraries of the schools these pamphlets.

Mr. OLIVER. Will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. OLIVER. If the Members of Congress would only request the departments to send this information to such schools in their districts as they felt would be interested, it would be done. So that the information which the gentleman wants made available can be made available on the request of Members of Congress.

Mr. TREADWAY. I think that of itself is a good point, and if I have done nothing else in this 5 minutes I have called the attention of my colleagues to the fact that it is desirable to do it. I think the information should be in the hands of the school authorities. I am sure the gentleman from Alabama agrees with me on that.

Mr. OLIVER. I do. Mrs. KAHN. Will the gentleman yield?

Mr. TREADWAY. I gladly yield to the lady.

Mrs. KAHN. I suggest to the gentleman from Massachusetts that he do what I have done and what others have done; that is, to furnish his high schools with copies of the requirements for both West Point and Annapolis. The boys can always get information in their schools about it.

Mr. TREADWAY. That is the way I think it should be done throughout the country, that we should all see that the institutions are provided with that information, to have it available for the boys.

Mr. RANDOLPH. Will the gentleman yield? Mr. TREADWAY. I yield. Mr. RANDOLPH. Is it not further the fact that in high schools of the country generally, those young men are not grounded particularly in mathematics, a subject which they need?

Mr. TREADWAY. The gentleman is correct, although I think our high schools could provide for that need if requested. As an illustration of that very fact, there was a pass a difficult mental test, not difficult as far as the amount | young man from my district graduated from Annapolis last spring. I asked him what his background was before he was appointed to Annapolis. He said he had gone to an instructor when he was in grammar school and asked him to advise him and direct his course toward admission to Annapolis at the proper time. The boys do not start soon enough to qualify for these examinations.

Mr. RANDOLPH. May I add further in this connection that one of the candidates for the Naval Academy from my district, whom I appointed, after 6 months in the Naval Academy, was unable to pass the mid-year examination because of lack of fundamental mathematics. The large number of high schools are trying to become young colleges, and are forgetting fundamental subjects and allowing graduation of students who take almost all elective work.

Mr. TREADWAY. There is no question about the correctness of the gentleman's statement. All I am urging is that our service schools be brought to the attention of young men early in their school courses so that they may have

suitable preparation for admission.

Mr. PARKS. Mr. Chairman, I move to strike out the last two words, and I do so only for the purpose of making a statement. This completes the military items in this bill. The 10 or 12 pages remaining relate to nonmilitary items. There are many Members who will be called out of the city tonight, for there is expected to be no session of the House tomorrow, and there are two committees now in session, the members of which will probably have to be called out to respond to a roll call. We are very anxious, indeed, to complete this bill this afternoon. I do not believe there is any further controversial item in the bill. So I hope consideration of the bill may be expedited.

By unanimous consent, the pro forma amendment was withdrawn.

The Clerk read as follows:

For maintaining and improving national cemeteries, including fuel for and pay of superintendents and the superintendent at Mexico City, laborers and other employees, purchase of tools and materials; purchase, including exchange, of one motor-propelled passenger-carrying vehicle; and for the repair, maintenance, and operation of motor vehicles; care and maintenance of the Arlington Memorial Amphitheater, chapel, and grounds in the Arlington National Cemetery; for repair to roadways but not to more than a single approach road to any national cemetery constructed under special act of Congress; for headstones for unmarked graves of soldiers, sailors, and marines under the acts approved March 3, 1873 (U. S. C., title 24, sec. 279), February 3, 1879 (U. S. C., title 24, sec. 280), March 9, 1906 (34 Stat., p. 56), March 14, 1914 (38 Stat., p. 768), and February 26, 1929 (U. S. C., Supp. VII, title 24, sec. 280a), and civilians interred in post cemeteries; for recovery of bodies and disposition of remains of military personnel and civilian employees of the Army under act approved March 9, 1928 (U. S. C., Supp. VII, title 10, sec. 916); for the care, protection, and maintenance of the Confederate Mound in Oakwood Cemetery at Chicago, the Confederate Stockade Cemetery at Johnstons Island, the Confederate burial plats owned by the United States in Confederate Cemetery at North Alton, the Confederate Cemetery, Camp Chase, at Columbus, the Confederate Stockade Temetery at Point Lookout, and the Confederate Cemetery at Rock Island, \$677,607: Provided, That no railroad shall be permitted upon any right-of-way which may have been acquired by the United States leading to a national cemetery, or to encroach upon any roads or walks constructed thereon and maintained by the United States within the corporate limits of any city, town, or village.

Committee amendment:

Page 62, line 19, after the figures "56" and before the comma, insert a parenthesis.

The committee amendment was agreed to.

The Clerk read as follows:

Flood control, Mississippi River and tributaries: For prosecuting work of flood control in accordance with the provisions of the Flood Control Act, approved May 15, 1928 (U. S. C., Supp. VII, title 33, sec. 702a), and for the purchase of motor-propelled passenger-carrying vehicles and motor boats, for official use, not to exceed \$45,750, \$15,000,000.

Mr. BIERMANN. Mr. Chairman, I move to strike out the

Mr. Chairman, as I understand from the reading of this section, it relates to flood control of the Mississippi and its tributaries.

Mr. PARKS. Yes.

Mr. BIERMANN. Just in order to make the RECORD clear, I ask the chairman of the subcommittee whether or not any of this money is to go for the construction of locks or dams for the 9-foot channel of the Mississippi?

Mr. PARKS. No; it has not been authorized. This all goes for flood control.

The Clerk read as follows:

Sec. 3. No part of any appropriation made by this act shall be used in any way to pay any expense in connection with the conduct, operation, or management of any post exchange, branch exchange, or subexchange within any State, Territory, or the District of Columbia, save and except for real assistance and convenience to military personnel and civilians employed or serving at military posts in supplying them with articles of ordinary use, wear, and consumption not furnished by the Government.

Mr. HOEPPEL. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Hoeppel: After the word "posts", in line 7, on page 72, insert "and to retired enlisted personnel."

Mr. HOEPPEL. Mr. Chairman, the purpose of this amendment—

Mr. PARKS. Mr. Chairman, will the gentleman yield for a moment?

Mr. HOEPPEL. I yield.

Mr. PARKS. While I think this amendment is subject to a point of order, I shall not make one. The reason I do not agree to the gentleman's amendment—and I am not opposing it—is because about 2 years ago the House had a rather extensive hearing by a committee that went about from post to post and then brought back a report that recommended limiting the sale of articles in the posts to the people who lived at the posts. For that reason, which seems to me good and sufficient, I should not be willing to agree to the amendment, but I am not disposed to deprive the committee of an opportunity to pass upon this proposition.

Mr. HOEPPEL. Mr. Chairman, I offer this amendment in order to extend the facilities and privileges of Army post exchanges to the retired enlisted personnel of the Navy and Marine Corps. The retired enlisted men of the Army are authorized to purchase at Navy post exchanges; therefore, the adoption of this amendment would extend reciprocal consideration to the retired enlisted men of the Army, Navy, and Marine Corps.

It seems to me it is only fair and square that we should give the retired enlisted men of the Navy equal consideration with the Army retired personnel in this respect. I wish to call the attention of the Members to the fact that almost 5,000 men who were transferred to the Naval and Marine Corps Reserve after 16 and 20 years' service receive less than \$50 per month retainer or retired pay. As I mentioned on the floor several days ago, the Secretary of the Interior and the Secretaries of other departments are discriminating against these men and discharging them from Government employ here in Washington merely because they are receiving retired pay, notwithstanding that many of them are entitled to disability preference. I feel that we owe it to these men in their declining years to extend them this opportunity to augment, in a sense, their purchasing power. They would save anywhere from 5 to 10 percent on purchases made at Army post exchanges if this amendment is adopted.

In order that the Members may know the character of service given by these men, I shall read an excerpt from a letter received from one of these enlisted men:

I enlisted in the Navy in March 1898 in the lowest grade; served a year or so around Cuba, 9 months without getting ashore. You know what kind of food we got; and the decks were often used as our feather beds. Only 50 cents a day was our pay. Youngsters today who enter civil service receive about 65 cents per hour.

This man said he served ashore with the expeditionary forces in Central America and in the West Indian section for a period of 4 years. This shipmate had 15 years' actual sea service. If this amendment is adopted, enlisted men transferred to the Fleet Naval Reserve and retired enlisted men of the Navy who are from 50 to 70 or more years of age will be permitted to purchase limited and necessary supplies at Army post exchanges and thus will be in a position, in a sense, to combat the increasing cost of living. No additional

expense to the Government is involved. Instead it will add | to the revenues and profits of the post exchanges through increased sales. As the profits of the post exchanges are used primarily for the purchase of athletic equipment and for the general welfare of Army enlisted men, including improvements in their mess, the adoption of this amendment will be of joint benefit to both the retired enlisted men of the Navy and Marine Corps and enlisted men in active service in the Army.

Notwithstanding that objection has been made to the amendment by the chairman of our committee, I am convinced that he and the members of the subcommittee are, in a sense, favorably disposed and that if this question had been left entirely to their decision, without the background of opposition to which the chairman has referred, this amendment would have been adopted in the committee.

At this time I wish to compliment the chairman and the members of the subcommittee on their very able presentation and the just and fair consideration they have extended to me in this and other proposals which I have submitted to them for their consideration in the committee hearings.

Referring again to the amendment, I feel that we should consider the plight of the low-paid retired enlisted man of the Navy and Marine Corps and that this amendment which I have offered, extending to them the privilege of purchase at Army post exchanges, should be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The amendment was agreed to.

Mr. PARKS. Mr. Chairman, I ask unanimous consent that all Members who have spoken on this bill may be permitted to extend their remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. PARKS. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD and to include a statement with reference to an article in the newspaper yesterday referring to the amendment adopted at that time.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. PARKS. Mr. Chairman, I feel that I should take a few minutes to correct some misinformation that appears this morning in the Washington Post, and most likely other papers throughout the country, as the article to which I have reference is attributed to the usually accurate Associated Press.

I appreciate the fact that it must be difficult, if not wellnigh impossible at times, to hear in the galleries what is said upon the floor, because we on the floor have difficulty ourselves in hearing at times.

The article I refer to is headed "Boost in Army to 165,000 Men Voted by House." Then it proceeds to say:

The House yesterday voted to increase the strength of the Army from 118,750 to 165,000 men.

Originally, the provision in the \$370,000,000 War Department appropriation bill left it to President Roosevelt's discretion whether to make the increase. But make the hoist mandatory. But 97 to 66, the House voted yesterday to

Of course, that is just the reverse of what occurred. The bill the committee reported authorized the President, at his discretion, to increase the enlisted strength of the Army from 118,750 to 165,000 men, and made available the funds requisite for so doing. The amendment adopted yesterday provides that the President, at his discretion, may increase the enlisted strength of the Army from 118,750 men to 130,321 men, and not to 165,000 men, as proposed by the committee. The amendment also makes a straight-out appropriation to pay for the lesser increase. If the President should decide not to make the increase, then under the amendment adopted we have added over \$5,000,000 to the Budget unnecessarily. The actual net result of the amendment is to limit the President's discretion. He may only increase the Army by 11,571 men, instead of by 46,250, which he would be permitted to do under the bill as reported by your committee. There was nothing mandatory about from Iowa.

the committee's provision and there is nothing mandatory about the amendment which was adopted on vesterday.

I hope I have made the matter clear and that our newspaper friends will correct the misinformation given to the public this morning.

Mr. BUCHANAN. Mr. Chairman, I ask unanimous consent to proceed for 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BUCHANAN. Mr. Chairman, we have just heard read, section by section, the appropriation bill for the War Department.

The hearings on this bill were conducted by one of our colleagues, the gentleman from Arkansas [Mr. PARKS], who has never had any experience heretofore in managing an appropriation bill before the House. This bill was drafted under his direction, it was brought into the House under his direction, and conducted so far through the House under his direction. I want to take my hat off to him in his magnificent management of this bill and to say for him, as chairman of this subcommittee, he is one of the best chairmen that committee has ever had. [Applause.]

Mr. PARKS. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Hill of Alabama, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 5913, the War Department appropriation bill, 1936, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. PARKS. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. PARKS. Mr. Speaker, I demand a separate vote on the so-called "Thomason amendment."

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put the other amendments en gros.

The amendments were agreed to.

Mr. O'MALLEY. Mr. Speaker, I ask unanimous consent that the Thomason amendment may be again read.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection?

The Clerk read as follows:

Amendment offered by Mr. Thomason: On page 10, line '14, beginning with the word "together", strike out all matter down through the word "men" in line 21 and insert in lieu thereof the following: "together with the additional sum of \$5,005,748 to be available under this and other appropriations contained in this act for defraying the cost of increasing the enlisted strength of the Regular Army from an average of 118,250 to an average of 130,321 enlisted men."

The SPEAKER. The question is on the amendment offered by the gentleman from Texas [Mr. Thomason].

The question was taken; and on a division (demanded by Mr. Thomason) there were—ayes 62, noes 94.

So the amendment was rejected.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. BIERMANN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill? Mr. BIERMANN. I am.

The SPEAKER. Is there any member of the committee opposed to the bill who desires to offer a motion to recommit? If not, the Clerk will report the motion of the gentleman The Clerk read as follows:

Mr. BIERMANN moves to recommit the bill to the Committee on Appropriations with instructions to make such changes as effect a reduction of 20 percent in the total appropriation.

Mr. PARKS. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to re-

The motion to recommit was rejected.

Mr. BIERMANN. Mr. Speaker, I demand the yeas and nays.

The SPEAKER. The Chair will count. [After counting.] Eighteen Members have risen. Not a sufficient number, and the yeas and nays are refused.

The question is on the passage of the bill.

The question was taken; and the bill was passed, and a motion to reconsider was laid on the table.

CONFERENCE REPORT AND STATEMENT (S. 1190)

Mr. COLE of Maryland submitted a conference report on the bill (S. 1190) to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes.

The conference report and statement are as follows:

#### CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1190) to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses

as follows:
That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:
In lieu of the matter proposed to be inserted by the amendment of the House insert the following:
"That it is hereby declared to be the policy of Congress to protect interstate and foreign commerce from the diversion and obstruction of, and the burden and harmful effect upon, such commerce caused by contraband oil as herein defined, and to encourage the conservation of deposits of crude oil situated within the United States. United States.

United States.

"SEC. 2. As used in this act—

"(1) The term "contraband oil" means petroleum which, or any constituent part of which, was produced, transported, or withdrawn from storage in excess of the amounts permitted to be produced, transported, or withdrawn from storage under the laws of a State or under any regulation or order prescribed thereunder by any board, commission, officer, or other duly authorized agency of such State, or any of the products of such petroleum.

"(2) The term 'products' or 'petroleum products' includes any article produced or derived in whole or in part from petroleum or any product thereof by refining, processing, manufacturing, or otherwise.

"(3) The term 'interstate commerce' means commerce between any point in a State and any point outside thereof, or between points within the same State but through any place outside thereof, or from any place in the United States to a foreign country, but only insofar as such commerce takes place within the United States.

"(4) The term 'person' includes an individual, partnership, corporation, or joint-stock company.

poration, or joint-stock company.

"SEC. 3. The shipment or transportation in interstate commerce from any State of contraband oil produced in such State is hereby prohibited. For the purposes of this section contraband oil shall not be deemed to have been produced in a State if none of the petroleum constituting such contraband oil, or from which it was produced or derived, was produced, transported, or withdrawn from storage in excess of the amounts permitted to be produced, transported, or withdrawn from storage under the laws of such State or under any regulation or order prescribed thereunder by any board, commission, officer, or other duly authorized agency of such State. such State.

"SEC. 4. Whenever the President finds that the amount of petroleum and petroleum products moving in interstate commerce is so limited as to be the cause, in whole or in part, of a lack of parity between supply (including imports and reasonable withdrawals from storage) and consumptive demand (including exports and reasonable additions to storage) resulting in an undue burden on or restriction of interstate commerce in petroleum and petroleum products, he shall by proclamation declare such finding, and thereupon the provisions of section 3 shall be inoperative until such time as the President shall find and by proclamation declare that the conditions which gave rise to the suspension of the operation of the provisions of such section no longer exist. If any provision of this section or the application thereof shall "SEC. 4. Whenever the President finds that the amount of pe-

be held to be invalid, the validity or application of section 3 shall not be affected thereby.

"Szc. 5. (a) The President shall prescribe such regulations as he finds necessary or appropriate for the enforcement of the provisions of this act, including but not limited to regulations requiring reports, maps, affidavits, and other documents relating to the production, storage, refining, processing, transporting, or handling of petroleum and petroleum products, and providing for the keeping of books and records, and for the inspection of such books and records and of properties and facilities.

"(b) Whenever the President finds it necessary or appropriate for the enforcement of the provisions of this act he shall require certificates of clearance for petroleum and petroleum products moving or to be moved in interstate commerce from any particular area, and shall establish a board or boards for the issuance of such certificates. A certificate of clearance shall be issued by a board so established in any case where such board determines that the petroleum or petroleum products in question does not constitute contraband oil. Denial of any such certificate shall be by order of the board, and only after reasonable opportunity for hearing. Whenever a certificate of clearance is required for any area in any State, it shall be unlawful to ship or transport petroleum or petroleum products in interstate commerce from such area unless a certificate has been obtained therefor.

"(c) Any person whose application for a certificate of clearance is denied may obtain a review of the order denying such applica-

unless a certificate has been obtained therefor.

"(c) Any person whose application for a certificate of clearance is denied may obtain a review of the order denying such application in the United States district court for the district wherein the board is sitting by filing in such court within 30 days after the entry of such order a written petition praying that the order of the board be modified or set aside, in whole or in part. A copy of such petition shall be forthwith served upon the board, and thereupon the board shall certify and file in the court a transcript of the record upon which the order complained of was entered. Upon the filing of such transcript, such court shall have jurisdiction to affirm, modify, or set aside such order, in whole or in part. No objection to the order of the board shall be considered by the court unless such objection shall have been urged before the board. The finding of the board as to the facts, if supported by evidence, shall be conclusive. The judgment and decree of the court shall be final, subject to review as provided in sections 128 and 240 of the Judicial Code, as amended (U. S. C., title 28, secs. 225 and 347).

"SEC. 6. Any person knowingly violating any provision of this

"Sec. 6. Any person knowingly violating any provision of this act or any regulation prescribed thereunder shall upon conviction be punished by a fine of not to exceed \$2,000 or by imprisonment for not to exceed 6 months, or by both such fine and imprison-

ment.

"Sec. 7. (a) Contraband oil shipped or transported in interstate commerce in violation of the provisions of this act shall be liable to be proceeded against in any district court of the United States within the jurisdiction of which the same may be found, and seized for forfeiture to the United States by a process of libel for condemnation; but in any such case the court may in its discretion, and under such terms and conditions as it shall prescribe, order the return of such contraband oil to the owner thereof where undue berdship would result from such forfeiture. The proceedorder the return of such contraband oil to the owner thereof where undue hardship would result from such forfeiture. The proceedings in such cases shall conform as nearly as may be to proceedings in rem in admiralty, except that either party may demand a trial by jury of any issue of fact joined in any such case, and all such proceedings shall be at the suit of and in the name of the United States. Contraband oil forfeited to the United States, as provided in this section, shall be used or disposed of pursuant to such rules and regulations as the President shall prescribe.

"(b) No such forfeiture shall be made in the case of contraband oil owned by any person (other than a person shipping such contraband oil in violation of the provisions of this act) who has with respect to such contraband oil a certificate of clearance which on its face appears to be valid and to have been issued by a board created under authority of section 5, certifying that the shipment in question is not contraband oil, and such person had no reasonable ground for believing such certificate to be invalid or to have been issued as a result of fraud or misrepresentation of fact.

"Sec. 8. No common carrier who shall refuse to accept petroleum

been issued as a result of fraud or misrepresentation of fact.

"Sec. 8. No common carrier who shall refuse to accept petroleum or petroleum products from any area in which certificates of clearance are required under authority of this act, by reason of the failure of the shipper to deliver such a certificate to such carrier, or who shall refuse to accept any petroleum or petroleum products when having reasonable ground for believing that such petroleum or petroleum products constitute contraband oil, shall be liable on account of such refusal for any penalties or damages. No common carrier shall be subject to any penalty under section 6 in any case where (1) such carrier has a certificate of clearance which on its face appears to be valid and to have been issued by a board created under authority of section 5, certifying that the shipment in question is not contraband oil, and such carrier had no reasonable ground for believing such certificate to be invalid or to have been issued as a result of fraud or misrepresentation of fact, or (2) such carrier, as respects any shipment originating in any area where certificates of clearance are not required under authority of this act, had no reasonable ground for believing such

any area where certificates of clearance are not required under authority of this act, had no reasonable ground for believing such petroleum or petroleum products to constitute contraband oil.

"Sec. 9. (a) Any board established under authority of section 5, and any agency designated under authority of section 11, may hold and conduct such hearings, investigations, and proceedings as may be necessary for the purposes of this act, and for such purposes those provisions of section 21 of the Securities Exchange Act of 1934 relating to the administering of oaths and affirmations, and

to the attendance and testimony of witnesses and the production of evidence (including penalties), shall apply.

"(b) The members of any board established under authority of section 5 shall be appointed by the President, without regard to the civil-service laws, but subject to the Classification Act of 1923, as amended; and any such board may appoint, without regard to the civil-service laws, but subject to the Classification Act of 1923, as amended, such employees as may be necessary for the execution of its functions under this act.

"SEC. 10. (a) Upon application of the President, by the Attorney General, the United States district courts shall have jurisdiction to issue mandatory injunctions commanding any person to comply with the provisions of this act or any regulation issued thereunder.

"(b) Whenever it shall appear to the President that any person is engaged or about to engage in any acts or practices that constitute or will constitute a violation of any provision of this act or of any regulation thereunder, he may in his discretion, by the Attorney General, bring an action in the proper United States district court to enjoin such acts or practices, and upon a proper showing a permanent or temporary injunction or restraining order shall be granted without bond.

"(a) The United States district courts shall have avaluated in its interest.

to enjoin such acts or practices, and upon a proper showing a permanent or temporary injunction or restraining order shall be granted without bond.

"(c) The United States district courts shall have exclusive jurisdiction of violations of this act or the regulations thereunder, and of all suits in equity and actions at law brought to enforce any liability or duty created by, or to enjoin any violation of, this act or the regulations thereunder. Any criminal proceeding may be brought in the district wherein any act or transaction constituting the violation occurred. Any suit or action to enforce any liability or duty created by this act or regulations thereunder, or to enjoin any violation of this act or any regulations thereunder, may be brought in any such district or in the district wherein the defendant is found or is an inhabitant or transacts business, and process in such cases may be served in any other district of which the defendant is an inhabitant or wherever the defendant may be found. Judgments and decrees so rendered shall be subject to review as provided in sections 128 and 240 of the Judicial Code, as amended (U. S. C., title 28, secs. 225 and 347).

"SEC. 11. Wherever reference is made in this act to the President such reference shall be held to include, in addition to the President, any agency, officer, or employee who may be designated by the President for the execution of any of the powers and functions vested in the President under this act,

"SEC. 12. If any provision of this act, or the application thereof to any person or circumstance, shall be held invalid, the validity of the remainder of the act and the application of such provision to other persons or circumstances shall not be affected thereby.

"SEC. 13. This act shall cease to be in effect on June 16, 1937."

And the House agree to the same.

"SEC. 13. This act shall cease to be in effect on June 16, 1937."
And the House agree to the same.

¥:

WILLIAM P. COLE, Jr.,
SAMUEL B. PETTENGILL,
EDWARD A. KELLY,
CARL E. MAPES,
CHAS. A. WOLVERTON,
Managers on the part of the House. M. M. LOGAN, TOM CONNALLY,

JAMES J. DAVIS, Managers on the part of the Senate.

### STATEMENT

The managers on the part of the House at the conference on the disagreeing vote of the two Houses on the amendment of the House to the bill (S. 1190) to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conference and recommended in the accommension conference. the conferees and recommended in the accompanying conference

The House amendment struck out all of the Senate bill after the enacting clause. The Senate recedes from its disagreement to the House amendment with an amendment which is a substitute for both the Senate bill and the House amendment. The differences between the House amendment and the substitute agreed upon by

the conferees are as follows:

The substitute contains a definition of "contraband oil" which in substance is the same as that contained in the House amendment, but the language agreed upon is believed to be more clear.

ment, but the language agreed upon is believed to be more clear.

The House amendment, in section 3, prohibited the shipment of contraband oil in interstate commerce, and contained a proviso authorizing the President to make determinations from time to time as to lack of parity between the supply and demand in petroleum in interstate commerce, and provided that upon the making of any such determination the prohibition against shipment in interstate commerce would be suspended. This provision is retained in the substitute except that the proviso is placed in a separate section, and there is added a provision expressing the intention of Congress that if the section giving the President authority to act in such situations is held invalid, the prohibition against shipment in interstate commerce is still to be in force.

Under the House amendment members of the boards which are to be established by the President were to be paid not to exceed \$5,000 per annum, and employees of such boards were not to be subject to the Classification Act of 1923 as to their compensation. The substitute agreed to in conference provides that the compensation of members of such boards and their employees shall be fixed in accordance with the Classification Act of 1923.

Under the House amendment actions to compel compliance with the act or to enjoin violations thereof were to be initiated by the President or the Attorney General. The substitute modifies these provisions so that the President (or any agency, officer, or em-ployee designated by him under sec. 11) is to act through the

Attorney General.

The House amendment provided that the act should not apply in the case of petroleum or petroleum products moving in interstate commerce on or before the date of the enactment of the act.

This provision is eliminated from the substitute.

The House amendment provided that the act should cease to be in effect on June 1, 1936. This date is changed to June 16, 1937.

WILLIAM P. COLE, Jr.,
SAMUEL B. PETTENGILL,
EDWARD A. KELLY,
CARL E. MAPIES,
CHARLES A. WOLVERTON,
Managers on the part of the House.

Mr. COLE of Maryland. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report.

Mr. MARCANTONIO. Mr. Speaker, reserving the right to object, have we a copy of this conference report available?

Mr. COLE of Maryland. I may say to the gentleman that the conference report, to which all the conferees have agreed, has been approved by the Senate this afternoon, making a few technical changes in the bill. It is virtually as the House passed the measure last Monday.

Mr. BLANTON. Mr. Speaker, reserving the right to object, I want to ask one question. Is there any provision put in the bill in conference that provides any interim between the passage of the bill and the time it shall take effect? We voted the 5-day clause out in the House.

Mr. COLE of Maryland. None whatever, I will say to the gentleman.

Mr. BLANTON. Then I do not object.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. COLE of Maryland. Mr. Speaker, I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the statement.

The SPEAKER. The question is on the adoption of the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

# AUTHORITY TO SIGN ENROLLED BILL

Mr. COLE of Maryland. Mr. Speaker, I offer a resolution and ask unanimous consent for its immediate consideration. The Clerk read as follows:

### House Resolution 127

Resolved, That, notwithstanding the adjournment of the House, the Speaker be, and he is hereby, authorized to sign the enrolled bill of the Senate, S. 1190.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The resolution was agreed to and a motion to reconsider was laid on the table.

## PERMISSION TO ADDRESS HOUSE

Mr. KVALE. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes?

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KVALE. Mr. Speaker, during the consideration of the War Department appropriation bill the committee was presided over, in most able fashion, by the gentleman from Alabama [Mr. Hill]. It occurs to me, without attempting to be a faultfinder, it might be pertinent at this time to ask Members of this body if, in the future, we cannot cooperate a little more in an attempt to maintain order in this body.

Time after time I have offended my colleagues by indulging in conversation during the proceedings in this Chamber. I am guilty as well as the rest of you, but if in the conduct of public business all of us would attempt to maintain decorum and order and be courteous to our colleagues and observe our duty to our people and show proper courtesy to the mace and the presiding officer in the committee and courtesy to the Speaker who is presiding in the House, I think it would be for our own welfare and, certainly, a courtesy to the one who is speaking, as well as the one who is presiding in this body. [Applause.]

#### ABRAHAM LINCOLN

Mr. RANDOLPH. Mr. Speaker, under leave to extend my remarks in the RECORD, I ask unanimous consent to include therein an address delivered by my colleague the gentleman from Illinois [Mr. KELLER].

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address delivered before the Loyal Legion Auxiliary annual breakfast at the Mayflower Hotel, Washington, D. C., February 12, 1935, by Representative Kent Keller, of Illinois:

If we are to understand men, we cannot separate them from the time in which they lived. If we are to appraise the service of our statesmen, we must know the condition of statecraft when of our statesmen, we must know the condition of statecraft when they first entered upon the stage of action. We cannot appreciate the liberators of mankind without knowing the source of the motives which inspired them. Liberty was not born out of the blue sky in America. It was born out of necessity like every other great development. Its roots reach deep into the past. What were the conditions when Abraham Lincoln was born? What were men thinking and doing as he grew up? What affected him most? What set him on his way? What did he achieve? What growth did he himself make? What primary thought do we gather out of his life for our own inspiration? With these questions in mind let us pass with all too great rapidity over the life

tions in mind let us pass with all too great rapidity over the life of the man who came into the world 125 years ago today. In doing this it is my object to present a viewpoint as far from the beaten path as possible, at the same time remain true to the best idea of our Lincoln.

At the birth of Abraham Lincoln we were still living within the shadow of the English common law, that acceptance of the bind-

shadow of the English common law, that acceptance of the binding power of past customs.

At that time to ask, however peacefully and meekly, for an increase of wages or to organize a union of laborers to improve their economic condition under that common law was an act of conspiracy. It was so enforced, often with great brutality, in England until the men of England extorted from the British Parliament the right to vote only after our own Civil War. Under that same common law the employers of labor had a special law for themselves which specifically gave them the power to combine in their own interest and to dictate the wages and hours of work for the men who labored for them. for the men who labored for them.

It was the era of the tremendous expansion of the use of laboraving machinery in England with the terrible abuse of humanity for the sake of profit. We were growing out of the age-old poverty of production into the intenser poverty of maldistribution of wealth. The discovery of the economy of plenty lay far out ahead

Under that law children 9, 8, 7, 6, even 5 years old filled the factories of England, and worked the brutal 12 hours a day excluding the half-hour for lunch. English and Scotch women were still yoked to the coal cars in the low-seam mines, and on their hands and knees dragged the coal to the hoisting shafts when Abe Lincoln was a member of the Illinois Legislature. Out of such brutality and starvation wages was coined the largest fortune of those times.

fortune of those times.

And when for any cause, whether war or famine abroad, work slackened in the British factories, the exploiters of the helpless workers of England set back and let them starve through these periods of depression as best they might.

The echo of all this repeated itself in America during the young manhood of Abe Lincoln, through the stories of the emigrants from those regions. We ourselves still put a few men—free white men—in jail for asking for better wages or even daring to form labor unions as late as 1825, even as they did in England. Out of that welter of human suffering in England came the one man of sufficient intelligence, experience, and courage to show that it was not necessary to put a child into a factory before he was 10 years old nor to compel men to work more than 10 hours a day to succeed in making large profits in business even at that time. And he had the courage to demonstrate it all to a parliamentary committee and to announce boldly that all other factories could do the same if they so desired. do the same if they so desired.

I refer, of course, to Robert Owen, who because he had clearly outgrown his country was driven out of England. The New World—our own America—profited greatly by that banishment, as the world has so often profited by other banishments. For Robert Owen came to America, and in the wilds of Indiana sought to establish an ideal commonwealth for the exploitation of the right of men to life, to liberty, to education, to growth, to service.

Books—so rare in those days—books were to be had in the forest at New Harmony. The influence of this man on American thought and life had very generally been entirely overlooked or but partially understood. The coming of this great soul marked an epoch in American spiritual and economic growth. Many people over a large region drank deeply at that fountain of enlightenment. Among the many who came to New Harmony, a long distance afoot, was a tall impressionable youth, hungry to read books, ready to absorb the wisdom of them, ready to feel passionately the rights of men to the many things which he himself had been denied. He gathered the expansion of spirit which New Harmony taught. He grew greatly under it. He went forth to inspire other men to give free wing to the spirit of social and economic justice. He learned intimately of the injustice first to his own race. Little by little men were coming to understand that there were other by little men were coming to understand that there were other rights besides the three great rights specifically mentioned in the great Declaration of Independence. Men were learning that the discovery of the other rights of men depended on intellectual growth, on spiritual aspiration, on the ability to vision the divinity

And Abe Lincoln contributed much to that end. During his entire life, save only the last 2 years, the institution of slavery not only existed but was defended as a divine institution, and the Bible was constantly cited to prove that great lie. But Abe Lincoln saw through that sham, as he did through so many others. He first understood the rights of white men, but in due time he He first understood the rights of white men, but in due time he saw with perfect clarity that liberty is a universal thought and was not hidden under any one color of skin. To him it was clear that as long as a good Negro slave carpenter could be rented for a dollar a day, that a free white carpenter could not receive more than a dollar a day.

He saw also that the line which marked the border between Negro slavery and white freedom was an enormous barrier through the heart of the Nation. He knew the eternal truth that Old Hickory Jackson had first launched into the faces of his southern brethers, that is that this is a Nation never to be severated into con-

ren-that is that this is a Nation never to be separated into conren—that is that this is a Nation hever to be separated into contending parts. He accepted this as the true American doctrine. Fundamentally that doctrine denied the right or power of any State to withdraw from the Union. The spirit of the time was gradually forming around sympathy for our fellow men, and the sympathy—that universal bond of every breathing, living soul—soon wiped out the color line as a bar to liberty.

Abs. Lineary learned early in life that most of the follow and

Abe Lincoln learned early in life that most of the follies and foibles of men can be laughed out of the hearts and minds of men and leave no scars or hatreds there. He accepted fully the philosophy of good fellowship. He carried with him the spirit of rejoicing, the laughter of love. He laughed many of the brutalities and insincerities of his time out of the court of humanity. He resorted to fire and sword only when men refused to laugh at their own consuming greed and selfishness. He offered the truce

of tolerance in the presence of the dead.

If he could hear his admiring fellow men when they turn sycophant to his spirit, and seek to make a god of him, how Abe

Lincoln would laugh today.

He was great because he was part and parcel of his timeenced by thought, in turn influencing thought, following and leading in the flux and flow of the great universal spirit of his

generation.

He knew that State rights are only too often in truth State wrongs—fetishes which men still worship out of the recollections of dead days and dead times. He knew this was and ever is to be a Nation—never again to be thought of as an agglomeration of loosely associated States. He accepted the Civil War to secure this one idea throughout eternity. To understand what this means is one of our own great problems today. To get the viewpoint of every man and woman as a citizen of the Nation—primarily with national rights—our first service a national service; to see our Nation paramount the States only as a part of our Nation industry. Nation paramount, the States only as a part of our Nation, industry purely national, to be accepted and directed through national laws and national customs, is our first.

and national customs, is our first.

Abe Lincoln left himself wide open to learn all that came his way—to feel all that might guide his sympathy into the arena of service to his fellow men. He knew instinctively that the permanency of our Republic depended on the education, growth, understanding, and spiritual uplift of the common people, of whom he knew himself one. I would enforce as best I may the fact that as we use that term all truly great men are common, very common men. Through their deeds they furnish the proof positive that common men have the elements of greatness within them. tive that common men have the elements of greatness within them, and that when conditions demand great ideas and heroic actions common men show themselves capable of contributing just those great requirements.

The difficulty lies in the fact that we insist on deifying the The dimculty lies in the fact that we insist on delifying the public men who serve us greatly. We are not satisfied with the one true God; we want many. So we multiply our gods by making gods of our great men. All peoples, strong in ideality, have done this same thing time out of mind. And till we learn that men after all are better only as men, we are apt to go on delifying our great men, even as the Greeks and Romans created their gods and demigods out of their great men.

But it is a bad practice. It often causes us to denounce anyone who tells the truth about these our deities. The truth about them is more important than these man-made deities themselves. We ought to recognize that. If someone points to our special man-made deity and says, "Look at the feet of clay", we ought, in-stead of condemning him and denouncing him, to reply truly: "Yes; I have observed that; but that is not the important thing; look again, see his head towering toward the skies, his eyes are

twin stars, listen to his voice, note the divinity in it; his face lit up with the light of a soon-rising sun; on his feet of clay he announces his own divinity; flat-footed on the earth along with all the rest of us, he sees and serves his human kind; he recognizes that God has spoken the kinship of all His children and His own

divine relation to them all."

When we create our deities we naturally fall back in awe of When we create our deities we naturally fall back in awe of them. We lose the human touch with them—that one great link of kinship which holds true in all our relations with our fellow men. We cannot afford, we must not lose touch and kinship with any of our race whose life has let him express the universal heroism that lies deeply enshrined in the heart of every human being who has ever drawn the breath of life. We need to hold them close to us and to touch them confidently and familiarly as friend and kinsman. They should be the ties that bind us all together, the inspirers of youth, the assurers of the old, the anchor of the strong, these heroes—our kinsmen; our men and women who shall stand throughout all eternity right among us as women and men, our mothers and fathers, our wives and sweethearts, our sisters and brothers, our playmates, never to be forgotten, human as ourselves, divine as ourselves, only such deities and such men as we ourselves are.

Surely I would not deny Abe Lincoln any need of praise, any

Surely I would not deny Abe Lincoln any need of praise, any measure of appreciation. But I would restore him to the fellowmeasure of appreciation. But I would restore him to the fellow-ship of the men and women of his country. I would present him simply and truly with his very human traits to every boy and girl in America. I would have them understand very certainly that they, too, may reach the heights he reached if they be willing to struggle and serve and aspire as ardently and persistently as he did. I would cause him to be recognized and held truly as the comrade of men.

Mr. LEWIS of Colorado. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. LEWIS of Colorado. Mr. Speaker, on February 5, 1935, I was accorded the courtesy of a hearing by the War Department Subcommittee of the Appropriations Committee of the House of Representatives while that subcommittee had under consideration the War Department appropriation bill for 1936, which bill was passed this afternoon. At that hearing I presented certain facts and figures demonstrating the excellent work done by the medical department of the Army at Fitzsimons General Hospital, Denver, Colo., particularly in the treatment of tuberculosis. This work and the results attained should be a source of great satisfaction to the War Department and to the Congress, as they are to all citizens who are familiar with the hospital.

I ask unanimous consent to extend my remarks by including my statement before the subcommittee.

The SPEAKER. Is there objection?

There was no objection.

The statement is as follows:

FITZSIMONS GENERAL HOSPITAL AT DENVER, COLO.

Mr. Lewis. Gentlemen of the committee, I am particularly interested in the great general hospital of the Army in the suburbs of Denver, Colo., the Fitzsimons General Hospital.

# GENERAL DESCRIPTION OF THE HOSPITAL

This site was chosen as the result of investigations made by a This site was chosen as the result of investigations made by a commission during the war. Denver was selected as the site because of the excellence of the all-the-year-round climate, to which I shall refer later, and also for strategic reasons—its accessibility to Army posts, the availability of transportation east, west, north, and south, and the fact also that it is near a center of population. As you all know, the population of Denver, including its adjacent suburbs, is about 330,000. It is the largest city between the Missouri River and the Pacific coast. souri River and the Pacific coast.

The construction at Fitzsimons Hospital is what is known as "semipermanent"; that is to say, it was not brick or stone or cement exclusively, but what we are all familiar with and know as the semipermanent construction adopted during the World War.

There have been erected there two buildings of a permanent nature, but those compose a minor part of that great plant. The grounds have an area of approximately 605 acres. They are in grass and trees. It is a beautiful place. The site was donated by the citizens of Denver, who contributed, in large and small sums, approximately \$150,000. The cost of the buildings and plant was about \$3,831,000. So there is now invested in this hospital about \$4,000,000.

Originally the hospital had 1,835 beds, being the largest Army hospital in the United States. That has been reduced of late by closing some wards, so that the present number of beds is only 1,185.

An erroneous impression has been fostered that this hospital is about to fall down; that it is in a terrible condition. Such, of course, is not the case. The fact that it is of semipermanent construction is not conducive to the most economical operation, as has been pointed out repeatedly by the Surgeon General of the Army and others.

### COST OF OPERATING THE HOSPITAL

The cost of treating tuberculosis patients is higher than the cost of treating any other class of patients. Yet, of all the Army hospitals in the country, until the last 6 months, the cost of operation per patient per day has been less at Fitzsimons than in any other Army hospital in the country. This is shown by reports from the Surgeon General of the Army.

COMPARATIVE COSTS OF OPERATING VARIOUS ARMY HOSPITALS

The following table, furnished at my request by the Surgeon General, shows the cost per patient per day during the fiscal year 1934. It will be noted that the cost at Fitzsimons was less than at any other Army hospital.

Cost per patient-day, fiscal year 1934, based on reports furnished by hospitals indicated below

	Walter Reed General Hos- pital	Fitz- simons	Letter- man	Army and Navy	Wil- liam Beau- mont	Fort Sam Hous- ton	Total
Patient-days	308, 001	286, 033	167, 687	77, 021	57, 035	144, 327	1, 040, 104
Officers:		CALLED THE		T NOTE	REUJERS.		Sept. 15
	\$0,6270	\$0.5625	\$0.8175	\$0,6582	\$1, 1608	\$0.8910	\$0,7082
Rental	. 1496	. 0537	. 1589	. 1364	.1619	. 2320	. 1359
Subsistence	. 0942	. 0912	. 1215	.1044	. 1863	.1442	.1105
Nurses:	Duce	10000	114330	VENEZA	3692233	Friesni	12000
Pay	.4096	. 1541	. 5398	. 2802	. 5979	.3054	. 3466
Rental		. 0014	. 0095	.0024	.0014	.0015	.0034
Subsistence		. 0247	. 0782	. 0431	. 0821	. 0535	. 0538
Clothing	. 0025		.0001			.0007	.0009
Officers' Reserve:		0001		0000	13010		2011
Pay		.0081		. 0251			-0041
Rental		.0016		. 0073			.0010
Subsistence		-0014		.0042			. 0007
Travel Nurses' Reserve:	*******	. 0030					.0008
Pay		.0421	The state of		1 60		.0116
Rental		.0001					.0110
Subsistence		.0100	1101011		00000000		.0028
Enlisted men:		.0100					,0020
Pay	6925	.4819	0.7575	5760	\$1, 1387	SD 8087	. 6410
Rental	.0084	.0009	. 9006	.0177	φ1. 1934	. 0006	.0043
Subsistence		. 1367	. 2220	. 2832	. 3724	2304	2102
Clothing	. 0267	.0318	.0603	.0430	.0741	.0464	. 0401
Civilians:						10000	The state of the s
Veterans' Admin-		HUXHO	TWING THE	ATTOM )	1. THE SEL	32.50	TEL AND I
istration	. 0591	.5534		6 1 C22 C2	VICE THE	.0031	.1701
Medical and Hospi-	10000	A STATE OF THE PARTY OF THE PAR	SINCE OF STREET			10000	0.00
tal Department	.0052	.0006	.0450	. 0533	.0696	. 0331	. 0213
Quartermaster					00000000		
Corps	. 2201	. 1899	.1296	. 1836	. 1828	.0792	.1729
Social-service activ-		1155005			-	100	
ities	.0042	.0044	.0042		*******		. 0032
Civilian Conserva-		10000000		2			10000
tion Corps	. 2811	. 0589	. 2384	. 4955	.1706	. 1598	. 2061
Laundry, including op-					2000		2010
eratives	. 0821	. 0749	.1121	.0741	.0986	. 1250	. 0912
Subsistence: All pa-			*****	2000	-	****	
tients	. 5856	.7519	. 4498	. 6863	. 6691	. 5560	. 6174
Blood transfusion	. 0045	.0007	.0040	. 0052	,0008	. 0051	. 0033
Medical supplies and	*10*	_3839	_3363	1, 4384	. 5907	E491	. 5278
Transportation of sup-	. 5195	- 9999	* 9909	1. 9552	. 9901	. 5431	+0218
plies	.0092	.0170	2 2 10	. 0347	.0187	. 0007	.0110
Utilities.	.2473	.3105	. 1755	. 3350	.3282	. 0595	2379
Construction and repair	. 4110	. 0100	.1100	. 0000	. 0202	. 0030	. 2010
of hospital	. 2865	. 2154	. 2492	. 3257	. 6708	. 1959	. 2723
	12000	14.01		10001	10.00	1 2000	12120
	4, 5277	4. 1667	4, 5098	5, 8130	6, 5755	4, 3649	4, 6104

From the following table for the 6-month period July 1 to December 31, 1934, it appears that the Army and Navy Hospital at Hot Springs, Ark., was operated at a cost per patient per day of 81%00 cents less than Fitzsimons; but, with this exception, the operation of Fitzsimons was less expensive than any other Army hospital. This slight difference is more than accounted for by the greater expense of caring for patients affected with tuberculosis.

Cost per patient-day July 1 to Dec. 31, 1934, fiscal year 1935, based upon reports furnished by hospitals indicated

	Walter Reed	Fitzsim- ons	Letter- man	Army and Navy	William Beau- mont	Fort Sam Hous- ton	Total
Patient-days	160, 763	145, 656	81, 090	54, 038	38, 502	72, 940	552, 939
Officers: Pay Rental Subsistence Nurses:	\$0. 5997 .1409 .0925	\$0. 5882 . 0581 . 0948	\$0. 8570 . 1808 . 1328	\$0, 6254 . 1186 . 1002	\$0.8044 .1036 .1244	\$0.9369 .2446 .1528	\$0. 6956 . 1339 . 1099
Pay	. 4008 . 0644 . 0024	.1777 .0023 .0274	.6249 .0114 .0880	. 2977 . 0034 . 0466	. 4652 . 0062 . 0640	. 3509	. 3627 . 0031 . 0550 . 0007
Officers, reserve: Pay Rental Subsistence Travel	.0020	.0497 .0082 .0082 .0027			n=n		. 0161 . 0028 . 0031

Cost per patient-day July 1 to Dec. 31, 1934, fiscal year 1935, based upon reports furnished by hospitals indicated—Continued

	Walter Reed	Fitzsim- ons	Letter- man	Army and Navy	William Beau- mont	Fort Sam Hous- ton	Total
Nurses, reserve:			P.				
Pay		0\$. 0254					0\$.0067
Rental							
Subsistence		.0050					.0013
Enlisted men:	-	10000		17 Mails		accidentation .	100000
Pay	0\$. 4693	. 5209	0\$.8365	0\$.4879	0\$.8930	0\$.7528	. 6054
Rental	.0039	. 0003	.0034	.0141		.0091	. 0043
Subsistence	. 1731	.1470	. 2827	. 2335	. 3095	. 2745	. 2111
Clothing	.0173	. 0351	. 0752	. 0341	. 0650	. 0468	. 0394
Civilians:	10000			and the	-		143-2
Veterans' Adminis-	- 70000	and the same of	C. Carrie	1			· ·
tration	. 1506	. 8611	.0008		.0114		. 2715
Medical and Hospital	A State of	100000	5735.65	947-950		-	1 10000
Department	. 0607	. 0046	. 0748	. 0464	.1006	. 0852	. 0526
Quartermaster Corps_	. 2251	. 1785	. 1399	. 1359	. 1565	. 0717	. 1665
8. 8. A	. 0177	.0049	.0044				.0071
Civilian Conserva-			10.000		10010010000		
tion Corps	. 7542	. 0886	. 3074	. 6402	. 3218	.3001	. 4123
Laundry, including opera-		S of Lower		Land	- 3-8.76		
tives	. 1129	. 0787	. 1371	. 0565	. 1063	. 1250	. 1031
Subsistence, all patients	. 7081	. 8286	. 5944	. 7341	. 6929	. 6231	. 7135
Medical supplies and				3.000			
equipment, including	1000	100-	18118	400117		100000	- Start
transportation	. 3905	.3720	. 3413	. 4984	. 4717	. 5422	. 4146
Utilities	. 2443	. 2850	. 1959	. 2664	. 3427	.0478	. 2310
Construction and repair	1000000	1000000	0.000000	200	200000	1000000	A POST
of hospitals.	. 2394	. 2094	. 2627	. 2331	. 4282	. 0819	. 2267
Blood transfusion	. 0103	.0011	. 0021	. 0093	.0019	.0014	. 0048
	A PROPERTY AND A	100000		200000	No. of Contract of	1000000	Direction of the last of the l
Total	4, 8943	4, 6635	5, 1535	4, 5818	5, 4693	4. 7014	4, 8556

IMPORTANCE OF KEEPING THE HOSPITAL IN OPERATION

If this hospital were closed, as has been suggested from time to time by the present Surgeon General of the Army, the cost of moving the patients would be approximately fifty or sixty thousand dollars at least. Furthermore, we would be scrapping a \$4,000,000 investment in a going concern. I am sure this does not appeal to you as being good business.

Surgeon General Patterson has urged that the Army abandon Fitzsimons Hospital. His views are not shared by his superiors. Authoritatively, I am assured that the General Staff is unalterably opposed to closing it.

I submit that sound governmental policy would dictate the maximum use of this long-established Army hospital. In case of war the existence as going concerns of well-organized hospitals with efficient staffs will save many lives such as in our other wars have been sacrificed unnecessarily. It is clear that the closing of any particular Army hospital would detract just so much from military preparedness.

any particular Army hospital would detract just so much from military preparedness.

Especially is this true in the case of a large hospital designed primarily for the treatment of a particular disease to which men of military age are peculiarly susceptible; a hospital located in a region selected from among all those in the Nation as being unusually well adapted by reason of its altitude and all-year-around climate to the successful treatment of that disease; a hospital where there has been organized, as a result of years of selection, a personnel trained in the use of special equipment to treat that disease; a hospital where there has been developed a technique in the treatment of that disease which has proved extraordinarily successful in arresting and curing that disease and returning its victims to useful civil vocations. Such a hospital is Fitzsimons for the treatment of tuberculosis.

USE OF THE HOSPITAL FOR ALL TUBERCULAR BENEFICIARIES OF THE

Moreover, it seems to me that the hospitalization of governmental wards or patients is a matter for all departments to consider, and that if the best results can be obtained by hospitalizing and treating all Government patients of the Army and the Navy and the Veterans' Administration and the C. C. C. and other departments for a certain particular disease at a certain place, the mere fact that it is somewhat inconvenient to some one bureau or department should not be controlling.

In the summer of 1933 the question of continuing to use Fitz-

In the summer of 1933 the question of continuing to use Fitz-simons General Hospital for all tuberculosis beneficiaries of the Federal Government was considered by the Federal Board of Hospitalization. This board was composed of the following:

pitalization. This board was composed of the following:

"Brig. Gen. Frank T. Hines, chairman, Administrator of Veterans' Affairs; Maj. Gen. R. U. Patterson, Surgeon General United States Army; Rear Admiral P. S. Rossiter, Surgeon General United States Navy; Surg. Gen. H. S. Cummings, United States Public Health Service; Dr. William A. White, Superintendent St. Elizabeths Hospital; Hon. J. Crawford Biggs, Solicitor General of the United States; Col. George E. Ijams, Assistant Administrator of Veterans' Affairs; Gen. George H. Wood, special representative of Administrator on matters pertaining to national homes."

I had the honor of appearing before this Board and presenting certain facts. On July 25, 1933, this Board passed a resolution recommending that Fitzsimons General Hospital should be used for all tuberculous beneficiaries of the Federal Government until the entire hospitalization situation could be thoroughly surveyed. This resolution was approved August 1, 1933, by the President of the United States. The resolution is as follows:

"Resolution adopted by the Federal Board of Hospitalization, Washington, D. C., July 25, 1933

"Whereas the War Department since 1918 has operated the Fitz-simons General Hospital at Denver, Colo.; and
"Whereas the Veterans' Administration prior to the act of March 20, 1933, made extensive use of this facility by reason of the relatively large ex-service population in the area served by it and the lack of Veterans' Administration facilities in the same general area; and

general area; and
"Whereas regulations issued pursuant to the act of March 20,
1933, authorize the Veterans' Administration to use War, Navy,
Public Health, and Interior Department hospitals in emergency
cases only for beneficiaries suffering from service-connected disabilities: and

Whereas the War Department has advised the Federal Board of Hospitalization that neither its present nor prospective load at that location is adequate to insure economical operation of that

facility; and

"Whereas it has been determined that the estimated hospital load of the War Department and that of the Veterans' Administration for all classes of patients is sufficient at that location to enable that facility to be operated on an economical basis; and "Whereas the Federal Board of Hospitalization is now making

a survey of all Government hospital facilities, which survey has not, however, reached the point where a definite determination is warranted; and

"Whereas this survey is expected to result in the submission to the President of definite recommendations to insure the maximum

possible use of Government hospital facilities: Therefore be it "Resolved, That the Federal Board of Hospitalization recommends to the President that the Fitzsimons General Hospital at Denver be used for all tuberculous beneficiaries of the Federal Government until such time as the findings of said Board in con-nection with the above survey have been communicated to the

President.
"Approved:
"(Signed) "(Signed) Franklin D. Roosevelt, "August 1, 1933." "(Signed) FRANK T. HINES, Chairman.

CLIMATIC CONDITIONS OF DENVER

I noticed a few minutes ago in glancing through the testimony before this committee that there seems to be an erroneous impres-sion in reference to the alleged very cold and inclement winter climate of Denver. Indeed, I have often been amused, as have my colleagues from Colorado, at the impression which seems to

my colleagues from Colorado, at the impression which seems to prevail in Washington in reference to that.

As a matter of fact, gentlemen, the climate of Denver is more equable than that of Washington, as I know from personal experience and as I believe I can demonstrate from the Government reports. Now and then we may have a cold snap, but it never lasts long. We have snows occasionally—although not so frequently as we should wish for the sake of our supply of water for the sake of our supply quently as we should wish for the sake of our supply of water for general municipal purposes and for farm irrigation. But these snows soon melt and disappear. They do not lie on the ground very long. We have an average of 300 days of sunshine each year. In Denver one can play golf or tennis in comfort on many days throughout the average winter. In 1934, so I am informed by aviation officials, there were 360 days of good flying weather at Denver's great municipal and other airports. In truth, the climate of the eastern slope of the Rocky Mountains is probably the best all-the-year-round climate in the country. At least, it is so declared by experts on tuberculosis.

DEVELOPMENT AND SPECIALIZATION IN TREATMENT OF PULMONARY TUBERCULOSIS AT THE HOSPITAL

I have been speaking about the money side of this question. Let me summarize and emphasize by saying again that it seems to me that a Government facility should be open to patients of all Gov-ernment departments, regardless of whether it is operated by one

ernment departments, regardless of whether it is operated by one or the other department.

Furthermore, this hospital has a record of treatment of tuberculosis patients—which are more expensive to treat than any other class of patient—a record of having consistently, throughout the years, treated these patients at a less cost than any other Army hospital. And that in spite of the fact that the cost of operation, as has been pointed out, of these buildings is doubtless somewhat more expensive than it would be if the buildings were brought up to date.

I have been talking of dollars and cents. I wish now to speak of other considerations. The purpose of a hospital is to treat and to cure. At Fitzsimons Hospital there has been developed a technique in the treatment of tuberculosis with a staff of trained technicians, and there has been achieved a record of success in the treatment of this disease which has not been excelled anywhere else in the country. I dislike hyperbole, but I state that most emphatically. The results obtained have been the subject of favorable comment and of praise by the medical profession all over the

country.

A special technique, particularly in lung surgery, has been developed at Fitzsimons. A skilled staff has been specially trained and facilities provided for the practice of these methods of treatment. The annual report for 1932 of the present Surgeon General of the Army fully and clearly sets forth the excellent results achieved. At page 276 of this report for 1932, in the section devoted to Fitz-simons Hospital, it is said, in reference to the technique and re-sults in the treatment of tuberculosis:

"A noteworthy feature in the treatment of pulmonary tubercu-losis is the marked reduction in the rate of hemorrhages and other

complications. In one group of 1,222 admissions there were only 45 pulmonary hemorrhages. In an entire tuberculosis service, with 1,332 admissions, only 108 cases of pulmonary hemorrhages were reported. The marked reduction in the frequency of this complication was due in a large measure to the uniformity in which artificial pneumothorax and other forms of collapse therapy were applied. In four of the largest tuberculosis units 46.7 percent of the patients are receiving artificial pneumothorax treatment. The technique of the initial pneumothorax treatment has been standtechnique of the initial pneumothorax treatment has been standardized and carefully worked out so that there is a marked reduction in accidents which formerly frequently followed this procedure. There has not been a death from pulmonary embolism, and only 11 cases of spontaneous pneumothorax following the introduction of artificial pneumothorax. There has also been a marked reduction in the number of cases developing fluid under treatment. The improvement is due largely to the more judicious and more frequent refills with more careful fluoroscopic check before and after them. Approximately 65 percent of the patients are receiving some form of collapse therapy. The use of this form of treatment has also caused a marked reduction in the number of cases complicated by laryngitis or enterocolitis.

"About 400 cases in the various tuberculosis units were given

"About 400 cases in the various tuberculosis units were given heliotherapy treatment, the total treatments being approximately 9,900. Patients who were classed as 'activity undetermined' were often given heliotherapy as a test of activity. The other types of cases treated were abdominal tuberculosis lesions, fistulas, bone cases treated were abdominal tuberculosis lesions, fistulas, bone and joint cases, glandular and genito-urinary tuberculosis. In pulmonary tuberculosis it is limited to the fibrous cases after they have stood the test of graduated exercise. Seven platforms have now been installed in all of the tuberculosis as well as the medical and surgical wards. The alpine-lamp treatments were given in some cases which were unable to take heliotherapy for various reasons."

reasons."

And again at page 277:

"The surgery of pulmonary tuberculosis continues to be a most important feature of the surgical work and constitutes about 25 percent of the operations performed. It is to be repeated that surgery is not definitive treatment in pulmonary tuberculosis. The cases which come to operation have had long-continued treatment on the medical wards and the standard nonoperative treatment has failed to give satisfactory results. It is the expert in tuberculosis who must decide when surgery is to be resorted to and must advise as to the form which surgical intervention is to take. The success in carrying out most of these procedures depends on close cooperation between the medical and surgical services. The patient must be made to realize that an operation in this condition is not curative. It may be necessary to operate again, and no matter what is done surgically the disease still remains a medical condition, and medical treatment is as much again, and no matter what is done surgically the disease still remains a medical condition, and medical treatment is as much indicated after as before surgical intervention. The surgeon has no miraculous power, and his work here, as in other departments of surgery, is beset with pitfalls, filled with disappointments, and only occasionally crowned with conspicuous success. This success, if any, must be evaluated by the medical service, for the patient returns to it long before any intelligent opinion of the outcome can be formed. can be formed.

can be formed.

"The same type of surgical procedures were used during this year as in the past. They include phrenic exeresis, pneumolysis, intraplural pneumolysis (the Jacobaeus operation), extra plural thoracoplasty, and drainage and unroofing for empyema. In addition two others have been tried, namely, excision of the scaleneus muscles in conjunction with phrenic exeresis and the unroofing and draining of tuberculosis cavities in the lungs."

### DANGER AND INADVISABILITY OF CLOSING THE HOSPITAL

In the spring of 1933, the present Surgeon General of the Army suggested that Fitzsimons Hospital be closed. This aroused a storm of protest from all classes of citizens familiar with the beneficent work of this hospital. Hundreds of letters were received, many from eminent physicians and superintendents of other sanatoria, of which the following is typical:

THE JEWISH CONSUMPTIVES' RELIEF SOCIETY, OFFICE OF THE SUPERINTENDENT, Spivak, Colo., May 6, 1933.

Hon. Lawrence Lewis,
United States Congressman, Washington, D. C.

Dear Sir: I believe that I am expressing the sentiment of the entire medical profession of Denver and of Colorado in stating that we look with serious concern upon the action of the United States Government to close Fitzsimons Hospital.

The character of the work which has emanated from that instituted in the character of the work which has emanated from that instituted in the content of the c

The character of the work which has emanated from that institution has enriched our knowledge of tuberculosis, and has been of value to all of us engaged in practicing this specialty. The dissipation of the valuable material which has accumulated there, and much of which awaits crystallization by the well-trained members of the present staff, would be a distinct loss to medicine in general, and to tuberculosis in particular.

It seems to us that the removal of tuberculosis patients from Fitzsimons Hospital to other regions may be fraught with grave danger to the prospect of their recovery. We realize that in the opinion of some, tuberculosis can be successfully treated at any place. This view, however, is not supported by any scientific data. We do know, however, that the climate and sunshine of Colorado has helped thousands of otherwise hopeless sufferers from the disease to recover their health and to become useful citizens.

We sincerely hope that you will exert your power and influence to persuade the Government to continue Fitzsimons Hospital.

Respectfully yours,

(Signed) H. SCHWATT, M. D. Medical Director and Superintendent.

At that time, a group of eminent medical specialists of national and, indeed, international reputation in the treatment of tuberculosis, while in attendance at the Congress of American Physicians and Surgeons in Washington, D. C., prepared and signed the following statement urging that it be submitted as expert medical opinion on this subject. opinion on this subject.

The doctors point out the advantages both to the patients and to the Government of retaining Fitzsimons Hospital as a medical center for the treatment of tuberculosis.

They draw sharp attention to the very serious responsibility of jeopardizing the lives of patients should they be removed from Fitzsimons to other localities.

The letter from these eminent specialists is as follows:

WASHINGTON, D. C., May 9, 1933.

Hon. LAWRENCE LEWIS.

Hon. Lawrence Lewis,

House of Representatives, Washington, D. C.

Dear Mr. Lewis: Fitzsimons General Hospital, located near Denver, is the largest and best of its kind in the United States for the treatment of tuberculosis. The equipment of the hospital is of the best, and it has an unusually able technical personnel. The work of this hospital has been watched by everyone interested in tuberculosis work, especially those interested in heliotherapy and lung surgery.

The location of Fitzsimons is ideal, there being no better all-theyear-around climate in the United States than is to be found on the eastern plateau of the Rockies. The Southwest is a one-season climate, and so recognized by the private sanatoria directors, who advise their patients to go to the hills or mountains during the summer months. Such procedure would not be practical for the tuberculosis patients of the Army and Navy, and it would entail

wery great expense.

We cannot believe that the Surgeon General of the Army would care to assume the responsibility of jeopardizing the lives of the large number of hospitalized patients by moving them to other locations at this time.

It is recognized that in time of war the military medical men find it necessary to issue drastic orders for the removal of patients from various hospitals. The necessities of the situation often override any consideration of the jeopardy of the lives of the patients. We are not now faced with such a situation. Humanitarian considerations should really come first in this instance. . . .

The undersigned Colorado physicians, attending the Congress of the American Physicians and Surgeons, now in session in Wash-ington, urge the Representatives from Colorado in Congress to make every effort to retain Fitzsimons Hospital for the treatment of Army and Navy patients. Your interest and cooperation will be greatly appreciated by the medical profession of Colorado.

very truly yours,
C. F. Hegner, M. D., Denver; Leonard Freeman, M. D., Denver; G. Walter Holden, M. D., Denver; Henry Sewall,
M. D., Denver; Charles E. Sevier, M. D., Denver; John
A. Sevier, M. D., Colorado Springs; James J. Waring,
M. D., Denver; Gerald B. Webb, M. D., Colorado Springs,
Leonard Freeman, Jr., M. D., Denver.

When the question of giving up this hospital was again raised a year ago I received many, many letters and telegrams, which I still have in my files, from patients in the hospital who were worried and made more sick by the idea that they might be taken away. And when the House finally decided to retain it, I received many more letters from patients at Fitzsimons expressing their satisfaction and gratitude.

I am personally very familiar with the hospital. I have visited it repeatedly, and I know the excellent work which is being done there.

there.

HARDSHIPS WHICH WOULD ACCOMPANY CLOSING OF HOSPITAL

I wish to say further: When a Member of Congress appears before the Appropriations Committee, someone is likely to say, "Well, he is just looking at the 'pork barrel' side of it." That is not the case in regard to Fitzsimons Hospital.

I would be here fighting just as strenuously for its retention if it did not mean one cent to the city of Denver or the State of Colorado. This is regarded out there as a symbol of the affectionate care and tender solicitude by the National Government for those men who have lost their health or suffered physically in the service of their country.

Apart from everything else, the people of Denver feel that way about it, and they have lavished every care and attention upon

those men. I wish every one of you gentlemen could go with me this afternoon through that hospital and see the excellent work that is being done, and the anxiety expressed by all the patients at any suggestion of being moved.

There is yet another point that I think we should consider, because in these matters of government we must consider elements other than the element of dollars and cents. About this hospital there have been gathered the families of a great many men, some of whom have built or bought their modest little homes in the vicinity with the expectation that the hospital would be continued

there. To move these men, especially the ones who have families, would be the cause of a great deal of inconvenience to all, and to

would be the cause of a great deal of inconvenience to all, and to very many, not only inconvenience but actual distress—to some, real tragedy.

In closing, I wish to emphasize that the primary function of a hospital is to treat and to cure. If the Government wishes to do everything possible to cure its tuberculous patients, then this institution should be retained for that purpose. The removal of present patients to other localities less desirable in the treatment of this disease would be to many of them a virtual death warrant. To other patients, less seriously afflicted, the change in climate and surroundings would cause marked retardation in their progress toward recovery. Wide recognition has been given to the advancements made by Fitzsimons Hospital in the treatment of tuberculosis, and it would be a serious loss to have the staff and organization assembled there broken up and scattered as the result of closing the hospital. result of closing the hospital.

PURPOSE OF ARMY IN MOVING ITS ACTIVITIES FROM THAT HOSPITAL

PURPOSE OF ARMY IN MOVING ITS ACTIVITIES FROM THAT HOSPITAL Mr. BOLTON. I would like to put one thing in the record in answer to what you have said, and I think it is only fair to General Patterson to do so.

His suggestion as to moving the Army activities from that hospital to the Beaumont Army Hospital was not primarily for the purpose of doing away with the tuberculosis in Denver, but from the standpoint of the efficiency of the Army. I do not think he was so particularly interested as to what would happen to the hospital in the future, but he wanted to make the best showing he could for the tuberculosis hospitals under his direct charge, and he felt that by moving those Army patients to some other Army hospital he would save money for the Regular Establishment of the War Department. of the War Department.

of the War Department.

Mr. Lewis. I am sure that was the idea of our friend, General Patterson, but I simply want to say that I believe that the Army patients could not be treated as effectively for tuberculosis in some other regions as in the vicinity of Denver—at Fitzsimons.

Mr. Bolton. The general's thought was that the majority of the patients in the Fitzsimons Hospital today are not Army patients. More than half of them are Veterans' Bureau patients.

Mr. Lewis. All of which comes back to the point made in the resolution of the Hospitalization Board, to which I referred, that those facilities should be made available to all.

Mr. Bolton. Exactly: but the expense is being borne today en-

Mr. Bolton. Exactly; but the expense is being borne today entirely by the Army, except for the per diem charge made to the Veterans' Bureau by the Army, which, however, does not cover the cost.

Mr. Lewis. The general says, "I am charged with that"; but we, as Members of Congress, have to look at the whole picture. All the money comes from the Federal Treasury—is raised by Fed-

Mr. Bolton. But we here, as members of the subcommittee on the War Department appropriations bill, are looking out for the finances of the War Department.

Mr. Lewis. That is true; but I think we should also bear the other fact in mind. How and where can the Government most effectively and economically treat all Government patients afflicted with a certain disease—in this case tuberculosis?

Mr. Snyder. What is the average length of time that these men spend in that hospital?

Mr. Lewis. I am unable to answer that question, although I know there are several men I have seen from year to year who have been there since they were brought back on stretchers from France. They are not all tuberculosis cases, although a majority of them are.

I might say that I can right away think of many men in Denver who are leading useful lives in civil occupations who spent from a few months to a year or 2 years in that hospital. Now they are recovered and healthy and are living in Colorado and going about their professional duties or doing other work. But as to the average length of time patients stay in the hospital, I could not say.

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

Mr. SNELL. Reserving the right to object, I want to ask the gentleman what he expects to take up on the first part of the week?

Mr. TAYLOR of Colorado. Monday is District of Columbia day and on Tuesday it is expected to take up the Farm Mortgage Act.

Mr. SNELL. Have they had a rule for that?

Mr. BOILEAU. The other day that bill was made privileged by the House.

Mr. SNELL. Very well. As I understand, Monday will be District of Columbia day and on Tuesday the Farm Mortgage Act will be taken up?

Mr. TAYLOR of Colorado. Yes.

#### BILL PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the follow-

H. R. 4983. An act to authorize a transfer of forest-reservation lands in Forrest and Perry Counties, Miss., to the State of Mississippi or to the War Department, and for other

#### ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 43 minutes p. m.) the House, under its previous order, adjourned until Monday, February 25, 1935, at 12 o'clock noon.

#### EXECUTIVE COMMUNICATIONS, ETC.

231. Under clause 2 of rule XXIV, a letter from the Chairman of the United States Tariff Commission, transmitting a copy of the Commission's publication entitled "A Graphic Analysis of the International Trade of the United States in 1932" was taken from the Speaker's table and referred to the Committee on Ways and Means.

### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. McSWAIN: Committee on Military Affairs. House Joint Resolution 178. Joint resolution directing the American Battle Monuments Commission or its successor to restore the inscriptions obliterated from the Three Hundred and Sixteenth Infantry Memorial erected by a French organization on property of that organization at Sillon-Fontaine (Cote 378), Territoire de Sivry-sur-Meuse; without amendment (Rept. No. 209). Referred to the Committee of the Whole House on the state of the Union.

Mr. VINSON of Georgia: Committee on Naval Affairs. H. R. 5599. A bill to regulate the strength and distribution of the line of the Navy, and for other purposes; with amendment (Rept. No. 211). Referred to the Committee of the Whole House on the state of the Union.

Mr. SUMNERS of Texas: Committee on the Judiciary. H. R. 5161. A bill to amend section 260 of the Judicial Code (U. S. C., title 28, sec. 375), as heretofore amended; without amendment (Rept. No. 212). Referred to the House Cal-

Mr. DELANEY: Committee on Naval Affairs. H. R. 5577. A bill to provide for aviation cadets in the Naval Reserve; with amendment (Rept. No. 214). Referred to the Committee of the Whole House on the state of the Union.

Mr. KERR: Committee on Immigration and Naturalization. H. R. 5799. A bill to declare that a citizen of the United States who votes in a political election in a foreign state loses his citizenship; with amendment (Rept. No. 216). Referred to the House Calendar.

## REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. TURNER: Committee on Military Affairs. 5322. A bill authorizing the President of the United States to present in the name of Congress a medal of honor to Maj. Gen. Adolphus Washington Greeley; without amendment (Rept. No. 210). Referred to the Committee of the Whole House.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. H. R. 4384. A bill for the relief of Charles E. Dagenett; without amendment (Rept. No. 213). Referred to the Committee of the Whole House.

#### CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 3299) for the relief of William Burke, and the same was referred to the Committee on Invalid Pensions.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AYERS: A bill (H. R. 6112) to amend the act of March 3, 1927, amending section 1 of the act of May 26, 1926, entitled "An act to amend sections 1, 5, 6, 8, and 18 of an act approved June 4, 1920, entitled 'An act to provide for the allotment of lands of the Crow Tribe, for the distribution of tribal funds, and for other purposes'"; to the Committee on Indian Affairs.

By Mr. CELLER (by request): A bill (H. R. 6113) to amend an act entitled "An act to extend the functions of the Reconstruction Finance Corporation for 2 years, and for other purposes", approved January 31, 1935; to the Committee on Banking and Currency.

By Mr. DIMOND: A bill (H. R. 6114) to amend section 128 of the Judicial Code, as amended; to the Committee on the Judiciary.

By Mr. KRAMER: A bill (H. R. 6115) to amend an act approved August 13, 1894, entitled "An act for the protection of persons furnishing materials and labor for the construction of public works"; to the Committee on the Judiciary.

By Mr. LAMNECK: A bill (H. R. 6116) to provide time credits for substitute laborers in the post office when appointed as regular laborers; to the Committee on the Post Office and Post Roads.

By Mr. LANHAM: A bill (H. R. 6117) to prevent fraud, deception, or other improper practice in connection with business before the United States Patent Office, and for other purposes; to the Committee on Patents.

By Mr. McSWAIN: A bill (H. R. 6118) authorizing enlistment in the Army for a limited period and intensive military training of boys recently graduated from high school, or young men recently enrolled as students in college, and for other purposes; to the Committee on Military Affairs.

By Mr. SHANLEY: A bill (H. R. 6119) to provide for the construction of five vessels for the Coast Guard designed for ice-breaking and assistance work; to the Committee on Interstate and Foreign Commerce.

By Mr. VINSON of Georgia: A bill (H. R. 6120) to give highest temporary rank to retired officers of the Navy; to the Committee on Naval Affairs.

By Mr. DEMPSEY: A bill (H. R. 6121) to amend the Railroad Retirement Act, approved June 27, 1934; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHNSON of Texas: A bill (H. R. 6122) to control flood waters of the Brazos River and its tributaries in the State of Texas; to aid and improve agriculture and industrial development within said river basin, and for other purposes; to the Committee on Flood Control.

By Mr. JONES: A bill (H. R. 6123) to provide for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges; to the Committee on Agriculture.

By Mr. O'NEAL: A bill (H. R. 6124) to amend subdivisions (a) and (b) of section 400 of the Revenue Act of 1926, as amended, relating to taxes on cigars and cigarettes; to the Committee on Ways and Means.

By Mr. LLOYD: A bill (H. R. 6125) to amend the Plant Quarantine Act of August 20, 1912; to the Committee on Agriculture.

By Mr. WHITE: A bill (H. R. 6126) to improve the navigability of the Columbia River and its tributaries; to provide for the flood control of the Columbia River and its tributaries; to provide for reforestation and the use of marginal lands in the Columbia River Basin; to provide for the agricultural and industrial development of the Columbia River Basin; to provide for the irrigation of lands in the

Columbia River Basin; to provide for the development of electrical power in the Columbia River Basin; and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. ROGERS of Oklahoma: Resolution (H. Res. 125) pertaining to the settlement with the Eastern and Western Cherokees under Public, No. 105, Seventy-second Congress; to the Committee on Indian Affairs.

By Mr. BLAND: Resolution (H. Res. 126) to amend certain clauses of rules X and XI of the House of Representatives; to the Committee on Rules.

By Mr. WHITE: Joint resolution (H. J. Res. 181) changing the name of Pickwick Landing Dam now being constructed on the Tennessee River to Rankin Dam; to the Committee on Military Affairs.

By Mr. McREYNOLDS: Joint resolution (H. J. Res. 182) to provide for membership of the United States in the Pan American Institute of Geography and History; and to authorize the President to extend an invitation for the next general assembly of the Institute to meet in the United States in 1935, and to provide an appropriation for expenses thereof; to the Committee on Foreign Affairs.

By Mr. EKWALL: Joint resolution (H. J. Res. 183) extending the thanks of the Government and people of the United States to the Republic of Finland; to the Committee on Foreign Affairs.

By Mr. CITRON: Concurrent resolution (H. Con. Res. 12) relative to religious persecution in Mexico; to the Committee on Foreign Affairs.

#### MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Wisconsin, regarding the regulation of motor vehicles in interstate service; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of Wisconsin, regarding a protective tariff on agricultural products; to the Committee on Ways and Means.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDRESEN: A bill (H. R. 6127) for the relief of the city of Red Wing, Minn.; to the Committee on Claims.

By Mr. ASHBROOK: A bill (H. R. 6128) to extend the benefits of the Federal Employees' Compensation Act of September 7, 1916, as amended, to Schubert R. Creter; to the Committee on Claims.

By Mr. CHRISTIANSON (by request): A bill (H. R. 6129) for the relief of Joseph S. Smith, alias Clare Holmes; to the Committee on Military Affairs.

By Mr. DRIVER: A bill (H. R. 6130) for the relief of A. G. Brinneman, alias Charles R. Rugles; to the Committee on Military Affairs.

By Mr. GREENWOOD: A bill (H. R. 6131) granting a pension to John P. Reed; to the Committee on Invalid Pensions.

By Mr. HALLECK: A bill (H. R. 6132) for the relief of Hattie McKelvey; to the Committee on Claims.

By Mr. LAMBETH: A bill (H. R. 6133) granting an increase of pension to Nancy Caudill; to the Committee on Invalid Pensions.

By Mr. O'NEAL: A bill (H. R. 6134) for the relief of James W. Myers; to the Committee on Military Affairs.

By Mr. ROMJUE: A bill (H. R. 6135) granting a pension to Mary E. Brewer; to the Committee on Invalid Pensions.

By Mr. SADOWSKI: A bill (H. R. 6136) authorizing the Secretary of War to award a Distinguished Service Medal to Clarence E. Whitney: to the Committee on Military Affairs.

Clarence E. Whitney; to the Committee on Military Affairs.
Also, a bill (H. R. 6137) for the relief of the Otto Misch
Co.; to the Committee on Claims.

By Mr. SMITH of Connecticut: A bill (H. R. 6138) granting Stanley Harrison the privilege of filing application for

the Committee on War Claims.

By Mr. THOMASON: A bill (H. R. 6139) for the relief of Walter B. Carwile; to the Committee on Military Affairs.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1818. By Mr. BEITER: Petition of Group No. 344, of the Polish National Alliance of the United States of North America, with headquarters in Buffalo, N. Y., and Group No. 259 of the same organization, with headquarters in Depew, N. Y., memorializing the United States Congress to enact legislation which will provide for the effective carrying out of the provisions of House Joint Resolution 81 and Senate Joint Resolution 11, to proclaim October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

1819. By Mr. BOYLAN: Letter from the Falcon Packing Co., New York City, regarding excise tax on copper; to the

Committee on Ways and Means.

1820. Also, petition signed by Miriam E. Hassell and others, of New York City, protesting against the passage of Senate bill 1725 and House bill 5423; to the Committee on Interstate and Foreign Commerce.

1821. Also, resolution adopted by the Assembly and Senate of the State of New York, calling on Congress to enact the necessary laws to extend to the people of Puerto Rico complete and full local self-government and to permit the people of Puerto Rico to elect their own Governor and other local officers; to the Committee on Insular Affairs.

1822. By Mr. BUCKBEE: Petition of Group 1224, Polish National Alliance, Rockford, Ill., asking Congress to enact into law House Joint Resolution 81 to officially proclaim October 11 as General Pulaski's Memorial Day; to the Committee on the Judiciary.

1823. Also, petition of the City Council, Rockford, Ill., calling upon Congress to designate October 11 as General Pulaski's Memorial Day; to the Committee on the Judiciary.

1824. By Mr. SCHAEFER: Petition of Lodge No. 796, Polish National Alliance, East St. Louis, Ill., memorializing Congress to enact House Joint Resolution 81 and Senate Joint Resolution 11, directing the President to proclaim October 11 of each year as Gen. Casimir Pulaski's Memorial Day; to the Committee on the Judiciary.

1825. By Mr. BUCKLER of Minnesota: Petition of the County Board of Commissioners of Beltrami County, Bemidji, Minn., praying for opposition and negative action of Congress to the proposed setting off the private lands along the lake shore within the townships of Shotley, Waskish, Konig, Red Lake, and Birch Island and adding them to the Red Lake Indian Reservation; to the Committee on Indian Affairs.

1826. Also, petition of F. A. Ludolph, president, and Robert R. Waite, secretary of the Community Commercial Club of Breckenridge, Wilkin County, Minn., praying for the passage of House bill 3263 (the so-called "Pettengill bill"); to the Committee on Interstate and Foreign Commerce.

1827. By Mr. FULMER: Concurrent resolution of the House of Representatives of the State of South Carolina, Columbia, S. C., memorializing Congress against reducing cotton farmers to less than three bales of tax-free cotton and against an increase of the allotment; to the Committee

1828. By Mr. GOODWIN: Memorial of the Legislature of the State of New York regarding self-government in Puerto Rico; to the Committee on Insular Affairs.

1829. Also, petition of the National Automobile Dealers Association, regarding the nonrenewal of the Federal gasoline tax expiring at the close of the present fiscal year, June 30, 1935, in accordance with the declared intent at the time it was passed; to the Committee on Ways and Means.

1830. By Mr. GRANFIELD: Memorial of the General Court of Massachusetts, relative to the necessity of a stricter enforcement of the laws affecting the crime of lynching; to the Committee on the Judiciary.

1831. By Mr. HART: Memorial of the One Hundred and

benefits under the Emergency Officers' Retirement Act; to | rializing the Congress to approve, if passed, the General Pulaski's Memorial Day resolution now pending in Congress; to the Committee on the Judiciary.

1832. Also, memorial of the One Hundred and Fifty-ninth Legislature of the State of New Jersey, urging the enactment of legislation to permit State taxation of interstate sales; to the Committee on Interstate and Foreign Commerce.

1833. By Mr. HOEPPEL: Petition of the Holy Name Society, San Gabriel, Calif.; to the Committee on Foreign Affairs.

1834. Also, petition of the Holy Name Society, All Souls Parish, Alhambra, Calif.; to the Committee on Foreign

1835. Also, petition of the Holy Name Society, Immaculate Conception Church, Monrovia, Calif.; to the Committee on Foreign Affairs.

1836. By Mr. HULL: Resolution of the Hudson Division, No. 27, of the Order of Benefit Association of Railway Employees, favoring enactment of legislation as recommended by the Federal Coordinator covered in House bill (H. R. 8100) introduced at the session of the Seventy-third Congress; to the Committee on Interstate and Foreign Commerce.

1837. Also, resolution of the Altoona Division, No. 50, of the Order of Benefit Association of Railway Employees, favoring enactment of legislation as recommended by the Federal Coordinator covered in House bill (H. R. 8100) introduced at the session of the Seventy-third Congress; to the Committee on Interstate and Foreign Commerce.

1838. By Mr. JOHNSON of Texas: Memorial of Messrs. W. Edens, mayor, J. B. Paschal, H. R. Langridge, W. S. Shugart, Ira McMillan, Carl S. Collins, Robert A. Towns, and Neil Holloway, of Corsicana, Tex., opposing the Rayburn holding company bill; to the Committee on Interstate and Foreign Commerce.

1839. By Mr. KIMBALL: Petition of citizens of third district of Michigan, favoring enactment of legislation embodying Townsend plan of old-age pensions, and a Nationwide Federal transaction sales tax calculated to produce the necessary revenue to meet requirements of said pensions; to the Committee on Ways and Means.

1840. By Mr. KRAMER: Resolution of the Holy Name Society of the St. Peter's Church of Los Angeles, relative to the religious situation in Mexico, etc.; to the Committee on Foreign Affairs.

1841. By Mr. MEAD: Petition of the Kern County Board of Supervisors, Bakersfield, Calif., requesting Congress to enact immediate and proper legislation which will provide for the continuance of the present operator (United Airlines) of the Seattle-San Diego route; to the Committee on the Post Office and Post Roads.

1842. Also, petition of citizens of Lackawanna, N. Y., requesting Congress to enact House Joint Resolution 81 and Senate Joint Resolution 11, directing the President to proclaim October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

1843. Also, petition of the Sentinels of the Republic, protesting against the inquisitorial publication of the personal income of citizens; to the Committee on Ways and Means.

1844. By Mr. MERRITT of New York: Petition of the Holy Name Society of St. Thomas the Apostle Church, Woodhaven, Long Island, N. Y., protesting against the activities of the National Revolutionary Party in Mexico and urging the United States Congress to refrain from any intervention in support of said party and to refrain from trade relations which are profitable to the supporters of the National Revolutionary Party, and urging tourists not to visit Mexico; to the Committee on Foreign Affairs.

1845. By Mr. MILLER: Petition of certain citizens resident of Clarendon, county of Monroe, State of Arkansas, numerously signed, urging enactment of House bill 2856, by Representative WILL ROGERS, of Oklahoma, the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1846. Also, petition of certain citizens resident of Hazen, Fifty-ninth Legislature of the State of New Jersey, memo- county of Prairie, State of Arkansas, numerously signed, urging enactment of House bill 2856, by Representative WILL ROGERS, of Oklahoma, the Pope plan of direct Federal oldage pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1847. Also, petition of certain citizens resident of Beebe, county of White, State of Arkansas, numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, the Pope plan of direct Federal oldage pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1848. By Mr. PFEIFER: Petition of F. H. Von Damm, grain dealers, Brooklyn, N. Y., concerning the Black-Connery 30-hour-week bills; to the Committee on Labor.

1849. Also, petition of Bushwick Post, No. 96, Jewish War Veterans of the United States, Brooklyn, N. Y., favoring the passage of the Patman bill (H. R. 1); to the Committee on Ways and Means.

1850. Also, petition of William H. Strang Warehouses, Inc., Brooklyn, N. Y., concerning the Black-Connery 30-hour-week bill; to the Committee on Labor.

1851. Also, petition of the Ralph E. Jones Co., New York City, opposing the Snyder bill (H. R. 4661); to the Committee on Ways and Means.

1852. Also, petition of the Lee Skipworth Co., New York City, opposing the Public Utility Holding Co. bill (H. R. 5423); to the Committee on Interstate and Foreign Commerce.

1853. Also, petition of Rev. Dr. John E. Flemming, chairman of the committee on pensions and relief of the Presbytery of Brooklyn-Nassau, Brooklyn, N. Y., concerning an amendment to the Economic Security Act; to the Committee on Interstate and Foreign Commerce.

1854. Also, petition of George W. Waldo, Grace Condit, H. H. Primavese, of Brooklyn, N. Y., opposing the Public Utility Holding Co. bill (H. R. 5423); to the Committee on Interstate and Foreign Commerce.

1855. Also, petition of the National Woman's Party, New York City committee, urging support to the passage of the equal rights amendment; to the Committee on the Judiciary.

1856. By Mr. REILLY: Resolution of the State Legislature of Wisconsin, urging Congress to enact adequate tariff to protect the products of American farm against foreign competition and to repeal all laws by which the power to change or suspend tariff rates has been delegated to department heads of the Federal Government; to the Committee on Ways and Means.

1857. By Mr. RUDD: Petition of the Assembly, Legislature of the State of New York, concerning the enactment of the necessary laws to extend to the people of Puerto Rico complete and full local self-government and to permit the people of Puerto Rico to elect their own Governor and other local officers; to the Committee on Insular Affairs.

1858. Also, petition of R. F. Wanger, 56 Autumn Avenue, Brooklyn, N. Y., and four other citizens of Brooklyn, N. Y., concerning Senate bill 1725 and House bill 5423 (publicutility bills); to the Committee on Interstate and Foreign

1859. Also, petition of Fred Kern, 8730 Ninety-fifth Street, Woodhaven, Long Island, N. Y., and 23 other citizens of Woohaven, concerning Senate bill 1725 and House bill 5423 (public-utility bills); to the Committee on Interstate and Foreign Commerce.

1860. Also, petition of Herbert J. Hass, 9139 Seventy-ninth Street, Woodhaven, Long Island, N. Y., and nine other citizens of Woodhaven, concerning Senate bill 1725 and House bill 5423 (public-utility bills); to the Committee on Interstate and Foreign Commerce.

1861. By Mr. ROGERS of Oklahoma: Petitions of certain citizens resident of the State of Alabama in the counties of Autauga, Bullock, Blount, Barbour, Butler, Cullman, Conecuh, Coffee, Calhoun, Clay, Covington, Colbert, Crenshaw, DeKalb, Escambia, Etowah, Jefferson, Limestone, Lawrence, Lowndes, Lee, Lauderdale, Mobile, Monroe, Marion, Marshall, Morgan, Madison, Pickens, Russell, Shelby, Tallapoosa,

Tuscaloosa, Talladega, and Walker, all numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1862. Also, petitions of certain citizens resident of the State of Florida in the counties of Alachua, Escambia, Gadsden, Holmes, Polk, and Wakulla, all numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1863. Also, petitions of certain citizens resident of the State of Iowa in the counties of Des Moines, Dubuque, and Lee, all numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1864. Also, petitions of certain citizens resident of the State of Illinois in the counties of Bond, Cumberland, Christian, Cook, Franklin, Fulton, Greene, Jackson, Macoupin, Montgomery, Pulaski, St. Clair, Stephenson, Sangamon, Union, Vermilion, White, and Williamson, all numerously signed, urging enactment of House bill 2856, by Representative Will Rocers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1865. Also, petitions of certain citizens resident of the State of Kentucky in the counties of Breathitt, Butler, Bullitt, Daviess, Hart, Hancock, Henderson, Jefferson, Logan, Lincoln, Muhlenberg, McCracken, Ohio, Todd, Webster, and Warren, all numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1866. Also, petitions of certain citizens resident of the State of Louisiana in the parishes of Bossier, Claiborne, De Soto, Iberville, Jackson, Natchitoches, Olla, Sabine, St. James, St. Landry, Tangipahoa, Vermillion, Washington, West Feliciana, and West Baton Rouge, all numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1867. Also, petitions of certain citizens resident of the State of Maryland in the counties of Allegany and Garrett, all numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1868. Also, petitions of certain citizens resident of the State of Mississippi in the counties of Alcorn, Bolivar, Clarke, Clay, Coahoma, Covington, Chickasaw, De Soto, Hinds, Itawamba, Jefferson, Lawrence, Lee, Lauderdale, Lafayette, Lamar, Leflore, Lincoln, Monroe, Marion, Montgomery, Noxubee, Rankin, Stone, Sunflower, Smith, Scott, Tate, Tunica, Union, and Yazoo, all numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1869. Also, petitions of certain citizens resident of the State of Missouri in the counties of Crawford, Clinton, Cape Girardeau, Grundy, Jackson, Livingston, New Madrid, Platte, Phelps, Pemiscot, Reynolds, Randolph, St. Louis, Stoddard, Texas, Vernon, Wayne, and Washington, all numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of

over 55, independent of State participation; to the Committee on Ways and Means.

1870. Also, petitions of certain citizens resident of the State of North Carolina in the counties of Alleghany, Buncombe. Brunswick, Columbus, Cleveland, Franklin, Onslow, and Pender, all numerously signed, urging enactment of House bill 2856, by Representative WILL ROGERS, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation: to the Committee on Ways and Means.

1871. Also, petitions of certain citizens resident of the State of Kansas in the counties of Allen and Montgomery, all numerously signed, urging enactment of House bill 2856, by Representative WILL ROGERS, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1872. Also, petitions of certain citizens resident of the State of Pennsylvania in the counties of Cambria and Somerset, all numerously signed, urging enactment of House bill 2856, by Representative WILL ROGERS, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1873. Also, petitions of certain citizens resident of the State of Ohio in the counties of Belmont and Perry, all numerously signed, urging enactment of House bill 2856, by Representative WILL ROGERS, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1874. Also, petitions of certain citizens resident of the State of Oklahoma in the counties of Beaver, Choctaw, Creek, McIntosh, McCurtain, Mayes, and Pushmataha, all numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1875. Also, petitions of certain citizens resident of the State of New York in the county of Nassau, numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1876. Also, petitions of certain citizens resident of the State of Texas in the counties of Bowie, Dallas, Milam, Polk, San Augustine, San Jacinto, Shelby, Tarrant, Titus, Tyler, and Walker, all numerously signed, urging enactment of House bill 2856, by Representative WILL ROGERS, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1877. Also, petitions of certain citizens resident of the State of Arkansas in the counties of Arkansas, Cleveland, Conway, Crittenden, Madison, Miller, Mississippi, Ouachita, Phillips, Poinsett, Pope, Pulaski, Upson, Van Buren, and Woodruff, all numerously signed, urging enactment of House bill 2856, by Representative WILL ROGERS, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1878. Also, petitions of certain citizens resident of the State of Tennessee in the counties of Benton, Blount, Claiborne, Coffee, Crockett, Dyer, Fentress, Gibson, Grundy, Hamilton, Hawkins, Haywood, Lauderdale, McNary, Madison, Meigs, Monroe, Obion, Roane, Shelby, Sullivan, Sumner, Tipton, Union, Weakley, White, and Wilson, all numerously signed, urging enactment of House bill 2856, by Representative WILL ROGERS, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1879. Also, petitions of certain citizens resident of the State of Georgia in the counties of Burke, Carroll, Chatham,

direct Federal old-age pensions of \$30 per month to persons | Cherokee, Fannin, Fulton, Greene, Hall, Jasper, Jones, Lamar, Laurens, Lowndes, Muscogee, Oglethorpe, Pickens, Taliaferro, Terrell, Troup, Webster, and White, all numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

> 1880. Also, petitions of certain citizens resident of the State of South Carolina in the counties of Anderson, Abbeville, Greenville, Greenwood, McCormick, Pickens, Spartanburg, and Sumter, all numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation: to the Committee on Ways and Means.

> 1881. Also, petitions of certain citizens resident of the State of Virginia in the counties of Carroll, Dickenson, Grayson, Montgomery, Prince George, Scott, Smyth, Tazewell, and Wise, all numerously signed, urging enactment of House bill 2856, by Representative WILL ROGERS, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

> 1882. Also, petitions of certain citizens resident of the State of West Virginia in the counties of Boone, Cabell, Doddridge, Hardy, Logan, Lincoln, McDowell, Marion, Mineral, Taylor, Wayne, and Wetzel, all numerously signed. urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

> 1883. Also, petition of certain citizens resident of the State of Arizona in the county of Maricopa, numerously signed, urging the enactment of House bill 2856, by Representative WILL ROGERS, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

> 1884. Also, petition of certain citizens resident of the State of Minnesota in the county of Todd, numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

> 1885. Also, petition of certain citizens resident of the State of New Mexico, in the county of Grant, numerously signed, urging enactment of House bill 2856, by Representative WILL ROCERS, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

> 1886. Also, petition of certain citizens resident of the State of Indiana in the county of Greene, numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

> 1887. Also, petition of certain citizens resident of the State of Colorado in the county of La Plata, numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

> 1888. Also, petition of certain citizens resident of the county of Richland in the State of Wisconsin, numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1889. By Mr. SADOWSKI: Petition of the Detroit Fire Department Post, No. 1339, Veterans of Foreign Wars of the United States, endorsing the Patman bill (H. R. 1); to the Committee on Ways and Means.

1890. Also, petition of Group No. 2027 of the Polish National Alliance, urging the enactment of the resolution setting aside October 11 of each year as General Pulaski Memorial Day; to the Committee on the Judiciary.

1891. Also, petition of Group No. 2481, Polish National Alliance, memorializing Congress to set apart October 11 of each year as General Pulaski Memorial Day; to the Committee on the Judiciary.

1892. Also, petition of the Czechoslovak people of the west side of Detroit, Mich., endorsing the Lundeen social and unemployment bill (H. R. 2827); to the Committee on Ways and Means.

1893. Also, petition of Group No. 1766 of the Polish National Alliance, asking the President of the United States to proclaim October 11 General Pulaski Memorial Day; to the Committee on the Judiciary.

1894. Also, petition of Group No. 2586 of the Polish National Alliance, asking the enactment of the resolution setting aside October 11 of each year as General Pulaski Memorial Day; to the Committee on the Judiciary.

1895. By Mr. SAUTHOFF: Petition in the nature of a joint resolution of the State of Wisconsin, memorializing Congress to pass uniform laws regulating motor vehicles in interstate service; to the Committee on Interstate and Foreign Commerce.

1896. Also, petition in the nature of a joint resolution of the State of Wisconsin, relating to a protective tariff on agricultural products; to the Committee on Ways and Means.

1897. By Mr. SCHAEFER: Petition of the Holy Name Society, St. Mark's parish, Venice, Ill., protesting against religious persecutions in Mexico; to the Committee on Foreign Affairs.

1898. By Mr. SHANLEY: Petition of the Guild of Our Lady of Albertus Magnus College; to the Committee on Foreign Affairs.

1899. By Mr. TARVER: Petition of certain citizens resident of Calhoun, county of Gordon, State of Georgia, numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1900. Also, petition of certain citizens resident of Douglasville, county of Douglas, State of Georgia, numerously signed, urging enactment of House bill 2856, by Representative Will Rocers, of Oklahoma, the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1901. By Mr. TRUAX: Petition of the Ohio Unemployed League of Muskingum County, Unit No. 1, by their chairman, Harry I. Flowers, Zanesville, Ohio, going on record that work intended as Government projects for the relief of the unemployed be given to them as in the past through their relief directors, and not be let to contractors who will make themselves richer while the ones on relief stay poorer; to the Committee on Labor.

1902. Also, petition of the Train Dispatchers of Baltimore & Ohio Railroad Co., of Newark, Ohio, by J. M. Kidd and others, urging that their Congressmen support the hours-of-service bill; to the Committee on Labor.

1903. Also, petition of the Trades and Labor Assembly of Tuscarawas County, Ohio, by their secretary, Guy Z. Bour, New Philadelphia, Ohio, urging Congressmen to support a measure that will take away the right of the banks to coin money and regulate the value thereof and place it back into the hands of the United States Government where it rightfully belongs; to the Committee on Banking and Currency.

1904. Also, petition of the Federation of Architects, Engiling and Technicians, by their secretary, Max-

well Levinson, Philadelphia, Pa., urging their Congressmen to endorse the workers' bill (H. R. 2827), and if necessary sign a round robin to bring it out of committee onto the floor of the House of Representatives and that they oppose the administration plan for public works and insist on a more extensive program to hire all at present unemployed at union wage scales on the basis of a 30-hour week; to the Committee on Labor.

1905. Also, petition of the International Union of Operating Engineers, Local Union of Operating Engineers, Toledo, Ohio, by their corresponding secretary, S. A. Bloom, urging support of the McCarran amendment to the publicworks relief bill, and the adoption of Senate Resolution No. 69 for the purpose of a thorough congressional investigation of the entire automobile industry to ascertain whether or not section 7 (a) has been violated, etc.; to the Committee on Appropriations.

1906. By Mr. WIGGLESWORTH: Petition of the mayor and City Council of Brockton, Mass., urging the immediate cash payment of the adjusted-service certificates; to the Committee on Ways and Means.

1907. Also, petition of the General Court of Massachusetts, memorializing the Congress of the United States relative to the prevention or punishment of the crime of lynching; to the Committee on the Judiciary.

1908. By Mr. WITHROW: Memorial of the Legislature of the State of Wisconsin, memorializing Congress to pass uniform laws regulating motor vehicles in interstate service; to the Committee on Interstate and Foreign Commerce.

1909. Also, memorial of the Legislature of the State of Wisconsin, relating to a protective tariff on agricultural products; to the Committee on Ways and Means.

1910. By Mr. MARCANTONIO: Petition of the Assembly of the State of New York, asking for equal treatment for Puerto Rico; to the Committee on Insular Affairs.

## SENATE

## Monday, February 25, 1935

The Chaplain, Rev. Z@Barney T. Phillips, D. D., offered the following prayer:

Almighty God, whose kingdom is everlasting and power infinite, whose glory filleth the heavens and whose mercy is over all Thy works: give us thankful hearts as another day is added to our lives, wherein our thoughts and endeavors may be sanctified by Thy divine compassion, for Thou lovest righteousness and hatest iniquity. Lead us by Thy spirit out of the bondage of the fear of men into the perfect freedom which belongeth to the sons of God, that with a conscience void of offense we may be given strength equal to the burdens of the day, wisdom sufficient for each problem of the hour; and grant that what we do here may be approved not only of our fellow men but of Thee, O God, our strength, our guide, and our eternal Father. We ask it in the name of Him who is both Son of Man and Son of God, Jesus Christ, our Lord. Amen.

## THE JOURNAL

The Chief Clerk proceeded to read the Journal of the proceedings of the calendar day Friday, February 22, 1935, when, on request of Mr. Robinson and by unanimous consent, the further reading was dispensed with, and the Journal was approved.

## MESSAGE FROM THE PRESIDENT-APPROVAL OF BILLS

A message in writing from the President of the United States was communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following acts:

On February 21, 1935:

S. 932. An act to postpone the effective date of certain restrictions respecting air-mail contracts; and

S. 1144. An act to further extend the time for constructing a bridge across the Missouri River at or near St. Charles, Mo.

On February 22, 1935:

S. 1190. An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had passed a bill (H. R. 5913) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1936, and for other purposes, in which it requested the concurrence of the Senate.

#### SIGNING OF AN ENROLLED BILL

The VICE PRESIDENT announced that, under authority of an order of the Senate, he signed, after the adjournment on Friday last the enrolled bill (S. 1190) to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce or petroleum and its products produced in violation of State law, and for other purposes, the bill having previously been signed by the Speaker of the House of Representatives and reported by the Committee on Enrolled Bills as having been examined and found truly enrolled, and that it was then delivered to the committee to be presented to the President of the United States.

#### GEORGE ROGERS CLARK SESQUICENTENNIAL COMMISSION

The VICE PRESIDENT. The Chair reappoints the Senator from Tennessee [Mr. McKellar] a member of the George Rogers Clark Sesquicentennial Commission, created by the act approved May 23, 1928, and appoints the Senator from Maine [Mr. WHITE] a member of the Commission to fill the vacancy caused by the expiration of the term of service of Hon. Simeon D. Fess.

## NASHVILLE (TENN.) PRESIDENT'S PLAZA COMMISSION

The VICE PRESIDENT. The Chair reappoints the Senators from Tennessee [Mr. McKellar and Mr. Bachman] as members of the Nashville (Tenn.) President's Plaza Commission, created by section 2 of an act approved December 12, 1928, and appoints the Senator from Delaware [Mr. HASTINGS] a member of the Commission to fill the vacancy caused by the expiration of the term of service of Hon. Simeon D. Fess.

## CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll. The legislative clerk called the roll, and the following Senators answered to their names:

Dellators a	TIONCICK OF MICE	i mamico.	
Adams	Costigan	La Follette	Robinson
Ashurst	Couzens	Lewis	Russell
Austin	Cutting	Logan	Schall
Bachman	Davis	Lonergan	Schwellenbach
Bankhead	Dickinson	McAdoo	Sheppard
Barbour	Donahey	McCarran	Shipstead
Bilbo	Duffy	McGill	Smith
Black	Fletcher	McKellar	Steiwer
Bone	Frazier	McNary	Thomas, Okia.
Borah	George	Maloney	Thomas, Utah
Brown	Gerry	Metcalf	Townsend
Bulkley	Gibson	Minton	Trammell
Bulow	Glass	Murphy	Truman
Burke	Gore	Murray	Tydings
Byrd	Guffey	Neely	Vandenberg
Byrnes	Hale	Norbeck	Van Nuys
Capper	Harrison	Norris	Wagner
Caraway	Hastings	Nye	Walsh
Carey	Hatch	O'Mahoney	Wheeler
Clark	Hayden	Pittman	White
Connally	Johnson	Pope	
Coolidge	Keyes	Radcliffe	
Copeland	King	Reynolds	

Mr. LEWIS. I announce the absence of the junior Senator from Louisiana [Mr. Overton], because of illness, and the absence of the junior Senator from Illinois [Mr. DIETER-ICH], the junior Senator from New Jersey [Mr. Moore], the senior Senator from Louisiana [Mr. Long], the senior Senator from Kentucky [Mr. BARKLEY], and the senior Senator from North Carolina [Mr. Balley], who are necessarily detained from the Senate.

The VICE PRESIDENT. Eighty-nine Senators have answered to their names. A quorum is present.

#### ORDER OF BUSINESS

Mr. ROBINSON. I ask unanimous consent that at the conclusion of routine morning business the Senate proceed to the consideration of unobjected bills on the calendar.

Mr. McNARY. Mr. President, I have no objection to that request if it is understood that at some time later during the week we may take up the calendar for general discussion and for motions to consider bills.

Mr. ROBINSON. Mr. President, in answer to the statement of the Senator from Oregon, I will say that it is anticipated by myself that opportunity will be afforded sometime during the present week to consider bills on the calendar under rule VIII.

The VICE PRESIDENT. Is there objection to the request of the Senator from Arkansas? The Chair hears none, and it is so ordered.

Mr. McKELLAR. Mr. President, may I ask the Senator from Arkansas if, after the Senate shall have concluded the consideration of the calendar, it will be possible to proceed with the consideration of House bill 5255, being the appropriation bill for the Departments of State, Justice, Commerce, and Labor, which has been reported? I hope the Senate may consider the bill today.

Mr. ROBINSON. I think, Mr. President, that the Senate may proceed with the consideration of the general appropriation bill when the order just arranged for shall have been concluded.

#### REPORT OF THE FARM CREDIT ASSOCIATION

The VICE PRESIDENT laid before the Senate a letter from the Governor of the Farm Credit Administration, transmitting, pursuant to law, his second annual report, covering the operations of the Administration for the year 1934, which, with the accompanying report, was referred to the Committee on Banking and Currency.

### SENATOR FROM NEW MEXICO-CONTEST

The VICE PRESIDENT laid before the Senate the petition of Dennis Chavez, of Albuquerque, N. Mex., giving notice of and entering and filing a contest of the election of Hon. Bronson M. Cutting as Senator from New Mexico for the 6-year term commencing January 3, 1935, to succeed himself, and so forth, which was referred to the Committee on Privileges and Elections.

## PETITIONS AND MEMORIALS

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of the State of Wyoming, which was referred to the Committee on Agriculture and Forestry:

House joint memorial, memorializing Congress to enact the legislation embodied in the so-called "Frazier-Lemke farmers' refinancing bill"

Be it resolved by the House of Representatives of the State of Wyoming (the senate concurring), That the Congress of the United States be memorialized as follows:

Whereas the 30,000,000 farmers of the United States have been

whereas the 30,000,000 farmers of the United States have been sorely stricken by reason of the unprecedented drop in farm prices, and by the wide-spread drought; and

Whereas said farmers are so heavily in debt that they are, and will be, unable to extricate themselves from their financial difficulties because of the high rate of interest which they are now compelled to pay: Therefore, be it

Resolved, That the House of Representatives of the State of Wyoming, the senate concurring, hereby memorializes the Congress of the United States of America, to pass an act embodying the essential features of the so-called "Frazier-Lemke farmers' refinancing bill" at the earliest possible moment; be it further

refinancing bill" at the earliest possible moment; be it further

Resolved, That a certified copy of this memorial be forwarded to
each the President and the Vice President of the United States, the
Secretary of Agriculture, the Speaker of the House of Representatives, and to our congressional delegates, Senators Robert D. Carey
and Joseph C. O'Mahoney, and Congressman Paul R. Greever.

Henry D. Watenpaugh,
Speaker of the House.

N. A. Pearson,

President of the Senate

President of the Senate. Approved 11 a. m. February 7, 1935.

LESLIE A. MILLER, Governor.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Arkansas, which was referred to the Committee on Appropriations:

House Concurrent Resolution 6 (by Mr. Moore)

Whereas there is now pending in the National Congress a bill to appropriate the sum of \$10,000,000 for public-health work, four-fifths of which is to be allocated to the several States for use by their health departments; and

Whereas there is more urgent need for preventive and health activities during a severe depression than ordinarily exists; and

Whereas considerable employment of a most worth-while nature would result from such appropriation: Therefore be it Resolved by the house of representatives (the senate concurring therein), That the Congress be, and it is hereby, memorialized and urged to enact at the present session the appropriation for health work heretofore described.

I hereby certify that the foregoing is a true and correct copy of House Concurrent Memorial No. 6.

H. P. SMITH, Chief Clerk of the House.

The VICE PRESIDENT also laid before the Senate a resolution adopted by the House of Representatives of the State of Kentucky, which was referred to the Committee on Finance:

IN THE HOUSE OF REPRESENTATIVES.

Commonwealth of Kentucky.

Whereas there are now pending before the Congress of the
United States two measures authorizing and directing the immediate payment of the adjusted-compensation certificates issued World War veterans; and

Whereas there are thousands of veterans in Kentucky who are in need and many of whom, with their families, are on relief; and Whereas the payment of the bonus immediately will remove

these veterans and families from relief and will bring about a well-distributed flow of money over the entire county, and permit veterans to purchase needs for their families and to satisfy at least part of their indebtedness, and the immediate payment thereof will aid in the industrial and financial rehabilitation of the citizenry:

aid in the industrial and financial rehabilitation of the cluzenry. Now, therefore, be it

\*Resolved by the house of representatives, That the House of Representatives of the Commonwealth of Kentucky does hereby petition and respectfully request of the Congress of the United States the immediate passage of a just and proper measure providing for the payment of adjusted-compensation certificates in cash, and the clerk of the house is hereby directed to forward a copy of this resolution to each of the Members of Congress and the two United States Senators from Kentucky, and to forward a copy thereof to the Clerk of the House of Representatives and the clerk of the Senate of the United States.

This resolution was adopted by the house of representatives.

This resolution was adopted by the house of representatives.

J. ERWIN SANDERO Chief Clerk House of Representatives.

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of the State of Oregon, which was referred to the Committee on Finance:

Senate Joint Memorial 12

To the Honorable Franklin D. Roosevelt, President of the United States, and to the honorable Senate and House of Representatives of the United States in Congress assembled:

We, your memorialists, the Thirty-eighth Legislative Assembly of the State of Oregon, convened in regular session, respectfully rep-

Whereas the production of cherries suitable for maraschino and glace manufacture has reached such proportions on the Pacific coast that there is at the present time more than an ample supply of suitable varieties to satisfy all demands for that type of cherries in the United States; and

Whereas under the protection provided by the present tariff covering cherries natural, sulphured or in brine, cherries produced on the Pacific coast are now finding a market in the United States;

whereas the sale of these cherries since this tariff became effective has made substantial returns to many thousands of Oregon people—producers, processors, and laborers employed in harvesting and preparing the cherries for market alike; and

Whereas it is of vital importance to the people of Oregon that the cherry industry of the Pacific coast be protected adequately against destructive foreign importation; and

Whereas any reduction in the present tariff will mean a severe blow to the Pacific-coast cherry industry, resulting in the greater portion of the cherry crop being unmarketed, thus incurring severe losses to the cherry producers, laborers, and manufacturers of domestic materials and supplies used in the preparation of these cherries for market: Now, therefore, be it

Resolved by the Senate of the State of Oregon (the house of representatives jointly concurring therein). That we, your memorialists, the Thirty-eighth Legislative Assembly of the State of Oregon, convened in regular session, respectfully petition the Congress of the United States to refrain from the reduction, in any

part, of the present tariff rates on cherries, natural, sulphured, or in brine; and be it further

Resolved, That a copy of this memorial be transmitted to the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, the Secretary of Agriculture of the United States, the chairman of the committee for reciprocity information of the Tariff Commission, and to each Member of the Organ delegation in Congress Member of the Oregon delegation in Congress.

The VICE PRESIDENT also laid before the Senate the following resolution of the General Court of Massachusetts, which was referred to the Committee on the Judiciary:

Resolutions memorializing the Congress of the United States relative to the prevention or punishment of the crime of lynching

tive to the prevention or punishment of the crime of lynching Resolved, That the General Court of Massachusetts respectfully represents to the President and the Congress of the United States the necessity of the more strict enforcement of existing Federal statutes whereunder the crime of lynching may be punished, and of the passage of additional Federal statutes effectively prohibiting and punishing such crime; and be it further Resolved, That copies of these resolutions be forwarded forthwith by the secretary of the commonwealth to the President of the United States, to the presiding officers of both branches of Congress, and to the Members of Congress from Massachusetts. In the house of representatives, adopted February 11, 1935. In senate, adopted, in concurrence, February 18, 1935.

In senate, adopted, in concurrence, February 18, 1935.

A true copy.

Attest:

[SEAL]

F. W. Cook, Secretary of the Commonwealth.

The VICE PRESIDENT also laid before the Senate a resolution of the House of Representatives of the State of Georgia, protesting against the enactment of the so-called Wagner-Costigan antilynching bill", which was referred to the Committee on the Judiciary.

(See resolution printed in full when presented today by

Mr. George, p. 2516.)

The VICE PRESIDENT also laid before the Senate a concurrent resolution of the Legislature of the State of Indiana, favoring the initiation of an investigation by the Senate of monopolistic practices in the natural-gas industry, which was referred to the Committee on the Judiciary.

(See concurrent resolution printed in full when presented

today by Mr. Van Nuys, p. 2516.)

The VICE PRESIDENT also laid before the Senate a joint resolution of the Legislature of the State of Wisconsin, favoring the enactment of legislation to provide for public power development and especially rural electrification in the upper Mississippi Valley as proposed in legislation pending in Congress, which was referred to the Committee on Agriculture and Forestry.

(See joint resolution printed in full when presented today by Mr. La Follette, p. 2516.)

The VICE PRESIDENT also laid before the Senate a joint memorial of the Legislature of the State of Montana, favoring the enactment of legislation providing for immediate resumption of work on the Polson Dam site by the Federal Government, or the lessee of said dam site, which was referred to the Committee on Irrigation and Reclamation.

(See joint memorial printed in full when presented today by Mr. Murray, p. 2519.)

The VICE PRESIDENT also laid before the Senate a joint resolution of the Legislature of the State of Wisconsin, favoring an amendment to the Constitution of the United States providing for a referendum of the people before war can be declared, which was referred to the Committee on the Judiciary.

(See joint resolution printed in full when presented today by Mr. La Follette, p. 2517.)

The VICE PRESIDENT also laid before the Senate a joint resolution of the Legislature of the State of Wisconsin, favoring the enactment of legislation making the manufacture and sale of munitions of war a monopoly of the Federal Government, which was referred to the Committee on Military Affairs.

(See joint resolution printed in full when presented today by Mr. La Follette, p. 2517.)

The VICE PRESIDENT also laid before the Senate a resolution adopted by the League of Struggle-Negro Rights Organization, of Buffalo, N. Y., favoring the passage of legislation known as "The Workers' Unemployment Old Age

and Social Insurance Act", which was referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by the Iowa City (Iowa) Townsend Club, favoring the passage of legislation providing old-age pensions under the so-called "Townsend plan", which was referred to the Committee on Finance.

He also laid before the Senate the petition of the Buckeye Garrison No. 270, Army and Navy Union, Cleveland, Ohio, praying for the enactment of legislation providing old-age pensions under the so-called "Townsend plan", which was referred to the Committee on Finance.

He also laid before the Senate letters in the nature of memorials from Mrs. Frida E. Lundberg, of New York City, and Harry Holdsworth and Mrs. Grace Blattner, of Philadelphia, Pa., remonstrating against the enactment of legislation inimical to the interest of investors in the securities of public-utility corporations, which were referred to the Committee on Interstate Commerce.

He also laid before the Senate resolutions of the Common Council of Peabody, Mass.; the Common Council of Plainfield, N. J.; the mayor and Council of the borough of Fort Lee, N. J.; the Common Council of Lakewood, Ohio; and Group No. 672 of Chicago, Ill., and Group No. 545 of Simpson, Pa., both of the Polish National Alliance of the United States of North America, favoring the enactment of pending legislation establishing October 11 of each year as General Pulaski's Memorial Day, which were referred to the Committee on the Judiciary.

Mr. COSTIGAN. Mr. President, with special appreciation of the action taken, I present for appropriate reference, with a request for the publication of the entire text, Colorado Senate Joint Memorial 2, approved recently by both Senate and House of Colorado's Legislature, now in session, endorsing the antilynching bill of the Senator from New York [Mr. Wagner] and myself (S. 24) on which public hearings were held on February 14 before the Senate Judiciary Committee.

The joint memorial was referred to the Committee on the Judiciary, as follows:

### Senate Joint Memorial 2

Whereas there has been introduced in the Congress of the United States a bill known as the "Costigan-Wagner antilynching bill"; and

Whereas one of the greatest blots on the escutcheon of the several States and the fair name of our country as a whole is the evil of lynching and the unrestrained activities of such lawless

Whereas among the victims of these atrocities have been not only men but women and children, some 5,068 lynchings having graced our country since 1882, 15 of which occurred in the year 1934: and

Whereas the governments of the several States have been unable

whereas the governments of the several States have been unable to cope successfully with the continuous uprising of mob law in that respect: Now, therefore, be it

\*Resolved by the senate of the thirtieth general assembly (the house of representatives concurring herein), That the Congress of the United States is hereby respectfully memorialized and urged to enact the said Costigan-Wagner antilynching bill into law.

RAY H. TALBOT, President of Senate. M. J. Walsh, Secretary of Senate.
Moses E. Smith,
Speaker of House of Representatives. JOHN T. DOYLE, Chief Clerk.

Mr. COSTIGAN. I also present for appropriate reference, with a similar request for the publication of the text, House Joint Memorial 3, recently adopted by the House and Senate of the present Colorado Legislature, urging speedy and proper legislation by the Congress to continue the work of the Home Owners' Loan Corporation.

The joint memorial was referred to the Committee on Banking and Currency, as follows:

House Joint Memorial 3

Memorial to the Congress of the United States concerning the Home Owners' Loan Corporation

Whereas the Seventy-third Congress of the United States, by the act known as "Home Owners' Loan Act of 1933", approved June 13, 1933, amended April 27, 1934, established the Home Owners' Loan Corporation; and

Whereas the purpose of the act as stated by President Franklin D. Roosevelt was "to protect small home owners from foreclosure and to relieve them of a portion of the burden of excessive interest and principal payments incurred during the period of higher values

and principal payments incurred during the period of higher values and higher earning power "; and Whereas in his message to Congress on April 13, 1933, the President made the further declaration concerning the establishment of the Home Owners' Loan Corporation that "the broad interests of the Nation require that special safeguards should be thrown around home ownership as a guaranty of social and economic stability, and that to protect home owners from inequitable enforced liquidation in a time of general distress is a proper concern of the Government"; and Government"; and

Whereas by reason of said act the homes of thousands of substantial and deserving citizens of the United States have been saved and many thousands of small mortgage holders have been relieved of great financial embarrassment; and

Whereas the entire amount appropriated and bonds authorized under the provisions of the present act are now practically exhausted and there are many thousands of equally substantial, deserving, and distressed citizens who have been unable to avail themselves of the benefits of said act; and

Whereas private lending agencies are still unwilling or unable to

provide the funds necessary to adequately care for the present requirements for home loans, as the result of which many thousands of home owners are in imminent danger of losing their homes: Therefore be it

Therefore be it

Resolved, That the Thirtieth General Assembly of the State of
Colorado respectfully memorializes and petitions the Congress of
the United States of America to enact as speedily as possible proper
legislation to enable the Home Owners' Loan Corporation to earry
on its work until the next regular session of Congress; be it further

Resolved, That copies of this memorial be sent to the President
of the Senate and Speaker of the House of Representatives and to

the Senators and Representatives of Colorado in Congress.

Moses E. Smith,
Speaker of the House of Representatives.
John T. Doyle,
Chief Clerk. RAY H. TALBOT,
President of the Senate.
M. J. Walsh,
Secretary of State.

[SEAL]

Mr. COSTIGAN. I further present for appropriate reference and ask that the text be published, Senate Joint Memorial No. 3, recently approved by both Senate and House of the Colorado Legislature, asking that Federal gasoline taxes be rescinded and that gasoline be reserved for State taxes for road construction and maintenance.

The joint memorial was referred to the Committee on Finance, as follows:

## Senate Joint Memorial 3

A joint memorial memorializing Congress of the United States of America to eliminate the taxation of gasoline by the Federal Government

Whereas the Congress of the United States of America has imposed a tax upon all sales of gasoline; and

Whereas the State of Colorado and all other several States of the United States have already imposed taxes upon such sales; and Whereas the Federal tax on such sales is untimely and prohibitive and, coupled with the respective State taxes on such sales, places a burden upon the users of gasoline beyond that which they should carry and beyond that which the traffic can legitimately bear; and

mately bear; and
Whereas the taxation of sales of gasoline should properly be left to the exclusive use of the States as a means of providing funds for road construction and maintenance: Now, therefore, be it

Resolved by the Senate of the State of Colorado (the house of representatives concurring therein), That the Congress of the United States be, and it is hereby, respectfully memorialized to enact with all convenient speed such legislation as may be necessary to abolish the Federal gasoline sales tax and to surrender to the States exclusively the power to tax such sales in the future; and he it further and he it further

Resolved, That a copy of this resolution be transmitted to the President of the United States, the Clerk of the House of Representatives, the Secretary of the United States Senate, and to each Member of Congress elected from the State of Colorado, and that the latter be urged to use their best offices to procure the enactment of such legislation as will accomplish the purposes of this memorial.

> RAY H. TALBOT. President of the Senate.
> M. J. Walsh,
> Secretary of the Senate.
> MOSES E. SMITH, Speaker of the House of Representatives.
>
> JOHN T. DOYLE,
>
> Chief Clerk.

Mr. METCALF presented the following resolution of the General Assembly of the State of Rhode Island and Providence Plantations, which was referred to the Committee on Agriculture and Forestry:

Resolution memorializing Congress in regard to the so-called "cotton processing tax"

Whereas the Congress of the United States for the purpose of extending aid to growers of cotton have levied a tax called the "cotton processing tax" for the manufacture of cotton and textile products; and

Whereas the imposition of such a tax upon the principal industry of the State of Rhode Island and Providence Plantations has proven an unbearable financial burden, jeopardizing the continued successful existence of the textile industry; and

Whereas the majority of our cities and towns and a large proportion of our citizens and their families are dependent for the means of existence upon this industry: Therefore be it

means of existence upon this industry: Therefore be it

Resolved, That the General Assembly of the State of Rhode
Island and Providence Plantations hereby memorializes the Congress of the United States for relief from the oppressive burden of
this tax and requests the repeal of such tax or spreading of the
tax over the industry in general; and be it further

Resolved, That copies of this resolution be forwarded by the Secretary of the State of Rhode Island and Providence Plantations
to the Clerks of both Houses of Congress and the Senators and
Representatives in Congress from this State.

Mr. GEORGE presented the following resolution of the House of Representatives of the State of Georgia, which was referred to the Committee on the Judiciary:

Whereas there is now pending before the National Congress the Wagner-Costigan antilynching bill; and

Whereas said bill undertakes to provide for Federal intervention in the enforcement of local criminal laws and makes local officials subject to prosecution for felony upon what may be vague charges of fallure to protect persons in their custody, and further provides that if within SO days local authorities shall not act diligently in the matter of mob violence, the Federal Government shall thereby acquire jurisdiction; and

Whereas said bill further provides that any county in which a person is injured or killed by a mob shall be liable to the injured person or his heirs in amounts of as much as \$10,000 liquidated damages; and

Whereas said bill is aimed directly at the South and is a reflection upon its people, its State and local governments, and is violative of the principle of State rights; and

Whereas the provisions of said bill would subject the taxpayers of such local governments to penalties for which they may not justly be liable for, and which might arise out of depredations committed by persons from other localities including hired thugs or strike breakers imported from other sections; and

Whereas various persons through the medium of interracial societies and other organizations are seeking to convey the impression that the white citizens of Georgia and of the South are in favor of this bill, which persons do not represent truly the white manhood and womanhood of the South: Therefore be it

Resolved by the House of Representatives of the State of Georgia, That we condemn this bill as a violation of State rights a reflection upon the people of the South and their local officials; be it further

Resolved, That we condemn lynching and mob violence in any form and call upon our citizens and officials to vigorously suppress the same by means now amply provided by the laws of this State, under which no Federal intervention is necessary; be it further

Resolved, That a copy of these resolutions be sent to the National Senate and House and to the Senators and Congressmen from Georgia.

Mr. VAN NUYS presented the following concurrent resolution of the Legislature of the State of Indiana, which was referred to the Committee on the Judiciary:

## Senate Concurrent Resolution 6

A senate concurrent resolution memorializing the Senate of the United States to cause an investigation to be made of monopo-listic practices in the natural-gas industry in the United States

Whereas there has been produced certain evidence before the concurrent committee of the senate and house, appointed to investigate the natural-gas situation in the State of Indiana, appointed under and pursuant to Senate Concurrent Resolution No. 3, which indicates the existence of an unlawful monopoly in the transportation and distribution of actural conductivities of the control and distribution of actural conductivities of the control and distribution of actural conductivities o the transportation and distribution of natural gas; and

Whereas facts and information have been submitted to show that most quantities of natural gas are going to waste in Texas and other gas fields, and further tending to show that companies engaged in the production and transportation of natural gas have entered into monopolistic agreements and practices which result in stifling competition, in the restraint of trade and in fixing unfair and unreasonable prices of natural gas and forcing numerous cities to use mixed (natural and artificial) gas; and

Whereas a Cities Alliance has been organized for the nursonal

Whereas a Cities Alliance has been organized for the purpose of combating this condition of monopoly in the natural-gas industry through the United States, said alliance having been organized at the suggestion of the United States Conference of Mayors, and at present composed of the cities of Indianapolis and South Bend, Ind.; Detroit and Hamtramck, Mich.; St. Paul, Minn.; St. Louis, Mo.; Louisville, Ky.; Wheeling, W. Va.; Milwer referred to the Committee on Interstate Commerce:

waukee and Hartford, Wis.; Cleveland, Cincinnati, Columbus, Toledo, Dayton, and Lima, Ohio; in addition to the Ohio League of Municipalities and the Wisconsin League of Municipalities; and

Whereas the concurrent committee appointed to inquire into these charges of monopoly and secret agreements among natural-gas interests is powerless to apply the necessary and proper remedies to afford adequate protection to the citizens of this State, and said concurrent committee further finds that at present there

and said concurrent committee further finds that at present there is no effective regulation of the production and transportation of natural gas and can be none, except by act of Congress: Therefore Section 1. Be it resolved by the Senate of the General Assembly of the State of Indiana (the house of representatives concurring), That the General Assembly of the State of Indiana hereby (a) respectfully memorializes the Senate of the United States to cause to be made a full investigation into monopolistic practices in the natural-gas industry; (b) respectfully requests that the Senate of the United States require that the Federal Trade Commission submit to such Senate investigating committee all evidence in its possession which tends to establish the existence of such monopolistic practices and secret agreements; (c) respectfully memorializes the Congress of the United States to take such action as may be necessary to place the said industry under effective regulation to the end that the people of this country may enjoy the use of this great natural resource at fair and reasonable rates.

Sec. 2. The clerk of the senate is hereby instructed to send

SEC. 2. The clerk of the senate is hereby instructed to send a copy of this resolution to the President of the Senate of the United States and to the United States Senators from Indiana. WHITE, Chairman.

Mr. LA FOLLETTE presented the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Agriculture and Forestry:

Joint resolution relating to a protective tariff on agricultural products

Whereas the national administration and the Congress, while pretending to help the American farmer, have, on the contrary, neglected him by leaving the American home market wide open to the importation of foreign agricultural products; and

Whereas cheese comes in from Europe, butter from New Zealand, rye from Europe, oats from Canada and South America, vegetable rye from Europe, oats from Canada and South America, vegetable oils from the Philippines, barley and barley malt from a dozen countries in tremendous quantities, especially from Canada—all in competition with the products of American farms, which is strong evidence that the farmers of foreign countries are better represented at Washington and are more the concern of the administration than are the farmers of the United States of America; and

Whereas the last Congress placed a tariff of 2 cents a pound of Whereas the last Congress placed a tariff of 2 cents a pound of Whereas the last Congress placed a tariff of 2 cents a pound of Wiscons and Wiscons and American farms, and every dollar paid therefor going out of this country to the detriment of American farmers and American interests; and in addition, foreign barley malt, ready for the manufacture of beer, is being imported, such imports in some months exceeding 700,000 bushels; and

Whereas the last Congress placed a tariff of 3 cents a pound on whereas the last Congress placed a tarm of 3 cents a pound on coconut oil from the Philippines, and the Secretary of the Treasury, Mr. Henry Morgenthau, under authority given the President by Congress at its last session, has suspended that tariff protection, to the great detriment of American farmers engaged in dairy and hog-raising industries, and in like manner the tariff on foreign oats and hay has been taken off by Department action: Therefore be it

Resolved by the senate (the assembly concurring), That the Legislature of the State of Wisconsin respectfully memorializes the Congress of the United States to enact an adequate protective tariff to protect the products of American farms against foreign competition and to save the home market for the American farmer,

to whom it rightfully belongs; and be it further

Resolved, That this legislature respectfully memorializes the
Congress of the United States to repeal all laws by which the
power to change or suspend tariff rates has been delegated to
department heads of the Federal Government; and be it further

Resolved, That this legislature respectfully petitions the national administration to make no further reciprocal tariff or trade agreements by which the interests of American farmers are sacrificed; and be it further

Resolved, That properly attested copies of this resolution be sent to the President of the United States, to the Secretary of the Treasury, to both Houses of Congress, and to each Wisconsin Representative.

Thomas J. O'Malley, President of the Senate. LAWRENCE R. LARSEN, Chief Clerk of the Senate. J. M. Carow, Speaker of the Assembly. LESTER R. JOHNSON, Chief Clerk of the Assembly.

Mr. LA FOLLETTE also presented the following joint resolutions of the Legislature of the State of Wisconsin, which Joint resolution memorializing Congress to pass uniform laws reg-ulating motor vehicles in interstate service

Whereas there is an apparent lack of uniformity in State laws

regulating motor vehicles; and
Whereas the several States are without authority to regulate

motor vehicles in interstate service: Now, therefore, be it

Resolved by the senate (the assembly concurring), That this legis lature respectfully memorializes the Congress of the United States to enact suitable legislation to the end that uniform laws regu-lating motor vehicles in interstate service be passed at an early date: Be it further

Resolved, That suitably attested copies of this resolution be transmitted to the President of the United States, to the presiding officers of both Houses of Congress and to each Wisconsin Member

Thomas J. O'Malley,
President of the Senate.
Lawrence R. Larsen,
Chief Clerk of the Senate.
J. W. Carow,
Speaker of the Assembly.
Lester R. Johnson,
Chief Clerk of the Assembly.

Joint resolution memorializing the Congress to provide for public power development and especially rural electrification in the upper Mississippi Valley as proposed in pending bills in Congress

Whereas the Federal Government has under construction a series

of dams across the upper Mississippi River; and
Whereas this construction will make available a large amount
of water power for the generation of electrical energy at reasonable rates; and

Whereas there is an extensive demand for electrical energy in the upper Mississippi Valley at the lower rates which would be made possible by the use of this unlimited water power; and

Whereas the more extensive use of electricity on the farm, and in the home, will do much to raise the American standard of living; and

Whereas cheaper power will make possible a much-desired industrial development of our smaller cities; and

Whereas there has been introduced in each House of the Con whereas there has been introduced in each house of the Congress bills providing for the development of the upper Mississippi Valley, with special emphasis on the generation of electrical energy, and designated as the Upper Mississippi Valley Authority, or the U. M. V. A.; and

Whereas rural electrification and the more extensive use of electricity generally is a part of President Roosevelt's program; and

Whereas the pending \$4,000,000,000 public-works relief program pending in Congress can make available adequate funds for public-power development: Therefore be it

power development: Therefore be it

Resolved by the assembly (the senate concurring), That the Wisconsin Legislature respectfully requests the Congress of the United
States to provide for public power development, and especially
rural electrification in the upper Mississippi Valley substantially
as provided in the bills now pending in the Congress: Be it

Resolved, That properly attested copies of this resolution be sent to the President of the United States, to both Houses of Congress and to each Wisconsin Member thereof.

J. W. CAROW,
Speaker of the Assembly.
LESTER R. JOHNSON,
Chief Clerk of the Assembly.
THOMAS J. O'MALLEY, President of the Senate. LAWRENCE R. LARSEN, Chief Clerk of the Senate.

Mr. LA FOLLETTE also presented the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on the Judiciary:

Joint resolution memorializing Congress to amend the Constitution of the United States to provide for a referendum of the people before war can be declared

Whereas experience has proved that war is a costly failure in settling differences between nations; and
Whereas the recent senatorial investigation has shown the manipulation and selfish interest of the war-munitions industries in war; and

Whereas the people of a nation pay the ruthless cost of war in lives and wrecked bodies and minds and bear the financial burden of war in taxes and the interruption of their means of livelihood while the munition manufacturers reap immense profits therefrom: Therefore be it

Resolved by the assembly (the senate concurring), That the Legislature of Wisconsin respectfully memorialize the Congress of the United States to immediately take steps to amend the Constitution of the United States to provide that the Congress of the United States cannot declare war until the people of this Nation, by a popular referendum vote, favor such war, except that such a referendum shall not be necessary in the case of a war to repel an invasion of this country; and be it further

Resolved, That properly attested copies of this resolution be sent to both Houses of the Congress of the United States and to the Wisconsin Members thereof.

J. W. CAROW J. W. CAROW,
Speaker of the Assembly,
LESTER R. JOHNSON,
Chief Clerk of the Assembly,
THOMAS J. O'MALLEY,
President of the Senate.
LAWRINGS B. LASSEN, LAWRENCE R. LARSEN, Chief Clerk of the Senate.

Mr. LA FOLLETTE also presented the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Military Affairs:

Joint resolution memoralizing Congress to make the manufacture and sale of munitions of war a monopoly of the Federal Govern-ment to take the profit out of war

Whereas, The Senate committee under the direction of Senator Gerald P. Nye has disclosed startling revelations as to the greedy part played by the munition manufacturers of this country in war and the preparation for war so that the profits therefrom have become the most serious challenge to the peace of the world; and

Whereas the World War created thousands of new American millionaires and moved some millionaires into the neighborhood of the billionaire class at the expense of the taxpayers of the country; and

Whereas this investigation is bringing forth volumes of evidence revealing how profitable is this world-wide business of whipping up froths of hatred, suspicion, and fear between peoples such as occasion larger and ever larger programs of preparation for war; and

Whereas the munition manufacturers depend for their profits whereas the munition manufacturers depend for their profits upon their ability to keep nations frightened of one another, which fright and resulting preparation for war invariably leads to disaster for millions of people and scores of governments, disaster such as not only visited this Nation during the World War, but which is still with us with its grim reminders of disabled bodies and wrecked minds and a public debt to be borne for generations yet to come, a disaster of economic wreckage blocking the path of progress even now; and

Whereas that although today, 17 years after the war, the whole world is crushed with debt and faced with bankruptcy from the last war, yet the nations of the world have found it possible and desirable to spend \$7,000,000,000 a year getting ready for more war; and

war; and

Whereas these same munition makers, while pretending patriotism in making armaments for this country, nevertheless selt their products of destruction to other nations to help them defend themselves against this country; and

Whereas the annual average profits of the Atlas Powder Co. during the 4 years of the World War increased nearly \$1,900,000; the annual profits of the Hercules Powder Co. increased \$6,000,000; the profits of the Anaconda Copper Co. increased \$24,000,000; the United States Steel Co. over \$130,000,000; and the Bethlehem Steel Co. over \$42,000,000; and the average peace-time profit of the Du Ponts grew from \$6,000,000 to \$58,000,000 during the war; and Whereas it is glaringly obvious that these outrageous profits

Whereas it is glaringly obvious that these outrageous profits are a direct stimulus to the munition makers to encourage war and the preparation for war; and

Whereas we can never have world peace until this profit is taken from war: Therefore be it

Resolved by the assembly (the senate concurring), That the Legislature of Wisconsin respectfully memorializes the Congress of the United States to immediately pass the necessary legislation to make the manufacture and sale of war munitions a monopoly of the Government of the United States; and be it further

Resolved, That properly attested copies of this resolution be sent to both Houses of the Congress of the United States and to each Wisconsin Member thereof.

J. W. CAROW, J. W. CAROW,
Speaker of the Assembly.
LESTER R. JOHNSON,
Chief Clerk of the Assembly.
THOMAS J. O'MALLEY,
President of the Senate.
LAWRENCE R. LARSEN,
Chief Clerk of the Senate.

Mr. LA FOLLETTE also presented a resolution adopted by Fond du Lac Division, No. 15, Order of Benefit Association of Railway Employees, which was referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

Whereas the Congress of the United States is now in session to consider such legislation as may improve the public welfare; and

Whereas the prosperity of the railroads is essentially necessary to promote recovery in the United States; and
Whereas the prosperity of the railroads cannot be assured until they are given full opportunity to compete with unregulated and subsidized carriers on a fair and equitable basis: Now, therefore,

Resolved by Fond du Lac Division, No. 15, of the Order of Benefit Association of Railway Employees, That the Honorable Robert M. La Follette, United States Senator from the State of Wisconsin, be requested by this body, consisting of 307 railway employees, exclusive of their families, to support to the fullest extent enactment of legislation to modify the fourth section of the Interstate Commerce Act to regulate commerce so as to permit the railroads to compete with unregulated forms of transportation as recom-mended by the Federal Coordinator and covered in the Pettengill bill, H. R. 8100, introduced at the last session of Congress; and be it further

Resolved, That a copy of these resolutions be sent to the United States Senator of our State and that he be requested to present same to the appropriate committee of Congress.

ORDER OF BENEFIT ASSOCIATION OF RAILWAY EMPLOYEES, IRVING C. Voss, Secretary Fond du Lac Division No. 15.

Approved the 13th day of February 1935.

Mr. POPE presented the following joint memorial of the Legislature of the State of Idaho, which was referred to the Committee on Agriculture and Forestry:

Senate Joint Memorial 7

A joint memorial to the Honorable Henry A. Wallace, Secretary of Agriculture

Whereas the sugar-beet industry is and has been one of the largest and most beneficial crops produced in the State of Idaho, and at the present time is more important than ever before for the reason that larger acreages are necessary to absorb the surplus acres occasioned by the program of the Agricultural Adjustment

Whereas in the past years there has been considerable strife

Whereas in the past years there has been considerable strife and misunderstanding in the negotiations of contracts between the sugar-beet producers and the sugar companies; and

Whereas an accumulation of huge stocks of off-shore produced sugar has been permitted to accumulate at the expense of the domestic beet and cane sugar; and

Whereas there is in process of being perfected a new deal in the operation of the domestic industry; and

Whereas the Jones-Costigan bill provides that, in case of a dispute between the grower and processor, the Secretary of Agriculture shall be the sole and final arbiter of the question or questions involved: Now, therefore, be it

Rescived by the Senate of the State of Idaho (the house of representatives concurring). That the Idaho Beet Growers' Association, in the interest of greater harmony and cooperation between the grower and processor, request the Honorable Henry A. Wallace, Secretary of Agriculture, to ascertain, from the facts and figures and records in his possession, what is a fair and equitable contract between the grower and processor; and be it

Resolved, That the Secretary of Agriculture, in making sugar sales allotments to the off-shore and domestic processors, give preference to the domestic industry; be it further

erence to the domestic industry; be it further

Resolved, That the findings of the Secretary of Agriculture be
transmitted at the earliest possible date to Charles W. Kearney,
president of the National Beet Growers' Association, and George T.
Cobbley, president of the Idaho Beet Growers' Association, Black-

foot, Idaho; and be it also further

Resolved, That the secretary of state of the State of Idaho, be and he is hereby directed to forthwith forward certified copies of this memorial to the Honorable Henry A. Wallace, Secretary of Agriculture; Senator Borah, Senator Pope, Congressman White, and Congressman Clark.

Mr. POPE also presented the following joint memorial of the Legislature of the State of Idaho, which was referred to the Committee on Finance:

#### House Joint Memorial 8

Whereas the growing of Royal Ann cherries in many sections of Idaho and throughout the entire Pacific Northwest has become

Idaho and throughout the entire Pacific Northwest has become one of the major horticultural industries; and Whereas the Royal Ann cherry is processed and sold upon the markets of the United States; and Whereas Royal Ann cherries are produced in southern Europe and shipped into the United States in competition with cherries grown, produced, and processed in the United States; and Whereas there now exists a tariff regulation protecting homegrown cherries against importations from foreign countries; and Whereas there now is a movement under way to reduce or do away with the existing tariff rates affecting Royal Ann cherries; and

Whereas if such rates are done away with, it will destroy the Royal Ann cherry industry in the State of Idaho and the Pacific Northwest: Now, therefore, be it

\*Resolved by the Legislature of the State of Idaho, That a protest be lodged with the Committee for Reciprocity Information, in care of the United States Tariff Commission, Washington, D. C., against making any change whatever in the now existing tariff regulations affecting importations of cherries into the United States; be it further

Resolved, That a copy of this resolution, duly certified by the secretary of state of the State of Idaho, be forwarded to the Committee for Reciprocity Information, in care of the United States Tariff Commission, to Senators Borah and Pope, and Congressmen WHITE and CLARK.

Mr. POPE also presented the following joint memorial of the Legislature of the State of Idaho, which was referred to the Committee on Public Lands and Surveys:

#### Senate Joint Memorial 9

Senate Joint Memorial 9

To the Honorable Secretary of the Interior of the United States:
We, your memorialists, the Senate and House of Representatives of the State of Idaho, do respectfully represent that—
Whereas the western boundary line of Yellowstone National Park in Idaho is not sufficiently marked to enable persons to readily know where said line runs, and thereby causing many persons to inadvertently trespass within the confines of said park and inadvertently cross said line: Now, therefore, be it

Resolved by the Senate of the State of Idaho (the house of representatives concurring). That we do most respectfully petition the honorable Secretary of the Interior, through the proper bureau, to cause the said boundary to be adequately marked by proper monuments, placed at such distance apart that said line can be easily followed and observed without aid of compass or instruments of any kind; be it further

Resolved, That a certified copy of this memorial be, by the secretary of state, furnished to the Secretary of the Interior and to each of the Senators and Representatives in Congress from Idaho.

Mr. MURRAY presented the following joint memorial of

Mr. MURRAY presented the following joint memorial of the Legislature of the State of Montana, which was referred to the Committee on Commerce:

## House Joint Memorial 6

A memorial to the President of the United States of America requesting an investigation of flood control of the Yellowstone

To the honorable the President of the United States of America:

Whereas during certain seasons of the year, especially in June and July, the waters of the Yellowstone River are greatly augmented by the melting of snow around the headwaters of said river causing great damage to bridges and head gates of irrigation ditches and the flooding of farms with at times the destruction of

Whereas if said flood water, or a portion thereof, were impounded it would prevent such loss; and

Whereas during the late summer and fall months of each year whereas during the late summer and tail months of each year the flow of water in said river falls to a small fraction of the amount during the high-water period, making it difficult and in many cases impossible to secure sufficient water for the proper irrigation of many thousand acres of land, greatly reducing the growth of crops and frequently making it difficult to raise suffi-cient fodder to properly care for the livestock from the ranges during the winter months; and during the winter months; and

Whereas during the low stage of the river the water becomes contaminated and unfit for household use, endangering the health of all who are obliged to drink it, it being the only source of supply for almost the entire population living on the river from where it leaves the mountains to its junction with the Missouri;

Whereas if the flow was properly controlled it would assist materially in furnishing water for navigation during the low-water period on the Missouri River; and

Whereas your memorialists believe that it is practicable to construct controlling works at or near where the river leaves the Yellowstone Lake that will retain a portion of the water from the melting snow and allow it to flow during the period of low water, it would correct the unfortunate conditions previously recited in this memorial and would also add to the beauty of the falls below by increasing the flow over the falls at the period when the majority of tourists visit the park and would make the lake more attractive by keeping it at a more constant level; and

Whereas the Yellowstone Lake has an area of approximately 140 square miles and the difference in the level of the water between high and low water is reported to be not more than 8 feet, if that amount of water could be gradually released it is believed that would be sufficient to correct the unfortunate con-

believed that would be sufficient to correct the unfortunate condition recited. It is not the thought of your memorialists to raise the level of the lake above its present high-water level; and Whereas your memorialists are advised that a new bridge is to be built to replace the one known as the "fishing bridge" crossing the river just below where it leaves the lake, we suggest that you cause an investigation to be made as to the advisability of combining the bridge with suitable gates or appliances for the proper control of the water, or if such construction is not practical, use such other method as may be suggested by competent engineers: Now, therefore, be it

Resolved by the House of Representatives of the State of Mon-

Resolved by the House of Representatives of the State of Montana (the senate concurring), That the President of the United States be, and is hereby, urged to consider the facts set forth and take such action as he may deem wise and proper; be it

Resolved, That the secretary of state for Montana transmit a copy of this memorial to the President of the United States and to each of the Senators and Members of Congress from Montana, and that they be urged to use their influence in support of this memorial.

Speaker of the House. ERNEST T. EATON, President of the Senate.

Approved February 16, 1935.

F. H. COONEY, Governor.

Mr. MURRAY also presented a resolution adopted by the Board of County Commissioners of Roosevelt County, Mont., which was referred to the Committee on Indian Affairs and ordered to be printed in the RECORD, as follows:

Whereas a large portion of Roosevelt County, Mont., is comprised of the Fort Peck Indian Reservation, the lands of which are

t taxable; and
Whereas there are from time to time numerous Indians, wards of the Government, confined in the Roosevelt County jail, the expense of arrest, trial, and maintenance of which has to be borne by said county;

Now, therefore, we, the board of county commissioners of said county recommend to the Congress of the United States that appropriate legislation be made to provide for the reimbursement of the county by the Federal Government for expense incurred for the arrest and trial of Indian wards and for their maintenance

while imprisoned.

Dated at Wolf Point, Mont., this 15th day of February, A. D. 1935.

BOARD OF COUNTY COMMISSIONERS, OF ROOSEVELT COUNTY, MONT., By J. P. Miller, Chairman. WM. J. McBride.

Attest:

J. C. McLachlan, Clerk.

Mr. MURRAY presented the following joint memorial of the Legislature of the State of Montana, which was referred to the Committee on Irrigation and Reclamation:

BEN ZIMMERMAN.

## House Joint Memorial 4

A memorial memorializing Congress that they take appropriate action to force the immediate resumption of work on the Polson Dam site by the United States, or the lessee of said dam site

To the honorable Senate and House of Representatives of the United States of America in Congress assembled:

Whereas the Congress of the United States has and is enacting legislation for the social relief of the Nation; and

legislation for the social relief of the Nation; and
Whereas funds have been appropriated for work relief; and
Whereas work which has been started on this dam site located
near Polson, Mont., should be completed in the interest of the
water-conservation plan of this State and the United States; and
Whereas there are yet hundreds on relief in the western portion
of Montana who would be greatly benefited by a work project at
this site; and
Whereas the completion of the dam would furnish cheap power
for western Montana and water for the irrigation of the Flathead

for western Montana and water for the irrigation of the Flathead Valley, as well as storage: Now, therefore, be it

Resolved, That the House of Representatives of the State of Montana, the Senate concurring, that the Congress of the United States of America be, and is hereby memorialized to take appro-

States of America be, and is hereby memorialized to take appropriate action whereby immediate resumption of work will commence on the Polson Dam site by the Federal Government, or the lessee of said dam site; and, be it further

\*Resolved\*, That a copy of this memorial be transmitted by the Secretary of the State of Montana to both Houses of the National Congress and to each of the Senators and Representatives in Congress from the State of Montana, and to the Secretary of the

gress fro Interior.

W. P. Pilgeram, Speaker of the House. Ernest T. Eaton, President of the Senate.

Approved February 15, 1935.

F. H. COONEY, Governor.

Mr. MURRAY also presented a resolution adopted by members of Butte Miners' Union No. 1, International Union of Mine, Mill, and Smelter Workers, in the State of Montana, which was referred to the Committee on Mines and Mining and ordered to be printed in the RECORD, as follows:

To the Senate and House of Representatives of the United States, Washington, D. C., greetings:

Whereas the metal miners' occupation, under present conditions, exposes them to rock dust, powder fumes, foul air, and extreme heat, which conditions make it certain that, sooner or later, they contract silicosis or tuberculosis, or both, complicated with heart and stomach trouble; and

Whereas, as is well known in mining communities, the useful lifetime and total lifetime of metal miners is far shorter than the average for followers of other occupations, and their latter days are

generally spent in a terrible agony from the above-mentioned diseases, unnecessary, except as a result of the prevailing conditions of their employment; and

Whereas the conditions which bring about this shortening of

whereas the conditions which oring about this shortening of life and awful suffering can be in part entirely eliminated and the remaining contributing factors greatly alleviated; and

Whereas the corporations which control metalliferous mining have made no earnest and concerted efforts to eliminate and alleviate said contributing factors in the metal mines of this

Nation: Therefore
We, the members of Butte Miners' Union No. 1, International
Union of Mine, Mill, and Smelter Workers, do respectfully but
earnestly and forcefully request that the Senate and the House
of Representatives of these United States conduct a joint conof Representatives of these United States conduct a joint congressional investigation of underground mining conditions in the metal mines of this Nation, to the end that the true facts may be discovered and made a basis for Federal legislation to eliminate and alleviate the evils at present existing in this industry; and Whereas most of the operating companies have places in their mines where conditions are maintained at or near the ideal for the especial benefit of visitors and because work could be temporarily stopped in other places where conditions are bad: Therefore

We further earnestly and forcefully request that, if and when

We further earnestly and forcefully request that, if and when such an investigation is undertaken it shall be conducted without previous notification to the managements, either local or general, of the companies whose properties are being inspected by the investigating committee and that representatives of labor be asked to act as guides in the first underground visits of the committee in each and every community where inquiry and in-

westigation is carried on.

We pray the granting of this request, that millions of lives may be lengthened and that the joy of life, through good health, may be retained by those lives.

Respectfully but urgently submitted this 19th day of February

REID ROBINSON, President. THOMAS P. RYAN, Secretary.

Mr. MINTON presented a concurrent resolution of the Legislature of the State of Indiana, favoring the initiation of an investigation by the Senate of monopolistic practices in the natural-gas industry, which was referred to the Committee on the Judiciary.

(See concurrent resolution printed in full when pre-

sented today by Mr. Van Nuys, p. 2516.)

Mr. MINTON also presented a resolution adopted by the Executive Council of "11 Maggio 1860", No. 1065, Order of Sons of Italy in America, Indiana Harbor, Ind., favoring the enactment of old-age pension legislation, and also the making of such legislation applicable to noncitizens as well as citizens, provided that such noncitizens be residents of the United States for not less than 10 years prior to the passage of such proposed legislation, which was referred to the Committee on Finance.

Mr. TYDINGS presented resolutions adopted by groups nos. 879 and 1305, of the Polish National Alliance of the United States of North America, both of Baltimore, Md., favoring the enactment of pending legislation proclaiming October 11 of each year as General Pulaski's Memorial Day, which were referred to the Committee on the Judiciary.

He also presented memorials and papers in the nature of memorials of members of the Holy Name Societies of St. Cecilia's and St. Paul's Churches, and sundry citizens, all of Baltimore, Md., remonstrating against alleged antireligious conditions and religious persecutions in the Republic of Mexico, which were referred to the Committee on Foreign Relations.

Mr. COPELAND presented a concurrent resolution of the Legislature of the State of New York, favoring the enactment of legislation to preserve the scenic beauty of the Niagara Falls, which was referred to the Committee on Commerce.

(See concurrent resolution printed in full when presented by Mr. Wagner on the 15th instant, p. 1998, Congressional RECORD.)

Mr. COPELAND also presented a concurrent resolution of the Legislature of the State of New York, memorializing Congress to enact legislation providing for a special security plan of permanent-employment insurance, old-age pensions, and benefits to needy and dependent mothers and children, as proposed in bills introduced by the junior Senator from New York [Mr. Wagner], which was referred to the Committee on Finance.

(See concurrent resolution printed in full when presented by Mr. Robinson (for Mr. Wagner), on the 11th instant, p. 1779, Congressional Record.)

Mr. COPELAND also presented a concurrent resolution of the Legislature of the State of New York, favoring the prompt passage of the so-called "Rudd bill", being House bill 6, authorizing the Postmaster General to construct underground pneumatic tubes for the transmission of mail between the general post office in Brooklyn and Floyd Bennett Field, Barren Island, Brooklyn, and five postal stations lying parallel to Flatbush Avenue, etc., which was referred to the Committee on Post Offices and Post Roads.

(See concurrent resolution printed in full when presented by Mr. Robinson (for Mr. Wagner) on the 11th instant, p. 1779, Congressional Record.)

Mr. COPELAND also presented a concurrent resolution of the Legislature of the State of New York, favoring complete and full local self-government for Puerto Rico, including the election of their own Governor and other local officers, which was referred to the Committee on Territories and Insular Affairs.

(See concurrent resolution printed in full when laid before the Senate by the Vice President on the 22d instant, p. 2450, Congressional Record.)

Mr. COPELAND also presented a resolution adopted by John McMillin Post, Auxiliary No. 986, American Legion, of Alton, N. Y., favoring the enactment of House bill 3896, providing for the immediate payment of World War adjusted-service certificates, and for other purposes, which was referred to the Committee on Finance.

He also presented a resolution adopted by the Board of Supervisors of Westchester County, White Plains, N. Y., favoring the repeal of the provision of law for the publication of income-tax returns, which was referred to the Committee on Finance.

He also presented a resolution adopted by the Rosedale Taxpayers' Association, of Rosedale, Long Island, N. Y., favoring the enactment of legislation providing unemployment insurance, which was referred to the Committee on Finance.

He also presented a resolution adopted by the Northeastern Retail Lumbermen's Association, of Rochester, N. Y., at a convention held in New York City, favoring the continuation of the National Industrial Recovery Act for a term of not more than 1 year, which was referred to the Committee on Finance.

He also presented a resolution adopted by the Staten Island (N. Y.) Chamber of Commerce protesting against an extension of the Federal tax on gasoline, which was referred to the Committee on Finance.

He also presented a resolution adopted by the Republican Club of the Twenty-second Assembly District, of New York City, N. Y., favoring the passage of antilynching legislation, which was referred to the Committee on the Judiciary.

He also presented a resolution adopted at New York City by the New York City Committee of the National Woman's Party favoring an amendment to the Constitution giving equal rights to men and women, which was referred to the Committee on the Judiciary.

He also presented a petition of sundry citizens of Brooklyn, N. Y., praying for the enactment of antilynching legislation, which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by the Queens County District Council of the Steuben Society of America, Richmond Hill, N. Y., favoring the adoption of a constitutional amendment providing for a referendum on the declaration of war, which was referred to the Committee on the Judiciary.

He also presented resolutions adopted by the Common Councils of Plattsburg, Lockport, and Tonawanda, and of various groups of the Polish National Alliance of the United States of North America, all in the State of New York, favoring the enactment of legislation providing that October 11 in each year be proclaimed General Pulaski's Memorial Day, which were referred to the Committee on the Judiciary.

He also presented a resolution adopted by the Rensselaer (N. Y.) Junior Chamber of Commerce remonstrating against the ratification of the Great Lakes-St. Lawrence Deep Waterway Treaty, which was referred to the Committee on Foreign Relations.

He also presented resolutions adopted by the New York State Congress of Parents and Teachers; the Ridgewood School Parent-Teacher Association and the Rochester Parent-Teacher Council, both of Rochester, N. Y., favoring the establishment in the Office of Education of a national film institute for educational purposes, which were referred to the Committee on Education and Labor.

He also presented resolutions adopted by Knickerbocker Council, No. 191, of New York City, and Rockville Center Council, No. 80, of Rockville Center, N. Y., of the Junior Order United American Mechanics, favoring the enactment of legislation providing for the registration of aliens and taxation on such money as may be sent to foreign countries by aliens resident in this country, which were referred to the Committee on Immigration.

He also presented a resolution adopted by the Friends of New Germany, of Yonkers, N. Y., remonstrating against the enactment of legislation to declare citizenship forfeited in the case of any naturalized citizen who left the United States for the purpose of voting in the plebiscite held in the Saar region, Germany, which was referred to the Committee on Immigration.

He also presented a resolution adopted by Local Union, No. 86. International Brotherhood of Electrical Workers, of Rochester, N. Y., protesting against contractors taking profits on the labor of welfare recipients of Federal appropriations, which was referred to the Committee on Appropriations.

He also presented a resolution adopted by the Staten Island (N. Y.) Chamber of Commerce, remonstrating against the enactment of legislation inimical to investors in the securities of public-utility companies, which was referred to the Committee on Interstate Commerce.

He also presented a resolution adopted by Salamanca Division, No. 87, Order of Benefit Association of Railway Employees, of Salamanca, N. Y., favoring the enactment of legislation to enable railroads to compete on an equal basis with unregulated and publicly subsidized transportation companies, which was referred to the Committee on Interstate Commerce.

He also presented a resolution adopted by the Westchester County Committee of the American Legion, favoring universal conscription and the taking of the profit out of war, which was referred to the Committee on Military Affairs.

He also presented a resolution of the Kiwanis Club, of Beacon, N. Y., favoring the maintenance of an adequate Army and Navy and the training of component units thereof, which was referred to the Committee on Military Affairs.

He also presented a resolution adopted by members of the Syracuse Gaelic Club, of Syracuse, N. Y., favoring the enactment of legislation providing for the issuance of a special commemorative stamp in honor of Commodore John Barry, which was referred to the Committee on Post Offices and Post Roads.

He also presented a resolution adopted at a conference of Congregational Young People held at Brooklyn, N. Y., protesting against censorship of the mails or the creation of any agency in the Federal Government to deal with certain activities on account of their political or economic character, which was referred to the Committee on Post Offices and Post Roads.

## REPORTS OF COMMITTEES

Mr. COOLIDGE, from the Committee on Claims, to which was referred the bill (S. 1391) for the relief of William Lyons, reported it with amendments and submitted a report (No. 190) thereon.

Mr. PITTMAN, from the Committee on Foreign Relations, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 1809. A bill for the relief of Germaine M. Finley (Rept. No. 191);

S. 1896. A bill to provide for interest payments on American Embassy drafts (Rept. No. 192); and

H.R. 330. A bill for the relief of Sophie de Sota (Rept. No. 193).

Mr. JOHNSON, from the Committee on Foreign Relations, to which was referred the bill (H. R. 3373) for the relief of Anna S. Carrigan, reported it without amendments and submitted a report (No. 194) thereon.

Mr. LOGAN, from the Committee on Military Affairs, to which was referred the bill (S. 51) for the relief of Frank Kroegel, alias Francis Kroegel, reported it without amendment and submitted a report (No. 195) thereon.

He also, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 236. A bill for the relief of the heirs of Burton Stearns Adams, deceased (Rept. No. 211);

S. 279. A bill to extend the time for the refunding of certain taxes erroneously collected from certain building-and-loan associations (Rept. No. 212):

S. 535. A bill for the relief of William Cornwell and others (Rept. No. 213); and

S. 743. A bill to carry out the findings of the Court of Claims in the claim of the Morse Dry Dock & Repair Co. (Rept. No. 214).

He also, from the Committee on Claims, to which were referred the following bills, reported them severally with an amendment and submitted reports thereon:

S. 428. A bill authorizing adjustment of the claim of Korber Realty, Inc. (Rept. No. 215);

S. 537. A bill for the relief of C. O. Meyer (Rept. No. 216); S. 998. A bill to carry out the findings of the Court of Claims in the case of George Lawley & Son Corporation, of Boston, Mass. (Rept. No. 217); and

S. 1472. A bill for the relief of the First Camden National Bank & Trust Co., of Camden, N. J. (Rept. No. 218).

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 557. A bill for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department (Rept. No. 196); and

S. 558. A bill for the relief of certain disbursing officers of the Army of the United States and for the settlement of an individual claim approved by the War Department (Rept. No. 197).

Mr. CAPPER also, from the Committee on Claims, to which was referred the bill (S. 559) to authorize settlement, allowance, and payment of certain claims, reported it with an amendment and submitted a report (No. 198) thereon.

He also, from the same committee, to which was referred the bill (S. 1621) for the relief of Mrs. Charles L. Reed, reported it with amendments and submitted a report (No. 199) thereon.

Mr. BARBOUR, from the Committee on Military Affairs, to which was referred the bill (S. 457) for the relief of John W. Beck, reported it without amendment and submitted a report (No. 200) thereon.

Mr. TOWNSEND, from the Committee on Claims, to which was referred the bill (S. 1012) for the relief of Ed Symes and wife, Elizabeth Symes, and certain other citizens of the State of Texas, reported it without amendment and submitted a report (No. 201) thereon.

He also, from the same committee, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

S. 905. A bill for the relief of Edith N. Lindquist (Rept. No. 202); and

S. 1694. A bill for the relief of C. B. Dickinson (Rept. No. 203).

Mr. TOWNSEND also, from the Committee on Claims, to which was referred the bill (S. 285) to reimburse the estate of Mary Agnes Roden, reported it with amendments and submitted a report (No. 204) thereon.

Mr. BAILEY, from the Committee on Claims, to which was referred the bill (S. 1008) for the relief of the Fairmont Creamery, of Omaha, Nebr., reported it without amendment and submitted a report (No. 205) thereon.

He also, from the same committee, to which were referred the following bills, reported them severally with an amendment and submitted reports thereon:

S. 788. A bill for the relief of the International Mercantile Marine Co. (Rept. No. 206);

S. 790. A bill for the relief of the Compagnie Generale Translantique (Rept. No. 207); and

S. 1136. A bill to carry into effect the finding of the Court of Claims in the claim of Elizabeth B. Eddy (Rept. No. 208).

Mr. BORAH, from the Committee on the Judiciary, to which was referred the bill (S. 574) relative to Members of Congress acting as attorneys in matters where the United States has an interest, reported it without amendment.

Mr. THOMAS of Utah, from the Committee on Military Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 652. A bill for the relief of Harold S. Shepardson (Rept. No. 209); and

S. 978. A bill authorizing the Secretary of War to convey to the University of Oregon certain lands forming a part of the Coos Head River and Harbor Reservation (Rept. No. 210).

Mr. GIBSON, from the Committee on Claims, to which was referred the bill (S. 937) for the relief of the J. M. Dooley Fireproof Warehouse Corporation, of Brooklyn, N. Y., reported it with amendments and submitted a report (No. 219) thereon.

Mr. HATCH, from the Committee on the Judiciary, to which was referred the bill (S. 447) conferring jurisdiction on the United States District Court for the District of Oregon to hear, determine, and render judgment upon the suit in equity of Rakha Singh Gherwal against the United States, reported it without amendment.

## ENROLLED JOINT RESOLUTION AND BILL PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that that committee presented to the President of the United States the following enrolled joint resolution and bill:

On February 21, 1935:

S. J. Res. 49. Joint resolution authorizing the use of public parks, reservations, and other public spaces in the District of Columbia, and the use of tents, cots, hospital appliances, flags, and other decorations, property of the United States, by Washington (D. C.) 1935 Shrine Committee, Inc., and for other purposes; and

S. 1190. An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes.

## CALIFORNIA-PACIFIC INTERNATIONAL EXPOSITION

Mr. JOHNSON. From the Foreign Relations Committee I report back favorably, with an amendment, the joint resolution (H. J. Res. 94) providing for the participation of the United States in the California-Pacific International Exposition to be held at San Diego, Calif., in 1935 and 1936, authorizing an appropriation therefor, and for other purposes, and I submit a report (No. 189) thereon. Because time is of the essence of the matter and the exposition will be held very shortly, I ask unanimous consent for the immediate consideration of the joint resolution.

The VICE PRESIDENT. Is there objection to the request of the Senator from California?

Mr. KING. Mr. President, may I inquire of the Senator whether this exposition is to be held in southern California, where a few years ago there was an exposition in which the United States Government participated?

Mr. JOHNSON. At exactly the same location, in San Diego, in the park there on the hillsides.

Mr. KING. 'I may say that I shall not object to the consideration of the joint resolution, but I shall feel constrained

to vote against it. Beginning with the exposition in St. Louis years ago, when I happened to be a Member of the House and opposed it, frequent appeals to the Federal Government for appropriations for expositions have come to us, and it seems to me we have gone a little extreme. I see no justification for the Federal Government to be called upon to support expositions being held in all parts of the United States.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection the Senate proceeded to consider the joint resolution.

The amendment of the Committee on Foreign Relations was, on page 8, line 16, after the word "may", to insert the word "be", so as to make the joint resolution read:

word "De", so as to make the joint resolution read:

Resolved, etc., That the President of the United States be, and he hereby is, authorized and respectfully requested by proclamation or in such manner as he may deem proper to invite all foreign countries and nations to such proposed exposition with a request that they participate therein.

Sec. 2. There is hereby established a commission to be known as "The California Pacific International Exposition Commission" and to be composed of the Secretary of State, the Secretary of Agriculture, and the Secretary of Commerce; which commission shall serve without additional compensation and shall represent the United States in connection with the holding of an international exposition known as "The California Pacific International Exposition" in San Diego, Calif., in the year 1935, and continuing into the year 1936.

the year 1936.

SEC. 3. There is hereby created a Federal commissioner for the California Pacific International Exposition, such commissioner to be california Pacinic International Exposition, such commissioner to be appointed by the President upon the nomination of the Secretary of Agriculture, who shall select for this purpose an official of his Department who has had experience in and is familiar with the preparation and management of exhibitions and who will serve in this capacity without additional salary. That the expenses of the Federal commissioner and such staff as he may require will be met out of the funds provided for the purposes of the Government participation in the expession.

participation in the exposition.

SEC. 4. The commission shall prescribe the duties of the Federal commissioner and shall delegate such powers and functions to him as it shall deem advisable, in order that there may be exhibited at the California Pacific International Exposition by the Government of the United States, its executive departments, independent offices, and establishments such articles and materials as illustrate the function and administrative faculty of the Government in the advancement of industry, the arts, and peace, demonstrating the nature of our institutions particularly as regards their adaptation to

ture of our institutions particularly as regards their adaptation to the wants of the people.

SEC. 5. The commissioner may employ such clerks, stenographers, and other assistants as may be necessary and fix their reasonable compensation within the grades and rates of compensation fixed by the Classification Act of 1923, as amended; purchase such material, contract for such labor and other services, and exercise such powers as are delegated to him by the commission as hereinbefore provided, and in order to facilitate the functioning of his office may subdelegate such powers (authorized or delegated) to officers and employees as may be deemed advisable by the commission.

SEC. 6. The heads of the various executive departments and independent offices and establishments of the Government are authorized to cooperate with the commissioner in the procurement, installation, and display of exhibits; to lend to the California Pacific International Exposition, with the knowledge and consent of the commissioner, such articles, specimens, and exhibits which the commissioner shall deem to be in the interest of the United States to place with the science or other exhibits to be shown under the auspices of that corporation; to contract for such labor States to place with the science or other exhibits to be shown under the auspices of that corporation; to contract for such labor or other services as shall be deemed necessary, and to designate officials or employees of their departments or branches to assist the commissioner. At the close of the exposition, or when the connection of the Government of the United States therewith ceases, the commissioner shall cause all such property to be returned to the respective departments and branches from which taken, and any expenses incident to the restoration, modification, and revision of such property to a condition which will permit its use at subsequent expositions and fairs, and for the continued employment of personnel necessary to close out the fiscal and other records and prepare the required reports of the participating organizations, may be paid from the appropriation provided; and if the return of such property is not practicable, he may, with the consent of the department or branch from which it was taken, make such disposition thereof as he may deem advisable and account therefor. account therefor.

account therefor.

SEC. 7. The sum of \$350,000 is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to remain available until expended, of which sum not to exceed the sum of \$125,000 may be expended for the erection of such building or group of buildings, and/or for the rental of such space, as the commission may deem adequate to carry out effectively the provisions of this resolution; for the decoration of such structure or structures; for the proper maintenance of such buildings, site, and grounds during the period of the exposition. The Commission may contract with the California Pacific International

Exposition for the designing and erection of such building or buildings and/or for the rental of such space as shall be deemed proper. The remaining portion of the appropriation authorized under this resolution shall be available for the selection, purchase, preparation, assembling, transportation, installation, arrangement, safe-keeping, exhibition, demonstration, and return of such articles and materials as the commission may decide shall be included in such Government exhibit and in the exhibits of the California Pacific International Exposition; for the compensation of the employees of the commission in the District of Columbia and elsewhere, for the payment of salaries of officers and employees of the Government, employed by or detailed for duty with the commission, and for their actual traveling expenses and subsistence at not to exceed \$6 per day: Provided, That no such official or employee so designated shall receive a salary in excess of the amount which he has been receiving in the department or branch where employed plus such reasonable allowance for subsistence expenses as may be deemed proper by the commissioner; for telephone service, purchase of furniture and equipment, stationery and supplies, typewriting, adding, duplicating, and computing machines, their accessories and repairs, books of reference and periodicals, uniforms, maps, reports, documents, plans, specifications, manuscripts, newspapers and all other publications, ice and drinkling water for office purposes: Provided, That payment for telephone service, rents, subscriptions to newspapers and periodicals, and other similar purposes may be made in advance, for the hire of a passenger-carrying automobile, its maintenance, repair, and operation, for the official use of the commissioner, for printing and binding; for entertainment of distinguished visitors, and all other expenses as may be deemed necessary by the commission, as hereinbefore stipulated, may delegate these powers and functions to the commissioner of the commission or its del Exposition for the designing and erection of such building or buildings and/or for the rental of such space as shall be deemed proper. The remaining portion of the appropriation authorized under this resolution shall be available for the selection, purchase,

SEC 9. It shall be the duty of the commission to transmit to Congress, within 6 months after the close of the exposition, a detailed statement of all expenditures, and such other reports as may be deemed proper, which reports shall be prepared and arranged with a view to concise statement and convenient refer-

## BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. TYDINGS:

A bill (S. 1979) for the relief of the Otto Misch Co.; to the Committee on Claims.

By Mr. NEELY:

A bill (S. 1980) for the relief of Lewis Worthy and Dennis O. Penn: to the Committee on Claims.

A bill (S. 1981) granting a pension to John Payne; to the Committee on Pensions.

By Mr. FRAZIER:

A bill (S. 1982) to correct the naval record of Harold N. Dally: to the Committee on Naval Affairs.

By Mr. STEIWER:

A bill (S. 1983) for the relief of certain counties in the State of Oregon; to the Committee on Agriculture and Forestry.

A bill (S. 1984) to establish an Army air depot in the State of Oregon; to the Committee on Military Affairs.

A bill (S. 1985) granting a pension to Emmy C. I. Clevenger (with accompanying papers); to the Committee on Pensions.

A bill (S. 1986) to authorize the acquisition of a certain building, furniture, and equipment in the Crater Lake National Park; to the Committee on Public Lands and Surveys.

By Mr. BURKE:

A bill (S. 1987) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Farnam Street, Omaha, Nebr.; and

A bill (S. 1988) to revive and reenact section 5 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and completing the construction of other bridges over the navigable waters of the United States", approved March 4, 1933; to the Committee on Commerce.

By Mr. McADOO:

A bill (S. 1989) to authorize the coinage of 50-cent pieces in connection with the California-Pacific International Exposition to be held in San Diego, Calif., in 1935 and 1936; to the Committee on Banking and Currency.

A bill (S. 1990) to permit articles imported from foreign countries for the purpose of exhibition at the California-Pacific International Exposition, San Diego, Calif., to be admitted without payment of tariff, and for other purposes; to the Committee on Finance.

A bill (S. 1991) for the relief of Wilson G. Bingham; and A bill (S. 1992) to authorize the President of the United States to detail an officer of the Army and an officer of the Navy for duty with the California-Pacific International Exposition; to the Committee on Military Affairs.

By Mr. FLETCHER:

A bill (S. 1993) for the relief of the Bank of Wildwood, Wildwood, Fla. (with accompanying papers); to the Committee on Banking and Currency.

By Mr. JOHNSON:

A bill (S. 1994) to amend the Inland Waterways Corporation Act, approved June 3, 1924, as amended; to the Committee on Commerce.

A bill (S. 1995) for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899; to the Committee on Military Affairs.

By Mr. BACHMAN:

A bill (S. 1996) to provide for the erection of a monument in honor of the soldiers buried in the churchyard of Washington Church, Knox County, Tenn.; to the Committee on Military Affairs.

By Mr. COPELAND:

A bill (S. 1997) for the relief of Heinrich Schmidt, G. m. b. H, of Flensburg, Germany; and

A bill (S. 1998) for the relief of Western Knitting Mills, Wallace G. Kay, and Kay & Co., Inc.; to the Committee on Claims.

A bill (S. 1999) to amend section 27 of the Merchant Marine Act, 1920;

A bill (S. 2000) to provide for a technical staff in the Bureau of Marine Inspection and Navigation in the Department of Commerce, and for other purposes;

A bill (S. 2001) to amend section 4426 of the Revised Statutes of the United States, as amended by the Act of Congress approved May 16, 1906;

A bill (S. 2002) to provide for the establishment of load lines for American vessels in the coastwise trade, and for other purposes;

A bill (S. 2003) to amend section 13 of the Act of March to Dade Cou 4, 1915, entitled An act to promote the welfare of American and Surveys.

seamen in the merchant marine of the United States; to abolish arrest and imprisonment as a penalty for desertion and to secure the abrogation of treaty provisions in relation thereto; and to promote safety at sea;

A bill (S. 2004) to amend section 2 of the Act of March 4, 1915, entitled An act to promote the welfare of American seamen in the merchant marine of the United States; to abolish arrest and imprisonment as a penalty for desertion and to secure the abrogation of treaty provisions in relation thereto; and to promote safety at sea;

A bill (S. 2005) to provide for the inspection and regulation of vessels engaged in the transportation of inflammable, explosive, and like dangerous cargoes in navigable waters of the United States:

A bill (S. 2006) to maintain discipline on shipboard;

A bill (S. 2007) to provide for the investigation and trial of officers of vessels in case of disaster, and to increase efficiency in the administration of certain laws relating to the inspection of vessels:

A bill (S. 2008) to provide seamen on American vessels with a continuous discharge book;

A bill (S. 2009) to provide for a change in the designation of the Bureau of Navigation and Steamboat Inspection to the Bureau of Marine Inspection and Navigation;

A bill (S. 2010) to improve the living accommodations on vessels under 100 tons; and

(By request.) A bill (S. 2011) fixing the liability of owners of vessels; to the Committee on Commerce.

(By request.) A bill (S. 2012) to regulate the election of delegates representing the District of Columbia to national political conventions; to the Committee on the District of Columbia.

A bill (S. 2013) to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. Pak Chue Chan; to the Committee on the District of Columbia.

A bill (S. 2014) for the relief of Alexander Gilchrist, Jr.; to the Committee on Finance.

A bill (S. 2015) to extend the time for naturalization of alien veterans of the World War; and

A bill (S. 2016) to amend the naturalization laws with respect to records of registry and residence abroad, and for other purposes; to the Committee on Immigration.

A bill (S. 2017) to regulate the speed of motor busses and motor trucks engaged in interstate commerce, and for other purposes; to the Committee on Interstate Commerce.

A bill (S. 2018) for the relief of Franklin Scott Irby; and A bill (S. 2019) granting a medal of honor to Frank J. Barcsykowski; to the Committee on Naval Affairs.

By Mr. POPE:

A bill (S. 2020) to refund the compensatory processing tax on jute bags; to the Committee on Agriculture and Forestry. A bill (S. 2021) to recognize the service of Brig. Gen. Edward R. Chrisman; to the Committee on Military Affairs. By Mr. BANKHEAD:

A bill (S. 2022) to provide for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges; to the Committee on Agriculture and Forestry.

By Mr. SHEPPARD:

A bill (S. 2023) for the relief of Augusta Burkett; to the Committee on Claims.

A bill (S. 2024) to give proper recognition to the distinguished services of Col. William L. Keller; and

A bill (S. 2025) authorizing the President to order Harry B. Berry before a retiring board for a hearing of his case, and upon the findings of such board determine whether or not he be placed on the retired list with the rank and pay held by him at the time of his separation; to the Committee on Military Affairs.

By Mr. TRAMMELL:

A bill (S. 2026) directing the conveyance of certain lands to Dade County, Fla.; to the Committee on Public Lands and Surveys.

#### REGULATION OF COMMERCE IN PETROLEUM

Mr. THOMAS of Oklahoma. I introduce a bill for reference to the Committee on Mines and Mining.

Mr. President, this bill has for its purpose the regulation of the petroleum industry. The bill is very similar to one introduced in the last Congress. That bill was reported favorably by the committee: but, because the bill came in late, the Senate had no time to consider it.

I ask permission to have printed in the RECORD at this point a statement in explanation of the various sections of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 2027) to regulate commerce in petroleum, and for other purposes, was read twice by its title and referred to the Committee on Mines and Mining.

The statement submitted by Mr. Thomas of Oklahoma is as follows:

Because oil is an exhaustible and irreplaceable natural resource of the greatest importance to our industrial life and a vital element in the national defense, it is imperative that this natural resource should not be wasted, dissipated, put to improper uses, or so exploited until it becomes a liability rather than an asset. It is an important element in the industrial life of 18 or 20 States of the Nation. To some of these States it is the most important factor the properties. Nation. To some of these States it is the most important factor in prosperity. It employs much more than a million persons. Its products are of importance to every human being in our land. It is one of the most profitable, if not the very most profitable, sources of public revenue. It furnishes one of the principal items of income to the residents of oil-producing States. In time of war it is of almost equal importance with the arms borne by our Army or Navy. In the recent war, one of the outstanding leaders declared that each drop of gasoline was worth a drop of blood.

This natural resource is therefore of such interest to the entire Nation that there should be some national policy which would aid in its conservation and in its proper development. Production of

Nation that there should be some national policy which would aid in its conservation and in its proper development. Production of larger quantities of petroleum than the Nation can consume inevitably results in a waste of this product and in its being turned to inferior uses. Overproduction also results in sales of petroleum and its products below the cost of production, a course which inevitably causes unemployment and loss of purchasing power in the oil-producing States, with the consequent loss of customers for the industrial States of the Union. Since no method exists in any one State by which that State can protect itself against demoralization of its own petroleum industries through overproduction in another State, and since no single State can have against demoralization of its own petroleum industries through overproduction in another State, and since no single State can have either the authority or the machinery by which to make an exact and scientific estimate of the petroleum requirements of the Nation, I am here proposing a measure which will set up an impartial board which shall be given the authority and the means to make a scientific determination of the amount of petroleum and of its various products which are required to supply the demand for consumption in this country and for export from this country, and by the same scientific and impartial methods to determine just what portion of that national demand justly and equitably belong to each one of the various oil-producing States. This will carry the what portion of that national demand justly and equitably belong to each one of the various oil-producing States. This will carry the modern program of scientific planning into an industry which has not been able to make plans and where State lines and State jealousies have too often prevented any scientific estimate of any single State's proper share of the national production.

Definite limitations on imports are proposed, based upon a ratio to the national demand.

to the national demand.

to the national demand.

The regulation of all sources of supply is of vital importance if the industry is to make any serious plans. It is quite evident that this industry is of such importance in our national life that there should be legislation which will enable both the industry and the oil-producing States to prevent disastrous overproduction with its resultant waste and its effect upon employment. This bill sets up the machinery by which the Government furnishes to the States a scientific determination of the amount of production necessary to meet all the demand after considering the amount of imports which may be admitted, and also an impartial and scientific determination of the amount of such production which properly and legitimately belongs to each one of the oil-producing States which may be used by those States separately or by any group of them in negitimately belongs to each one of the oil-producing States which may be used by those States separately or by any group of them in an interstate compact in arriving at their allocations within a State. This should eliminate the suicidal race between producers within any one State or between two or more States, which has so often been caused by the fear that their natural markets might be taken from them and that they might be deprived of their proper share of the national production.

taken from them and that they might be deprived of their proper share of the national production.

It is believed that through cooperation and State enforcement of State orders, or through State compacts with the Federal law in the background, it will be possible to keep the production by each oil State within the share of the national production which properly belongs to that State without positive action being taken by the Federal Government. However, provision is made for the Federal Government to act where it is necessary to prevent the demoralization of the industry or to prevent any single State or any group of operators in a State from endeavoring to obtain more than their just and proper share of the national production.

Experience has demonstrated that the oil resources of a State may be exploited by a handful of men, a minority of the operators

in that State, to the damage of the prosperity of the whole industry in that State and to the loss of public revenues and the diminishing of employment and consuming power. This bill is intended to protect each oil State from any group of exploiters within its own borders. It is also intended to assure to each State protection from what practically amounts to invasion of its industrial life by another State. It also endeavors to protect all the States, the Nation as a whole, against the improper use and the wastage of one of the most valuable of our natural resources. Stripper wells and wells of settled production should be practically exempt from production restrictions under this bill as they are at the present time, and their production made free to move in commerce, without any hindrance or supervision from any source, it being assumed that the commerce quotas would correspond with the present code allocations to States and those made by State authorities to pools and properties, only flush pools and properties being affected.

This is a minimum of Federal regulation with every consideration given to State sovereignty. It does not constitute Federal control. On the other hand, it does offer to each oil State a degree of protection which it has never had in the past so that each State may absolutely control production within its own limits and be guaranteed its due share of the national production. The following is a comment on the various sections of the measure which I am introducing:

The following is a comment on the various sections of the measure which I am introducing:

Notes on Bill to Regulate Commerce in Petroleum, and for OTHER PURPOSES

#### DECLARATION OF POLICY

Section 1: The facts stated in this section were fully developed in recent hearings of the Cole committee and are familiar to all who

know the petroleum industry.

The last sentence in the section is regarded as most important, because it covers the factual basis for a system of control which will embrace local or intrastate transactions as well as those occurring in interstate and foreign commerce. Without a finding of the ing in interstate and foreign commerce. Without a finding of the kind indicated by this sentence the legislation might fall in the class that was condemned by the Supreme Court in Hill v. Wallace (259 U. S. 44), where Congress had undertaken to regulate local transactions in grain futures but had made no finding that they affect interstate commerce. After that decision was rendered. Congress enacted a new law of similar import, with an express finding that the local transactions do affect interstate commerce, and this law was sustained in Chicago Board of Trade v. Olsen (262 U. S. 1) in its application to local transactions.

## FEDERAL PETROLEUM BOARD

Section 2: This section is designed to secure a board which will have the benefit of the knowledge and experience of the industry and at the same time protect the public interest.

To secure the proper talent it would seem necessary to fix compensation comparable with that of members of the Interstate Commerce Commission of the Federal Trade Commission. The special tax imposed upon the industry under the Revenue Act of 1934, the original purpose of which was to defray the expenses of code administration, will more than cover the outlay on account of this administration, will more than cover the outlay on account of this

The provision for a vice chairman will enable the board to function when the Secretary of the Interior is occupied with other duties of his office.

## INVESTIGATION AND REPORTS

Section 3: The reports authorized in this act and the power to inspect books, records, etc., will make it possible to check up on persons suspected of violating the law.

## COOPERATION WITH OTHER BODIES

Section 4: This section authorizes cooperative action with State agencies and also makes available material concerning the oil industry which is in possession of other Federal departments or hureaus

#### IMPORTS

Section 5: The intended ratio of imports to domestic production is 4.51 percent, the ratio for the last half of 1932 (105,855 barrels) to the average daily allowable production for the United States (2,345,600 barrels), as fixed in the orders of the Petroleum Administrator for the 12-month period from October 1933 to September 1934, inclusive. Since, under this bill imports are to be fixed on a quarterly basis and domestic allowable for commerce on a monthly basis, and only 1 month of the domestic allowable will have been determined when imports for the quarter are fixed, it is necessary to take 1 month domestic and multiply it by 3 to arrive at imports for the quarter year reckoning period. Hence, the 13.53 percentage figure in this section.

This entire section has been worked out to correspond in sub-

This entire section has been worked out to correspond in sub-stance and detail with the present plan of voluntary restrictions upon imports as agreed to by importers.

It is slight technical, but necessarily so. A definite standard or basis is provided. Otherwise it might be construed as an undue delegation of legislative power.

#### ASCERTAINMENT AND APPORTIONMENT IN UNITED STATES

Section 6: It will be observed that this section does not authorize any action effective in the States. It merely provides for the establishment of a basis upon which the States can proceed in a coordinated manner and upon which the Federal authority can proceed under a subsequent section if it becomes necessary.

In other words, the determinations here authorized will be merely persuasive unless and until events require the invocation of section 9

That some such Federal coordination is necessary in times of overproduction is generally conceded. The States cannot agree among themselves. They vie with each other and are urged on by operators within their respective borders. Waste and demoralization of commerce ensue, as past experience shows.

#### INTERSTATE COMPACTS

Section 7: Whether interstate compacts are feasible is debated in the industry. All factions seem to favor permissive legislation such as this section would be. It would place the States in position to make the effort. It would constitute a virtual request on the part of Congress that the States, through their power to control production, relieve Congress of the duty of dealing with com-

merce in petroleum.

As recently pointed by Mr. Pettengill, of Indiana, it might be dangerous for Congress to surrender to the States a measure of its authority to regulate commerce, especially if the surrender were in the form of a blank check. But it will be noticed that this section requires compact allowables to coincide with demand as determined by the board. Thus the States would be precluded, not only from agreeing upon allowables too high, but also from fixing them at figures too low, to the possible injury of consumers or the nonproducing States. or the nonproducing States.

#### LIMITATION UPON FIXING QUOTAS

Section 8: This section definitely limits the authority of the board to establish any quotas within any State whose production is kept within its equitable share of the national production as determined by the board.

#### QUOTAS IN COMMERCE

Section 9: This is the vital section. It observes the distinction between production and commerce and undertakes to deal only between production and commerce and undertakes to deal only with sales or other acts of commerce. Sales quotas, not production quotas, would be authorized. Moreover, the Federal authority would keep hands off entirely so long as the State as a whole remained in line. No restriction of sales from pools or properties would be permitted under this act in the absence of overproduction for the State as a whole, which is in complete consonance with the contention of some of the States that they should be allowed to deal with their internal production problems.

On the constitutional right of Congress to treat all commerce in

allowed to deal with their internal production problems.

On the constitutional right of Congress to treat all commerce in crude petroleum as a unit, stream or current, for the purposes of this kind or regulation, and to ignore the fact that some transactions are intrastate, the following cases are cited:

Railroad Commission of Wisconsin v. C., B. & Q. (257 U. S. 563);

Shreveport Rate Case (234 U. S. 342), and Minnesota Rate Case (230 U. S. 352), developing and applying the unit doctrine to commingled commerce.

Stafford v. Wallace (258 U. S. 495), upholding the Packers and Stock Yards Act, in its application to local and apparently isolated transactions, on the ground that they affected a stream or current of interstate commerce.

Chicago Board of Trade v. Olsen (262 U. S. 1), sustaining the

rent of interstate commerce.

Chicago Board of Trade v. Olsen (262 U. S. 1), sustaining the Grain Futures Act in similar application, on the same ground.

Lemke v. Farmers Grain Co. (250 U. S. 50), setting aside the North Dakota regulatory act, because it invaded the sphere of Congress in dealing with a commerce of the commingled type the greater portion of which was interstate.

As to the practical operation of this section of the bill, there need be no confusion. Apart for statistical work, factual studies, determination of national demand, and its allocation to the prodetermination of national demand, and its allocation to the producing States, the board would take no action so long as the production of the country and imports are in balance with demand for domestic consumption and export, and there is no State where too large a share of the market is being seized. It is conceivable too large a share of the market is being seized. It is conceivable that through cooperation and State enforcement of State orders or through State compacts, with the Federal law in the background, it might never be necessary for the Federal agency to go further. But upon the occurrence, despite State efforts, of excess production and its movement into commerce in excessive quantities, the board would act under this section. Imports being at a rate found proper and fair, the fixing of domestic quotas in commerce would be in order. They might be fixed for and in a single State or for and in several or all of the producing States. But quotas in commerce would be fixed.

For the same reasons that stripper wells and settled production

For the same reasons that stripper wells and settled production are virtually exempt from production restrictions now, they would be exempt under the quotas-in-commerce system. In other words, their production would be free to move in commerce without let or hindrance or supervision from any source. On the hypothesis that present code allocations to States, and those by State authority to pools and properties, would be fair and proper if restrictions were upon a production basis, it may be assumed that commerce quotas would correspond to them in quantity. Only flush pools and properties would presently be affected by the new system.

system.

It would be futile, of course, to fix them for States and pools and stop there. This is true because neither the State nor the pool could respond; there would be no way to enforce an order so general; hence the necessity of fixing commerce quotas for individual properties. This, of course, could be done on the same basis that production allowables are now fixed. The States woull be left free to exert all their powers to prevent overproduction, but if any State should approve or tolerate excess production, the excess would be under ban against sale, exchange consignment, or other act of commerce. In a broad sense the Federal act and the board would simply deal with sales instead of production. But never

would there be any interference except in localities and cases where production proration applies or should apply and is not

This is submitted as a minimum of Federal regulation with every consideration for State sovereignty.

#### CERTIFICATES OF CLEARANCE

Section 10: This section makes possible enforcement of the law in whatever sections violations are believed to occur by requiring certificates of clearance.

#### RULES AND REGULATIONS

Section 11: This section merely establishes the usual authority for the necessary rules and regulations.

#### HEARINGS

Section 12: This section, while providing for the issuance of temporary quotas in an emergency, prescribes hearings shall be held after public notice before the usual quotas are prescribed.

#### WITNESSES AND TESTIMONY

Section 13: This section grants to the board authority to examine witnesses, take affidavits, issue subpenas, and follow the usual processes necessary for hearings previously authorized.

#### COURT REVIEW

Section 14: This section provides for court review by any persons adversely affected after the case had been heard in a threejudge court.

#### ENFORCEMENT OF ORDERS

Section 15: This section merely authorizes the application of the Attorney General or the board to a United States district court for enforcement of orders.

#### PENALTIES

Section 16: The penalty based upon value is intended to reach cases where, because of volume involved, the offender could afford to pay the stated fines and still escape with a profit. Cases of this kind have occurred under State law imposing fixed fines without regard to values.

Other provisions of the section call for no comment.

#### MOVEMENT OF EXCESSES OVER STATE PRODUCTION ALLOWABLES

Section 17: The purpose here is to reach to the individual case where the State has complied with the national program but the operator has violated State orders. Many such cases have occurred during the code period.

#### NATIONAL INDUSTRIAL RECOVERY ACT

Section 18: This section leaves unchanged those parts of the oil code which are not inconsistent with this act.

Sections 19-22: These are the customary sections concerning a saving clause, separability of provisions, definitions, and the short title of the act.

### HOUSE BILL REFERRED

The bill (H. R. 5913) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1936, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

### CHANGES OF REFERENCE

On motion of Mr. Ashurst, the Committee on the Judiciary was discharged from the further consideration of the following joint resolutions, and they were referred to the Committee on Rules:

S. J. Res. 59. Joint resolution providing for the celebration on September 17, 1937, of the one hundred and fiftieth anniversary of the adoption of the Constitution of the United States of America by the Constitutional Convention; establishing a Commission to be known as the "Sesquicentennial Constitution Commission"; and

H. J. Res. 148. Joint resolution providing for the preparation and completion of plans for a comprehensive observance of the one hundred and fiftieth anniversary of the formulation of the Constitution of the United States.

## PHILIPPINE CONSTITUTION

Mr. TYDINGS. Mr. President, the new constitution for the Philippine Islands as provided for in the independence act of 1934 has been put in final shape. Inasmuch as that constitution must conform to the act of Congress passed last year, I should like permission to have printed in the RECORD the final draft so that Senators interested may read it.

Mr. McNARY. Mr. President, did I understand the Senator to say that it is the final draft of the Philippine Constitution?

Mr. TYDINGS. Yes; it is the final draft of the Filipino Constitution, and, inasmuch as it must conform to the act of Congress, I thought perhaps Senators might be interested in reading it.

The VICE PRESIDENT. Is there objection?

There being no objection, the draft of the proposal constitution for the Philippine Islands was ordered to be printed in the RECORD, as follows:

DRAFT OF CONSTITUTION FOR THE GOVERNMENT OF THE COMMON-WEALTH OF THE PHILIPPINE ISLANDS AS ADOPTED BY THE CONSTI-TUTIONAL CONVENTION

(As transmitted in radiograms received in the Bureau of Insular Affairs, War Department, from the Governor General of the Philippine Islands)

#### CONSTITUTION OF THE PHILIPPINES

The Filipino people, imploring the aid of divine Providence, in order to establish a government that shall embody their ideals, conserve and develop the patrimony of the nation, promote the general welfare, and secure to themselves and their posterity the blessings of independence under a regime of justice, liberty, and democracy, do ordain and promulgate this constitution.

#### ARTICLE I. THE NATIONAL TERRITORY

SECTION 1. The Philippines comprises all the territory ceded to the United States by the Treaty of Paris concluded between the United States and Spain on the 10th day of December 1898, the limits of which are set forth in article III of said treaty, together with all the islands embodied in the treaty concluded at Washington, between the United States and Spain on the 7th day of November 1900, and in the treaty concluded between the United States and Great Britain on the 2d day of January 1930, and all territory over which the present government of the Philippine Islands exercises jurisdiction.

#### ARTICLE II. DECLARATION OF PRINCIPLES

SECTION 1. The Philippines is a republican state. resides in the people and all government authority emanates from them.

them.

SEC. 2. The defense of the state is a prime duty of government, and in the fulfillment of this duty all citizens may be required by law to render personal military or civil service.

SEC. 3. The Philippines renounces war as an instrument of national policy, and adopts the generally accepted principles of international law as a part of the law of the nation.

SEC. 4. The natural right and duty of parents in the rearing of the youth for civic efficiency should receive the aid and support of the government.

of the government.

SEC. 5. The promotion of social justice to insure the well-being and economic security of all the people should be the concern of

## ARTICLE III. BILL OF RIGHTS

SECTION 1. (1) No person shall be deprived of life, liberty, or property without due process of law, nor shall any person be denied the equal protection of the laws.

(2) Private property shall not be taken for public use without just compensation.

(3) The right of the people to be secure in their persons, houses, papers and effects against upreasonable searches and estimates shall.

(3) The right of the people to be secure in their persons, houses, papers, and effects against unreasonable searches and seizures shall not be violated, and no warrants shall issue but upon probable cause, to be determined by the judge after examination under oath or affirmation of the complainant and the witnesses he may produce, and particularly describing the place to be searched and the persons or things to be seized.

(4) The liberty of abode and of changing the same within the limits prescribed by law shall not be impaired.

(5) The privacy of communication and correspondence shall be inviolable except upon lawful order of the court or when public safety and order require otherwise.

(6) The right to form associations or societies for purposes not contrary to law shall not be abridged.

(7) No law shall be made respecting an establishment of religion, or prohibiting the free exercise thereof, and the free exercise and enjoyment of religious profession and worship, without discrimina-

or prohibiting the free exercise thereof, and the free exercise and enjoyment of religious profession and worship, without discrimination or preference, shall forever be allowed. No religious test shall be required for the exercise of civil or political rights.

(8) No law shall be passed abridging the freedom of speech, or of the press, or the right of the people peaceably to assemble and petition the government for redress of grievances.

(9) No law granting a title of nobility shall be enacted, and no helding the profession of the press.

- (9) No law granting a title of hoblity shall be enacted, and no person holding any office of profit or trust shall, without the consent of the national assembly, accept any present, emolument, office, or title of any kind whatever from any foreign state.

  (10) No law impairing the obligation of contracts shall be passed.

  (11) No ex post facto law or bill of attainder shall be enacted.

  (12) No person shall be imprisoned for debt or nonpayment of a noil tax.
- a poll tax.
  (13) No involuntary servitude in any form shall exist except as a punishment for crime whereof the party shall have been duly convicted
- convicted.

  (14) The privilege of the writ of habeas corpus shall not be suspended except in cases of invasion, insurrection, or rebellion, when the public safety requires it, in any of which events the same may be suspended wherever during such period the necessity for such suspension shall exist.

  (15) No person shall be held to answer for a criminal offense without due process of law.

(16) All persons shall before conviction be bailable by sufficient sureties except those charged with capital offenses when evidence of guilt is strong. Excessive bail shall not be required.

sureties except those charged with capital offenses when evidence of guilt is strong. Excessive ball shall not be required.

(17) In all criminal prosecutions the accused shall be presumed to be innocent until the contrary is proven, and shall enjoy the right to be heard by himself and counsel, to be informed of the nature and cause of the accusation against him, to have a speedy and public trial, to meet the witnesses face to face, and to have compulsory process to secure the attendance of witnesses in his healf. behalf.

(18) No person shall be compelled to be a witness against him-

(19) Excessive fines shall not be imposed nor cruel and unusual punishment inflicted.

(20) No person shall be twice put in jeopardy of punishment for the same offense. If an act is punished by a law and an ordinance, conviction or acquittal under either shall constitute a bar to another prosecution for the same act.
(21) Free access to the courts shall not be denied to any person

by reason of poverty.

## ARTICLE IV. CITIZENSHIP

Section 1. The following are citizens of the Philippines:
(1) Those who are citizens of the Philippine Islands at the time of the adoption of this constitution.
(2) Those born in the Philippine Islands of foreign parents who,

before the adoption of this constitution, had been elected to public office in the Philippine Islands.

(3) Those whose fathers are citizens of the Philippines.
(4) Those whose mothers are citizens of the Philippines and, upon reaching the age of majority, elect Philippine citizenship.
(5) Those who are naturalized in accordance with law.
SEC. 2. Philippine citizenship may be lost or reacquired in the manner provided by law.

#### ARTICLE V. SUFFRAGE

SECTION 1. Suffrage may be exercised by male citizens of the Philippines not otherwise disqualified by law who are 21 years of age or over and are able to read and write and who shall have resided in the Philippines for 1 year and in the municipality wherein they propose to vote for at least 6 months preceding the election. The national assembly shall extend the right of suffrage to women if in a plebiscite which shall be held for that purpose within 2 years after the adoption of this constitution not less than 300,000 women possessing the necessary qualifications shall vote affirmatively on the question.

## ARTICLE VI. LEGISLATIVE DEPARTMENT

SECTION 1. The legislative powers shall be vested in a national assembly. The members of the national assembly shall not exceed 120, and shall be chosen every 3 years, and shall be apportioned among the several Provinces as nearly as may be according to the number of their respective inhabitants, but each Province shall have at least 1 member. The national assembly shall by law make an apportionment within 3 years after the return of every enumeration, and not otherwise. Until such apportionment shall have been made, the national assembly shall consist of 98 members of been made, the national assembly shall consist of 98 members, of whom 87 shall be elected by the representative districts as now provided by law, and 3 by the Mountain Province, and 1 by each of the other 8 existing special Provinces. The members of the national assembly in the Provinces of Sulu, Lanao, and Cotabato shall be chosen as may be determined by law; in all other Provinces they shall be elected by the qualified voters therein.

Sec. 2 No person shall be a member of the national assembly.

Sec. 2. No person shall be a member of the national assembly unless he has been 5 years a citizen of the Philippines, is at least 30 years of age, and at the time of his election a qualified elector and a resident of the Province in which he is chosen for not less than 1 year immediately prior to his election.

Sec. 3. (1) In case of vacancy in the national assembly a special election may be called in the corresponding district in the manner.

election may be called in the corresponding district in the manner prescribed by law, but the member thus elected shall serve only for the unexpired term.

(2) Elections for the national assembly shall be held on the dates

fixed by law.

(3) The national assembly shall convene in regular session once every year on the second Monday of the month immediately following that on which the election of its members was held unless a different date is fixed by law. The national assembly may be called in special session at any time by the president to consider general legislation or only such subjects as he may designate. No special session shall continue longer than 30 days and no regular session longer than 100 days, exclusive of Sundays.

(4) The national assembly shall choose its speaker, a secretary, a sergeant-at-arms, and such other officers as may be required. A majority of all the members shall constitute a quorum to do business, but a smaller number may adjourn from day to day, and may compel the attendance of absent members, in such manner and under such penalties as the national assembly may

ner and under such penalties as the national assembly may provide.

colors (5) The national assembly may determine the rules of its proceedings, punish its members for disorderly behavior, and, with the concurrence of two-thirds, expel a member. It shall keep a journal of its proceedings, and from time to time publish the same, excepting such parts as may in its judgment require secrecy; and the yeas and nays on any question shall, at the request of one-fifth of its members present, be entered in the journal.

SEC. 4. There shall be an electoral commission composed of three justices of the supreme court designated by the chief jus-

tice, and of six members chosen by the national assembly, three of whom shall be nominated by the party having the largest number of votes, and three by the party having the second largest number of votes therein. The senior justice in the commission shall be its chairman. The electoral commission shall be the sole judge of all contests relating to the election, returns, and qualifications of the members of the national assembly.

SEC. 5. The members of the national assembly shall, unless other-SEC. 5. The members of the national assembly shall, unless otherwise provided by law, receive an annual compensation of 5,000 pesos each, including per diems and other emoluments, or allowances, and exclusive only of traveling expenses to and from their respective districts when attending sessions of the national assembly. No increase in said compensation shall take effect until after the expiration of the full term of the members of the national assembly elected subsequent to the approval of such increase. The speaker of the national assembly shall receive an annual compensation of 16,000 pesos until otherwise provided by law

SEC. 6. The members of the national assembly shall, in all cases except treason, felony, and breach of the peace, be privileged from arrest during their attendance of the sessions of the national assembly, and in going to and returning from the same; and for any speech or debate therein, they shall not be questioned in any

other place.

SEC. 7. The national assembly shall elect from among its mem bers, on the basis of proportional representation of the political parties therein, a commission on appointments and a commission on impeachment, each to consist of 21 members. These commissions shall be constituted within 30 days after the national assembly shall have been organized with the election of its speaker, and shall meet only while the national assembly is in session, at the call of their respective chairmen, or a majority of

session, at the call of their respective chairmen, or a majority of their members, to discharge such powers and functions as are herein conferred upon them.

SEC. 8. (1) No member of the national assembly may hold any other office or employment in the government without forfeiting his seat, nor shall any such member during the time for which he was elected, be appointed to any civil office which may have been created or the emoluments whereof shall have been increased while he was a member of the national assembly.

(2) No member of the national assembly shall directly or indirectly be financially interested in any contract with the Government, or any subdivision, or instrumentality thereof, or in any franchise, or special privilege granted by the national assembly during his term of office; nor shall any such member appear as counsel before the electoral commission, or any court in any civil case wherein the government, or any subdivision, or instrumentality thereof is the adverse party, or collect any fee for his appearance in any administrative proceedings, or in any criminal case wherein an officer, or employee of the government is accused of an offense committed in relation to his office. No member of the commission on appointments of the national assembly shall appear as counsel before any court inferior to the supreme court.

SEC. 9. (1) The president shall submit within 15 days of the opening of each regular session of the national assembly a budget of receipts and expenditures, which shall be the basis of the general appropriations recommended by the president for the operation of the government as specified in the budget, except the appropriations for the national assembly and the judicial department. The form of the budget and the information that it should contain shall be prescribed by law. (2) No member of the national assembly shall directly or indi-

it should contain shall be prescribed by law.

department. The form of the budget and the information that it should contain shall be prescribed by law.

(2) No provision or enactment shall be embraced in the general appropriation, unless it relates specifically to some particular appropriation in the bill; and any such provision or enactment shall be limited in its operation to such appropriation.

SEC. 10. The heads of departments, upon their own initiative or upon the request of the national assembly, may appear before and be heard by the national assembly on any matter pertaining to their departments, unless the public interest shall require otherwise and the president shall so state in writing.

SEC. 11. (1) Every bill which shall have passed the national assembly shall, before it becomes a law, be presented to the president. If he approves the same, he shall sign it; but if not, he shall return it with his objections to the national assembly, which shall enter the objections at large on its journal and proceed to reconsider it. If, after such reconsideration, two-thirds of all the members of the national assembly shall agree to pass the bill, it shall become a law. In all such cases the votes of the national assembly shall be determined by yeas and nays, and the names of the members voting for and against shall be entered on the journal. If any bill shall not be returned by the president as herein provided within 20 days, Sundays excepted, after it shall have been presented to him, the same shall become a law in like manner as if he had signed it, unless the national assembly, by adjournment prevents its return, in which case it shall become a law unless vetoed by the president within 30 days after adjournment.

(2) The president shall have the power to yeto any particular

ment.

(2) The president shall have the power to veto any particular item or items of an appropriation bill, but the veto shall not affect the item or items to which he does not object. When a provision of an appropriation bill affects one or more items of the same, the president cannot veto the provision without at the same time vetoing the particular item or items to which it relates. The item or items objected to shall not take effect except in the manner heretofore provided as to bills returned to the national assembly without the approval of the president. If the veto refers to a bill or any item of an appropriation bill which appropriates a sum in

excess of 10 percent of the total amount voted in the appropriation bill for the general expenses of the government for the preceding year, or if it should refer to a bill authorizing an increase in the public debt, the same shall not become a law unless approved by three-fourths of all the members of the national assembly.

(3) The president shall have the power to veto any separate item or items in a revenue or tariff bill, and the item or items vetoed shall not take effect except in the manner provided as to bills

vetoed by the president.

SEC. 12. (1) No bill which may be enacted into law shall embrace more than one subject which shall be expressed in the title

brace more than one subject which shall be expressed in the state of the bill.

(2) No bill shall be passed or become a law unless it shall have been printed and copies thereof in its final form furnished the members at least 3 calendar days prior to its passage by the national assembly, except when the president shall have certified to the necessity of its immediate enactment. Upon the last reading of a bill no amendment thereof shall be allowed, and the question upon its final passage shall be taken immediately thereafter, and the yeas and nays entered on the journal.

Sec. 13, (1) All money collected on any tax levied for a special

SEC. 13. (1) All money collected on any tax levied for a special purpose shall be treated as a special fund and paid out for such purpose only. If the purpose for which a special fund was created has been fulfilled or abandoned, the balance, if any, shall be transferred to the general funds of the government.

(2) No money shall be paid out of the treasury except in pursuance of an appropriation made by law.

(3) No public money or property shall ever be appropriated, applied, or used, directly or indirectly, for the use, benefit, cr support of any sect, church, denomination, sectarian institution, or system of religion, or for the use, benefit, or support of any priest, preacher, minister, or other religious teacher or dignitary as such, except when such priest, preacher, minister, or dignitary is assigned to the armed forces or to any penal institution, orphanage, or leprosarium.

Sec. 14. (1) The rule of taxation shall be uniform.
(2) The national assembly may by law authorize the president, subject to such limitations and restrictions as it may impose, to fix within specified limits, tariff rates, import or export quotas, and tonnage and wharfage dues.

(3) Cemeteries, churches, and parsonages or convents appur-tenant thereto, and all lands, buildings, and improvements used exclusively for religious, charitable, or educational purposes shall

be exempt from taxation.

Sec. 15. The national assembly shall, with the concurrence of two-thirds of all its members, have the sole power to declare war.

Sec. 16. In times of war or other national emergency, the national assembly may by law authorize the president, for a limited period and subject to such restrictions as it may prescribe, to promulgate rules and regulations to carry out a declared national policy.

## ARTICLE VII. EXECUTIVE DEPARTMENT

SEC. 1. The executive power shall be vested in a president of the

Philippines.
SEC. 2. The president shall hold his office during a term of 6 years, Sec. 2. The president shall hold his office during a term of 6 years, and together with the vice president chosen for the same term, shall be elected by direct vote of the people. The election returns for president and vice president, duly certified by the board of canvassers of each Province, shall be transmitted to the national assembly. Upon receipt of such returns the national assembly shall forthwith, in public session, count the votes, and proclaim the persons elected president and vice president. The persons respectively having the highest number of votes for president and vice president shall be declared elected, but in case two or more shall have an equal and the highest number of votes for either office, the national assembly shall, by a majority vote of all its members, elect one of said persons as president or vice president.

SEC. 3. No person may be elected to the office of president or vice president unless he be a natural-born citizen of the Philippines, a qualified voter, 40 years of age or over, and has been a resident of the Philippines for at least 10 years immediately preceding the election.

election.

SEC. 4. No person elected president may be reelected for the following term, nor shall the vice president or any other person who may have succeeded to the office of president as herein provided at least 1 year before the election, be eligible to the office of president at such election.

SEC. 5. Elections for president and vice president shall be held once every 6 years on a date to be fixed by the national assembly.

SEC. 6. The terms of the president and vice president shall end at noon on the 30th day of December following the expiration of years after their election, and the terms of their successors shall begin from such time.

begin from such time.

SEC. 7. If, at the time fixed for the beginning of the term of the president, the president-elect shall have died, the vice-president-elect shall become president. If a president shall not have been chosen before the time fixed for the beginning of his term, or if the president-elect shall have failed to qualify, then the vice president shall act as president until a president shall have qualified, and the national assembly may by law provide for the case wherein neither a president-elect nor a vice-president-elect shall have qualified, declaring who shall then act as president, or the manner in which one who is to act shall be selected, and such person shall act accordingly until a president or vice president shall have qualified. qualified.

SEC. 8. Before he enters on the execution of his office, the president shall take the following oath or affirmation:

"I do solemnly swear (or affirm) that I will faithfully and con-"I do solemnly swear (or affirm) that I will faithfully and conscientiously fulfill my duties as president of the Philippines, preserve and defend its constitution, execute its laws, do justice to every man, and consecrate myself to the service of the nation. So help me God." (In case of affirmation, last sentence will be omitted.)

SEC. 9. In the event of the removal of the president from office SEC. 9. In the event of the removal of the president from once or of his death, resignation, or inability to discharge the powers and duties of the said office, the same shall devolve on the vice president, and the national assembly shall by law provide for the case of removal, death, resignation, or inability, both of the president and vice president, declaring what officer shall then act as president, and such officer shall act accordingly, until the disability

dent and vice president, declaring what officer shall then act as president, and such officer shall act accordingly, until the disability be removed, or a president shall be elected.

Sec. 10. The president shall have an official residence and receive a compensation to be ascertained by law which shall be neither increased nor diminished during the period for which he shall have been elected, and he shall not receive within that period any other emolument from the government or any of its subdivisions or instrumentalities. Until the national assembly shall provide otherwise, the president shall receive an annual salary of thirty thousand pesos. The vice president, when not acting as president, shall receive an annual compensation of fifteen thousand pesos until otherwise provided by law.

Sec. 11. (1) The president shall have control of all the executive departments, bureaus, or offices, exercise general supervision over all local governments as may be provided by law, and take care that the laws be faithfully executed.

(2) The president shall be commander in chief of all armed forces of the Philippines, and, whenever it becomes necessary, he may call out such armed forces to prevent or suppress lawless violence, invasion, insurrections, or rebellions. In case of invasion, insurrection, or rebellion, or imminent danger thereof, when the public safety requires it, he may suspend the privileges of the writ of habeas corpus, or place the Philippines or any part thereof under martial law.

(3) The president shall nominate and, with the consent of the

martial law.

martial law.

(3) The president shall nominate and, with the consent of the commission on appointments of the national assembly, shall appoint the heads of the executive departments and bureaus, officers of the army from the rank of colonel of the navy and air forces from the rank of captain or commander and all other officers of the government whose appointments are not herein otherwise provided for, and those whom he may be authorized by law to appoint; but the national assembly may by law vest the appointment of inferior officers. in the president alone, in the courts, or ment of inferior officers, in the president alone, in the courts, or

ment of inferior officers, in the president alone, in the courts, or in the heads of departments.

(4) The president shall have the power to make appointments during the recess of the national assembly, but such appointments shall be effective only until disapproval by the commission on appointments or until the next adjournment of the national assembly.

assembly.

The president shall from time to time give to the national assembly information of the state of the nation and recommend to its consideration such measures as he shall judge necessary

to its consideration such measures as he shall judge necessary and expedient.

(6) The president shall have the power to grant reprieves, commutations, and pardons, and remit fines and forfeitures, after conviction, for all offenses, except in cases of impeachment, upon such conditions and with such restrictions and limitations as he may deem proper to impose. He shall have the power to grant amnesty with the concurrence of the national assembly.

amnesty with the concurrence of the national assembly.

(7) The president shall have the power, with the concurrence of a majority of all the members of the national assembly, to make treaties, and with the consent of the commission on appointments, he shall appoint ambassadors, other public ministers, and consuls. He shall receive ambassadors and other ministers duly

accredited to the government of the Philippines.

SEC. 12. (1) The executive departments of the present government of the Philippine Islands shall continue as now authorized

ment of the Philippine Islands shall continue as now authorized by law until the national assembly shall provide otherwise.

(2) The heads of departments and chiefs of bureaus or offices and their assistants shall not, during their continuance in office, engage in the practice of any profession or intervene, directly or indirectly, in the management or control of any private enterprise which in any way may be affected by the functions of their office; nor shall they, directly or indirectly, be financially interested in any contract with the government or any subdivision or instrumentality thereof.

(3) The president may appoint the vice president as a member

(3) The president may appoint the vice president as a member of his cabinet and also as head of an executive department.

## ARTICLE VIII. JUDICIAL DEPARTMENT

Section 1. The judicial power shall be vested in one supreme court and in such inferior courts as may be established by law.

Sec. 2. The national assembly shall have the power to define, prescribe, and apportion the jurisdiction of the various courts, but may not deprive the supreme court of its original jurisdiction over cases affecting ambassadors, other public ministers, and consuls, nor of its jurisdiction to review, revise, reverse, modify, or affirm on appeal, certiorari, or writ of error, as the law or the rules of court may provide, final judgment and decrees of inferior courts in courts in-

(1) All cases in which the constitutionality or validity of any law, ordinance, or executive order or regulation is in

(2) All cases involving the legality of any tax, impost, assessment, or toll, or any penalty imposed in relation thereto.
(3) All cases in which the jurisdiction of any trial court is in

(4) All criminal cases in which the penalty imposed is death

or life imprisonment

(5) All cases in which an error or question of law is involved.

SEC. 3. Until the national assembly shall provide otherwise, the supreme court shall have such original and appellate jurisdiction as may be possessed and exercised by the supreme court of the Philippine Islands at the time of the adoption of this constitution.

Philippine Islands at the time of the adoption of this constitution. The original jurisdiction of the supreme court shall include all cases affecting ambassadors, other public ministers, and consuls.

SEC. 4. The supreme court shall be composed of a chief justice and 10 associate justices, and may sit either in banc or in two divisions unless otherwise provided by law.

SEC. 5. The members of the supreme court and all judges of inferior courts shall be appointed by the president, with the consent of the commission on appointments of the national assembly.

SEC. 6. No person may be appointed a member of the supreme

SEC. 6. No person may be appointed a member of the supreme court unless he has been 5 years a citizen of the Philippines, is at least 40 years of age, and has for 10 years or more been a judge of a court of record or engaged in the practice of law in the Philippines

SEC. 7. No judge appointed for a particular district shall be designated or transferred to another district without the approval of the supreme court. The national assembly shall by law determine the residence of judges of inferior courts.

SEC. 8. The national assembly shall prescribe the qualification

of judges of inferior courts, but no person may be appointed judge of any such court unless he is a citizen of the Philippines and has

of any such court unless he is a citizen of the Philippines and has been admitted to the practice of law in the Philippines.

SEC. 9. The members of the supreme court and all judges of inferior courts shall hold office during good behavior, until they reach the age of 70 years, or become incapacitated to discharge the duties of their office. They shall receive such compensation as may be fixed by law, which shall not be diminished during their continuance in office. Until the national assembly shall provide otherwise, the chief justice of the supreme court shall receive an annual compensation of P16,000, and each associate tustice P15.000. justice ₱15,000.

Justice P15,000.

SEC. 10. All cases involving the constitutionality of a treaty or law shall be heard and decided by the supreme court in banc, and no treaty or law may be declared unconstitutional without the concurrence of two-thirds of all the members of the court.

SEC. 11. The conclusions of the supreme court in any case submitted to it for decision shall be reached in consultation before the case is assigned to a justice for the writing of the opinion of the court. Any justice dissenting from a decision shall state the reasons for his dissent.

SEC. 12. No decision shall be rendered by any court of record without expressing therein clearly and distinctly the facts and the law on which it is based.

SEC. 13. The supreme court shall have the power to promulgate

SEC. 13. The supreme court shall have the power to promulgate SEC. 13. The supreme court shall have the power to promulgate rules concerning pleading, practice, and procedure in all courts and the admission to the practice of law. Said rules shall be uniform for all courts of the same grade and shall not diminish, increase, or modify substantive rights. The existing laws on pleading, practice, and procedure are hereby repealed as statutes and are declared rules of courts, subject to the power of the supreme court to alter and modify the same. The national assembly shall have the power to repeal, alter, or supplement the rules concerning pleading, practice, and procedure and the admission to the practice of law in the Philippines.

## ARTICLE IX. IMPEACHMENT

Section 1. The president, the vice president, the justices of the supreme court, and the auditor general shall be removed from office on impeachment for, and conviction of, culpable violation of the constitution, treason, bribery, or other high crimes.

Sec. 2. The commission on impeachment of the national assembles.

bly, by a vote of two-thirds of its members, shall have the sole

power of impeachment.

Sec. 3. The national assembly shall have the sole power to try all impeachments. When sitting for that purpose the members shall be on oath or affirmation. When the president of the Philippines is on trial, the chief justice of the supreme court shall preside. No person shall be convicted without the concurrence of three-fourths of all the members who do not belong to the commission on impeachment.

SEC. 4. Judgment in cases of impeachment shall not extend further than to removal from office and disqualification to hold and enjoy any office of honor, trust, or profit under the government of the Philippines, but the party convicted shall nevertheless be liable and subject to prosecution, trial, and punishment, according to law.

## ARTICLE X. GENERAL AUDITING OFFICE

Section 1. There shall be a general auditing office under the direction and control of an auditor general, who shall hold office for a term of 10 years and may not be reappointed. The auditor general shall be appointed by the president, with the consent of the commission on appointments, and shall receive an annual compensation to be fixed by law which shall not be diminished during his continuance in office. Until the national assembly shall provide otherwise, the auditor general shall receive an annual compensation of #12.000. compensation of \$12,000.

SEC. 2. The auditor general shall examine, audit, and settle all accounts pertaining to the revenues and receipts from whatever source, including trust funds derived from bond issues; and audit, in accordance with the law and administrative regulations, all expenditures of funds or property pertaining to or held in trust by the government of the provinces or municipalities thereof. He

shall keep the general accounts of the government and preserve the vouchers pertaining thereto. It shall be the duty of the auditor general to bring to the attention of the proper administrative officer expenditures of funds or property which, in his opinion, are irregular, unnecessary, excessive, or extravagant. He shall also perform such other functions as may be prescribed

by law.

SEC. 3. The decisions of the auditor general shall be rendered within the time fixed by law, and the same may be appealed to the president, whose action shall be final. When the aggrieved party is a private person or entity, an appeal from the decision of the auditor general may be taken directly to a court of record in the menner provided by law.

the manner provided by law.

SEC. 4. The auditor general shall submit to the president and the national assembly an annual report covering the financial condi-tion and operations of the government, and such other reports as may be required.

#### ARTICLE XI. CIVIL SERVICE

Section 1. A civil service embracing all branches and subdivisions of the government shall be provided by law. Appointments in the civil service, except as to those which are policy-determining, primarily confidential, or highly technical in nature, shall be made only according to merit and fitness, to be determined as far as practicable by competitive examination.

Sec. 2. Officers and employees in the civil service, including members of the armed forces, shall not engage directly or indirectly in partisan political activities or take part in any election except to vote.

to vote.

SEC. 3. No officer or employee of the government shall receive additional or double compensation unless specifically authorized

by law.

SEC. 4. No officer or employee in the civil service shall be removed or suspended except for cause as provided in by law.

ARTICLE XII. CONSERVATION AND UTILIZATION OF NATURAL RESOURCES

SECTION 1. All agricultural, timber, and mineral lands of the SECTION 1. All agricultural, timber, and mineral lands of the public domain, waters, minerals, coal, petroleum, and other mineral oils, all forces of potential energy, and other natural resources of the Philippines belong to the state, and their disposition, exploitation, development, or utilization shall be limited to citizens of the Philippines, or to corporations or associations at least 60 percent of the capital of which is owned by such citizens, subject to any existing right, grant, lease, or concession at the time of the inauguration of the government established under this constitution. Natural resources, with the exception of public agricultural inauguration of the government established under this constitu-tion. Natural resources, with the exception of public agricultural land, shall not be alienated, and no license, concession, or lease for the exploitation, development, or utilization of any of the nat-ural resources shall be granted for a period exceeding 25 years, re-newable for another 25 years, except as to water rights for irriga-tion, war supply, fisheries, or industrial uses other than the de-velopment of water power, in which cases beneficial use may be

velopment of water power, in which cases beneficial use may be the measure and the limit of the grant.

Sec. 2. No private corporation or association may acquire, lease, or hold public agricultural lands in excess of 1,024 hectares, nor may any individual acquire such lands by purchase in excess of 144 hectares, or by lease in excess of 1,024 hectares, or by homestead in excess of 24 hectares. Lands adapted to grazing, not exceeding 2,000 hectares, may be leased to an individual, private corporation or association.

poration, or association.

SEC. 3. The national assembly may determine by law the size of private agricultural land which individuals, corporations, or asso-

private agricultural land which individuals, corporations, or associations may acquire and hold, subject to rights existing prior to the enactment of such law.

SEC. 4. The national assembly may authorize, upon payment of just compensation, the expropriation of lands to be subdivided into small lots and conveyed at cost to individuals.

SEC. 5. Save in cases of hereditary succession, no private agricultural land shall be transferred or assigned except to individuals, corporations or associations qualified to acquire or hold lands of corporations, or associations qualified to acquire or hold lands of the public domain in the Philippines. SEC. 6. The state may, in the interest of national welfare and

defense, establish and operate industries and means of transporta-tion and communication, and, upon payment of just compensa-tion, transfer to public ownership utilities and other private enter-prises to be operated by the government.

## ARTICLE XIII. GENERAL PROVISIONS

SECTION 1. The flag of the Philippines shall be red, white, and blue, with a sun and three stars, as consecrated and honored by the people and recognized by law.
SEC. 2. All public officers and members of the armed forces shall

SEC. 2. An public officers and thembers of the armed forces shall take an oath to support and defend the constitution.

SEC. 3. The national assembly shall take steps toward the development and adoption of a common national language based on one of the existing native languages. Until otherwise provided by law, English and Spanish shall continue as official

SEC. 4. The state shall promote scientific research and invention. Arts and letters shall be under its patronage. The exclusive right to writings and inventions shall be secured to authors and

right to writings and inventions shall be secured to authors and inventors for a limited period.

Sec. 5. All educational institutions shall be under the supervision of and subject to regulation by the state. The government shall establish and maintain a complete and adequate system of public education, and shall provide at least free public primary instruction, and citizenship training to adult citizens. All schools shall aim to develop moral character, personal discipline, civic conscience, and vocational efficiency, and to teach the

duties of citizenship. Optional religious instruction shall be maintained in the public schools as now authorized by law. Universities established by the state shall enjoy academic freedom. The state shall create scholarships in arts, science, and letters for specially gifted citizens.

Sec. 6. The state shall afford protection to labor, especially to working women and minors, and shall regulate the relations between landowners and tenants, and between labor and capital in industry and in agriculture. The state may provide for com-

industry and in agriculture. The state may provide for compulsory arbitration.

SEC. 7. The national assembly shall not, except by general law, provide for the formation, organization, or regulation of private corporations, unless such corporations are owned or controlled by the government or any subdivision or instrumentality thereof.

SEC. 8. No franchise, certificate, or any other form of authorization for the operation of a public utility shall be granted except to citizens of the Philippines or to corporations or other entities organized under the laws of the Philippines, 60 percent of the capital of which is owned by citizens of the Philippines, nor shall such franchise, certificate, or authorization be exclusive in character or for a longer period than 50 years. No franchise or right shall be granted to any individual, firm, or corporation, except under the condition that it shall be subject to amendment, alteration, or repeal by the national assembly when the public interest so requires. interest so requires. Sec. 9. The gover

SEC. 9. The government shall organize and maintain a national police force to preserve public order and enforce the law.

SEC. 10. This constitution shall be officially promulgated in English and Spanish, but in case of conflict the English text

shall prevail.

#### ARTICLE XIV. AMENDMENTS

SECTION 1. The national assembly, by a vote of three-fourths of all its members, may propose amendments to this constitution or call a convention for that purpose. Such amendments shall be valid as part of this constitution when approved by a majority of the votes cast at an election at which the amendments are submitted to the people for their retifications. mitted to the people for their ratification.

#### ARTICLE XV. TRANSITORY PROVISIONS

SECTION 1. The first election of the officers provided in this constitution and the inauguration of the Government of the Commonwealth of the Philippines shall take place as provided in Public Act No. 127 of the Congress of the United States, approved March 24, 1934.

SEC. 2. All laws of the Philippine Islands shall continue in force

until the inauguration of the Commonwealth of the Philippines; thereafter, such laws shall remain operative, unless inconsistent with this constitution, until amended, altered, modified, or repealed by the national assembly, and all references in such laws to the government or officials of the Philippine Islands shall be

pealed by the national assembly, and all references in such laws to the government or officials of the Philippine Islands shall be construed, insofar as applicable, to refer to the government and corresponding officials under this constitution.

Sec. 3. All courts existing at the time of the adoption of this constitution shall continue and exercise their jurisdiction until otherwise provided by law in accordance with this constitution, and all cases, civil and criminal, pending in said courts, shall be heard, tried, and determined under the laws then in force.

Sec. 4. All officers and employees in the existing government of the Philippine Islands shall continue in office until the national assembly shall provide otherwise, but all officers whose appointments are by this constitution vested in the president shall vacate their respective offices upon the appointment and qualification of their successors, if such appointment is made within a period of 1 year from the date of the inauguration of the Commonwealth of the Philippines.

Sec. 5. The members of the national assembly for the mountain Provinces shall be elected as may be provided by law. The voters of municipalities and municipal districts formerly belonging to a special Province and now forming part of regular Provinces shall vote in the election for members of the national assembly in such districts as may be provided by law.

Sec. 6. The provisions of this constitution, except those contained in this article and in article V, and those which refer to the election and qualification of officers to be elected under this constitution, shall not take effect until the inauguration of the Commonwealth of the Philippines.

ARTICLE XVI. SPECIAL PROVISIONS EFFECTIVE UPON THE PROCLAMATION OF THE INDEPENDENCE OF THE PHILIPPINES

SECTION 1. Upon the proclamation of the President of the United

Section 1. Upon the proclamation of the President of the United States recognizing the independence of the Philippines:

(1) The property rights of the United States and the Philippines shall be promptly adjusted and settled, and all existing property rights of citizens or corporations of the United States shall be acknowledged, respected, and safeguarded to the same extent as property rights of citizens of the Philippines.

(2) The officials elected and serving under this constitution shall be constitutional officers of the free and independent government of the Philippines and qualified to function in all respects as if elected directly under such government, and shall serve their full terms of office as prescribed in this constitution.

(3) The debts and liabilities of the Philippines, its Provinces, cities, municipalities, and instrumentalities, which shall be valid and subsisting at the time of the final and complete withdrawal of the sovereignty of the United States, shall be assumed by the free and independent government of the Philippines; and where bonds have been issued under authority of an act of Congress of the United States by the Philippine Islands, or any Province, city, or municipality thereof, the government of the Philip-ince, city, or municipality thereof, the government of the Philippines.

pines will make adequate provision for the necessary funds for the payment of interest and principal, and such obligations shall be a first lien on all taxes collected.

(4) The government of the Philippines will assume all continuing obligations of the United States under the treaty of peace with Spain ceding the Philippines to the United States.

(5) The government of the Philippines will embody the foregoing provisions of this article (except subsec. (2)) in a treaty with the United States.

#### ARTICLE XVII. THE COMMONWEALTH AND THE REPUBLIC

Section 1. The government established by this constitution shall be known as the "Commonwealth of the Philippines." Upon the final and complete withdrawal of the sovereignty of the United States and the proclamation of Philippine independence, the Commonwealth of the Philippines shall thenceforth be known as the "Republic of the Philippines."

#### ORDINANCE APPENDED TO THE CONSTITUTION

SECTION 1. Notwithstanding the provisions of the foregoing constitution, pending the final and complete withdrawal of the sovereignty of the United States over the Philippines—

All citizens of the Philippines shall owe allegiance to the

United States.

(2) Every official of the government of the Commonwealth of the Philippines shall, before entering upon the discharge of his duties, take and subscribe an oath of office, declaring, among other things, that he recognizes and accepts the supreme authority of and will maintain true faith and allegiance to the United States.

(3) Absolute toleration of religious sentiment shall be secured and no inhabitant or religious organization shall be molested in person or property on account of religious belief or mode of worship.

worship.

(4) Property owned by the United States—cemeteries, churches, and parsonages or convents appurtenant thereto, and all lands, buildings, and improvements used exclusively for religious, charitable, or educational purposes—shall be exempt from taxation.

(5) Trade relations between the Philippines and the United States shall be upon the basis prescribed in section 6 of Public Lands of the Congress of the United States approved March

Act No. 127 of the Congress of the United States, approved March

24, 1934

The public debt of the Philippines and its subordinate branches shall not exceed limits now or hereafter fixed by the Congress of the United States, and no loans shall be contracted in foreign countries without the approval of the President of the United States

United States.

(7) The debts, liabilities, and obligations of the present government of the Philippine Islands, its provinces, municipalities, and instrumentalities, valid and subsisting at the time of the adoption of the constitution, shall be assumed and paid by the government of the Commonwealth of the Philippines.

(8) The government of the Commonwealth of the Philippines shall establish and maintain an adequate system of public schools, primarily conducted in the English language.

(9) Acts affecting currency, coinage, imports, exports, and immigration shall not become law until approved by the President of the United States.

of the United States.

(10) Foreign affairs shall be under the direct supervision and control of the United States.

(11) All acts passed by the national assembly of the Commonwealth of the Philippines shall be reported to the Congress of the United States

(12) The Philippines recognizes the right of the United States to expropriate property for public uses, to maintain military and other reservations and armed forces in the Philippines, and, upon order of the President of the United States, to call into the service of such armed forces all military forces organized by the government of the Commonwealth of the Philippines.

(13) The decisions of the courts of the Philippines shall be subject to review by the Supreme Court of the United States

as now provided by law, and such review shall also extend to all cases involving the constitution of the Philippines.

(14) Appeals from decisions of the auditor general may be

taken to the President of the United States.

(14) Appeals from decisions of the auditor general may be taken to the President of the United States.

(15) The United States may, by Presidential proclamation, exercise the right to intervene for the preservation of the government of the Commonwealth of the Philippines and for the maintenance of the government as provided in the constitution thereof, and for the protection of life, property, and individual liberty and for the discharge of government obligations under and in accordance with the provisions of the constitution.

(16) The authority of the United States high commissioner to the government of the Commonwealth of the Philippines as provided in Public Act No. 127 of the Congress of the United States, approved March 24, 1934, is hereby recognized.

(17) Citizens and corporations of the United States shall enjoy in the Commonwealth of the Philippines all the civil rights of the citizens and corporations, respectively, thereof.

(18) Every duly adopted amendment to the constitution of the Philippines shall be submitted to the President of the United States for approval. If the President approves the amendment or if the President falls to disapprove such amendment within 6 months from the time of its submission, the amendment shall take effect as a part of such constitution.

(19) The President of the United States shall have authority to suspend the taking effect of or the operation of any law, contract, or executive order of the government of the Commonwealth of the Philippines, which, in his judgment, will result in a failure of the

government of the Commonwealth of the Philippines to fulfill its contracts, or to meet its bonded indebtedness and interests thereon or to provide for its sinking funds, or which seem likely to impair the reserves for the protection of the currency of the Philippines, or which in his judgment will violate international obligations of the United States.

(20) The president of the Commonwealth of the Philippines

shall make an annual report to the President and Congress of the United States of the proceedings and operations of the government of the Commonwealth of the Philippines and shall make

ment of the Commonwealth of the Philippines and shall make such other reports as the President or Congress may request.

SEC. 2. Pending the final and complete withdrawal of the sovereignty of the United States over the Philippines, there shall be a Resident Commissioner of the Philippines to the United States who shall be appointed by the president of the Commonwealth of the Philippines with the consent of the commission on appointments. The powers and duties of the Resident Commissioner shall be as provided in section 7, paragraph 5 of Public Act No. 127 of the Congress of the United States, approved March 24, 1934, together with such other duties as the national assembly may determine. The qualifications, compensation, and expenses

may determine. The qualifications, compensation, and expenses of the Resident Commissioner shall be fixed by law.

SEC. 3. All other provisions of Public Act No. 127 of the Congress of the United States, approved March 24, 1934, applicable to the government of the Commonwealth of the Philippines, are hereby made a part of this ordinance as if such provisions were expressly inserted herein.

#### PRINTING OF EDITORIALS IN THE RECORD

Mr. ROBINSON. Mr. President, I ask unanimous consent to have printed in the RECORD two brief editorials, one from the Washington Herald under date of February 23, 1935, and another from the New York Times dated February 23, 1935.

The VICE PRESIDENT. Is there objection?

Mr. COUZENS. I object until I may be advised of the nature of the editorials.

Mr. ROBINSON. The editorial in the Washington Herald to which I referred is entitled "Support the President." The editorial in the New York Times is entitled "The Senate Polled."

Mr. COUZENS. I object to the editorial from the Washington Herald going into the RECORD. It is an attempt to castigate all Senators who do not agree with Mr. Hearst and the President. I think it is a violation of the rule whereby Senators are not permitted to challenge the motives or say anything derogatory of another Senator. If I interpret the editorial correctly, it is derogatory to Members of the Senate. If the Senator wants to read it, I shall still consider it a violation of the rule, and I object.

Mr. ROBINSON. I think the Senator from Michigan is in error. The editorial to which I am referring is under date of February 23, and I have not discovered anything in it reflecting on anyone.

Mr. COUZENS. The editorial to which I have reference appeared in the Hearst newspapers this morning. I have no means of knowing what is in the editorial which the Senator has submitted. The editorial appearing in the Washington Herald of this morning is offensive and will be discussed at a later time.

Mr. ROBINSON. That is not the editorial to which I am referring.

Mr. COUZENS. Then, I do not object. The Senator did not explain just what he was offering for the RECORD.

Mr. ROBINSON. I did explain that it is under date of February 23, 1935. If the Senator desires to object, of course he is at liberty to do so. I never insert anything in the RECORD which I think is in violation of a rule, I may say to the Senator from Michigan.

Mr. COUZENS. I do not so charge.

Mr. ROBINSON. My purpose is to conform to the rules of the Senate. The editorial is an argument in favor of the President's position with respect to the wage issue, but there is nothing in it which in my opinion reflects on anyone.

Mr. COUZENS. Then, I have no objection.
Mr. McNARY. Mr. President, does the editorial refer in a derogatory manner to any Member of this body?

Mr. ROBINSON. It does not. It does not refer derogatorily to anyone.

Mr. McNARY. Does it mention any member of the Sen-

Mr. ROBINSON. It mentions the junior Senator from New York [Mr. Wagner], but not in an offensive way.

If any Senator objects to it I shall withdraw the request and read it.

Mr. COPELAND. Mr. President, in the absence of my colleague, the junior Senator from New York [Mr. WAGNER], I respectfully request the Senator from Arkansas to withhold his request.

Mr. ROBINSON. Very well; I withdraw the request. The VICE PRESIDENT. The request is withdrawn.

#### THE COAL CODE

Mr. BORAH. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from the Builders' Supply Corporation to Mr. L. J. Martin, acting regional director, compliance council, N. R. A., in reference to the coal code.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 20, 1935.

Mr. L. J. MARTIN, Acting Regional Director, HENRY P. WRIGHT, Jr., Executive Secretary,

Compliance Council N. R. A., Washington, D. C.

Dear Sir: Replying to your day letter with reference to the charge that we are selling coal at a price below the minimum price established by the divisional code authority, we reply as follows:

That so far as your reference therein as to the withdrawal of the

That so lar as your reference therein as to the withdrawar of the Blue Eagle is concerned, we have not displayed this emblem for a long while. If this carrion scavenger is to be emblematic of the right to prey upon the unsuspecting public, and the destruction of the small business man, we will be glad to part with it.

That the prices for coal, as established by the local divisional

code authority, have been withdrawn.

That we are proud of our efforts in bringing this about.

That this company has paid and is paying higher wages than

provided for by the code.

That the code authority has practiced a fraud upon the public by the use of false price lists as to cost price of coal to the dealer.

That the code authority has misrepresented the effective dates upon which prices took effect.

That the code authority assumed arbitrarily to change prices

and their effective dates.

That the prices of coal before their effective date were fraudulently represented in court as of August 18, 1934, while it enforced and put into effect an entirely different schedule of prices on that date and prior thereto.

That the code authority violated its own regulations in estab-

lishing prices.

That the code authority changed prices arbitrarily without the approval of the administrator.

That the code authority represented such changes could be the code authority represented such changes could be the code authority represented such changes could be compared to the code authority represented such changes could be compared to the code authority becomes a constant of the code authority represented such changes could be code authority becomes a code authority changed prices arbitrarily without the approval of the code authority changed prices arbitrarily without the approval of the administrator. automatically made, but has failed to provide evidence of such automatic authority.

That the code authority has attempted to have the representa

That the code authority has attempted to have the representation that prices were approved while, as a matter of fact, no signature of approval has been produced to support such fraudulent act. That the code authority has endeavored to subject this company to unauthorized "hip pocket" law.

That representatives of the code authority located in Washington have refused to answer telephone calls made by this company using the standard evasive excuse over a period of 10 days that Mr. Hecht was "in conference."

That the code authority has avoided and refused to make an honest statement relative to the official approval of the schedule of prices.

of prices.

That the code authority maliciously selected this company for prosecution and oppressive litigation despite the fact that a large number of other dealers were selling coal at prices lower than this

number of other dealers were selling coal at prices lower than this company.

That this company has successfully combated this malicious litigation, and is still ready to preserve its constitutional rights regardless of the assumption of authority and "hip pocket" law.

That the local code authority was illegally elected in violation of the provisions of the code as signed by the President.

That the code, as signed by the President, was changed particularly in relation to the classification of members.

That the ballot used in the election of the local code authority was so manipulated as to give preference.

That despite the provisions of the code that no inequitable restriction on membership be imposed, the granting of votes upon a tonnage basis, or amount of business done, does impose arbitrary discriminatory and oppressive restrictions upon the small dealer, and, therefore, is a violation of article 8, Monopolistic Practices.

That the arbitrary discrimination permitted the control of the

That the arbitrary discrimination permitted the control of the solid-fuel industry and the ultimate levying of taxes upon the consumer by a single influence and interest.

That this company was deprived of its vote in its proper class under the code by the arbitrary changes effected through the manipulation of the ballot.

That a list of proposed candidates was circulated prior to the election whereby the same candidates at large were voted for under each class of membership, resulting in the election of two officers from the largest dealer.

That the wording of the certificate of compliance required the assent which in effect was to create a combination detrimental to the constitutional rights of an American citizen.

That this company has been denied the right to make extracts from the record of the proceedings of the public meetings of the code authority, thereby depriving it of its proper information for the conduct of its business and its constitutional defense against the unwarranted and prejudiced action in court as promoted through the action of the code authority.

That this company has been "boycotted" in the expenditure of our local tax moneys as well as Federal funds in an effort to force and coerce us to give up our constitutional rights under our Government.

Government.

That the consumers' committee was not represented and unable to express their views upon the action of the code authority or the prices as fixed.

That the costs were not properly secured by the administrative

That the administrative member was not qualified to secure

That the administrative member padded up the basic costs according to his so-called "philosophy" to the injury of this company and the consumer.

That the administrative member arbitrarily attempted to coerce this company from doing a cash business and endeavored to force

this company from doing a cash business and endeavoted to force us to go into a credit business.

That the administrative member expressed pleasure at the prospect of having an opportunity to testify in court, making reference to the fees he had secured in cases for so doing, and stated to us that he had "teeth and could use them."

That we have been denied copies of the records of the code authority, despite the fact we agreed to furnish all expenses connected with the furnishing of same.

Very truly yours,

BUILDERS SUPPLIES CORPORATION. GEORGE H. McGovern, President.

PENDING FEDERAL LEGISLATION-ADDRESS BY BENJAMIN C. MARSH

Mr. FRAZIER. Mr. President, I ask unanimous consent to have published in the RECORD a radio address delivered by Benjamin C. Marsh, executive secretary of the People's Lobby, in Washington, D. C., on February 9 last, relating to pending legislation in Congress.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Last summer I was in three countries with dictatorships, Germany, Poland, and Russia, and in no one of them I am certain, could a citizen talk over the radio, and probably not privately safely, as I shall talk today. I am glad that radio systems in America are not subject to Government censorship, which is involved in Government ownership, though speakers properly are subject to libel laws, and should be held accountable for the truth of what they say. I sincerely hope we stay America.

No administration measure before Congress will materially affect the unemployment situation, since unemployment is primarily due to maldistribution of the national income, and the Federal Government must act to correct that.

In considering pending and prospective legislation, and needed

In considering pending and prospective legislation, and needed legislation we must remember that we are in the fifth year of the depression, with practically no improvement except that due to Government spending through borrowing from the investing classes, and taxing people of small means.

It is clear that if many, perhaps most, of the employable unemployed, are to be employed, the Federal Government will have to employ them, because private capital wants high profits before it

will give work.

We are confronted with an economic fact, not the new deal theory, that the masses can fatten on the crumbs that fall from the tables of the masters of finance, industry, and land, including natural resources

The people's lobby is therefore working for socialization of ground rent, through taxation of natural resources, and monopolies, and of basic industries, paying the owners only a minimum fair price and a minimum rate of return. We are also working Federal housing corporation and a Federal marketing corporation.

The measures now before Congress in which the masses of the people are probably most immediately interested, are those providing for social security. The administration's so-called "security bill, the Wagner-Lewis-Doughton bill," is misnamed. It makes a minimum provision for old-age pensions. The total Federal appropriation for the next fiscal year for this purpose is about \$50,-00,000, and for each succeeding year \$125,000,000, although the President's committee on economic security admits that if an allowance of \$25 per month for the aged over 65 years were provided, this would "represent a claim upon current national production of \$2,000,000,000 per year." The States are supposed to contribute half of this cost. This committee of the President's also reports that "at least one-half of the approximately 7,500,000 people over 65 years now living are dependent."

The administration bill makes a minimum provision for mothers' assistance, child welfare, public health, etc., but doesn't establish a Federal unemployment insurance system, leaving it up to the States to do this if they wish, and provides a minimum Federal appropriation for payment of unemployment insurance benefits

of about \$5,000,000 for the next fiscal year, and \$50,000,000 in succeeding years. Counting only 10,000,000 unemployed—the number is probably nearly 12,000,000—this would amount to a Federal appropriation of 50 cents per unemployed next year and \$5 thereafter. The bill can only be designated as "the insecurity bill for evading the responsibility for meeting the unemployment situa-

appropriation of 50 cents per unemployed next year and \$5 thereafter. The bill can only be designated as "the insecurity bill for
evading the responsibility for meeting the unemployment situation."

The Lundeen security bill sets up a national unemploymentinsurance system in the Department of Labor and stipulates that
during the entire time of unemployment people shall be paid a
minimum of \$10 a week for each, and \$3 for each dependent, but
that the pay shall always be the prevalling rate of wages. It is
stipulated that the cost shall be met by taxes on inheritance,
gifts, individual, and corporation incomes of \$5,000 a year and
over, and corporation surpluses. Compensation for disability because of maternity is to be paid to women for 8 weeks before and
8 weeks after childbirth. This bill has the backing of scores of
labor, farm, and tenant organizations. It is a much saner program
than the Townsend \$200-a-month-pension sales-tax scheme.

No citizen, however, is any safer than the economic system of
his country, and our economic system is chock full of dynamite.

The fight over the nearly \$5,000,000,000 bill, of which \$4,000,000,000 is to be for public works and \$880,000,000 for relief,
promises to continue for some time. Neither in the proposed bill
nor in the N. I. R. A is there any provision that the cost of
improvements shall be assessed upon property benefited thereby,
although many cities and States have such provision. A bill is
being drafted, and will be introduced probably shortly, for a
Federal excise tax on the privilege of holding land, based upon the
value with an exemption of at least \$3,000, so that no additional
tax would be levied upon small-home owners, city or farm.

A bill will also probably be introduced shortly creating a Federal
Housing Corporation with power to acquire land at a reasonable
price, and if necessary to secure fair prices, to commandeer or to
construct plants manufacturing material necessary for housing, there
has been practically no housing through Federal action

state Commerce, has introduced a resolution authorizing his committee to investigate the financial set-up and capitalization of the railroads of the United States, which states that not only the investing public, but the Government itself has already invested billions of dollars in the railroads and railways, and their vested billions of dollars in the railroads and railways, and their vested billions of dollars in the railroads and railways, and their affiliated and subsidiary companies. He will also introduce shortly a bill for public ownership of the railroads under strict Government control. Senator Wheeler's resolution for an investigation of the capital set-up of the railroads is of basic importance since public ownership on the basis of present capitalization of mines, oil fields, railroads, steel, aluminum, and other basic industries, would be merely subsidy of wildcat financing, which would be paid by consumers. At the close of 1929, the alleged assets of reporting corporations were in round figures \$335,000,000,000.

This was at least \$150,000,000,000 too high, but at the close of 1932 the assets were still reported as approximately \$280,000,000,000, so that only about a third of the water has been squeezed out, and much of the program of the new deal is designed to

out, and much of the program of the new deal is designed to validate this fictitious valuation at the expense of the consumer. Since about one-third of 1 percent of the families of America receive at least one-fifth of all dividends paid on the stock of domestic corporations, and there are only about 2½ million sizable teached to the behavior that the least one-fifth of the consumer. stockholders, it is obvious that validating watered stock is not going to help consumers nor recovery.

The Wheeler-Rayburn resolution to investigate holding companies is very important.

The opponents of the Hastings-Pierce bill, legalizing the dis The opponents of the hastings-rierce bill, legalizing the dissemination in interstate commerce to qualified medical persons of information on birth control, claim that it is unethical, and undesirable. The advocates of the bill point out that in most advanced countries such information is legal, and that we are paying hundreds of millions of dollars a year for maintenance of children whose parents cannot maintain them, and that the bill only removes discrimination against the poor, since the wealthy

can get the information anyhow. There are about 7,500,000 children in families on relief.

Senator Guffer, of Pennsylvania, has introduced a bill, sponsored by the United Mine Workers, to have the Federal Government control production, prices, and labor relations in the bituminous-coal industry. It creates a national bituminous-coal commission, and requires all producers to subject themselves to Government control. The report of the Noticeal Resources Records. mission, and requires all producers to subject themselves to Government control. The report of the National Resources Board on mineral resources, indicates why we are not getting along toward recovery. It recommends:

"1. That the Federal Government assist the mineral industries to attain economic stability, in order that they may minimize waste of natural resources, maintain reasonable wage standards, and protect investments."

The Government cannot protect alleged investments or even actual investments in natural resources, and protect the consumers

actual investments in natural resources, and protect the consumers of America, since about 5 percent of the people own nearly four-fifths of the wealth. The Government will have to socialize the four competing natural resources—coal, oil, water power, and gas. We have asked Secretary Ickes to draft a bill to do this.

The new deal is attempting to do the impossible in its task of protecting property interests and jollying the propertyless. The report points out, however, that as far as land and natural resources are concerned, "Basically absolute ownership still resides in the State (either individual Commonwealth or Nation), and under the State (either individual Commonwealth or Nation), and under the police power the State may constrain the private use of land within bounds set by the public interest." The enforcement of this legal provision will help solve the problem, but the administration has evaded it. We cannot have real economic planning with private ownership of natural resources.

Revenue revision has not been undertaken by the House Ways and Means Committee, but must be, since the present rate of increase in the public debt for a year or two will seriously impair the Government's credit. The Government is still borrowing from the investing classes, largely the well-to-do, for reasons which no decent citizen likes to contemplate. With about half our wealth and income, Great Britain raises nearly twice as much from corporation and individual income taxes as we, which means that we could raise four times as much, in addition to getting a large amount for several years from liquid corporation surpluses which could raise four times as much, in addition to getting a large amount for several years from liquid corporation surpluses, which amount to many billions of dollars. Only a vigorous demand from the American people will bring such taxation. There is strong sentiment in both branches of Congress to tax America's wealth as British wealth is taxed. We cannot borrow ourselves out of the depression. Total dividend and interest payments for the 5 years of the depression were \$10,000,000,000 greater than for the 5 years before the depression, according to the New York Journal of Commerce, the figures, respectively, being \$36,000,000,000 and \$26,000,000,000. The administration is attempting to save the propertied classes, borrow from them, and tax those of small property or none, and with small and precarious incomes, to pay the carrying charges on money borrowed from the rich. This is not only unjust but unsound. Congress, however, can initiate higher taxes on incomes, estates, corporations, and tax land speculation. It will do it if the people demand it. people demand it.

Not one of the banking bills before Congress goes to the root of the credit issue, providing credit for consumption instead of stabilizing property values. I cannot even say that a banking and credit bill to put the credit facilities of the Nation at the disposal of consumers will get much of a hearing. How could it when the administration is devoting its major efforts to protecting property owners and turning the cold shoulder on producers and consumers with the implied but not expressed slogan, After us the deluge?

### STREET-CAR SUBWAYS IN THE DISTRICT

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD a very interesting radio address by W. A. Roberts, people's counsel of the District of Columbia, delivered February 16, summarizing the necessity for constructing subways to bypass street-car traffic in the city of Washington.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Although surrounded by major national issues, the 700,000 resi

Although surrounded by major national issues, the 700,000 residents of Washington and vicinity are thinking and talking about local traffic conditions. It has become quite customary for a Government employee to spend over an hour reaching his office from his home located only a few miles away.

The use of private automobiles is no solution as in the past year there were registered over 180,000 vehicles, Nation-high density, all striving and scrambling for the limited parking area on public space or suffering over high charges in the equally limited private parking areas. For a period of 5 years the rate of increase in registrations has been approximately 20 percent, and there is no reason to believe that the tendency in this direction, if not artificially restrained, will otherwise terminate. By successive steps the District authorities have restricted the amount of curb space ncially restrained, will otherwise terminate. By successive steps the District authorities have restricted the amount of curb space available for even short-time parking until it is practically impossible for the customers of down-town merchants to approach the stores without paying parking charges. Although this tendency has been resisted it is apparent that an even broader program than parking restriction must be undertaken in the immediate future to reduce congestion on the few available north and south arteries.

Through the milling motor vehicles the street cars, driven by power obtained through underground track construction, move slowly and noisily. Running time is being constantly increased and traffic hazards create interruptions in service which are exasperating to the patrons and expensive to the company. Constant criticism of the vehicle drivers is the only reply to a growing undercurrent of criticism on the part of the patrons. It is no undercurrent of criticism on the part of the patrons. It is no longer convincing. It is true that a small proportion of the peakhour crowds approach their work on foot, but this is a varying number depending on weather conditions and is largely transferred to mass transportation units in times of storm, adding to the

congestion.

Nearly 4,000 light automobiles are engaged in taxicab service. Nearly 4,000 light automobiles are engaged in taxicab service. They are run largely by rental drivers who must earn a definite sum for expenses before obtaining anything for themselves. Theoretically, many of these vehicles are being purchased on conditional sales contracts, but in practice the tremendous mileage which must be covered under the zone rates in order to earn even a moderate wage exhausts the useful life of the vehicle before payment is completed and requires that it be traded on a new car. The turn-over in the ranks of these drivers is enormous. Generally they are said to average 35 trips per day, which, with the number of vehicles in service, would be the equivalent of a total of somewhat less than 140,000 trips. Only a small number of these trips are run during the rush periods as a very considerable number of the vehicles are employed for the long hauls in competition with the mass transportation and cannot return in time to obtain additional patronage. Recent surveys indicate that this type of operation of taxicabs has developed cruising to a fine art and on certain very congested thoroughfares the number of empty cabs seeking patrons amounts to 60 or more percent of the total number of vehicles being operated. Obviously, no substantial additional service can be afforded by taxicabs, for even at the relatively low rates in effect they are too expensive for everyday transportation by a great majority of the population whose income averages well under \$2,000 per annum.

In addition to the Government clerical workers, numbering even a moderate wage exhausts the useful life of the vehicle before

In addition to the Government clerical workers, numbering now over 100,000, there is a resident population of over 120,000 Negroes. Twenty-five thousand family units of this Negro population have been recently on the relief rolls. Quite obviously they cannot resort either to private cars or to taxicab service. The universal weekly pass system has tremendously increased the number of trips made by car-riding patrons. A considerable part of this increase has occurred in rush-hour travel and the present units of the street-railway system are jammed to ultimate capacity during

these periods.

Not only is the patronage on the existing equipment at its maximum but expert studies have shown that the capacity of the tracks carrying this equipment has reached its limit. Minor changes of the track connections as a result of the rerouting hearings is expected to even the flow of street cars and effect a measure of improvement. Nobody contends, however, that the improvement will be of such extent as would permit marked acceleration of the present schedules and it is universally conceded that any considerable further increase in patronage will

ceded that any considerable further increase in patronage will find the street-car operation unbearably unsatisfactory.

One factor in this problem frequently overlooked is the destruction of the value of business properties as a result of the noise of surface cars, particularly the heavy type of equipment in present use. The financial position of the transportation company does not warrant the belief that any material substitution of improved equipment is imminent. The principal advantage of the more modern types is rapid acceleration and braking and higher average speeds. The full effect of such improvements cannot be experienced if the new cars must be run between the relatively obsolete equipment now in operation. Increasing traffic requires the addition of equipment more than the substitution of improved equipment.

It is not intended to draw too gloomy a picture of our trans-

It is not intended to draw too gloomy a picture of our transportation problem. The genuine undercurrent of sentiment is far more antagonistic than the sober thoughts here expressed. Throughout the city the mass of the population has reached a point of exasperation reflected in constant petitions from dvic and other organizations and the vigorous, if unheard, comment of the individual citizens. There is but one solution, that is, the transfer of the present street-railway equipment to routes which will more directly approach their desired destinations and which will avoid conflict with the motor-vehicle traffic. This cannot be accomplished on the surface. Washington will not tolerate unsightly elevated structures and there is but one remaining level—beneath the surface.

Approached in this fashion, the problem is susceptible of dis-It is not intended to draw too gloomy a picture of our trans-

Approached in this fashion, the problem is susceptible of dispassionate analysis. One does not reject an imperative solution merely because of expense or because of its novelty. If we must have subways, the sensible thing to do is to prepare for their coming by scientific study which will prevent mistakes in location and construction and which will avoid excessive or unnecessary costs. Tentatively, let us consider a routing which would intercept street-car traffic north of Dupont Circle on Connecticut Avenue and street-car traffic north of Dupont Circle on Connecticut Avenue and proceed underground to the south along this avenue and Seventeenth Street to the vicinity of D Street NW. Another branch would intercept the street cars north of Thomas Circle and proceed south along Fourteenth Street to E Street NW. The east-and-west tube would be entered in the vicinity of Fourth and E Streets, pass parallel to the shopping centers into Pennsylvania Avenue and the north quarter of the Government triangle and thence to the south of the White House to Twenty-first Street NW in the general line of E Street. A surface line would enter the subway from

Twenty-first Street and offer a connection with the Georgetown-Pennsylvania Avenue lines now existing. Admittedly this construction, which would aggregate about 4 miles in length, would struction, which would aggregate about 4 miles in length, would permit the by-passing of a large percentage of the rush-hour operation. It would relieve two of the principal north and south arteries of street cars at the point of greatest traffic density and would protect the street cars themselves against interruptions to service by traffic lights and growing motor-vehicle traffic. The number of stops could be substantially reduced to the benefit of the average

The maximum estimate of the cost of this construction, including adequate stations, is approximately \$12,000,000, but slightly more than the cost of the Arlington Memorial Bridge and only a fraction of the cost of some of the monumental structures now housing Government departments. Conservative estimates state that nearly 70 percent of the total cost of construction of subways would be expended on labor and materials—a decided inducement toward present construction. This latter feature renders the project particularly attractive for the use of emergency funds.

There is great danger of confusing the issue by a premature discussion of finances. Even if it be granted that the additional traffic induced by the subway operation will not and cannot liquidate the investment there are offsetting credits of major im-The city is immediately confronted with traffic-control portance. The city is immediately confronted with trainc-control measures which must include the construction of new arteries and the widening of existing thoroughfares at a cost reaching into millions of dollars. Subway construction will defer such expenditure for many years by inducing traffic to use mass transportation and leave at home the private vehicle which is wasteful of space. No part of the immediate program above outlined need be wasted. With little expense it could be converted to rapid-transit service when the tubes are, as they must be extended toward the suburwhen the tubes are, as they must be, extended toward the suburban Maryland areas. The enhancement in commercial values because of more ready approach and the reduction in noise and congestion would supply a material tax offset as a result of the increase in the assessment basis on real property. More important than any of these financial factors is the saving of time and nervous energy of tens of thousands of persons now obliged to fight traffic on the way to their employment.

It should be mentioned that a major responsibility for this project lies on the Federal Government because of the arbitrary refusal of the planners of the triangle area to leave open normal approach to this focal point of traffic. The consolidation of all Government departments in the Mall section is a prime cause of traffic congestion and the development of the "rectangle program" in the vicinity of Nineteenth and E Streets will but add to the difficulty by duplicating the points which were the recently because the recent of the second by case. in the vicinity of Nineteenth and E Streets will but add to the difficulty by duplicating the points which must be reached by each unit of mass transportation. Washington being voteless and without means of affirmatively expressing its sentiment must rely on the patience and industry of its legislators in Congress to anticipate and meet its municipal requirements. The construction of subways is such an issue and the sooner it is frankly faced and an adequate appropriation made for technical study under unbiased guidance, the sooner relief from the present traffic difficulty will be possible.

will be possible.

## THE CALENDAR

The VICE PRESIDENT. Morning business is closed. Under the order previously entered, the calendar is in order for the consideration of unobjected bills.

The Clerk will state the first order of business on the calendar.

#### BILLS PASSED OVER

The bill (S. 944) to amend section 5 of the Federal Trade Commission Act was announced as first in order.

Mr. AUSTIN. I ask that the bill may go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 243) for the relief of Curtis Jett was announced as next in order.

Mr. KING. Over!

Mr. SHEPPARD. Mr. President, may I explain the bill?

Mr. KING. I am familiar with the report.

Mr. SHEPPARD. I shall talk with the Senator about it.

Mr. KING. Very well.
The VICE PRESIDENT. On objection the bill will be passed over.

### MAJ. E. P. DUVAL

The bill (S. 674) authorizing the President to order Maj. E. P. Duval before a retiring board for a hearing of his case, and upon the findings of such board determine whether or not he be placed on the retired list with the rank and pay held by him at the time of his resignation was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War, under the direction of the President, is hereby authorized, in his discretion, to order E. P. Duval, late major, United States Army, before a retiring board for the purpose of a hearing of his case and to inquire into and determine the facts touching the nature and occasion of his disability, and to find and report the cause which, in its judgment,

parents.

has produced his incapacity, and whether such cause is an incident of the service, according to the statute, and that upon the findings of such board the President is further authorized, in his discretion, to nominate and, by and with the advice and consent of the Senate, to appoint said E. P. Duval a major, the grade which he had at the time of his resignation, and to place him on the retired list of the Army: Provided, That no pay, bounty, or other allowance during the period between the time that he resigned and the time of the passage of this act shall become due and payable by virtue of this act.

#### BILL PASSED OVER

The bill (S. 244) for the relief of Thomas Salleng was announced as next in order.

Mr. KING. Let that bill go over.
The VICE PRESIDENT. The bill will be passed over.

The bill (S. 246) for the relief of Elmer Blair was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, sailors, marines, and their widows and dependent relatives, Elmer Blair, formerly private, Company B, Three Hundred and Thirtieth Regiment United States Volunteer Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a private on March 13, 1918: Provided, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this

#### DESCENT AND DISTRIBUTION IN THE DISTRICT

The Senate proceeded to consider the bill (S. 409) to amend certain sections of the Code of Law for the District of Columbia, approved March 3, 1901, as amended, relating to descent and distribution, which was read, as follows:

Be it enacted, etc., That section 380 of the act entitled "An act to establish a Code of Law for the District of Columbia", approved March 3, 1901, as amended (D. C. Code, title 29, sec. 288), is amended to read as follows:

"SEC. 380. If there be no child, or descendant, the whole shall go to the father and mother in equal shares, or to the survivor of

SEC. 2. Section 384 of such act, as amended (D. C. Code, title 29, sec. 292), is amended to read as follows:

"SEC. 384. If there be no collaterals, the grandfathers and grandmothers, or such of them as survive, shall take alike."

mothers, or such of them as survive, shall take alike."

Sec. 3. (a) Section 940 of such act, as amended (D. C. Code, title 25, sec. 231), is amended to read as follows:

"Sec. 940. Course of descents generally: On the death of any person seized of an estate in fee simple in lands, tenements, or hereditaments in the District of Columbia, and intestate thereof, the same shall descend in fee simple to such person's kindred in the following order, namely:

"First. To his child or children and their descendants, if any, equally

equally.

equally.

"Second. If there be no child or descendant of a child, then equally to the father and mother of the intestate, or the whole to the sole surviving parent.

"Third. If there be no father or mother, then to the brothers and sisters of the intestate, and their descendants equally.

"Fourth. If there be no brother or sister, or descendant from a brother or sister, then the whole shall go to the widow or widower of the intestate.

of the intestate.

"Fifth. If none such, then one moiety of the estate shall go to the paternal, the other to the maternal kindred of the intestate in the following order.

"Sixth. First to the grandfather and grandmother equally, but if one be dead the entire moiety to the sole surviving grandparent. "Seventh. If none, then to the uncles and aunts of the intestate,

and their descendants equally.

"Eighth. If none such, then to the great grandfathers and great

grandmothers, in the same manner prescribed for grandfather and grandmother in subdivision 6. "Ninth. If none, then to the brothers and sisters of the grand-

fathers and grandmothers, and their descendants equally.

"Tenth. And so on in other cases, without end, passing to the nearest lineal ancestors and the descendants of such ancestors.

"Eleventh. If there be no paternal kindred the whole shall go to the maternal kindred; and if there be no maternal kindred, the the maternal kindred; and if there be no maternal kindred, the whole shall go to the paternal kindred. If there be neither maternal or paternal kindred, the whole shall go to the kindred of the husband or wife of the intestate in the like course as if such husband or wife had died entitled to the estate and if the intestate has had more husbands or wives than one, and all have died before such intestate, then the estate shall be equally divided among the kindred of the several husbands or wives in equal degree equally."

(b) Sections 941 to 951, inclusive, of such act, as amended (D. C. Code, title 25, secs. 232 to 242, inclusive), are hereby repealed.

SEC. 4. Section 954 of such act, as amended (D. C. Code, title 5, sec. 245), is amended to read as follows:

"SEC. 954. In no case shall there be any distinction between the kindred of the whole and the half blood."

SEC. 5. Section 955 of such act, as amended (D. C. Code, title 25, sec. 246), is amended to read as follows:
"SEC. 955. Whenever those entitled to share in the estate in fee

simple in lands, tenements, or hereditaments in the District of Columbia, of an intestate, are all in the same degree of kindred to the intestate, they shall take per capita or by persons; and, where a part of them are dead and a part living, the issue of those dead shall take per stirpes or by stocks the shares of their deceased

Mr. ROBINSON. Mr. President, I should like to have an explanation of the provisions of this bill, and of its effect on existing law.

Mr. KING. Mr. President, this bill, which was submitted by the corporation counsel at the request of the Commissioners of the District of Columbia, has received considerable attention at the hands of the committee.

The report submitted states the object of the bill. Under existing law, property goes first to the children. If none. the descent of the property is governed by the manner in which it came to the intestate. If the estate descended to the intestate on the part of his father, it then follows the paternal line, keeping always to the next lineal male paternal ancestor and his descendants; if there be none such, then to the maternal ancestor and her line.

If the estate descended to the intestate from his mother. the property then follows the line of the male maternal ancestors and descendants; and if there be none, then to the father and his paternal ancestors.

If the estate was acquired by the intestate by any manner other than the above-mentioned, the property goes to his brothers and sisters of the whole blood and then of the half blood; and if there be none such, then to the father; and if no father is living, then to the mother; and if no mother is living, then to the grandfather, and so on.

The pending bill would entirely destroy the distinction existing in the present law between the male and female ancestors or descendants. Thus, it would place fathers and mothers, brothers and sisters, grandmothers and grand-

fathers on an equal footing, and so forth. At the same time, it wipes out any distinction between property which descended from the paternal line and that which descended from the maternal line. It provides, therefore, that if there be no child or descendant, the whole property shall go to the father and mother in equal shares; if there be no father and mother, then to the brothers and sisters and their descendants equally; and if there be no brother or sister or descendant, then the whole shall go to the widow or widower. If there be none such, then the estate shall be divided between the paternal and the maternal kindred, going first to the grandfather and the grandmother equally, then to the uncles and aunts equally.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

## BILL PASSED OVER

The bill (S. 1266) for the relief of Robert E. Masters was announced as next in order.

Mr. KING. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

### LILLIAN G. FROST

The bill (S. 312) for the relief of Lillian G. Frost was considered, ordered to be engrossed for a third reading, read the third time, and passed as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Lillian G. Frost, mother of Franklin Blaine Frost, late vice consul and third secretary, Department of State, the sum of \$3,500, being one year's salary of her deceased son, who died while in the Foreign Service; and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, a sufficient sum to carry out the purpose of this act.

## CREDITORS OF DRAINAGE DISTRICTS IN BANKRUPTCY PROCEEDINGS

The Senate proceeded to consider the bill (S. 1425) to amend section 80 of chapter 9 of an act to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, which was read, as follows:

Be it enacted, etc., That section 80 of chapter 9 of an act to amend an act entitled "An act to establish a uniform system of

bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto, be, and the same is hereby, amended by adding at the end of subsection (a) the following: "Provided, That where the creditors of a drainage district are three or less in number, the court may receive a petition and determine the issues involved, as in the case where a petition is filed with the consent of 30 per centum of the creditors of a drainage district."

Mr. KING. Mr. President, will the Senator from Indiana [Mr. Van Nuys], who reported the bill, please explain it?

Mr. VAN NUYS. Mr. President, this proposed amendment to the Bankruptcy Act is designed to cure a situation in the State of South Carolina. In that State there is a drainage district of which there is only one creditor; and in order that the one creditor may have the same status as 30 percent of the creditors under the old act, this amendment is proposed.

Mr. KING. It is not general legislation, so to speak?

Mr. VAN NUYS. No.

Mr. KING. I have no objection.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### CLAUDE C. MARTIN

The bill (S. 1094) for the relief of Claude C. Martin was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Claude C. Martin, private, late of the United States Infantry unassigned, shall be held and considered to have been honorably discharged from the military service of the United States on March 6, 1931: Provided, That no back pay, compensation, benefit or allowed while he held to have secreted prior to tion, benefit, or allowance shall be held to have accrued prior to the passage of this act.

#### LYMAN I. COLLINS

The bill (S. 1427) for the relief of Lyman I. Collins was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of any laws con-Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged officers Lyman I. Collins, who was a second lieutenant, Air Service (Aeronautics), United States Army, shall hereafter be held and considered to have been honorably discharged from the military services of the United States on the 1st day of August 1919: Provided, That no back pay, compensation, benefit, or allowance shall be held to have accrued prior to the passage of this act.

#### ROBERT J. SMITH

The Senate proceeded to consider the bill (S. 1347) for the relief of Robert J. Smith, which had been reported from the Committee on Military Affairs with amendments, on page 1, line 5, after the word "Smith" to insert "alias William McClocklin", and in line 8, after "1899", to insert "as a private of Troop I, Third Regiment United States Cavalry", so as to make the bill read:

Be it enacted, etc., That in the administration of any laws con-Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, sailors, and marines Robert J. Smith, alias William McClocklin, shall hereafter be held and considered to have been honorably discharged from the military service of the United States on October 6, 1899, as a private of Troop I, Third Regiment United States Cavalry; Provided, That no back pay, pension, or allowance shall be held to have accrued prior to the passage of this act

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Robert J. Smith, alias William McClocklin."

### HARRY L. REAVES

The bill (S. 1390) for the relief of Harry L. Reaves was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs is authorized and directed to extend the benefits of the act en-titled "An act making eligible for retirement, under certain conditions, officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability in line of duty while in the service of the United States during the World War", approved May 24, 1928, to Harry L. Reaves, former captain, Eleventh Regiment United States Infantry. The application of the said Harry L. Reaves for the benefits of such act of May 24, 1928, shall be filed with the Veterans' Administration within 6 months from the date of the approval of this act.

#### ALASKA-BRITISH COLUMBIA HIGHWAY

The Senate proceeded to consider the bill (S. 1374) authorizing the survey, location, and construction of a highway to connect the northwestern part of continental United States with British Columbia, Yukon Territory, and the Territory of Alaska, which had been reported from the Committee on Foreign Relations, with amendments.

Mr. ROBINSON. Mr. President, this is a bill of considerable importance. I suggest that the author of the bill explain its provisions. I will state that I have had an opportunity of studying the bill in the Committee on Foreign Relations, and I favor it; but I think the measure is of sufficient consequence to justify an explanation to the Senate.

Mr. McNARY. Mr. President, I am very happy to conform to the suggestion made by the Senator from Arkansas.

The bill is an important one; but its provisions are simple. It simply authorizes the President to negotiate with the Government of the Dominion of Canada for the location and survey of a road from the northwestern section of the United States through British Columbia to Yukon Territory and to the Territory of Alaska. This survey is contemplated, and the proposal has met with the favor of the Department of State and the Bureau of Roads. It is one link in an American highway which will lead from Alaska to Buenos Aires in South America.

The Senator from Arkansas will recall, as will other members of the Senate, that 2 years ago a provision was carried in an appropriation bill to make a survey for a road from the southern part of Texas to Panama. Last year's appropriation bill carried an appropriation of \$75,000 for a survey from Panama to Buenos Aires in South America. This is one of the links contemplated to be built in this country.

Mr. McKELLAR. Mr. President—
The PRESIDING OFFICER (Mr. CLARK in the chair). Does the Senator from Oregon yield to the Senator from Tennessee?

Mr. McNARY.

Mr. McKELLAR. May I ask the Senator if the bill contemplates the building by the Canadian Government of the part of the road in Canada, or what is the proposal? I have not had time to read the bill.

Mr. McNARY. The bill merely authorizes and empowers the President of the United States, acting through the Department of State, to enter into negotiations for the location and survey of a road from the northwestern section of the United States through British Columbia to Yukon Territory and the Territory of Alaska.

Mr. McKELLAR. About how far will the road run through British Columbia?

Mr. McNARY. It is 2,460 miles from Seattle to the Yukon Territory and Alaska. There is a provision in the bill that none of this money may be expended unless and as a condition precedent Canada enters into negotiations for the survey and construction of the road. There is a provision authorizing an appropriation of \$100,000 for the purpose of making the survey. The bill has received the approval of the Bureau of Roads of the Department of Agriculture, of the Secretary of State, and the unanimous approval of the Committee on Foreign Relations.

Mr. KING. Mr. President-

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Utah?

Mr. McNARY. I yield.

Mr. KING. I should like to make an inquiry of the Senator. I may say that I have no objection to the appropriation of \$100,000, but in view of the contingencies-first, that there must be an agreement between the two governments. and perhaps other contingencies-what is the necessity for our making an authorization at the present time?

Mr. McNARY. The authorization for the construction of our portion of the road to Alaska is contingent upon an agreement upon the part of the Dominion of Canada to construct the road through British Columbia. The survey will

not be made until it is agreeable to the Dominion of Canada. It is conditioned also upon that consideration; but if the agreement shall be entered into, as we all know it will be, the Government of the United States desires to have available the money to carry on its part of this task.

Mr. KING. Does the Senator believe that the agreement will be entered into in the near future?

Mr. McNARY. From advice I have, which I think is reliable, and from authority which I believe to be creditable, it is my belief that the agreement to make the survey will be entered into during the summer.

Mr. KING. If the Senator will pardon me, in his time, I have had a great deal of reluctance in voting for measures which authorize large appropriations, particularly where the expenditures depend upon certain contingencies. If the agreement should be negotiated, and it should become apparent that the road would be beneficial and should be constructed, doubtless Congress would make the necessary appropriation.

Mr. McNARY. I suggest to the Senator that the bill carries only an authorization, and no money may be expended out of the Treasury of the United States unless this agreement shall be entered into between the United States and the Dominion of Canada.

Mr. KING. Of course, as the Senator knows, an authorization too often is regarded as a moral if not a legal obliga-

Mr. McNARY. Yes; but, as the Senator said a moment ago, if this great undertaking should be authorized, he would not want to withhold the appropriation of the money. I cannot conceive anything more wonderful in the development of Canada, more scenic and more useful, than a road from the northern part of the United States through British Columbia into the Territory of Alaska.

Mr. KING. I agree entirely with the Senator.

Mr. McNARY. Very well. Then I am proceeding in the way which conforms to the practice of this body, namely, for an authorization, a survey, and then later an appropriation, for which, however, I am not asking at this time.

Mr. McKELLAR. Mr. President-

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Tennessee?

Mr. McNARY. I do.

Mr. McKELLAR. If the Senator from Oregon will permit me. I call the attention of the Senator from Utah to the

That no money shall be appropriated pursuant to the authorization contained in this section until the agreement or agreements provided for in section 1 have been entered into.

I think that safeguards the matter.

Mr. McNARY. Unquestionably.

Mr. McKELLAR. This money is to be expended in Alaska, and therefore there is no danger in making the appropria-

Mr. McNARY. I appreciate the statement of the Senator from Tennessee. I thought I made the matter clear. I will add that last year a substantially similar bill passed this body, but it did not have this saving clause. That is the difference between the bill as it passed last year and the pending bill.

The PRESIDING OFFICER. The amendment of the committee will be stated.

The amendment was, on page 1, line 3, after the word "is", to strike out "empowered and directed" and insert "requested", so as to make the bill read:

Be it enacted, etc., That the President of the United States is requested, through such channels as he may deem proper, to negotiate and enter into an agreement or agreements between the negotiate and enter into an agreement or agreements between the Governments of the United States and of the Dominion of Canada, for the survey, location, and construction of a highway to connect the Pacific northwestern part of continental United States with British Columbia and Yukon Territory, in the Dominion of Canada, and the Territory of Alaska; in cooperation with the Government of the Dominion of Canada to cause a survey or surveys to be made to determine the most practicable route for such highway, as well as specifications and estimates of the probable

cost thereof, and plans for financing its construction and maintenance.

SEC. 2. The President is hereby authorized, upon the conclusion of the negotiations and the execution of the agreement or agree-ments herein authorized, to designate such existing agency of the Government of the United States as he may select for this pur-Government of the United States as he may select for this purpose, or such officials or agency as he may specially appoint or create for the purposes of this act, to carry on the work of survey and location of the route for such highway, and of the construction thereof after such route shall have been determined and approved by the President. And such agency or officials, so designated or appointed by the President hereunder, shall be, and they are hereby, authorized and empowered to communicate directly with a like agency or officials to be appointed by the Government of the Dominion of Canada, for the purpose of coordinating and expediting the work of such survey, location, and construction of such highway.

expediting the work of such survey, location, and construction of such highway.

SEC. 3. There is hereby authorized to be appropriated the sum of \$100,000 for carrying on such negotiations and for making such surveys, locations, plans, and specifications; this sum, when appropriated, to remain continuously available until expended.

SEC. 4. There is hereby authorized to be appropriated the further sum of \$2,000,000, or so much thereof as may be necessary, to be expended under the direction of the President, through such agency as the President may designate hereunder, for the construction of the road or roads, within the Territory of Alaska, to connect the existing road system in the Territory, Dominion of Canada: Provided, That no money shall be appropriated pursuant to the authorization contained in this section until the agreement or agreements provided for in section 1 have been entered into.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### PROMOTIONS IN THE ARMY

The bill (S. 1404) to promote the efficiency of national defense was announced as next in order.

Mr. KING. I ask that that bill go over.

Mr. SHEPPARD. Mr. President, may I make a brief statement before the bill goes over?

Mr. KING. Yes; I withhold the objection.

Mr. SHEPPARD. Or account of the importance of this bill, a bill changing the system of promotions in the Army, I realize that it cannot be properly considered at the present time; but I wish to say to the Senate that since 1926 we have been struggling with the matter of a fair system of promotions in the Army. The present conditions are intolerable. Under them, men are in the grade of first lieutenant today who became first lieutenants in 1920, and who may remain in that grade until they retire for age, unless some change is made. The present situation is perilous to the efficiency and welfare of the Army. The Senate Committee on Military Affairs believes that this bill presents a system which will establish a better flow of promotions. The bill will be explained in detail when the Calendar is taken up under rule VIII at a later day.

Mr. KING. Mr. President, just a word.

We have had a number of promotion bills both in the Army and in the Navy, and upon each occasion it has been represented that both the Army and the Navy were in a condition of collapse, so to speak, and that the various promotion bills were indispensable to the preservation of the morale both of the Army and of the Navy. Just as soon as these measures were passed, however, complaints came—at least they came to me by the score—of the injustices wrought by the various bills to which I have referred. Many persons claim that the bills have been discriminatory, that they have been unfair and unjust, and that too much authority has been given to some officer or to some board. It seems to me that if now we have a perfect bill, the committee is to be congratulated; but in the meantime I think we ought to have an opportunity to study it.

Mr. SHEPPARD. Mr. President, I wish to interject here the statement that the very conditions to which the Senator refers have prevented us from getting through a promotion bill for the Army. We have passed bills for promotion in the Navy and in the Marine Corps, but on account of the objections of various elements, we have been unable so far to pass any bill for promotions in the Army.

The PRESIDING OFFICER. Objection being made, the

bill will be passed over.

#### DENIS HEALY

The bill (S. 879) for the relief of Denis Healy was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon persons honorably discharged from the United States Navy Denis Healy shall be held and considered to have been honorably discharged from the United States Navy on the 23d day of December 1902: Provided, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

#### RAY FUNCANNON

The bill (S. 878) for the relief of Ray Funcannon was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon persons honorably discharged from the United States Navy Ray Funcannon shall be held and considered to have been honorably discharged from the United States Navy on the 28th day of May 1926: Provided, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

#### BURIALS IN NATIONAL CEMETERIES

The bill (S. 1712) to amend section 4878 of the United States Revised Statutes, as amended, relating to burials in national cemeteries, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 4878 of the United States Revised Statutes, as amended, be further amended by adding at the end of said section a new sentence reading as follows: "Persons who were members of the Cabinet of the President of the United States at any time during the period between April 6, 1917, and November 11, 1918, may be buried in any national cemetery: Provided, That the interment is without cost to the United States."

#### WAR-TIME RANK TO RETIRED OFFICERS

The Senate proceeded to consider the bill (S. 927) to amend the act entitled "An act to give war-time rank to retired officers and former officers of the Army, Navy, Marine Corps, and/or Coast Guard of the United States", approved June 21, 1930, so as to give class B officers of the Army benefits of such act, which was read, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act to give war-time rank to retired officers and former officers of the Army, Navy, Marine Corps, and/or Coast Guard of the United States", approved June 21, 1930, is amended by striking cut the words "except those retired under the provisions of section 24 (b) of the act of June 4, 1920."

Mr. KING. Mr. President, I will ask the chairman of the Committee on Military Affairs to make an explanation of the bill.

Mr. SHEPPARD. Mr. President, the act of June 21, 1930, proposed to be amended by this bill, gives war-time rank, without pay, to retired officers and former officers of the Army, Navy, Marine Corps, and Coast Guard who served during the World War, except those retired under the provisions of section 24 (b) of the National Defense Act.

Investigation shows that there are 26 officers of the Army who were honorably retired under section 24 (b), whose retirement was not due to misconduct, neglect, or avoidable habits, who would benefit by this proposed legislation. They were simply overlooked in the other measure.

The PRESIDING OFFICER (Mr. CLARK in the chair). The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

## JOHN CARMICHAEL WILLIAMS

The bill (S. 1082) for the reinstatement of John Carmichael Williams in the United States Navy was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

## PARTICIPATION IN ELEVENTH OLYMPIC GAMES

The bill (S. 1803) to authorize the Secretary of War to pay certain expenses incident to the training, attendance, and participation of the equestrian and modern pentathlon teams

in the Eleventh Olympic Games was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War is hereby authorized to direct the training and attendance of personnel and animals of the Regular Army as participants in the Eleventh Olympic Games: Provided, That all expenses incident to training, attendance, and participation in the Eleventh Olympic Games, including the use of such supplies, material, and equipment as in the opinion of the Secretary of War may be necessary, may be charged to the appropriations for the support of the Army: Provided further, That applicable allowances which are or may be fixed by law or regulations for participation in other military activities shall not be exceeded.

# FLYING CROSSES TO AIR MARSHAL ITALO BALBO AND GEN. ALDO PELLEGRINI

The bill (S. 1605) authorizing the President to present Distinguished Flying Crosses to Air Marshal Italo Balbo and Gen. Aldo Pellegrini, of the Royal Italian Air Force, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the President is authorized to present Distinguished Flying Crosses to Air Marshal Italo Balbo and Gen. Aldo Pellegrini, of the Royal Italian Air Force, in recognition of their formation flight with 24 seaplanes to the United States and back to Italy, which was an event of national importance, a great aeronautical achievement, and a mark of good will between Italy and the United States.

#### ROBERT H. WILDER

The bill (S. 894) for the relief of Robert H. Wilder, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enatced, etc., That in the administration of the benefits and privileges of the Emergency Officers' Retirement Act of May 24, 1928 (45 Stat. 735), the service performed in France subsequent to August 1, 1917, by Robert H. Wilder while a member of the Veterans Corps of Artillery of the State of New York shall be held to have been performed as an emergency officer in the grade of captain: Provided, That no back pay, compensation, benefit, or allowance shall be held to have accrued prior to the passage of this act.

## OPENING OF GRAVES IN THE DISTRICT OF COLUMBIA

The bill (S. 1016) to empower the health officer of the District of Columbia to authorize the opening of graves, and the disinterment and reinterment of dead bodies, in cases where death has been caused by certain contagious diseases, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 93 of title 5 of the Code of Law for the District of Columbia is hereby amended by adding thereto the following proviso: "Provided, That the health officer of the District of Columbia may, in his discretion, authorize the opening, under sanitary precautions, of any such grave, and the disinterment and reinterment in the same grave or other suitable burial ground, of the dead body of any person who has died of any of the contagious diseases enumerated above."

## AMENDMENT OF BANKRUPTCY ACT

The bill (S. 84) to amend section 61 of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, relating to depositories for money of bankrupt estates, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 61 of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, as amended and supplemented, is amended by inserting before the period at the end thereof a semicolon and the following: "except that no bond shall be required to be given by any such depository which is entitled to the benefits of section 12 (b) of the Federal Reserve Act with respect to any deposits of such money to the extent that such deposits are insured under such section."

### BILL PASSED OVER

The bill (S. 213) to amend section 113 of the Criminal Code of March 4, 1909 (35 Stat. 1109, U. S. C., title 18, sec. 203), and for other purposes, was announced as next in order.

Mr. ROBINSON. Mr. President, I should like to have the Senator from Kentucky [Mr. Logan], who reported the bill, or some other Senator who is familiar with the bill, to explain it.

Mr. LOGAN. Mr. President, I should be very glad to explain the bill, but I believe it is of such controversial nature that we could hardly dispose of it at this time, so I ask that

The PRESIDING OFFICER. The bill will be passed over.

PICKWICK LANDING DAM

The bill (S. 1506) to change the name of the Pickwick Landing Dam to Quin Dam was announced as next in order. Mr. McKELLAR. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

EDGAR JOSEPH CASEY

The bill (S. 876) for the relief of Edgar Joseph Casey was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon persons honorably dis-charged from the United States Navy Edgar Joseph Casey shall be charged from the United States Navy Eagar Joseph Casey shall be held and considered to have been honorably discharged from the United States Navy on the 1st day of September 1925: Provided, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

#### FILLING OF VACANCIES IN JUDGESHIPS

The bill (S. 481) authorizing the filling of vacancies in certain judgeships, was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDING OFFICER. Objection is heard.

Mr. ASHURST. Mr. President, this is not a bill to create new or additional judgeships. It will be remembered that by the act of September 14, 1922, Congress created certain additional district judgeships, and the act also provided that when any of the new judges departed this life, resigned, or retired the vacancy should not be filled, except in certain

The act also provided for a judicial conference, to be presided over by the Chief Justice of the United States, the conference to be composed of the senior circuit judges in the various circuits.

The conference has recommended that certain of the existing judgeships thus created should be continued. The Committee on the Judiciary considered the matter, in part adopted the recommendation of the judicial conference, and urges the removal of the existing restrictions on the appointing of successors to certain of these judges, as follows: 2 in the district of Massachusetts; 2 in the southern district of New York; 1 in the eastern district of New York; 1 in the western district of Pennsylvania; 1 in the eastern district of Michigan; 1 in the eastern district of Missouri; 1 in the western district of Missouri; 1 in the northern district of Ohio; 1 in the southern district of California; I in the district of Minnesota; I in the district of Arizona; I in the northern district of Texas; 1 in the southern district of Iowa.

It costs the Government about \$300 to pass a bill, and as these judges depart this life, or retire, or resign, a bill would, of course, be immediately introduced to create a new judgeship, and there is an expense of \$300 to the Government for each such bill that passes the Congress.

The bill before us is recommended, I repeat, by the judicial conference, this being the second time the conference has recommended it. Likewise, it is recommended by the Committee on the Judiciary of the Senate, except that the committee adds the district in Arizona, the southern district in Iowa, and the northern district in Texas.

The measure creates no new judgeships; it simply removes the restrictions, so that in the event any of the judges in the districts referred to should retire, resign, or depart this life the President could fill the vacancy. It does not, I repeat, create additional judgeships.

Mr. CLARK. Mr. President, does the Senator happen to be familiar with the fact that the situation in some of the districts is extremely acute?

Mr. ASHURST. That is correct.

Mr. CLARK. A district judge in Minnesota who is eligible to retire next month is in very bad health, and desires to retire, and I was told this morning by the presiding judge in that circuit that unless provision is made for filling that

vacancy during the present session of Congress, before an act could possibly be passed in the next session the district would be hopelessly behind in its business.

Mr. ASHURST. That is true. Mr. KING. Mr. President—

The PRESIDING OFFICER (Mr. DUFFY in the chair). Does the Senator from Arizona yield to the Senator from Utah?

Mr. ASHURST. I yield.

Mr. KING. Perhaps the statement I was about to make in the nature of an inquiry would be rather in conflict with the suggestion made by the Senator from Missouri [Mr. CLARK].

I recall that a number of years ago President Harding recommended the creation of a large number of new judicial districts-27, as I recall, or the creation of 27 or 28 new judgeships. The appeal was then made that because of the prohibition law it was imperative that we should have additional judges. Since that time the eighteenth amendment and the Volstead Act have been repealed, and the courts do not now have before them the police cases they formerly had.

The appeal then made resulted in at least a partial response to the request of the President, and later additional judges were appointed. I ask the Senator, in view of the fact that some of these judgeships were created under that hysteria, whether, in the event the judges should die, there would be any necessity for the continuation of the positions?

I should rather have the Government create a judgeship, or create a position calling for the appointment of a judge. when the occasion arises, rather than have a sort of omnibus bill which would reach to an indefinite date in the future.

Mr. ASHURST. Let me say, in reply to my able friend, in whose time I am speaking-

The PRESIDING OFFICER. The time of the Senator from Arizona has expired.

Mr. KING. I should be glad to have the Senator reply in my time.

Mr. ASHURST. Twenty-four district judgeships were created at the time to which my able friend referred. This bill proposes the continuation of 15 thereof.

It may be true that the Federal courts are not cluttered with prohibition cases as they were when these judgeships were created, but it is also true that the Federal business has expanded by more than 40 to 60 percent owing to the increase in population and the vast number of laws passed by Congress, many of which apparently raise Federal ques-

Let me say to my able friend from Utah, because I might as well give him now what will be to him unpleasant news, that while this bill does not create additional judgeships, a bill is before the Committee on the Judiciary, of which the Senator from Utah is one of the most learned members, proposing to create some additional judgeships, and whilst I am among those who usually resist the creation of new Federal offices, if the judicial department of this Government is to function, there must be some additional district judges.

This bill does not create any additional judgeships. Mr. CLARK. Mr. President, will the Senator yield?

Mr. ASHURST. I have exhausted my time. I have been speaking through the courtesy of the Senator from Utah.

Mr. CLARK. Then I take the floor in my own right for the purpose of making merely one observation.

I am advised that less than 3 percent of the criminal cases in the Federal courts, not only prohibition cases, but all criminal cases, result in jury trials. Of course, every lawyer in this body is familiar with the fact that it is the jury trials which take the time of the Federal courts.

I believe this is a meritorious bill. I am not familiar with all the districts included in it, but I know that in the two dstricts included in the State of Missouri for many years we have had two very active, conscientious, industrious judges, each of them working to the limit of his capacity, trying cases every day during the season in which the court is in session, and yet those courts are now far behind in their dockets. I do not believe it is possible in the districts taken as a whole in which these so-called "temporary judgeships" are to be created, to reduce the number! without very great hardship on litigants and very great detriment to the public service.

Mr. VANDENBERG. Mr. President, in my time I should like to ask the Senator from Arizona a question. He asserted, as I understand, that this bill does not create any new judgeships. Is that correct?

Mr. ASHURST. It is not the intention of this bill to

create additional judgeships.

Mr. VANDENBERG. I notice in the bill there is provided "one in the eastern district of Michigan." May I inquire of the Senator whether that does not recreate a judgeship which is not at present in existence?

Mr. ASHURST. The Senator is technically correct. Let me read what the Judicial Conference, September session, 1934, presided over by Mr. Chief Justice Hughes, said, as appears on page 2 of the report accompanying the bill:

As stated by the conference in its report of last year, the importance of making appropriate provision for the filling of such vacancies, before the vacancies actually arise, is shown by the situation in the eastern district of Michigan—

To which the able Senator from Michigan referred-

one of the judgeships above mentioned. That judgeship was held by Judge Simons, and on his appointment as circuit judge there was no provision for filling the vacancy in the district court in the eastern district of Michigan.

Mr. VANDENBERG. The bill proposes to restore a fourth.

Mr. ASHURST. To revive or to restore.

Mr. VANDENBERG. Mr. President, I have no disposition to resist the bill, because I know there is need for relief, but I regret that the Senator's committee has not reported the resolution to which I have called its attention repeatedly, calling for a survey and report from the Department of Justice as to whether this is the best way to relieve the congestion or whether it would not be better, all things considered, to create a third district in the State.

Mr. ASHURST. Let me say to the able Senator, as I said to the able Senator from Utah [Mr. King], there will be within a fortnight a bill creating additional judgeships as a result of a survey made by your committee and by the Department of Justice. It is the scope and purport of this bill simply to remove restrictions so that when a vacancy occurs the unfortunate situation that took place in Michigan and in the southern district of New York will not again occur.

Mr. VANDENBERG. I think the Senator misses my point. If this fourth judgeship is recreated, there certainly is no possibility of creating an additional district in the State. The problem is, Should this judgeship be recreated or should a new district be created?

Mr. ASHURST. The Department of Justice is of opinion that this would be the most eligible way to do that.

Mr. VANDENBERG. May I ask the Senator if one of these days he will be good enough to bring my resolution to the floor so the Senate may act on it?

Mr. ASHURST. I always listen with attention and respect to the able Senator from Michigan, as I am sure all other Members of the Senate do. We will report the resolution soon. Whether favorably or unfavorably, we will at least report.

Mr. KING. Mr. President, in view of the fact that we shall have the bill before the Judiciary Committee in the near future, I shall object.

The PRESIDING OFFICER (Mr. CLARK in the chair). Objection is heard. The bill will be passed over.

The clerk will state the next order of business on the

## PUBLICATION OF WRITINGS OF GEORGE WASHINGTON

The joint resolution (H. J. Res. 140) to provide for the completion of the publication of the Writings of George Washington was announced as next in order.

Mr. NORRIS. Mr. President, I wish to avail myself of this opportunity to talk about the bill that was objected to by the

in some places for trying to assist in the relief of some of the Federal courts; undoubtedly that is true; but have we ever thought of the proposition that we were going to be compelled to create a great many more judicial districts and enlarge the Federal judiciary? The able chairman of the committee has just stated that in a short time a bill will come before us for the purpose of accomplishing that result.

We created a number of Federal judgeships because of the Prohibition Act, and it was said just as soon as we got rid of that law we will be relieved from all these judges.

Now we have repealed the Prohibition Act, and the demand for more judges goes on with increased vehemence. We do not realize that there is constantly a desire for more litigation. Lawsuits which used to take an hour now take a week. The expense of a lawsuit in any Federal court which used to be \$100 is now \$1,000. And when we pass a bill here we never know whether it is a valid law or not until judges pass on it.

If we undertake to take away from the Federal courts some of their jurisdiction-for instance, in the issuing of injunctions—we realize where we will get. I have repeatedly called the attention of the Senate to actual cases of lawsuits arising in Federal courts over State statutes where there is not any Federal question involved, but where \$3,000 are involved, and one of the parties is a corporation or an individual who has incorporated his business or lives in a different State from that where the suit is pending. Corporations are formed in other States for the purpose of giving the Federal court jurisdiction.

So this is only the beginning. We are going to pass this bill; we are going to pass many more bills increasing the number of Federal judges, increasing their jurisdiction. lengthening the time that it takes to try suits, increasing the expense, multiplying it at least by 5 or 6. We might just as well close our eyes and accept the situation. We will have to do it, because it can easily be shown in any case where an additional judge is wanted that the present judge is not able to attend to the business and must have assistance. Why delay? Why not pass all these bills, and then probably we will have a reason to abolish Congress. The courts have the last say anyway; why not let them have the whole say?

The PRESIDING OFFICER. The time of the Senator from Nebraska has expired.

Mr. ASHURST. Mr. President, a word respecting the statement of my learned friend from Nebraska. The bill he was discussing does not propose to create additional Federal judges. This bill, I repeat, proposes simply, solely, and only to remove the restrictions from 15 of the Federal judgeships created in 1922.

It is trite for me to say that justice delayed is justice denied. I hold no brief for the Federal courts, but I do say their calendars are cluttered, particularly in these districts where they are seeking new judges, and if we were to fail to perpetuate these judgeships we would find out all too soon, litigation piling enormously high and citizens denied justice.

I do not desire to be importunate, but I invoke the shade of Coke, of Kent, of Blackstone, and Marshall and hope that my able friend from Utah, who himself has been a distinguished judge, will see the necessity for removing restrictions on these judgeships, and let the bill pass.

The PRESIDING OFFICER. The Chair will say to the Senator from Arizona that objection was made to the bill: that the next order of business on the calendar was announced, and the Senate is now considering House Joint Resolution 140, to provide for the completion of the publication of the writings of George Washington.

Mr. ASHURST. Mr. President, I am urging my friend from Utah [Mr. King] to withdraw his objection.

Mr. COSTIGAN. Mr. President, in my time I will ask the able Senator from Arizona [Mr. ASHURST] if he will state for the convenience of myself and other Senators what are the restrictions on the filling of judicial vacancies which this bill is designed to remove?

Mr. ASHURST. Mr. President, in 1922 additional district judgeships were created. The bill provided that if those Senator from Utah [Mr. King]. There is undoubtedly reason | Judges departed this life or resigned, that office was functus

officio, evaporated, and that there was no judgeship and no successor. The judicial conference is of the opinion that in the case of the 15 judgeships named in the bill, the restrictions should be removed so that the President may fill a vacancy.

Mr. COSTIGAN. Was the original law intended in large measure to create new judgeships in order to handle liquor cases?

Mr. ASHURST. The cluttering of the Federal calendars owing to prohibition was one of the reasons which induced Congress to pass the bill in 1922 creating the additional judgeships. The able Senator from Utah says that prohibition is gone and we do not have the calendars cluttered with that business, but I ask Senators to remember the expanding, the increasing growth of the population and litigation

Surely we may not, in a cavalier way, say that one of the branches of our Government, the judicial branch, shall not have the means to carry out the spirit and purpose of the Constitution.

I hope the bill will pass.

The PRESIDING OFFICER. Is there objection to the consideration of Order of Business No. 133, being House Joint Resolution No. 140?

Mr. KING. Mr. President, is that the bill to which I objected?

The PRESIDING OFFICER. That bill was passed over. The Senate has now before it House Joint Resolution No. 140, to provide for the completion of the publication of the writings of George Washington.

Mr. KING. Mr. President, I avail myself of the opportunity while the Senate has under consideration the measure to which the Chair just referred to make a very brief response to my dear friend from Arizona [Mr. Ashurst]. It causes me more grief, may I say, to object to anything that my friend from Arizona wants than to object to any request by any other Senator. We have worked together for years in the Judiciary Committee. I have the highest regard for his intellectual honesty, for his great ability, and for his sincerity in the discharge of the heavy responsibilities resting upon him as chairman of that important committee; but, Mr. President, I cannot be persuaded by his eloquent appeals to yield at the present time.

I do not agree with my dear friend that the necessity for so many of these judges exists, notwithstanding we have passed many bills we ought not to have passed. In the case of the English courts—and I do not wish to disparage our own judiciary—we find that a judge there will dispose in 1 day of more cases than some of our judges dispose of in a week or 2 weeks. Only a few years ago in the great State of Indiana, where there was only one Federal judge, but a man of ability industry, and courage, he transacted all the business that came before the Federal court in that great Commonwealth and never asked for any assistance. In my own State, where there is considerable litigation, we have an able judge who came from Tennessee, and who had been a judge there for many years. He not only discharges all the responsibilities resting upon him in the State of Utah but he is frequently called into other States to render judicial service.

In view of the fact that we are to have, as my able friend says, before us in a short time a bill to create additional judges, and, with my present views, I shall oppose that bill—it seems to me we can pretermit further consideration of this bill until we take up the other measure.

The PRESIDING OFFICER. Is there objection to the present consideration of House Joint Resolution 140?

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 140) to provide for the completion of the publication of the writings of George Washington, which had been reported from the Committee on the Library with amendments.

The first amendment was in section 2, page 1, line 11, after "Sec. 2", to strike out "The position of Executive Director of the George Washington Bicentennial Commission, which expired on December 31, 1934, is hereby reestablished, without compensation, to be filled by appointment by the Presi-

dent. The Executive Director is authorized to "; and to insert "The former Director of the George Washington Bicentennial Commission, without receiving any compensation therefor, shall"; in line 15, after the word "employ", to strike out "and compensate"; in line 17, after the word "procure", to strike out "and pay"; and in line 18, after the word "obligations", to strike out "for personnel authorized by this section ", so as to make the section read:

SEC. 2. The former Director of the George Washington Bicentennial Commission, without receiving any compensation therefor, shall (a) complete the preparation of the manuscript for, and provide for the printing and binding of, the remaining unpublished volumes of such writings; (b) distribute that portion of the undistributed sets of such writings required by law to be distributed by the Commission; (c) dispose, in such manner as in his judgment will best serve the purposes for which the George Washington Bicentennial Commission was created, of such other educational material possessed by the Commission as is not required by law to be distributed in a definite way; (d) employ assistants (not to exceed five in number) in the same manner as the Commission was authorized to procure personnel; and (e) incur obligations for such miscellaneous expenses as may be necessary and/or incident to the administration of this joint resolution and for the printing and binding authorized by section 1.

The amendment was agreed to.

The next amendment was, on page 2, beginning in line 23, to strike out section 3, as follows:

SEC. 3. For the payment of personnel and for miscellaneous expenses, there is authorized to be made available not to exceed \$14,000 from the unobligated balance of the appropriation available to the Commission on December 31, 1934. And from such sum, when made available, payments are authorized to be made for uncompensated services rendered since December 31, 1934, in connection with the purposes of this joint resolution.

And in lieu thereof to insert:

Sec. 3. For personal services, including services rendered since December 31, 1934, travel and necessary miscellaneous expenses, in connection with the purposes of this joint resolution, there is hereby appropriated, from any money in the Treasury not otherwise appropriated, \$35,000.

The amendment was agreed to.

The next amendment was, on page 3, section 4, line 11, after "Sec. 4", to strike out "obligations authorized to be incurred and payments authorized to be made" and to insert "Payments authorized"; in line 13, after the word "be", to strike out "paid" and insert "made"; and in line 14, after the word "Department", to strike out "upon vouchers approved by the Executive Director", so as to make the section read:

SEC. 4. Payments authorized under the provisions of this joint resolution shall be made by the Division of Disbursement, Treasury Department.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

WASHINGTON-LINCOLN MEMORIAL-GETTYSBURG BOULEVARD

The Senate proceeded to consider the joint resolution (S. J. Res. 43) for the establishment of a commission for the construction of a Washington-Lincoln Memorial-Gettysburg Boulevard connecting the present Lincoln Memorial in the city of Washington with the battlefield of Gettysburg in the State of Pennsylvania, which had been reported from the Committee on Agriculture and Forestry, with an amendment in section 6, page 3, line 14, after the word "before", to insert "one year after the date of enactment of this resolution", so as to make the joint resolution read:

Resolved, etc., That there is hereby established a commission to be known as the United States Commission for the construction of a Washington-Lincoln Memorial-Gettysburg Boulevard connecting the present Lincoln Memorial in the city of Washington with the battlefield of Gettysburg in the State of Pennsylvania (hereinafter referred to as the Commission), and to be composed of 10 commissioners, as follows: The President of the United States; Presiding Officer of the Senate, the Speaker of the House of Representatives, and the president of the Commissioners of the District of Columbia, ex officio; 2 persons to be appointed by the President of the United States; 1 Senator from the State of Maryland and 1 Senator from the State of Pennsylvania, to be appointed by the President pro tempore of the Senate; and 1 Representatives from the State of Maryland and 1 from the State of Pennsylvania, to be appointed by the Speaker of the House of Representatives. The Commissioners shall serve without compensation and shall select a chairman from among their number.

Sec. 2. That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$10,000, to be expended by the Commission in accordance with the provisions of this resolution.

Sec. 3. That it shall be the duty of the Commission to prepare

a plan or plans to further commemorate the public services of George Washington and Abraham Lincoln by the construction of a boulevard or highway connecting the present Lincoln Memorial and the Washington Monument in the city of Washington with the Gettysburg battlefield in the State of Pennsylvania; and to give due and proper consideration to any plan or plans which may be submitted to it.

SEC. 4. That the Commission, after selecting a chairman and a vice chairman from among its members, may employ a secretary and such other assistants as may be needed for clerical work con-nected with the duties of the Commission and may also engage the services of expert advisers, and may fix their respective com-

the services of expert advisers, and may fix their respective compensations within the amount appropriated for such purposes.

SEC. 5. That the Commissioners shall be paid their actual and necessary traveling, hotel, and other expenses incurred in the discharge of their duties out of the amount appropriated.

SEC. 6. That the Commission shall on or before 1 year after the date of enactment of this resolution, make a report to the Congress, in order that enabling legislation may be enacted.

SEC. 7. That the term of Commission hereby created shall expire within 1 year after the completion of the proposed boulevard

pire within 1 year after the completion of the proposed boulevard or highway. SEC. 8. This joint resolution shall take effect immediately.

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

#### FEES IN DISTRICT RECORDER OF DEEDS OFFICE

The Senate proceeded to consider the bill (S. 410) to provide fees to be charged by the recorder of deeds of the District of Columbia, and for other purposes, which had been reported from the Committee on the District of Columbia with amendments.

Mr. ROBINSON. Mr. President, I inquire if this bill reduces the fees that are at present being charged?

Mr. KING. No. It increases them, because there is a deficit, and an examination shows that the fees are too small. I may say that the bill, which was introduced originally by myself at the request of the recorder of deeds, contains some inequalities. The measure was referred to the Commissioners and to the corporation counsel of the District of Columbia, and after very careful examination they have suggested a number of amendments.

Mr. ROBINSON. It is noted that the amendments proposed by the committee reduce by approximately 50 percent, in many instances, the fees which were provided for in the original bill.

Mr. KING. Yes; but in the original bill some of the fees called for an increase of 300 percent over the existing charges, and on examination it was found that that was too extreme an increase. The bill as it is now framed is the result of careful consideration by the corporation counsel and the Commissioners.

Mr. COPELAND. Mr. President, I may say, too, that this matter has been considered two or three times by the Appropriations Committee when the District of Columbia appropriation bill has been under consideration, and we have heard testimony at various times also from members of the bar and others who are interested, suggesting that the change proposed by this bill be made in order that the office might be made self-supporting.

The PRESIDING OFFICER. The amendments reported by the committee will be stated.

The first amendment was, on page 1, line 9, after the word "less", to strike out "\$1.50, and 25" and insert "\$1, and 20", so as to make the clause read:

SEC. 552. Fees: The legal fees for the services of the recorder shall be as follows:

"For filing, recording, and indexing, or for making certified copy of any instrument containing 200 words or less, \$1, and 20 cents for each additional hundred words, to be collected at the time of filing, or when the copy is made."

The amendment was agreed to.

The next amendment was, on page 2, line 3, after the word "date", to strike out "\$1, and 25" and to insert "50 cents, and 15", so as to make the clause read:

For searching records extending back 2 years or less next preceding current date, 50 cents, and 15 cents for each additional year, to be paid by the party for whom the search may be made.

The amendment was agreed to.

The next amendment was, on page 2, line 6, after the word "survey", to strike out "30" and insert "20", so as to make the clause read:

For recording a plat or survey, 20 cents for each course such survey may contain.

The amendment was agreed to.

The next amendment was, on page 2, after the word "such", at the end of line 13, to strike out "\$2.50" and insert "\$1.50", so as to make the clause read:

For filing and indexing a bill of sale of chattels, or a mortgage or deed of trust thereof, or a conditional bill of sale of chattels or any release or satisfaction of any such, \$1.50.

The amendment was agreed to.

The next amendment was on page 2, line 16, after the word "office", to strike out "\$1" and insert "50 cents", so as to make the clause read:

For filing and indexing any other paper required by law to be filed in his office, 50 cents.

The amendment was agreed to.

The next amendment was, on page 2, line 20, before the word "cents", to strike out "80" and insert "50", so as to make the clause read:

In addition to the fees herein required, all corporations hereafter incorporated in the District of Columbia shall pay to the recorder of deeds at the time of the filing of the certificate of incorporation 50 cents on each thousand dollars of the amount of capital stock of the corporation as set forth in its said certificate:

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

INCLUSION OF LIVESTOCK GROWERS IN BANKRUPTCY ACT

The Senate proceeded to consider the bill (S. 1616) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory and supplementary thereto, which had been reported from the Committee on the Judiciary with an amendment.

Mr. ROBINSON. Mr. President, this bill proposes an amendment to the general bankruptcy law. I think the Senate should have an explanation of the effect of the amendment which is proposed.

Mr. HATCH. Mr. President, this proposed amendment to the Bankruptcy Act is designed merely to place livestock grazers on the same footing with farmers. In the district court of Nevada the Federal judge held that where the term "farmers" was used in the Bankruptcy Act it did not include the grower or raiser of livestock. It was my thought that the word "farmer" was sufficient to include one engaged in raising livestock, but the court held otherwise. This bill merely places cattle and sheep growers on the same footing with farmers.

Mr. McNARY. Mr. President, let me ask the Senator-I was a little disturbed by the noise in the Chamber—does this proposed amendment to the Bankruptcy Act contemplate that the word "farmer" shall be construed so as to include stockmen?

Mr. HATCH. Yes.

Mr. McNARY. Is that the sole purpose of the proposed amendment?

Yes; that is its sole purpose. Mr. HATCH.

The PRESIDING OFFICER. The amendment reported by the committee will be stated.

The amendment reported by the committee was in section 2, page 2, line 5, after the word "means", to strike out "" the words"; so as to make the section read:

Sec. 2. That subsection (r) of section 75 of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, as amended and supplemented, is amended by inserting after the words "the term 'farmer' means any raiser of livestock or."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### JAMES FOY

The Senate proceeded to consider the bill (S. 271) for the relief of James Foy, which was read, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged sailors James Foy, late of the United States Navy, shall hereafter be held and considered to have been discharged under honorable conditions from the naval service of the United States as a member of that organization on the 8th day of May 1922: Provided, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

Mr. KING. Mr. President, may I ask the Senator from Ohio for an explanation of the bill? I note that the report of the Navy Department is adverse.

Mr. BULKLEY. Mr. President, it is customary for the Navy Department to report adversely on bills of this character. This man, however, had three honorable discharges from the Navy, though his last discharge was not honorable. He served through the whole period of the World War, had an honorable discharge from that service, and the committee felt, as I feel, that he ought to have the benefit of an honorable discharge now.

Mr. KING. When he received this dishonorable discharge was it for conduct so reprehensible as to make it unwise and unfair to pass a measure of this kind?

Mr. BULKLEY. I think not.

Mr. KING. I have no objection.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### OHIO RIVER BRIDGE, ROCKPORT, IND.

The bill (H. R. 3982) to extend the times for commencing and completing the construction of a bridge across the Ohio River between Rockport, Ind., and Owensboro, Ky., was read, considered, ordered to a third reading, read the third time, and passed.

### WABASH RIVER, LA FAYETTE, IND.

The bill (H. R. 5701) granting the consent of Congress to the State of Indiana to construct, maintain, and operate a free bridge across the Wabash River at or near La Fayette, Ind., was considered, ordered to a third reading, read the third time, and passed.

## EMMETT C. NOXON

The Senate proceeded to consider the bill (S. 42) for the relief of Emmett C. Noxon, which had been reported from the Committee on Claims with an amendment to add at the end of the bill a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Emmett C. Noxon, of Johnstown, N. Y., the sum of \$1,000. Such sum represents the amount of fine paid by Emmett C. Noxon, pursuant to a conviction for violating certain provisions of the Lever Act of August 10, 1917, as amended, prior to the declaration by the Supreme Court of the United States of the unconstitutionality of such provisions: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

## WILLIAM KEMPER

The Senate proceeded to consider the bill (S. 282) for the relief of William Kemper, which had been reported from the Committee on Claims, with amendments, on page 1, line 4, after the name "Kemper", insert "out of any money in the Treasury not otherwise appropriated"; in line 5, after

the words "sum of", to strike out "\$1,204" and insert "\$600"; and at the beginning of line 6 to strike out "as reimbursement" and insert "in full settlement of all claims against the Government", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to pay to William Kemper out of any money in the Treasury not otherwise appropriated the sum of \$600 in full settlement of all claims against the Government for expenses incurred incident to injuries sustained by his son, Irwin Kemper, a minor, in an accident involving a United States mail truck, March 21, 1932.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

INTERNATIONAL MANUFACTURERS' SALES CO. OF AMERICA, INC.

The Senate proceeded to consider the bill (S. 1126) for the relief of the International Manufacturers' Sales Co. of America, Inc., A. S. Postnikoff, trustee, which had been reported from the Committee on Claims with amendments.

Mr. ROBINSON. Mr. President, this is an important bill in the sense that it appropriates a large sum. I should like to hear an explanation of it.

Mr. LOGAN. Mr. President, let me say to the Senator from Arkansas that the Committee on Claims gave considerable hearing and extended consideration to this bill before it reported it last year. It finally reduced the claim, as it thought was justified by the evidence before it, to an appropriation amounting, I think, to \$658,000.

I might say that, as I recall, the Committee on Claims of

I might say that, as I recall, the Committee on Claims of the House of Representatives has three times reported this bill favorably for a larger amount. The record is rather long, and the report goes extensively into all the questions involved.

The International Manufacturers' Sales Co. had shipped a large consignment of shoes to Russia. It was necessary for the consignment to go by way of Vladivostock, I think, in view of the fact that the Bolsheviks had closed the usual routes of trade.

About that time President Wilson issued an order by which he created a War Trade Board which was to develop trade with the Government of Russia. It had a representative at Vladivostock. When the shoes of the International Manufacturers' Sales Co. arrived there they could not be delivered, and a representative of the State Department or the War Trade Board took charge of them with the consent of the owners, though with some hesitancy on their part. The owners were preparing to ship the shoes back to the United States, but they were distributed in Russia; the money was collected and placed in banks. While the collection was going on, and before the International Manufacturers' Sales Co. could secure the money from the banks, the President of the United States and the Federal Reserve Board issued an embargo against the Russian rubles and would not allow the banks to exchange them for any other money.

The International Manufacturers' Sales Corporation then took the matter up with the Department of State and with every other agency they could resort to, but they never could find anyone who was able to grant them any relief. Then they came to Congress. As I have said, the matter has been considered very gravely by the committee of the House and the committee of the Senate, and it was the conclusion of the Senate committee that this concern lost its shoes, or their value, solely on account of the action of the President of the United States and the Federal Reserve Board after the company had been requested to turn the shoes over to the War Trade Commission and had done so under the suggestion of the President.

As a result the company lost the shoes, and before it could get its money the President issued an order, without any notice to the company. It had no notice whatever of what was going to be done until it went to collect its money. It lost not only all its money but it lost all its shoes. Instead of giving them the full value of the shoes, it was decided that they should determine the value of the shoes and deduct therefrom what it would have cost to ship them back to the

United States. The claim was originally nearly \$1,000,000. The reduction brought it down to \$658,000.

A similar matter was before Congress last year—I am speaking from memory—involving a sugar contract which had been entered into during the war. By reason of some orders of the departments in Washington the price of sugar was affected to such an extent that a concern which had entered into the contract lost a vast sum of money, several million dollars, and Congress appropriated to make up that loss.

I can only say to the Senator from Arkansas in response to his request that I gave much time personally to the consideration of the claim because it was referred to me as chairman of the subcommittee.

Mr. ROBINSON. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Arkansas?

Mr. LOGAN. I yield.

Mr. ROBINSON. Does the amount which the committee allowed reimburse merely for the value of the shoes at the time they were sold?

Mr. LOGAN. It reimburses for their value in the warehouse at Vladivostok at the time they were taken. The claimant, of course, is very much dissatisfied with the bill as reported, being of the opinion that it is entitled to the full value of the shoes, the amount of money for which they were sold, when that amount of money was placed in the banks in Russia. It seems that they were expecting to return the shoes to the United States and it was difficult to trace just what had happened in Russia. It seemed that it would be doing justice if we considered the loss as the value of the shoes in Vladivostok less the cost of returning them to the United States. The Senator from Kentucky, who is now speaking, has not the slightest doubt in the world that under all laws of justice and equity the bill ought to pass.

Mr. FLETCHER. Mr. President, may I ask the Senator what became of the money that was in the bank?

Mr. LOGAN. It was all confiscated and went up in smoke. The Russian Government changed and the money was lost.

Mr. FLETCHER. The contractor got nothing from the shoes?

Mr. LOGAN. Not a thing.

The PRESIDING OFFICER. The amendments reported by the committee will be stated.

The amendments were, on page 1, line 7, to strike out "\$968,748.12" and insert in lieu thereof "\$658,050"; and on page 2, at the end of the bill, to insert a proviso so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the International Manufacturers' Sales Co. of America, Inc., A. S. Postnikoff, trustee, out of any money in the Treasury not otherwise appropriated, the sum of \$658,050 in full settlement for losses sustained by the said International Manufacturers' Sales Co. of America, Inc., during the years 1918 and 1919 while engaged, at the invitation of the United States Government, in furnishing articles of necessity to the Siberian population of Russia under and in pursuance to the plan formulated by the War Trade Board in the fall of the year 1918 for extending economic aid to the Siberian population of Russia, said losses having been incurred through the inability of the said International Manufacturers' Sales Co. of America, Inc., to exchange the Russian rubles received from the sale of said articles of prime necessity into American dollars because of the regulation issued by the Federal Reserve Board under date of February 14, 1919, under authority of the Executive order of January 26, 1918, prohibiting the exportation or importation of Russian rubles or the transfer of funds for their purchase by persons or dealers in the United States: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### LAS VEGAS HOSPITAL ASSOCIATION

The bill (S. 416) for the relief of Las Vegas Hospital Association, Las Vegas, Nev., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Las Vegas Hospital Association, Las Vegas, Nev., the sum of \$407.80 in full settlement of all claims against the Government on account of expenses incurred by the late Clayton George Hilborn, gunner's mate third-class, United States Navy, for medical treatment from March 31, 1933, to April 11, 1933, while suffering from injuries received in an automobile accident on March 30, 1933, while on leave of absence from the U. S. S. Tennessee, with orders to report at Puget Sound, Wash.

#### STEFANO TALANCO AND EDITH TALANCO

The bill (S. 1585) for the relief of Stefano Talanco and Edith Talanco was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Stefano Talanco and his minor daughter, Edith Talanco, both of Bexar County, Tex., the sum of \$9,500 in full satisfaction of their claims against the United States for damages on account of personal injuries suffered on May 17, 1932, when a United States Army airplane, ploted by Lt. E. T. Seltzer, crashed into the automobile owned by said Stefano Talanco, which was parked on the Castroville Road, Bexar County, Tex., and in which said Stefano Talanco and Edith Talanco were sitting at the time of such collision, such sum representing (1) \$2,000 for permanent personal injuries suffered by said Stefano Talanco, and (2) \$7,500 for personal injuries suffered by said Edith Talanco: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

### JOHN Z. LOWE

The bill (S. 1298) for the relief of John Z. Lowe, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States is authorized and directed to credit the accounts of Jchn Z. Lowe, former collector of internal revenue for the second district of New York, in the sum of \$3,500, said sum representing the amount of an alleged shortage in the count of stamps charged as having been sent to and received by him during the fiscal year 1916.

#### ECONOMIC CONDITION OF AGRICULTURAL PRODUCERS

The joint resolution (S. J. Res. 9) authorizing the Federal Trade Commission to make an investigation with respect to agricultural income and the financial and economic condition of agricultural producers generally, was announced as next in order.

Mr. KING. Let that go over until we may have an opportunity to study it more carefully.

The PRESIDING OFFICER. The joint resolution will be

The PRESIDING OFFICER. The joint resolution will be passed over.

Mr. WHEELER subsequently said: Mr. President, I ask unanimous consent that the Senate return to the consideration of Order of Business 148, being Senate Joint Resolution 9, authorizing the Federal Trade Commission to make an investigation with respect to agricultural income and the financial and economic condition of agricultural producers generally.

The PRESIDING OFFICER. Is there objection?

Mr. KING. Mr. President, I think the Senator from Arkansas [Mr Robinson] is interested in this matter, but he is not on the floor at the moment. With the understanding that if he shall desire, when he returns, to move to reconsider, and that the measure may go back on the calendar, I shall have no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. McNARY. Mr. President, when this joint resolution came before the Senate in the orderly reading of the calendar, the Senator from Utah [Mr. King] asked that it go over, in the absence of the Senator from Montana [Mr. WHEELER].

Mr. KING. Mr. President, let me say that the Senator from Arkansas, before he left the Chamber, evinced some interest in the measure and that is the reason why I made the suggestion.

Mr. WHEELER. Permit me to say to the Senator from Oregon that this joint resolution passed the Senate at the last session. It failed of passage in the closing hours of the House of Representatives. It got into the jam in the last few minutes of the session around 11 or 12 o'clock and failed of passage.

Mr. McNARY. Permit me to say to the Senator that I have no objection to the purpose of the joint resolution. I only thought it wise to ask the Senator from Arkansas if he had any objection to it. Personally, I favor the measure.

The PRESIDING OFFICER. Is there objection to the

request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 9) authorizing the Federal Trade Commission to make an investigation with respect to agricultural income and the financial and economic condition of agricultural producers generally, which had been reported from the Committee on Agriculture and Forestry with an amendment on page 3, line 10, after the word "corporation", to strike out "and other manufacturers, warehousemen, and/or processors of the principal farm products", and to insert in lieu thereof the words "engaged in the sale, manufacturing, warehousing, and/or processing of the principal farm products and of the other principal sellers, manufacturers, warehousemen, and/or processors of the principal farm products", so as to make the paragraph read:

(2) The extent of the increases or decreases in recent years in the income of the principal corporations engaged in the sale, manufacturing, warehousing, and/or processing of the principal farm products, and of the other principal sellers, manufacturers, warehousemen, and/or processors of the principal farm products, as compared with the decline in agricultural income, including the amount and percentage of such changes; and

The amendment was agreed to.

The next amendment was in section 5, on page 7, line 5, to strike out "\$50,000" and insert in lieu thereof "\$150,000" so as to make the section read:

SEC. 5. There is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated, the sum of \$150,000, which shall be available for expenditure, as the Federal Trade Commission may direct, for expenses and all necessary disbursements, including salaries, in carrying out this resolution and prosecuting litigation necessary in aid of the powers conferred hereunder.

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the Federal Trade Commission is hereby authorized and directed to investigate and report, at the next session of Congress—

First. (1) The extent of the decline in agricultural income in

recent years, including the amount and percentage of such decline;

(2) The extent of the increases or decreases in recent years in the income of the principal corporations engaged in the sale, manufacturing, warehousing and/or processing of the principal farm products, and of the other principal sellers, manufacturers, warehousemen, and/or processors of the principal farm products, as compared with the decline in agricultural income, including the expent and percentage of such absorbances and the amount and percentage of such changes; and

the amount and percentage of such changes; and

(3) The proportion of total consumer cost of representative products manufactured or processed from the principal farm products which is represented by the proceeds received by (a) the farmer, (b) the manufacturers, processors, and warehousemen, and (c) the distributors of such principal farm products and such representative products manufactured therefrom.

Second. The financial position of the principal corporations engaged in the manufacturing, processing warehousing, distribution, and marketing of the representative major products manufactured from such principal farm products, including—

(1) The capitalization and assets of such corporations and

(1) The capitalization and assets of such corporations and the means and sources of the growth of such capitalization and

(2) The investment, costs, profits, and rates of return of such

corporations;
(3) The salaries of the officers of such companies; and
(4) The extent to which said corporations avoid income taxes, if at all, and the extent to which officers receiving such salaries paid income taxes thereon.

Third. The extent of concentration of control and of monopoly in the manufacturing, processing, warehousing, distribution, and marketing of representative major farm products which is maintained or has been obtained by any corporation or other organi-

tained or has been obtained by any corporation or other organization, including—

(1) Methods and devices used by such corporations for obtaining and maintaining their control or monopoly of the manufacturing, marketing, processing, warehousing, and distribution of such commodities, and the proportion of any such major farm commodity handled by each of the large units involved; and

(2) The extent to which fraudulent, dishonest, unfair, and injurious methods are employed in the grading, warehousing, and transportation of such farm products, including combinations, monopolies, price fixing, and manipulation of prices on the commodity exchanges.

modity exchanges.

Fourth. The extent to which the cooperative agencies have entered into the processing, warehousing, and marketing of representative major farm products and the general effects of such

cooperative agencies upon the producer and consumer.

Fifth. The extent to which other countries have adopted or promoted processing, warehousing, and marketing agencies of a public, quasi-public, or cooperative sort for the simplification and cheapening of the processing, warehousing, and marketing of agricultural products, and other administrative agencies which may have been set up for the protection of the farmer-producer and the consumer.

Sixth. Any conclusions and/or recommendations with regard to increasing the income of farm producers or other recommendations with regard to the improvement of the economic position of farmers or consumers growing out of the inquiry.

Sec. 2. The Department of Agriculture, the National Recovery Administration, the Department of Justice, and other agencies of the Government are directed to cooperate with the Commission in such inquiry to the fullest extent possible.

Sec. 3. For the purposes of this resolution the Federal Trade Commission shall have the same right to obtain data and to inspect income-tax returns as the Committee on Ways and Means of the House of Representatives or the Committee on Finance of the Senate, and to submit any relevant or useful information thus obtained to the Congress or to either House thereof. obtained to the Congress or to either House thereof.

obtained to the Congress or to either House thereof.

SEC. 4. For the purpose of carrying out this resolution the Federal Trade Commission, the Attorney General, and the courts of the United States shall have and may exercise all of the powers and jurisdiction severally conferred upon them by the act entitled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 28, 1914.

SEC. 5. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$150,000, which shall be available for expenditure, as the Federal Trade Commission may direct, for expenses and all necessary disbursements, including salaries, in carrying out this resolution and prosecuting litigation necessary in aid of the powers conferred hereunder.

SEC. 6. The Federal Trade Commission is directed to present an interim report to the Congress on January 1, 1936, describing the progress made and the status of its work hereunder, and a final report with recommendations for legislation not later than July 1, 1936.

The preamble was agreed to.

### WEST INDIA OIL CO.

The bill (S. 1039) authorizing the adjustment of the claim of the West India Oil Co. was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to settle and adjust the claim of the West India Oil Co., for the rescue at sea of Pvts. Solomon H. Churchill and John J. Callahan, members of Battery B, First Coast Artillery, Fort Randolph, Canal Zone, and to allow, in full and final settlement of said claim, an amount not in excess of \$123.33. An appropriation of \$123.33, or so much thereof as may be necessary, is hereby made from any funds in the Treasury not otherwise appropriated for payment of the claim.

#### DR. GEORGE W. RITCHEY

The Senate proceeded to consider the bill (S. 1036) authorizing adjustment of the claim of Dr. George W. Ritchey, which was read, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to adjust and settle the claim of Dr. George W. Ritchey in the amount of \$8,283.39 as loss sustained through the spalling and splitting of the original 40-inch mirror which was intended for installation under contract NOd-297, dated June 5, 1931, in a telescope at the United States Naval Observatory, and to allow not to exceed \$8,283.39 in full and final settlement of said claim. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$8,283.39, or so much thereof as may be necessary, for payment of the claim.

Mr. KING. Mr. President, will the Senator from Washington [Mr. Schwellenbach] explain the bill?

Mr. SCHWELLENBACH. Mr. President, this is a bill which makes an adjustment with Dr. Ritchey, who is a scientist and astronomer. He entered into a contract with the Government to make for the Government a new telescope which was to be twice as large as any telescope which had been previously manufactured. During the building of the telescope one of the lenses broke, and it cost him the amount of the claim to replace it. The claim has the approval of the Comptroller General purely upon the basis of justice and equity, with the idea of paying the scientist a reasonable compensation. He worked for 3 years exclusively upon this task. He has no legal claim against the Government. The Comptroller General said:

There is no legal liability on the United States under the contract for the loss sustained by Dr. Ritchey in the spalling or splitting of the first mirror. Under the contract it was the legal obligation of Dr. Ritchey to construct the telescope in accordance with the terms of the contract, even though one or more mirrors may have become worthless because of internal stresses and strains, or otherwise. However, it is believed that there are equities in this matter which deserve the consideration of the Congress. It is reported the telescope is the largest of its kind ever constructed. It was known to be experimental in character at the time the contract was entered into, though the administrative officers of the Navy Department, as well as Dr. Ritchey, appear not to have anticipated that one of the large mirrors would develop such internal stresses and strains as to render it useless after it had been purchased and delivered in this country.

Mr. KING. What was the contract price?

Mr. SCHWELLENBACH. The contract price was \$76,000.

Mr. KING. Was he paid the full \$76,000 for his 3 years' work?

Mr. SCHWELLENBACH. No. He actually got \$5,600 for the 3 years' work. The purpose of the bill is to make up to him what the Comptroller General felt was a reasonable compensation to a man who is reputed to be the outstanding scientist in his field in the world. The Comptroller General did not feel that it was fair to ask him to work on the basis of less than \$2,000 a year. The bill would raise his compensation to the basis of \$5,600 a year.

I will say frankly to the Senator that when I presented the matter I was not very enthusiastic about the claim. However, other members of the Claims Committee inform me that it was not uncommon, where new matters were handled by the Government which were experimental in their nature and losses were sustained, to compensate those who sustained the losses because of the experimental nature of the work.

Mr. KING. I am curious to ascertain what became of the difference between the \$5,600 which the Senator says the scientist received and the \$76,000.

Mr. SCHWELLENBACH. The \$5,600 is the profit he made on his contract after 3 years' work.

Mr. KING. What does the Senator mean to state because of the difference between the \$5,600 and the \$76,000?

Mr. SCHWELLENBACH. He received \$76,000. It cost \$76,000 less \$5,600 for materials and supplies. He received no compensation in the way of salary. The \$5,600 was the difference between the amount he received and the actual cost to him for material and supplies.

Mr. KING. I shall not object, but it is rather a dangerous precedent to establish that men having contracts with the Government, the Government living up to the contract, may claim additional compensation because of some unforeseen contingency.

Mr. SCHWELLENBACH. I appreciate the Senator's position. However, according to the record the telescope is the largest which has ever been built and was purely experimental in its nature.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### DINO CARBONELL

The Senate proceeded to consider the bill (S. 1325) for the relief of Dino Carbonell, which had been reported from the Committee on Claims with an amendment to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dino Carbonell, a resident of Italy, or his duly authorized representative, the sum of \$500, representing the amount of a United States Treasury bond (3 percent Treasury bond of 1951–55, serial no. 22346-F) deposited by him with the immigration authorities of the port of New York, N. Y., as security for a bond executed by him and conditioned upon his departure from the United States on or before June 15, 1932, such bond being subsequently forfeited, although such Dino Carbonell departed from the United States within the period fixed in such bond, as extended by such immigration authorities: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary not-withstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### JOE G. BAKER

The Senate proceeded to consider the bill (S. 747) for the relief of Joe G. Baker, which was read, as follows:

Be it enacted, etc., That notwithstanding the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, the United States Employees' Compensation Commission is hereby authorized and directed to receive and consider, when filed, the claim of Joe G. Baker, of Gas City, Ind., for disability alleged to have been incurred by him on the 6th day of August 1931 while in the employment of the Veterans' Administration Hospital at Marion, Ind., and to determine said claim upon its merits: Provided, That no benefits shall be held to have accrued by reason of this act, prior to its passage.

Mr. KING. Mr. President, I should like to have an explanation of that bill.

Mr. VAN NUYS. Mr. President, this is a bill to authorize the United States Employees' Compensation Commission to consider the merits of this claim. The claimant was a civil employee of the Veterans' Administration hospital at Marion, Ind. By reason of his physicial condition he failed to file notice of claim within the 1 year's time provided in the statute. The only way by which the Commission may consider the claim is through the direction and authorization of the bill. The sole purpose of the bill is to give this civil employee his day in court.

Mr. KING. Will the Senator tell us when the alleged injury occurred? I know we have had a number of applications here where the alleged injury occurred 15 or 20 years ago.

Mr. VAN NUYS. It occurred in 1931.

Mr. KING. I have no objection.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

### MRS. GEORGE F. FREEMAN

The Senate proceeded to consider the bill (S. 475) for the relief of Mrs. George F. Freeman, which had been reported from the Committee on Claims with an amendment, on page 1, line 11, after "1930," to strike out "as a result of "and insert "and whose death is alleged to have resulted from ", so as to make the bill read:

Be it enacted, etc., That the requirements of section 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, are hereby waived in the case of the late Dr. George F. Freeman, formerly employed by the Department of Agriculture as director of the Agriculture Experiment Station,

Mayaguez, P. R., who died on September 16, 1930, and whose death is alleged to have resulted from injuries sustained in the course of such employment, and the United States Employees' Compensation Commission is authorized and directed to consider and act upon any claim which may be filed with such Commission by Mrs. George F. Freeman, widow of such Dr. George F. Freeman, within 1 year from the date of enactment of this act, for compensation under the provisions of such act of September 7, 1916, as amended, for the death of such Dr. George F. Freeman; but compensation, if any, shall be paid from and after the date of enactment of this act. Such payments of compensation shall be made out of funds heretofore or hereafter appropriated for the payment of awards under the provisions of such act, as amended. payment of awards under the provisions of such act, as amended.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### BILLS PASSED OVER

The bill (S. 170) for the relief of Alva A. Murphy was announced as next in order.

Mr. KING. I should like an explanation of that bill, Mr. President

The PRESIDING OFFICER. The Senator from Utah asks for an explanation of the bill. [A pause.]

Mr. KING. Let it go over.

The PRESIDING OFFICER. The bill will be passed over. The bill (S. 883) directing the retirement of acting assistant surgeons of the United States Nav, at the age of 64 years was announced as next in order.

Mr. KING. Let that go over.

Mr. NcNARY. Mr. President, I was about to enter an objection to the bill in the absence of an explanation of it, but I understand that the Senator from Utah has already

The PRESIDING OFFICER. The Senator from Utah has objected. The bill will be passed over.

The bill (S. 39) for the relief of the estate of William Bardel was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, in full settlement against the Government, to the estate of William Bardel, the sum of \$2,624 for the property loss sustained by him as a result of the war while acting as American consul at Reims, France: Provided, That no part of the amount appropriated in this Act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this Act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of trary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon con-viction thereof shall be fined in any sum not exceeding \$1,000.

#### BILL PASSED OVER

The bill (S. 313) to confer jurisdiction on the Court of Claims to hear and determine the claim of A. C. Messler Co. was announced as next in order.

Mr. KING. I should like to have an explanation of that

bill. [A pause.] Let it go over.

The PRESIDING OFFICER. The bill will be passed over.

### GEORGE S. CONWAY, JR.

The bill (H. R. 529) granting compensation to George S. Conway, Jr., was considered, ordered to a third reading, read the third time, and passed.

#### VITO VALENTINO

The Senate proceeded to consider the bill (S. 314) for the relief of Vito Valentino, which had been reported from the Committee on Claims with an amendment, on page 1. line 6, after the words "sum of", to strike out "\$85" and insert "\$50", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Vito Valentino, of Providence, R. I., the sum of \$50, in full satisfaction of his claim against the United States for damages for injury done to a stone wall owned by said

Vito Valentino at 1171 Douglas Avenue, North Providence, R. I., when a United States mail truck ran into such wall on or about March 29, 1934.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### BARLOW-MOORE TOBACCO CO.

The Senate proceeded to consider the bill (S. 239) for the relief of the Barlow-Moore Tobacco Co., which had been reported from the Committee on Claims with an amendment, on page 1, line 10, after the word "reworked", to insert a proviso, so as to make the bill read:

Be it cnacted, etc., That the Secretary of the Treasury be, and Be it cnacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Barlow-Moore Tobacco Co., of Bowling Green, Ky., the sum of \$311.04, representing the value of tobacco stamps purchased by that company as payment of duty on manufactured tobacco reimported and returned to the factory to be reworked: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connecof 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### GERMANIA CATERING CO., INC.

The Senate proceeded to consider the bill (S. 41) for the relief of the Germania Catering Co., Inc., which was read, as

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Germania Catering Co., Inc., the sum of \$5,000. Such sum represents the amount of fine paid by the Germania Catering Co., Inc., pursuant to a conviction for violating certain provisions of the Lever Act of August 10, 1917, as amended, prior to the declaration by the Supreme Court of the United States of the unconstitutionality of such provisions.

Mr. KING. Mr. President, let us have an explanation of

Mr. COPELAND. Mr. President, the bill is to afford relief in the case of a fine which was paid in the Port of New York. An identical bill was passed by the Senate at the last session of Congress, and favorably reported to the House. The Acting Attorney General says that similar measures have been approved, and says there is no objection to the passage of this bill.

Mr. KING. Does the claim grow out of the so-called "Lever Act"?

Mr. COPELAND. Yes.

Mr. KING. Which was held to be unconstitutional, and taxes were paid in the belief that it was constitutional?

Mr. COPELAND. That is correct.
The PRESIDING OFFICER. Is there objection to the consideration of the bill?

Mr. KING. I have no objection.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

### GEORGE B. SPEARIN, DECEASED

The bill (S. 781) for the relief of the estate of George B. Spearin, deceased, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, directed to pay to the estate of George B. Spearin, deceased, the sum of \$5,616.29, which sum, or so much thereof as may ceased, the sum of \$5,616.29, which sum, or so much thereof as may be necessary, is hereby appropriated, out of any money in the Treasury not otherwise appropriated, said sum to be payment in full for all loss sustained by said Spearin by reason of failure, until April 11, 1917, of his attorney to file with the Treasury Department, in compliance with the provisions of the Act of September 30, 1890 (26 Stat. L. 537), transcript of judgment of the Court of Claims in the case of Spearin against the United States.

#### TSTDOR GREENSPAN

The bill (S. 1121) for the relief of Isidor Greenspan was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Isidor Greenspan the sum of \$1,500. Such sum represents the amount of a fine paid by Isidor Greenspan pursuant to a conviction for violating certain provisions of the Lever Act of August 10, 1917, as amended, prior to the declaration by the Supreme Court of the United States of the unconstitutionality of such provisions.

### FIDELITY TRUST CO. OF BALTIMORE, MD., AND OTHERS

The Senate proceeded to consider the bill (S. 694) for the payment of the claims of the Fidelity Trust Co. of Balti-more, Md., and others, which was read, as follows:

Be it enacted, etc., That the Commissioner of Internal Revenue be, and he is hereby, authorized and directed to receive, consider, and adjudicate claims for refund of the bankers' special tax paid under the acts of June 13, 1898, and October 22, 1914, in view of the decision of the Supreme Court of the United States in the case of Fidelity and Deposit Co. against United States (259 U. S. 296), and United States against Fidelity and Deposit Co. (266 U. S. 587), and in accordance with the agreement made March 3, 1925, between the Attorney General and the Secretary of the Treasury as a basis for settlement of such claims: *Provided*, That no claim shall be considered which is filed later than 6 months after the passage of this act.
SEC. 2. That the Secretary of the Treasury is hereby authorized

and directed to pay, out of any money in the Treasury not other-wise appropriated, to such claimants any amount due and allowed in the determination of any such claims which shall have been presented in accordance with this act.

Mr. KING. Mr. President, I ask for an explanation of the bill.

Mr. LOGAN. Mr. President, an identical bill passed the Senate at the last session, and was reported to the House. Some years ago a bill was enacted by Congress imposing a special tax on banks, as the Senator from Utah will recall, and it applied also to trust companies and others engaged in the banking business. The Supreme Court of the United States, in the case of United States against The Fidelity and Deposit Co., which, if my recollection is correct, is reported in Two Hundred and Fifty-ninth United States Reports, held that act unconstitutional. The banks and trust companies and others interested took up the matter with the Treasury Department, and in one way or the other an agreement was reached that the money should be refunded. Of course it should be refunded.

It appears, however, that all the institutions did not have notice, or did not get in within the life of the agreement that had been worked out; and a bill was introduced by the Senator from Maryland [Mr. Typings] to take care of two cases from Maryland. The Committee on Claims, however, realizing that there were quite a number of these claims outstanding-probably 5 percent of the whole number of cases involved-struck out the entire subject matter of the bill, and made this a Federal bill to authorize the refund of all the taxes that had been paid by any of the banks. I think such tax payments are still outstanding in the case of about 50 banks, involving perhaps a million dollars, or such a matter; but it is money that was collected illegally, and the financial institutions which paid it in are, of course, entitled to have it returned. Otherwise, we shall have refunded the money in about 95 percent of the cases, while about 5 percent of the institutions have not had refunds made to them.

Bills have been passed from time to time-just driblets of bills coming in-until the committee thought we would cover the whole matter and pay all the others. I think there are some 50 of them.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Utah?

Mr. LOGAN. Yes.

Mr. KING. I do not object to giving the claimants their day in court; but does not the Senator think it is rather unwise to authorize the Secretary of the Treasury to make payment without the Congress, knowing what are the amounts involved?

Mr. LOGAN. The amount is in the record.
Mr. KING. There is no limitation in the bill on the amount which the Secretary may expend. It may be \$1,000,000, it may be \$5,000,000.

Mr. LOGAN. Let me say to the Senator from Utah that whatever the amount may be, it is shown by the records in the Bureau of Internal Revenue; and all the claimants are entitled to is a refund of the amount which they paid in, without interest. It would be exceedingly difficult for any individual Senator-particularly one like the Senator from Kentucky, who has no interest whatever in the matter—to spend several months in the Treasury Department trying to find out what the amount is; but it is the sum which they paid in, and which it was afterward declared by the Supreme Court they should not have paid.

I think the bill ought to be passed.

Mr. KING. Let me reply to the Senator that the protagonists of the bill could very easily have ascertained from the Treasury Department the amounts to which they are respectively entitled, if they are entitled to anything, and those amounts could have been stated in the bill.

Mr. LOGAN. That is perfectly true; but there are a number of others, perhaps some scattered around, who are not here; and if we do not pass this bill, we shall have other bills coming in to enable them to get their money back. Besides that, an honest government ought not to keep money or desire to keep money that was dishonestly taken from its citizens.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### SOUTHERN PRODUCTS CO.

The Senate proceeded to consider the bill (S. 929) for the relief of the Southern Products Co., which was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Southern Products Co., Dallas, Tex., the sum of \$13.051.19 in full settlement of all claims against the Government, for the cost of removal and of the cost of reconditioning 9,097 bales of good, merchantable cotton, from its place of storage in the Bush Terminal Co. Warehouse, Brooklyn, N. Y., the damages being caused to the cotton by climatic and other causes during its enforced removal and while it was exposed to the weather after removal from the Bush Terminal Warehouse, Brooklyn, N. Y., as result of the commandeering the entire storage warehouse on January 3, 1918, by the Secretary of War: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

Mr. KING. Mr. President, I should like an explanation of

Mr. LOGAN. Mr. President, the bill was introduced by the senior Senator from Texas [Mr. Sheppard]. The matter is somewhat complicated, but I believe I can briefly give the Senator the facts.

The claim grew out of events that happened during the war. The Southern Products Co. had a large quantity of cotton-somewhere between nine and ten thousand bales of cotton-consigned to the Bush Terminal Co., of New York. The cotton was placed in the warehouses of the Bush Terminal Co. At that time the Government, or some of its departments, commandeered the warehouse for use during the war. Then it gave notice to the Southern Products Co., as well as to all others, to remove their cotton. The Southern Products Co. removed its cotton at a cost of something more than \$13,000, which it would not have incurred if the warehouse had not been commandeered by the Government. It also cost the company some four or five thousand dollars to recondition the cotton; and there were other damages which brought the total claim up to about \$31,000.

This claim was filed with the Board created in the War | Department, known as the "Board of Contract Adjustment."

Mr. KING. Mr. President, will the Senator pardon me? The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Utah?

Mr. LOGAN. I do. Mr. KING. This claim seems to have been considered by the Court of Claims of the United States.

Mr. LOGAN. I have not reached that yet. The claim has been all around. It has been about a good deal.

The Board of Contract Adjustment found that the company had actually expended thirteen thousand and some odd dollars in the removal of the cotton, and first held that it was entitled to be paid that sum by the Treasury of the United States. Then, on a review by the War Department Claims Board, it was held that under the provisions of the law the Treasury could not pay for anything unless it was property taken, and as this was not property taken it could not be paid for; neither could the damage to it be paid for.

Then the Southern Products Co. filed its claim in the Court of Claims. The Court of Claims held that it had no jurisdiction to consider the matter; that it had no jurisdiction under the Dent Act, nor did it have any jurisdiction under the Lever Act, and that it could not grant the company any relief because none of its property was taken, and the court had no jurisdiction to determine the question of

The facts are, I may say to the Senator from Utah, that by reason of the Government's taking over this warehouse and forcing the Southern Products Co. to remove the cotton, the company paid out \$13,000 in actual cash, the repayment of which is recommended by the Committee on Claims. The company suffered \$15,000 additional damages for which the committee did not think it was entitled to receive compensation; so in the bill as reported we allowed only the amount which the company actually paid out, as found by the Board of Contract Adjustment.

Mr. KING. Mr. President, will the Senator yield?

Mr. LOGAN. Yes. Mr. KING. I invite the Senator's attention to a few excerpts from the decision of the Court of Claims. The Senator knows that that is a court which has jurisdiction of matters submitted to it.

Mr. LOGAN. Yes.

Mr. KING. And its decisions we respect, as is evidenced by the numerous judgments which we pay when the court certifies as to its findings.

I find this language in the decision of the court by Judge Hay, a very able man; and it is concurred in by Judges Graham, Downey, Booth, and Campbell, chief justice:

The injuries of which plaintiff complains were mere consequences incidental to the exercise of the governmental power to quences incidental to the exercise of the governmental power to take over the Bush Terminal Co.'s property. It is to be remembered that all property is held, whether stored in one's own premises or in that of someone else, subject to the exercise of the right of eminent domain, and even where real estate is taken in the exercise of eminent domain, necessitating the removal of personal property therefrom, the weight of authority is that the expense of such removal is not an element of the just compensation to be allowed the owner.

In this case the plaintiff had no interest in the property taken.

In this case the plaintiff had no interest in the property taken. The Government did not take the property of the plaintiff, and hence there is no similarity between this case and the case of A. W. Duckett v. The United States (266 U. S. 149). In the Duckett case the court held that the plaintiff was entitled to the value of the unexpired lease. There is no evidence here that there was any unexpired lease, nor any evidence of the value of the space occupied by the plaintiff in the warehouse. The injuries complained of are wholly incidental.

The petition must be dispussed

The petition must be dismissed.

Mr. LOGAN. Mr. President, I may say to the Senator that the reason why the claim is here is that the court held it had no jurisdiction on account of the fact that the law did not cover damages incident to the removal of personal property. The Court of Claims could grant the claimant no relief, and because the law did not cover the matter, and the Board to which I have referred could not grant any relief, the claimant has no place to go to get the money which the Government

forced him to pay out for removing his cotton. That is the reason why he is here.

Mr. KING. Mr. President, I shall not object, but I may move to reconsider.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### MACK COPPER CO.

The bill (S. 1878) conferring jurisdiction upon the Court of Claims to hear and determine the claims of the Mack Copper Co. was announced as next in order.

Mr. KING. Mr. President, I should like to have an explanation of that bill.

Mr. LOGAN. Mr. President, I think, after having gone over these claims and submitted reports, that any Senator who is really interested ought to make the explanation about any particular bill.

This bill relates to an old, old claim which has been before the court and the different departments of the Government and the Congress of the United States, in one form or another, for many years.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. LOGAN. I yield.

Mr. COPELAND. I should like to say that any Senator is really fortunate to be absent when he can have the Senator from Kentucky take his place, because his explanations are always so lucid and valuable.

Mr. LOGAN. I thank the Senator. The Government took over six or seven thousand acres of property in San Diego County, Calif., during the war. The method of taking it was afterward declared by the courts to be illegal. It secured a lease of some nature from the owners, and the court held that that lease was invalid.

Mr. KING. Mr. President, let me ask the Senator a question. Is this the case we had before us where it was claimed that some sticks were stuck in the ground and some rocks removed?

Mr. LOGAN. This is the claim. Mr. KING. Then, I object.

Mr. LOGAN. Before the Senator objects, let me say that the bill does not allow anything. The contention is made and, I think, perhaps soundly—that the court had no jurisdiction to determine certain questions, and there was never presented to the court the question of damages. The Government filled the land full of bombs which had not exploded, they concreted a part of the land for cavalry maneuvers, and things of that kind.

Now-although I do not want to take the time of the Senate—the claimants come here and say, "We have a right to be heard in the Court of Claims of the United States about those matters which were not previously before the court." That is all there is to the claim, and, if they are entitled to anything, I suppose they ought to be heard; if they are not, it will not do any harm to hear them.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

### ANTON W. FISCHER

The Senate proceeded to consider the bill (S. 1846) for the relief of the estate of Anton W. Fischer, which had been reported from the Committee on Claims with an amendment to insert a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to refund, out of any money in the Treasury not otherwise appropriated, to the estate of Anton W. Fischer, late of Owatonna, Minn., the sum of \$275.98, under existing rules and regulations, said amount having been illegally collected from said estate, as stated by letter of the Commissioner of Internal Revenue dated February 7, 1923: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services renagent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act

in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwith-standing. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### TERESA DE PREVOST

The Senate proceeded to consider the bill (S. 1360) for the relief of Teresa de Prevost, which had been reported from the Committee on Claims with amendments.

The first amendment was on page 1, line 5, to strike out "\$100,000" and insert in lieu thereof "\$25,000."

The amendment was agreed to.

Mr. McKELLAR. Mr. President, may we have an explanation of this bill. It seems to call for the appropriation of a very large amount.

Mr. LOGAN. Mr. President, if the Senator from Tennessee will be good enough between now and the next call of the calendar to read the report, I believe that will be much more satisfactory than for me to attempt to explain the bill at this time. It is rather lengthy. It has been pending 15 years. I shall ask that the bill go over, so as to give the Senator from Tennessee opportunity to read it.

Mr. McKELLAR. I shall do so. The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

#### HARRY P. HOLLIDGE

The Senate proceeded to consider the bill (S. 760) for the relief of Harry P. Hollidge, which had been reported from the Committee on Claims with an amendment, to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Harry P. Hollidge, the sum of \$903.70, in full settlement of all claims against the Government for damages to his automobile as the result of a collision with a Packard truck belonging to the War Department, said collision occurring on the evening of March 27, 1919, on the Baltimore-Washington Pike: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with a state of the services rendered in connection. attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### JOHN HENRY TACKETT

The Senate proceeded to consider the bill (S. 155) for the relief of John Henry Tackett, which had been reported from the Committee on Claims with amendments, on page 1, line 7, after the words "sum of", to strike out "\$464" and to insert in lieu thereof "\$264"; and on page 2, line 2, to strike out the words "for the purchase of an artificial limb, \$200 ", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Claude D. Jones, Superintendent of the National Training School for Boys, the sum of \$264, to be used in the payment of expenses incident to the illness of John Henry Tackett, former inmate of the National Training School for Boys, which resulted in amputation of the leg on March 22, 1932, such sum to be expended as follows: For hospitalization, Sibley Hospital, Washington, D. C., \$129; for medical and surgical treatment, Dr. Custis Lee Hall, \$135.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading read the third time, and passed.

### WINIFRED MEAGHER

The bill (S. 38) for the relief of Winifred Meagher was announced as next in order.

Mr. KING. I object.

Mr. COPELAND. Mr. President. will not the Senator withhold his objection?

The PRESIDING OFFICER. Does the Senator from Utah withhold his objection?

Mr. KING. Yes; for a moment.

Mr. COPELAND. Mr. President, the Senator will recall that the Senator from Utah and I discussed this bill last year. It so happens that the claimant in this case is the widow of a doctor who was a long-time friend of mine.

Mr. KING. Mr. President, will the Senator suffer an interruption?

Mr. COPELAND. Certainly.

Mr. KING. My only objection is that there has been considerable discussion as to the propriety of remitting such claims as this, claims in tort, to the district courts throughout the United States. It has been suggested that we set up a tribunal for the determination of such tort claims. If we establish this precedent, then anybody who is injured in my State or in any other State may go into the district court and bring suit against the Government for tort, oftentimes when the Government may not be fully advised as to the character of the tort, perhaps has had no knowledge of the injury except when the suit was brought within the period of the statute of limitations, and it places the Government at great disadvantage.

It seems to me, as I have suggested upon a number of occasions, that if we are to permit actions for tort to be brought, some tribunal ought to be set up for that purpose.

Mr. COPELAND. Mr. President, I think the Senator is entirely right. If the Senator will observe the bill itself, he will see a proviso on line 9 designed to give the very protection for which he contends so strongly and so properly. This is the proviso:

Provided, That such notice of the suit shall be given to the Attorney General of the United States as may be provided by order of the said court: Provided further, That said suit shall be brought and commenced within 6 months of the date of the passage of

Likewise, if the Senator will read the report on page 3, at the middle of the page, he will find that the attorney for the claimant said this:

Dr. Meagher might be considered under the rules laid down in the "American Restatement of the Law of Torts" as invitee. He attended a place that was open to the public and to which the public was invited, and which fact the owner, in this case the United States, knew was open to the public pursuant to the invitation extended.

And so forth.

Mr. President, the camp referred to in the pending measure is owned by the Government. It was used by the National Guard of Pennsylvania and also by the National Guard of Virginia, but the Government itself was in full ownership and control between sessions of the camps, and at some time a concrete pillar, 2 feet square, was broken. Just when it happened, of course, no one can know. Undoubtedly it was replaced upon the base and appeared to be safe.

There was an open invitation to the public to attend the camp at a review on Sunday afternoon, and the doctor, who was a major in the Reserve, and who had served in the Army, went there, and he was the victim of somebody's carelessness. Whether it was the carelessness of the National Guard of Pennsylvania or the carelessness of the War Department would have to be determined. It would seem to me, however, that certainly some relief should be given to this widow. A child was badly injured at the same time the father was killed.

Mr. KING. Mr. President, will the Senator yield to me? Mr. COPELAND. I yield.

Mr. KING. I find this statement made in the report:

The sole question in this case appears to be as to whether the The sole question in this case appears to be as to whether the Federal Government or the State of Pennsylvania is responsible for the accident which resulted in the death of Dr. Meagher, and your committee is of the opinion that in fairness to the claimant the matter should be determined by a court, and it is accordingly recommended that jurisdiction be conferred upon the Court of Claims to hear and determine the claim.

Mr. COPELAND. That is correct.

Mr. KING. Notwithstanding the fact that Mr. Hurley, as | Secretary of War, stated that the War Department expressed the opinion that whatever liability, legal or moral, exists in this case is a State and not a Federal matter, if the Senator will amend his bill to refer the case to the Court of Claims, I shall have no objection.

Mr. COPELAND. How would the Senator suggest that that be done?

Mr. KING. Let it be passed over temporarily.

The PRESIDING OFFICER. The bill will be passed over temporarily.

Mr. COPELAND subsequently said: Mr. President, I ask unanimous consent to return to Calendar No. 171. I have conferred with the Senator from Utah [Mr. King], and he has no objection.

Mr. KING. I have no objection.

The PRESIDING OFFICER. Is there objection to the

present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 38) for the relief of Winifred Meagher, which was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Winifred Meagher for damages on account of the death of her husband, Dr. John F. W. Meagher, caused by and as a result of injuries sustained while a visitor at the military camp at Tobyhanna, Pa., on August 23, 1931: Provided, That such notice of the suit shall be given to the Attorney General of the United States as may be provided by order of the said court: Provided further, That said suit shall be brought and commenced within 6 months of the date of the passage of this act.

#### YVONNE HALE

The Senate proceeded to consider the bill (S. 799) for the relief of Yvonne Hale, which had been reported from the Committee on Claims with an amendment to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Yvonne Hale, widow of Bernard F. Hale, late American Consul at Venice, Italy, the sum of \$4,000, equal to 1 year's salary of her deceased husband: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of Be it enacted, etc., That the Secretary of the Treasury be, and trary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon con-viction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

### A. RANDOLPH HOLLADAY

The bill (S. 1110) for the relief of A. Randolph Holladay, was announced as next in order.

Mr. KING. Mr. President, the Senator who reported the bill [Mr. Gibson] does not seem to be present. It seems to involve a refund of income tax. Let it go over.

The PRESIDING OFFICER. Objection is heard. The bill will be passed over.

Mr. KING subsequently said: Mr. President, I ask unanimous consent to recur to Senate bill 1110, which was passed over a few moments on my objection. Upon the explanation made to me by the Senator from Delaware [Mr. Townsend], and, having read the report, I think it is a meritorious claim.

The PRESIDING OFFICER. The Senator from Utah asks unanimous consent to return to Senate bill 1110. Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 1110) for the relief of A. Randolph Holladay, which had been reported from the Committee on Claims with an amendment, to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay out of any money in

the Treasury not otherwise appropriated, to A. Randolph Holladay, the sum of \$11,172.15, with all interest due thereon, as a refund on income tax paid by A. Randolph Holladay, and which cannot be returned because of an agreement made between A. Randolph Holladay and the Treasury Department, on form no. 866: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It account of services rendered in connection with said claim. account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### GEORGE VOELTZ

The Senate proceeded to consider the bill (S. 1781) for the relief of George Voeltz, which had been reported from the Committee on Claims with amendments, on page 1, line 6, after "\$5,000", to insert "in full settlement of all claims against the Government", and to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to George Voeltz the sum of \$5,000 in full settlement of all claims against the Government for damages suffered by reason of being struck by a Government for damages suffered by reason of being struck by a Government motor truck which was driven by a clerk in the United States mail service: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### BILL PASSED OVER

The bill (S. 741) for the relief of the Union Shipping & Trading Co., Ltd., was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

#### C. J. MAST

The bill (S. 921) for the relief of C. J. Mast was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to C. J. Mast, of Charlo, Mont., the sum of \$255 in full satisfaction of his claim against the United States for \$255 in full satisfaction of his claim against the United States for damages on account of injury to his crops in the years 1924 to 1928, both inclusive, by reason of breaks in a lateral dike in connection with the Flathead irrigation project: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000. sum not exceeding \$1,000.

### FRANCIS B. KENNEDY

The Senate proceeded to consider the bill (S. 1059) authorizing adjustment of the claim of Francis B. Kennedy, which had been reported from the Committee on Claims with an amendment to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to settle and adjust the claim of Francis B. Kennedy, narcotic agent, as reimbursement for money (private funds) of which he was robbed while

investigating charges against Frank De Mayo and others at Kansas City, Mo., May 28, 1928, and to allow in full and final settlement of said claim in the sum of not to exceed \$350. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$350, or so much thereof as may be necessary, to pay said claim: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### RIO GRANDE SOUTHERN RAILROAD CO.

The bill (S. 1053) authorizing adjustment of the claim of the Rio Grande Southern Railroad Co. was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to adjust and settle the claim of the Rio Grande Southern Railroad Co. for reimbursement of its expenditures for labor and expenses in repairing the damages to the Western Union telegraph line on its right-of-way at milepost no. 85 (between Dolores and Rico, Colo.) and between mileposts nos. 94 and 96 (near Stapleton, Colo.), which line was damaged in 1931 by the blasting during the Government's construction of the Dolores-Rico Forest highway project in Colorado, and to allow in full and final settlement of said claim not to exceed the sum of \$23.01. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$23.01, or so much thereof as may be necessary to pay said claim.

#### PENNSYLVANIA RAILROAD CO.

The Senate proceeded to consider the bill (S. 1057) authorizing adjustment of the claim of the Pennsylvania Railroad Co., which had been reported from the Committee on Claims with an amendment, to add a proviso at the end of the bill, so as to make the bill read:

the bill, so as to make the bill read:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to adjust and settle the claim of the Pennsylvania Railroad Co. for the cost of repairing the damages to freight car no. 89713 (owned by the Central Railroad of New Jersey) which were caused by an accident due to condition of Government-owned rails or roadbed while such car was in the Government's care and custody, and to allow in full and final settlement of said claim not to exceed the sum of \$468.82. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$468.82, or so much thereof as may be necessary, to pay said claim: Provided, that no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to, or received by, any agent or agents, attorney or attorneys, on account of services agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

### WHITE BROS. & CO.

The Senate proceeded to consider the bill (S. 1054) authorizing adjustment of the claim of White Bros. & Co., which had been reported from the Committee on Claims with an amendment, to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to adjust and settle the claim of the White Bros. & Co., a partnership composed of John W. White, Jr., Will J. White, A. P. White, and Madison White, for a refund of an advance payment of rent for the property known as the "Little Rock Air Depot", Little Rock, Ark., under their War Department lease numbered W-766-qm-291, deted Mor. 22, 1080. dated May 23, 1930, rent having been paid in advance for the period ending February 22, 1932, and the War Department having exercised its option to terminate the lease effective December 31, 1931, and to allow in full and final settlement of said claim not

to exceed the sum of \$341.92. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$341.92, or so much thereof as may be necessary to pay said claim: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### CHARLES A. LEWIS

The bill (S. 742) for the relief of Charles A. Lewis was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the act entitled "An act to provide compensation for the employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, the United States Employees' Compensation Commission is hereby authorized to consider and determine the claim of Charles A. Lewis in the same manner and to the same extent as if said Charles A. Lewis had made application for the benefits of said act within the 1-year period required by sections 17 and 20 thereof: Provided, That no benefits shall accrue prior to the approval of this act.

#### MICK C. COOPER

The bill (S. 1487) for the relief of Mick C. Cooper was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Mick C. Cooper, of Orient, Wash., out of any money in the Treasury not otherwise appropriated, the sum of \$80.11, in full satisfaction of all claims against the Government for meat furnished the Forest Service in June 1926: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on acto or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

#### JAY STREET TERMINAL, NEW YORK

The bill (S. 563) for the relief of the Jay Street Terminal, New York, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to adjust, settle, and certify to Congress the claim of the Jay Street Terminal in the sum of \$1,097, on account of damages suffered by reason of a collision with the claimant's bulkhead by the United States Army mine planter General E. O. C. Ord, in the East River on or about States 2, 1993. about September 3, 1929.

### PAUL H. CRESWELL

The bill (S. 1474) for the relief of Paul H. Creswell was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$50 to Paul H. Creswell, of not otherwise appropriated, the sum of \$50 to Paul H. Creswell, of Cincinnati, Ohio, representing payment to the following persons as special bailiffs: Henry Melcher, special bailiff in charge of sequestered jury March 14, 15, 21, and 22, 1931, \$20; John H. Potts, same, March 14 and 21, 1931, \$10; Robert Poppe, same, March 14, 15, 21, and 22, 1931, \$20; which amounts were disallowed by the Comptroller General in the settlement of the accounts of said Paul H. Creswell, as United States marshal for the southern district of Ohio, and paid into the Treasury by said Paul H. Creswell under date of April 1, 1933. date of April 1, 1933.

#### JOHN A. JUMER

The Senate proceeded to consider the bill (S. 1363) for the relief of John A. Jumer, which had been reported from the Committee on Claims with an amendment, to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to John A. Jumer, of Two Harbors, Minn., the sum of \$277, in full satisfaction of his claim against the United States for personal-property losses sustained by him in 1918 while serving as a captain, Dental Corps, United States Army, in the Argonne Forest, France: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof thell be need or delivered to a received by any system. shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### STANLEY A. JERMAN, RECEIVER

The bill (S. 483) for the relief of Stanley A. Jerman, receiver for A. J. Peters Co., Inc., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the claim of Stanley A. Jerman, receiver Be it enacted, etc., That the claim of Stanley A. Jerman, receiver for A. J. Peters Co., Inc., for forage delivered by the said A. J. Peters Co. to the Quartermaster Corps, War Department, during the late World War, and the years 1917 to 1919, inclusive, and used by the War Department, for which no payment whatever has ever been made under the following contracts and orders: P. O. 20847, P. O. 21212 to P. O. 21217, both inclusive, P. O. 21219, P. O. 21319, P. O. 21320, P. O. 21469, P. O. 21494, 51, contract dated March 31, 1917, P. O. 2350 to P. O. 2352, both inclusive, P. O. 20260, P. O. 20836 to P. O. 20838, both inclusive, be, and the same is hereby, referred to the United States Court of Claims with jurisdiction to beer and determine the same to judgment, notwithstanding the hear and determine the same to judgment, notwithstanding the statute of limitations: *Provided*, That the petition is filed within 6 months from the date of this act.

#### DR. R. N. HARWOOD

The Senate proceeded to consider the bill (S. 1027) for the relief of Dr. R. N. Harwood, which had been reported from the Committee on Claims with an amendment, on page 1, line 9, after the name "Harwood", to insert:

For compensation for disabilities to his hands received while acting as designated dental examiner on fee basis at Morristown, Tenn., for the Veterans' Administration.

So as to make the bill read:

Be it enacted, etc., That in the administration of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, the United States Employees' Compensation Commission is hereby authorized to consider and determine the claim of Dr. R. N. Har-wood for compensation for disabilities to his hands received while acting as designated dental examiner on fee basis at Morristown, Tenn., for the Veterans' Administration, in the same manner and to the same extent as if said R. N. Harwood had made application for the benefits of said act within the 1-year period required by sections 17 and 20 thereof: Provided, That no benefits shall accrue prior to the approval of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

### SNARE & TRIEST CO.

The bill (S. 1328) for the relief of the Snare & Triest Co., now Frederick Snare Corporation, was announced as next in order.

Mr. McKELLAR. Mr. President, if the Senator who reported the bill is in the Chamber, I should like to have him explain it. If not, inasmuch as the bill involves a large amount, I shall ask that it go over.

The PRESIDING OFFICER. The bill will be passed over. Mr. COPELAND. Mr. President, will the Senator permit me to say something about this bill?

Mr. McKELLAR. Certainly.
The PRESIDING OFFICER. Does the Senator from Tennessee withhold his objection?

Mr. McKELLAR. Yes.

Mr. COPELAND. The Senator will note, in the first place, that the bill passed the Senate during the last Congress and was favorably reported in the House. It is fully described as a case which arose out of a contract made by the Bureau of Yards and Docks, Navy Department, with the claimant company.

Mr. McKELLAR. Did the Navy Department make any objection?

Mr. COPELAND. The Senator will find on page 12 of the report, at the top of the page, the following:

In view of the foregoing, the Navy Department will interpose no objections to the enactment of the bill S. 1760 should the Congress see fit to authorize the readjudication of the case as proposed.

Mr. McKELLAR. Does this provide for a hearing before the Court of Claims?

Mr. COPELAND. No.

Mr. McKELLAR. I see it provides for a direct payment.

Mr. COPELAND. Yes; a direct payment.

Mr. McKELLAR. The Secretary seems to think that it was a just case and should be readjudicated. Did the Court of Claims pass favorably on it?

Mr. COPELAND. Yes; it had due trial before the Court of Claims. If the Senator will turn to page 12 of the report, he will see that the Navy Department says:

In view of the foregoing, the Navy Department will interpose no

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 1328) for the relief of the Snare & Triest Co., now Frederick Snare Corporation, which had been reported from the Committee on Claims with an amendment, to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Snare & Triest Co., now Frederick Snare Corporation, the sum of \$83,973.05, in full settlement of all claims against the Government of the United States for damages for delay in carrying out its contract with the Navy Department, No. 3762, and agreements supplemental thereto, for water-front improvements, piers, and breakwater, at the submarine base, Key West, Fla., as reported January 13, 1925, by a board of which Rear Admiral H. H. Rousseau, Civil Engineer Corps, United States Navy, was senior member: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents. shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading. read the third time, and passed.

#### FRED G. CLARK CO.

The Senate proceeded to consider the bill (S. 281) for the relief of the Fred G. Clark Co., which had been reported from the Committee on Claims with an amendment to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Fred G. Clark Co. the sum of \$7,586.61, being the amount agreed upon in accordance with the decision of the Board of Contract Adjustment, War Department, in full settlement for losses suffered by reason of forced compliance by said company with orders of the War Industries Board preventing said company from disposing of its stock of wool grease during the late war with Germany: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

read the third time, and passed.

#### JAMES R. YOUNG

The Senate proceeded to consider the bill (S. 1062) for the relief of James R. Young, which had been reported from the Committee on Claims with an amendment, to add a proviso at the end of the bill, so as to make the bill read:

at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to James R. Young, successor to the Union Trust Co., of Raleigh, N. C., out of any money in the Treasury not otherwise appropriated, the sum of \$226.25 in full satisfaction of all claims for payment of premiums on policies of fire insurance written in 1918 by such Union Trust Co., covering certain goods of the value of \$245,000, more or less, while in the process of being laundered for the United States Army by the Model Laundry, of Raleigh, N. C.: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### HAROLD E. SEAVEY

The bill (S. 581) for the relief of Harold E. Seavey was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, directed to pay to Harold E. Seavey, out of any money in the Treasury not otherwise appropriated and in full settlement against the Government, the sum of \$150 for damages to the household effects sustained by the said Harold E. Seavey in the storm and seas of January 27–28, 1933, at the Cuckolds Light Station at Newagen, Maine.

#### WILLIAM J. COCKE

The bill (S. 941) for the relief of William J. Cocke was announced as next in order.

Mr. McKELLAR. Mr. President, will the Senator from Kentucky tell us about the bill?

Mr. LOGAN. Mr. President, this is a claim growing out of a contract or agreement for the purchase of garbage at an Army camp. The claimant, Mr. William J. Cocke, filed a claim for about \$33,000 in the Court of Claims.

I should like to call the attention of the Senator from Tennessee to the portion of the decision of the Court of Claims in which it is said that this claimant undoubtedly was very badly treated, and that he was damaged. The committee went over the matter very carefully, and took the best information we could obtain from the departments, and reached the conclusion that the claimant was entitled to a little more than \$9,000, as provided for in the bill. He was damaged much more than that, and he has no place to go except to come here and get it. I think the decision of the Court of Claims very clearly indicates that he is entitled to some compensation.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. KING. I think I shall ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over. STATE, JUSTICE, COMMERCE, LABOR DEPARTMENTS APPROPRIATIONS

The bill (H. R. 5255) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1936, and for other purposes, was announced as next in order.

Mr. McKELLAR. I ask unanimous consent that the formal reading of the bill be dispensed with, and that the bill be read for action on the committee amendments.

Mr. McNARY. Mr. President, is the Senator from Tennessee moving to make the bill the unfinished business?

Mr. McKELLAR. I think it was understood earlier today that the bill would be taken up upon the completion of the

The bill was ordered to be engrossed for a third reading, | calendar; but in order that there may be no question about it, I move that the Senate proceed to the consideration of the bill.

> The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 5255) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1936, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

> Mr. McKELLAR. I now ask unanimous consent that the formal reading of the bill be dispensed with, and that the bill be read for action on the committee amendments.

> The PRESIDING OFFICER. Is there objection? Chair hears none, and it is so ordered.

### THE PRESIDENT'S WREATH ON "N. I. R. A."

Mr. SCHALL. Mr. President, though verbally the President asks for a 2-year extension of the "blue code" act, the logic of his funeral eulogy is to hang a wreath and pronounce an elegy over the grave of "N. I. R. A."

When he asks for cessation of monopolistic practices, he, in all logic, asks for the repeal of the 600 codes which legalize monopolistic practices.

When he frankly admits that "unquestioned power must rest in the Government to establish in any event certain minimum standards of fair competition in commercial practices" he calls for the restoration of the antitrust laws administered by the Federal Trade Commission—laws which the N. R. A. suspended.

When he inveighs against the dangers of "industrial and labor chaos", he strikes at the vitals of "N. I. R. A.", whose outstanding achievement is "industrial and labor chaos."

When he calls for "new safeguards for small enterprises", he demands repeal of the entire blue list of 600 prohibitive codes which throttle small enterprises to strengthen the grip of legalized monopoly.

When he demands cessation of "license to strangle fair competition under the apparent sanction of law" he demands repeal of all the blue codes and licenses issued with his signature

When he asks for denial of the right "to indulge in unfair practices or exploitation of labor or consumers" he asks, first, for the restoration of the antitrust laws instituted against such "unfair practices and exploitation", and, second, he asks the end of all the 600 codes which legalize such practices and exploitation.

When he admits "the obvious fact that the way to enforce laws, codes, and regulations relating to industrial practices is not to seek to put people in jail" he naively and at length consistently admits the wisdom of abolishing all the 600 codes which provide for jail sentences as the means of farcical enforcement.

That wise admonition in the President's message, namely: Small enterprises especially should be given added protection against discrimination and oppression", carries with it the unwritten advice which all small enterprises in the United States whole-heartedly applaud: To drop all codes and N. R. A. licenses and the entire "crack-down" system with its millions of blue eagles for oppression of small enterprises.

When he speaks with disapprobation of "gouging in retail sales and prices" he again hits at the vitals of N. I. R. A., as when the immediate effect of the cotton textile code, the first N. I. R. A. code, boosted the retail price of denims, prints, and overalls 100 percent in the first 100 days of enforcement—as witness the market quotations of such an excellent newspaper authority as the New York Times during the last 6 months of 1933 following the signing of the cotton textile

Doubtless every Member of Congress will agree with the President in this statement:

The fundamental principles of the antitrust laws should be more adequately applied.

Indeed, the distinguished Senator from Idaho [Mr. BORAH], by a bill introduced at the last session and still pending, has shown the President how to apply the "fundamental principles of the antitrust laws", namely, to repeal the N. R. A. provision suspending the operation of the antitrust laws, and the most effective way to accomplish that result in this session is to allow N. I. R. A. to expire on June 16, 1935, pursuant to law.

The late administrator of the N. R. A., the man who sat over the nest where the blue eagles hatched and then distributed them over the land to the bedlam of brass-band parades—the late Brigadier General Johnson, assistant to Bernie Baruch—has borne adequate testimony that when the antitrust laws are restored the blue codes are dead, and N. I. R. A. calls for burial. Therefore, when the President agrees with the Senate and the country at large that the fundamental principles of the antitrust laws should be applied, he hangs a wreath over the grave of N. I. R. A. and reads an elegy.

On all funeral occasions it is in order for the pastor in charge to forget the sins of the late departed and chant all praises one dares to venture to cheer the bereaved.

Thus, the President ventures to bring out that old tale, as the casket is being lowered, about N. I. R. A. having given employment to that old 4,000,000. Meantime, the leaders of the American Federation of Labor, who seem to be absent from the mourner's bench, politely refrain from presenting the only authentic data of unemployment available, namely, that N. I. R. A. has increased unemployment by over 1,000,-000 in the past year.

The President is strangely silent, with regard to the details of collective bargaining. He briefly speaks of assurances of collective bargaining between employers and employes.

But he well knows, from the broadsides of labor denunciation of the N. R. A. administration and its code authorities, that the entire body of organized labor in the United States are well agreed, that the N. R. A. has brought more uncertainty, more strikes and labor riots, more war between employers and employed, and less collective bargaining, than this country has had for years.

The first N. R. A. code, the Cotton Textile Code, started the most widespread industrial strike in the country's history—and that code war started right at the office desks of the N. R. A. administration. The leader of the employers in that strike, Mr. Sloan, was Chairman of the N. R. A. Cotton Textile Code Authority.

It is evident from both the testimony of President Green, of the A. F. of L., and the speeches of President John L. Lewis, of the Miners Union, as well as from the history of the unprecedented strike movement following the imposition of the respective industrial codes—that there will be no assurance of the restoration of collective bargaining until the last requiem has been sung over the grave of N. I. R. A.

The President also brings up that innocuous tale of N. I. R. A. as the mother of the cause to abolish child labor. Of course, the President knows full well that, years before N. I. R. A. was hatched by his "brain trust", a majority of the States had child-labor laws in effective administration under State labor bureaus. The "brain trust" simply hopped onto a popular band wagon. Among the few States which did not have such child-labor regulation were those which never voted anything but a Democratic ticket—or else, some like his own State where, under a Tammany political regime, the sweatshop was allowed to exist in spite of the law.

His reference to the dangers of disastrous overproduction has no application to any industrial condition existing since his election to the White House. Underproduction was the rule when he was inaugurated, and underproduction has been the underlying and promoting cause of unemployment to an increasing extent, and a disastrous extent, ever since he signed the 600 codes further restricting production and thereby further restricting the field of employment.

And while the alphabetical units are under fire, it would be well if the A. A. A. broth were poured down the sewer. Its only result has been famine, misery, lost farms, lost livelihood, lost hope for the farmers while their markets have been taken by foreign countries. Rising prices now do them no good and only add to the consumers' burden. The dust

storms of the West already appearing giving warning of another severe drought the coming season. God takes a hand to show his wrath at the breaking of his laws of thrift, by killing cattle, hogs, pigs, chickens, and shipping in foreign meat to take their place—by destruction of cotton, sugar beets, wheat, corn, and fruit while importing these products and their derivatives.

That is the crying economic evil of the times—restriction of the free operation of the industries which employ labor and furnish markets for the farmer. And the first step to end it is to hasten the burial of N. I. R. A. and her blue-eagle progeny.

We can then join the President in writing elegies, and laying wreaths on the grave of that now "unknown soldier", General Johnson. We need not as yet celebrate the funeral of Richberg, for we know, on the testimony of Johnson, that the mourners are attending to Richberg in unique ways of their own, as when Johnson says:

Richberg has ants in his pants.

The closing note of the President's funeral oration on N. I. R. A. reads thus:

You will lighten the burdens of unemployment and economic mecurity.

Coupled with the testimony of the American Federation of Labor, that the N. R. A. has increased unemployment, and the universal verdict of industrial authorities, that the "crack down" system has produced economic insecurity, our duty appears to be clear, namely, to permit N. I. R. A. to expire, as provided by law, on June 16, 1935. If such is done, the country will heave a huge sigh of relief.

## STATE, JUSTICE, COMMERCE, AND LABOR DEPARTMENTS APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 5255) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1936, and for other purposes.

The PRESIDING OFFICER (Mr. MINTON in the chair). The clerk will state the first amendment reported by the committee.

The first amendment of the Committeee on Appropriations was, on page 5, line 19, before the word "provided", to strike out "\$18,000" and insert "\$23,030."

Mr. HALE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Costigan	La Follette	Robinson
Ashurst	Couzens	Lewis	Russell
Austin.	Cutting	Logan	Schall
Bachman	Davis	Lonergan	Schwellenbach
Bankhead	Dickinson	McAdoo	Sheppard
Barbour	Donahey	McCarran	Shipstead
Bilbo	Duffy	McGill	Smith
Black	Fletcher	McKellar	Steiwer
Bone	Frazier	McNary	Thomas, Okla.
Borah .	George	Maloney	Thomas, Utah
Brown	Gerry	Metcalf	Townsend
Bulkley	Gibson	Minton	Trammell
Bulow	Glass	Murphy	Truman
Burke	Gore	Murray	Tydings
Byrd	Guffey	Neely	Vandenberg
Byrnes	Hale	Norbeck	Van Nuys
Capper	Harrison	Norris	Wagner
Caraway	Hastings	Nye	Walsh
Carey	Hatch	O'Mahoney	Wheeler
Clark	Hayden	Pittman	White
Connally	Johnson	Pope	
Coolidge	Keyes	Radcliffe	
Copeland ·	King	Revnolds	PROPERTY AND INC.

The PRESIDING OFFICER. Eighty-nine Senators having answered to their names, a quorum is present.

#### WORK-RELIEF PROGRAM

Mr. HASTINGS. Mr. President, on Thursday last the Senate cast a vote upon the so-called "McCarran amendment" to the joint resolution carrying the \$4,880,000,000 appropriation. The amendment was adopted by a majority of a single vote. On the next day the distinguished majority leader, the Senator from Arkansas [Mr. Robinson]. moved that the joint resolution be recommitted to the Com-

mittee on Appropriations. It was assumed by most of us, if not all, on this side of the Chamber that the joint resolution was recommitted largely for the purpose of separating that which was to be appropriated for relief, namely, \$880,-000,000, from the remainder of the joint resolution carrying what was known as the "Public Works appropriation of \$4,000,000,000." I think every Senator on both sides of the Chamber assumed that the Senate was ready at once to make such a relief appropriation.

On the next day, Friday, there appeared an editorial en the front page of the Washington Herald which the distinguished leader of the majority this morning undertook to have placed in the RECORD. It is entitled "Support the President." Some objection was made to it, and I should not refer to it except for the fact that an effort was made by the distinguished Senator to place it in the RECORD.

The editorial goes on to regret that on President Roosevelt's "wise recommendation for security wage on public works" the Senate has "surrendered to the demagogues." It is a little surprising to me that any Senator should urge that the editorial be placed in the RECORD by unanimous consent.

Further along in the editorial it was said:

It was regrettable to find Senator Wagner, of New York, as

MCCARRAN's chief aide on the floor of the upper House.

Evidently these two men and the 42 others who followed them heard the American Federation of Labor crack the whip. By a margin of one, the majority of the Senators voting responded to the dictation of the union lobby without stopping to consider the merits of the question.

Further along, the editorial said:

Likewise, if at the behest of an unreasonable lobby the considered advice of the President is to be rejected, then the time has indeed come for an aroused electorate to protest vigorously against lack of integrity and absence of sober judgment in the Senate.

Further along in the editorial it was said:

The basic amendment converts the President's program from an economically sound program to a dangerously unsound one.

The last two paragraphs read:

Mr. Roosevelt should stick by his guns and exert his leadership in the House and in conference.

Meantime, every thinking American should make known to his representatives in the Senate and House his insistence that Congress support the President on this vital issue.

Mr. President, in the next issue of the Washington Herald, on Sunday morning, we find an article headed "Robinson's Plea for Works Bill Urges Patriotism Be Placed Above Politics." In that article the Senator from Arkansas said:

Do those who have upset this program for the present realize the full effect of their actions? Do they understand that to guarantee the prevailing wage means the perpetuation of the dole and the problems of unemployment rather than their solution in a sane and practicable way?

#### VOTE IS CITED

The vote in the Senate which incorporated the McCarran amendment by a majority of 1 was contributed by 21 Democrats and 21 Republicans, 1 Progressive, and 1 Farmer-Laborite. The amend-ment thus approved would increase the cost of discontinuing the

ment thus approved would increase the cost of discontinuing the dole and substituting work relief by approximately \$2,340,000,000.

The exact amount, of course, cannot be stated; but the weight of evidence taken by the Senate Committee on Appropriations is that, instead of \$4,880,000,000, \$7,220,000,000 will be required to accomplish the two purposes, namely, the discontinuance of the dole and the temporary absorption of the unemployed in works of permanent value and importance.

The Senator from Arkansas further said in the article:

It is possible, of course, to report and pass on appropriations for \$880,000,000, thus providing funds required in the immediate picture for relief purposes and postponing a conclusion respecting unemployment relief.

Those in the Senate who have been denouncing extravagance will find themselves wholly unable to justify the increase of the expense of the work-relief program by more than \$2,000,000,000.

Those who champion the prevailing wage may discover their error when it is too late to prevent the augmentation of the rolls of the unemployed and possibly the diminution of the compensation of workers who are engaged in industry because of depreciated

Then comes a paragraph which furnishes the proper heading for the article:

The time has arrived when patriotism should be placed above politics, both partisan and personal.

This was on the very next day after the distinguished Senator from Arkansas had undertaken to defend the announcement of the Speaker of the House of Representatives that 10,000 jobs would be found for deserving Democrats on the C. C. C. pay roll, \$130,000,000 of which was to come out of the \$880,000,000 provided in the joint resolution. It brought forth a compliment and criticism of me by the distinguished Senator from Virginia [Mr. GLASS]. He complimented me in the first instance by saying he had given me credit for having good sense; and after I had made a little speech in the Senate calling attention to this fact, he concluded that I did not have much sense after all. [Laughter.]

I am not complaining about the distinguished Senator from Virginia. I have a very high regard for his intelligence. and I thought he might have some for mine; but I realize that it is different when one disagrees with him. Then the Senator from Virginia has an entirely different notion about a man's intelligence.

I call attention, Mr. President, to this editorial which I first read and to the statement from the distinguished Senator from Arkansas [Mr. Robinson] for the purpose of showing, as the newspapers report, that there is beginning now an effort in the form of propaganda all over the country to compel the Senate to get in line with the demands made by the President of the United States; and I make these few remarks at this moment only for the purpose of preventing the people of the country from being deceived.

In the President's annual address he pleaded for a publicworks program for the sole purpose of putting three and one-half million people to work. It is impossible to read that message and find that the President had any other thing in view. In other words, it was not for the purpose of priming the pumps of private industry. It was for the purpose of furnishing jobs to men now on the Federal relief rolls.

It has already been pointed out that in order to do this it is not necessary to increase the appropriation at all. other words, we can maintain the wage as provided in the McCarran amendment and give just as much relief to the men now on the relief roll as we could under the President's program. Not a single dollar need be added, and not a single dollar need be taken away.

The question then arises as to what advantage there is in the policy recommended by the President and what is the serious objection to the McCarran amendment. The difference is this: At the end of the program the same amount would have been paid out for wages under either plan. The same relief would have been given to men on the relief rolls in both instances. There would not, however, have been created as much-using the President's own words in his annual address-" future new wealth for the Nation."

That brings us back to the real purpose of the publicworks program. I have shown that the objective mentioned by the President can be carried out under either of the plans with exactly the same amount of money. If, however, we are to assume that the President intended to increase the future new wealth of the Nation by compelling labor to work for whatever wages he might decide, then, of course, this amendment does wreck the President's program.

I doubt, however, whether the public generally is willing that the great Federal Government shall compel people now out of employment to work for a small wage in order that the Government may profit by their distress. Indeed, I doubt whether there would be as much advantage as the President and the distinguished Senator from Arkansas seem to believe. If we wanted, for instance, to take a man off the relief roll and pay him \$12 per week, which is approximately \$50 per month, and he is a man who has been accustomed to receiving \$6 per day, we would employ him but 2 days under the prevailing wage, and we would employ him 3 days under the President's program. Under the President's program he would receive but \$4 per day; but I doubt very much whether the average person, feeling-as would be perfectly natural—that his great Government was taking advantage of his condition and paying him \$4 per day while his fellow employee, working upon a private job, was receiving \$6 per day, would accomplish very much more in the 3 days than he would in the 2.

There is another thing that seems to me to be entirely inconsistent in the President's program. He recommends a huge appropriation for public works, and he says that the public works must be useful, not just for a day or a year, but the kind of improvement that will increase the wealth of the Nation. He states that these public works would not necessarily be done now except for the purpose of taking care of the unemployed.

I should like, however, to call attention to the conditions existing in an industry that finds it necessary to improve or enlarge its plant. In what condition does such an industry find itself? The great Federal Government has fixed the minimum wage which it shall pay for that permanent job. The industry dare not go to the relief rolls and offer to pay more than a person is receiving in the form of relief, but less than the wage fixed by the N. R. A. That industry is compelled, by codes approved by the President, to pay a wage that greatly increases the cost of such permanent improvement. How inconsistent does it become, therefore, for the Federal Government, merely because it has the power, to say that Federal projects increasing the wealth of the Nation shall be done on a wage scale that is out of all proportion to that which industry is compelled to pay?

I have always doubted whether the President's program was a practical one; and I have always been convinced that shortly after beginning work under this program he would reach the conclusion that it was not practical, and would modify it accordingly. I have in mind, for instance, a situation like this: A particular craft is highly organized. A condition of membership is that the members shall not work for less than the wage agreed upon between that craft and the employer. Some of these members find themselves out of work and on the relief roll. The President finds that on a particular job he is compelled to have the members of this craft in order to carry out the project. What happens to that poor, distressed man who is out of a job? If he breaks with his organization, he probably can never again get a job in private employment. What will the President do under circumstances like that? There is but one practical thing that he can do, and that is to pay that man the pre-

Mr. President, I wanted to make those observations in order, first, to make clear my own position with respect to the matter, and to make certain, so far as I am able, that the public shall not be deceived by what has happened here.

In order that this propaganda may be carried further, we find in the same newspaper-the Washington Herald of Monday, February 25-this headline:

Thousands of protests against wrecking of works bill hit Capitol. Wide public support of President is evidenced.

And then this editorial, entitled:

Reckless Demagogy.

I had some notion of what "demagogy" meant, and what a demagogue is-but in order that there may not be any doubt about it I have refreshed my recollection and I quote from Webster this definition of a demagogue:

One who plays an insincere role in public life for the sake of gaining political influence or office; a poser in politics; especially, one who panders to popular prejudice or seeks to inflame reasonless passions in the advancement of his personal interests.

I think the editor of this newspaper might read that definition with some benefit to himself and to his paper.

The editorial begins:

The gross stupidity and crass demagogy of the McCarran amendment to the Relief Appropriation Act has caused a Nation-wide storm of indignation.

The storm is rising every minute and bodes ill for the self-serving Senators who cast their votes in favor of paying men on relief a wage sufficiently excessive to keep them out of private

Nothing but discreditably selfish political motives caused these Senators to vote in favor of an organized minority and against

reason, against duty, against their country, and against their President.

And in a moment, Mr. President, I shall refer to what this newspaper has said in the past with respect to supporting the President-

The 21 Republican Senators who thought to put the President in a hole, however right he might be, and however destructive their action might prove to the country's welfare, will not find their party or their own personal interests benefited by such discreditable policies.

This busy brow-beating lobby of the American Federation of Labor is serving badly the cause it professes to represent.

Mr. President, I have always been annoyed when somebody accused me of casting a vote because I was being controlled by the American Federation of Labor. I have always been annoyed when somebody accused me of casting a vote because of Father Coughlin's radio addresses; but I am not certain that I would not rather be accused of either or both of those things than to be accused of following the Washington Herald

The hybrid majority in the Senate, temporarily created by the common possession on the part of its Members of utterly unworthy motives, must quickly reverse its position and join the country in the latter's unanimous support of the President on

Now, Mr. President, I call attention particularly to the persons to whom this editorial is addressed.

This editorial is addressed to the hybrid and harlequin majority

in the Senate.
It is addressed to you, Senators McCarran, Wagner, and Long, chronic demagogs.

chronic demagogs.

It is addressed to you, Senators Adams, Black, Bone, Bulkley, Costigan, Donahey, Lonergan, Maloney, McGill, Murray, Neeley, O'Mahoney, Reynolds, Schwellenbach, Truman, Van Nuys, Walsh, and Wheeler, renegade Democrats.

And to you, Senators Austin, Barbour, Borah, Capper, Carey, Couzens, Cutting, Davis, Dickinson, Frazier, Gibson, Hastings, Johnson, McNary, Norris, Nye, Schall, Steiwer, Townsend, JOHNSON, McNary, Norris, Nye, Schall, Steiwer, Townsend, Vandenberg, and White, short-sighted and ill-advised Republicans.

And the last paragraph, Mr. President:

The intelligent and loyal citizens of the whole country should communicate with their Senators and demand that they consider the welfare of the Nation and support the President.

Mr. President, let me see whether that is exactly in line with some other things this newspaper has said.

I read from an editorial appearing in the same newspaper on January 31, 1935, headed "A National Disgrace." Let us see who was going to disgrace the Nation this time.

### A NATIONAL DISGRACE

Article 1, section 1, of the Constitution of the United States says: "All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and a House of Representatives."

There is nothing here about Congress being a mere rubber stamp for Executive mandates, such as was the case with the Seventythird Congress

There is nothing here about Congress being a corps of secretaries and errand boys to Cabinet officers.

The section above quoted says specifically all legislative powers. These powers cannot be delegated to any other branch of the Government.

That the founders of the Republic intended Congress to be all-paramount in legislative matters is evidenced by their provision in the Constitution for overriding an Executive veto by a two-thirds vote.

The men who fashioned the Constitution feared the usurpation of executive authority.

The Seventy-third Congress grovelled in spineless obsequious-

ness before the ukases of the executive branch of the Government.

That Congress came dangerously near to the automatic yes-yes legislative bodies of the one-man governments in Europe

The Supreme Court's decision in the N. R. A. oil code was a powerful whack on the soles of the feet of a sleeping watchman by the guardian of our liberties.

Is our Constitution only a scrap of paper and the Congress of the United States only an executive switchboard with 531 plugs?

Mr. President, that was on January 31, a little less than a month ago. In that connection I may say that those of us on this side have not opposed the public-works program recommended by the President. We have opposed a joint resolution of a few lines which sought to give him complete authority to decide what work he will have done and what wages he will pay. That is what we have complained about.

On more than one occasion we have insisted that if the President has a public-works program, and has anything to recommend such as Secretary Ickes says they have in their desks, projects amounting to more than \$8,000,000,000, to recommend to Congress, and will send a list here, he will find very much less trouble with his bill, because what we want to do is our constitutional duty.

We want to pass upon the appropriation for these projects which the President has selected; but we want to find out what the projects are, and when we find out what they are we want to determine for ourselves whether they are a practical sort of projects, upon which the President can cut the wages or cannot.

All of us agree with the general principle that when he has men on the pay roll raking leaves and picking up paper in the parks, that is the kind of a job where he might very well reduce the wages below those paid in the neighborhood. That might very well be done without disturbing labor at all. There was a made job, with no effort made to increase the assets of the Nation. But when the President of the United States says to the Congress that he wants \$4,000,000,-000 in order to put three and a half million people to work, and that is his sole object, and says he will endeavor to do it by methods which will result in increasing the wealth of the Nation, I am reminded of what has been said about making profit out of the misery around us. That has been charged against great industrialists time and time again; but if it be true of them, how much more despicable is it to have it done by the Federal Government itself!

Mr. President, I have followed the President, and voted to give him some powers he requested. I voted for the Economy Act as requested in the President's message of March 10, 1933. I realized that that act gave the President unusual authority so far as the veterans were concerned. It was urged upon us, however, that from a practical point of view it was probably the only way in which we could correct the abuses that had grown up from time to time in the matter of veterans' compensation. The country was on the road to bankruptcy; and I, like many other people, was frightened. I sacrificed a principle in order that we might save the Nation: but is it not rather strange that the President should begin his campaign of seeking additional power in the name of economy and then suddenly change it to one of extraordinary expenditures and extraordinary amounts?

There is a vast difference between the two. There is but one danger in giving extraordinary powers to the President to economize, and that is that some person may thus be injured by failure of the Government to pay as much as it ought to pay. The danger of injury in such cases is only to individuals, and if a mistake be made it is to be made in favor of the Government.

The turning over to the President of large sums of money to be expended as he may deem wise is exactly the reverse of this. The danger, as such, is not to the individual. The Government is the only organization that can lose by an unwise expenditure. That means, of course, a loss to the people as a whole.

There is another distinction between the two. The discretion to economize, while it necessarily carries with it power, is not the kind of power that is likely to be improperly used. On the other hand, the power to spend money is entirely different and necessarily carries with it the power to dictate. Money has the same power in the hands of the President, who is under no restrictions as to how it shall be expended, as it has in the hands of any person, or group of persons. Money may be offered by the Government as an inducement to those who are in need of it to give something in return just as in any private transaction.

Around the taxing power, and the power to spend money, people in civilized countries have fought for centuries. Kings have lost their heads because they were not willing to give up such powers. Bloody revolutions have been fought in order to secure and maintain these powers for the people.

I speak here only of the principle involved, and do not intend in any way to reflect upon the honesty or good intentions of the present Executive. But, I respectfully submit

that we must stick to the American principle of controlling this Nation by laws, definite in their character, rather than give up that control to discretion of men. This principle should apply with more exactness to appropriations than to anything else.

Mr. President, I have only made these few observations for the purpose of showing that, so far as I am concerned, I do not propose that this propaganda shall have any effect upon me. I do not propose that this newspaper, which calls me a demagogue, shall have any influence with me. I propose to use my own judgment.

I stand ready at any time to vote whatever is necessary for relief. More than that, if the President says that the best way to take care of three and a half million people is by a public-works program, and if he be satisfied, and will make the recommendation to Congress that we spend the \$4,000,-000,000 for that purpose, and will send to the Congress a list of the projects he has in mind for that purpose, in order to carry out his program, I will assist him; but, so long as I sit in the Senate I do not propose to vote to turn over to the present President, or to any other President, any such sum of money as \$4,000,000,000 without any restriction upon it.

I am not half so much interested in the restriction placed on the President by the McCarran amendment as I am that we should give him this authority without any restriction as to where he shall spend the money or what he shall do with it.

I can conceive of the administration being able to work up a great sentiment in the country by promising to place in this State or that one, some great job that will relieve the unemployed; I can understand that. But I am not depending upon promises of any kind, so far as I am concerned. If any Member of the Congress has a public-works project which he thinks the Congress would approve, let him bring it forth and let us pass upon it. There is no particular hurry at the moment about passing the works bill carrying the whole \$4,000,000,000. We are going to be here a long time the coming summer, as I see it, and we will have all kinds of opportunities to pass upon these questions. Let the President send his recommendation to the Congress if he wants it approved. That is my position, and I do not want any mistake made about it.

Mr. HASTINGS subsequently said: Mr. President, I overlooked a little while ago an additional editorial which I intended to call to the attention of the Senate, appearing in the Washington Herald of January 30, 1935, with the pictures of 38 United States Senators, who, as this paper states, "constitute a new patriotic roll of honor."

The heading is:

These men saved the Nation. They deserve your gratitude.

The article continues:

The 36 Senators who voted against the ratification of the League

The 36 Senators who voted against the ratification of the League Court protocols prevented ratification. They kept faith with the people by carrying out their mandate.

These Senators have won for the American people another battle in the long, long fight to keep America American.

They have shown themselves to be what Daniel Webster said the Members of the Senate should always be—men of "absolute independence", who "know no masters", and "acknowledge no

Mr. ROBINSON. Mr. President, will the Senator yield?
Mr. HASTINGS. I yield.
Mr. ROBINSON. Do I understand that the Senator from

Delaware is citing that editorial as another illustration of the perfidy of the Hearst press?

Mr. HASTINGS. I shall make myself perfectly clear. Mr. ROBINSON. But the Senator is not making himself

Mr. HASTINGS. If the Senator will just be patient, I shall do so.

Mr. ROBINSON. But I cannot be patient. [Laughter.] Mr. HASTINGS. Mr. President, I continue:

By keeping faith with the American people in the settlement of this issue the 36 Senators who prevented the ratification of the League Court protocols have kept the faith of the Father of his Country.

Thanks to the 36 Senators who voted against the Court and the 2 who were paired against it on the following roll of honor the wish of the Father of his Country has been fulfilled and the Senwho have won this victory are entitled to the lasting gratitude of the American people.

This editorial was published on January 30, and I have already read to the Senate what the same newspaper said about the "renegade Democrats" and the "misguided Republicans."

Mr. ROBINSON. Mr. President, will the Senator yield? Mr. HASTINGS. I yield.

Mr. ROBINSON. I see that the Senator's picture is published in connection with that article. Does he intend to put that in the RECORD? [Laughter.]

Mr. HASTINGS. Oh, no; I am only reading. I am not offering this newspaper for the RECORD; but I do want to call attention to the names of those who were so eulogized in this editorial under date of January 30, and who have been so severely condemned in the editorial of today, less than a month afterward. They are the following:

Senators Bone, Borah, Carey, Davis, Dickinson, Donahey, Frazier, Hastings, Johnson, Long, McCarran, McGill, Mur-RAY, NORRIS, NYE, REYNOLDS, SCHALL, SCHWELLENBACH, TOWN-SEND, WALSH, WHEELER, and WHITE.

Mr. CLARK. Mr. President, will the Senator yield? The PRESIDING OFFICER. Does the Senator from Delaware yield to the Senator from Missouri?

Mr. HASTINGS. I yield.

Mr. CLARK. The Senator does not mean to assert, I hope, that because the Hearst newspapers are wrong once they must necessarily be wrong all the time. There is an old saying out in my section of the country that "a blind sow can get an acorn now and then."

Mr. HASTINGS. I leave the Senator from Missouri to decide when they are right and when they are wrong. I do not make any pretense of making that decision until I read what has been said.

Mr. ROBINSON. Mr. President, I had not been informed that this storm of wrath was expected to break in all its fury, and have had no opportunity of considering in advance the propositions asserted by the Senator from Delaware [Mr. Hastings]. There is one thought that is outstanding in his remarks-that whenever the Hearst newspapers see fit to condemn the administration and its policies they are performing a commendable service, but when they see fit to support the President's policy they are to be condemned.

Of course, I do not endorse the employment of unparliamentary language or of language that reflects on my colleagues and associates in the Senate; but when the Senator from Delaware asserts in one breath that he is in favor of a proper Public Works program, and in the next breath that he is opposed to the only one which has been advanced, the Senate and the country would like to have a more definite explanation than he has been able to supply in his remarks today.

There is a principle which ought not to be forgotten in the heat of debate in the Senate, a principle involved in this proposed legislation; and it is not, as I see it, a partisan question. It ought not to be made a partisan question. The principle that underlies the President's program is one which I think the Senator from Delaware does not fully understand. If he does understand it, he does not correctly analyze it. The fundamental principle in the Public Works program is that labor shall be substituted for relief.

At the present time between three and four million citizens of our country are on the relief rolls. Some of them perform a small amount of labor. Some of them for physical reasons have never been efficient in the performance of work of any kind. A number of them-a considerable number of themare perhaps not qualified to compete with those engaged in private industry. This fact has been recognized from the beginning in our laws and administrative policies relating to Federal relief.

We have proceeded and are proceeding on the theory that, local resources having been exhausted and local agencies having for the most part broken down, there exists a responsi-

bility on the National Government which has not, prior to the present depression, been recognized—a responsibility of making some provision for the millions who, without assistance, would suffer great want.

We have set up a number of agencies from time to time that have performed functions of value and importance in assisting to tide the country and our citizens over the very distressing period which began a few years ago, and which has not yet terminated.

We did not insist, when we created the Civil Works Administration, which employed 4,000,000 men; we did not demand, when we created the Civilian Conservation Corps, which gave work to a large number of young men; we did not insist, when we established the relief system, that those employed should be paid in accordance with prevailing wage standards in the communities affected.

Mr. STEIWER. Mr. President-

The PRESIDING OFFICER (Mr. MURRAY in the chair). Does the Senator from Arkansas yield to the Senator from Oregon?

Mr. ROBINSON. I yield.

Mr. STEIWER. Is not the Senator overlooking the fact that the moneys used by the Civil Works Administration were moneys which had been appropriated for the Public Works Administration, and that when the money was delivered to the Civil Works Administration it was under the same restraint which had been provided in the Public Works statute, and that the Civil Works Administration, complying with the requirements of that statute, did pay the prevailing wage?

Mr. ROBINSON. No, Mr. President; I cannot agree that the Civil Works Administration paid what is properly termed the prevailing wage. I know that in some instances it was paid. I know that in some localities it was paid; but I know also that prior to the proposal of the President to establish a public-works system under House Joint Resolution 117, or some similar arrangement, there had never been made the demand that union wages be paid to those who were being employed; and I know that while millions are now on the relief rolls, and many of those on the relief rolls are engaged in labor, are employed by the Government, they are not receiving the prevailing wage in the true sense. I know that there have been strikes in some communities on the part of relief workers because of the alleged inadequate compensation that was given them.

Mr. McCARRAN. Mr. President-

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Nevada?

Mr. ROBINSON. I yield.

Mr. McCARRAN. I take it that the learned Senator from Arkansas realizes that the statute now on the books, and which has been known for many years as the Davis Act, is still in existence, and that all public works performed on public buildings must be conducted with consideration to the prevailing wage.

Mr. ROBINSON. Yes; with relation to public buildings I understand that to be true.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield to the Senator from Colorado.

Mr. ADAMS. I think possibly there is an error in the Senator's statement, which I am sure he would be glad to have corrected.

Mr. ROBINSON. Certainly.

Mr. ADAMS. In the testimony of Mr. Hopkins before the Committee on Appropriations, which appears on page 94 of the hearings, he stated:

We now pay the prevailing hourly rate of wages.

It is upon that statement that the actions of some of us have been based, as Mr. Hopkins definitely stated that in all the work which was being done under his administration the prevailing wage was being paid, that the hours were short, and that the plan they were pursuing was that they made an allotment of twenty or twenty-five dollars a month, and then the worker worked out that amount at the prevailing scale of wages.

Mr. ROBINSON. Mr. President, the Senator insists that | \$25 a month can be so manipulated as to constitute a prevailing wage when it was disclosed in the debate here that \$50 a month would be inadequate for that purpose. I am not speaking of any technical arrangement whereby a man may work one day in the week, and for the limited time in which he works have a large wage, but have no opportunity of earning more than is provided for in that limited time. I am speaking of the practical effect of the arrangement. There is not anyone who knows about the administration of relief who does not realize that the wage paid under the relief system that exists in this country has been a very small one. The heads of families have received very limited amounts. It may be true that for 1 hour or for 6 hours or for 1 day they receive a liberal compensation, but it is also true that they are not given employment for such a length of time as will make their remuneration for a definite period comparable to the prevailing wage.

Mr. McCARRAN. Mr. President, will the Senator yield? Mr. ROBINSON. I yield.

Mr. McCARRAN. I trust that the learned Senator from Arkansas, in his discussion, will distinguish between direct relief under Mr. Hopkins' administration and the Federal projects conducted and carried on under F. E. R. A. In the latter, as disclosed and brought to the Senator's attention by the Senator from Colorado [Mr. Adams], the prevailing wage has always been maintained even by Mr. Hopkins. In the former—that is, direct relief, which is a dole proposition—of course, there could be no prevailing wage.

Mr. ROBINSON. Mr. President, I do not wish to get into any technical discussion of this subject. One of the primary objects of this proposed legislation is to escape from direct relief; it is to substitute labor security wages for charity or for what may be regarded as in the nature of charity. If we are to accomplish that, if we are to take over into the employment of the Federal Government all who are now on the relief rolls and to pay them the prevailing wage in industry, in my judgment, it will be a practical impossibility ever to end the dole—ever to succeed in getting the unemployed back into private employment.

Mr. WHEELER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Montana?

Mr. ROBINSON. Yes; I yield to the Senator from Montana.

Mr. WHEELER. I wish to say to the Senator that I think either he misunderstands the purpose of the McCarran amendment or I do. I gather from the Senator's statement that he feels that the McCarran amendment would require the Government to employ these people at a monthly wage equal to the monthly wage that would be paid by private employment. That is not my understanding at all. My understanding is that the Government, if it only wanted to pay \$50 a month to some family, would only pay that much, but the Government would not be able to break down the wage scale in the particular community. That is the only thing which is embraced in the amendment.

Mr. ROBINSON. That comes right back to the thought I was discussing a moment ago. If the prevailing wage should be \$4 a day or \$6, as has been suggested by the Senator from Delaware [Mr. Hastings], would the McCarran amendment permit the Government to employ a laborer for one day per month at \$6 a day and to deny him employment for the remainder of the month? If it would, that of itself is sufficient to condemn the proposition.

Mr. WHEELER. I do not think there is a question of a doubt, let me say to the Senator, that under the amendment of the Senator from Nevada if the Government desired to pay the prevailing wage, and we will say the prevailing wage was \$4 a day, and at the same time wanted to pay only \$50 a month, and felt that amount should be paid, then it would employ a man but 12½ days during that month's time. But what I am afraid of and what I think everyone else who has given consideration to the matter from the stand-

point of the disinclination to break down the prevailing wage is afraid of is that if we permitted the Government to pay \$50 a month for a month's work it would break down the wage scale which the labor organizations have built up throughout the United States of America.

Not only that, Mr. President, but it seems to me that the Government, for its own benefit and for its own safety, would be the last in the world to want to break down the prevailing wage scale throughout the United States. I think it would be one of the greatest disasters that ever happened to this country if that should take place.

Mr. ROBINSON. Mr. President, in answer to what the Senator from Montana has said, I desire to respond that there is no intention on the part of the President, or on the part of anyone who supports his program with regard to work relief, of breaking down the wage scale in the country. The policy of the administration, as I understand, has been to build up and maintain the wage scale. I think those who have sponsored the amendment which is known as the "Mc-Carran amendment" have had an unfounded fear that the effect of giving employment at lower compensation to those who now have no employment at all would be to break down the wage scale. I do not believe such a result would ensue, and the reasons I do not so believe are based on the fact that with 12,000,000 or 10,000,000 persons out of work, having no employment at all, we have been able to maintain the wage scale in private industry.

There is a sound reason, in my judgment, for the distinction which the President makes and which the joint resolution sought to make between the prevailing wage and the wage to be paid in Federal work relief. The object, after all, is to get rid not only of destitution relief but of all forms of work relief, to take the Government, as soon as practicable, out of the business of giving employment to the citizens of the country who have not employment in private industry. The only way that can be done, the only way we can hope to do it, is to make private employment more attractive than Federal employment, and you are proposing and insisting upon the reverse. You are insisting upon making Federal employment equally attractive as private employment and in some respects more attractive than private employment. If that principle prevails, you have not a hope, not a chance of consummating the purpose which prompted this plan and which suggested the proposed legislation. So long as you keep on inviting laborers into the Federal employment system by making it attractive for them to quit private industry and get on the Government pay roll you need not talk to me about ending either the dole or Federal work relief.

The distinction carried in the original joint resolution is a clear and practical one. It is to take from the charity rolls the citizens who are deserving of an opportunity to earn their livelihood and give them a wage upon which they can live but not make it so large that they will refuse employment with private employers when that employment is offered them. The design is to give them a wage that will not make it certain that they will look continuously to the Federal Treasury rather than to the business activities of private industry for their engagement.

This distinction is regarded by myself as fundamental. Senators have talked about giving the President a very large fund and Congress not allotting that fund. In my judgment, it is right and proper that the proposed legislation should be made as specific as is practicable in defining the character of the projects which shall be carried on under Federal work relief and the purposes to which the fund shall be devoted.

Mr. BANKHEAD. Mr. President-

Mr. ROBINSON. I yield to the Senator from Alabama. Mr. BANKHEAD. Has the Senator heard of any Member of the Senate who, either by speech or by amendments offered to the measure, is insisting upon allotments being made or proposing specific allotments? Has he heard anyone willing to undertake the responsibility of making specific allotments?

Mr. ROBINSON. No, Mr. President-

Mr. McCARRAN. Mr. President-

Mr. ROBINSON. I will yield in just a moment. Give me an opportunity to answer the Senator from Alabama. I do know that from the beginning there has been a criticism of the plan, based on the fact that it does not specify what shall be done with the funds appropriated and leaves the allotment of the funds to the President; but if we undertook on this floor to say what should be done with the money, we would have such an old-fashioned log-rolling campaign as we have never witnessed in all our experience as legislators; there would probably be demands for about two or three times the amount of money that is to be appropriated, and we would have, lining up for the measure, those who got their projects incorporated and, against it, those who failed to get them incorporated. I now yield to the Senator from Nevada.

Mr. McCARRAN. I only sought to assist the Senator from Arkansas.

Mr. ROBINSON. The Senator is very kind. The Lord knows I need assistance. [Laughter.]

Mr. McCARRAN. I know it, too, and the Senator is going to need more from now on.

Mr. ROBINSON. Yes; probably so; and I should be pleased and surprised if I had the assistance of the Senator from Nevada.

Mr. McCARRAN. The Senator will have the assistance of the Senator from Nevada every time we can do something to build up the country and not tear it down.

Mr. ROBINSON. That is a remarkable statement.

Mr. McCARRAN. The Senator interrupted me, and, of course, I could not answer him. I want to assist the Senator to the extent of answering the learned Senator from Alabama [Mr. Bankhead], who questioned the Senator from Arkansas as to whether or not any Senator had sought to allocate the funds. The Senator from Alabama knows, because he is a member of the Appropriations Committee, that there were attempts repeatedly made to allocate the money.

Mr. BANKHEAD. Who made the attempt, and what was

he proposing to allocate, and in what amount?

Mr. McCARRAN. I respectfully draw the attention of the Senator from Alabama to the Senator from Arizona [Mr. HAYDEN], who comes more promptly to my mind.

Mr. BANKHEAD. He certainly made no such offer in the committee when I was there.

Mr. McCARRAN. May I be a little more specific in that the Senator from Arizona sought specifically to allocate a part of this money for highway construction, and that was done—

Mr. ROBINSON. Mr. President, I shall resume the floor now myself.

Mr. BANKHEAD. He did not offer it in the committee. The Senator is absolutely wrong.

Mr. ROBINSON. Mr. President, my information is that there was no offer in the committee to allocate the funds carried in the bill. There was and is a general discussion with reference to that subject.

Mr. NORRIS. Mr. President-

Mr. ROBINSON. I yield to the Senator from Nebraska.

Mr. NORRIS. I should like to suggest to the Senator that it is hardly fair, in my judgment, to classify everyone who voted for the McCarran amendment with those who believe that Congress ought to specify the different projects for which the money shall be used. I have no doubt many of us who supported the McCarran amendment do not subscribe to the doctrine that the various projects ought to be submitted to Congress in each case for action and approval or disapproval. I have never advocated any such suggestion as that.

Mr. ROBINSON. May I ask the Senator a question?

Mr. NORRIS. Certainly.

Mr. ROBINSON. Did the Senator understand that my argument implied any such conclusion?

Mr. NORRIS. One might place that construction upon it. I think the Senator was right in a statement he made a moment ago, because I have said the same thing myself in about how the money substance, though not quite as frankly as the Senator made so indefinite as it is?

it, that if we should pursue that course we would in the end have a pork-barrel log-rolling scheme the like of which has never been equaled in the history of the United States.

Mr. ROBINSON. Yes; and we probably would not have as good a result so far as the public is concerned as we would obtain by the arrangement contemplated in the joint resolution.

Mr. NORRIS. That may be.

Mr. ROBINSON. I did not intend to imply and I do not think my language warranted the construction that all those who favored the McCarran amendment also favored an amendment definitely allocating all the funds carried in the joint resolution. I did say and I repeat that I think it is good legislation to specify the purposes of appropriation as definitely as may be consistent with practical results.

Mr. NORRIS. Mr. President, will the Senator yield again?

Mr. ROBINSON. I yield.

Mr. NORRIS. I agree with that statement 100 percent. Nevertheless, I still believe in the McCarran amendment because I think it fully complies with that definition.

Mr. ROBINSON. The Senator and I agree upon one thing and we disagree upon another. That is the conclusion I reach. The Senator from Nebraska is half right any way. [Laughter.]

The Senator from Delaware [Mr. Hastings] said he has opposed the President's program because he thinks that all this fund should be definitely allocated in the joint resolution. There is a reason why that cannot be done and I propose to make that so plain that even the Senator from Delaware cannot fail to see it. [Laughter.]

I assert that if any Senator were called upon now to specify the projects to which these funds shall be applied he would probably be able to allocate one-tenth of the sum carried in the joint resolution in his own State or in the territory with which he is particularly familiar, and then he would be wholly unable to make a definite allocation of the remainder of the fund on a sound basis.

Just think for a moment! Of course we could say that \$300,000,000 should be allocated for this purpose and \$300,-000,000 for that purpose, but other Senators would not know and I should not know when that was said whether there was any real value in the provision.

Mr. BORAH. Mr. President, the mayor of New York City has already taken \$1,000,000,000.

Mr. ROBINSON. Yes; and the Senator from Delaware [Mr. Hastings] would take another billion.

Mr. HASTINGS. We could not handle that much in Delaware.

Mr. ROBINSON. The Senator says they could not handle that much in Delaware, but he does not know how much they could handle. He knows he would be utterly incapable now of allocating the fund and he knows the Committee on Appropriations could not do it. There is no Member of the Senate who would be more nearly qualified to do it than the handsome, genial gentleman who sits on my left, the senior Senator from Tennessee [Mr. McKellar], and he could not without months of study specify the purposes for which he would be willing to stand sponsor with reference to the expenditures to be made in the State of Tennessee.

Mr. HASTINGS. Mr. President-

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Delaware?

Mr. ROBINSON. Certainly.

Mr. HASTINGS. May I suggest that under the terms of the joint resolution there is no provision whatsoever as to how all this money shall be expended. It may be used in the next year or perhaps it might be used in the next 50 years. Somebody has to decide and has to provide for the spending of the money. Who is going to do it? Does not someone know something about it somewhere, either the President or Secretary Ickes or someone else? Cannot we get some idea and write something into the joint resolution about how the money shall be expended, instead of leaving it so indefinite as it is?

Mr. ROBINSON. Oh, yes. I have stated that I thought | we might provide limitations in the joint resolution if it were thought advisable to do that, but it would not be of very much value. It would not help the program very materially. The Senator from Delaware, if he were called upon, would start the process of logrolling, and I would probably join him. [Laughter.] The result would be that we would put into the joint resolution projects which had not been investigated, projects about which only a few of us would know anything, projects which the Senate as a whole would be unable to approve.

Mr. ADAMS. Mr. President-

Mr. ROBINSON. I yield to the Senator from Colorado.

Mr. ADAMS. I call the Senator's attention to the fact that in the House the joint resolution as it originally came in specified certain kinds of projects, and those who were interested in having them specified were fearful lest some of the others would be left out. The result was that they eliminated, in the House, all efforts to specify.

Mr. ROBINSON. Yes. That is probably part of the genesis of this proposition. If the Senator from Colorado succeeded in getting recognition for his projects, and the Senator from Delaware failed to get recognition for his projects, the Senator from Delaware then would wish to make the terms general, and give the power to the President or someone else, in the hope that he would have a second chance of getting his projects recognized.

Mr. ADAMS. May I call the Senator's attention to the wording of the House joint resolution which was stricken

Mr. ROBINSON. Certainly.

Mr. ADAMS. The House joint resolution provided that the President might spend the money, among other things,

Slum clearance, rural housing, rural electrification, reforestation, soil erosion, blighted area and submarginal land reclamation, improvement of existing road systems and construction of national highways, grade-crossing elimination, Civilian Conservation Corps work, and other useful Federal or non-Federal work.

That, however, was thought to be not sufficiently inclusive. Mr. ROBINSON. Yes. Furthermore, Mr. President: It is not very valuable, because under the joint resolution all projects of that type can go forward if the President finds they are justified; and the description there is hardly specific enough to be of any very great value. I should be glad to see it made as specific as the circumstances permit without doing violence to the purposes of the legislation; and we must keep in mind the fact that the purposes of the legislation are twofold: First, to enable us to get rid of what we have come to know as the Federal relief system; second, to enable us to assure employment to all who are able to take employment during the further transition period when we are passing from depression into prosperity.

I have made these statements in the hope that we shall not get into a position of antagonism toward one another, in respect to the proposed legislation; that we may be able to do what Senators ought to do, namely, work out this problem in accordance with sound and approvable standards. It is desirable that the subject should be discussed; it is desirable that the conflicting viewpoints should be expressed; but I conclude with the declaration that if Senators insist on the payment of the prevailing wage to all the millions who are now out of employment, we shall not have sufficient funds, we shall be unable to obtain sufficient funds to give them all employment, and the primary purposes of the legislation will

Mr. COUZENS. Mr. President, I desire to speak briefly in response to the distinguished Senator from Arkansas [Mr. Robinson].

I decline to have the country confused, if I can prevent it, with the idea that in order to pay the prevailing wage it would be necessary to appropriate several billion dollars more. Under the President's plan to limit the income of the workers to \$50 a month he could work them substantially 8 days a month at \$6 per day; but what it was proposed to do was to work them substantially 12 days a month for \$4

per day. So, practically, the distressed workers were to be required to give 4 days of their work a month more than a person in private industry would have to give.

The Senator says that the adoption of the prevailing-wage principle would require an increase of the appropriation. That I deny, and the Senator cannot prove it. What I do contend is that there would be every desire on the part of a man working 8 days a month on public works at \$6 a day, \$48 per month, to go back into private industry if he could get only 10 days' work there at \$6 per day.

Mr. President, if the President of the United States should desire to limit these men to \$50 a month, he could work them 8 days a month at \$6 per day; and the man who could go back into private industry and get 10 days' work per month would be anxious to go back, because then he would get \$60 a month. It is incorrect, inaccurate, and deceptive-not that I charge that the Senator from Arkansas intends it to be sobut it is deceptive to the public to intimate that the man who could get only \$50 per month on public works would not be anxious to go back to private industry at \$60 a month.

Mr. BYRNES. Mr. President, I desire to say only a few words with reference to this subject.

I think the Senate is apt to forget that neither in the message of the President to the Congress nor in any other statement has he said that the worker would receive only \$50 a month. In the message of the President to the Congress, he declared that the wage should be set at a sum greater than the amount now being received by those upon the relief roll, but less than the prevailing wage. Time and again it was stated before the committee that the sum of \$50 was nothing but an estimate—a guess, if you please the amount that would be an average of the payments made under this plan. It was pointed out that in some sections of the country the common laborer would receive compensation possibly of \$25 a month, that in other sections of the country skilled laborers would receive \$80, \$90, or \$100 a month.

Mr. COUZENS. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. COUZENS. When the Senator said "a month", did he mean that the laborer would work a whole month for those amounts?

Mr. BYRNES. I meant that he would receive \$80, \$90, or \$100 a month, based upon the 130-hour month. That was the understanding I received from statements made to us.

Mr. COUZENS. One hundred and thirty hours a month?

Mr. BYRNES. Yes. Mr. COUZENS. And he would have to work 130 hours a month for \$25?

Mr. BYRNES. Yes.

Mr. COUZENS. That is enough!

Mr. BYRNES. The Senator says "that is enough", but perhaps the Senator does not know that there are some sections, notably some rural sections in the South, where the common laborer does not receive as much as \$25 a month, and when a farmer in those sections today seeks to employ a common laborer, he is told that the laborer prefers to lean on the "Cross", as the laborers refer to the Red Cross.

The relief administration does what they call "supplementing the budgetary deficiency." I want the Senator to understand that in those cases the man offered relief has a home on a farm, he is called upon to work at common labor, and in many instances is not paying rent. The relief agency supplements the income he has; and the amount that is paid to him in supplementing his income would approximate \$25 a month.

Mr. WHEELER. Mr. President, will the Senator yield to

Mr. BYRNES. I yield.

Mr. WHEELER. It would not interfere with the program, as a matter of fact, to require a higher wage than prevails in the particular community. The whole trouble, it seems to me, is that there is a misinterpretation of what is the prevailing wage scale. I have heard it discussed on the floor of the Senate, and either I am exceedingly dense or someone else does not understand what is meant by the prevailing wage.

If the idea of the administration is to get as much work out of the individuals on relief as it is possible to get, for as low a wage as possible—and I do not believe it is—then it is inconceivable to me why they should want to keep out the provision for the prevailing wage.

Mr. BYRNES. Mr. President, the Senator from Montana says that there is a difference of opinion as to the prevailing wage. Of course there is. There is a difference in the method that is followed in ascertaining it in every section of the country.

When the McCarran amendment was first offered, it was provided, in the language of the Davis-Bacon law, that whenever there was a dispute it should be referred to the Secretary of Labor for the determination of what was the prevailing wage in a community.

Throughout the country the prevailing wage has been ascertained in various ways. Committees are appointed which are representative of labor, representative of employers, and with a public representative in some communities, and by such committees the wage is established. In some places the hourly wage is exceedingly high, so high that it has interfered with private employers securing laborers.

I do not think, however, that that question is involved here to the extent the Senator from Montana thinks it is.

I was simply calling attention to the fact that the statement, reiterated constantly, as to \$50 being the monthly wage for an employee, was nothing but the statement of one gentleman as to the means by which the sum of \$4,000,000,000 was arrived at. The President of the United States has never said it in any message to Congress or in any message to the committee. On the contrary, he has said, in a letter to the Congress, that he would fix the wages throughout the Nation in such way as not to destroy the prevailing wage scale of the Nation. He asked the Congress to believe him when he said that he had been interested only in maintaining or in increasing the wage scale and was not interested in reducing it. I have confidence that in the administration of the law, the President in fixing wages throughout the Nation could do it in such manner as not to interfere with the prevailing wage scale.

The prevailing wage scale in approximately 20 of the areas in which building trades are affected is effected by a code agreement. Today there are pending in N. R. A. about 75 additional agreements, wherein employers and employees have agreed upon a wage scale. Approximately 20 have been approved by the Administrator of the N. R. A. Therefore, so far as the building trades are concerned, the scale of wages is fixed, and that scale of wages can be changed only by amending the code. An amendment to the code reducing the wage scale would have to receive the approval of the Administrator of the N. R. A.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. BLACK. Of course, those agreements would cease to exist if Congress failed to extend the N. R. A.

Mr. BYRNES. If Congress failed to extend the N. R. A. they would cease to exist, but so far as they now stand the wage scales are fixed; and they could not be changed except with the approval of the administration; and the administration says it is opposed to any reduction of the wage scale. So I really believe that gentlemen have been unduly alarmed if they fear that the President, notwithstanding his promise to the Congress that he would not do it, might do something that would adversely affect the wage scale.

We were told that by paying to young men in the C. C. C. camps a wage lower than was paid in the communities the wage scale would be adversely affected. That result did not follow, and I do not believe that if the money sought were spent to take people off the relief roll and give them jobs instead of cash and grocery orders it would necessarily result or would be likely to result in adversely affecting the wage scale in any community.

Mr. BLACK. Mr. President, I had not intended to make any statement on this controversy at this time, but for several reasons I desire to do so.

In the first place, the statement has just been made that the President has promised to the Senate, and did promise before the Senate voted upon the amendment, that he would exercise the authority given in such a way that it would not affect the existing wage scale. In a number of instances, in the press and on the floor, the inference has been left that those who did not accept that statement thereby impliedly showed their distrust of the President's motives.

No such inference is justified. I fully believe that the President will do everything in his power to prevent breaking down the private wage scale. I believed it before he sent his letter, and I believe it yet. But the mere fact that he might attempt to prevent breaking down the private wage scale does not make it conclusive that he could accomplish that purpose. So it is perfectly consistent fully to agree that the President would attempt to prevent breaking down the private wage scale and at the same time support the amendment which was offered.

Mr. WALSH. Mr. President, will the Senator yield to me? Mr. BLACK. I yield.

Mr. WALSH. Confirming what the Senator from Alabama has stated, the Senate will be interested to learn that a committee of the Senate investigating violations of the so-called "prevailing wage law", together with all abuses affecting labor under the Bacon-Davis law and under publicworks projects during the last 6 months, have brought to their attention over 300 cases alleging abuses in the violation of this law arising in all parts of the country.

Criminal prosecutions have followed in some cases through the efforts of the committee and the Department of Justice. Many other complaints have been referred to governmental departments for appropriate action. Thousands of dollars representing underpayments made to laborers employed on these public works have been repaid through the medium of the committee and the administrative officers of the Government.

The committee's files show the chief abuse is known as the "kick-back practice", namely, devious methods resorted to by employers to evade payment of the prevailing wage to the employees, thereby taking advantage of their distress and their eagerness for employment. The frauds practiced by the employers have been numerous and wide-spread, and almost every device that ingenuity could contrive has been resorted to to break down prevailing wage scales.

I state this at this time to indicate that notwithstanding the administration's desire to enforce the prevailing wage, nevertheless these abuses referred to above have continued more or less unabated until the light of publicity was thrown and is continued to be thrown upon these evil practices.

Mr. BLACK. Mr. President, I thank the Senator. A statement has been made that a prophecy appeared with reference to the wages given to the boys in the C. C. camps, and that we were told that the wages paid to them would break down the prevailing wage. It is true that prophecy was made. I did not believe it, and I do not believe it yet. I will explain in a few minutes exactly how I distinguish in my own mind the wages paid the boys in the C. C. camps and wages paid in private industry, and decline at the same time to take the viewpoint that the payment of \$50 to the boys in those camps would break down the prevailing wage scale. I did not believe it would, and do not believe it yet.

I want to state further that I fully agree with the statement of the leader on this side, whom I admire very greatly, that this matter should be worked out in such way as to assure the passage of a bill. I can state further that I think it should have been worked out before; I think it should have been worked out before the vote was taken upon the joint resolution.

Mr. BORAH. Mr. President, will the Senator yield? Mr. BLACK. I yield. Mr. BORAH. In view of the Senator's suggestion, would it not be well to bring the joint resolution back to the Senate and undertake to work out these problems? I have never understood why this bill was sent back to the committee upon the acceptance of one amendment.

Mr. BLACK. I may state to the Senator that I am perfectly willing for it to be undertaken either here or in the committee. I think it should be undertaken, and I think it can be done. I may state further that I fully agree with the statement made by the President in his message delivered in the House.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. BLACK. I yield to the Senator from Texas.

Mr. CONNALLY. Do the Senators from Idaho and Alabama think that if the joint resolution were brought out on the floor there would be any different result than the result which has already occurred? I thought the measure had already been worked out here Friday, or worked over.

Mr. BLACK. I cannot say about that; but I do say it is my judgment that we can reconcile the views of those who have the same objective in mind without anyone stubbornly clinging to any one idea and giving to something a magnified importance which it does not deserve. I state that, in my judgment, an agreement could have been reached, can be reached, and should be reached, and that the joint resolution should be passed.

Mr. BORAH. Mr. President, will the Senator yield?

Mr. BLACK. I yield to the Senator from Idaho.
Mr. BORAH. There was an amendment proposed by the Senator from Nevada [Mr. McCarran] and that amendment was voted upon. It was adopted by 1 vote. That was not disposing of the bill. There were numerous ways in which to dispose of it. That was simply disposing of one amendment upon the bill. What I say is that the bill should be back here for consideration and worked out to a final result, and the bill itself either defeated or passed.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. McKELLAR. I agree entirely with the Senator that the joint resolution should be worked out and passed, and that speedily; but will the Senator suggest how we may reach a conclusion about it? The matter has gotten down to very narrow limits. It is largely a question of the McCarran amendment. How can we work it out?

Mr. BLACK. How long has the Senator from Tennessee been in the Senate? The Senator has been here a great deal

longer than I have.

Mr. McKELLAR. I am a great believer in the ability of the Senator from Alabama, and I should like to have his suggestions. We have cooperated previously; I think we might cooperate again. I happen to be on the committee. I should like to have the suggestions of the Senator from Alabama.

Mr. BLACK. I shall make some suggestions in a moment; but if there is a real, genuine desire to pass the joint resolution, when there has been only a 1-vote difference on an amendment, I am absolutely sure, and I am confident everyone else in the Senate is sure, that the joint resolution can and will be passed.

Mr. McCARRAN. Mr. President, will the Senator yield? Mr. BLACK. I yield to the Senator from Nevada.

Mr. McCarran. I trust that the Senator from Alabama may yield for just a very short statement in keeping with the thought he is exploiting. I desire to say to the Senator from Alabama that while the joint resolution may be worked out, first of all it will have to be worked out for the protection of the wage structure of this country. Secondly, it cannot be worked out by using one arm of the press of the country as a bludgeon on the Members of the Senate.

Mr. BLACK. I hope that statement is correct. I can assure the Senator that it is correct with reference to certain Members.

Mr. CONNALLY. Mr. President, will the Senator yield? Mr. BLACK. I yield to the Senator from Texas.

Mr. CONNALLY. If the Senator from Nevada is correct, and if he represents the views of those who voted with him,

there would be no other way of working this matter out except as it has worked out; so what is the use of bringing the joint resolution back before the Senate? In other words, the Senator from Nevada is strong for cooperation, but, as in the story of the lion and the lamb, when the cooperation is over the lamb is inside the lion.

Mr. BLACK. Yes, sir.

Mr. President, I desire to make one or two statements on the subject I started to discuss.

In the first place, I stated in the beginning that I was favorable to the ideas expressed by the President in his message. I favor doing away with the dole. I think it is a blight on the Nation. If we cannot do away with it by an adequate public-works program, then I favor requiring private industry to shorten its hours so as to give the people jobs instead of having the blighting and paralyzing influence of the dole.

I agree with the President in the statement he made that the aggregate wages paid to those engaged on public works should be smaller than the aggregate wages paid in private industry, in order that there may constantly remain a sufficient inducement for people to go into private industry if the time ever comes when there are any jobs therein.

Mr. McKELLAR. Mr. President, will the Senator permit me to interrupt him there?

Mr. BLACK. I yield.

Mr. McKELLAR. Is that not precisely what the amendment of the junior Senator from Georgia [Mr. Russell] would do?

Mr. BLACK. No, Mr. President. I will explain that.

Mr. McKELLAR. As I understand his amendment, that is precisely the object sought to be attained by the Senator from Georgia.

Mr. BLACK. It may be the object, but I do not think it can be accomplished.

Mr. President, the question which then arises is, Shall we have a smaller wage than the prevailing one paid to those employed on public works? That is certainly the idea they have in the progressive country of Denmark. There, a man cannot be without a job. If he goes to a municipality and says, "I want work; I have no job", if he is healthy, they will give him a job at a little smaller aggregate rate than is paid by private industry. If he declines to take a job, they put him to work under a law which forces him to work at a still smaller wage than he would get on public works.

Mr. WHEELER. Mr. President, will the Senator yield? Mr. BLACK. I yield to the Senator from Montana.

Mr. WHEELER. I agree entirely with the idea the Senator has expressed. I have stated repeatedly that those who are working on emergency construction work for the Government should be paid an aggregate less than private industry pays; but if we pay them a daily wage less than private industry pays, we shall break down the scale of wages in this country.

Mr. BLACK. I am coming to that.

Mr. WHEELER. It seems to me it is perfectly childish for Senators to stand on the floor of the Senate of the United States and say, "We will not have any legislation unless we can have our way." If we have come to such a pass in the United States of America that the Senate cannot legislate unless it legislates according to someone's dictation, and someone stands up and says, "You will have to do this or you cannot have any legislation", it is time for the country and for the Senate to find it out.

Mr. McKELLAR. Mr. President, I desire to express my great pleasure at hearing the sentiments expressed by the Senator from Montana. Of course, this problem ought to be worked out, and, in my judgment, it will be worked out. I join the Senator from Montana in hoping that no Senator will say, "Just because my plan cannot work, or I cannot have my way in this respect, we will have no legislation."

Mr. WHEELER. That should not occur, Mr. President. If the Senator will bear with me just a moment, I am whole-heartedly in favor of a public-works program. I say that one of two things must necessarily happen in this country, and it must happen very soon. Either the private

industries of the country must put men to work, or else the Government of the United States must put them to workone of the two. I desire to see this proposed legislation pass, but I shall not vote for it under the crack of the whip, and with the statement, "Unless you vote for this measure in the way that I send it down here", or the way some leader or some supposed spokesman for the White House says it should be, "you will not have any legislation on the subject "-I say that kind of talk is childishness and shows a pevishness which ought not to exist in this body.

Mr. McCARRAN. Mr. President-

Mr. BLACK. Mr. President, I wanted to get through.

Mr. McCARRAN. I shall not undertake to say anything which will delay the Senator; but it is in keeping with the expression of the Senator from Montana that on four occasions, pursuant to suggestions made by those who had the welfare of this measure at heart, I amended the joint resolution, the last two amendments being at the very hour the vote was taken.

Mr. BLACK. Mr. President, with reference to the general features of the joint resolution, I desire to state that I favor leaving to the President the fullest possible freedom of action in connection with the selection of the works which are to be availed of. I think anything else would be a handicap to the accomplishment of that which we desire. I do not think it is possible for us here to predict which work will be needed and which will not.

I favor the appropriation for the full amount provided in the joint resolution, and I am personally willing to vote for more than is provided in the measure. So it gets down to the single question as to a prevailing wage rate, which we have had up for discussion.

I emphatically assert that no one has a right to send any such news to the people of this country, that the payment of the prevailing wage rate will cost the Government one additional dollar. Those who make such a statement either know they are mistaken or they have not examined the facts. It will not cost the Government one additional dollar to adopt the prevailing wage rate. I challenge anyone on this floor to show that it will cost an additional dollar to adopt the prevailing wage rate.

Mr. McKELLAR. Mr. President, suppose the prevailing wage is adopted, and the person who is employed works only half the time. It is claimed by some that it would be just a part dole and a part work, because ordinarily the man who is employed works certainly 5 or 6 days a week, and to cut him down to 1 day a week would amount to a dole.

Mr. BLACK. I will answer that suggestion right now. If that statement be correct, then every wage earner in this country who today is working 1 day a week in private industry is getting a dole. If he is working 2 days a week, he is getting a dole. He gets a dole if he is paid less than his labor is worth. He does not get a dole if he works 1 day or 2 days a week at a reasonable rate of wages. That is not a dole.

No one contemplates, as I understand, that these people shall work 6 days a week, so what difference does it make so far as the Government is concerned whether they work 3 days a week or 5 days a week for their money if the object is employment? I admit that our object is to get the most public works we can. If the primary object of the legislation is to get the most public works possible, then we ought to work the people for the lowest wage possible to do the most public work possible, it is said. But that is not the object. I place as the chief object of the bill, so far as I give it my support, not the public works at the end of the program but the employment of people who are today without jobs and unable to make a living.

Let it be known once and for all that it will not cost the Government one additional dollar to adopt the amendment.

Mr. President, here is the reason why some of us think it would bring down the wage scale-I think so now and I thought so then: Let us suppose we put people to work constructing post-office buildings and other buildings in a city under a private contract, which could be done under

about that. A contractor goes into a city and puts up a number of public buildings, paying people \$1 a day or \$2 a day when the regular rate is \$5 a day or \$6 a day. If that were done the natural tendency would be for other contractors to follow the same course. If this were simply a small program, such as the C. C. C. under which we were sending men into the country, into the hills and mountains, it would be an entirely different matter. I am thoroughly in favor of paying the C. C. C. men the wages we do pay them, with the board they get.

Mr. McKELLAR. Mr. President, will the Senator yield further?

Mr. BLACK. Certainly.

Mr. McKELLAR. The Senator stated that if a post-office building were constructed, mentioning that as a matter of illustration, and \$1 a day were paid for such work, it would be unfair and unjust. I agree with the Senator entirely about that. Here is what the joint resolution provides:

In the event the President, or such official or agency of Government as he may select, shall determine after an investigation that the rate of wages paid is affecting adversely or is likely to decrease the prevailing rates of wages paid for any work of a similar nature in any city, town, village, or other civil division of a State \* \* the President \* \* shall immediately fix the rate of wages at an amount not less than the prevailing rate of wages paid for work of a similar nature in such locality.

My point is this: Does not the Senator believe that the President of the United States, who is given no discretion in the matter but is directed to see that the prevailing wage is not interfered with, will enforce the law?

Mr. BLACK. I do not think it could possibly be done unless it were provided that it should apply to certain kinds of work which we knew it would affect.

Mr. President, with reference to the passage of the joint resolution, let me say that I am sure the Senator from Tennessee, who has been here for many years, knows that there never has been a measure which was defeated on account of one amendment, whether there was only a difference of one vote between victory and defeat, if there was any administration sentiment for the bill. That could not happen. He knows further, without going into any details, that if it became apparent at any time that one amendment was about to destroy an entire measure, some method would be found, and could be found, to pass the measure.

Mr. McKellar. Mr. President—
The PRESIDING OFFICER (Mr. Clark in the chair). Does the Senator from Alabama yield to the Senator from Tennessee?

Mr. BLACK. I yield.

Mr. McKELLAR. If the Senator is asking me that question I shall take pleasure in answering it. I want to digress long enough, however, to say that so far as I can recall no bill advancing the interests of labor in this country has ever failed to receive my support since I have been in either body of the Congress. I feel that I can speak, therefore, with some assurance to labor when I say I think there can be an arrangement made and I believe there will be an arrangement made. I ask the Senator from Alabama what suggestion he has to offer which will help the committee to report out the joint resolution again so as to receive the approval of the Congress and so that we may go ahead with this much-needed work.

I agree with the Senator that we ought to discontinue the dole at the earliest possible moment. So far as I can see, the plan which has been suggested by the President of the United States and which was reported by the Committee on Appropriations is the best possible plan that has been submitted. For that reason I am supporting that plan. I hope the Senator will suggest something. If the amendment of the Senator from Georgia [Mr. Russell] does not suit him exactly let him suggest something else. He appears to be very much in sympathy with that amendment, the purpose of which was to make the wage such that it would not induce people to leave private employment and go into Federal Government employment. Since the Senator agrees with that purpose, then with his ingenuity, his skill, his ability the provisions of the joint resolution. There is no question as a lawyer, I am quite sure he can suggest some amendment to the Russell amendment which will carry out the purpose | of that amendment and bring about a unanimous or wellnigh unanimous support of this very worthy measure.

Mr. BLACK. I will state to the Senator that I agree with him in his statement with reference to his support of the people at work in this country. I think his record will verify that statement.

I do not intend at this time to make any definite statement as to an amendment which could be adopted and which would be acceptable. I am sure such an amendment can be offered. I am also absolutely sure that if the proper conferences had been held before the vote was taken and the proper method had been followed with reference to the consideration of the joint resolution, an agreement could have been reached by those who desire to protect the wage

Mr. McKELLAR. The Senator will recall that I returned to the Senate on February 8, I believe it was, and from that time on took a very active interest in what was going on before the Appropriations Committee, of which I happen to be a member. I think every possible effort was made to adjust this matter so as to bring out a measure which we could all support. I know that Senators on that committee did their full duty. They voted, of course, their honest sentiments. They did their full duty in trying to bring out a measure which would receive the approval of the Senate. That was the principal issue before the committee. It was the principal issue before the Senate. Now the measure has gone back to the committee. Of course, if the Senator does not desire to make a suggestion at this time I shall ask him to submit it to the committee.

Mr. BLACK. I did make suggestions before this occurred. I made a number of suggestions.

Mr. McKELLAR. I did not hear the suggestions and I hope the Senator will repeat them. If he does not want to do so on the floor, I wish he would tell me privately.

Mr. BLACK. Mr. President, I desire to conclude with

The gesture of sending the joint resolution back to the committee will not fool anybody. The joint resolution can be passed if it is desired that it shall be passed. That gesture, in my judgment, backed up by the statements of the Hearst organization—that great friend of the President which, a short time ago, had editorials with reference to the President of the United States that ought to make it improper to insert any of its editorials in the RECORD when it claims to defend the President-will amount to nothing. The joint resolution can be and will be passed if it is desired. I am for it. I want it passed. I want it passed for the entire amount of the appropriation carried by it; but I know that every Member of the Senate is too familiar with the procedure not to understand fully and completely that if it is desired that the joint resolution be passed, it will be passed.

Of course, if the desire is to have some editorials inserted in the RECORD with reference to those who voted for a certain amendment, and to have them deluged with telegrams and letters, and put them "on the spot", the joint resolution will be passed just the same; but, while I do not know, I have an idea that not many votes will be changed by any such method as that.

Mr. McKELLAR. Mr. President, as to that, of course, I have nothing to say; but I do desire to state to the Senator from Alabama that after hearing what he and the Senator from Montana [Mr. Wheeler] had to say this afternoon, I am quite convinced that there is no reason on earth why we cannot get together and pass a measure that will be satisfactory to them; and their two votes would pass this joint resolution.

Mr. BLACK. I may state one other thing, just as a matter of practical common sense:

The President stated, in effect, that he would veto the joint resolution with the McCarran amendment in it. A number of us who favored the joint resolution voted for the amendment with that statement here. I should un-hesitatingly vote to pass it over the President's veto, with for the McCarran amendment. Let there be no misunder-

that provision in it, if there were enough votes to accomplish the purpose; but if there are not enough votes to accomplish the purpose I have been here long enough to know that the best thing one can do is to take as much as he can get of that which he wants.

Mr. McKELLAR. The Senator is certainly right.

Mr. BLACK. Everybody here knew that before the joint resolution was sent back to the committee.

Mr. McKELLAR. Mr. President, everybody in the Senate voted to send it back to the committee. It was a unanimous

Mr. BLACK. I did not vote for it. If there had been a record vote on the matter, I should have voted against it. I so stated.

Mr. McKELLAR. I do not know whether the Senator was here or not.

Mr. BLACK. I was here when the statement was made that "without objection" the joint resolution would be recommitted; but I saw that it was useless to oppose it. I realized that it had been decided to send the joint resolution back to the committee, so it was all right with me: but I did not want anybody to be fooled into thinking that somebody else was fooled into thinking that that was anything but a gesture.

Mr. McKELLAR. Mr. President, I will say that in my judgment the course that was taken was the best way to bring about a reconciliation of the various views and pass the measure. I am very much in favor of its passage. I think it should be passed and passed speedily; and if we can have some more expressions like those we have had this afternoon from the Senator from Alabama and the Senator from Montana I believe we can pass it.

Mr. BLACK. Those expressions are not simply expressions of this afternoon. They are expressions which could have been had before. They could have been had before the vote was taken.

All of us know that ordinarily, when there is a difference of one vote, some Senator gets up and makes a motion to reconsider. If that is not done, the measure goes to conference. The conferees do not make much noise over it, and the first thing we know something happens. In this case, however, the matter ostensibly had become so important that the joint resolution had to go back to the committee with a difference of one vote. Of course, it was not really so important as that. Everybody understands that if we want to pass the joint resolution, and if we have not decided—and I have not-to adopt the inhuman advice of the delegation at White Sulphur Springs, and permanently place on the rolls of this country people who must live permanently on a dole; if the mind of some Senator has not been changed so that he desires to follow that suggestion, the country need not fear. The Western Union Telegraph Co. may get a lot of money out of these telegrams. That is all right. Perhaps it needs the money. Perhaps the Postal Telegraph Co. needs to get some money from the telegrams that are coming here; but no one need be disturbed. The joint resolution will be passed if it is desired that it shall be passed. So far as I am concerned, I am for its passage.

Mr. WHEELER. Mr. President-

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Montana?

Mr. BLACK. I yield to the Senator.

Mr. WHEELER. I desire to say to the Senator that the impression has been sought to be created that by voting for the McCarran amendment, those of us who believe in organized labor and believe in keeping up the prevailing wage scale had killed the joint resolution. The truth about the matter is, as the Senator says, that it begins to look as if some of those who have been advocates of the joint resolution really want to see it killed.

Mr. BLACK. If the joint resolution is killed, they are the ones who killed it.

Mr. WHEELER. Yes; if the joint resolution is killed, the

standing about it. If they take the position that they would rather have the dole than have work provided for those in need of it, let them take that responsibility.

STATE, JUSTICE, COMMERCE, AND LABOR DEPARTMENTS APPROPRIA-TIONS

The Senate resumed the consideration of the bill (H. R. 5255) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1936, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee, on page 1, line 9, which will be restated.

The amendment was, under the heading "Title I—Department of State—Collecting and editing official papers of Territories of the United States", on page 5, line 19, to strike out "\$18,000" and insert "\$23,030", so as to read:

For the expenses of collecting, editing, copying, and arranging for publication the official papers of the Territories of the United States, including personal services in the District of Columbia and elsewhere, printing and binding, and contingent and traveling expenses, as provided by the act approved February 28, 1929 (U.S.C., Supp. VII, title 5, secs. 168–169), \$23,030.

The amendment was agreed to.

The next amendment was, under the subhead "Salaries of Foreign Service officers", on page 8, at the end of line 5, to strike out "\$3,150,000" and insert "\$3,293,395", so as to read:

For salaries of Fureign Service officers as provided in the act approved February 23, 1931 (U. S. C., Supp. VII, title 22, secs. 3, 3a); salaries of Ambassadors, Ministers, consuls, vice consuls, and other officers of the United States for the period actually and necessarily occupied in receiving instructions and in making transits to and from their posts, and while awaiting recognition and authority to act in pursuance with the provisions of section 1740 of the Revised Statutes (U. S. C., title 22, sec. 121); and salaries of Foreign Service officers or vice consuls while acting as charges d'affaires ad interim or while in charge of a consulate general or consulate during the absence of the principal officer, \$3,293,395.

The amendment was agreed to.

The next amendment was, under subhead "Cost of Living Allowance, Foreign Service Officers", on page 10, line 23, after the word "allowances", to strike out "and/or" and insert "and"; in line 24, after the word "officers", to strike out "and/or" and insert "and"; in line 25, after the word "allowances" to strike out "and/or" and insert "and"; on page 11, line 1, after the word "officers", to strike out "and/or" and insert "and"; and in line 3, after the word "allowances", to strike out "and/or" and insert "and", so as to read:

To carry out the provisions of the act approved February 23, 1931 (U. S. C., Supp. VII, title 22, secs. 12, 23c) relating to allowances and additional compensation to diplomatic, consular, and Foreign Service officers and clerks when such allowances and additional compensation are necessary to enable such officers and clerks to carry on their work efficiently: *Provided*, That such allowances and additional compensation shall be granted only in the discretion of the President, and under such regulations as he may prescribe, \$200,000.

The amendment was agreed to.

The next amendment was, under the subhead "Miscellaneous Salaries and Allowances, Foreign Service", on page 11, line 25, before the word "leased", to strike out "and/or" and insert "and", so as to read:

For salaries or compensation of kavasses, guards, dragomans, porters, interpreters, prison keepers, translators, archive collators, Chinese writers, messengers, couriers, telephone operators, supervisors of construction, and custodial and operating force for maintenance and operation of Government-owned and leased diplomatic and consular properties in foreign countries; compensation of agents and employees of dispatch agencies at London, New York, San Francisco, Seattle, and New Orleans, including salaries during transit to and from their homes in the United States upon the beginning and after termination of service in foreign countries; operation of motor-propelled and other passenger and non-passenger-carrying vehicles; for allowances to consular officers, who are paid in whole or in part by fees, for services necessarily rendered to American vessels and seamen, as provided in the act of June 26, 1884 (U. S. C., title 22, sec. 89; title 46, sec. 101); and such other miscellaneous personal services as the President may deem necessary; \$580,000.

The amendment was agreed to.

The next amendment was, on page 12, line 20, after the word "Navy", to strike out "and/or" and insert "and", so as to make the further proviso read:

Provided further, That the Secretary of the Navy is authorized, upon request by the Secretary of State, to assign enlisted men of the Navy and Marine Corps to serve as custodians, under the immediate supervision of the Secretary of State or the chief of mission, whichever the Secretary of State shall direct, at embassies, legations, or consulates of the United States located in foreign countries.

The amendment was agreed to.

The next amendment was, under the subhead "Contributions, quotas, etc.", on page 15, line 17, before the word "expenses", to strike out "and/or" and insert "and"; at the beginning of line 23, to strike out "\$4,343" and insert "\$4,342.50"; in line 24, after the word "tariffs", to strike out "\$1,319" and insert "\$1,318.77"; at the beginning of line 25, to strike out "\$189,889" and insert "\$189,888.58"; on page 16, line 2, after the word "arbitration", to strike out "\$1,658" and insert "\$1,658.25"; in line 5, after the name "Italy", to strike out "\$48,441" and insert "\$49,911"; in line 6, after the word "exceed", to strike out "\$11,385" and insert "\$12,885"; in line 7, after the word "than", to strike out "\$6,000" and insert "\$7,500"; in line 19, after the word "Bureau", to strike out "\$30,438" and insert "\$30,438.41"; in line 20, after the word "health", to strike out "\$3,016" and insert "\$3,015.62"; in line 23, after the word "Bureau", to strike out "\$4,323" and insert "\$4,323.20"; in line 24, after the words "Trade-Mark Bureau", to strike out "\$14,330.20"; in line 25, after the words "industrial property", to strike out "\$1,277" and insert "\$1,277.47"; and on page 17, line 16, after the words "in all", to strike out "\$805,000" and insert "\$806,470", so as to read:

For payment of the annual contributions, quotas, and expenses, including loss by exchange, in discharge of the obligations of the United States in connection with international commissions, congresses, bureaus, and other objects, in not to exceed the respective amounts as follows: Cape Spartel and Tangier Light, coast of Morocco, \$784; International Bureau of Weights and Measures, \$4,342.50; International Bureau for Publication of Customs Tariffs, \$1,318.77; Pan American Union, \$189,888.53, including not to exceed \$20,000 for printing and binding; International Bureau of Permanent Court of Arbitration, \$1,658.25; Bureau of Interparliamentary Union for Promotion of International Arbitration, \$7,500; International Institute of Agriculture at Rome, Italy, \$49,911, including not to exceed \$12,855 for the salary of the American member of the permanent committee (at not more than \$7,500 per annum), compensation of subordinate employees without regard to the Classification Act of 1923, as amended, expenses for the maintenance of the office at Rome, including purchase of necessary books, maps, documents, and newspapers and periodicals (foreign and domestic), printing and binding, allowances for living quarters, including heat, fuel, and light, as authorized by the act approved June 26, 1930 (U. S. C., Supp. VII, title 5, sec. 118a), for the use of the American member of the permanent committee, and traveling expenses to be expended under the direction of the Secretary of State; Pan American Sanitary Bureau, \$30,438.41; International Office of Public Health, \$3,015.62; Bureau of International Telecommunication Union, Radio Section, \$5,790; Government of Panama, \$250,000; International Hydrographic Bureau, \$4,323.20; Inter-American Trade-Mark Bureau, \$14,330.20; International Bureau at The Hague, \$2,000; International Institute for the Protection of Childhood, \$2,000; International Institute for the Protection of Childhood, \$2,000; International Institute for the Protection of Childhood, \$2,000; International Institute f

The amendment was agreed to.

The next amendment was, under the subhead "International Boundary Commission, United States and Mexico", on page 18, after line 19, to insert:

For an additional amount for the International Boundary Commission, United States and Mexico, for the purposes provided in

Public Resolution No. 4 entitled "Joint resolution to provide for defraying the expenses of the American section, International Boundary Commission, United States and Mexico", approved February 13, 1935, to be immediately available, \$60,000.

The amendment was agreed to.

The next amendment was, under the heading "Waterways treaty, United States and Great Britain: International Joint Commission, United States and Great Britain", on page 21, line 12, after the word "vehicles", to strike out "\$52,000" and insert "\$71,000", so as to read:

For an additional amount for necessary special or technical investigations in connection with matters which fall within the scope of the jurisdiction of the International Joint Commission, including personal services in the District of Columbia or elsewhere, traveling expenses, procurement of technical and scientific equipment, and the purchase, exchange, hire, maintenance, repair, and operation of motor-propelled and horse-drawn passenger-carrying vehicles \$71,000, to be disbursed under the direction of the Secretary of State, who is authorized to transfer to any department or independent establishment of the Government, with the consent of the head thereof, any part of this amount for direct expenditure by such department or establishment for the purposes of this appropriation.

The amendment was agreed to.

The next amendment was, under the subhead "General and Special Claims Convention, United States and Mexico", on page 22, line 25, after the word "proper", to strike out "\$164,000" and insert "\$170,000", so as to read:

For the expenses of settlement and adjustment of claims of the citizens of each country against the other under a convention concluded September 8, 1923, as extended, and of citizens of the United States against Mexico under a convention concluded September 10, 1923, as extended, and the protocol and convention signed April 24, 1934, between the United States and Mexico, including the expenses which, under the terms of the above agreements, are chargeable in part to the United States, the expenses of an agency of the United States to perform all necessary services in connection with the preparation of American claims and the defense of the United States in cases presented by Mexico, and of a general claims commissioner to act as a joint appraiser in appraising the claims, and for the expenses of the joint committee in determining the proper classification of claims which have heretofore been filed as both general and special claims, as provided by the agreements of April 24, 1934, including salaries of an agent and necessary counsel and other assistants and employees and rent in the District of Columbia and elsewhere, law books and books of reference, printing and binding, contingent expenses, contract stenographic reporting services without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), the employment of special counsel, translators, and other technical experts, by contract, without regard to the provisions of any statute relative to employment, traveling expenses, the reimbursement of other appropriations from which payments may have been made for any of the purposes herein specified, and such other expenses in the United States and elsewhere as the President may deem proper, \$170,000, together with the unexpended balance of the appropriation made available for this purpose for the fiscal year 1935:

The amendment was agreed to.

The next amendment was, under the subhead "International Fisheries Commission", on page 24, line 1, after the word "Commissioner" to strike out "and/or" and insert "and", so as to read:

For the share of the United States of the expenses of the International Fisheries Commission, under the convention between the United States and Great Britain, concluded May 9, 1930, including salaries of two members and other employees of the Commission, traveling expenses, charter of vessels, purchase of books, periodicals, furniture, and scientific instruments, contingent expenses, rent in the District of Columbia, and such other expenses in the United States and elsewhere as the Secretary of State may deem proper, to be disbursed under the direction of the Secretary of State, \$25,000, together with the unexpended balance of the appropriation for this purpose for the fiscal year 1935: Provided, That not to exceed \$700 shall be expended by the Commissioner and his staff in attending meetings of the Commission.

The amendment was agreed to.

The next amendment was, on page 24, after line 2, to insert, as a subhead:

CLAIMS ADJUSTMENT, UNITED STATES AND TURKEY

The amendment was agreed to.

The next amendment was, on page 24, after line 2, to strike out:

Such portion as may be necessary of the appropriation for participation of the United States in the examination and settlement at Istanbul, Turkey, of claims provided for by public resolution

entitled "Joint resolution authorizing appropriation for expenses of representatives of United States to meet at Istanbul, Turkey, with representatives of Turkish Republic for purpose of examining claims of either Government against the other and for expense of proceedings before an umpire, if necessary", approved June 18, 1934, fiscal year 1934, to remain available until June 30, 1935, is made available as of November 1, 1934, and shall continue to be available until June 30, 1936, for the expenses, including all items of expenditure specified in said resolution and personal services and rent of offices in the District of Columbia, of preparing, in the District of Columbia, for the approval of the Secretary of State, a distribution after making the deductions provided for in said resolution, of the amount received or to be received from the Turkish Government in settlement of said claims.

And in lieu thereof to insert:

Such portion as may be necessary of the appropriation "Claims adjustment, United States and Turkey", contained in the Deficiency Appropriation Act, fiscal year 1934, approved June 19, 1934, and authorized by public resolution entitled "Joint resolution authorizing appropriation for expenses of representatives of United States to meet at Istanbul, Turkey, with representatives of Turkish Republic for purpose of examining claims of either Government against the other and for expense of proceedings before an umpire, if necessary", approved June 18, 1934, fiscal year 1934, to remain available until June 30, 1935, is made available as of November 1, 1934, for services which have been or which may be rendered subsequent to that date by the said representatives of the United States, and shall continue to be available in the District of Columbia until June 30, 1936, for the expenses, including all items of expenditure specified in said resolution and personal services and rent of offices in the District of Columbia, of making an examination of the claims by the said representatives of the United States to determine their merits and of preparing, in the District of Columbia, a report to enable the Secretary of State to make a distribution in final settlement of said claims, after making the deductions provided for in said resolution, of the amount received or to be received from the Turkish Government in settlement of said claims.

The amendment was agreed to.

The next amendment was, under the heading "Title II. Department of Justice—Federal Bureau of Investigation", on page 28, line 16, after the word "of", to strike out "examiners at folio rates; firearms and ammunition; such" and insert "said officers, without exception, shall be examined by the"; and on page 29, line 4, after the word "of", to strike out "said officers, without exception, shall be examined by the" and insert "examiners at folio rates; firearms and ammunition; such", so as to read:

Detection and prosecution of crimes: For the detection and prosecution of crimes against the United States; for the protection of the person of the President of the United States; the acquisition, collection, classification, and preservation of identification and other records and their exchange with the duly authorized officials of the Federal Government, of States, cities, and other institutions; for investigation of the official acts, records, and accounts of marshals, attorneys, clerks of the United States courts and Territorial courts, probation officers, and United States courts and Territorial courts, probation officers, and United States commissioners, for which purpose all the official papers, records, and dockets of said officers, without exception, shall be examined by the agents of the Federal Bureau of Investigation at any time; and also, when requested by the presiding judge, the official acts, records, and accounts of referees and trustees of such courts; for such other investigations regarding official matters under the control of the Department of Justice and the Department of State as may be directed by the Attorney General; hire, purchase, and exchange not to exceed \$50,000, maintenance, upkeep, and operation of motor-propelled passenger-carrying vehicles, to be used only on official business; for copying in the District of Columbia or elsewhere; reports of examiners at folio rates; firearms and ammunition; such stationery, supplies, and equipment for use at the seat of government or elsewhere as the Attorney General may direct; not to exceed \$10,000 for taxicab hire, to be used exclusively for the purposes set forth in this paragraph and to be expended under the direction of the Attorney General; traveling expenses, including expenses of attendance at meetings concerned with the work of such Bureau when authorized by the Attorney General; payment of awards when specifically authorized by the Attorney General; payment of awards when specifically authorized by the Attorney General; of the amou

The amendment was agreed to.

The next amendment was, under the subhead "Miscellaneous objects, Department of Justice", on page 31, line 10, before the word "not", to strike out "and/or" and insert "and", so as to read:

Taxes and Penalties Unit: For salaries and expenses in connection with the enforcement of liability for internal-revenue taxes and penalties involving violation of the National Prohibition Act, as amended and supplemented, the determination of the remission or mitigation of forfeitures under the internal-revenue laws and of liability for internal-revenue taxes and penalties in connection with violations of the National Prohibition Act occurring prior to the repeal of the eighteenth amendment, the institution of suits upon any cause of action under the National Prohibition Act or under the internal-revenue laws involving a violation of the National Prohibition Act arising prior to, and not affected by the repeal of the eighteenth amendment, and the compromise of any such cause of action before or after suit is brought, personal services in the District of Columbia and elsewhere, traveling expenses, and such other expenditures as may be necessary, \$200,000.

The amendment was agreed to.

The next amendment was, under the subhead "Veterans' insurance litigation", on page 32, line 18, after the word "services", to strike out "and/or" and insert "and", so as to read:

Salaries and expenses: For salaries and expenses incident to the defense of suits against the United States under section 19, of the World War Veterans' Act, 1924, approved June 7, 1924, as amended, or the compromise of the same under the Independent Offices Appropriation Act, 1934, approved June 16, 1933, including traveling and office expenses, law books, supplies, equipment, stenographic reporting services by contract or otherwise, including notarial fees or like services and stenographic work in taking depositions at such rates of compensation as may be authorized or approved by the Attorney General, printing and binding, the employment of experts at such rates of compensation as may be authorized or approved by the Attorney General, and personal services in the District of Columbia and elsewhere, \$850,000.

The amendment was agreed to.

The next amendment was, on page 35, line 19, to increase the appropriation for printing and binding for the Court of Claims from \$24,000 to \$25,000.

The amendment was agreed to.

The next amendment was, under the subhead "United States Court for China", on page 37, line 2, after the word "purposes", to insert "allowances for living quarters, including fuel, heat, and light of, and not to exceed \$1,700 for any one person, as provided by the act approved June 26, 1930 (U. S. C., Supp. VII, title 5, sec. 118a);", and in line 19, after the word "court", to strike out "\$40,000" and insert "\$43,410", so as to read:

United States Court for China: For salaries of the judge, district attorney, and other officers and employees of the United States Court for China; court expenses, including reference and law books, printing and binding, ice and drinking water for office purposes, allowances for living quarters, including fuel, heat, and light, and not to exceed \$1,700 for any one person, as provided by the act approved June 26, 1930 (U. S. C., Supp. VII, title 5, sec. 118a); traveling expenses of officers and employees of the court, and under such regulations as the Attorney General may prescribe of their families and effects, in going to and returning from their posts; preparation and transportation of remains of officers and employees who may die abroad or in transit while in the discharge of their official duties to their former homes in the United States, or to a place not more distant for interment, and for the ordinary expenses of such interment; the expense of maintaining in China American convicts and persons declared insane by the court, rent of quarters for prisoners, ice and drinking water for prison purposes, including wages of prison keepers, and the expense of keeping, feeding, and transporting prisoners and persons declared insane by the court, \$43,410.

The amendment was agreed to.

The next amendment was, under the subhead "Marshals and other expenses of United States courts", on page 41, line 14, after the word "services", to strike out "and/or" and insert "and", so as to read:

Miscellaneous expenses: For such miscellaneous expenses as may be authorized or approved by the Attorney General, for the United States courts and their officers, including experts, and notarial fees or like services and stenographic work in taking depositions, at such rates of compensation as may be authorized or approved by the Attorney General, so much as may be necessary in the discretion of the Attorney General for such expenses in the District of Alaska and in courts other than Federal courts, and traveling expenses pursuant to the Subsistence Expense Act of 1926, as amended (U. S. C., Supp., VII, title 5, ch. 16); rent of rooms for United States courts and judicial officers; supplies, including the exchange of typewriting and adding machines, for the United States courts and judicial officers, including firearms and ammunition therefor; purchase of law books, including the exchange thereof, for United States judges, district attorneys, and

other judicial officers, including the libraries of the ten United States circuit courts of appeals, and the Federal Reporter and continuations thereto as issued, \$1,069,000.

The amendment was agreed to.

The next amendment was, on page 42, line 13, after the words "per annum", to insert a colon and the following additional proviso: "Provided further, That this limitation shall not operate to reduce the compensation of any stenographer now employed", so as to read:

Provided further, That the maximum salary paid to any stenographer or law clerk to any circuit or district judge shall not exceed \$2,500 per annum: Provided further, That this limitation shall not operate to reduce the compensation of any stenographer now employed.

The amendment was agreed to.

The next amendment was, under the heading "Title III—Department of Commerce—Bureau of Air Commerce", on page 51, line 1, after the word "navigation", to insert a comma and "aircraft, aircraft power plants, and accessories"; on page 52, line 1, after the word "airplanes", to insert "for service use and two for experimental purposes"; and in line 8, after the word "by", to strike out "the Air Commerce Act of 1926" and insert "law", so as to read:

Air-navigation facilities: For the establishment and maintenance of aids to air navigation, including the equipment of additional air-mail routes for day and night flying; the construction of necessary lighting, radio, and other signaling and communicating structures and apparatus; repairs, alterations, and all expenses of maintenance and operation; investigation, research, and experimentation to develop and improve aids to air navigation, aircraft, aircraft power plants, and accessories; for personal services in the District of Columbia (not to exceed \$123,071) and elsewhere; purchase, maintenance, operation, and repair of motor-propelled passenger-carrying vehicles for official use in field work, including their exchange; replacement, including exchange, of not to exceed 2 airplanes for service use and 2 for experimental purposes, maintenance, operation, and repair of airplanes, including accessories and spare parts and special clothing, wearing apparel, and suitable equipment for aviation purposes; and for the acquisition of the necessary sites by lease or grant, \$5,175,000: Provided, That no part of this appropriation shall be used for any purpose not authorized by law.

The amendment was agreed to.

The next amendment was on page 53, line 16, after the word "of the", to strike out "Aeronautics Branch" and insert "Bureau of Air Commerce", so as to read:

Appropriations herein made for aircraft in commerce and airnavigation facilities shall be available in an amount not to exceed \$2,000 for expenses of attendance at meetings concerned with the promotion of civil aeronautics, and also expenses of illustrating the work of the Bureau of Air Commerce by showing of maps, charts, and graphs at such meetings, when incurred on the written authority of the Secretary of Commerce.

The amendment was agreed to.

The next amendment was, under the subhead "National Bureau of Standards", on page 67, line 24, to strike out "\$743,000" and insert "\$763,000", so as to read:

Testing, inspection, and information service; For calibrating and certifying measuring instruments, apparatus, and standards in terms of the national standards; the preparation and distribution of standard materials; the broadcasting of radio signals of standard frequency; the testing of equipment, materials, and supplies in connection with Government purchases; the improvement of methods of testing; advisory services to governmental agencies on scientific and technical matters; and supplying available information to the public, upon request, in the field of physics, chemistry, and engineering; \$763,000.

The amendment was agreed to.

The next amendment was, on page 68, at the end of line 15, to strike out "\$656,500" and insert "\$676,500", so as to read:

Research and development: For the maintenance and development of national standards of measurement; the development of improved methods of measurement; the determination of physical constants and the properties of materials; the investigation of mechanisms and structures, including their economy, efficiency, and safety; the study of fluid resistance and the flow of fluids and heat; the investigation of radiation, radioactive substances, and X-rays; the study of conditions affecting radio transmission; the development of methods of chemical analysis and synthesis, and the investigation of the properties of rare substances; investigations relating to the utilization of materials, including lubricants

and liquid fuels; the study of new processes and methods of fabrication; and the solutions of problems arising in connection with standards; \$676,500.

The amendment was agreed to.

The next amendment was, on page 69, at the end of line 16, to strike out "\$1,772,500" and insert "\$1,812,500", and at the end of line 17, to strike out "\$1,570,000" and insert "\$1,610,000", so as to read:

Total, National Bureau of Standards, \$1.812,500, of which amount not to exceed \$1,610,000 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Fisheries", on page 82, after line 21, to insert:

Enforcement of black bass law: To enable the Secretary of Commerce to carry into effect the act entitled "An act to amend the act entitled 'An act to regulate interstate transportation of black bass, and for other purposes', approved May 20, 1926" (U. S. C. Supp. VII, title 16, secs. 851–856), approved July 2, 1930 (46 Stat., pp. 845–847), \$15,000, of which not to exceed \$1,800 may be expended for personal services in the District of Columbia.

The amendment was agreed to.

The next amendment was, on page 83, after line 19, to insert:

Shellfish investigation: To provide for the investigation, control, and eradication of marine organisms injurious to shellfish in the Atlantic and Gulf States, including purchase of equipment and supplies, including boats and floating equipment and the maintenance and operation thereof; hire and charter of vessels and boats; pay of officers and crews and other personal services as may be necessary; printing and binding; and all other necessary expenses connected therewith, \$250,000; of which \$125,000 shall be immediately available.

Mr. FLETCHER. Mr. President, I wish to offer an amendment to the committee amendment.

The PRESIDING OFFICER. The clerk will state the amendment to the amendment.

The CHIEF CLERK. On page 84, line 1, after the word "services", it is proposed to insert in parentheses the words "not exceeding \$7.500 in the District of Columbia."

Mr. FLETCHER. Mr. President, I understand the law to be that unless the services in the District of Columbia are specified, there can be nothing spent for such a purpose in the District.

Mr. McKELLAR. Of course, in the case of appropriations such as this, the first thing that is generally done is to set up a division in the Department, which is usually continued for a number of years. The committee omitted this provision, with the view that the work might well be done in the field. I will say to the Senator, however, that I am willing to take his amendment to conference, and we will see whether or not any amount should be spent in the District.

Mr. FLETCHER. The amendments limit the amount to \$7,500.

Mr. McKELLAR. I understand that to be so, but we do not want to set up another division in the department, and I hope that the Bureau of Fisheries will understand from what is being said on the floor of the Senate that we do not intend to let the division be established as a permanent one.

Mr. FLETCHER. I understand that. There will be need of a few extra clerks, not many, in the Bureau here in Washington.

Mr. McKELLAR. We will take the amendment to conference and work it out there.

Mr. McNARY. Mr. President, may I ask the Senator in charge of the bill whether the same amendment has not been included in appropriation bills heretofore?

Mr. McKELLAR. Oh, yes; probably in all of them, and this is what has resulted: An organization is set up in the city of Washington, which sometimes remains here for a number of years after all the work is done, and the necessity for it has passed.

Mr. FLETCHER. The provision must be inserted in the bill; otherwise the money could not be spent in the District of Columbia.

Mr. McKELLAR. At all events, I am willing to take the matter to conference and work it out.

The PRESIDING OFFICER. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. FLETCHER. Mr. President, I wish to suggest that on page 19 of the hearings on this bill before the House committee there was set forth a detailed and itemized statement of what the investigation would cost. It was estimated in the House that it would cost \$500,000. I offered my amendment to provide for that amount, and the committee saw fit to cut it in two. I am wondering whether the Senator would allow the bill to be amended by inserting in line 3, \$500,000 instead of \$250,000, and \$250,000 instead of \$125,000. That would be in accordance with the estimates set forth in the hearings in the House.

Mr. McKELLAR. Mr. President, let me suggest to the Senator that a roll call was had in the committee on such a proposal, if I remember correctly, and the committee by a rather decisive vote voted it down. Under those circumstances I should like to retain the language as it is, and I believe the Senator can accomplish his purpose in this way. As I understand, the bill which has passed provides for \$500,000; \$125,000 presently appropriated is certainly enough to start the work. After it shall have been started, if it is found to be necessary, we will have ample time to make a deficiency appropriation, and I will assist the Senator at that time if it is found necessary.

Mr. FLETCHER. Under those circumstances, I will not press the matter.

The PRESIDING OFFICER. The clerk will state the next amendment of the Committee on Appropriations.

The next amendment was, under the heading "Title IV—Department of Labor—Office of the Secretary", on page 91, line 21, after the figures "\$2,500" to insert a comma and "which amount shall be immediately available", and on page 92, line 8, after the figures "\$95,000" to strike out the comma and "of which \$2,500 shall be immediately available", so as to read:

Contingent expenses: For contingent and miscellaneous expenses of the offices and bureaus of the Department, for which appropriations for contingent and miscellaneous expenses are not specifically made, including the purchase of stationery, furniture and repairs to the same, carpets, matting, oilcloths, file cases, towels, ice, brooms, soap, sponges, laundry, street-car fares not exceeding \$200; purchase, exchange, maintenance, and repair of motorcycles and motor trucks; purchase and exchange (not exceeding \$2,500, which amount shall be immediately available), maintenance, operation, and repair of a motor-propelled passenger-carrying vehicle, to be used only for official purposes; freight and express charges; newspaper clippings not to exceed \$1,200, postage to foreign countries, telegraph and telephone service, typewriters, adding machines, and other labor-saving devices; purchase of law books, books of reference, newspapers and periodicals, not exceeding \$4,500; contract stenographic services; all other necessary miscellaneous items and expenses not included in the foregoing; and not to exceed \$25,000 for purchase of certain supplies for the Immigration and Naturalization Service; in all, \$95,000.

The amendment was agreed to.

The next amendment was, under the subhead "Immigration and Naturalization Service", on page 95, line 13, after the word "exceed", to strike out "\$22,600" and insert "\$36,000", so as to make the further proviso read:

Provided further, That not to exceed \$36,000 of the total amount herein appropriated shall be available for allowances for living quarters, including heat, fuel, and light, as authorized by the act approved June 26, 1930 (U. S. C., Supp. VII, title 5, sec. 118a), not to exceed \$1,700 for any person:

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. THOMAS of Oklahoma. Mr. President, I offer an amendment, which I send to the desk and ask to have read. The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 35, line 19, after the numerals "\$25,000", it is proposed to insert the words " and in addi-

tion thereto \$6,000 for printing records in Indian claim cases."

Mr. THOMAS of Oklahoma. Mr. President, there are pending before the Court of Claims a great number of Indian cases. These claims have been filed by Indian tribes residing in all parts of the United States. The claims are now being prepared for hearing, and there is not sufficient money in the printing fund of the Court of Claims to do anything toward printing the records. The little item of \$6,000 is proposed to be inserted for the purpose of assisting the Court of Claims and the attorneys in the preparation of those cases, and to get the cases ready for presentation to the court. I ask the chairman of the committee to let the item go into the bill and see if he can get it agreed to in conference.

Mr. McKELLAR. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McKELLAR. Is this amendment subject to a point of order? I have no objection to following the plan suggested by the Senator from Oklahoma if it is in order.

The PRESIDING OFFICER. The Chair is of opinion that the amendment would be subject to a point of order.

Mr. McNARY. Mr. President, that is what I desired to inquire about. I will inquire of the Senator from Oklahoma [Mr. Thomas] if an estimate for this item has been made by the Budget Bureau?

Mr. THOMAS of Oklahoma. I cannot answer that question. This matter was brought to my attention by attorneys representing Indian tribes who stated that they are handicapped in the preparation of their cases because there is no money available for this purpose in the Court of Claims.

Mr. McNARY. Mr. President, I appreciate that the contention has much merit, but I am trying to find out the preliminary status. I understand that the item has not been reported by either the House or the Senate committee.

Mr. THOMAS of Oklahoma. I think that is correct.

Mr. McNARY. It is not supported by a Budget estimate?

Mr. THOMAS of Oklahoma. I think that is correct.

Mr. McNARY. And it does not carry out existing law?

Mr. THOMAS of Oklahoma. Of course, I cannot put my finger on the law authorizing "it; but the Court of Claims itself has authority to ask for money for printing purposes, and in this amendment I am only asking that \$6,000 be made available, under the general authority, for this particular purpose. Whether or not it is specifically authorized I cannot say; but no harm can be done by letting the amendment go to conference; and if it is not authorized, or if for any good reason it should not be included in the bill, I shall have no complaint. The matter was brought to me only recently. I did not have much time to look into it. It should have been presented to the committee sooner.

Mr. McKELLAR. I do not raise the point of order.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oklahoma [Mr. Thomas].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. McKELLAR. Mr. President, I desire to call attention to the first word in line 25 on page 10. I have been requested to offer an amendment striking out the word "clerks" and inserting "American employees." However, I understand that would be a change in the law; that the law does not provide for payment to any employees other than clerks, and for that reason I feel precluded from offering the amendment. I think the amendment is a just amendment, and I think the provision ought to be applied to all American employees.

Mr. McNARY. Does the Senator propose that the amendment should be inserted in the bill?

Mr. McKELLAR. The words I have suggested should be inserted in lieu of the word "clerks" in line 25, on page 10, I will say to the Senator from Oregon.

Mr. McNARY. How does the Senator propose to change the language?

Mr. McKellar. By substituting for the word "clerks" the words "American employees." I am informed, however, that the law provides for the payment of this allowance only to clerks, and not to other employees, and I am loath to put anything in the bill which would have the effect of changing existing law.

Mr. McNARY. Is not that the language which has been carried from year to year by the bill?

Mr. McKELLAR. Yes; and that is the language of the law, as I am informed.

Mr. McNARY. I thought the language in the bill was the same language that has been carried and is carried in different statutes.

Mr. McKELLAR. It is.

Mr. McNARY. Then the Senator proposes to modify the language in this bill?

Mr. McKELLAR. I am not making a proposal about it. I am merely stating it. I desire to say to the Senate that in my judgment this cost-of-living allowance ought to apply to all employees, and not simply to clerks, and if it were in order I should propose the amendment, because I think it would be right; but I am explaining that I think we are precluded from making that amendment.

The PRESIDING OFFICER. Does the Senator from Tennessee offer the amendment?

Mr. McKELLAR. No; I do not offer the amendment.

Mr. McNARY. I should have to object to it if it were offered.

The PRESIDING OFFICER. If there be no further amendments to be proposed, the question is, Shall the amendments be engrossed and the bill be read a third time?

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

#### EXECUTIVE SESSION

Mr. ROBINSON. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

### EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. CLARK in the chair) laid before the Senate a message from the President of the United States submitting several nominations in the Regular Army, which were referred to the Committee on Military Affairs.

(For nominations this day received, see the end of Senate proceedings.)

### EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nomination of Edwin H. Goodwin to be postmaster at Plainfield, N. J., in place of E. H. Bird.

Mr. LOGAN, from the Committee on the Judiciary, reported favorably the nomination of Bunk Gardner, of Kentucky, to be United States attorney for the western district of Kentucky, to succeed Thomas J. Sparks, whose term expired February 7, 1935.

Mr. McGILL, from the Committee on the Judiciary, reported favorably the nomination of John J. Farrell, of Minnesota, to be United States marshal, district of Minnesota, to succeed Bernard Anderson, whose term expired February 23, 1935.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

#### POSTMASTERS

The legislative clerk proceeded to read the nominations of sundry postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

#### IN THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army. Mr. McKELLAR. I ask unanimous consent that the Army nominations on the calendar be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Army are confirmed en bloc.

Mr. McNARY. Mr. President, a parliamentary inquiry. In the Marine Corps, has the name of Gen. Richard P. Williams been passed over?

The PRESIDING OFFICER. The Chair will state to the Senator from Oregon that at the request of the Senator from Florida [Mr. Trammell] the other day, by unanimous-consent agreement, which apparently was not entered on the calendar, it was agreed that the nominations of General Williams and General Russell should be passed over until a day certain, which was later to be fixed.

Mr. McNARY. Then, I should say the nomination of General Williams is legitimately on the calendar, with no time fixed for its consideration.

The PRESIDING OFFICER. That would seem to be the situation.

Mr. McNARY. I ask the Senator from Arkansas [Mr. Robinson] whether any effort is being made to fix a time to dispose of the nomination of General Williams?

Mr. ROBINSON. Mr. President, I do not understand that any agreement has been reached by those who have been active in the consideration of the nominations. I am of the opinion that the Senate should proceed to the consideration of the nominations. I know of no reason why that should not be done tomorrow.

The PRESIDING OFFICER. The Chair will state to the Senator from Oregon that on last Friday, when the present occupant of the chair was temporarily in the chair, the nominations of both General Williams and General Russell were confirmed, and on the motion of the Senator from Alabama [Mr. Black], that action was later reconsidered, and the understanding was apparently reached by all Senators present that the nominations should be passed over until an agreement could be reached for their consideration on a day certain.

Mr. McNARY. I well recall that the nominations were confirmed, but I did not know that a motion to reconsider had been made. I thank the Chair.

Mr. ROBINSON. Mr. President, I inquire whether it is contemplated that these nominations shall be taken up in the early future, and whether they may not be taken up tomorrow?

Mr. BLACK. Mr. President, I may state that there are a large number of nominations now pending before the Naval Affairs Committee. These nominations were made on the recommendation of a board of which General Russell was chairman. It is my contention that this was practically a one-man board—such is the information which has been given me by the officers of the Marine Corps—and I have asked that a public hearing be granted before that committee, with the appropriation of a sufficient amount of money to summon witnesses in order that this whole matter may be gone into. I have made that request of the Senator from Florida [Mr. Trammell], and asked him to place it before the committee.

I may state, in that connection, that I have made that request because numerous officers in the Marine Corps have come to me and have said they were afraid to testify. I have had numerous letters saying the same thing. They claim that this board was created by General Russell for the benefit of his friends; that those who served on the board were, in the main, his subordinates in the office here. From the information which has come to me, it is my belief that these charges should be investigated by the Naval Affairs Committee, or some other committee, in order to find out whether or not these officers are correct in their statements. I know that many officers have told me that there is a perfect reign of terror in the Marine Corps; that they are afraid to testify before the committee; that the only way they would testify would be if they were summoned as witnesses.

I should like to have the matter referred to the Naval Affairs Committee, or some other committee if the Naval

Affairs Committee prefers that it should go to some other committee, and I should like to have a sufficient appropriation to permit summoning Marine officers far and wide, and letting them state before the committee the facts which almost any of them will state to any Senator if he will call the officers before him. That is what I should like to have done, and that is what I have asked to have done with reference to the selections which are being made by the board. I had hoped that until that was done these promotions would not be passed upon.

Mr. ROBINSON. Mr. President, will the Senator yield?
Mr. BLACK. I yield the floor. I was answering the Senator from Arkansas.

Mr. ROBINSON. The Senator from Florida [Mr. Trammell], the Chairman of the Naval Affairs Committee, is not present at this moment, and for that reason I do not anticipate that any action can be taken this afternoon. I suggest, therefore, that the nominations go over without prejudice.

The PRESIDING OFFICER. Without objection, the nominations will be passed over without prejudice.

#### ADJOURNMENT

Mr. ROBINSON. As in legislative session, I move that the Senate adjourn until 12 o'clock noon tomorrow.

The motion was agreed to; and the Senate (at 4 o'clock and 40 minutes p. m.), in legislative session, adjourned until tomorrow, Tuesday, February 26, 1935, at 12 o'clock meridian.

#### NOMINATIONS

Executive nominations received by the Senate February 25, 1935

# APPOINTMENT IN THE REGULAR ARMY MEDICAL CORPS

To be first lieutenant with rank from February 14, 1935 First Lt. John Dupre Dupre, Medical Corps Reserve.

Appointments, by Transfer, in the Regular Army to Quartermaster corps

First Lt. Elbert Kelly, Infantry (detailed in Quartermaster Corps), with rank from August 13, 1927.

### TO FINANCE DEPARTMENT

Capt. Charles Kellogg McAlister, Field Artillery (detailed in Finance Department), with rank from October 1, 1934.

### TO ORDNANCE DEPARTMENT

First Lt. John Honeycutt Hinrichs, Field Artillery (detailed in Ordnance Department), with rank from May 12,

PROMOTIONS IN THE REGULAR ARMY
TO BE LIEUTENANT COLONEL

Maj. Walter Moore, Infantry, from February 18, 1935.

#### TO BE MAJOR

Capt. Edwin Henry Haskins, Infantry, from February 18, 1935.

#### TO BE CAPTAIN

First Lt. Samuel Powell Walker, Jr., Cavalry, from February 18, 1935.

### TO BE FIRST LIEUTENANT

Second Lt. Allan Gullick Fadness, Infantry, from February

#### CONFIRMATIONS

Executive nominations confirmed by the Senate February 25, 1935

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY Capt. William Emanuel Goe to Quartermaster Corps. First Lt. Samuel James Adams to Finance Department.

PROMOTIONS IN THE REGULAR ARMY

To be colonels

Philip Bradley Peyton, Infantry. Karl Truesdell, Infantry. To be lieutenant colonels

John Arner Robenson, Cavalry. Joseph Page Aleshire, Cavalry.

To be majors

William Louis Morrison, Infantry.
Thomas Raphael Phillips, Coast Artillery Corps.
Oliver Edward George Trechter, Infantry.
Richard Allen Gordan, Field Artillery.
John Lee Autrey, Signal Corps.

To be captains

John Creel Hamilton, Cavalry. John Joseph Breen, Ordnance Department. Mark Rhoads to be captain, Signal Corps. Joseph Kittredge Baker to be captain, Cavalry. Frederick Pearson to be captain, Infantry. Charles Frederick Colson to be captain, Infantry. Albert Walker Johnson to be captain, Cavalry. Willard Ames Holbrook, Jr., to be captain, Cavalry. Auston Monroe Wilson, Jr., to be captain, Coast Artillery. James Oliver Stephenson to be first lieutenant, Infantry. George Mulick Reilly to be first lieutenant, Infantry. Cornelius Zane Byrd to be first lieutenant, Infantry. Charles Randolph Kutz to be first lieutenant, Infantry. Normando Antonio Costello to be first lieutenant, Infantry. John Nicholas Stone to be first lieutenant, Air Corps. Phineas Kimball Morrill, Jr., to be first lieutenant, Air Corps

Philip William Merrill to be first lieutenant, Infantry. Thomas Richard Lynch to be first lieutenant, Air Corps.

APPOINTMENTS IN THE NATIONAL GUARD

#### GENERAL OFFICERS

Louis Scott Davidson to be brigadier general.

Walter George Robinson to be brigadier general, Adjutant
General's Department.

William Irwin Rose to be brigadier general, Adjutant General's Department.

Thomas Jackson Grayson to be brigadier general, Adjutant General's Department.

POSTMASTERS

CALIFORNIA

Harry A. McBride, Pittsburg.

MISSOURI

Louis McCutchen, Campbell.

## HOUSE OF REPRESENTATIVES

Monday, February 25, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed be the Lord, God of all truth. We pray that we may know more of the inspiration of its vision and rapture. May they quicken and blend our moral dispositions and our conduct and touch the finest qualities of our souls. O Spirit of God, inspire the furthermost reaches of our minds and sanctify the most sacred affections of our breasts. Thou, whose mercy never fails, we praise Thee for the royal law of divine love. We wait in prayer, O Lord. We would bend a little lower at Thy altar; we would have no trumpet to sound our civic virtues, for our city is the travail of reproach. As its example and influence are felt to the ends of the earth, Almighty God, direct and stimulate all agencies which are seeking to break the manacles of lawlessness. Do Thou mold the statue of its soul; enter the very temple of its heart until all arteries are cleansed of their scrofula of crime and shame. Preserve our good name, consecrate our wealth, sweeten our labor, and bless abundantly our home life until we are heralded as a city of our God. In the Redeemer's name. Amen.

The Journal of the proceedings of Friday, February 22, 1935, was read and approved.

#### MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on February 20, 1935, the President approved and signed bills of the House of the following titles:

H. R. 3247. An act to provide for loans to farmers for crop production and harvesting during the year 1935, and for other purposes; and

H. R. 3018. An act to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Alexandria Bay, N. Y.

### ENROLLED BILL SIGNED

The SPEAKER. The Clerk will read an announcement. The Clerk read as follows:

Pursuant to the authority conferred upon him by House Resolution 127 the Chair desires to inform the House that he did on February 22 sign the enrolled bill of the Senate of the following title: (S. 1190) "To regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment of such commerce of petroleum and its products produced in violation of State law, and for other purposes."

#### BLACK-CONNERY 30-HOUR BILL

Mr. MERRITT of Connecticut. Mr. Speaker, I desire to present a petition signed by several hundred employees of the Bullard Co., one of the principal manufacturing companies in Bridgeport, Conn., opposed to the Black-Connery 30-hour bill, in which they say—

It is our understanding and belief that said bill, if passed, would be a detriment to business as a whole, and in place of being a vehicle to aid unemployment, would tend to lengthen the depression instead of bringing it to a happy end.

That is signed by several hundred employees of the Bullard Co.

I ask to present that petition.

The SPEAKER. The gentleman from Connecticut [Mr. Merritt] presents a petition which will be referred to the appropriate committee.

### EXTENSION OF REMARKS

Mr. COLDEN. Mr. Speaker, I ask unanimous consent to extend my own remarks on the subject of the I. L. O. and the worker, and I desire to include the preamble of part 13 of the Treaty of Versailles; also a part of the resolution of the I. L. O. in accepting the membership of the United States; and also a brief extract of a story of the results of the I. L. O. upon children working in Persia in the making of carpets and rugs.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. MARTIN of Massachusetts. Reserving the right to object, will the gentleman tell us what it is he intends to include in his remarks? I did not understand the gentleman.

Mr. COLDEN. To include the preamble of part 13 of the Treaty of Versailles, which sets up the I. L. O.

Mr. MARTIN of Massachusetts. What is the I. L. O.?

Mr. COLDEN. The International Labor Organization of Geneva, Switzerland. It also includes a short paragraph from the invitation which the I. L. O. extended to the United States at the time the bill was passed in the House about a year ago. I also want to insert a short story concerning the influence which the I. L. O. had in correcting the abuse of child labor in Persia in the manufacture of rugs.

Mr. MARTIN of Massachusetts. Who wrote this article to which the gentleman refers?

Mr. COLDEN. The story was written by Professor-

Mr. MARTIN of Massachusetts. I am going to object.

Mr. COLDEN. It is very brief.

Mr. MARTIN of Massachusetts. I object for the time being, Mr. Speaker.

#### SOIL EROSION

Mr. FERGUSON. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

gentleman from Oklahoma?

There was no objection.

Mr. FERGUSON. Mr. Speaker, you have recently read in the Washington papers about the dust storms that are starting their yearly progress over the western plains. happen to represent a district that is in the direct path of those destructive storms. If a foreign enemy were doing to our country what those winds are doing, we would spend untold millions to try to stop him. We have spent millions for the control of pests, but if we continue to allow that country to be eroded by wind it will be utterly destroyed. and that vast breadbasket of the United States will cease to produce anything and will have to be abandoned.

I wish to call attention to the fact that we have a soil erosion service under the direction of Mr. Bennett that has done marvelous work in finding ways and means to combat this destructive wind and water erosion in that country.

I also want to call attention to the fact that that service comes to an end on the 17th day of June unless this House makes some appropriation for the continuation of the service. Unless that is done, it will die, and that country will become a desert waste. They have under consideration a program that would require the expenditure of \$36,000,000 to prevent that wind erosion. I know of no money that could be expended to better advantage than trying to save that soil from utter destruction. When that legislation is prepared and comes before this House, I hope it will receive serious consideration. [Applause.]

[Here the gavel fell.]

LIGHT AND POWER RATES COMPARED-T. V. A., TACOMA, WASH .. ONTARIO, CANADA-BOULDER DAM AND MUSCLE SHOALS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a radio broadcast made by me, the Senator from Washington, Senator Bone, and the gentleman from California [Mr. Colden].

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, under leave to extend my remarks in the RECORD I insert the following radio broadcast:

My friends of the radio audience, I first wish to thank the National Broadcasting Co. and associated radio stations for setting aside this half hour once a week for Members of Congress to discuss with you the great problems with which we are now conferenced.

Among the greatest of these problems is the power question. Electricity is no longer a luxury; it is a necessity. No well-equipped home of the future, whether in the city or on the farm, will be without electric light and power.

Unfortunately, the power resources of this country have been so used, or so manipulated as to deprive millions of Americans of any use of electric energy at all and to impose upon the rest of us rates so high, so unreasonable, and so exorbitant that the average citizen has never been able to enjoy the full benefits of electricity or the adequate use of electrical appliances.

I placed in the Congressional Record tables showing typical electric light and power bills in every city in the United States of 50,000 population or over (Congressional Record, Tuesday, Feb. 12, p. 1864). A careful examination of those tables shows a vast spread between the rates charged in various localities. Especially does it show a vast spread between the T. V. A. rates, the Canadian rates, the prevailing rates in Tacoma, Wash., and the rates charged by private power companies.

The passage of the Muscle Shoals bill, creating the T. V. A., was one of the most important steps from an economic standpoint ever taken by this or any other Government. It was the beginning of a movement to save to the American people the almost unlimited supply of hydroelectric power in our navigable streams—by far the greatest source of natural wealth in all the world outside of the soil from which we live.

The passage of that measure, as everyone knows, was due largely to the persistent efforts of my distinguished friend, Senator George W. Norris, of Nebraska, who deserves the lasting gratitude of the American people for the great services he has rendered in this battle for justice to the ultimate consumers of electric lights and power, in which he has been as "\* \* constant as the northern star, of whose true, fixed, and resting quality there is no fellow in the firmament."

By establishing its "yardstick" rates, and informing the American people what rates should be charged for lights and power, based upon the actual cost of production and distribution, the Tennessee Valley Authority has aided every single human being in America who pays an electric-light bill and has started a movement to electrify the farm homes of the country which, if properly

The SPEAKER. Is there objection to the request of the | carried out, will make this the most wonderful country in all the world.

There has been so much said about the Tennessee Valley Au-There has been so much said about the Tennessee Valley Authority, especially by its critics, that the average citizen does not understand that it represents a great national policy through which we expect to reach every section of the country. Muscle Shoals is the greatest public power project in America now in operation. There is another one being constructed in the far West, however, that will surpass anything of its kind that has so far been attempted. I refer to Boulder Dam.

I see here in the room with me my friend, Hon. CHARLIE COLDEN, a Member of Congress from California, who is intensely interested in this question, and especially in the Boulder Dam development. He has been a pioneer in this power fight, and I am going to ask him at this time to give you some information on Boulder Dam. Charlie, tell us something about the Boulder Dam project.

Mr. Colden, Mr. Rankin, I thank you for this invitation, for you appreciate how modest we Californians are in talking about our home State.

our home State.

But talking about dams; the Boulder Dam is the highest in the world. It is 726 feet from the foundation rock to the highway on the crest. It is much higher but much shorter than the Muscle Shoals Dam. It is only about 1,180 feet long at the crest. It is 660 feet wide at the base and 45 feet wide at the top. Enough concrete was used in the Boulder Dam to build a standard paved highway 16 feet wide from Miami, Fla., to Seattle, Wash. It is estimated that the Boulder Dam power plant will produce 1,835,000 horsepower, which is more than four times as much as produced on the American side of Niagara Falls. The capacity of the Boulder Dam power plant is about seven times that of Muscle Shoals at the present time and three times as great as the ultimate capacity of Muscle Shoals.

The entire expense of the construction of the Boulder Dam, the power plant, and the all-American canal, amounting to \$165,-000,000 will be repaid, including the interest at 4 percent, in a period of 50 years, from the sale of the power alone.

Los Angeles already has one of the outstanding publicly-owned power and light systems of the country. When the aqueduct was constructed to bring water to the city of Los Angeles, from the mountain tops 240 miles away, our people had a vision of using this flow of water for the production of light and power for the use of the citizens of Los Angeles. Not only has this city power enterprise financed itself for the most part but it has given the city of Los Angeles one of the lowest power rates enjoyed by any of the industrial centers of our country. But talking about dams; the Boulder Dam is the highest in the

chterprise infanced itself for the most part but it has given the city of Los Angeles one of the lowest power rates enjoyed by any of the industrial centers of our country.

For instance, 100 kilowatt-hours per month in Los Angeles cost \$3.31, while in Newark, N. J., the cost is \$5.30, and in Brocklyn, N. Y., \$5.55.

Boulder Domestin Standard Company of the cost is \$5.30, and in Brocklyn, N. Y., \$5.55.

N. Y., \$5.55.

Boulder Dam will provide even lower rates for light and power than at present. It is of particular importance to the farmer and fruit grower. So much of the Southwest is semiarid that the pumping of water enters into rural economy much more than into any other part of the country's economy. Boulder Dam will be a boon to both the farmer and the fruit grower, will cut down his costs, and relieve him and his housewife of many of the drudgeries of rural life.

But, Mr. Rankin, the power development is but half the story of the Boulder Dam. It will not only furnish domestic water for many cities of southern California but also control the disasmany cities of southern California but also control the disastrous floods in the basin of the lower Colorado. There will be sufficient water stored behind this dam to cover an area of the size of New York or Pennsylvania, or your own State of Mississippi, about 1 foot deep. It will irrigate 2,000,000 acres of as fertile land as can be found on the globe. A pessimist has predicted that the Boulder Dam will fill with silt in 150 years. But Will Rogers says, "No use to worry about that now; and then the Republicans may be back in power by that time."

Mr. RANKIN, I doubt that.

Mr. COLERN, you gave us a wonderful description of that marvel.

Mr. Colden, you gave us a wonderful description of that marvel-ous project. If you can catch a vision of this vast wealth of electric energy sent pulsing through the country and delivered to the ulti-mate consumers at rates they can afford to pay, then you may realize that we are in the beginning of a new era in the advancement of our civilization.

I want to discuss light and power rates now for just a moment. You know, they keep telling you that the "yardstick" rates of the Tennessee Valley Authority are too low, and that the Government is losing money on them. Of course that is not true. The T. V. A. rates are really higher than the rates in Ontario, Canada, where they have public ownership, and are higher than the rates in Tacoma, Wash., where they have had a public power system for more than 20 years.

We have with us in the offer have

We have with us in the office here my friend, Senator Homer T. Bone, from the State of Washington, who lives in the city of Tacoma. Senator Bone is one of the pioneers in this power fight. He is the father of the Tacoma project and is familiar with every

phase of its development.

Senator Bone, tell us something about that wonderful plant you have at Tacoma.

Senator Bone. The city of Tacoma, Wash., has been in the power business for a great many years. It now owns three hydroelectric plants with an installed generating capacity of 157,000 horsepower. In addition, and for "stand-by" purposes, it owns two modern steam generating plants with a capacity of 45,000 horsepower. This makes a total of 202,000 horsepower now available at all times. While the municipal plant is carried on the city's books at a depreciated value of somewhere around \$22,000,000, I have no

hesitancy in saying that practically any private power company would value it, under modern practices, for at least \$30,000,000 for rate-making purposes. I think the city of Tacoma has one of the finest power systems on the globe. It will probably startle a lot of folks to learn that it has never cost the taxpayers of the city of Tacoma one penny. That magnificent power system has been paid for out of plant earnings. The charge so glibly repeated been paid for out of plant earnings. The charge so glibly repeated by Power Trust spokesmen that plants like that of Tacoma operate to the disadvantage of the taxpayers meets a full, complete, and convincing answer in the record of the Tacoma plant. It is operated as a separate business institution. The plant personnel is under civil service. Not only has it never been in politics, but it has never been charged with being in politics. The provisions of the city charter would remove a man in the light department who dabbled in politics.

who dabbled in politics.

This remarkable plant has made a net profit on operations of nearly \$1,000,000 in 1 year, and this in the face of the fact that it was then selling the cheapest light and power in the United States. The Tacoma plant is an example of what people can do for themselves when they have a little vision and a little civic

Certain city officials render some service to the light system. These officials are the city treasurer, who handles the light department's accounts; the city comptroller, who audits its accounts; and the city attorney, who represents it in a legal way. counts; and the city attorney, who represents it in a legal way. For these services the light department contributes from its own funds 25 percent of the cost of operating these three offices. It also rents its offices in the city hall, paying rental therefor as any private agency might do. In addition to these contributions, the light department pays 7½ percent of its gross revenues into the city treasury every year in lieu of taxes. Out of every dollar the light department takes in, 7½ cents goes to the general fund of the city to help the general taxpayers. That contribution is now 12 percent or more of the city budget. And all of this in the face of the fact that the citizens of Tacoma cet the cheapest light and power rates in this country. But get the cheapest light and power rates in this country. But that is not all of the story. Tacoma is one of the best lighted cities in the United States. The city council compels the municipal power system to furnish street lights and all replacements for about one-half of the actual cost of the service,

ments for about one-half of the actual cost of the service, which is another way of helping taxpayers and adding to the financial burdens of the plant.

Tacoma is in some ways unique in the matter of street lighting when contrasted with most other American cities. For the payment of a few dollars for each 25-foot lot in the residential districts, the city will install an ornamental light system on the street and thereafter maintain it without further cost to the home owners. One can drive mile after mile on well-lighted Tacoma streets, because the home owners on those streets have had this modern, ornamental light system installed.

Another glib charge of private power companies is that plants

had this modern, ornamental light system installed.

Another glib charge of private power companies is that plants such as Tacoma's operate under a hit-or-miss accounting system. That is merely another of the polite bedtime stories of Power Trust propagandists. The Tacoma Light System is compelled to conform to the accounting system prescribed by State law, which is rigorous, to say the least, and requires a segregation and break-down of figures which leaves no loopholes to encourage loose financial operations.

tions.

Mr. Rankin. Senator Bone, the charge is frequently made that the T. V. A. rates are too low. Forty kilowatt-hours a month under the T. V. A. rates would cost a householder \$1.20. What would that cost a householder in Tacoma, Wash.?

Senator Bone. \$1.45. The first 30 kilowatt-hours a month costs 4½ cents each, and the next 800 kilowatt-hours 1 cent per kilowatt-hour, and 5 mills per kilowatt-hour for the balance. For instance, 150 kilowatt-hours per month in Tacoma would cost \$2.55, whereas, under your T. V. A. rates at Tupelo, Miss., we will say, the cost would be \$3.50; while in Ontario, Canada, where they have had public-ownership production and distribution of power for many years, the cost would be only \$2.19.

Mr. Rankin. Then, as I understand you, 150 kilowatt-hours a month would cost \$3.50 under the T. V. A. rates, \$2.55 under the Tacoma rates, and \$2.19 under the Canadian rates?

Senator Bone. That is right. Now look at your rates and see

Senator Bone. That is right. Now look at your rates and see what that would cost in other sections of the United States.

Mr. Rankin. Well, in Brooklyn, N. Y., the cost would be \$8.90; in Boston, Mass., \$6.70; in Hartford, Conn., \$5.50; in Providence, R. I., \$7.30; in Jackson, Miss., \$6.40; in Little Rock, Ark., \$6.60.

Senator Bone. Then, in all those places the cost would be more than twice as great as it would in Ontario, Canada, or in Tacoma,

Wash.

Mr. Rankin. Yes, Senator, and the more power used the greater the difference in cost seems to be. For instance, 500 kilowatthours a month costs \$6.90 under the T. V. A. rates, while the mean average rate in more than 20 typical cities in the United States is

Senator Bone. In Tacoma, Wash., it would cost only \$6.05, and

the average throughout Ontario, Canada, would be \$5.63.

Mr. RANKIN. Senator, I wonder how that is possible; 500 kilowatt-hours a month in Boston, Mass., costs \$12.70; in Brooklyn, N. Y., \$25.55; in New Orleans, La., \$14.50; and in Little Rock, Ark., \$14.60. Why is it that in Canada it costs only \$5.63 and in Tacoma only \$6.05?

Senator Bone. Well, primarily because the rates in Tacoma and in Canada are based strictly on the cost of production and distribution. They have no watered stocks; they pay none of the enormous salaries the power companies and their holding com-

panies pay; they waste no money on propaganda; and therefore they are able to furnish lights and power at rates based upon cost

they are able to furnish lights and power at rates based upon cost of production and distribution.

Mr. Rankin. Well, I have investigated the Canadian system to some extent, and I find that it is in good financial condition, but the contention is being made by the power companies that the Tacoma plant is losing money. What about that?

Senator Bone. I have not seen any printed assertions by private

Senator Bone. I have not seen any printed assertions by private power companies that the Tacoma system was losing money. On the contrary, private power companies have offered all sorts of ingenious explanations for the fine financial record of the Tacoma plant. Some attribute it to the fact that we have very magnificent hydroelectric plants. Others say that the system is merely favored by nature and was able to build cheaply. A charge that the Tacoma power system is losing money would provoke a laugh from any well-informed person in that city. One of the reasons why private power companies are now continuously under fire is because they gilbly make assertions of that kind which are not why private power companies are now continuously under fire is because they glibly make assertions of that kind which are not only untrue but reflect upon the intelligence of the person making such a charge. The records of the Tacoma system are open to any investigator, and it is interesting to note that in many articles written about power systems of the country by apologists for private ownership, the city of Tacoma has been referred to as an exception to the rule which they announce applies to public ownership. The proof that the Tacoma power system is financially successful to a remarkable degree may be found in the writings of these private power publicity agencies.

Mr. Rankin. That is certainly interesting. I know the T. V. A. is not losing money on its rates; and, in fact, I am of the opinion that those rates will be reduced as time goes on.

Mr. COLDEN. Mr. RANKIN, I notice you have a program of rural

Mr. Colden. Mr. Rankin, I notice you have a program of rural electrification down in the Tennessee Valley that includes the sale

of electrical appliances; what does that amount to?

Mr. Rankin. Mr. Colden, we are working out a plan of rural electrification through which we hope to reach every farm home in the United States ultimately. We have several counties in northeastern Mississippi and northern Alabama in which we are getting eastern Mississippi and northern Alabama in which we are getting rural lines constructed and giving those farmers electric lights and power at T. V. A. rates. In my opinion, this is the greatest back-to-the-farm movement we have ever witnessed. When you give those farmers cheap electricity, it will make their homes more pleasant, more attractive, and, as President Roosevelt says, it will make farm life more profitable and more abundant. I am making a drive now to electrify every farm home in the district I represent, and I wish every other Congressman and Senator would adopt the same program. If we could electrify every farm home in America, it would do more for the future of this country than any other one step that could possibly be taken at this time.

other one step that could possibly be taken at this time.

Senator Bone. But, Mr. Rankin, many of our farmers, and especially those down in Mr. Colden's State of California, would use more than 500 kilowatt-hours of electricity a month—where they have to pump water, run their feed mills, and so forth. Say a farmer used 1,000 kilowatt-hours a month, what would that cost

him?

Mr. Rankin. Under the T. V. A. rates, it would cost him \$8.90; and I see from the tables that that would cost \$10.13 in Canada. In Maine, it would cost \$41.89; in Iowa, \$46.50; in Pennsylvania, \$38.00; in Arkansas, \$35.90; and in Virginia, \$45.50.

Senator Bone. In Tacoma, Wash., it would cost \$11.05.

Mr. Rankin. Senator, it hardly seems possible to have such wide-spread differences in light and power rates. Are you sure you don't make those rates up on the commercial consumers?

Senator Bone. No, Mr. Rankin; the commercial rate is just the same. For instance, 350 kilowatt-hours a month in the average city in the United States served by private power company, would be \$19.58. In Tacoma it would be \$11.25. While in Ontario, Canada, it would be \$7.74.

be \$19.58. In Tacoma it would be \$11.25. While in Ontario, Canada, it would be \$7.74.

Mr. Rankin. Well, under the T. V. A. rates it would be exactly \$11.00. But say a merchant uses 750 kilowatt-hours a month of electric energy; under the T. V. A. rates that would cost him \$19.25, while the average cost in cities served by private companies throughout the country would be \$37.69. What would be the cost in Tacoma and Ontario?

Senator Bone. In Tacoma, \$22.50, and I have the Canadian rates which show it would only cost \$15.48 in Ontario.

Mr. Rankin. No wonder the American people are becoming aroused over the power question.

aroused over the power question.

I neglected to answer Mr. Colden's question about the Electric

I neglected to answer Mr. Colden's question about the Electric Home and Farm Authority which has been organized by the Tennessee Valley Authority, to assist the consumers of electric energy in purchasing electrical appliances at reasonable prices, on long-term payments and at low rates of interest.

It has been rendering a splendid service, and I hope to see such a system put into effect throughout the entire country. Since it has been in operation in Tupelo, the number of refrigerators used has almost trebled, the number of electric ranges has increased tenfold, while the use of other appliances has grown by leaps and bounds.

and bounds.

I see our time is about up, and I want to say in conclusion that I see our time is about up, and I want to say in conclusion that one of the things we are driving at is to squeeze the water out of these stocks and bring electric light and power rates down all over the country, until every human being in America is able to secure an abundant supply of electric energy at what it costs to produce and distribute it.

That is what we are doing in the Tennessee Valley area, and that is what we expect to do in every section of this country before we get through.

INCOME-TAX RETURN PUBLICITY

Mr. BELL. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. BELL. Mr. Speaker, during the closing days of the last session of Congress the Revenue Act of 1934 was under consideration. Shortly before that time another great revenue act was passed. Both of those acts passed the House without riders requiring publicity for income-tax returns. When they came to the Senate, a rider was attached thereto, providing that the general public should have access to the income-tax returns filed by citizens of the United States.

Some 2 or 3 weeks ago I began to receive letters and telegrams from my constituents in Missouri. One of the Members of the Senate introduced a bill providing that the publicity feature in the National Recovery Act and also the publicity feature in the Revenue Act of 1934 should both be repealed. I introduced in this House a companion bill, which is H. R. 5571. Since the introduction of those bills there has been an ever-increasing volume of wires and correspondence, resolutions by chambers of commerce from all over the United States, flooding into my office.

I know that the same is true with other Members of this House. It is a very serious thing. Yesterday a lawyer from California came into my office and told me that he was here serving the interests of a great number of taxpayers, people with incomes out in his State; and he painted to me a picture of fear and consternation in the hearts of those clients who had sent him clear across the continent in order that he might present their views to the Congress of the United States.

Two or three days ago I picked up one of the great daily newspapers here in the city of Washington. On the front page of that paper was the picture of a beautiful woman. Two or three years ago her picture appeared in the paper as the recipient of a \$100,000 sweepstakes prize. She was considered a very lucky girl at that time; but from that day to this gangsters and racketeers have hounded her with the results that a few days ago she had lost her reason and had been sent to an insane asylum. Now, this is just one of perhaps many similar instances that may happen unless quick action is taken to repeal these publicity provisions between now and the 15th day of March.

Mr. HOEPPEL. Mr. Speaker, will the gentleman yield?

Mr. BELL. I yield.

Mr. HOEPPEL. I should be glad to follow the gentleman on the resolution he has proposed, provided the income of newly elected Members of Congress and Cabinet officers may be made public.

Mr. BELL. I am glad the gentleman mentioned that. Mr. HOEPPEL. We should know the incomes of the men

who are making the laws of the country.

Mr. BELL. I think the gentleman is right. Another bill was introduced by a Member of this body which, in effect, repealed that certain provision of the 1926 act; but the bill of which I am speaking and which I sponsor leaves intact the features of the 1926 Revenue Act which permits committees of the House, committees of the Senate, or any Government official upon order of the President to have a copy of any income-tax return that may be filed.

Not only is there fear on the part of the people of the country on account of gangsters and racketeers, but there is also concern among business men because their competitors would have the opportunity of nosing into their secret files. This is entirely an improper and unwarranted invasion of the rights of business men to conduct their business in the way they see fit. [Applause.]

[Here the gavel fell.]

Mr. ROMJUE. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri be allowed to continue for 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield? Mr. BELL. I yield.

Mr. O'CONNOR. The gentleman is discussing a problem with which this House has struggled for a great many years; and there is quite a body of sentiment in this House on the side of the gentleman from Missouri, but I would advise him that he use his efforts at the other end of the Capitol. There is the place to have this measure passed first if the law is to be repealed. Some of us in the House have been trying for a long time to devise means so that the other body might first handle "the buck" rather than this House having to pass legislation in the first instance only to have it emasculated in the other body. If the gentleman will have the other body repeal these provisions, I am sure he will find support in the House to do away with this measure, which has caused so much comment throughout the Nation.

Mr. BELL. If the gentleman will pardon me, I would remind him that I do not have the privilege of speaking on the floor of the other body.

Mr. DONDERO. Mr. Speaker, will the gentleman yield? Mr. BELL. I yield.

Mr. DONDERO. Can the gentleman point out what good this provision has been to the United States Government?

Mr. BELL. I cannot. I do not think it has been of any good to the United States Government.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. BELL. I yield.

Mr. PATMAN. Does the gentleman know why that provision was inserted in the law last year?

Mr. BELL. I think I do.

Mr. PATMAN. Does not the gentleman know that the Government was 3 years late finding out that it was being defrauded of hundreds of millions of dollars, and that that was the reason some sort of publicity was necessary, or that some means should be devised that would permit certain people to find out certain things in order that those who had been defrauding the Government might be discovered, and in order that such schemes in the future might be prevented, or at least detected as soon as commenced?

Mr. BELL. I am glad the gentleman brought that up. I should like to answer the gentleman's question or statement in this way: Several years ago a provision similar to the one now under discussion was passed by Congress. It stayed in effect. I think, only 1 year and then was repealed, because it was found to be absolutely worthless. This provision is exceedingly objectionable to the people.

The former provision was found to be unworkable. There is a sane and sensible provision in the law which was passed in 1926 by which Government officials have the right to look into and have ready access to the income-tax return of any citizen. It is not going to have any beneficial effect for some snooper who has no official duty to perform to have the information which would be furnished by the publication contemplated.

Mr. YOUNG. Mr. Speaker, will the gentleman yield? Mr. BELL. I yield.

Mr. YOUNG. Does the gentleman believe that had there been publicity of income-tax returns, J. P. Morgan would for 3 years have escaped paying any income tax whatever to his Government?

Mr. BELL. I am not, of course, familiar with the private affairs of J. P. Morgan, but I do know that during those 3 years committees of the House and committees of the Senate, as well as officials of the Treasury Department, the Governor of any State, or any other proper official of the Government, had access to those income-tax returns. If there was anything wrong with them, the proper officials of the Government had the opportunity and the duty of rectifying the trouble, and it would not have helped at all for some snooper from Podunk to have gone there and looked over Mr. Morgan's income-tax returns.

Mr. TRUAX. Will the gentleman yield?

Mr. BELL. I yield to the gentleman from Ohio.

Mr. TRUAX. I presume Morgan, Mellon, and all the other millionaires of this country are in favor of the repeal to it, and I feel its retention is the only method by which we may arrive at the amount of money these multimillionaires ought to pay the Government, and which they are defrauding the Government of at this time.

[Here the gavel fell.]

Mr. BELL. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

Mr. PATMAN. Mr. Speaker, reserving the right to object, I hope the gentleman will answer a question for me in reference to this proposition. I am opposed to the outright repeal of this provision, and I expect to oppose the measure if it comes up. I am not in favor, however, of the list being given out to newspapers. I am also opposed to the list being posted on the boards of post offices as well as being given to newspapers, but I believe that any citizen has a right to get the information from the Bureau of Internal Revenue and the Secretary of the Treasury, and that those officials, in answer to a bona fide inquiry, should furnish the infor-

Mr. BULWINKLE. How is the gentleman going to judge the bona fideness of the inquiry?

Mr. PATMAN. That will be up to the Secretary of the Treasury to make regulations.

Mr. BELL. I would like to answer the gentleman's in-

Mr. PATMAN. Would the gentleman be willing to permit the law to be changed so that in answer to a bona fide inquiry, to be passed upon by the Secretary of the Treasury, the information may be made available? Would the gentleman be willing to agree to that change?

Mr. BELL. The law of 1926 provides that the President of the United States under regulations promulgated by the Treasury Department may do just that thing.

Mr. PATMAN. The people cannot afford to burden the President with each case.

Mr. BELL. I will tell the gentleman the weakness of his position, if he will permit me. If we have a provision that any respectible citizen upon demand may get the returns of any other citizen-

Mr. PATMAN. Not the returns.

Mr. BELL. Or any information contained in the returns. Mr. PATMAN. No; that is not a part of this law. The law permits only the gross amount of income, the deductions and the net income and tax paid to be made public.

Mr. BELL. That is very true.

Mr. PATMAN. That does not mean disclosing the private or secret affairs of any company or business.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. KELLER. Mr. Speaker, reserving the right to object, may I ask the gentleman what the law is today?

Mr. O'CONNOR. Mr. Speaker, I demand the regular order.

Mr. KELLER. I reserve the right to object.

The SPEAKER. The regular order is demanded. The regular order is, Is there objection to the request of the gentleman from Missouri?

Mr. KELLER. Mr. Speaker, I object.

### PERMISSION TO ADDRESS THE HOUSE

Mr. HOEPPEL. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes on a subject of importance to California and the Nation.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. PALMISANO. Mr. Speaker, I object.

#### ANNIVERSARY ADDRESS

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a certain speech which I have heretofore made.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BLOOM. Mr. Speaker, under leave to extend my remarks in the RECORD I include a radio address delivered by inscribed with dates and names of individuals connected with

of this income-tax publicity feature; however, I am opposed | myself from the top of the Washington Monument on February 22, 1935.

On this, the two hundred and third anniversary of the birth of George Washington, it is my privilege, through the courtesy of the Columbia Broadcasting Co., to speak to you from the top of the Washington Monument, in the Nation's Capital, 500 feet above the city which bears his name.

Amid a magnificent setting stands this great monumental tribute to the "Father of his Country"—a simple, sublime obelisk of white marble. Far below spread the verdant expanses of Potomac Park, bordered by the historic Potomac River, which some 12 miles to the south runs directly past Mount Vernon, the home of George Washington. Nearby I can see the majestic Lincoln Memorial, the White House—home of President Roosevelt coln Memorial, the White House—home of President Roosevelt—and the many stately buildings housing the various departments of the Government. And in the distance, across the river, are the rolling hills of Virginia, so loved by George Washington. Crowning the view is the great white dome of the United States Capitol, the cornerstone of which was laid by George Washington himself. And far into the distance the beautiful city of Washington intrigues the eye with its wide avenues and numerous parks.

But let me tell you something of the interesting history of the monument itself—this symbol of American strength and simplicity. When the capstone of the Washington Monument was set on December 6, 1884, this great memorial to the first President of the United States, whose birthday we celebrate today, was completed after nearly 37 years had elapsed since Congress authorized the Washington National Monument Society to proceed with

ized the Washington National Monument Society to proceed with the erection.

Even during Washington's lifetime, and as early as August 7, Even during Washington's lifetime, and as early as August 7, 1783, the Continental Congress passed resolutions providing for an equestrian statue of General Washington, which was to be erected in the future Federal City. And the act establishing the site for the Federal City was not passed until July 16, 1790. The War of Independence was ended and the country was universally grateful to the noble leader to whose efforts they justly ascribed a great measure of its success. According to the L'Enfant plan for the Federal City, which was made in 1791, a tract of land was set apart between the site of the President's mansion and the Potomac River as the spot where the national monument to the American Revolution was to be erected. But after Washington's death it Revolution was to be erected. But after Washington's death it was agreed upon to use this as the site for the Monument to

was agreed upon to use this as the site for the Monument to Washington himself.

The Washington Monument Society was organized in 1833 by a body of influential citizens of the city of Washington, and Chief Justice John Marshall was the first president of the society.

In 1836 American artists were invited to submit designs for a monument to cost approximately \$1,000,000. The competition was won by Robert Mills, a well-known architect of the time, but his pantheon feature at the base was never adopted.

A national campaign was inaugurated to obtain contributions. Very little progress was made in the collection of funds, and in 1847 the collections totaled only \$87,000. With this amount, however, it was determined to initiate the work. On January 31, 1848, Congress passed a resolution authorizing the Washington Monument Society to erect the monument, and the cornerstone was laid with fitting ceremonies on July 4, 1848. How appropriate it was that the cornerstone of this lofty structure, which means so much to patriotic Americans, should have been laid on the birthday of our national independence.

The 40 States of the Union and various organizations were in-

The 40 States of the Union and various organizations were in-The 40 States of the Union and various organizations were invited to contribute memorial stones for the structure. Between 1848 and 1854 the Monument Society expended \$250,000 on the construction and a height of 174 feet was attained. Work had progressed slowly until 1854, when a block of marble which had originally stood in the Temple of Concord at Rome, sent by the Pope to be set in the wall of the Monument, was stolen and no trace of it was ever found. The stealing of this stone was an example of the religious prejudice against which George Washington fought so strongly. However, the disappearance of this stone discouraged the collection of public contributions, so that the construction work ceased entirely.

In 1873 Congress became interested in the lack of progress in the construction and on August 22, 1876, passed an act creating a

In 1873 Congress became interested in the lack of progress in the construction and on August 22, 1876, passed an act creating a joint commission for the completion of the Monument and made the necessary appropriation. Before resuming work on the shaft it was deemed best to strengthen the foundations by placing under it additional concrete supports. After this, work was resumed on the Monument itself in 1880, the construction was fully completed 4 years later, and the Monument dedicated on February 21, 1835. However, it was not opened to the public until 3½ years later. The dedication exercises were conducted by a joint commission of Congress, with ceremonies at the base of the Monument, followed by appropriate proceedings in the Hall of the House of Representatives.

One hundred and eighty-seven memorial stones are set in the

One hundred and eighty-seven memorial stones are set in the inner face of the Monument, including stones from 40 States, 15 Masonic lodges, and various other organizations of this and other countries. These stones are inscribed with stirring tributes from many lands to the greatness of the man whom the world has

delighted to honor. An interesting feature of the Monument is the fact that the capstone is crowned by a small aluminum tip, 9 inches high and 4½ inches in diameter at its base, weighing 100 ounces. At that time, 1884, this was the largest piece of aluminum that had ever been cast in the world. The faces of aluminum point were the erection. Within recent months the exterior of the Monument |

The finished monument is 555 feet 5½ inches high. The cost of the foundations and shaft was \$1,187,710, of which the Society raised by free-will offerings the sum of \$300,000, and the Gov-

ernment contributed.

Since completion it is estimated that more than 10,000,000 people have traveled up its 878 steps or have taken the elevator to

the top landing.

George Washington selected the site for the "Federal City", George Washington selected the site for the "Federal City", as he always referred to it, and to his knowledge and wisdom, supplemented by the advice of those whom he selected to assist him, we owe it that the Federal City was so planned and started as to become one of the most magnificent capitals of the world. The original commissioners appointed for the administration of the city, named it "Washington" in honor of its founder.

And now, on this birthday anniversary, let us glance for a moment at the career of George Washington, which so many historians have vied with each other in describing, and of which no American ever wearles.

Every step of that career every episode of that glorious life.

torians have vied with each other in describing, and of which no American ever wearies.

Every step of that career, every episode of that glorious life, from the time of his birth 203 years ago in that primitive farmhouse in Westmoreland County, Va., to his death at Mount Vernon 67 years later, has been described by the most brilliant historians of our land. His youth under the loving care of that venerated mother, who fortunately lived not only to see him restored safely to her after the perils of the Revolutionary War but to see him in her eighty-second year elected to be the first President of the country he so gallantly led in conflict, his romantic adventures as a surveyor, his escape from Indian arrows and his miraculous survival at the defeat of Braddock; then taking his seat in the Virginia House of Burgesses; and later his election to the Continental Congress at Philadelphia, where on June 15, 1775, he was unanimously appointed General and Commander in Chief of the forces raised for the preservation of American liberty. His heroic courage and untiring devotion with which he planned and pursued that long contest from the successful slege of Boston, through all his successes and reverses, and the sufferings of Germantown, Brandywine, Monmouth, and Valley Forge, so vividly in our memory, to the slege of Yorktown in 1781, where by sheer strategy and with aid of our gallant allies, he finally claimed that crowning victory on the soil of his beloved Virginia.

And to his home in Virginia he returned on Christmas Eve of 1783, after surrendering his commission as Commander in Chief—returned to seek the peace and domestic happiness he loved so well but from which duty carried him so many times.

1783, after surrendering his commission as Commander in Chief-returned to seek the peace and domestic happiness he loved so well but from which duty carried him so many times.

There at Mount Vernon he died on December 14, 1799, but his memory lives on in all its splendor.

The Washington Monument as it now stands, in all its simplicity and beauty, is curiously like the man himself. The history of its building is a struggle against difficulties, and its final completion in this simple form, despite the many efforts to clutter up the design with useless decorations, is like the final triumph of George Washington himself in war and in peace.

No one can look at this monument without a feeling of patri-

No one can look at this monument without a feeling of patri-otic pride in the man and the Nation. Generation after genera-tion honors his name, his deeds, and the sound principles for which he stood And we today bow our heads in reverent memory to the "Father of our Country", George Washington, the first President of the United States, whose name and fame will live on as long as patriotism and justice are cherished among men.

### PERMISSION TO ADDRESS THE HOUSE

Mr. HOEPPEL. Mr. Speaker, I understand the gentleman from Maryland will withdraw his objection to my previous request. I therefore ask unanimous consent that I may proceed for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOEPPEL. Mr. Speaker and Members, I am going to read from a newspaper clipping of yesterday, in which it is stated that the tariff on manganese ore from Brazil has been reduced from 1 cent to one-half cent per pound. I also notice in the same news clipping that the manganese mines in Brazil, which will profit from this tariff reduction, are entirely owned by the United States Steel Corporation.

I also read another newspaper item in connection with this Brazilian treaty, wherein it is stated that Brazil now faithfully promises that as quickly as business conditions permit she will start the payment of interest on Brazilian bonds held by American investors here. In other words, the United States Steel Corporation, which profits through the reduction in tariff on manganese ore, will sell steel to us in this country without any reduction in price. A reduction in the tariff will virtually give the Brazilian Government a monopoly on importations of manganese to this country, and as a result, it is anticipated that the Brazilian Government will be in a position to repay the private loans

owed the international bankers, who also indirectly own or control the United States Steel Corporation.

It is safe to assume that the most of these bonds are in the hands of J. Pierpont Morgan and his group and it should be remembered that the bulk of these bonds were doubtless obtained from private American bondholders at a substantial reduction in their face value.

Mr. Speaker, the Steel Trust, through this reciprocal agreement, will benefit first, in obtaining an important raw material at \$10 less per ton, and second, in selling its steel to us here in the United States without a reduction in price. The members of the Steel Trust who hold Brazilian bonds will now have their bonds repaid-bonds which, it should be remembered, were obtained at far below their face value. Of what concern is it to the Steel Trust if the employees now engaged in mining manganese are placed on the list of the unemployed, as I understand probably from 5,000 to 7.000 will be?

A reduction in tariff rates on manganese ore did not include importations from Russia. The reason is obvious. If Russian ores were admitted to compete on an equal basis with Brazilian ore in the American markets, the Brazilian Government would not be in a position to repay the international bondholders in Wall Street so expeditiously. As Russia has refused to pay pre-war and Kerensky debts, the international bondholders would gain no advantage if the rates on Russian manganese were reduced. It should be borne in mind that the millions of dollars owed by Russia in this country resulted from purchases of war munitions, with the Morgan firm acting as the fiscal agent. The report is that the Russians were furnished munitions at 100 percent profit to the Morgan firm, and that, in addition, 15 percent of the loan was absorbed by the banking house of Morgan for handling the transaction.

The Russians cannot be blamed, in my opinion, for repudiating a debt of this kind to munition makers and the house of Morgan. Perhaps Russia would have been granted equal consideration with Brazil if the Russian Government had subscribed to paying the debt owed by Russia to the international bankers in Wall Street.

#### PROTECTION FOR CALIFORNIA AGRICULTURAL INDUSTRIES

In order to protect the industries of California and the Nation, I am presenting today a resolution providing-

That it is the sense of the House of Representatives that the fullest measure of consideration should be given to all factors involved in reciprocal tariff negotiations and that the tariff rates should not be reduced on any products of the agricultural industry of California or elsewhere in the United States where such reduction would result in lowering of the price level below the cost of production, plus handling and transportation charges to point of competition, plus a return of 6 percent on the investment of the specific industries involved. of the specific industries involved.

Mr. Speaker, I voted for the Reciprocal Tariff Act, but only after I was assured that the interests of our American producers would be fully protected in any trade agreements. Under date of June 15, 1934, the President himself, in a letter to the gentleman from California [Mr. Buck], assured him that agreements under the Reciprocal Tariff Act would in no wise be inimical to the interests of California agriculture.

Mr. BUCK. Mr. Speaker, will the gentleman yield? The gentleman brought my name into this, and I think he should

Mr. HOEPPEL. I yield to the gentleman.

Mr. BUCK. Does the gentleman mean to state that he voted for the passage of this act in April because the President wrote me a letter in June?

Mr. HOEPPEL. No.

Mr. BUCK. The gentleman made that statement.

Mr. HOEPPEL. That was one of the things that influenced me in believing that my vote for the reciprocal tariff was justified. We discussed this question before and, because I believed that California agricultural industries would be protected under the reciprocal agreements, I voted for the Mr. BUCK. Did the gentleman ever discuss that question with me?

Mr. HOEPPEL. No: but with other colleagues.

Mr. BUCK. Does the gentleman consider that manganese ore is an agricultural product?

Mr. HOEPPEL. My resolution refers to agricultural products. I have presented the manganese situation in some detail as an illustration of how the reciprocal tariff agreements may be made and as justification for the widespread apprehension of our agriculturists in reference to contemplated reciprocal tariff agreements involving their products. We have another pertinent illustration of the dire effects of cut-throat foreign competition in the quicksilver industry, which virtually faces destruction, due to the continued dumping of quicksilver in our markets from Spain. The potential increased competition of the products of cheap land and cheap labor of foreign countries in our home markets is a direct menace to our agricultural industry and, in view of the uncertainties of the present situation, just cause for its fears and protests.

I have in my hand a communication showing that the 1934 price to the almond growers in California has already been reduced, due to the fact that we are negotiating with Italy on the question of tariffs on almonds and kindred agricultural products. Official records prove that Italy's imports to the United States have been reduced one-half during the past 2 years. Our own production of almonds has been reduced 25 percent. If we now lower the duty on almonds, more Italian almonds will doubtless be imported, and fewer American almonds will be produced. In my opinion, instead of handicapping, we should encourage home production through adequate tariff protection. The duty should be increased so that our growers may increase their production and, if possible, supply the entire American market. If we lower the tariff rates on Italy's agricultural products and thus place them in favored competition with California agricultural products, it is possible that the Italian Government will receive sufficient revenue so that they may be in a position to pay Pierpont Morgan and other international bondholders some of the obligations which they now owe, but I am unalterably opposed to such considerations entering into reciprocal trade negotiations.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. HOEPPEL. I yield.

Mr. RICH. Does not the gentleman believe we made a mistake when we gave the President the power to make these reciprocal trade agreements and that we should change that law?

Mr. HOEPPEL. If it appears that the agreements are to be based upon payment of the obligations owed to us by other nations, which obligations are held in large part by Pierpont Morgan, then we made a mistake.

Mr. RICH. If we allow these things to come in and interfere with American trade and with the Americans who are producing these things here, why does it make any difference whether the money is paid to Morgan or the steel company or anybody else?

Mr. HOEPPEL. The gentleman's general thought is in accordance with my views; but I particularly resent the sacrifice of our American industries to build up increasing wealth in the hands of a few.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. HOEPPEL. I yield.

Mr. MOTT. Did I understand the gentleman to say that he voted for these reciprocal trade agreements because he believed that the agricultural products of California were going to be exempted?

Mr. HOEPPEL. It was my belief that the agricultural products of California would be adequately protected, and that rates, under no condition, would be reduced for our walnuts, almonds, citrus, and other basic products which we can produce in sufficient quantity to supply the American market.

Mr. MOTT. And now the gentleman wants to pass a law which will specifically exempt the products of California.

[Here the gavel fell.]

Mr. HOEPPEL. Mr. Speaker, I ask unanimous consent that I may have 2 more minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOEPPEL. I would like to refer to another situation. Mr. MOTT. The gentleman did not answer my question. Mr. HOEPPEL. What is the gentleman's question?

Mr. MOTT. The gentleman stated he voted for this law because he thought California products were going to be exempt and now he asks in his bill, as I understand it, for legislative exemption of California products.

Mr. HOEPPEL. If the gentleman will refer to my resolution, he will see that I have asked for adequate protection for our agricultural industry, not only in California but throughout the United States, against foreign competition which would reduce the domestic price level below the cost of production, plus handling and transportation costs, plus a reasonable return on the investment.

Mr. MOTT. Why does not the gentleman ask for the repeal of the law in its entirety? [Applause.]

Mr. HOEPPEL. Unless we give more consideration in reciprocal trade agreements to the agricultural and business interests of this country than we do to the international bankers, the law ought to be repealed.

I would like to make this further statement: We know that Pierpont Morgan and the banking interests of New York purchased Mexican bonds at a surprisingly low figure. Appeals to me from the agricultural interests in southern California state that reciprocal trade agreements are in contemplation which would permit the entry of Mexican agricultural products in competition with the vegetable industry of southern California. If such agreements are consummated, the Mexican Government then perhaps will be in a position to pay some of the international bondholders, even though in this process the agricultural industry of southern California suffers irreparable injury and our growers are placed on the relief rolls in increasing numbers.

Mr. STUBBS. Mr. Speaker, if the gentleman will permit, I would like to say that in my opinion my colleague from California [Mr. Hoeppel] is rendering the agricultural interests of California splendid service by the presentation of this resolution. Representing, as I do, a large agricultural district, I am sure they are pleading for the very protection which the gentleman's resolution will insure.

Mr. HOEPPEL. I thank the gentleman for his observation and kind remarks. Unless we protect the farmers of California, as well as the farmers everywhere throughout the United States, we will have increasing millions on the relief rolls, while the principal beneficiaries of these reciprocal trade agreements, if they follow the course which has already been established, will be the banking houses of Morgan and others.

[Here the gavel fell.]

Mr. BUCK. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

Mr. SHORT. Mr. Speaker, reserving the right to object, cannot the gentleman reduce his request to 5 minutes?

Mr. BUCK. I simply asked for 10 minutes, because my colleague got an extension of time, but I shall try to get through in 5 minutes.

Mr. SHORT. The gentleman's colleague had only 7

The SPEAKER. Is there objection to the gentleman from California proceeding for 5 minutes?

There was no objection.

Mr. BUCK. Mr. Speaker, I hesitate to disagree with my learned colleague from California on any subject, but I do feel I have some claim to speak for California agriculture, not only as its Representative on the Committee on Agriculture last year, but as one who is an actual producer of the products the gentleman is so solicitous for in his statement today.

This same propaganda, this same insidious attempt to undermine the constructive efforts that the Departments of State and Agriculture are now making on behalf of the agricultural interests of the whole Nation, started last April immediately after the passage of the Reciprocal Trade Agreement Act.

Mr. HOEPPEL. Mr. Speaker, will the gentleman yield? Mr. BUCK. No; not for the moment.

It is continuing now. These people are going to the farmers throughout California trying to make them believe that they are being harmed by these reciprocal trade agreements when the facts are to the contrary. They are making such ridiculous and absurd statements as that just made by my colleague—that Mexico is planning to do something to injure California products.

The actual facts are that no trade conversations have been held with Mexico. The present status of the tariff-bargaining program may be briefly summarized as follows:

First. Agreement with Cuba concluded; results gratifying insofar as may be measured.

Second. Agreement signed February 2, 1935, with Brazil. This agreement requires the approval of the Brazilian Congress and exchange of instruments of ratification between the two countries before coming into force.

Third. Hearings held on proposed agreements with 13 other countries: Haiti, Belgium, Colombia, Costa Rica, Guatemala, Honduras, Nicaragua, El Salvador, Sweden, Spain, Switzerland, the Netherlands, and Finland. Negotiations in progress or practically finished.

Fourth. Hearings scheduled for proposed agreements with two other countries: Canada and Italy. Preliminary negotiations begun.

Fifth. The Colombian agreement practically completed. Awaits action by the Colombian Parliament.

Mr. HOEPPEL. Will the gentleman yield?

Mr. BUCK. Yes.

Mr. HOEPPEL. Every agricultural bureau and foreign bureaus are frank in saying that they are combining their efforts—

Mr. BUCK. I know of no such statements from any bureau.

Under the only reciprocal trade agreement as yet effective, that with Cuba, with the lowering of the Cuban duties on American exports, we have increased the export of our canned goods to Cuba from an average for 1932 and 1933 for the 5 months September to December, inclusive, comparable with the same 5 months in 1934, when the reduced rates were in effect, from 178,281 pounds to 852,847 pounds. Not all of these exports were from California, but it is a well-known fact that the bulk of our canned-fruit exports come from that State, as do the bulk of the other exports I shall now mention.

In the same 5-month period we increased the export of raisins to Cuba from 83,356 pounds to 165,060 pounds and of dried prunes from 119,260 pounds to 220,941 pounds. We have increased our exports of canned fruit for salads—almost exclusively a California product—from 10,032 pounds to 68,048 pounds. We have increased—and this will interest the gentlemen from California—exports to Cuba in the same comparable periods of canned sardines from 93,578 pounds to 642,314 pounds.

Mr. HOEPPEL. Were those sardines canned by the Japanese?

Mr. BUCK. If your citizens are Japanese, they were. [Laughter.] Similarly we have increased the exports on canned peas to Cuba from 101,058 pounds to 276,982 pounds, of grapes in a fresh state from 987,177 pounds to 1,455,793 pounds. That has certainly helped out our distressed vine-yardists, and the Members of this House know my continuing and serious interest in every form of viticulture.

I could continue on at some length and cite similar instances, but I will include only one more, and that only lest the House think only agriculture has benefited. Let me say, however, that I do not confuse this item with the products of the field. The importation of motion-picture sound equipment, including records, certainly of interest to California and particularly our fair Southland, increased in value in the same months from an average for 1932–33 of \$7,810 to \$16,061 for 1934.

The proof of the pudding is in the eating thereof. I submit that these few facts, not fancies, sufficiently indicate the only agreement in operation, that with Cuba, is doing what it was hoped and expected it would do, increase our foreign trade. The agricultural production of California has been largely built on an export basis. It does not merely include the items I have mentioned. The value of oranges exported in 1929 from California alone was \$17,244,000; it had dropped in 1932 to \$6,317,000. Exported barley dropped in value from \$9,317,000 to \$6,576,000; canned asparagus from \$3,439,000 to \$1,332,000.

The total value of foreign exports from California in 1929 was \$380,344,000; in 1932 it was \$149,201,000, a decrease of 60.8 percent. The 1929 amount was greater by \$48,000,000 than the entire budget for the State of California for that period, greater than the entire cash income from California crops for 1932 by \$5,000,000, and over \$110,000,000 greater than the entire wage bill for California manufacture in 1931.

Is not such a trade worth restoration? Unless steps forward continue to be taken to bring about this result, all of the products formerly finding their way into foreign trade and now beginning to do so again must be thrown back into home consumption, causing havor there, as has been the case for 4 years past, or they must be sacrificed and wasted with consequent staggering losses to our agricultural industry.

In 1932 approximately 1,100,000 acres of land in California were devoted to the production of fruit. An average of 50 percent of this fruit formerly moved into foreign trade, either in fresh, canned, or dried form or in the form of alcoholic beverages. The cut of 60.8 percent referred to was chiefly attributable to tariff increases and quota restrictions. In this connection it is interesting to note that while the California export trade generally declined in the first 10 months of 1931 by 30.8 percent over 1930, it dropped 57.7 percent with Australia, 42 percent with New Zealand, 52.8 percent with Mexico, 78.8 percent with Argentina, the countries making major tariff revisions at that time.

And so the story has gone and will continue to go unless these reciprocal trade agreements are put into effect. They are for the benefit, not the destruction, of our producers, and will tend at once to remedy the dislocation of the basic California industries which has taken place there. And this same statement applies as well to all other parts of the country. I beg the Members of the House not to be led astray by these attempts to sabotage the constructive work of restoration now proceeding.

The gentleman refers to a letter written me by the President of the United States. The full text of the letter appears on page 12180 of the Congressional Record of June 16, 1934. The President was conscious of the effort that was already being made to undermine the work contemplated. His letter was sent me to reassure farmers and fruit growers everywhere and not merely California growers. In view of what has so far developed, no one can possibly impute to this letter any effort to deceive.

Finally let me say that the success of these agreements is vital to the full restoration of all agriculture, not merely those branches I have mentioned. If it is interfered with, the responsibility is not upon those of us trying to do this tremendous work of restoring foreign trade, but upon those who are trying to interfere with that restoration. Upon them must rest this responsibility. As far as I am concerned, as far as the agricultural organizations that I know are concerned, we are looking forward to even greater benefits than have already been received by these reciprocal agreements as they are made.

I have not time to go into the Brazilian agreement with you, though agriculturally speaking, it will be equally as advantageous to us as the Cuban.

Mr. Speaker, I hope at a later date that I may be able to get some time to discuss this entire situation fully. But today I think I have pointed out some of the faults in my colleague's resolution offered this morning. [Applause.]

[Here the gavel fell.]

#### J. J. CLELAND

Mr. FADDIS. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FADDIS. Mr. Speaker, I notice in the Record of February 20, 1935, page 2297, that my colleague, Mr. Berlin, from Pennsylvania, in his extension of remarks has made a most unwarranted and ungentlemanly attack upon a friend and constituent of mine, one J. J. Cleland, who is the agricultural census supervisor of the Fourth Pennsylvania District; a man of utmost honor and integrity and a man for whom I have the very highest regard. In his remarks he refers to Mr. Cleland as an example of the high-handed, imperious, arrogant, and insulting bureaucrat and vermin. Now, as the Members of the House well know, I would be the last man in this House to fly to the defense of these almost unbearable bureaucrats who are every day growing more contemptuous of Congressmen, but this is plainly a case of mistaken identity on the part of my colleague, Mr. BERLIN. Upon an investigation of this matter I am authorized to make this statement: That neither Mr. Cleland nor John Dickinson, Assistant Secretary of Commerce, were to blame in this matter, but that the recommendation of the names in question came from the State organization of Pennsylvania. I regret exceedingly that the patronage feud of my colleague has brought into it the names of parties who are in no way responsible, and I feel sure that when he reflects on the matter, that he will feel that he owes these gentlemen an apology. I wish to repeat, however, that this must not be considered in any way a defense of the growing Frankenstein of bureaucracy which we have set up in this Nation and which, if not soon throttled, will devour representative government.

[Here the gavel fell.]

# THE I. L. O. AND THE WORKER

Mr. COLDEN. Mr. Speaker, I renew my request to extend my remarks in the RECORD and include certain excerpts to which I heretofore referred.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, since my previous objection I have had an opportunity to examine the remarks of the gentleman from California [Mr. Colden], and I find that those are very short excerpts and are really necessary to the gentleman's own remarks. Therefore I withdraw my objection.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. COLDEN. Mr. Speaker, concerning the discussion on February 7, 1935, of the proposed appropriation of \$174,630 for the purpose of enabling the United States to send and maintain delegates to the International Labor Organization at Geneva, Switzerland, I desire to extend my remarks with additional comments. On that occasion I directed some questions to the gentlemen from Massachusetts [Mr. Tink-HAM and Mr. Connery], who were leading the attack on the appropriation and also as to the purposes and motives of the International Labor Organization, alphabetically abbreviated as I. L. O.

The gentleman from Massachusetts [Mr. Tinkham] made the charge, "This appropriation means the United States entry into the League of Nations." Mr. Connery drew a similar inference. It cannot be disputed that the I. L. O. was created by part XIII of the Treaty of Versailles. However, both the gentlemen from Massachusetts, upon careful consideration, must be aware that there is nothing in part XIII that in any way embroils our country or any other in the political and territorial ambitions and intrigue of any country in Europe or any other part of the world.

Permit me to call the attention of the eminent gentlemen from Massachusetts to a paragraph of the resolution of invitation extended to the United States upon the announce-

ment at the I. L. O. Conference in Geneva that a joint resolution of Congress in June 1934 authorized the President to accept membership. Note the reference to the League of Nations. I quote:

\* Hereby decides to invite the Government of the United States to accept membership in the International Labor Organization, it being understood that such acceptance involves only those rights and obligations provided for in the constitution of the organization and shall not involve any obligations under the Covenant of the League of Nations.

This resolution was adopted by a unanimous vote. I will not undertake to reply to the aspersions as to the passage of the bill in the Seventy-third Congress because others have completely covered this point.

The gentleman from Massachusetts [Mr. Tinkham] did attempt to becloud the issue by arousing the current prejudices against the Communists of Russia, the Fascists of Italy, and the Nazis of Germany. The gentleman from Massa-chusetts [Mr. Tinkham] asks, "American representatives will be formulating labor legislation for the United States in cooperation with whom?" Then he answers his own question by saying, "With Communists, Fascists, and National Socialists." The gentleman from Massachusetts [Mr. Tinkham] evidently overlooks the fact that there are approximately 58 nations of the world participating in the I. L. O., and all of these nations have equal representation with the nations to which he points with alarm. Furthermore, at this time Germany is not a member. Even if we should go so far as to refuse to cooperate with three nations with which we disagree in their policies of internal politics, it does not offer a sufficient reason why we as a people should refuse to cooperate with approximately 55 other nations, a majority of whom, at least, are friendly neighbors.

Our colleague from Massachusetts [Mr. Tinkham] admits that in the Seventy-third Congress he voted for an appropriation to send representation to the Agricultural Institute at Rome, but in answer to a question, my colleague stated, "I did not consider that a political relationship but a wholly economic one. Of course, I have no objection to economic connections with any nation." The gentleman conceded by his vote that the Agricultural Institute at Rome is of value to the farmers of the world. I desire to point out that the I. L. O. is attempting to do for the worker what the Agricultural Institute is doing for the farmer. Any fair observer will admit that the condition of the sweat-shop worker, the abuse of children and women workers, the overworked and underpaid workers of many industries is infinitely worse than that of the farmer. By his admission of his support of the Agricultural Institute, I submit that the eminent gentleman from Massachusetts has contradicted himself upon his own position.

As to the purpose of the I. L. O., I desire to present the preamble of part XIII of the Treaty of Versailles for consideration. I know of no method of getting at the purpose of the I. L. O. better than by quoting the preamble which sets forth the purpose of the organization, as follows:

PART XIII (LABOR) OF THE TREATY OF VERSAILLES OF JUNE 28, 1919 SECTION 1. ORGANIZATION OF LABOR

Whereas the League of Nations has for its object the establishment of universal peace, and such a peace can be established only if it is based upon social justice;
Whereas conditions of labor exist involving such injustice, hard-

ship, and privation to large numbers of people as to produce unrest so great that the peace and harmony of the world are imperiled; so great that the peace and harmony of the world are imperiled; and an improvement of those conditions is urgently required, as, for example, by the regulation of the hours of work, including the establishment of a maximum working day and week, the regulation of the labor supply, the prevention of unemployment, the provision of an adequate living wage, the protection of the worker against sickness, disease, and injury arising out of his employment, the protection of children, young persons, and women; provision for old age and injury; protection of the interests of workers when employed in countries other than their own; recognition of vocational and technical education, and other measures: tional and technical education, and other measures

Whereas also the failure of any nation to adopt humane conditions of labor is an obstacle in the way of other nations which desire to improve the conditions in their own countries;

The high contracting parties, moved by sentiments of justice and humanity as well as by the desire to secure the permanent peace of the world, agree to the following:

And so forth.

My colleagues will note that this preamble points out that | one of the causes of unrest in all the nations of the world is social injustice and that hardship and privation of large numbers of people imperil the peace of the world, and that an improvement of such conditions is urgently required. I would like to ask any gentleman upon the floor of this House if it is not a self-evident truth that if the nations of the world by any means at their disposal seek to establish friendship and peace, is it not necessary for all of those nations to establish an order of social justice and economic fairness that will give content to their own people within the borders of their own domain? Who is there on this floor that can question the justness and the necessity of the regulation of hours and adequate living wage, prevention of unemployment, protection of the worker against sickness, disease, unemployment, child labor, old age, and injury and the other evils from which the workers suffer in every part of the world?

Who is there that can successfully challenge that part of the preamble which states: "Whereas also the failure of any nation to adopt humane conditions of labor is an obstacle in the way of other nations." The commercial and industrial structure of this country and of many others is at this moment deeply concerned with the competition from the underpaid workers, the enforced long hours of Japan. These same workers in Japan while throwing competing workers out of employment in all parts of the world are undoubtedly laboring under conditions which are to themselves revolting. Undoubtedly, some day these workers will seek to correct their own conditions and throw off the servitude of the present day. The I. L. O. is an agency that affords these helpless workers of Japan a ray of hope for shorter hours and better conditions of living.

The I. L. O. is making its survey among the different nations of the world for the purpose of improving the condition of the worker by a higher standard of living, by its outstanding contribution to the establishment of an 8-hour day, to the improvement of sanitation and health, safety devices, compensation, the partial elimination of child labor, better protection for women. All these reforms set up a standard to encourage the worker everywhere.

It is true, and I am proud of the fact, that in some industries in our own country our standards are higher than those advocated or announced by the I. L. O. We must remember that we are the richest nation on the face of the globe, and because of that fact we are entitled to a higher standard of living for every citizen. Our best standards of living are a beacon light to those workers in less fortunate nations where the levels of living are miserably low. It is also true that notwithstanding our natural riches and some of our high standards, that we have a very large population in our own country who are overworked, who are underpaid, who suffer from living and working conditions that are insanitary, and where the health of the fathers and mothers, through overwork and undernourishment, is so impaired that their adversities and afflictions will be so implanted in their posterity that it may take generations to eliminate.

Permit me to remind my colleague that one of the outstanding friends of labor, Samuel Gompers, who devoted his life to the cause of labor, was the Chairman of the International Conference at Versailles for legislation for labor and that he was supported in his program by the ever vigilant and sympathetic and idealistic President of the United States, Woodrow Wilson. Mr. Gompers, himself, stated that the American delegation to the peace conference wrote the heart and soul of its constitution. Mr. Gompers further stated in reply to critics, that he defended the instrument not because it was perfect but because it constituted the fairest statement of labor principles that had ever been incorporated in an international treaty. President Wilson called it a most admirable document and second in importance only to the League of Nations itself. And Mr. Wood, of Missouri, informed us that present prominent labor leaders approve the

My own reaction when I visited the I. L. O. headquarters in Geneva, some years ago, was surprise and commendation in finding what an important work the I. L. O. was perform-

ing. All things considered, the I. L. O. has received encouraging support from the nations of the world. At the time of my visit its headquarters occupied a building separate and apart from the League of Nations. It was a busy spot, not unlike one of the office buildings in the leading cities of my own country.

I was happily surprised to find in my interviews and in the reports and pamphlets of the I. L. O., evidence that even at that early date it was achieving notable results. Above all, that it was an organization that reached, with few exceptions, the nations of the world, and everywhere this noble effort was building up the program of labor, upholding the worker and inspiring him to look for a better part in this world to which he has contributed so much and received so little. That the efforts of the I. L. O. even in its early days had a happy response not only in Europe but in far-off Persia, where no trades union stood ready to defend the distressed, is shown in the story of Persian children and Kerman carpets related by Prof. P. J. Noel Baker, of the University of London and of Ruskin College, Oxford, in his volume the League of Nations at Work:

To begin with, there is no ventilation. It would make the room too cold; and why should the employer be put to the expense of fires? Sanitary arrangements are nonexistent. The factory is only lighted by the small skylight; if the children could look out of the windows their attention would wander, say the employers. No wonder! when most of them are at an age when in England they would be attending a kindergarten and not be expected to concentrate on one task for more than 15 minutes at a time! The song that they sing is the pattern of the carpet: "One green, three reds, two blues, five grays", and so on, the rule of the threads. It is the only way in which these mites can remember it. How do they work? The big loom is stretched vertically on a frame; the children are seated on a narrow board, starting close to the ground, and moved upward as the work goes on, till the tiny workers are many times their own height from the floor. They retain their precarious seat by doubling their little legs back under the narrow board; there is no rest for aching little backs. And here they sit—for how long? I cannot tell you what are the longest hours they ever work. But I know of the European doctor who managed to persuade the Governor of Kerman to issue a decree limiting the hours of work of these children (some not yet 5 years old) to "from sunrise to sunset" i. e., an average of 12 hours a day! When that particular governor died conditions relapsed into their former state until the I. L. O. interfered. The children do not even get down for meals.

At last, at the end of the day, the signal is given to cease work. You expect the children, when the beam is lowered, to jump off and run away home, glad to be free. A few can do so. Most have much difficulty in unbending their cramped limbs at all. Some sit there huddled up and helpless, till a father or a brother arrives, to carry them home. Crippled already, and what wonder?

After an investigation, the I. L. O. made remedial recommendations and the Persian Government dealt with these miserable conditions. The present status of these children leaves much to be hoped for and remains far below a decent standard. This shameful story gives one a pain instead of a pleasure when considering the drudgery and misery of little children in weaving a Persian rug.

It has been noted that the labor delegates at the sessions of the general conferences of the I. L. O. have been almost uniformly recommended by the labor organizations in their respective countries. Without official authorization some of the outstanding labor leaders of our own country have visited and attended these meetings. Public opinion is such, not only in our own country, but in many others, that the governing administration would not dare to flout the cause of labor by appointing representatives for the workers who would betray their principles and their ideals. So I must distinctly disagree with my colleagues who impugn the motives and the purposes of the I. L. O.

Incidentally, I wish to correct the impression concerning representation in the I. L. O. Each member or State represented is entitled to 4 representatives, 2 of whom shall be Government delegates and 1 representing the employers and another the workers of such State. Each delegate votes independently. The purpose being to give the Government 2 disinterested delegates to speak for all the people of that country and 1 each for the employers and the employed.

The I. L. O. is practically an independent organization and directs its own policies. Its general conference can make a recommendation if approved by two-thirds of the dele-

gates. This recommendation may then be submitted to the legislative bodies of the nations represented. These nations may then ratify or reject the recommendation at will. Many of the ratifications of the I. L. O. pertain to problems within the jurisdiction of the respective States of the American Union and the States may ratify or reject the recommendations at will. To charge that this procedure would entangle our country in the political and territorial ambitions of Europe has no foundation.

Speaking of the results of the I. L. O., it may be said that perhaps they have not reached the expectations of the optimists friendly to the purposes of this organization. It may also be said that it has made achievements that undoubtedly are disappointing to the critics and the pessimists who have attacked its purposes and its motives. Here is a brief list of ratifications by the leading nations: Spain leads with 32, Belgium 23, Italy 21, Great Britain and France 18 each, Germany 17, Sweden 16, Netherlands 15, India 13, Japan 12, China 5. Nicaragua and Uruguay have made 30 ratifications each and Bulgaria 27: a total of 636 ratifications have been made to January 1935. This is indisputable evidence that progress has been made not only in Europe but in Latin America and in the Asiatic countries of India and Japan, where conditions prevail that are a menace to the workers in competing industries in every other nation of the world.

The advocacy of the 8-hour day has given hope and inspiration to the workers in every nation who are striving to reduce their unreasonable hours. In the beginning the goal was a 48-hour week, but now a militant minority are striving for a 40-hour week.

Another report states that the results achieved by the 1920 and 1921 maritime conventions are a legitimate ground for satisfaction. Each of them embodies a definite and necessary reform and each of them has been ratified and applied by a number of maritime countries. Twenty-eight nations have ratified the proposal fixing the minimum age for admission of young persons to employment as trimmers or stokers. This includes India, which is deserving of special attention. Also the proposal for the compulsory medical examination of children, and any persons employed at sea has been ratified by 26 countries. The payment of unemployment indemnity to seamen in the case of loss or foundering of the ship has been ratified by 21 countries. The proposal for establishing facilities for finding employment for seamen has been ratified by 30 countries. The proposal for fixing the age limit for night work for children at 18 years has been ratified by 30. The minimum age of 14 years for admission of children for employment in industry has been ratified by 26; concerning the employment of women during the night, has been ratified by 26; concerning the use of white lead in painting, has been ratified by 23. The 8-hour day, 21; 1 day of weekly rest, 24.

While the above achievements may fall far short of the wishes of a great multitude and, of course, must be disappointing to many labor leaders with high hopes and a worthy purpose, yet it must be admitted that the results so far have contributed to the welfare of millions of workers, many of whom are in competition with our own. It certainly is of great importance to the American worker to raise the standard of living, of wages, improve the sanitation, reduce the working hours, of his competitors in other lands. If we are to maintain a standard of living far above that of other countries, we must surround ourselves with a wall of isolation, or we should lend at least our moral support to lifting up the standard of workers everywhere. No patriotic American can consent for a moment to the reduction of our standard of living to the low basis of the European or Asiatic worker. It is to be regretted that many of our industries, while they may be above the European or Asiatic standard, are far too low to enable their workers to enjoy the comforts and the standard of living to which every American citizen is entitled.

Regardless of the caustic comments and the fears of my colleagues, the I. L. O. stands alone as the one official international agency for the improvement of labor conditions.

universal peace it is striking at the very root of the greatest evil which confronts the working people of all nations. Never was there a time in the history of the world when its working people are considering the injustices of economic and social life as at present. Throughout the world we find unemployment, the need of food and clothing and shelter; millions upon millions suffering for the common necessities of life; their health impaired by privation, the future of their children clouded and bedimmed.

The I. L. O. may be moving slowly, but it is a movement in the right direction. It is building a foundation and a common interest for the workers of the world. It is not limiting its benefits to a favored few, but it is an instrument for the masses of all countries.

As we review the pages of history we must feel ashamed and apologetic because of the neglect, the abuse, the exploitation of the worker and the ruthless violation of his every right to life, liberty, and pursuit of happiness.

A few years ago I stood at the foot of an Egyptian pyramid on the outskirts of Cairo. I was stunned by the magnitude of that achievement, but I refused to refresh my memory as to the unworthy author of that vast monument of stone. I could only recall the servitude, the burning backs, the dripping brows, the weary bodies driven by the lash to this stupendous toil. The Hanging Gardens of Babylon, even the Temple of Solomon, the classical beauties of Greece and Rome were wrung from the toil of the despised worker whose only place in life seems to have been to strive and struggle, groan and die for his cruel exploiter, the king, the emperor, the ruler, guided by selfish ambition and unrestrained cruelty.

Always, everywhere, even until the present day, in spite of our eloquent generalities of the rights and the brotherhood of man, the masses are still bearing the yoke of the exploiter. The privileged few revel in riches and extravagance, while those who produce this wealth suffer for the bare necessities of life.

The new deal has been a great inspiration to me, because it promises at least a hope for a brighter future. It gives promise of curbing the greed and righting the wrongs that have been suffered by those who have made this country what it is. It is the worker who has turned the wilds of America into fruitful farms. It is the worker who has delved into the mines and dared its darkened chambers for its mineral riches. It is the worker who has converted the forest into homes. It is the worker who supplies the country with its food and its comforts. It is the workers who have fought the battles and suffered the horrors of war.

The saddest hour in the history of America is the one in which millions of our people do not own their own homes, millions are unemployed, millions are suffering for food, for clothing, for shelter. The stupidity of it all is that on the other hand we have a great abundance and a privileged few who have fortunes far beyond their needs, who are burning with selfish greed to gather more and more; that these have profiteered by tariff laws, banking laws, corporation laws, monopolistic laws, and have entrenched themselves against those upon whom they prey.

My own philosophy is that every citizen of America is entitled to steady employment at a living wage, every mother is entitled to a home and health protection, every child to an education and an opportunity.

I am for the new deal because it is humanitarian; because it is just; because it has recognized the right of the worker to organize for a redress of grievances; because it has sought to establish a maximum of hours, a minimum wage, and has restrained child labor; because it is the proponent of old-age pensions, unemployment and health insurance; because it has sought to restrain the frenzy of speculation, the reign of gold, the stock exchange, to eliminate the promoters of fraudulent securities that have wiped out the savings of millions of our people. I have followed our great President and I am happy to do so as long as the new deal is looking forward. My greatest hope is that it will continue to go forward until every special privilege has been wiped In its efforts to establish social justice as a foundation for out and until we can really and truly say that we have

established a democracy of "equal rights to all and special privileges to none."

The I. L. O. is a foundation stone upon which enlightened souls of every nation are attempting to build a new deal that will include in its blessings the forgotten man of this and future ages. It has given an impetus to the struggle for human rights and the brotherhood of man. It fortifies those outstanding souls who are crusading to establish a new era and a new order in which every man will have a happy part. The I. L. O. gives a new heart to those brave reformers who are crying out against the monopolization of wealth and resources and who are battling for the common good, the good of all. People everywhere are asking for a more abundant life and seeking a share of human rights.

Many people in California are giving attention to the epic program, to the Utopian ideals, to the share-thewealth proposal, and to the Townsend old-age-pension plan, all of which are protests against the privileged order by which a few have more than an abundance and the masses reduced to want and need. Politicians may deride, learned economists may doubt, and citizens denounce, but the crusade for social justice and economic reform must march onward. It is a dark day to our country and our civilization if dreams and hopes for a more abundant life cannot be realized by all.

Our ancestors were prompted to breast strange seas and to dare the wilderness of a new continent in order to achieve religious freedom. Our Colonial fathers threw off the yoke of empire and withstood the victorious legions of Great Britain to win political freedom. Now, we are entering into the third struggle for freedom, the greatest war of all wars, the greatest battle of all battles, the fight for economic freedom and social justice. Let us hope that this supreme conflict will follow the orderly processes of our constitutional Government and that we can achieve social and economic justice without drenching our fields with the blood of our patriots and our fellow men.

Like other great causes for freedom we must win this battle if our country is to endure and our civilization to progress. Our country today, menaced by the greed of the privileged, by the immense wealth of the few, with the privation and despair of the many, is facing the foe that has destroyed many nations in the past. This battle against privileged economics and social injustice is a civil crusade that can be waged and won on constitutional and Christian principles or we must admit that the brotherhood of man, the pursuit of life, liberty, and happiness, our democratic traditions, our constitutional assurances for the general welfare of the people, are but empty words and idle dreams. If we fail to correct the social and economic tendencies of the past, this age-old menace of the worker, this grinding down of the toiler, our country, of which we are so proud, must sink into the mire of inevitable obscurity that has swallowed the most glorified civilizations of the past.

Let me repeat, the fundamental purpose of the I. L. O. is to promote social justice, to secure the stability and peace of nations, to improve the conditions of the workers everywhere in the world. To secure these ends it is necessary to curb greed, to eradicate special privilege, to realize democracy—the will of all the people. "Equal rights to all, special privilege to none" is the golden rule of government and the fundamental principle of democracy.

# RULES OF THE HOUSE OF REPRESENTATIVES

Mr. O'CONNOR, from the Committee on Rules, submitted the following privileged report (Rept. No. 218), to accompany House Resolution 126:

#### House Resolution 126

Resolved, That the rules of the House of Representatives are amended in the following manner:

"Rule X, clause 9. On the Merchant Marine and Fisheries, to consist of 21 members.

"Rule XI, clause 7. To commerce—to the Committee on Inter-

\*Rule XI, clause 7. To commerce—to the Committee on Interstate and Foreign Commerce.

"Rule XI, clause 9. To the merchant marine, including all transportation by water, Coast Guard, life-saving service, lighthouses, light ships, ocean derelicts, Coast and Geodetic Survey, Panama Canal, and fisheries—to the Committee on Merchant Marine and

#### DISTRICT OF COLUMBIA LEGISLATION

LICENSE TO PRACTICE THE HEALING ART IN DISTRICT OF COLUMBIA-DR. CHESTER C. GROFF

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 31) to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. Chester C. Groff, and pass the same, an identical House bill having been passed on February 4.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the Senate bill?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That, notwithstanding any limitation relating to the time within which an application for a license must be filed, the Commission on Licensure to Practice the Healing Art in the District of Columbia is authorized and directed to issue a license to District of Columbia is authorized and directed to issue a license to practice the healing art in the District of Columbia to Dr. Chester C. Groff, Washington, D. C., in accordance with the provisions of the first paragraph of section 24 of the Healing Arts Practice Act, District of Columbia, 1928.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CODE OF LAW FOR DISTRICT OF COLUMBIA RELATING TO DESCENT AND DISTRIBUTION

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 3464) to amend certain sections of the Code of Law for the District of Columbia, approved March 3, 1901, as amended, relating to descent and distribution.

The Clerk read as follows:

Be it enacted, etc., That section 380 of the act entitled "An act to establish a Code of Law for the District of Columbia", approved March 3, 1901, as amended (D. C. Code, title 29, sec. 288), is amended to read as follows:

"Sec. 380. If there be no child, or descendant, the whole shall go to the father and mother in equal shares, or to the survivor of

SEC. 2. Section 384 of such act, as amended (D. C. Code, title 29, sec. 292), is amended to read as follows:

"SEC. 384. If there be no collaterals, the grandfathers and grandmothers, or such of them as survive, shall take alike."

SEC. 3. (A) Section 940 of such act, as amended (D. C. Code, title 25, sec. 231), is amended to read as follows:

"SEC. 940. Course of descents generally: On the death of any person seized of an estate in fee simple in lands, tenements, or hereditaments in the District of Columbia, and intestate thereof, the same shall descend in fee simple to such person's kindred in the following order namely:

the following order, namely:
"First. To his child or children and their descendants, if any,

"First. To his child of children equally.

"Second. If there be no child or descendant of a child, then equally to the father and mother of the intestate, or the whole to the sole surviving parent.

"Third. If there be no father or mother, then to the brothers and sisters of the intestate, and their descendants equally.

"Fourth. If there be no brother or sister, or descendant from a bother or sister, then the whole shall go to the widow or widower

brother or sister, then the whole shall go to the widow or widower

brother or sister, then the whole shall go to the widow or widower of the intestate.

"Fifth. If none such, then one moiety of the estate shall go to the paternal, the other to the maternal kindred of the intestate in the following order:

"Sixth. First to the grandfather and grandmother equally, but if one be dead the entire moiety to the sole surviving grandparent. "Seventh. If none, then to the uncles and aunts of the intestate, and their descendants equally.

"Eighth. If none such, then to the great-grandfathers and great-grandmothers, in the same manner prescribed for grandfather and grandmother in subdivision 6.

"Ninth. If none, then to the brothers and sisters of the grand-

"Ninth. If none, then to the brothers and sisters of the grand-fathers and grandmothers, and their descendants equally.

"Tenth. And so on in other cases, without end, passing to the nearest lineal ancestors and the descendants of such ancestors.

"Eleventh. If there be no paternal kindred, the whole shall go to the maternal kindred; and if there be no maternal kindred, the whole shall go to the paternal kindred. If there be neither maternal or paternal kindred, the whole shall go to the kindred of the husband or wife of the intestate in the like course as if such husband or wife had died entitled to the estate; and if the intestate has had more husbands or wives than one, and all have died before such intestate, then the estate shall be equally divided among the kindred of the several husbands or wives in equal degree equally." equally.'

(B) Sections 941 to 951, inclusive, of such act, as amended (D. C. Code, title 25, secs. 232 to 242, inclusive), are hereby repealed. Sec. 4. Section 954 of such act, as amended (D. C. Code, title 25, sec. 245), is amended to read as follows:

"Sec. 954. In no case shall there be any distinction between the kindred of the whole- and the half-blood."

Sec. 5. Section 955 of such act, as amended (D. C. Code, title 25, sec. 246), is amended to read as follows:

"Sec. 955. Whenever those entitled to share in the estate in fee

simple in lands, tenements, or hereditaments in the District of Columbia, of an intestate, are all in the same degree of kindred to the intestate, they shall take per capita or by persons; and, where a part of them are dead and a part living, the issue of those dead shall take per stirpes or by stocks the shares of their deceased

Mrs. NORTON. Mr. Speaker, the proposed bill would simply destroy the distinction existing in present law between male and female ancestors and descendants. In other words, it would bring this law in line with the States and up to present-day conditions. It has been discussed and approved by the District Commissioners, and is endorsed by all of the important organizations in the District.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### LEFFLER PLACE

Mrs. NORTON. Mr. Speaker, I call up the bill H. R. 4538, House Calendar No. 31, to change the designation of Lefler Place to Second Place.

The Clerk read as follows:

Be it enacted, etc., That the street designated as Lefler Place NW., running north from Oglethorpe Street to Peabody Street NW., be, and the same is hereby, changed to Second Place, thereby conforming to the general practice in the naming of short streets of this character in the District of Columbia.

With the following committee amendments:

In line 3 strike out the word "Lefler" and insert in lieu thereof "Leffler"; in line 4, strike out the word "running" and insert in lieu thereof the word "running."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time. was read the third time, and passed.

The title was amended to read "a bill to change the designation of Leffler Place to Second Place."

A motion to reconsider was laid on the table.

### TRINITY COLLEGE OF WASHINGTON, D. C.

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 3477) relating to the incorporation of Trinity College of Washington, D. C., organized under and by virtue of a certificate of incorporation pursuant to the incorporation laws of the District of Columbia, as provided in subchapter 1 of chapter 18 of the Code of Laws of the District of Columbia, and I ask unanimous consent that the same may be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the lady from New Jersey?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That the incorporation of Trinity College of Washington, D. C., under chapter 18 of the Code of Laws of the District of Columbia, be, and the same is hereby, approved and confirmed, except as herein specifically altered.

SEC. 2. That the trustees constituting and managing the said corporation shall number not less than 8 nor more than 15, each of whom except the exceptishes of the Bornes Catalla, Active Company of the Company Control of the Company of the Comp

corporation shall number not less than 8 nor more than 15, each of whom, except the archbishop of the Roman Catholic Archdiocese of Baltimore, shall be a member of the religious congregation of the Sisters of Notre Dame of Namur; that Julia Schumacher, Mary Funke, Alma Hummel, Rose Larkin, Margaret Sweeney, Edith Stowell, Julia Chisholm, Angela Keenan, known in the above-named religious order under and by the names respectively of Sister Berchmans Julia, Sister Odilia, Sister Marie Louis, Sister Julita, Sister Margaret of the Trinity, Sister Mary Agnes of the Infant Jesus, Sister Julie, and Sister Angela Elizabeth, shall constitute the original board of trustees under this act; that the person holding the office and title of archbishop of the Roman Catholic Archdiocese of Baltimore shall be ex officio a member of Catholic Archdiocese of Baltimore shall be ex officio a member of the board of trustees and chairman thereof, and the person holding the office of provincial superior of the congregation of the Sisters of Notre Dame of Namur of the Baltimore province shall be ex officio a member of the board and vice chairman thereof; that the successors to the trustees other than the aforesaid ex officio members shall be elected at suitable intervals by the members of the congregation of the Sisters of Notre Dame of Namur from among their number in accordance with the rules and practices of

the said religious congregation now or hereafter established and obtaining; that a majority of the board of trustees shall constitute a quorum for the transaction of business and for all purposes; that at the first meeting of the board of trustees, held subsequent to this act, the board shall elect from among themselves 1 member to be president, 1 member to be vice president, 1 member to be treasurer, 1 member to be secretary; the board of trustees shall fix the term for which the officers shall serve, their duties and authority, and shall elect their successors at such regular intervals thereafter as they may determine; and the board may elect, appoint, or employ such further minor or assistant officers and agents as they may deem necessary and expedient for the pur-

elect, appoint, or employ such further minor or assistant officers and agents as they may deem necessary and expedient for the purposes of the corporation, it not being necessary that such officers or agents be members of the board.

Sec. 3. The board of trustees shall have the power to establish bylaws and ordinances for the conduct of the business of the corporation and to alter, repeal, or amend the same; to frame laws and regulations for the government of the faculty and students; to offer and prescribe courses in undergraduate and in graduate work; to confer the customary undergraduate and graduate degrees; to determine the subjects and branches of learning to be taught and to establish chairs, professorships, courses, schools. taught and to establish chairs, professorships, courses, schools, and departments therein. The board of trustees may create and and departments therein. The board of trustees may create and establish a board of regents, an endowment board and such other auxiliary boards of an academic or advisory nature as may be deemed necessary and proper; and they shall have all the powers and authority heretofore granted to or invested in the trustees of the said Trinity College by chapter 18 of the Revised Statutes of the United States relating to the District of Columbia.

SEC. 4. The said Trinity College may enter into affiliated agreements with any institutions of learning within or outside of the District of Columbia, for the purpose of giving students of such institutions the educational facilities of said college upon such terms as are mutually agreed upon.

terms as are mutually agreed upon.

SEC. 5. The said Trinity College may receive, invest, and administer endowments and gifts of money and property absolute or subject to payments by way of annuities during the life of the donor, for the maintenance of the educational work of the instidonor, for the maintenance of the educational work of the institution and of any departments, school, or chair thereof, now established or which may hereafter be created or established.

SEC. 6. The said Trinity College shall adopt a common seal, under and by which all deeds, diplomas, and acts of the said corporation shall pass and be authenticated, the same seal at their pleasure to break, alter, or devise a new one.

SEC. 7. No institution of learning hereafter incorporated in the District of Columbia shall use in or as its title, in whole or in part the words "Trinity College."

SEC. 8. Nothing in this section contained shall be so construed as to prevent Congress from altering, amending, or repealing the

as to prevent Congress from altering, amending, or repealing the

Mrs. NORTON. Mr. Speaker, Trinity College is now attempting to operate under a certification of incorporation filed in 1897 under the provisions of subchapter 1 of chapter 18 of the Code of Laws of the District of Columbia. The articles of incorporation were drawn with little view to the future development of the college. As this is one of the largest and most progressive women's colleges in the country, with a student body drawn from every section of the country, and considering the importance of Trinity College as an institution of higher education for women, the inadequacy of the present articles of incorporation, and the fact that similar legislation has been passed for the benefit of such institutions as Columbus, Georgetown, George Washington, National, and Catholic Universities, Trinity College is entitled to whatever advantage it may receive.

Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. Norton for the Committee on the District of Columbia: Page 5, line 4, strike out the word "section" and insert in lieu thereof the word "act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### ESTATES OF ABSENTEES AND ABSCONDERS

Mrs. NORTON. Mr. Speaker, I call up the bill H. R. 83, to provide for the conservation and settlement of estates of absentees and absconders in the District of Columbia, and for other purposes, and ask unanimous consent that it be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That if a person entitled to or having an interest in property in the District of Columbia has disappeared

or absconded from the District of Columbia, and it is not known where he is, or if such person, having a wife or minor child de-pendent to any extent upon him for support, has disappeared or absconded without making sufficient provision for such support, and it is not known where he is, or, if it is known that he is without the District of Columbia, anyone who would under the law of the District of Columbia be entitled to administer upon the estate of such absentee if he were deceased, or if no one is known to be so of such absentee if he were deceased, of if no one is known to be so entitled, any suitable person, or such wife, or someone in her or such minor's behalf, may file a petition under oath in the Supreme Court of the District of Columbia, sitting in equity, stating the name, age, occupation, and last-known residence or address of such absentee, the date and circumstances of the disappearance or such absentee, the date and circumstances of the disappearance or absconding, and the names and residence of other persons, whether members of such absentee's family or otherwise, of whom inquiry may be made, and containing a schedule of his property, real and personal, so far as known, within the District of Columbia, and praying that such property may be taken possession of and a receiver thereof appointed under the provisions of this act. The United States attorney in and for the District of Columbia shall be made a party to every such petition and shall be given due notice of all subsequent proceedings under this law.

Mr. CARPENTER. Mr. Speaker, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. CARPENTER: Page 1, line 9, after the word "is" where it appears the second time, strike out the remaining part of the sentence and all of line 1, page 2, except the words "anyone who", and insert in lieu thereof the following: "or, if his whereabouts is known, has been out of the District of Columbia continuously for 1 year or longer."

Mr. CARPENTER. Mr. Speaker, there are a great many people resident in the District of Columbia who travel a great deal over the world. Many Federal employees domiciled in Washington are assigned to different parts of the world, to Alaska, to the Philippine Islands, to Europe, and elsewhere. They may be gone for 3 months or a year. Under the provisions of this bill as it now stands if a man had any domestic trouble, then after he had left the District of Columbia on one of these assignments and had been gone a week an ex parte proceeding could be commenced against him in court upon the petition of his wife or someone in her behalf; and then after only 3 weeks' publication of notice a receiver could be appointed to take charge of all his property. This would happen whether they knew where he was or not.

My amendment is offered merely for the purpose of preventing such a thing happening where a person has left the District of Columbia and his whereabouts are known and he has not resided here continuously for 1 year, then this proceeding can be brought. I think he should have at least this protection, that such an action could not be commenced within a year. I do not think there is any objection to the amendment.

Mrs. NORTON. Mr. Speaker, the committee accepts the amendment.

Mr. DIRKSEN. Mr. Speaker, I rise in opposition to the amendment for the purpose of suggesting to the gentleman that the period of time in his amendment should be made 2 years instead of 1 year. I make the suggestion for the reason that this is essentially a receivership bill, and provides for the filing of a petition for the purpose of having a receiver appointed in order to satisfy the demands of creditors, to satisfy any demands for alimony, or to satisfy any demands that there may be for the maintenance and relief of the wife and children who may reside here in the District. If we are not careful to make the time long enough the act is liable to abuse. Knowing a little something about the receivership business, I am afraid that 1 year is not long enough, and I suggest to the gentleman, very informally, that the time ought to be made 2 years.

Mr. ELLENBOGEN. Mr. Speaker, will the gentleman vield?

Mr. DIRKSEN. I yield.

Mr. ELLENBOGEN. The gentleman realizes, of course, that during that period of time the wife who has been deserted cannot obtain alimony. I think 2 years is altogether too long a period.

Mr. DIRKSEN. I would suggest to the gentleman from Pennsylvania, Mr. Speaker, that for every case of such a nature there will be a dozen cases where the receivership will be abused if the time is not made sufficiently long.

Mr. ELLENBOGEN. But this is not a receivership bill for ordinary creditors; it is a receivership bill for the purpose of securing alimony payments to the wife and dependent children.

Mr. DIRKSEN. The gentleman knows, however, that the bill specifically recites that those who have a claim of record can come in under this bill.

Mr. CARPENTER. Mr. Speaker, I modify my amendment as suggested by the gentleman from Illinois and make the period of time 2 years instead of 1 year.

The SPEAKER. The question is on the amendment, as modified.

The amendment was agreed to.

The Clerk read as follows:

Sec. 2. The court may thereupon issue a warrant directed to the United States marshal in and for the District of Columbia, comomited States marshal in and for the District of Columbia, commanding him to take possession of the property named in said schedule and hold it subject to the order of the court and make return of said warrant as soon as may be, with a statement of his actions thereon and a schedule of the property so taken. The marshal shall post a copy of the warrant upon each parcel of land named in the schedule and cause so much of the warrant as relates to land to be recorded with the recorder of deeds of the District of Columbia. He shall receive such fees for serving the warrant as the court allows, but not more than those established by law for similar service upon a writ of attachment. If the petition is dismissed, said fees and the cost of publishing and serving the notice hereinafter provided shall be paid by the petitioner; but if a receiver is appointed, they shall be paid by the receiver and allowed in his account.

in his account.

SEC. 3. Upon the return of such warrant, the court may issue a SEC. 3. Upon the return of such warrant, the court may issue a notice reciting the substance of the petition, the warrant, and the marshal's return, which shall be addressed to such absentee and to all persons who claim an interest in said property, and to all whom it may concern, citing them to appear at a time and place named and show cause why a receiver of the property named in the marshal's schedule should not be appointed and said property held and disposed of under the provisions of this act.

With the following committee amendments:

On page 3, line 16, after the word "claim", insert the words "of record"; and on page 3, line 17, after the word "property", insert the words "or who are known to petitioner to claim an interest in said property."

The committee amendments were agreed to. The Clerk read as follows:

SEC. 4. The return day of said notice shall be not less than 30 nor more than 60 days after its date. The court shall order said notice to be published once in each of 3 successive weeks in one or more newspapers within the District of Columbia, and a copy to be posted in a conspicuous place and upon each parcel of land named in the marshal's schedule, and a copy to be mailed to the last known address of such absentee. The court may order other and further notice to be given within or without the District of Columbia. Columbia.

With the following committee amendments:

On page 3, line 24, after the word "date", insert the words "unless otherwise ordered by the court"; and on page 4, line 1, after the word "published", insert the words "not less than."

The committee amendments were agreed to. The Clerk read as follows:

SEC. 5. The absentee or any person who claims an interest in any SEC. 5. The absentee or any person who claims an interest in any of the property may appear and show cause why the prayer of the petition should not be granted. The court may after summary hearing dismiss the petition and order the property in possession of the marshal to be returned to the person entitled thereto, or it may appoint a receiver of the property which is in the possession of the marshal and named in his schedule. If a receiver is appointed the court shall find and record the date of the disappearance or absconding of the absentee; and such receiver shall give bond to said court in such sum and with such condition as the court orders, with a corporate surety thereon approved by the court orders, with a corporate surety thereon approved by the court.

Sec. 6. After the approval of such bond the court may order the

marshal to transfer and deliver to such receiver the possession of the property under the aforesaid warrant, and the receiver shall file in said court a schedule of the property received by him.

SEC. 7. Such receiver upon petition filed by him may be authorized and directed by the court to take possession of any additional property within the District of Columbia which belongs to such absentee and to demand and collect all debts the great to such absentee and to demand and collect all debts the great to such absentee and to demand and collect all debts the great to such absentee and to demand and collect all debts the great to great the such absentee and to demand and collect all debts the great the great to the such as the suc to such absentee and to demand and collect all debts due such absentee from any person within the District of Columbia, and hold the same as if it had been transferred and delivered to him by the marshal.

SEC. 8. If such absentee has left no corporeal property within the District of Columbia, but there are debts and obligations due or owing to him from persons within the District of Columbia, a petition may be filed as provided in section 1, stating the nature and amount of such debts and obligations, so far as known, and

praying that a receiver thereof may be appointed. The court may thereupon issue a notice as above provided, without issuing a warrant, and may, upon the return of said notice and after a summary hearing, dismiss the petition or appoint a receiver and The court may summary hearing, dismiss the petition or appoint a receiver and authorize and direct him to demand and collect the debts and obligations specified in said petition. The receiver shall give bond as provided in section 5, and shall hold the proceeds of such debts and obligations and all property received by him, and distribute the same as hereinafter provided. The court may confer upon the receiver such further authority as may be conferred under section 7.

SEC. 9. The court may make orders for the care, custody, leasing, sec. 9. The court may make orders for the care, custody, leasing, and investing of all property and its proceeds in the possession of the receiver. After the appointment of a receiver, upon his petition and after notice, the court may order all or part of said property, including the rights of the absentee in land, to be mortgaged or sold at public or private sale, to supply money for payments authorized by this act or for reinvestment approved by the court.

Sec. 10. The court may order said property or its proceeds acquired by mortgage, lease, or sale to be applied in payment of charges incurred or that may be incurred in the support and maintenance of the absentee's wife and minor children, and to the discharge of such debts and claims for alimony as may be

proved against said absentee.

SEC. 11. The court may authorize the receiver to adjust by arbitration or compromise any demand in favor of or against the

estate of such absentee.

SEC. 12. The receiver shall be allowed such compensation and Sec. 12. The receiver shall be allowed such compensation and disbursements as the court orders, to be paid out of said property or proceeds. If within 14 years after the date of the disappearance and absconding, as found and recorded by the court, such absentee appears, or an administrator, executor, assignee in insolvency, or trustee in bankruptcy of such absentee is appointed, such receiver shall account for, deliver, and pay over to him the remainder of said property. If such absentee does not appear and claim said property within such 14 years, all his right, title, and interest in said property, real or personal, or the proceeds thereof shall cease, and no action shall be brought by him on account thereof.

shall cease, and no action shall be brought by him on account thereof.

Sec. 13. If at the expiration of such 14 years said property has not been accounted for, delivered, or paid over under the provisions of the preceding section, the court shall order the distribution of the remainder to the persons to whom, and in the shares and proportions in which, it would have been distributed if such absentee had died intestate within the District of Columbia on the day 14 years after the date of the disappearance or absconding as found and recorded by the court.

Sec. 14. If such receiver is not appointed within 13 years after the date found by the court under section 5, the time limited for accounting for, or fixed for distributing, said property or its proceeds, or for barring actions relative thereto, shall be 1 year after the date of the appointment of the receiver instead of the 14 years provided in the two preceding sections; except that the time limited for accounting for, or fixed for distributing, any additional property or its proceeds within the District of Columbia coming into the possession of such receiver during such 1-year period, or for barring actions relative thereto, shall be 1 year after the date possession is taken by such receiver.

possession is taken by such receiver.

SEC. 15. Nothing in this act contained shall be construed as repealing or modifying sections 252 or 253 of the act of Congress entitled "An act to establish a Code of Law for the District of Columbia", approved March 3, 1901, as amended.

With the following committee amendment:

Strike out section 15 and insert in lieu thereof a new section 15,

reading as follows:

"Nothing in this act contained shall be construed as repealing or modifying sections 252 or 253 of the act of Congress entitled 'An act to establish a Code of Law for the District of Columbia', approved March 3, 1901, as amended."

The committee amendment was agreed to.

Mr. NICHOLS. Mr. Speaker, I ask unanimous consent to return to section 5 in order that I may offer an amend-

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. NICHOLS. Mr. Speaker, I offer an amendment. On page 4, line 12, after the word "after", strike out the word " summary."

The Clerk read as follows:

Amendment by Mr. Nichols: On page 4, line 12, after the word "after", strike out the word "summary."

Mrs. NORTON. Mr. Speaker, the committee accepts the

The amendment was agreed to.
Mrs. NORTON. Mr. Speaker, the purpose of this bill is to provide means for the handling of all property, real or personal, where a man deserts his wife or minor child or other person dependent upon him for support without mak-

ing proper provisions for their support. The proposed bill provides for the appointment of a receiver and the handling of the property, both real and personal, under direction of the court.

Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### RESIGNATION FROM COMMITTEES

The Speaker laid before the House the following communication:

Hon. Joseph W. Byrns, Speaker House of Representatives.

MY DEAR MR. SPEAKER: I hereby tender my resignation from the following standing committees of the House of Representatives, to wit: Census, Public Buildings and Grounds, Revision of the Laws, Accounts. Respectfully,

J. MARK WILCOX.

The SPEAKER. The resignation will be accepted.

MILITARY AFFAIRS COMMITTEE

Mr. COOPER of Tennessee. Mr. Speaker, I offer a privileged resolution and ask for its immediate consideration. The Clerk read the resolution as follows:

House Resolution 128

Resolved, That J. MARK WILCOX, of Florida, be, and he is hereby, elected a member of the standing committee of the House of Representatives on Military Affairs.

The resolution was agreed to and a motion to reconsider was laid on the table.

PENSIONS FOR BLIND PERSONS OF THE DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 5711) to provide pensions for needy blind persons of the District of Columbia and authorizing appropriations therefor, and ask unanimous consent that this bill may be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Board of Public Welfare of the District of Columbia (hereinafter called the "Board") is hereby authorized and directed to enforce the provisions of this act for the purpose of maintaining, supporting, and caring for needy blind persons, residents of the said District of Columbia, citizens of the United States, and not inmates of any institution supported in whole or in part by the Federal or District Governments, and said Board shall have the power to make and enforce all proper rules and regulations therefor, and said Board shall entrust the carrying out of the provisions of this act to its Public Assistance Division under the supervision of a standing subcommittee of said Board, at least one of whom shall be a woman.

subcommittee of said Board, at least one of whom shall be a woman.

SEC. 2. As used in this act, the term "needy blind person" shall be construed to mean any person who by reason of the loss or impairment of eyesight is of such condition that he cannot be rehabilitated for self-support through the facilities offered by the Vocational Rehabilitation Service for the District of Columbia, United States Office of Education, and who is unable to provide himself with the necessities of life and who has not sufficient means of his own to maintain himself and who is otherwise qualified as further set forth in this act, and nothing in this act shall prevent any blind person in sound, mental, and physical condition, who is an inmate of an institution for the care of the indigent, from applying for the benefits under this act on the condition that they leave such institution upon the granting of such relief.

SEC. 3. In order that any person who shall have become blind while a resident of the District of Columbia may be entitled to aid under the provisions of this act such person must be at least 16 years of age and a resident of the District of Columbia for 1 year next preceding his application for aid hereunder: Provided, That in order that any person whose blindness originated while he was not a resident of the District of Columbia may be entitled to aid hereunder, such person must be at least 21 years of age and must have been a bona fide resident of the District of Columbia for a period of 5 years immediately preceding the filing of his application for aid hereunder: And provided further, That nothing in this act shall be construed to repeal or render void, so far as blind persons are concerned, any existing statutes which create or define a liability on the part of certain persons to support and provide for poor relatives.

SEC. 4. To receive aid under this act, the applicant shall file his application with the Public Assistance Division, accompanied by an affidavit signed by himself stating his age, sex, places of residence during the period stipulated in the District of Columbia, his financial resources and incomes, the name and address of his next of kin, degree of blindness, how long blind, what employment he has had, his general physical condition, and such other information as the Public Assistance Division may designate.

SEC. 5. No aid shall be granted hereunder until the Public Assistance Division is satisfied from the evidence of at least two reputable citizens of the District of Columbia that they know the applicant has the residential qualifications to entitle him to the applicant has the residential qualifications to entitle him to the aid asked for, and from the evidence of a duly licensed and practicing physician whose duty it shall be to describe the condition of the applicant's eyes and to testify to his blindness, which evidence shall be in writing subscribed to by such witnesses, subject to the right of cross-examination by either the Board or the Public Assistance Division of the District of Columbia; and if the Public Assistance Division is satisfied by such testimony that the applicant is entitled to aid hereunder, it shall, without delay, allow such sum as it finds needed: Provided, That the provisions of this act shall not apply to both husband and wife: Provided further, That in the case of a dependent child living with its parents or parent such compensation shall not exceed \$30 per month: And provided further, That the Public Assistance Division shall transmit to the Board a record of their actions in granting or refusing to grant aid to each blind their actions in granting or refusing to grant aid to each blind applicant, and any blind applicant who is dissatisfied with the finding of the Public Assistance Division regarding his applicainding of the Public Assistance Division regarding his applica-tion for aid, may appeal to the Board who shall now consider the application and if a majority of the Board in attendance at a meeting at which a quorum is present shall find that the applicant is entitled to aid under the provisions of this act, they shall then and there award such aid as they deem proper.

With the following committee amendment:

On page 4, line 1, strike out the word "physician" and insert the word "oculist."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 6. The Public Assistance Division shall investigate annually, or oftener, the qualifications of blind persons who receive aid hereunder, and may increase or decrease the allowance within the limits prescribed by the act; or if said Public Assistance Division is satisfied that any person on the list is not entitled to aid hereunder, they shall strike off and entirely remove him from said list, and shall forthwith notify the Board of such action: Provided, however, That the person heretofore receiving aid may take an appeal to the Board from such action as if it were an original application for aid: And provided further, That such an appeal must be filed within 60 days from the notification by the Public Assistance Division to the beneficiary hereunder of the intended reduction or discontinuation of aid, and no reduction or discontinuance of aid shall be operative until after rendition of the findings of the Board on said appeal.

SEC. 7. No person shall be eligible to receive aid under the pro-

SEC. 7. No person shall be eligible to receive aid under the provisions of this act who, after receiving said aid publicly solicits alms in any manner, either by wearing, carrying, or exhibiting signs denoting blindness for the securing of alms, or by any signs

signs denoting blindness for the securing of alms, or by any signs calling attention to blindness exhibited on wares and merchandise, or the carrying of receptacles for the purpose of securing alms, or the doing of the same by proxy, or by stationary or house-to-house begging, or any other means of publicly securing aid.

SEC. 8. Any person qualifying for and receiving aid hereunder who removes himself from the jurisdiction of the District of Columbia and thereby ceases to be a resident, shall no longer be entitled to the benefits and aid under the provisions of this act, but temporary absence for a reasonable length of time shall not work a forfeiture hereunder, when such prolonged absence is caused through illness. caused through illness.

caused through illness.

SEC. 9. The benefits hereof shall not be granted to any person between the ages of 16 and 55 years who, having no occupation and being both physically and mentally capable of some useful occupation, or of receiving vocational or other training, refuses for any reason to engage in such useful occupation, or refuses to avail himself of such vocational or other training, or unless for good cause shown signifies his willingness and readiness to enter upon a course of such vocational or other training within a reasonable time: Provided, That no person shall be entitled to the benefits of this act who shall refuse to submit to any treatment or operation to effect a cure when such treatment or operation is recommended by three examining oculists and approved by the Public Assistance Division.

Mr. DUNN of Pennsylvania. Mr. Speaker, I move to strike out the last word in order to interrogate the chairman of the committee. May I ask the gentlewoman from New Jersey if the President has agreed to sign this bill if enacted into law?

Mrs. NORTON. I understand the President will sign the bill. The objections which the President had to the bill last year have been removed. The objections were minor, and were principally because the Commissioners had not at that

time approved the bill. We now have a letter from the Commissioners approving the bill.

Mr. DUNN of Pennsylvania. The reason I ask the guestion is because a delegation of blind people came to my office some time ago and presented me with an almost exact duplicate of this bill. I immediately got in touch with Mr. McIntyre to see if the President would sign the bill.

Mr. McIntyre told me to contact Mr. Bell, of the Budget Bureau. Mr. Bell was away for about a week, and I waited until he returned, but in the meantime this bill was introduced. I interviewed the gentleman from Pennsylvania [Mr. ELLENBOGEN], and he was not positive about Mr. Bell's being in favor of the bill. I wish to say that I am not. I think it is a very obnoxious piece of legislation, and I am opposed to it.

Mrs. NORTON. Why are you opposed to it?

Mr. DUNN of Pennsylvania. For various reasons.

Mrs. NORTON. Name the reasons.

Mr. DUNN of Pennsylvania. In order for a blind person to get this pension, he has to be a pauper. A blind person should not be submitted to any more embarrassment than any other person who is to receive a pension from the Government.

Mrs. NORTON. Is not that true in getting any pension? Mr. DUNN of Pennsylvania. No; it is not. There are many persons who receive pensions from the Federal Government and the State government who do not have to pauperize themselves. I cannot understand why the gentleman from Pennsylvania [Mr. Ellenbogen] presented this bill. Last year a bill of this type was passed, and the President vetoed it.

Mrs. NORTON. May I say to the gentleman that the blind people of the District of Columbia, for whose benefit this bill was introduced, entirely approve of this bill, and it seems to the committee they are the people most concerned with respect to the measure, and may I further say that it is my understanding the bill is now acceptable to the President.

Mr. DUNN of Pennsylvania. May I inform the gentlewoman from New Jersey that blind people came to my office and told me to do my utmost to defeat the bill.

Mrs. NORTON. As chairman of the committee I may say that it seems extraordinary to me they would come to the gentleman's office instead of the office of the Committee on the District of Columbia.

Mr. DUNN of Pennsylvania. The reason the blind came to me was because they knew I have been active in the affairs of the blind for many years. I was one of a number of blind persons who helped to make it possible to have the constitution of Pennsylvania amended so that the sightless of that State could obtain a pension.

Mr. NICHOLS. Mr. Speaker, will the gentleman yield to me for a moment?

Mr. DUNN of Pennsylvania. Yes.

Mr. NICHOLS. I may say to the gentleman from Pennsylvania that I was a member of the subcommittee which had this bill up for hearing. We had several days' hearing on it, and the committee rooms for those 2 or 3 days were literally filled with blind people from the District of Columbia testifying in favor of the bill and imploring us, as a subcommittee, to report it out favorably to the main committee and finally to the floor of the House.

I may also say to the gentleman that during all of these days of hearings there was not a single blind person who appeared in opposition to the measure.

I want also to say to the gentleman that I agree with him in that perhaps the bill does not have all the desired features, but in the best interests of the blind who appeared there it seems to me this is as good as we can expect at this time, and I should like to have the gentleman not oppose it, but let us pass it like this, and then we can go along and work on it further.

Mr. DUNN of Pennsylvania. In reply to the gentleman, may I say that I know the committee is actuated by humanitarian motives, but when the gentleman says the blind appeared before the committee I wish to state they were interested in a real pension bill. If you were to compare the number of blind who appeared before your committee asking for this particular pension bill with the number that are opposed to this particular bill, your number would be very small.

Mr. NICHOLS. May I say to the gentleman that the testimony was there were some 300 blind in the District of Columbia that this bill would affect.

Mr. DUNN of Pennsylvania. I absolutely agree that it will affect at least 300 blind people.

Mr. NICHOLS. And I may say to the gentleman I believe I would be conservative in saying that 75 people appeared in favor of the legislation, while not a single one appeared against it.

Mr. DUNN of Pennsylvania. I may say to the gentleman that the blind want a pension, but they want a better bill than this. I would not stand up here and oppose any legislation that is going to benefit the blind or any other class of unfortunates, but I want them to get the best that is obtainable.

The Clerk read as follows:

Sec. 10. No person shall be eligible to the benefits of this act who shall hereafter either intentionally deprive himself of his eyewho shall hereafter either intentionally deprive himself of his eyesight or assist in the destruction thereof by others; or hereafter shall lose his eyesight during the perpetration of a criminal offense; or shall hereafter lose his eyesight by reason of vicious habits; or through hereafter indulging in so-called "alcoholic beverages"; Provided, That no payment of any money shall be made under this act for the care or relief of any blind person who has for 5 years preceding his blindness or loss of sight been dependent upon public relief unless such dependency shall have been caused through physical or mental incapacity or the general economic depression.

Mr. DUNN of Pennsylvania. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I desire to ask the gentlewoman from New Jersey another question with respect to the section of the bill which states, if I interpret it correctly, that if a man goes blind because of drinking alcoholic beverages, he will not be eligible for a pension.

Mrs. NORTON. I am going to ask the gentleman from Oklahoma [Mr. Nichols], who was a member of the sub-committee that conducted hearings on this bill, to answer the gentleman's question.

Mr. DUNN of Pennsylvania. Will the gentleman please explain that part of the bill which states that if a person goes blind because of drinking alcoholic beverages he will not be eligible for this pension?

Mr. NICHOLS. I cannot explain it to the gentleman except to say that that is the provision of the bill.

Mr. DUNN of Pennsylvania. In other words, if a man goes into a place to buy some liquor and the liquor is being sold by a legitimate business man, and this man, although having the best intentions in selling the best of liquor, yet may have in his possession a bottle which is not good and sells it to a man and he afterward loses his sight, because he lost his sight in this way he would not be eligible for a pension under this act.

Mr. TRUAX. Mr. Speaker, will the gentleman yield?

Mr. DUNN of Pennsylvania. Yes.

Mr. TRUAX. What about the man who would buy liquor from a bootlegger who is irresponsible and then loses his sight?

Mr. DUNN of Pennsylvania. I cannot see where there would be any necessity to buy liquor from a bootlegger if they would bring down the price of good liquor.

Mr. TRUAX. I do not know about that. The bootleggers have been operating for 20 years.

Mr. DUNN of Pennsylvania. That is not an answer to my question.

Mr. TRUAX. If the gentleman will yield further, I may say to the gentleman, for whom I have the greatest respect, I am heartily in sympathy with an equitable and a good pension bill for the blind, the gentleman has stated that this is not the best bill, what would be the best bill?

Mr. DUNN of Pennsylvania. I would suggest to the gentleman, whom I know to be humane, to provide the blind of | lumbia for further consideration.

the District with an adequate pension without strings tied to it, and arrange it so that it will not be necessary to have some social worker running to his house and looking into his ice box to see if he has any rotton onions in it before he may be considered eligible for a pension.

Mr. NICHOLS. Will the gentleman yield?

Mr. DUNN of Pennsylvania. I yield.

Mr. NICHOLS. Will the gentleman suggest an amendment?

Mr. DUNN of Pennsylvania. I have already introduced a better bill.

Mr. WOOD. Will the gentleman yield?

Mr. DUNN of Pennsylvania. I yield.

Mr. WOOD. Does the gentleman call drinking alcohol

Mr. DUNN of Pennsylvania. They call it misconduct: I

Mr. WOOD. I think the primary sentence. " or shall hereafter lose his eyesight by reason of vicious habits" is suffi-cient, and we should strike out "or through hereafter indulging in so-called 'alcoholic beverages.'"

Mrs. NORTON. Will the gentleman offer that amend-

Mr. WOOD. Mr. Speaker, I move to amend, on page 7, line 2, by striking out, after the semicolon, the words "or through hereafter indulging in so-called 'alcoholic beverages.'

The SPEAKER. The Clerk will report the amendment. The Clerk read as follows:

Mr. Woon moves to amend, on page 7, line 2, by striking out the words "or through hereafter indulging in so-called 'alcoholic beverages.'"

The amendment was agreed to.

The Clerk read as follows:

SEC. 11. Whenever it appears after the death of any unmarried erson who has received aid under this act that his estate, after person who has received aid under this act that his estate, after deducting the exemptions allowed by law, has property over and above a sufficient amount to pay the expenses of his last illness and burial, such property shall be charged with the amount paid to such person during his lifetime; and claim may be filed against his estate for the recovery of the said amount, and an action may be brought in the name of the District of Columbia by the corporation counsel to recover the same, and the statute of limitations shall not be computed until after the death of the person receiving aid as above provided. receiving aid as above provided.

Sec. 12. Any person who attempts to obtain, or obtains, by false representation, fraud, or deceit, any allowance under this act, or who receives any allowance knowing it to have been fraudulently obtained, or who aids or assists any person in obtaining or attempting to obtain an allowance by fraud, shall be punished by a fine of not more than \$500 or by imprisonment for not more than 1 year, or by both such fine and imprisonment.

Ine of not more than \$500 or by imprisonment for not more than 1 year, or by both such fine and imprisonment.

SEC. 13. In order to carry out the provisions of this act, there is authorized to be appropriated for the fiscal year ending June 30, 1936, the sum of \$75,000, payable from the revenues of the District of Columbia, and for the fiscal year ending June 30, 1937, and annually thereafter, the Commissioners of the District of Columbia shall include in the estimate of appropriations for said District of Columbia such an amount as may be necessary for this purpose; and the Public Assistance Division shall assign such of its personnel as may be necessary to administer this act; and said Public Assistance Division shall keep and render separate account of the funds expended and separate statistical report of the persons aided under the provisions of this act: Provided, That whenever necessary said Public Assistance Division shall appoint an acceptable member of the personnel to stand in loco parentis to any minor qualifying for aid hereunder.

SEC. 14. The provisions of this act are to be liberally construed to effect its objects and purposes; and if any section, subsection, or subdivision of this act is for any reason held to be unconstitutional, such decision shall not affect the validity of such remaining portions of this act.

portions of this act.

Mrs. NORTON. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. DUNN of Pennsylvania. Mr. Speaker, I move to recommit the bill to the Committee on the District of CoThe SPEAKER. Is the gentleman opposed to the bill? | Mr. DUNN of Pennsylvania. I am.

The SPEAKER. The Clerk will report the motion. The Clerk read as follows:

Mr. Dunn of Pennsylvania moves to recommit the bill to the Committee on the District of Columbia.

The SPEAKER. The question is on the motion to re-

The question was taken, and the motion was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

On motion of Mrs. Norton, a motion to reconsider the vote whereby the bill was passed was laid on the table.

Mr. ELLENBOGEN. Mr. Speaker, I ask unanimous consent to insert at this point some remarks on the bill just passed, and include therein a tabular analysis of State laws.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ELLENBOGEN. Mr. Speaker, during the course of the present session of Congress this House will, no doubt, pass many bills which in scope, significance to the country as a whole, and amount of appropriations called for will be more important than the measure we are considering now. But I submit to you, Mr. Speaker, and to the Members of the House of Representatives, that there will be no bill before us more humane, more just, and more worthy of enactment than this same measure.

The purpose of this bill is to appropriate funds sufficient to insure a decent and secure life for the needy blind of the District of Columbia. I believe it is not necessary to argue the merits of such a purpose. They are self-evident, and will, I am sure, be conceded by everyone here.

I should like, however, to emphasize several points which were taken into consideration when the provisions of this bill were drawn up. First of all, let me say, and I cannot emphasize this point too strongly, this bill is not charity. It is not an emergency measure. It is not a dole. On the contrary, it provides for the establishment of a permanent system of administering, in a dignified manner which will cause no embarrassment to the recipients, the needs of those people who, handicapped by blindness, have not been able to support themselves.

I stress this point because I was so much impressed by the emphasis which was placed upon it by a number of the people who testified before the District of Columbia subcommittee which considered the bill. Both the blind people themselves, who came before the committee, and the representatives of various organizations and associations interested in work among the blind asked that this bill be considered altogether as a social measure, consistent with sound and progressive

principles of the relationship and responsibilities of a community to the various elements in the community.

These people are indeed to be complimented on this attitude. It is an admirable one and representative, I believe, of the courage and fortitude with which those who are suffering the greatest handicap possible in life are striving to meet the great burden thrust upon them. They are setting a noble example to the rest of the world.

This bill was drawn along such lines—as a social measure. The blind themselves would spurn this bill if its purpose were otherwise. We have for this reason excluded from the benefits of the bill certain groups of blind people who are self-supporting either through an assured income or through employment or work which guarantees a steady livelihood and those who are supported by others who are able to do so.

It is to the rest of the blind in the District that this bill applies. Unless they receive the aid proposed in the bill before us, the only alternative for them is to enter some institution or home. It is the most cruel thing that we could doto deprive them of the few dollars which would permit them to remain at home decently cared for. More and more we are progressing away from this system of relegation of worthwhile members of society to the almshouse and poorhouse. For, with all due respect to the good work many of these institutions undoubtedly accomplish, it is not right; and it is not sound, either from a social or economic point of view, to separate people from their loved ones, to remove them from all which is near and dear to them.

The most humane and the soundest way is to provide the means whereby these people can stay in their own homes and can be cared for by those whom they have grown to trust and love. That is the purpose of this bill—to have these people remain in their own surroundings, to continue their associations and interests, and at the same time to banish from their minds forever the overhanging pall of economic insecurity.

Indeed, it is to be regretted that we have not enacted such legislation for the District of Columbia long before this. It is only reasonable to suppose and expect that the Congress of the United States, enacting as it does legislation for the good and welfare of the entire country, would give the District of Columbia, which it actually governs, the first benefits of all progressive legislation. I should like to see the District become the example to be set before all the rest of the country in matters pertaining to the social and economic betterment of the United States.

So far we have not maintained such a policy. At the present time 25 States have already enacted laws of various types to care for their blind people. I have a tabular analysis of these State laws comparing the several provisions of each, and I should like to present it at this point.

Pensions for the blind, tabular analysis of State laws

State	Mandatory or permissive	State or county charges	Special tax	A mount allowed as aid <sup>1</sup>	Residence required				Limit	Limit	In- mates of in-	Beggars	
					State	County (years)			on income (per year)	on	stitu- tions denied pen- sions	denied pen- sions	Citations of State laws
Arkansas	Mandatory	State	License tax on bil- liard business.	\$300	5		x	21					Acts 1931, no. 158, amend ed by acts, 1933, no. 267
California	do	Joint (50-50)		600	410	{ 36	}	16	\$\$1,000	\$3,000	x	x	Statutes 1931, ch. 882.
Colorado	Permissive	do		300	5	1	X	40			X		Laws 1925, ch. 60, amend
Connecticut	do	State		360									ed by Laws 1927, ch. 66 General Statutes 1930
Idaho	Mandatory.	County		240	47	43		6 21 718	}				sec. 1048. Code 1932, sec. 30, 3201- 3206.
Illinois	do	Joint (50-50)	1 cent on \$100 *	*365	10	3	x	621	465		x		Smith-Hurd Revised Statutes 1933, ch. 23
IowaKansas				300 10 600	5 10	1 2		<sup>6</sup> 21 21	300		X		secs. 279-287a.   Code 1931, ch. 272.   Revised Statutes 1923
Kentucky	do	do		250	10	5			400	2, 500	x	x	ch. 19, sec. 224-245. Carroll's Statutes 1930
Louisiana	Mandatory.	Parish	RECEIPT SUITE	£ 11300	} 5	1		60	(13)				sec. 1893a, 10–13. Acts 1928, no. 101, amend
Maine	Permissive_	State		300	10	1	Ca.	21		1111-24	X	10 100	Laws, 1933, ch. 1, secs 218-226.

[See footnotes at end of table]

Pensions for the blind, tabular analysis of State laws-Continued

			Section 1	Amount	req	dence	Cities		Limit	Limit	In- mates of in-	Beggars	
State	Mandatory or permissive	State or county charges	Special tax	allowed as aid 1	State	County (years)	Citizen- ship re- quired	Age limits (years)	on income (per year)	on prop- erty	stitu- tions denied pen- sions	denied pen- sions	Citations of State laws
Maryland Massachusetts	Company of Secretary of the Secretary		x{	11 250 12 13 150	} 47		x	18	(14)		*******	x	1929, Supplement to Bag- by's Code, art. 30. General Laws, Tercen- tenary Ed., ch. 69, sec.
Minnesota	do	do		₹360	4.5		x				x	x	23. Mason's Statutes, 1927.
Missouri	do	do	3 cents on \$100	9 300	410	******			600	5, 000	x	x	secs. 4616 (e), 4617-1. Revised Statutes, 1929,
Nebraska	Mandatory.	County		300	5	1		6 21 7 18	300				secs. 8893-8905.  Compiled Statutes, 1929, ch. 68, secs. 126-128, amended by laws,
Nevada	Permissive	do	5 cents on \$100	600		2							1933, ch. 21. Compiled Laws (Hillyer)
New Hampshire.	do	do		150	5	1							1929, secs. 2313-2321. Public Laws 1926, ch. 115
New Jersey	Mandatory.	do		480	5			21				x	Secs. 9-17. Cumulative Supplement to Compiled Statutes, 1911-24, secs. 34-277-288, amended by Laws
New York	do	do		300	45	1	x						1931, ch. 17. Cahill's Consolidated Laws 1930, pp. 2693-
Ohio	do	do		400	(11)	1							2694. Throckmorton's Code
Pennsylvania Utah	Permissive	State County	1 cent on \$100	360 600	10	<u>i</u>			\$ 1,000		X	x	1930, secs. 2965-2970. Acts 1933, Ex. no. 61. Revised Statutes 1933,
Washington Wisconsin			2 cents on \$100	400 360	4 4 4 10			60	¥ 780		X X	X	secs. 19, 5, 68-77. Laws 1933, ch. 102. Statutes 1929, secs. 47.08- 47.09.

County tax.
Months, applies if person became blind while a resident of the State.
Applies if person became blind while not a resident of the State.
Including pension.
Males.
Females.
State tax.

Mr. Speaker, I can only add that I hope that this bill will be passed without a dissenting vote. I believe it is a good bill. Every effort has been made to provide for the needs of the blind, in as adequate a measure as possible. All of the money will be spent on the blind themselves, and nothing will go for administrative or executive costs.

The bill has been endorsed by leading civic and social organizations in the District of Columbia. The spokesmen for organizations doing work among the blind are in favor of it. It has the approval of the intended beneficiaries, who feel that it meets their needs. The Board of Commissioners of the District of Columbia have formally notified the House District Committee of their approbation of this measure. I now present the letter of the Commissioners:

COMMISSIONERS OF THE DISTRICT OF COLUMBIA EXECUTIVE OFFICE. Washington, February 14, 1935.

Hon. HENRY ELLENBOGEN.

House of Representatives, Washington, D. C. EAR SIE: The Commissioners of the District of Columbia have DEAR SIR: considered the attached proposed amendment to H. R. 4510, being a bill to provide pensions for needy blind persons of the District of Columbia, which you have introduced in the House of Representatives, and find that these amendments remove all objections except the one of finances which were originally raised to this bill

except the one of finances which were originally raised to this bill by the Commissioners.

The Commissioners understand that the proposal for taking as many classes of people off the relief rolls as possible, by providing special forms of assistance on the basis of special needs, is in accordance with the policy of the Federal administration, and therefore give their approval to this bill as amended, subject to the making available of the necessary funds.

The Commissioners desire to thank you for your foresight and energy as exemplified in this bill and for your courtesy in giving them the opportunity of discussing the original bill with you, through their representative, the Director of Public Welfare.

Very respectfully,

BOARD OF COMMISSIONERS OF THE DISTRICT OF COLUMBIA, By M. C. HAZEN, President.

By M. C. HAZEN, President.

Socially, morally, and economically, this is a sound measure. Let us pass it unanimously.

Fixed payment.
Not more than \$300 yearly to be paid without affirmative vote of the electors.

11 Maximum.
12 Minimum.
13 Less than amount of relief sought.
14 Minimum allowance applies if person has income of less than \$300.
14 Must have become blind in the State.

# WHOLE COTTON

Mr. FULMER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was on objection.

Mr. FULMER. Mr. Speaker, since I have been a Member of this House I have contended that there are many constructive things which could be done to be helpful to various groups of people in this country, especially the agricultural groups, all of which, to my mind, would tend to do away with temporary measures, subsidies, and so forth. Inasmuch as farmers are unorganized and are unable financially to do many constructive things in connection with their line of endeavor, it is my contention that the Government of the United States should undertake to do these things which, I am sure, will prove not only of great interest and assistance to agriculture but to every other line of business and every other class of people in this country. Under legislation passed by the Congress, we have plowed under 4,000,000 bales of perfectly good American cotton. Today we are engaged in a scheme of reducing production, paying farmers special benefits for so doing at the expense of all the taxpayers of the country. I do not object to these special benefits for the reason that they are in line with a tariff policy which has been in force all of these years in the interest of wellorganized groups. I contend, also, if we are going to continue to tax consumers under the present tariff policy for the benefit of industry and labor—although I do not believe labor receives much of these benefits-certainly agriculture should be placed on the same basis.

Some days ago I introduced a bill (H. R. 4748) to provide for research work in connection with the utilization of southern agricultural products, other than forest products, particularly whole cotton, as follows:

That in order to permit the Secretary of Agriculture to establish an experiment station for the purpose of conducting experi-

ments, research, investigations, and tests with respect to the chemical, physical, and physiological properties and utilization and preservation of southern agricultural products as bagasse. and preservation of southern agricultural products as bagasse, cotton stalk, cottonseed, and motes, cotton hulls, cotton lint and linters, rice straws, and particularly the collection, harvesting, preservation, and industrial utilization of whole cotton as a raw material for the manufacture of cellulose, not as lint cotton, there is hereby authorized to be appropriated such amounts as may be necessary to erect necessary buildings and laboratories, finance work, and provide initial equipment therefor in the South, and provide in the south of the at a cost not to exceed \$150,000, and to operate for the fiscal year

SEC. 2. In carrying out the provisions of this act the Secretary of Agriculture is authorized to cooperate with individuals originating whole-cotton investigations, public and private agencies, organizations, and institutions in the United States, and to accept on behalf of the United States such title to or loan of

or lease of land which he may deem appropriate for the research in connection with such an experiment station.

Szc. 3. There are hereby authorized to be appropriated annually such amounts as may be necessary for the maintenance, supplies, equipment, and work of such experiment station, and

for use in connection with such experiment station.

The whole-cotton plant-leaves, lint, bolls, and burs thereon—as shown by chemical tests, is rich in cellulose. Cellulose is the main raw material used in the manufacture of rayons, papers, photographic films, paints and plastics, cellophane, guncotton, and many other industrial products. The cellulose that is now used in the United States is derived mainly from spruce wood, imported from Finland, Norway, Sweden, Canada, and some other countries in small quantities.

In the manufacture of cellulose from the cotton plant, the entire plant, as stated, is utilized. When the plant has reached its maturity, even at the stage of gathering the lint cotton, it is harvested in a manner similar to harvesting hay. The plant is cut down, having never been picked of cotton, dried, and baled in the field. This raw material is then ready to be manufactured into cellulose in competition with spruce and other raw material.

The harvesting and the manufacture of cellulose from whole cotton in competition with the imported cellulose from spruce has been the object of considerable investigation on a small scale. The research was started at Rockingham, N. C., in 1929, where it was carried on until 1930, when it was taken to the University of North Carolina, at Chapel Hill. For 5 years the work was alternatingly done at the university and at Rockingham. The Rockefeller Foundation donated X-ray equipment and the American Cotton Growers Association financed the work for 1 year. Since that time the investigation has been limited in scope and progressing slowly due to inadequate facilities and financing.

At the present time the investigation has reached the point where the small test-tube scale of work is not sufficient. The results so far obtained definitely indicate that large-scale tests must be made. To indicate properly the methods which must be used in the manufacture of whole cotton into cellulose in large industrial plants more accurate pulping and bleaching experiments must be made. These can only be made on a larger scale than has heretofore been possible, not only at Rockingham and the University of North Carolina, but in laboratories under the supervision of the Department of Agriculture and the Bureau of Standards here in Washington.

In considering the cotton plant as a possible source of valuable cellulose, it was found that lint cotton, which is about 95 percent pure cellulose, would be too expensive to use alone. The cotton stalk contains about 43 percent cellulose, and due to the processing and low yield of pure cellulose obtained, also becomes too expensive as a possible source. But by the use of the stalk, lint, and other parts of the cotton plant a cellulose is recovered which points toward an economical competition of whole cotton with spruce and other materials as a source of cellulose. It is true that the rich yield of cellulose in the lint cotton is materially reduced, but at the same time the low yield of the stalk is apparently raised and the resulting raw material yield is approximately 50 percent pure cellulose. Spruce wood yields, as a high, about 52 percent cellulose.

In the recovery of the seed from the whole cotton a number

out of the whole cotton material, and this is one method looked upon favorably by some. Another method is to saponify the oils in the process and recover the soap which could be recovered as cottonseed oil. It is impossible to determine accurately which method is the better and most economical unless larger-scale experiments can be made.

One large phase of this investigation has been the growth and development of the cotton plant. Different varieties of cotton give different yields of cellulose per pound of raw material. Also, different varieties give a wide difference in number of pounds of cellulose obtained per acre of cotton. Therefore, the best variety of cotton for the production of cellulose must be found.

In the harvesting of the cotton plant, the experiments so far conducted indicate that the plant should be harvested with a revamped combine which would cut the entire plant down and bale it as the machine moves along and never allow the plant to hit the ground to pick up dirt and sand. In the experiments made the plant was cut by hand on a small scale, stacked in the field to dry, and then baled in a regular cotton-gin press in the regular size cotton bale. Each bale weighed approximately 600 pounds. Further experiments were conducted which indicated that the regular hay baler made the most durable and economic bales.

According to the United States Department of Commerce, imports for 11 months ending November 1, 1934, of pulp and pulp woods were as follows:

Pulp woods imported\_\_\_\_\_ \_\_\_\_\_cords\_\_ 928, 998 \_tons avoirdupois\_\_ 1, 472, 341 imported. Dollar value of pulp imports above, \$63,515,826.

The market quotations of November 1, 1934, were:

Bleached sulfite pulp cellulose\_\_\_\_\_ton\_ \$57.11 Bleached sulfate pulp cellulose\_\_\_\_\_do\_\_ 47.73

From the information thus far given you, it may be easily seen that this investigation is not complete. It has only really started. But the results so far obtained are so promising and are of such a wide-spread interest and possible source of rich profits for the South, it is very apparent that it would be wise to continue and properly work out all the technical and economic problems connected therewith.

I have in my office a number of pictures which more graphically present the idea of harvesting whole cotton, showing the harvested products in bales, and so forth, which, I am sure, will prove very interesting to Members if they will take the time to call by my office and look them over. I have, also, been supplied with a cabinet containing test tubes filled with samples of the products of the whole cotton in its various stages from the actual cotton stalk into a shredded form, partly cooked, partly bleached, and finally to the cellulose obtained. This cabinet contains 20 test tubes which also would be of great interest to each Member of the House. I should be delighted to have you visit me so that I can show you just what has been done and the great possibility of what can be done. I have received numerous letters already since introducing this bill from chemists and research directors of agricultural colleges commending very highly this legislation.

In closing, I want to extend my deepest appreciation to the Dockery Bros., of Rockingham, N. C., and Dr. Cameron, of the University of North Carolina, for the splendid progress they have made, information given me, and their keen interest in this proposition which, to my mind, if given proper attenton and proper financing, will result in untold benefits to the cotton industry of the South and the country as a whole.

(Mr. RANDOLPH was given leave to extend his own remarks in the RECORD by printing a radio address delivered by him-

#### THE CRIME PROBLEM IN THE NATION'S CAPITAL

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to exteind my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, under the leave to exof methods have been tested. It is possible to gin the seed | tend my remarks in the RECORD, I include the following radio address by Congressman Jennings Randolph, Chairman of the Special House Committee Investigating Crime Conditions in the District of Columbia. Delivered at Station WJSV, Columbia Broadcasting System, Washington, D. C., Saturday, February 23, 1935.

Of the complex problems confronting the American people today, none transcends in seriousness the problem of crime.

In its menace to the security of life, body, and property, law-lessness in this country constitutes a more grave situation than even our economic problem or our conflict with physical disease.

Racketeering alone extorts from the American people \$15,000,000,000 annually. That stupendous sum is far in excess of the cost of maintaining our entire Federal Government, including all of its emergency and relief agencies.

For the prevention and punishment of crime, maintenance of ialls and penal institutions, loss of property by fraud or destruc-

pails and penal institutions, loss of property by fraud or destruction by arson, our people spend another \$13,000,000,000 annually.

Aside from this material aspect in which some \$28,000,000,000 a year is squandered on lawlessness, there is appalling loss of life, destruction of physical and moral health, and tragedy beyond the

power of measurement.

In the last 35 years America's annual murder rate has increased 350 percent. There are each year in the United States—to mention only some of the major crimes—12,000 murders, 3,000 kidnappings, 50,000 robberies, 100,000 assaults, 40,000 burglaries, and 5,000 cases

Our prisons are choked beyond capacity—and bear in mind that only a small percent of those who commit crime are arrested, convicted, and finally committed to prison. In the past 10 years our prison population has increased 50 percent.

Prisoners in the Federal penitentiaries convicted for violation of

Prisoners in the Federal penitentiaries convicted for violation of Federal narcotic laws have become so great in number that Congress found it necessary to build two new penitentiaries, known as "drug-addict farms", to take care of the overflow of drug victims who had cluttered up the three regular penitentiaries.

In addition, the Attorney General of the United States found it necessary to acquire Alcatraz Prison in San Francisco Bay for convicts regarded as being too dangerous to confine in what were until recently considered secure penitentiaries for any type of felon

Despite the alarming increase in prison population, it is estimated that there are in the United States today more than 400,000

mated that there are in the United States today more than 400,000 persons who make their living mostly through crime, and that there are roaming at large 120,000 crimson-handed assassins.

I will not tax your patience with further statistics on our national crime situation. I have presented the foregoing in the hope of conveying to you some conception of the enormity of crime conditions throughout the 48 States of the Union.

What I want chiefly to bring to you tonight is an idea of the gravity of the crime problem here in Washington—the Nation's Capital

I should like to impress upon you the danger which lurks in the all too-popular idea that the crime situation in Washington is a thing to be accepted as inevitable. Washington's crime rate is abnormal. In all of the classifications of major crime, with the single exception of kidnaping, and this is as disgraceful as it is unpleasant to admit, the Capital City of our great Republic is one of the most crime-ridden cities in the world.

As chairman of the special committee of the House, which is seeking a solution to the crime problem here in Washington, I have had occasion to examine the official records of the police denave had occasion to examine the official records of the police department and of the district attorney's office. In making the statement that Washington is one of the most crime-ridden cities in the world, I have no desire to be sensational. The purpose of that statement is to awaken the citizens and the officials of this community from the lethargy which has permitted crime to expand to its present abnormal proportions.

During the last fiscal year, the local authorities arrested a total of more than 60,000 people in the District of Columbia. That is more than 10 percent of the total population. True, all but a but 5,000 of these 60,000 arrests were for traffic and municipal violations and for misdemeanors. The fact remains, however, that there were 5,000 arrests for felonies.

I cite the total figure to indicate the wide-spread disrespect for authority which exists among our people generally.

Of course, in any jurisdiction, only a portion of those who commit crime are arrested. A much smaller proportion are tried and convicted. The chance of escaping punishment in this jurisdiction is entirely too favorable to the criminal.

Let me cite you some figures.

In the fiscal year of 1934, Washington's crime score is as follows:

follows:

Eighty-one persons murdered; 36 persons killed through manslaughter by negligence; 289 persons assaulted with intent to kill, with dangerous weapons, etc.; 961 persons robbed; 2,638 houses and other places burglarized. And let me remind you at this point that every case of robbery and housebreaking, but for the grace of God, might have resulted in murder.

Other major crimes in the District of Columbia in this same period included the theft of 3,169 automobiles; 1,056 cases of grand larceny; and 695 miscellaneous felonies, including rape, mayhem, arson, forgery, extortion, and embezzlement.

The total felonies was 8,875.

If there are in my audience any who think that this condition of crime in Washington is not bad as compared to other cities, let

me say this, that a comparison of nine cities closely approximating the population of Washington shows that for last year Washington stood second in murder, first in robbery, second in burglary, first in grand larceny, and second in auto theft.

In proportion to population Washington has 2½ times as many murders as New York and 40 percent more murders than Chicago. I realize that there are those who criticize the publication of figures of this nature because it is claimed such information is a reflection on the fair name of a community. I want to say emphatically that I, for one, have no patience with this point of view. The germ of crime, like many other germs, can be destroyed only after exposure to the light, and the most destructive light for crime bacteria is publicity.

In emphasizing this thought, I echo the sentiments of the Chief Executive of the United States. In addressing the delegates to the recent National Crime Conference in Washington, President Roosevelt said:

Roosevelt said:

"It is your positive duty to keep before the country the facts in regard to crime as a whole—great crimes, lesser crimes, and little crimes—to build up a body of public opinion which, I regret to be compelled to say, is not in this day and age sufficiently active or alive to the situation in which we find ourselves."

active or alive to the situation in which we find ourselves."

Let us, then, admit the unpleasant truth and set ourselves to the task of correcting the condition.

Referring again to the fact that there were almost 9,000 felonies committed in the District last year, the police department records some 6,000 of these cases as cleared by the arrest of about 5,000 persons. Of the number arrested, there were less than 1,250 indicted by the grand jury. What happened to the other 3,750 cases is a matter that our committee proposes to ascertain.

The investigation thus far indicates that there are far too many criminals escaping arrest and punishment. Further, there is substance for the belief that there is a woeful lack of speed in the administration of criminal justice in this jurisdiction. Nothing will so definitely discourage crime as the certainty of punishment through the speedy and impartial enforcement of the law.

The people of Washington must look to Congress for protection against the depredations of antisocial elements. Congress has charged this committee with the responsibility of finding the weaknesses in the law-enforcement machinery of the District of Columbia, and recommending such remedial action as may be necessary. necessary.

I can assure you that it is the sincere desire of every member of

I can assure you that it is the sincere desire of every member of the committee to discharge that duty to the fullest extent.

I am hopeful that the inquiry will result in a lasting solution to the problem, and, further, I am hopeful that the committee will have the courageous and determined support of the people of the District of Columbia in whose behalf our work is being conducted.

It is the patriotic duty of every American to aid in removing the stigma of crime from the Capital of our country. Its effect is not only local but reaches out to all parts of our Nation and

is not only local but reaches out to all parts of our Nation and the well-being of our people.

Milwaukee, Wis., has a crime rate of 275.7 per 100,000 of population, Washington, D. C., has a crime rate of 1,152.8 per 100,000 of population.

With the aid and support of the citizens, churches, schools, and organizations in Washington, Congress can and will make the crime rate of the Nation's Capital the lowest of any city in the United States.

#### SECTION 824, CODE OF LAWS, DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I call up the bill (S. 402) to amend section 824 of the Code of Laws for the District of Columbia.

The Clerk read the title of the bill.

The Clerk read as follows:

Be it enacted, etc., That section 824 of the Code of Laws for the District of Columbia be, and the same is hereby, amended to read

District of Columbia be, and the same is hereby, amended to read as follows:

"Sec. 824. Unlawful entry on private property: Any person who, without lawful authority, shall enter, or attempt to enter, a private dwelling against the will of the lawful occupant thereof, or being therein, without lawful authority to remain therein, shall refuse to quit the same on the demand of the lawful occupant thereof; or any person who, without lawful authority, shall enter, or attempt to enter, an unoccupied private dwelling against the will or consent of the lawful owner thereof, or his duly authorized again or being therein, without lawful authority to remain therein. agent, or being therein, without lawful authority to remain therein, shall refuse to quit the same on the demand of the lawful owner thereof or his duly authorized agent, shall be deemed guilty of a misdemeanor, and on conviction thereof shall be punished by a fine not exceeding \$50 or imprisonment in the jail for not more than 6 months, or both, in the discretion of the court."

With the following committee amendments:

On page 1, line 8, after the word "dwelling", insert the words "or building", and on page 2, line 3, at the beginning of the line, insert the words "or building."

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider

Mrs. NORTON. Mr. Speaker, that concludes the business

LEGISLATION FOR BLIND OF THE DISTRICT OF COLUMBIA

Mr. DUNN of Pennsylvania. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. Dunn].

There was no objection.

Mr. DUNN of Pennsylvania. Mr. Speaker, I do not want anybody in this House to be under the impression that I was opposed to the blind of the District of Columbia receiving a pension. I believe the blind of the District of Columbia and in every State in the Union should have an adequate pension. It is a fact, thousands of men who are blind today have lost their sight in the mills and factories and they have to pay as much for rent and other necessities as any other person who possesses sight. In fact, the expenses of a blind person are much more than those of the average person who can see.

As I stated about 2 weeks after Congress convened, a delegation of the blind of the District of Columbia came to my office and presented a bill to me to introduce for them. I told them I would present it but I would modify it. I called Mr. McIntyre at the White House to learn if the President would sign a pension bill for the blind if it were passed. He told me to contact Mr. Bell. I called Mr. Bell's office and was informed he would be away for a few days. When he returned Mr. Bell requested me to present the bill.

After I received this information then my colleague, Congressman Ellenbogen, introduced almost the identical bill. The blind people who had been in my office called Mr. Ellenbogen and asked him why he introduced their bill. I do not understand why Mr. Ellenbogen did this. He knew I was active in the affairs of the sightless. The bill which the gentleman, Mr. Ellenbogen, introduced, as I said before, is not a real pension bill. If the gentleman from Pennsylvania [Mr. Ellenbogen] wanted to introduce a bill to help the blind, why did he not introduce a bill that was worth while?

Mr. Speaker, in conclusion, I wish to state to the committee whom I believe were actuated by humanitarian motives, that I personally, in behalf of the blind of the District of Columbia, thank them for their willingness to assist them in obtaining a pension, which, in my opinion, is very much needed at the present time.

[Applause.]

[Here the gavel fell.]

Mr. ELLENBOGEN. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. Ellenbogen]?

There was no objection.

Mr. ELLENBOGEN. Mr. Speaker, I deeply regret that my colleague, Mr. Dunn of Pennsylvania, has seen fit to make the remarks he has just concluded. I am certain that if the gentleman knew the facts in the case and knew the bill he is speaking about, he would not have done so. When my colleague from Pennsylvania, Mr. Kelly, was defeated I determined that I would present a bill that he had presented last year and that had been passed by the House. When the session began I looked over the bill, and I made a few changes, and then I introduced the bill, without having spoken to any of the blind, without having spoken to the gentleman from Pennsylvania [Mr. Dunn], or anybody else, and not knowing of the interest of Mr. Dunn.

Mr. DUNN of Pennsylvania. Will the gentleman yield?
Mr. ELLENBOGEN. At the end of my remarks I will be glad to yield.

I introduced the bill as any Member of Congress would introduce a bill on a subject in which he was interested. Had I known that my colleague, Mr. Dunn, was considering it, I would have gladly consulted him. The bill means nothing to me personally or to my district. I introduced the bill because I am a member of the Committee on the District of Columbia, which is in charge of all legislation pertaining to the District of Columbia. A day or two after I had introduced the bill, the blind of the District of Columbia called me and expressed their deep gratitude to me

and told me they had previously talked to the gentleman from Pennsylvania [Mr. Dunn] because he was blind, but that he had failed to introduce the bill, and they were glad I had done so because they did not like the long delay.

Mr. DUNN of Pennsylvania. Will the gentleman yield?

Mr. ELLENBOGEN. In just a moment. Now, as to the bill, I wish to tell my colleague from Pennsylvania it is a better bill than was ever passed in any State of the Union. It is a much better bill than the bill passed by the State of Pennsylvania. It does not require that a blind person must be a pauper before he can obtain a pension.

It is a model bill for any State in the Union to adopt; and, Mr. Speaker, the gentleman from Pennsylvania, my colleague, Mr. Dunn, indicated in a discussion which I had with him that the bill was a good bill.

Mr. DUNN of Pennsylvania. Does the gentleman say that I told him the bill was a good bill?

Mr. ELLENBOGEN. Mr. Speaker, I do not yield. Continuing, Mr. Speaker, the gentleman said he had intended to introduce such a bill; and if he had intended to introduce this bill it must, in his opinion, be a good bill.

I want to say also, Mr. Speaker, that when I knew this bill was to come up today, I notified my colleague, the gentleman from Pennsylvania [Mr. Dunn], and said that most likely he would be interested to speak on this bill and suggested that he be here. The gentleman never indicated in any way that he was against the bill, but indicated that he was for it.

Mr. Speaker, I have no quarrel with the gentleman from Pennsylvania; I desire no quarrel with him. Had I known of his interest in this legislation, I would have yielded to him gladly. I believe that as time goes along he in his good judgment at some later time will acknowledge that the bill is a fair one. I believe it is a good bill and that the gentleman will acknowledge it.

Mr. DUNN of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. ELLENBOGEN. Certainly.

Mr. DUNN of Pennsylvania. The gentleman did not hear me vote against the bill, did he?

Mr. ELLENBOGEN. I would not want to say whether the gentleman voted for or against the bill.

Mr. DUNN of Pennsylvania. Did the gentleman make the statement that I said it was a good bill?

Mr. ELLENBOGEN. I made the general statement that the gentleman from Pennsylvania [Mr. Dunn] said that he had intended to introduce the bill that the gentleman from Pennsylvania, Mr. Kelly, introduced in the last session; and that is very much the same bill.

Mr. DUNN of Pennsylvania. Mr. Speaker, the gentleman admits I told him that. Is it not a fact that the day after the gentleman introduced that bill Mr. Taylor, the head of the blind organization in the District of Columbia, called the gentleman on the phone and asked why he had done it, that he, Mr. Taylor, had given me the bill to present?

Mr. ELLENBOGEN. The day after I presented the bill Mr. Taylor called me and said that he had previously spoken to the gentleman from Pennsylvania [Mr. Dunn] and that he was very glad that someone had introduced the bill. I had never seen or spoken to Mr. Taylor before that. Had I known of the interest of the gentleman from Pennsylvania [Mr. Dunn], I would gladly have yielded to him, even though I am a member of the Committee on the District of Columbia

Mr. DUNN of Pennsylvania. Does not the gentleman know it to be a fact that I am affiliated with the Pennsylvania Association for the Blind, of Pittsburgh, a member of the board of directors, and that, together with my other colleagues, I put the section in the constitution of the State of Pennsylvania to give the blind of that State a pension.

Mr. ELLENBOGEN. I think the gentleman deserves the heartfelt and grateful thanks of the people of Pennsylvania for what he has done for the blind of the State of Pennsylvania.

Mr. DUNN of Pennsylvania. Every member of the legislature, Republican, Democrat, Socialist, was behind that measure and helped in putting it through. The gentleman knew I had this bill under consideration.

Mr. ELLENBOGEN. No; I did not know it.

Mr. DUNN of Pennsylvania. The only reason I had not introduced it was my desire to learn if the President would sign it; and I contacted the White House for that purpose.

Mr. ELLENBOGEN. I never knew that the gentleman was considering this bill.

[Here the gavel fell.]

The SPEAKER laid before the House the following message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H. R. 4018, entitled "An act to provide for the investigation, control, and eradication of marine organisms injurious to shellfish in the Atlantic and Gulf States."

The bill authorizes appropriation of \$500,000, or so much thereof as may be necessary, to enable the Secretary of Commerce to conduct investigations and experiments for the determination of the best methods to control the leech, starfish, borer, and other pests injurious to oysters, clams, and scallops in waters of the Atlantic and Gulf States, immediately to apply control measures, and to make payments for the removal of these pests in such amounts and under such regulations as he may prescribe.

I am not satisfied that this very large appropriation would accomplish the result hoped for. I cannot get assurance of the probability of permanent eradication or control of these marine pests. Science has not yet discovered the answer. There is, on the other hand, every reason for further investigation and experimentation with the hope that a practical answer may be found. Such work can be carried on by the Bureau of Fisheries under existing authority.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, February 25, 1935.

The SPEAKER. The objections of the President will be spread upon the Journal.

Mr. BLAND. Mr. Speaker, I move that the bill and the message be referred to the Committee on Merchant Marine, Radio, and Fisheries and ordered printed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

# PERMISSION TO ADDRESS THE HOUSE

Mr. BEITER. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BEITER. Mr. Speaker, eternal vigilance is the price of liberty. Liberty has been defined as the right of each individual to do any and all acts excepting only such as might interfere with the rights of others. The right of every individual to do with his own exactly as he pleases so long as he does not interfere with the similar right of his neighbor.

His own activities and the property created thereby are his own, subject only to the taxing power of the state for the purpose of providing governmental determination and protection of those rights.

That superior right is determined by a majority of the individuals of a commonwealth and is changed from time to time as public interest may seem to require. Such changes should be made by a majority if representative government is to be maintained. The power of a minority to control is un-American, vicious, and threatens the Constitution, which is the very foundation of our Government.

Whenever a citizen is required to file a public tax record, such as form 1094—better known as the "pink slip"—which is open to the public, his liberty is gone. Those who do so willingly are without question entitled to do so, but the liberty of those who are forced to do so is destroyed. Many a person who lives in security may, upon publication of his tax return, be revealed as attractive prey for racketeers.

As an illustration of publicity let me quote from a Washington paper of February 18, 1935:

Eleanor Hanley was hailed as an exceedingly lucky person when she won \$110,000 on the Irish sweepstakes 2 years ago. This New Jersey woman has been hounded since by gangsters and is now in an asylum. Doctors hold she is unable to handle her affairs.

Mr. Speaker, this unhappy story supplies a moral with which to adorn the pink-slip provision of the Revenue Act of 1934. I see the possibility of racketeers and gangsters capitalizing on the provision which would lay bare for all to see the affairs of taxpayers heretofore held secret by the Government. If the form provided publicity of the names of the taxpayers merely, I should not object. Neither would I object if those, particularly those in the upper brackets, were to file a return giving the information required now on form no. 1094 with the two committees of the House dealing with tax matters. I do not believe we should dedicate ourselves to furnishing a record to unscrupulous stock promoters, kidnapers, and racketeers, nor should we dedicate them to bringing embarrassment needlessly and uselessly, invading the privacy and the peace and happiness of people who feel that they have the right to keep their own affairs to themselves, consenting that the Government shall discharge its functions as respects the investigation of returns through agents employed by it.

All things being equal, unjust laws make more lawbreakers of law-abiding citizens than just laws make law-abiding citizens out of lawbreakers.

The spreading out of the returns and advertising them for inspection is more than annoying to people who are innocent of any offense against the Government. It is likely to bring trouble to the taxpayers who to a very large extent pay the money demanded by the Government.

But there stands the publicity provision. And what is to be done about it? Let us move at once for repeal of this obnoxious and dangerous provision of the law. The President and Secretary Morgenthau did not endorse it when it was proposed; nor have they indicated since that they regard it as possessing any merit. It is supported by no responsible agency. It can find favor only with the racketeers.

The good that has come out of recent income-tax disclosures has come from committees of Congress and not from publicity. Congress may have all returns for public purpose.

I hope Members of Congress will carefully consider these statements. I think it is necessary they do so, otherwise public sentiment will soon grow up in our Republic whose power and influence will be too large to cope with, a sentiment not in keeping with American traditions and ideals. [Applause.]

Mr. COCHRAN. Will the gentleman yield?

Mr. BEITER. I yield to the gentleman from Missouri.

Mr. COCHRAN. Is the gentleman in position to tell the House if the Secretary of the Treasury is opposed to the section providing for publicity of all income-tax returns and is in favor of repeal?

Mr. BEITER. He is not opposed to it.

Mr. COCHRAN. The gentleman then is in a position to say to the House that the Secretary desires the section repealed.

Mr. BEITER. Yes.

Mr. COCHRAN. I may say that the Chairman of the Ways and Means Committee told me Friday that he had submitted these bills to the Secretary of the Treasury and as soon as he received a report from the Secretary of the Treasury—if it was favorable to repeal—if it was possible for his committee to do so, he would take up the resolutions pending before his committee at an early date.

Mr. MAPES. Mr. Speaker, will the gentleman yield? Mr. BEITER. I yield to the gentleman from Michigan.

Mr. MAPES. I think the country is very anxious to know if there is any prospect for the repeal of this provision before the 15th of March. Can the gentleman give us any assurance in reference to that matter?

Mr. BEITER. Is the gentleman from Missouri a member of the committee, and can he answer that question?

Mr. COCHRAN. No; I am not a member of the committee, but I want to say I voted for this provision and the gentleman voted for this provision. Why? Because it was in the conference report and it was a case of take it or leave it. We had to have a revenue bill.

Mr. BEITER. This provision was added to the revenue bill when debated in the Senate. The other body is respon-

sible for the publicity requirement.

Mr. COCHRAN. Did not the gentleman vote for the 1934 conference report on the revenue bill? I thought we all, or at least the Democrats, voted for that bill, and the section now complained of, a Senate amendment, was in that report. We had to take it whether we liked it or not at that time.

[Here the gavel fell.]

Mr. TRUAX. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for 1 additional minute, so that he may answer certain questions.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BEITER. I have not answered the gentleman from Missouri as vet.

Mr. TRUAX. Will the gentleman answer this question: What percentage of the population of our country files income-tax returns?

Mr. BEITER. Between 3 and 3½ percent. Mr. TRUAX. I understand that only about 3½ percent file returns, therefore 961/2 percent of our people are not affected at all by this so-called "pink slip" provision.

Mr. BEITER. Those who are not affected do not object. Mr. TRUAX. Certainly not. The millionaires and billionaires object.

Mr. BEITER. It is not only the millionaires, but all income-tax payers protest and rightfully demand repeal of the publicity provision as a matter of safety and well-being.

Mr. TRUAX. The gentleman spoke about racketeers. Does he mean the kidnaping racketeers, or the millionaire racketeers who rob and plunder the people and defraud the Treasury of the United States out of hundreds of millions of dollars in income taxes?

[Here the gavel fell.]

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as

To Mr. STARNES, indefinitely, on account of illness in family.

To Mr. HARTLEY (at the request of Mr. CAVICCHIA), for the remainder of the week, on account of serious illness of father.

### GOVERNMENT COMPETITION WITH PRIVATE BUSINESS

Mr. HOUSTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kansas.

There was no objection.

Mr. HOUSTON. Mr. Speaker, the President of the United States, in a recent message to the Congress, declared in no uncertain terms that projects undertaken by the Government to provide employment and relief should be planned so as to compete as little as possible with private enterprise. I was happy to learn that the President assumes this attitude for it has long been my personal conviction that in such competition there exists grave dangers.

Continued exercise by Government of functions normally assumed by private initiative will, I fear, ultimately result in not only the development of a feeling of uncertainty among business men, but may cause a permanent lowering of wages and loss of mass purchasing power.

While it may be admitted that the Government can produce shoes or furniture or fertilizer and many other things at lower cost than private enterprise, those employed by the Government at necessarily low wages might better be engaged by private business and receive a higher income. As my colleague, the gentleman from Washington [Mr. Lloyp]. recently pointed out on the floor of the House, "every time you cut a piece of leather to make a pair of shoes through a

Government agency you are putting a \$5-per-day man on the relief rolls to fill his place with a \$50-per-month man in your competing relief set-up."

I am familiar with the difficulties surrounding any attempt to enact legislation which might be expected to keep the Government out of business. The attempt in the last Congress to provide for a uniform system of cost accounting was, I believe, a step in the right direction. I venture to say that if the cost-accounting methods used by both private and public production units were identical it could be shown in many instances that the taxpayer's dollar might better be spent in purchase through competitive bids in the open

According to the Comptroller General and other interested officials, the measure proposed last year would have cost several millions of dollars and would have been difficult to administer. Not being altogether familiar with the bill I cannot personally attest to the truth of this contention, although the stand taken would appear reasonably tenable. Such a system would no doubt require constant revision and might be found a poor "yardstick" in the end.

However, Mr. Speaker, I want to go on record as supporting any general movement on the part of the Members of this House which will mean the immediate cessation of Government competition with private business. As frequently contended by various Members, the most effective means of arriving at this objective lies in the framing of appropriation measures. I would like to see every conscientious Member who is opposed to this evil give close attention to all appropriations which enable the Government to go into or stay in any kind of business except in fields of research and experimentation, and I am in favor of placing strict limitation upon the latter.

The findings of the special House committee appointed by the Seventy-second Congress to investigate Government competition with private enterprise are well known. Data collected by this committee indicated that Government and private enterprise were competing in fields representing 225 items of trade, industry, and personal and professional service.

I take this opportunity to again list the fields in which it was contended before the committee that competition existed. They were as follows: Agriculture, amusements, architecture, baking, banking, livestock, ship chandlery, printing and binding, brickmaking, canning, brush and broom manufacture, canvas products, cement dealers, chemicals, clothing, coal business, coffee importation, contracting, the cotton industry, creameries, animal and fowl feeds, fruit and vegetable shippers, furs, the grain trade, ice manufacture, laundries, mechanical shop and marine work, shoe factories, the wool industry, dairy farming, engraving, envelops, stationery, explosives, the express industry, fertilizer products, furniture dealers and manufacturers, gasoline and oils, hotels and restaurants, insurance, lumber, saddlery and harness manufacture.

Why does this competition continue to exist and grow? Labor is opposed to it. No trade or industry of which I am aware favors it. It has been demonstrated that it is often costly to taxpayers. Who, then, desires its continuance?

What sound reasons can be advanced for its continuance? Why did the President take pains in his message of January 4 to make the following recommendation-I quote the President's message?-

The projects undertaken should be selected and planned so as to compete as little as possible with private enterprises. This suggests that if it were not for the necessity of giving useful work to the unemployed now on relief, these projects in most instances would not now be undertaken.

It appears to me that there is no more reason in the continuance of the manufacture of clothing, for instance, by the Government than there would be in denying the wisdom of the words of our President.

Even though the Members of this body may feel impelled to cast their votes in the light of political expediency rather than follow their honest convictions. I ask you to glance in the RECORD at the list of lines of endeavor which I have named and ponder the consequences of its extension. It is

fortunate, perhaps, that I may respond to both political expediency and my honest convictions and yet feel quite comfortable when I return to my home district.

ADDRESS OF THE SECRETARY OF THE INTERIOR

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an address recently delivered by the Secretary of the Interior to a very large gathering of public officials and stockmen of the West in the city of Denver, concerning the systematic use and preservation of the public domain of the 14 Western States.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. TAYLOR of Colorado. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address, delivered by the Secretary of the Interior, Hon. Harold L. Ickes, before a very large gathering of public officials and stockmen from practically all the Western States, at a meeting in the city of Denver, February 12, 1935.

The address contains such an exhaustive presentation of the present conditions of the public domain throughout the public-lands States of the West, so much important information, his conception of the spirit and intent of that law, and his hopes and intentions regarding its rightful administration, that I am confident the address will be not only interesting and instructive to the public in general and the West in particular, but will be an historic State paper pertaining to the orderly use, conservation, and development of the public domain of the West.

Governor Johnson, officials of the Western States, members of the Colorado Legislature, and ladies and gentlemen, your presence here today is a frank recognition of a fact that we have known for a long time, but which we have been unwilling to admit—the fact that the physical frontier of the United States is gone forever. This fact calls for a drastic change in our national land policy. The free and unrestricted use of the public range must give way to a policy of prudent use of that same range for the welfare of the whole country. This new policy, as expressed in the Taylor Grazing Act, is primarily in the interest of those whose livelihood depends upon the maintenance of the public range—the cattlemen and sheepmen of America. The Government, with the intelligent and whole-hearted support of the stockmen of this western country, hopes so to be able to administer the Taylor Grazing Law that there will be more and better grazing lands in the future than there are at present. It was to protect and build up the range for you that this law was passed. It is to take counsel with you as to the best means to protect and build up the range that I have come all the way from Washington. Governor Johnson, officials of the Western States, members of the

passed. It is to take counsel with your as to the best literals to protect and build up the range that I have come all the way from Washington.

In the early days of our country, the public domain of the National Government consisted of 260,000,000 acres of land. These acres were contributed by seven of the original Thirteen Colonies. Then, as the result of conquest, exploration, treaties with foreign nations, and purchase, we found ourselves in possession of an empire of a billion and a half acres, equivalent to about 80 percent of the area of the entire country. Originally this great domain was relied upon as a source of revenue out of which the expenses of the Government could be paid. Parcels of it were sold for cash. This system was abandoned in 1841 when the preemption law was enacted, permitting individual acquisitions of 160 acres by settlement and the payment of \$1.25 per acre. In 1862 the free-homestead law was passed by the Congress. Under this act any American citizen had the right to establish a home of his own on a tract of 160 acres, regarded at that time as a farm unit adequate to maintain a family in comfort.

The result of the early land policy of the Nation can be readily visualized if you will fly westward from the Allegheny Mountains. The landscape you will see presents the aspect of a vast checkerboard of small, prosperous farms. Areas of grain stubble, evidencing abundant crops, fallow land, pastures, wood lots, all bound together in 40-, 80-, or 160-acre tracts that are punctuated with barnyards and comfortable dwellings, form an almost continuous patchwork, broken here and there by channels of streams or interrupted by towns. This is the nature of the scenery until the western section of the Mississippi Valley is reached. Here lies a transition zone into the dry, semi-arid plains that extend westward to the base of the Rocky Mountains. In this section of the country different climatic and soil conditions required another plan of land development, to meet which the so-called "dry-farming of 320 acres. Further west still, about midway of the semi-arid plains region, large areas of native, short-grass grazing lands begin to dominate the landscape. For land of this type the Congress in 1916 enacted the 640 acres homestead law.

Concurrent with the progressive development of land uses for the homesteader there has been legislation for other special land uses. An ordinance enacted in 1785 initiated a policy of reserving minerals and the practice of leasing mineral lands was inaugurated

in 1807. Timber reservations came into use in 1799, although the idea of national forest reserves was not conceived until March 3, 1891. Yellowstone National Park was created by an act of Congress on March 1, 1872, and national monuments were authorized on June 8, 1906. The theory of creating reservations for Indians has been in effect almost from the beginning of our dealing with these original Americans. In sum, there are now special laws for almost every land-use activity in connection with the public domain.

The early land policies that sooner or later found expression in The early land policies that sooner or later found expression in Federal legislation were policies of expediency. They did not carry out any carefully developed plan. Indeed, there seemed no necessity for a plan reaching into the future and based upon a determination of the best uses to which various lands in different sections of the country might be put. Land was illimitable. It stretched ever to the far-western horizon, and the farther one traveled toward the west, the farther away seemed that horizon. With land ever ahead, to be had for the asking or, at worst, for a nominal sum, no need could be seen for a carefully thought-out and well-developed land policy. There was no occasion even to maintain the fertility land policy. There was no occasion even to maintain the fertility of the farm presently occupied. When that fertility was drained into the corn or the wheat or shipped to market as beef or pork, the seminomadic American farmer could once more fold up his tents and resume the western trail.

But there came a time, which we now realize should have been But there came a time, which we now realize should have been foreseen, when we discovered that our land resources were not inexhaustible. There were no more fertile farms to be had for the taking. The unfortunate farmer who improvidently had used up his land without ever feeling an obligation to maintain or restore its fertility found himself struggling for a bare existence on soil that, formerly capable of producing abundant crops, had imperceptibly become submarginal. In those sections of the West where great herds of cattle and flocks of sheep had had limitless range upon which to sustain themselves it gradually came to be where great herds of cattle and flocks of sheep had had limitless range upon which to sustain themselves it gradually came to be realized that there was no longer sufficient forage to meet the demands that were made upon it. So we were brought face to face with a problem of tremendous import to the future of America. It was no longer a question of what we were going to do with new and unappropriated land upon which we could indefinitely expand for all time to come. It became a question of what we must do with the lands that we already had, the limits of which had been ascertained, in order to prevent further deterioration and disintegration, so as to protect and preserve them for the generations that were to follow us. that were to follow us.

We came to recognize not only the advantages but the absolute necessity of intelligent land-use planning. We came to realize that such planning is not only a national problem, that it is a State and local problem as well. Just as a wise farmer studies his lands in order that he may know the values with which he deals, the best uses to which his lands may be put, so must the Government, as we now see it, take a careful inventory of the lands of the Nation with a view to determining the best uses to which every section of that land may be put. Our rich endowment of good earth has made it possible for us to build up the greatest nation in the history of the world. An intelligent and prudent use of our land, since there are no new lands for us to occupy, is absolutely necessary if we are to go forward as a people into a richer, fuller, and more worth-while life.

A proper approach to the problem confronting us requires a

fuller, and more worth-while life.

A proper approach to the problem confronting us requires a correlation of our national needs for land with our population. The growth of population in the United States during the past century and a half probably is unprecedented in the history of the world. The census of 1790 counted 3,929,000 persons and that of 1930, 122,775,000. The increase from 1920 to 1930 alone amounted to 17,000,000 people, or almost the total of the present population of Canada and Australia combined. This rapid increase stimulated industry, commerce, and transportation and caused an enormous expansion in agriculture that was reflected in an advance in land values. It involved a vast and more or less wasteful exploitation of our natural resources. our natural resources.

The expectation of a continued rapid increase in population has constituted an important element in our national calculahas constituted an important element in our national calculations and policies. At the present time a declining birth rate, plus limitations on foreign immigration, indicate that soon after 1960 the population will have reached its maximum, after which it will begin to decline. But although our population may become stationary, or in fact decline, we must not weaken in our determination to develop our lands to their fullest and best uses. We want our children, whether they are greater or lesser in number, to have a greater average share in the fullness of the earth than we today have.

of the earth than we today have.

On the basis of this forecast as to population trends, our scientists assure us that, properly husbanded, our land resources are adequate for our future population. They say that in 1960 the major uses of the 1,900,000,000 acres in the United States will be about as follows: Harvested crops, 20 percent; pasture and range (part forest and woodland), 52 percent; forest and woodland not grazed, 14 percent; cities, towns, roads, farmsteads, idle or fallow land, waste, etc., 14 percent.

These are substantially the percentages of the major land uses today. The principal predicated change is that a reduction of 4 percent in pasture and range land, of which 1 percent will be

4 percent in pasture and range land, of which 1 percent will be converted to harvested crop land and the other 3 percent will be devoted to urban uses. It appears that we can provide an ample food and timber supply for our people. It appears further that on the nonagricultural land we can make a relatively abundant provision for wildlife and recreation as compared with other countries. But in order to do this we must take thought

not only for the morrow but for today. We must prevent further deterioration and destruction of our good earth.

I wonder if the people realize the extent to which erosion is

areas our country is being stripped of its rich covering of soil or gullied beyond repair. The annual cost of erosion to our farmers has been estimated at \$400,000,000. This does not take into account the choking of stream channels and the filling up with silt of reservoirs and irrigation ditches, a matter of vital concern to this western country.

this western country

At least 35,000,000 acres of formerly cultivated land, much of it originally good land, have been practically destroyed in this country by erosion. Another 100,000,000 acres of crop lands are in serious danger. The evidence is that it requires at least 400 years to build a single inch of productive soil from raw subsoil clay. In total, it may take nature two or three thousand years to heal the wounds that erosion inflicts. The experts say that 3,000,000,000 tons of soil material are washed out of our fields and pastures every year. More than 400,000,000 tons of suspended soild matter and many more millions of tons of dissolved matter pass out the and many more millions of tons of dissolved matter pass out the mouth of the Mississippi River every year.

Another serious erosion problem is the blowing off of the topsoil

Another serious erosion problem is the blowing oil of the topsoil by wind. In the summer of 1933 extensive areas were stripped of topsoil by the almost continuous winds accompanying the severe drought in the Wheat Belt of Texas, Oklahoma, and Kansas. These winds stripped thousands of acres of their rich covering of surface soil, in many instances to depths of more than 8 inches. Soil material from the Red Plains of Texas and Oklahoma was carried for a distance of nearly 800 miles into southwestern Iowa.

Early last summer in Washington for 2 or 3 days we were sub-merged in what appeared to be a gritty mist. At a Cabinet meet-ing one day during that period the Secretary of Agriculture told ing one day during that period the Secretary of Agriculture told us that what we were experiencing was a tremendous dust storm that originated a thousand miles away. How many thousands of tons of rich topsoil were carried away by that destructive windstorm, to be deposited as dust in the skyscrapers of Chicago and in the Government buildings of Washington or blown out to sea, I cannot even guess, but I do know that in a forceful and dramatic way there was told to those dwelling in the East the tragic story of wind erosion.

"The sins of the fathers will be visited upon the children even unto the third and fourth generations." The sins of our fathers are being visited upon us and we in our turn are committing sins that our children will be called upon to expiate. Our thoughtless, exploiting forefathers, with no thought of the future and without knowledge of or concern for the natural and inevitable consequences of their acts, loosed forces which, unless we check them, will in time go far toward making of our land a barren land with resulting impoverishment of our people.

An example of destructive exploitation of a natural resource is to be found on the public range, that vast area here in the West

An example of destructive exploitation of a natural resource is to be found on the public range, that vast area here in the West and in the Southwest, where great herds of cattle and flocks of sheep are grazed. Our literature is rich with tales of the cowboy rounding up his herds and protecting them from two-footed and four-footed thieves. The lonely shepherd passing long vigils on the high slopes with only his flocks for companionship has been the hero of many a song and story. We have seen the West largely through the eyes of romance. It has meant to us sheepmen and cattlemen at war; dead-shot cowboys pursuing cattle rustlers; horse thieves dangling from lonely trees; outlaws holding up stage coaches; sullen and discontented Indians being pressed ever backward into the least productive land.

Little have we realized that also on these great plains the

ever backward into the least productive land.

Little have we realized that also on these great plains the greatest resource that we possess—land—is being thoughtlessly destroyed at an alarming rate. The cattle and sheep industries cannot survive without wide grazing areas. Common sense would seem to dictate that the pasturage bestowed upon us by nature should be cherished. The contrary has been the fact. The western range is being seriously depleted through overgrazing. The cattlemen and the sheepmen, with little regard either for the future or for their own immediate welfare, gradually but thoroughly have been destroying their own means of livelihood. It has been that no single blade of grass may stick its venturesome head through the soil and hope long to evade the hungry foraging head through the soil and hope long to evade the hungry foraging of steer or sheep. In the spring when the grass is fresh and tender and thus most easily injured or destroyed, livestock are turned loose to devour it, roots and all. This overgrazed land has been having its topsoil washed away. It is being cut into gullies. Without its grass protection it is an easy victim to any sudden downpour or prolonged rain.

I have stood on the edge of a dry arroyo in New Mexico that suddenly became a raging torrent. There had been a heavy rain many miles away in the mountains. The sun is shining on the plain. Then, with only a distant roar to give warning, a wall of water comes tumbling down, carrying with it thousands of tons of earth in solution. An automobile caught in the bottom of the arroyo at such a time will be swept downstream in an instant, to be covered by silt before the onlookers can realize what is happening.

covered by silt before the onlookers can realize what is happening. In one arroyo only a few years ago, where the Santa Fe Trail crosses it near Gallup, a Greyhound bus was caught in such a torrent of water. The passengers barely escaped with their lives, and within half an hour that bus had completely disappeared into the earth. It has been urged that soil erosion is a natural process. That is so. The growth of grass, bushes, and trees is also a natural process. The latter process, if nature is not unduly interfered with, will check the former. It is the aim of nature to maintain a balance. That man will not be heard to complain that it is nature that is destroying his land through erosion if, on his part, by destroying

the protective covering that nature gave his land, he has himself let loose this destructive force of nature. It is so easy and comforting to blame the Deity for what we ourselves are responsible.

ing to blame the Deity for what we ourselves are responsible. Our able Secretary of Agriculture said to me recently that we ought to educate the people of this country to be "grass conscious." And he is right. Maintain grass on the range and new cracks and gullies will cease to form. Plant grass on the slopes and at the headwaters of the streams and floods will be controlled. The strongest and most persistent of winds cannot get at the topsoil to blow it away if it is protected by grass. If the farmer will plant more grass, he will not only protect his erodible soil, he will raise less wheat and corn to press upon an overburdened market. A wise use of grass will solve many a problem of conservation, of agriculture, and of economics. agriculture, and of economics.

Preventable erosion of valuable soil is only one chapter in the story of the wasteful exploitation of our natural resources. I shall not today attempt even in outline to tell the whole of this story. On other occasions I have discussed different phases of it, such as the destruction of our forests with resulting floods, of which we

the destruction of our forests with resulting floods, of which we recently have had another bitter experience on the lower Mississippi River. I have told the tale of the waste of our petroleum resources; I have referred to the destruction of our birds, our fish, and other forms of our wild life, but today I want to confine myself more particularly to the problems in which you are interested as users of the public range.

One of those problems, and an important one, relates to our water supply. I wonder how many of you have heard about Devils Lake in North Dakota and the tragedy that is occurring there? Forty or fifty years ago fish were caught in one of the arms of the lake on the border of the town that stood on its shore. That town is now nearly 3 miles from the shore of the lake. From 1867 to 1932 the lake level fell 29 feet and the area of the lake diminished correspondingly. It fell 10 feet between 1883 and 1890. Since that date it has declined steadily 16 additional feet. According to the Geological Survey the decline 16 additional feet. According to the Geological Survey the decline of this lake may be attributed to reduced precipitation and the modification of surface conditions resulting from man's activities. Now the people who are dependent upon the water of Devils Lake are demanding that its old level be restored by diverting into it flood waters from the upper Missouri at an enormous cost.

In many parts of the country people are seriously disturbed by the decline in the underground water levels. We get reports that wells that formerly furnished an adequate supply of water have to be sunk even deeper and deeper. Irrigation projects that at their inception had plenty of water are now turning to other watersheds for an increased supply to make up for losses. Tunnels are being bored in some sections of the Rocky Mountains to carry water to hungry lands that formerly were sufficiently supplied from their own watershed.

Only a few days ago I suthorized a survey by the Bureau of

Only a few days ago I authorized a survey by the Bureau of Reclamation to determine how much water could be spared from the watershed west of the Rockies and how best that water could the watershed west of the Rockies and now best that water could be carried through the mountains to the eastern slope. The Government is finding it necessary to spend hundreds of millions of dollars to dredge and channel the beds of such rivers as the Mississippi and the Missouri in order to make the greatest possible use of the shrunken supply of waters that these river beds now contain. We have authorized the building of an enormous dam at Fort Peck, Mont., to give tributary territory the water that it

As you probably know, there is a clear and distinct connection between water supply and the uses to which land can be put. Cut down your forests or destroy the natural coverage of the public range and you create a condition of alternating floods and droughts. Deprived of its natural coverage, the topsoil loses its absorptive qualities so that the rains, instead of being caught and held and so permitted to seep naturally into the ground there to fill our wells or flow through underground channels into our rivers and lakes, run off immediately, the down-rushing water carrying with it the rich topsoil, thus eroding the land and diminishing relentlessly year after year the areas upon which you must depend for forage for your cattle. You cannot eat your cake and have it too. If you continue to destroy the range by overgrazing, you are not only depriving your cattle and your sheep of food, you are causing year after year an ever-diminishing supply of water, which is the very lifeblood of this section of the country.

The deterioration of the public domain through competitive and unregulated grazing has set in motion several processes of destruction. To enumerate them: The range is being seriously depleted; the water table is sinking ever lower; lands are being washed away by accelerated floods and blown away during dry seasons; extensive irrigation developments are jeopardized by the As you probably know, there is a clear and distinct connection

seasons; extensive irrigation developments are jeopardized by the silting of ditches and storage reservoirs. The result is that the livestock industry is suffering from the loss of forage resources. We are learning that if the sensitive balance normally maintained by nature is disturbed by man, it is man who will be called upon

by nature is disturbed by man, it is man who will be called upon to pay the cost.

The economic rehabilitation of the country is dependent in large measure upon adequate range regulation, flood control and erosion prevention. For years we have been trying to control floods. For the first time in our history this administration has initiated a serious attempt to do something about erosion. And now range regulation is having our interested attention.

Erosion is insidious. The first stage is sheet erosion, often so imperceptible that the effects can be detected only by changes in the color of the soil or by an otherwise scarcely noticeable lowering of productivity. Next comes "shoestring" erosion, and finally gully erosion. Water, acting through floods, is the better

known cause of erosion, but, in the arid regions, and, during droughts in the normally humid regions, wind is a powerful eroding agent. The work to rebuild the range and control erosion that will follow the inauguration of proper range-management practices will be facilitated by the activities of seven E. C. W. camps which will be established on the public lands April 1.

Later the number of these camps will be materially increased, and work will not be limited to erosion prevention but will also include the development of water for stock and the construction of trails, fences, and other needed improvements. Rodent extermination will be another important activity. Poison plants will be eradicated in some areas.

the eradicated in some areas.

The preservation and restoration of wildlife, involving as they do the establishment of extensive wilderness areas, will afford an opportunity for physical enjoyment and mental stimulation that will add much to our well-being. This is peculiarly a field for Federal action. It has been a badly neglected sector of the recreational field. So far as game is concerned, we are, I believe, rapidy moving away from our insistence on a present opportunity to hunt, with slight regard for the future, to an equal insistence on real conservation of our game resources. This calls for a more liberal devotion of land to this resource, but it is justifiable, not only on the basis of social importance but of actual economic value, as a variety of experience has shown. Large areas of mountain and valley, of forest and plain, of stream and lake, should and must be valley, of forest and plain, of stream and lake, should and must be devoted primarily to this type of use. Certain species of birds and animals close to extinction should be declared wards of the Federal Government and protected wherever they may be found. If it is wise, the West will consider game as one of its rich resources, to be carefully protected under plans that are integrated with other plans for a balanced social and economic order.

An Executive order of November 26, 1934, withdrew practically all of the public lands of the United States from all forms of entry pending classification in aid of administration of the Taylor Graz-

pending classification in aid of administration of the Taylor Grazing Law of June 28, 1934, a law that will stand for all time as a monument to the statesmanship and purposefulness of an out-standing Member of the House of Representatives, Congressman Taylor of Colorado. On that date the era of catch-as-catch-can use of the Federal public domain came to an end. In the future the public domain will be prudently managed on the basis of precise information on the best use of the land. Water-power lands, timber lands, mineral lands, national parks, monuments, wildlife refuges, and grazing lands will be administered by agencles charged with the responsibility for their proper management. The Government will also undertake a special task involving the carrying out of outstanding land-grant obligations and the coordinating of all activities for the conservation of natural resources into a land program that will provide for the most effective utilization.

tion of the national estate.

The remaining area of vacant, unreserved public domain is 165,-

The remaining area of vacant, unreserved public domain is 165,-695,000 acres. Ninety-eight percent of this land lies within a section of the West which receives a rainfall ranging from 2 to 15 inches per annum. This dry section has an aggregate of 545,000,000 acres, or 30 percent of America. In addition to the open public domain there are 90,000,000 acres in the national forests and an estimated additional area of about 25,000,000 acres is Federal land of various other types. Therefore the Federal Government now owns more than half the total of the region referred to.

The States own large acreages of school lands, and have other grants in this same area, besides which there is an undetermined acreage of chronically tax-delinquent lands which might be called the new public domain. The aggregate area of public domain, plus State and county-owned land is not known, but probably it is between 60 and 75 percent of the region. The harvested crop land in this section is 17,000,000 acres, about 3.1 percent of the total, and this is mainly irrigated land. The rural population of this region comprises 1,942,000, or 2½ percent, of the population of the country. This population is distributed in a ratio of one person to 280 acres or probably one family to not less than 1,000 acres.

acres.

For the open range region the Taylor Grazing Law, in my opinion, provides a rational system of management. I believe its benefits are so obvious that, once understood in the West, a similar plan will be adopted for State, county, school, and railroad grants. It is my hope that a plan of cooperative procedure will be devised under which all of these classifications of land can be administered in a manner similar to that under the Taylor Act for the stabilization of the livestock industry in this region.

This law authorizes administration of the public domain along the following lines:

the following lines:

The creating of grazing districts of a total aggregate of 80,000,000 acres of vacant, unreserved public land.

(2) The issuance of leases to individual stockmen on isolated

disconnected tracts of 640 acres or more that are not susceptible to practical administration as parts of grazing districts.

(3) The sale at public auction of isolated or disconnected par-

cels of land not exceeding 760 acres each in area

cels of land not exceeding 760 acres each in area.

(4) The exchange of privately owned lands within a district for other public land of equal value, and, in a similar manner, the exchange of any State-owned lands on application of a State.

(5) The classification for homestead entry of lands in grazing districts that are more valuable and suitable for the production of agricultural crops than for grazing.

Approximately 50 grazing districts will be organized. It is estimated that not less than 75,000 applications will be filed for grazing privileges in such districts, distributed by States as follows: Arizona, 3,000; California, 4,000; Colorado, 3,000; Idaho, 10,000; Montana, 15,000; Nevada, 5,000; New Mexico, 5,000; Oregon, 10,000;

Utah, 10,000; Wyoming, 10,000. So far as practicable, the districts will be organized in convenient administrative units of an average of probably 1,500 to 2,000 individual users who subject to a policy to be declared by the Department of the Interior, will elect advisory committees in a ratio of 1 committeeman to each 100 to 150

stockmen.

It is suggested that the advisory committees shall have original jurisdiction in promulgating rules and regulations for fair range practices in each district, subject to final approval by the Department of the Interior. It is anticipated that these committees will serve as boards of arbitration to pass upon all matters involving the internal affairs of the districts. They will be furnished with the reports on land classifications showing proper range carrying capacities and with the records of applications for grazing permits. With this information, aided by the counsel and advice of the Grazing Division, they will propose an equitable apportionment of the available range privileges within each district. They will take cognizance of such matters as breeding standards and other subjects of common interest pertaining to animal husbandry.

The election of the committees will occur at a time and place to be fixed in each proclamation creating a grazing district. The

be fixed in each proclamation creating a grazing district. The Grazing Service will retain responsibility for the enforcement of the rules and regulations and the final determination of range carrying capacities, as well as for directing improvements and range rehabilitation work.

A tentative plan of procedure provides for:

(1) The issuance of proclamations creating the grazing districts on or before April 15.

(2) The filing of applications for permits on or before May 1.

(3) Meetings for the election of the advisory committees on or before July 1

(4) The analysis of permit applications by the committees, and the preliminary classifications and allocation of range privileges on or before October 1.

on or before October 1.

Grazing privileges will be apportioned on the principle of aiding in the "proper use" of land or water owned or controlled by each applicant. For example, a man may file an application for range sufficient to graze 100 head of cattle or 500 head of sheep, or some multiple of these numbers, for a given period of months. If he owns or controls property sufficient to support that number of stock for the remaining months of the year, he will be given preferential consideration. Where the range is inadequate to take care of all such preferences, it must be apportioned on a pro rata basis, with special consideration given to small operators. Where water rights control the use of the range the owner of such rights must be given a preference rating depending upon local conditions and the customary range practices of the locality.

There must necessarily remain a large acreage of land in small scattered tracts incapable of administration in grazing districts under the Taylor Law. Such lands will be needed to satisfy out-

scattered tracts incapable of administration in grazing districts under the Taylor Law. Such lands will be needed to satisfy outstanding grants that may have failed for any reason. Many of these tracts will be located within established ranch units, the owners of which may wish to purchase them for the protection of their investments in adjoining lands. The policy of permitting such purchases should be given careful consideration. In some States there will be a desire to exchange for Government land, contented school sections within a graping district for the number. scattered school sections within a grazing district for the purpose of consolidating ownership. The Taylor Law authorizes such exchanges on applications from the States.

changes on applications from the States.

I come now to a discussion of fees to be paid for the use of the range. The Interior Department will have no quarrel with stockmen on that subject. You are willing to pay reasonable fees, and that is all we will expect. I believe that fees should be on a sliding scale varying with the earning capacity of the land as measured by the market value of the livestock grazed upon it. Fees should not be so low as to arouse the envy of those not entitled to public-range rights, or as to subject the permittees to a charge of receiving a Government subsidy.

The whole question of fees, at the beginning, will be experimental. We will approach the matter with an open mind and consider it from the standpoint alike of the public interest and of the welfare of the stockmen.

This conference has been arranged on the theory that stock-

of the welfare of the stockmen.

This conference has been arranged on the theory that stockmen, grazing States, and Nation are all vitally interested in the question: How can the Taylor Grazing Law be administered so that the range may provide forage for the largest possible numbers of livestock while at the same time giving the Federal Government the opportunity that it desires, not only to prevent further deterioration of the range, but actually to build it up? I have referred in general terms to many of the problems implicit in this question, but I shall leave detailed discussion to those better qualified than I to express opinions founded upon experience and expert knowledge. expert knowledge.

I shall await the results of this conference and the findings that you may agree upon, with the keenest possible interest. This is a working conference, called together to consider matters of grave importance. I hope that in a truly cooperative spirit you will engage in a full and frank discussion, and I have no doubt that your conclusions, which will later be submitted to me, will be

your conclusions, which will later be submitted to me, will be based not only upon sound reason but upon the proposition that what is for the greatest good of the greatest number of stockmen is also for the greatest good of the Nation.

After all, the Taylor Grazing Law was conceived in the interest of the stockmen. The Nation cannot afford unduly to restrict or hamper the enterprise of the men of the West upon whose energy and initiative the whole people must depend for their beef and their mutton and the byproducts that flow from your great

industry. So interested is the Federal Government in fostering and building up the livestock industry that it has been decided, as a matter of paramount national policy, that no one in the future will be permitted to destroy the range or impair its capacity to graze the herds that will become increasingly dependent upon it. Fortunately, in this instance the interest of the Nation and of the industry go hand in hand. You stockmen know that you cannot continue in business without sufficient forage for your herds and flocks. Enlightened self-interest calls for whole-hearted support by you of the policies declared by the Taylor Grazing Law. And on our part we want to work with you in a spirit of helpful cooperation.

Not only self-interest, but a patriotic regard for the highest interest of the Nation will impel you, I am sure, to work hand in hand with your Government in making this epochal act the means of a major contribution to the prosperity and contentment of the whole people. I want to emphasize that the policy of the Federal Government, as expressed in this law, will be not only to protect and administer the range in the interest of your essential industry; it will be equally our policy to give to the small, independent stockman that protection which he so badly needs and which he has so sadly lacked in times past. The public range is to be devoted to the greatest good of the greatest number of those dependent upon it. Size will not count as against this dedication to the common good; political influence will be of no avail. In more ways than one, the Taylor Grazing Law is not merely a regulatory measure to upbuild and maintain the public range and to control its use in the interest of the stockmen of the Nation. It is a Magna Carta upon which the prosperity, well-being, and happiness of large sections of this great western country of ours will in the future depend.

#### ORDER OF BUSINESS

Mr. MAPES. Mr. Speaker, before the motion to adjourn is made, can the gentleman from Colorado [Mr. Taylor] tell us what the order of business will be tomorrow?

Mr. TAYLOR of Colorado. Frankly I cannot say very definitely. We have several matters pending that may possibly come up, if the committees get ready to report. I understand there are one or two rules that may come up, and the farm credit bill may be ready.

Mr. MAPES. The farm credit bill that was reported by the Committee on Agriculture?

The SPEAKER. The Chair will state to the gentleman that there are two rules to come up tomorrow, one relating to the marketing of rice and the other relating to the jurisdiction of a number of committees.

Mr. CULKIN. May I ask the gentleman what will be the next appropriation bill to be taken up?

Mr. TAYLOR of Colorado. The next general appropriation bill will be the Interior Department bill of which I, as chairman, have charge. We have completed the hearings and marked up the bill, and I think we may be ready by Wednesday or Thursday.

Mr. MAPES. Will it be ready this week?

Mr. TAYLOR of Colorado. Yes, we will be ready this week. But if the Jones bill and other matters take up the time until Friday, I would not start the consideration of the Interior Department bill on Friday. That bill will require 3 days, and I expect to ask the House to adjourn over Saturday. I understand the H. O. L. C. bill may come up on Thursday.

Mr. O'CONNOR. Mr. Speaker, that is a little indefinite. No arrangement has been made for the consideration of that bill in the House. It cannot come up for consideration in the House unless a rule is granted or the unanimous consent of the House is given. So far there has been no application for the consideration of a rule.

Looking forward, I may say there is a bare possibility it may come up for consideration.

Mr. TAYLOR of Colorado. The rice-marketing bill will probably follow the Jones bill.

Mr. MAPES. Mr. Speaker, then we are to understand that the rice bill will be up tomorrow?

The SPEAKER. I understand so.

#### ADJOURNMENT

Mrs. NORTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 8 minutes p. m.) the House adjourned until tomorrow, Tuesday, February 26, 1935, at 12 o'clock noon.

# EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

232. A letter from the Governor of the Farm Credit Administration, transmitting the second annual report of the administration, covering operations for the year 1934; to the Committee on Agriculture and ordered to be printed, with illustrations.

233. A communication from the President of the United States, transmitting deficiency estimates of appropriations for the fiscal year 1933 and prior years in the sum of \$80,-650.84 and supplemental estimates of appropriations for the fiscal year 1935 in the sum of \$554,425, amounting in all to \$635,075.84, and two drafts of proposed provisions pertaining to existing appropriations, for the Department of Justice; to the Committee on Appropriations and ordered to be printed.

234. A communication from the President of the United States, transmitting certain supplemental estimates of appropriation for the Treasury Department for the fiscal year 1935, amounting in all to \$1,481,504; to the Committee on Appropriations and ordered to be printed.

235. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Navy Department for the fiscal year ending June 30, 1935, in the amount of \$175,000, to meet expenditures for the additional number of drills for the Naval Reserve; to the Committee on Appropriations, and ordered to be printed.

236. A communication from the President of the United States, transmitting deficiency estimates of appropriations for the fiscal years 1933 and 1934, in the sum of \$313.82, and supplemental estimates of appropriations for the fiscal year of 1935, in the sum of \$95,206.18, amounting in all to \$95,520, and a draft of proposed provision pertaining to existing appropriations, for the Department of State; to the Committee on Appropriations, and ordered to be printed.

# REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SCHULTE: Committee on Immigration and Naturalization. H. R. 2739. A bill to extend further time for naturalization to alien veterans of the World War under the act approved May 25, 1932 (47 Stat. 165), to extend the same privileges to certain veterans of countries allied with the United States during the World War, and for other purposes; with amendment (Rept. No. 217). Referred to the House Calendar.

Mr. O'CONNOR: Committee on Rules. House Resolution 126. Resolution to amend certain clauses of rules X and XI of the House of Representatives; without amendment (Rept. No. 218). Referred to the House Calendar.

Mr. CROWE: Committee on the Territories. H. R. 3808. A bill to authorize the incorporated town of Seward, Alaska, to undertake certain municipal public works, including the construction of an electric generating station and electric and steam-heating distribution systems, and for such purposes to issue bonds in any sum not exceeding \$118,000; with amendment (Rept. No. 219). Referred to the House Calendar.

# REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 2708. A bill for the relief of James M. Pace; with amendment (Rept. No. 220). Referred to Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 2936. A bill for the relief of J. H. Taylor & Son; with amendment (Rept. No. 221). Referred to the Committee of the Whole House

Mr. KENNEDY of Maryland: Committee on Claims. H.R. 3090. A bill for the relief of Mayme Hughes; without

amendment (Rept. No. 222). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 3098. A bill for the relief of Bertha Ingmire; without amendment (Rept. No. 223). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 3167. A bill for the relief of Louis Alfano: with amendment (Rept. No. 224). Referred to the Committee of the Whole

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 3180. A bill for the relief of Ruth Nolan and Anna Panozza; without amendment (Rept. No. 225). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 3184. A bill for the relief of H. D. Henion, Harry Wolfe, and R. W. McSorley; with amendment (Rept. No. 226). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 3219. A bill for the relief of Joseph Walter Gautier; without amendment (Rept. No. 227). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 3275. A bill for the relief of Fred L. Seufert; with amendment (Rept. No. 228). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 3370. A bill for the relief of Carrie K. Currie, doing business as Atmore Milling & Elevator Co.; without amendment (Rept. No. 229). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 3506. A bill for the relief of George Raptis; with amendment (Rept. No. 230). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 3512. A bill for the relief of H. B. Arnold; without amendment (Rept. No. 231). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 3556. A bill for the relief of Sophie Carter; with amendment (Rept. No. 232). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 3557. A bill for the relief of Helena C. VonGroning and Stephen VonGroning; with amendment (Rept. No. 233). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 3709. A bill for the relief of the Norfolk Southern Railroad Co.; without amendment (Rept. No. 234). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 3725. A bill to carry out the findings of the Court of Claims in the claim of the Morse Dry Dock & Repair Co.; with amendment (Rept. No. 235). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 3729. A bill to confer jurisdiction upon the United States Court of Claims to hear and determine the claims of Henry W. Bibus, Annie Ulrick, Samuel Henry, Charles W. Hensor, Headley Woolston, John Henry, Laura B. Margerum, and George H. Custer, of Falls Township and Borough of Tullytown, Bucks County, Commonwealth of Pennsylvania; with amendment (Rept. No. 236). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 3735. A bill for the relief of Mrs. Charles L. Reed; with amendment (Rept. No. 237). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 3783. A bill for the relief of George W. Rhine, doing business under the name of Rhine & Co.; with amendment (Rept. No. 238). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R.

amendment (Rept. No. 239). Referred to the Committee of the Whole House.

#### CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Claims was discharged from the consideration of the bill (H. R. 5912) for the relief of George P. Parker, and the same was referred to the Committee on Indian Affairs.

### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CHANDLER: A bill (H. R. 6140) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

By Mr. DEMPSEY: A bill (H. R. 6141) transferring certain national-forest lands to the Zuni Indian Reservation. N. Mex.; to the Committee on Indian Affairs.

Also, a bill (H. R. 6142) providing payment to employees. Bureau of Reclamation, for mileage traveled in privately owned automobiles; to the Committee on Irrigation and Reclamation.

Also, a bill (H. R. 6143) to extend the time during which domestic animals which have crossed the boundary line into foreign countries may be returned duty free; to the Committee on Ways and Means.

Also, a bill (H. R. 6144) to amend subsection (a), as amended and supplemented, of section 5 of an act entitled 'An act to place the cotton industry on a sound commercial basis, to prevent unfair competition and practices in putting cotton into the channels of interstate and foreign commerce, to provide funds for paying additional benefits under the Agricultural Adjustment Act, and for other purposes", approved April 21, 1934; to the Committee on Agriculture.

Also, a bill (H. R. 6145) to prohibit the shipment and transportation in interstate or foreign commerce of cannabis and its derivatives and compounds; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 6146) to amend the Home Owners' Loan Act; to the Committee on Banking and Currency.

By Mr. DEROUEN: A bill (H. R. 6147) to authorize the acquisition of permanent rights in land for the protection of national parks and national monuments from scenic impairment, and for other purposes; to the Committee on the Public Lands.

Also, a bill (H. R. 6148) to modify the homestead laws and to repeal certain provisions thereof; to the Committee on the Public Lands.

By Mr. DUNN of Pennsylvania: A bill (H. R. 6149) to provide pensions for blind persons of the District of Columbia and authorizing appropriations therefor; to the Committee on the District of Columbia.

By Mr. GRAY of Pennsylvania: A bill (H. R. 6150) to limit the application of the provisions of requiring publicity of income statements to certain incomes; to the Committee on Ways and Means.

By Mr. JONES: A bill (H. R. 6151) to facilitate the extension of agricultural credit at lower interest rates, providing for the issue of certain bank notes, and for other purposes; to the Committee on Agriculture.

By Mr. MEAD: A bill (H. R. 6152) to amend the air-mail laws and to authorize the extension of the Air Mail Service: to the Committee on the Post Office and Post Roads.

By Mr. SUMNERS of Texas: A bill (H. R. 6153) to prescribe the procedure and practice in condemnation proceedings brought by the United States of America, including acquisition of title and the taking of possession under declarations of taking; to the Committee on the Judiciary.

By Mr. WOLCOTT: A bill (H. R. 6154) to assure to persons within the jurisdiction of every State the equal pro-3959. A bill for the relief of John Henry Tackett; with tection of the laws by discouraging, preventing, and punishing the crime of lynching; to the Committee on the Judiciary.

By Mr. FADDIS: A bill (H. R. 6155) to promote the training and efficiency of the cadets of the United States Military Academy and also to increase the efficiency of the Regular Army of the United States, and for other purposes; to the Committee on Military Affairs.

By Mr. CELLER (by request): A bill (H. R. 6156) to provide for the promotion of janitors, cleaners, elevator operators, watchmen, and firemen helpers in the Post Office Department of the United States; to the Committee on the Post Office and Post Roads.

By Mr. SUMNERS of Texas: A bill (H. R. 6157) to amend the act authorizing the Attorney General to compromise suits on certain contracts of insurance; to the Committee on World War Veterans' Legislation.

By Mr. HOEPPEL: Resolution (H. Res. 129) with reference to reciprocal tariff negotiations relating to agricultural products of California and elsewhere; to the Committee on Ways and Means.

By Mr. CHRISTIANSON: Joint resolution (H. J. Res. 185) to provide an appropriation to carry into effect the act entitled "An act to provide for loans to farmers for crop production and harvesting during the year 1935, and for other purposes", approved February 20, 1935; to the Committee on Appropriations.

By Mrs. ROGERS of Massachusetts: Joint resolution (H. J. Res. 186) to provide for the reopening of the code of fair competition for the cotton textile industry; to the Committee on Ways and Means.

#### MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Arkansas, regarding an appropriation for health work; to the Committee on Appropriations.

Also, memorial of the Legislature of the State of Montana, regarding an action to force the immediate resumption of work on the Polson dam site; to the Committee on Irrigation and Reclamation.

Also, memorial of the Legislature of the State of Oregon, regarding the tariff on cherries; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Georgia, condemning the Wagner-Costigan antilynching bill; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Wisconsin, regarding power development in the upper Mississippi Valley: to the Committee on Military Affairs.

Also, memorial of the Legislature of the State of Wisconsin, memorializing Congress to amend the Constitution to provide for a referendum of the people before war can be declared; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Wisconsin, regarding measures to take profit out of war; to the Committee on Military Affairs.

Also, memorial of the Legislature of the State of Wyoming, supporting the Frazier-Lemke farmers' refinancing bill; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of Minnesota, regarding the placing of agriculture on a basis of equality with other industries; to the Committee on Agriculture

Also, memorial of the Legislature of the State of Minnesota, urging the elimination of the long-and-short-haul clause from the Interstate Commerce Act; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of Colorado, regarding the extension of the life of the Home Owners' Loan Corporation; to the Committee on Banking and Currency.

Also, memorial of the Legislature of the State of North Dakota, regarding the selection of jurors in Federal district courts; to the Committee on the Judiciary.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DEMPSEY: A bill (H. R. 6158) for the relief of John J. Doyle; to the Committee on Claims.

Also, a bill (H. R. 6159) granting a pension to Joseph F. Haynes; to the Committee on Pensions.

Also, a bill (H. R. 6160) authorizing adjustment of the claim of Korber Realty, Inc.; to the Committee on Claims.

Also, a bill (H. R. 6161) granting compensation to Reuben R. Hunter; to the Committee on Claims.

Also, a bill (H. R. 6162) for the relief of Anna Hathaway; to the Committee on Claims.

Also, a bill (H. R. 6163) for the relief of Mrs. Murray A. Hintz; to the Committee on Claims.

By Mr. DIMOND: A bill (H. R. 6164) to extend the benefits of the United States Employees' Compensation Act of September 7, 1916, as amended, to the dependent beneficiaries of John H. Erickson; to the Committee on Claims.

By Mr. GAMBRILL: A bill (H. R. 6165) authorizing the appointment of William H. Green as artillery officer, United States Army; to the Committee on Military Affairs.

By Mr. GRAY of Indiana: A bill (H. R. 6166) granting a pension to Mary Jane Adams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6167) granting a pension to Margaret Thurman; to the Committee on Invalid Pensions.

By Mr. RICHARDSON: A bill (H. R. 6168) for the relief of Charles K. Shade; to the Committee on Claims.

By Mr. HESS: A bill (H. R. 6169) granting a pension to Margaret Miller; to the Committee on Pensions.

By Mr. KIMBALL: A bill (H. R. 6170) granting a pension to Harry M. Snow; to the Committee on Pensions.

By Mr. KVALE: A bill (H. R. 6171) for the relief of Jerry Hines; to the Committee on Claims.

By Mr. LAMBERTSON: A bill (H. R. 6172) granting a pension to Alice Hannah; to the Committee on Invalid Pensions.

By Mr. MAVERICK: A bill (H. R. 6173) granting a pension to Mary A. Lynch; to the Committee on Invalid Pensions.

By Mr. NELSON: A bill (H. R. 6174) granting a pension to Bettie C. Cunningham; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6175) granting a pension to Lillian La Motte; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6176) granting a pension to Margaret R. Fulton; to the Committee on Invalid Pensions.

By Mr. RAMSPECK: A bill (H. R. 6177) for the relief of Brooker T. Wilkins; to the Committee on Claims.

By Mr. ROBSION of Kentucky: A bill (H. R. 6178) for the relief of William Foster Whitlow; to the Committee on Naval Affairs.

By Mr. SECREST: A bill (H. R. 6179) granting a pension to Narcissa Walter; to the Committee on Invalid Pensions.

By Mr. SNYDER: A bill (H. R. 6180) granting an increase of pension to Margaret C. Mills; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6181) granting an increase of pension to Martha Gorsuch; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 6182) granting a pension to Lizzie Wilshire; to the Committee on Pensions.

By Mr. ZIONCHECK: A bill (H. R. 6183) extending the provisions of an act entitled "An act to amend the act entitled 'An act for the retirement of employees in the classified civil service, and for other purposes', approved May 22, 1920, and acts in amendment thereof", to John E. Gilmore; to the Committee on the Civil Service.

Also, a bill (H. R. 6184) for the relief of William Smith; to the Committee on Claims.

Also, a bill (H. R. 6185) for the relief of William K. Beldin; to the Committee on Military Affairs.

By Mr. LEMKE: Joint resolution (H. J. Res. 184) for the relief of Lillian Morden; to the Committee on Claims.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1911. By Mr. BEITER: Petition of the Common Council of the City of Buffalo, N. Y., respectfully requesting the Honorable Franklin D. Roosevelt, President of the United States, and the Members of Congress at this session to use every means to expedite the immediate allocation of funds to consummate the present Home Owners' Loan Corporation applications now on file; and further that the continuance of the Home Owners' Loan Corporation program with regard to new applications is highly desirable and necessary; to the Committee on Banking and Currency.

1912. By Mr. BUCKBEE: Petition of the Peru Chamber of Commerce, Peru, Ill., asking for the immediate cash payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

1913. By Mr. BUCKLER of Minnesota: Petition of J. A. Fridgen, C. A. Carlson, and eight other citizens of Parkers Prairie, Minn., praying for the passage into law of the Townsend old-age revolving pension plan; to the Committee on Ways and Means.

1914. Also, petition of George A. Jensen, president, and Julius Larson, secretary, of the Last Hope Local of the Farmers' Union of Underwood, Minn., opposing opening up the free manufacture of oleomargarine or reducing the excise tax on oils and fats; to the Committee on Agriculture.

1915. By Mr. BOYLAN: Petition signed by Charles T. Goll and other voters of the Fifteenth New York District, New York City, opposing the enactment of Senate bill 1725 and House bill 5423; to the Committee on Interstate and Foreign Commerce.

1916. By Mr. CULKEN: Petition of 14 citizens of Eaton, N. Y., favoring the Townsend plan of old-age pension; to the Committee on Ways and Means.

1917. Also, petition of the New York State Assembly asking Congress to enact the necessary laws to extend to the people of Puerto Rico complete and full local self-government; and to permit the people of Puerto Rico to elect their own Governor and other local officers; to the Committee on Insular Affairs.

1918. By Mr. DELANEY: Petition of the Bricklayers' Union No. 1, Brooklyn, N. Y., urging the adoption of the standard rates of pay established by the "area agreement" in House Joint Resolution 117; to the Committee on Appropriations.

1919. Also, petition of St. Vincent's Home for the Care and Instruction of Poor and Friendless Boys, of Brooklyn, N. Y., urging the adoption of the proposed amendments to sections 203 and 703 of the social-security bill; to the Committee on Ways and Means.

1920. By Mr. FULMER: Concurrent resolution of the Winston-Salem Tobacco Board of Trade, opposing the enactment of bills nos. 2778 and 3256, as being inimicable to the best interests of the tobacco buyers, producers, and consumers of American-grown tobacco; to the Committee on Agriculture.

1921. Also, concurrent resolution of the house of representatives, Columbia, S. C., memorializing the Congress of the United States to pass an act extending the act to place the tobacco-growing industry on a sound financial and economic basis; to the Committee on Agricultrue.

1922. By Mr. GRAY of Indiana: Resolution from the Richmond Townsend Club, Richmond, Ind., memorializing Congress to endorse the Townsend old-age-pension plan; to the Committee on Ways and Means.

1923. By Mr. HAINES: Petition signed by Mr. L. O. Buckner and 10 others from the Twenty-second Congressional District of Pennsylvania, protesting against House bill 5423; to the Committee on Interstate and Foreign Commerce.

1924. Also, petition signed by Walter E. Gess and 10 others from the Twenty-second Congressional District of Pennsylvania, protesting against the public-utility bill (H. R. 5423); to the Committee on Interstate and Foreign Commerce.

1925. Also, petition signed by Harvey A. Starner and 10 others from the Twenty-second Congressional District of

Pennsylvania, protesting against the public-utility bill (H. R. 5423); to the Committee on Interstate and Foreign Commerce.

1926. Also, petition signed by H. B. Watts and 20 others from the Twenty-second Congressional District of Pennsylvania, protesting against the public-utility bill (H. R. 5423); to the Committee on Interstate and Foreign Commerce.

1927. Also, petition signed by C. D. Parkhill, Jr., and 10 others from the Twenty-second Congressional District of Pennsylvania, protesting against House bill 5423; to the Committee on Interstate and Foreign Commerce.

1928. Also, petition signed by Charles W. Berger and 10 others from the Twenty-second Congressional District of Pennsylvania, protesting against House bill 5423; to the Committee on Interstate and Foreign Commerce.

1929. Also, petition signed by W. Lowry Mann and 10 others from the Twenty-second Congressional District of Pennsylvania, protesting against House bill 5423; to the Committee on Interstate and Foreign Commerce.

1930. Also, petition signed by Albert Kline and 10 others from the Twenty-second Congressional district of Pennsylvania, protesting against House bill 5423; to the Committee on Interstate and Foreign Commerce.

1931. Also, petition signed by Katherine M. Hemler and 10 others from the Twenty-second Congressional District of Pennsylvania, protesting against House bill 5423; to the Committee on Interstate and Foreign Commerce.

1932. Also, petition signed by G. L. Leigh and 10 others from the Twenty-second Congressional District of Pennsylvania, protesting against the public-utility bill (H. R. 5423); to the Committee on Interstate and Foreign Commerce.

1933. By Mr. HIGGINS of Connecticut: Resolutions of Group No. 2291, Polish National Alliance of the United States of North America, Rockville, Conn., favoring the making of October 11, General Pulaski's Memorial Day; to the Committee on the Judiciary.

1934. By Mr. HOEPPEL: Resolution of the Structural Engineers Association of Southern California, urging that the Federal Government discontinue the design of buildings and structures and day-labor contract work and that such work be delegated to private enterprise, namely, to architects, structural engineers, and contractors; to the Committee on Public Buildings and Grounds.

1935. By Mr. KENNEY: Petition of various residents of Englewood and Tenafly, N. J., urging support of the Spanish War veteran bill (H. R. 100); to the Committee on Expenditures in the Executive Departments.

1936. By Mr. KVALE: Resolution of the Legislature of the State of Minnesota, urging legislation providing for the use of granite and natural stone in the construction of public buildings; to the Committee on Public Buildings and Grounds.

1937. Also, resolution of the Legislature of the State of Minnesota, urging enactment of an adequate old-age-pension law; to the Committee on Ways and Means.

1938. Also, resolution of the Appleton Association, of Appleton, Minn., urging immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

1939. Also, resolution of the Farmer-Labor Association of Murray County, Minn., urging the issuance of sufficient currency to pay for emergency public projects and to retire existing bonds as they fall due, and the discontinuance of bond issues; to the Committee on Banking and Currency.

1940. Also, resolution of American Legion Post No. 344, Veterans of Foreign Wars, Post No. 178, and Morton Booster Club, of Morton, Minn., urging immediate cash payment of the adjusted-service certificates; to the Committee on Ways and Means.

1941. Also, resolution of American Legion Post No. 69, of Granite Falls, Minn., urging passage of the Vinson bill (H. R. 3898) for immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

1942. Also, resolution of the Bible class of the Methodist Sunday School, Chokio, Minn., urging legislation to prevent war; to the Committee on Military Affairs. 1943. By Mr. LAMNECK: Petition of B. F. Carter and other constituents of Worthington, Ohio, urging for the continuance of the Nye munitions investigation; to the Committee on Military Affairs.

1944. By Mr. MARTIN of Colorado: Senate Joint Memorial No. 2 of the Colorado General Assembly, memorializing the enactment of the Costigan-Wagner antilynching bill

into law; to the Committee on the Judiciary.

1945. Also, House Joint Memorial No. 3 of the Colorado General Assembly, memorializing enactment of Home Owners' Loan Corporation legislation extending the life and activities of the Corporation; to the Committee on Banking and Currency.

1946. Also, Senate Joint Memorial No. 3 of the Colorado General Assembly, memorializing the repeal of the Federal gasoline tax; to the Committee on Ways and Means.

1947. By Mr. MARTIN of Massachusetts: Memorial of the General Court of Massachusetts, advocating enactment of legislation to prevent lynching; to the Committee on the Judiciary.

1948. By Mr. MILLARD: Resolution adopted by the Board of Supervisors for Westchester County, N. Y., urging the repeal of section 55B of the Internal Revenue Act of 1934; to the Committee on Ways and Means.

1949. Also, petition signed by residents in Pearl River, Rockland County, N. Y., urging opposition to the holding company bill; to the Committee on Interstate and Foreign Commerce.

1950. Also, petition of the Sentinels of the Republic, urging the repeal of section 55 (b) of the Internal Revenue Act of 1934; to the Committee on Ways and Means.

1951. Also, petition signed by residents of Westchester County, opposing the enactment of the holding-company bill; to the Committee on Interstate and Foreign Commerce.

1952. By Mr. MILLER: Petition of citizens of Monroe, in the State of Arkansas, numerously signed, urging the passage of House bill 2856, by Congressman Will Rocers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

1953. Also, petition of citizens of Quitman, in the State of Arkansas, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

1954. By Mr. MARTIN of Colorado: Petition of certain citizens resident of the county of Rio Grande in the State of Colorado, numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

1955. By Mr. MILLER: Petition of citizens of Holly Grove, in the State of Arkansas, numerously signed, urging the passage of House bill 2856, by Congressman Will Rocers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means

1956. Also, petition of citizens of Floral and Imboden, in the State of Arkansas, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

1957. Also, petition of Bob Higginbottom and other citizens of Sharp County, Ark., urging early enactment of an adequate old-age pension; to the Committee on Ways and Means.

1958. By Mr. PETERSON of Georgia: Petition of the House of Representatives of the General Assembly of Georgia, condemning the Wagner-Costigan antilynching bill; to the Committee on the Judiciary.

1959. By Mr. REED of Illinois: Resolution adopted by the executive committee of the American Legion, Du Page County, insisting that the various new bureaus, departments, and agencies, which have been created by acts of Congress in an effort to hasten national recovery, be required to give a preference to veterans, securing them through the offices of authorized public employment services, or to secure them through the United States Civil Service Commission, to the Committee on the Civil Service.

1960. By Mr. RICH: Petition from citizens of Montgomery, Pa., protesting against certain utilities legislation; to the Committee on Interstate and Foreign Commerce.

1961. Also, petition of Group No. 517 of the Polish National Alliance, Blossburg, Pa., favoring House Joint Resolution 81, proposing to make October 11 General Pulaski's Memorial Day; to the Committee on the Judiciary.

1962. By Mrs. ROGERS of Massachusetts: Petition of the Senate and House of Representatives of the State of Massachusetts, relative to the prevention or punishment of the crime of lynching; to the Committee on the Judiciary.

1963. By Mr. SAUTHOFF: Joint Resolution of the State of Wisconsin, memorializing the Congress to provide for public-power development and especially rural electrification in the upper Mississippi Valley as proposed in pending bills in Congress; to the Committee on Military Affairs.

1964. Also, joint resolution of the State of Wisconsin, memorializing Congress to amend the Constitution of the United States to provide for a referendum of the people before war can be declared; to the Committee on the Judiciary.

1965. Also, joint resolution of the State of Wisconsin, memorializing Congress to make the manufacture and sale of munitions of war a monopoly of the Federal Government to take the profit out of war; to the Committee on Military Affairs.

1966. By Mr. SCHAEFER: Petition of the Chamber of Commerce of Belleville, III., opposing the publicity by the Government of information concerning payments of income taxes by individuals on the grounds such publicity accomplishes no possible good; to the Committee on Ways and Means.

1967. Also, petition of the Chamber of Commerce of Belleville, Ill., opposing the Guffey bill to designate coal industry as a public utility, as being restrictive, bureaucratic, and oppressive instead of being constructive; to the Committee on Interstate and Foreign Commerce.

1968. Also, petition of Council No. 61, Polish National Alliance, East St. Louis, Ill., memorializing Congress to designate October 11 of each year as General Pulaski's Memorial

Day; to the Committee on the Judiciary.

1969. By Mr. SMITH of Connecticut: Resolution of Group 742 of Derby (Conn.) Polish National Alliance of the United States of North America, signed by Ludwik Jadach, president; Charles Gardak, secretary; and Joseph Breck, treasurer, memorializing Congress to enact House Joint Resolution 81 and Senate Joint Resolution 11 directing the President to proclaim October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

1970. Also, resolution of Group 2258 of Thomaston, Conn., of the Polish National Alliance of the United States of North America, signed by Stanislaw Grochowski, president; Antoni Magdzion, secretary; and Antoni Krayeski, treasurer, memorializing Congress to enact House Joint Resolution 81 and Senate Joint Resolution 11 directing the President to proclaim October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

1971. Also, resolution of Group 1061 of Torrington, Conn., of the Polish National Alliance of the United States of North America, signed by Leon Dziesinski, president; Marion Budney, secretary; Paul Goloszewski, treasurer, memorializing Congress to enact House Joint Resolution 81 and Senate Joint Resolution 11 directing the President to proclaim October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

1972. Also, resolution of Group No. 283 of Waterbury, Conn., of the Polish National Alliance of the United States of North America, signed by M. J. Kosinski, vice president; Wincentz Chlebourcz, secretary; and Bronislaw Mazurski, treasurer, memorializing Congress to enact House Joint Resolution 81 and Senate Joint Resolution 11 directing the President to proclaim October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

1973. Also, resolution of Group No. 1008 of Ansonia, Conn., of the Polish National Alliance of the United States of North America, signed by S. Niedzwiecki, president; Walter Chrostowski, secretary; and Paul Bronecki, treasurer, memorializing Congress to enact House Joint Resolution 81 and Senate Joint Resolution 11 directing the President to proclaim October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

1974. Also, resolution of the Common Council of the City of Torrington and State of Connecticut, attested by Anthony W. Telesca, city clerk, memorializing Congress to enact legislation designating October 11 as General Pulaski's Memorial Day: to the Committee on the Judiciary.

1975. Also, resolution of the Connecticut Grand Lodge of the Order of the Sons of Italy in America, favoring old-age-pension legislation be made applicable to noncitizens as well as to citizens, provided that noncitizens be residents of the United States of America for not less than 10 years prior to the passage of such legislation; to the Committee on Ways and Means.

1976. Also, resolution of the State Court of Connecticut, Catholic Daughters of America, condemning practices of Mexican Government; to the Committee on Foreign Affairs.

1977. By Mr. TAYLOR of Tennessee: Joint resolution of the Tennessee Legislature, urging payment of remainder of bonus to World War veterans; to the Committee on Ways and Means.

1978. By Mr. TREADWAY: Resolutions adopted by the General Court of Massachusetts, memorializing the Congress of the United States relative to the prevention or punishment of the crime of lynching; to the Committee on the Judiciary.

1979. By Mr. TRUAX: Petition of Reserve Officers' Association of the United States, Cincinnati, Ohio, by their chairman, Frank T. Balke, asking support of House Resolution 4012, which would provide for proper compensation in the case of the death or disability of an officer or enlisted man in the National Guard or Organized Reserves, while on active Federal service; to the Committee on Pensions.

1980. Also, petition of the International Hod Carriers, Building and Common Laborers' Union of America, Local No. 500, Toledo, Ohio, by their secretary, F. L. Gibbons, urging the support of the McCarran amendment to the Public Works relief bill providing for the prevailing rates of pay to be maintained; to the Committee on Labor.

1981. Also, petition of the Board of Commissioners of Fulton County, Ohio, by F. A. Fleming, Emil D. Rupp, C. F. Bratton, favoring and asking support of any legislation that will help the rural people in getting a road system that will keep them out of the mud the year around; to the Committee on Roads.

1982. Also, petition of the United Rubber Workers Federal Labor Union, Local No. 18321, Akron, Ohio, by their secretary, O. H. Bosley, urging their Congressmen to support all progressive legislation proposed by the American Federation of Labor in behalf of organized labor; to the Committee on Labor.

1983. Also, petition of the Veterans of Foreign Wars of the United States of Purple Heart Post, No. 1065, Akron, Ohio, by their commander, H. A. Lewis, favoring passage of the Patman bill, known as "House bill no. 1", because this bill provides for making payment in such a way as not to increase taxes or the national debt; to the Committee on Ways and Means.

1984. By Mr. TURNER: Petition of citizens of Columbia, in the State of Tennessee, numerously signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small,

North America, signed by M. J. Kosinski, vice president; reasonable pensions to persons over 55, free of State partici-Wincentz Chlebourcz, secretary; and Bronislaw Mazurski, pation or State interference; to the Committee on Ways and treasurer, memorializing Congress to enact House Joint Means.

1985. Also, petition of citizens of Maury, Dickson, and Cheatham Counties, Tenn., urging the enactment of House bill 2856, for the purpose of pensioning the aged; to the Committee on Ways and Means.

1986. Also, petition of citizens of Dickson in the State of Tennessee, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

1987. Also, petition of citizens of Bon Aqua in the State of Tennessee, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

1988. By Mr. WILLIAMS: Petition of various citizens of Jefferson County, Mo., praying Congress to enact an old-age-pension law; to the Committee on Ways and Means.

1989. By Mr. WITHROW: Memorial of the Legislature of the State of Wisconsin, memorializing Congress to make the manufacture and sale of munitions of war a monopoly of the Federal Government to take the profit out of war; to the Committee on Military Affairs.

1990. Also, memorial of the Legislature of the State of Wisconsin, memorializing the Congress to provide for public power development, and especially rural electrification in the upper Mississippi Valley as proposed in pending bills in Congress; to the Committee on Military Affairs.

1991. Also, memorial of the Legislature of the State of Wisconsin, memorializing Congress to amend the Constitution of the United States to provide for a referendum of the people before war can be declared; to the Committee on the Judiciary.

1992. By Mr. WOLCOTT: Petition of Earl McAlpine, of Akron, Mich., and 248 other members of Fair Grove Local, No. 113, of the Farmers Union, urging the prompt enactment of the Frazier-Lemke refinancing bill; to the Committee on Agriculture.

1993. Also, petition of William H. Fox, of Michigan, and 37 other members of the Farmers Union, urging the prompt enactment of the Frazier-Lemke refinance bill; to the Committee on Agriculture.

1994. By Mr. ASHBROOK: Memorial of the Ohio Legislature, favoring the immediate cash payment of soldiers' bonus; to the Committee on Ways and Means.

1995. By the SPEAKER: Petition of the Slovene National Benefit Society, supporting the Lundeen bill for the relief of the unemployed; to the Committee on Labor.

1996. Also, petition of the city of Plainfield, N. J., supporting the Pulaski resolution; to the Committee on the Judiciary.

1997. Also, petition of the city of Rockford, Ill., supporting the Pulaski resolution; to the Committee on the Judiciary.

1998. Also, petition of the Lakewood City Council; to the Committee on the Judiciary.

1999. Also, petition of Greene County, Tenn.; to the Committee on the Public Lands.

2000. Also, petition of the city of St. Petersburg, Fla.; to the Committee on the Judiciary.

2001. Also, petition of Group No. 2466 of the Polish National Alliance; to the Committee on the Judiciary.

2002. Also, petition of Group No. 158 of the Polish National Alliance; to the Committee on the Judiciary.

2003. Also, petition of Group No. 974 of the Polish National Alliance; to the Committee on the Judiciary.

2004. Also, petition of Group No. 2025 of the Polish National Alliance; to the Committee on the Judiciary.

2005. Also, petition of George A. Gager; to the Committee on Appropriations.

# SENATE

# TUESDAY, FEBRUARY 26, 1935

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Spirit of God, whose breath is our life, who lightest our lamp and feedest the flame thereof, that we may look upon ourselves and on our world as the effluence and expression of Thy gentle might: attune our ears, that in the march of things we may hear the sound of Thy going, that in the mystery of things we may hear the moving of Thy purpose; and with Thy fresh coming do Thou scatter each bewildering thought, even as darkness melts away at touch of dawn.

Help us to look beyond this vale of time and sense 'til we shall recognize the evils that beset us as hidings of Thy love, which, yielding to our valiant effort, shall one day stand revealed, bright as the clear morning, wonderful as cloudless We ask it in the name of Jesus Christ our Savior. Amen.

#### THE JOURNAL

On request of Mr. Robinson, and by unanimous consent, the reading of the Journal of the proceedings of Monday, February 25, 1935, was dispensed with, and the Journal was approved.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the bill (S. 31) to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. Chester C. Groff.

The message also announced that the House had passed the bill (S. 402) to amend section 824 of the Code of Laws for the District of Columbia, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 83. An act to provide for the conservation and settlement of estates of absentees and absconders in the District of Columbia, and for other purposes;

H. R. 3464. An act to amend certain sections of the Code of Law for the District of Columbia, approved March 3, 1901, as amended, relating to descent and distribution;

H. R. 3477. An act relating to the incorporation of Trinity College of Washington, D. C., organized under and by virtue of a certificate of incorporation pursuant to the incorporation laws of the District of Columbia, as provided in sub-chapter 1 of chapter 18 of the Code of Laws of the District of Columbia:

H. R. 4538. An act to change the designation of Lefler Place to Second Place; and

H. R. 5711. An act to provide pensions for needy blind persons of the District of Columbia and authorizing appropriations therefor.

#### CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll. The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark	Hale	Minton
Ashurst	Connally	Harrison	Murphy
Austin	Coolidge	Hastings	Murray
Bachman	Copeland	Hatch	Neely
Bankhead	Costigan	Hayden	Norbeck
Barkley	Couzens	Johnson	Norris
Bilbo	Cutting	Keves	Nye
Black	Davis	King	O'Mahonev
Bone	Dickinson	La Follette	Pittman
Borah	Donahey	Lewis	Pope
Brown	Duffy	Logan	Radcliffe
Bulkley	Fletcher	Lonergan	Revnolds
Bulow	Frazier	McAdoo	Robinson
Burke	George	McCarran	Russell
Byrd	Gerry	McGill	Schall
Byrnes	Gibson	McKellar	Schwellenbach
Capper	Glass	McNary	Sheppard
Caraway	Gore	Maloney	Shipstead
Carey	Guffey	Metcalf	Smith

Thomas, Okla. Thomas, Utah Townsend

Truman Tydings

Vandenberg Van Nuys

Walsh Wheeler White

Mr. LEWIS. I announce the absence of the junior Senator from Louisiana [Mr. Overton] occasioned by illness, and the absence of the junior Senator from Illinois [Mr. DIETERICH], the junior Senator from New Jersey Moore], the senior Senator from Louisiana [Mr. Long], and the senior Senator from North Carolina [Mr. BAILEY], who are necessarily detained from the Senate.

Mr. AUSTIN. I wish to announce that the Senator from New Jersey [Mr. Barbour] is necessarily absent.

The VICE PRESIDENT. Eighty-nine Senators have answered to their names. A quorum is present.

ORDER FOR CONSIDERATION OF CALENDAR UNDER RULE VIII

Mr. ROBINSON. Mr. President, I ask unanimous consent that, at the conclusion of the morning business, the Senate proceed to the consideration of bills on the calendar under rule VIII.

Mr. McNARY. Mr. President, that will permit the calling up of any order of business on the calendar and making a motion to consider it?

Mr. ROBINSON. Yes.

The VICE PRESIDENT. Is there objection to the request of the Senator from Arkansas?

The Chair hears none, and it is so ordered.

#### POST-OFFICE BUILDING AT JONESBORO, ARK.

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to authorize the acquisition of land to provide appropriate means of access to the postoffice building at Jonesboro, Ark., which, with the accompanying papers, was referred to the Committee on Public Buildings and Grounds.

#### PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a joint memorial of the Legislature of the State of Colorado, favoring the prompt enactment of legislation to enable the Home Owners' Loan Corporation to carry on its work until the next regular session of Congress, which was referred to the Committee on Banking and Currency.

(See joint memorial printed in full when presented by Mr. Costigan on yesterday, p. 2515, Congressional Record.)

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Arizona, which was referred to the Committee on Appropriations:

#### Senate Concurrent Memorial 4

Praying that part of the appropriation of \$4,800,000,000 requested by the President for public-works improvement be set aside exclusively for highway purposes

To the Honorable Representatives of the State of Arizona and the

Congress of the United States:
Your memorialist, the Legislature of the State of Arizona, respectfully represents:

Whereas the President in his wisdom has seen fit to request the Congress of the United States to forthwith make available \$4,800,-000,000 for the relief of the unemployed through public-works improvements; and

Whereas the expenditure of a part of such sum for the construction and maintenance of highways will result directly in the relief of the unemployed and at the same time add to the capital wealth of this country; and

Whereas the United States Bureau of Public Roads and the

highway departments of the several States are adequately equipped and experienced to conveniently and economically expend or super-vise the expenditure of any available moneys for highway construction and improvement purposes;

Wherefore your memorialist prays:
That the representatives of this State in the Congress of the United States use their best efforts to secure the President and the Congress to set aside a definite portion of such sum of \$4,800,000,000 for expenditure under like terms and conditions as set up in sections 204 and 205 of the National Industrial Recovery Act of 1933, and amendments thereto, for highway construction and improvement purposes.

And your memorialist will ever pray. Adopted by the house February 18, 1935. Adopted by the senate February 13, 1935.

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of the State of Oregon, which was referred to the Committee on Agriculture and

#### Senate Joint Memorial 8

To the Honorable Senate and House of Representatives of the United States of America in Congress assembled:
Your memorialists, the Thirty-eighth Legislative Assembly of the State of Oregon in regular session assembled, respectfully request and petition as follows:
Whereas the United States Government has appropriated various

sums of money for the voluntary eradication of Bang's disease among cattle, and such funds so appropriated will either be consumed or cease to be available after December 31, 1935: and

Whereas such program has been of great benefit to the dairy and beef cattle industry of this State, and it is to the best interests of the public and said industry that additional funds be made available for 1 year after December 31, 1935, for the purpose of continuing such eradication program: Therefore be it

Resolved by the Senate of the State of Oregon (the house of resentatives jointly concurring therein), That your memorialists, the Thirty-eighth Legislative Assembly of the State of Oregon, do hereby respectfully request and petition that the Congress of the United States make an additional appropriation for the eradication of Bang's disease among cattle in the United States.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Minnesota, which was referred to the Committee on Agriculture and Forestry:

A concurrent resolution memorializing the President of the United States and the Congress of the United States that it is the sense of the members of the Minnesota Legislature that the Government of the United States should perform its solemn promise and duty and place American agriculture on the basis of equality with other industries by providing an adequate system of credit, and that adequate legislation to that end should be adequated the explicit prescribes each be adopted at the earliest possible date

Whereas the farmers throughout the entire United States have

whereas the farmers throughout the entire Office States have lost and are losing their lands and chattels through inability to refinance loans on their property because of high interest rates and low prices of agricultural commodities; and

Whereas agriculture is the basic industry of this country, and there can be no sound business prosperity unless the business of agriculture is placed on a sound basis and on an equal basis with other industries; and other industries: and

Whereas a bill has been introduced in the Senate of the United States known as the "farmers' farm-relief act", commonly called the "Frazier bill"; and

A bill to liquidate and refinance agricultural indebtedness, and

A bill to liquidate and refinance agricultural indebtedness, and to encourage and promote agriculture, commerce, and industry by establishing an efficient credit system, through which the unjust and unequal burdens placed upon agriculture during the period of price fixing and deflation may be lightened by providing for the liquidation and refinancing of farm mortgages and farm indebtedness at a reduced rate of interest through the Federal farm-loan system, the Federal Reserve Banking System, and the Postal Savings Depository System, and creating a board of agriculture to supervise the same; and

Whereas this bill is a sound economic measure, designed to remedy the inequalities under which agriculture is now laboring:

Now, therefore, be it

Resolved by the House of Representatives of the State of Min-

Resolved by the House of Representatives of the State of Min

Resolved by the House of Representatives of the State of Minnesota (the senate concurring), That the Congress of the United States be, and it is hereby, urgently petitioned to enact the said bill into law, and that the President of the United States be urged to approve said measure after its passage; be it further Resolved, That the Minnesota Members of the United States Senate and the Representatives in Congress from the State of Minnesota be, and they are hereby, petitioned and most earnestly urged to use their best efforts to bring about a speedy enactment of said legislation; be it further

Resolved, That a duly authenticated copy of this resolution be presented to the President of the United States, to the presiding officers of the Senate and of the House of Representatives of the Congress of the United States, and to each of the Senators and Representatives from the State of Minnesota in the Congress of the United States. the United States

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Minnesota, which was referred to the Committee on Interstate Commerce:

A concurrent resolution memorializing the Congress of the United States to eliminate the long-and-short-haul clause from the fourth section of the Interstate Commerce Act, or to modify the same so that railroads may be permitted to establish rates which will enable Middle West industries to meet the competition of eastern manufacturers transporting their goods through the Panama Canal

Whereas the long-and-short-haul clause of the fourth section of the Interstate Commerce Act prohibits railroads from making

a lesser charge for a longer than for a shorter distance over the same line in the same direction unless authorized to do so by the Interstate Commerce Commission; and

Whereas the higher rail rates from Minnesota and other States in the Middle West to the Pacific coast than water rates from the Atlantic seaboard to the Pacific coast through the Panama Canal has resulted in Middle West manufacturers' losing all or a substantial part of their markets on the Pacific coast to the advantage of their competitors located in the East; and

Whereas the elimination of the long-and-short-haul clause from the fourth section of the Interstate Commerce Act would allow the railroads to establish reduced rates from the Middle West to the Pacific coast to meet this water competition without depress-ing below a reasonable level their rail rates to points inland from the Pacific coast where such water competition does not exist; and

Whereas such a readjustment of rail rates will enable Middle West manufacturers to regain a substantial part of their Pacific west manufacturers to regain a substantial part of their Pacific coast business, will result in increased employment in Middle West industries, will give added employment to labor in transporting such added rail traffic to the Pacific coast, and will enable the railroads to earn some additional net revenue to the advantage of farmers and residents generally of the Middle West and West who must employ the railroads to transport their products to market and furnish them with long-head transportation; and must employ the railroads to transport their product and furnish them with long-haul transportation; and

Whereas reduced rail rates from the Middle West to the Pacific whereas reduced rail rates from the Middle West to the Pacific coast will not result in eliminating eastern manufacturers from the Pacific coast markets or the boat lines from carrying traffic through the canal, but will simply afford Middle West manufacturers an opportunity to compete with eastern manufacturers for a fair share of the Pacific coast business on a properly related basis of freight rates; and

Whereas the Middle West contributed by taxes to the construction of the Panama Canal and contributes to its maintenance and support and should be permitted to have a basis of rail rates which will prevent the Panama Canal from working an unjust discrimination against Middle West industries and employment: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That Congress be memorialized to eliminate the long-and-short-haul clause from the fourth section of the Interstate Comshort-hadi clause from the fourth section of the interstate Commerce Act, or to modify the same so as to effectively permit railroads to establish rates to the Pacific coast from the Middle West which will enable Middle West industries to meet the competition of eastern manufacturers using water transportation through the Panama Canal; be it further

Resolved, That copies of this resolution be sent to both houses of the Legislatures of North and South Dakota, Iowa, Wisconsin, and Illinois, to the Vice President of the United States, the Speaker of the National House of Representatives, the Senators and Congressmen from the State of Minnesota.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Tennessee, which was referred to the Committee on Finance:

#### House Joint Resolution 15

Memorial asking Congress to pass laws that will pay the soldiers' bonus, etc.

Whereas, due to the long-continued depression, thousands of American veterans of the World War are unemployed and without the means of adequate support and are unable to provide the necessities and comforts of life for themselves and their families through no fault of their own; and

Whereas it is the policy of the national administration, in its recovery program, to bring about a distribution of public funds and accomplish wide-spread reemployment; and

Whereas the payment of the remainder of the amount due on the veterans' adjusted-compensation certificates held by veterans of the World War will result in a distribution of money to every community in the United States, which money will find its way into every channel of trade through the purchase of necessities and comforts of life, the payments of debts, the building and repairing of homes, the rehabilitation of small business enterprises, and through many other needed expenditures: and

through many other needed expenditures; and Whereas the American Legion and Veterans of Foreign Wars have in their respective national conventions overwhelmingly approved the immediate cash payment of said certificates; and

Whereas such certificates constitute a just obligation of the Government to the veterans of the World War: Now, therefore,

Resolved by the House of Representatives of the State of Tennessee (the senate concurring), That the Congress of the United States immediately pass such legislation as is necessary for the immediate payment of the balance due on such adjusted-compensation certificates with the remittance of interest and other charges against the principal sum of such certificates; and be it further

Resolved, That the secretary of state of the State of Tennes be directed to transmit a copy of this memorial to the President of the United States, the Vice President of the United States, and to the Speaker of the House of Representatives, the Honorable Joe Byrns, and also that a copy of the same be forwarded to Senators N. L. Bachman and K. D. McKellar, and to each of the nine Members of the United States House of Representatives from the State of Tennessee.

Adopted February 20, 1935.

Walter M. Haynes, Speaker of the House of Representatives. W. P. Moss, Speaker of the Senate.

Approved February 21, 1935.

HILL MCALISTER, Governor.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of North Dakota, which was referred to the Committee on the Judiciary:

#### House Concurrent Resolution A-6

Memorializing Congress to enact the necessary legislation to insure selection of unbiased Federal jurors

Be it resolved by the House of Representatives of the State of North Dakota (the senate concurring): Whereas there has been a great deal of criticism of the manner of selecting jurors for service in the Federal district courts in the

State of North Dakota; and

State of North Dakota; and
Whereas the present plan of selecting jurors in Federal district courts gives to the clerk of the United States district court and the jury commissioner entirely too much opportunity to select jurors personally agreeable to them: Therefore be it

Resolved, That we urge upon the Congress of the United States the enactment of the necessary legislation which shall remedy such condition, and which shall provide an impartial, unbiased, and uncontrolled method for selecting Federal jurors; be it further

Resolved, That we recommend for the consideration of Congress the present law with reference to the selection of jurors in the district courts in the State of North Dakota.

WULLIAM M. CROCKETT.

WILLIAM M. CROCKETT Speaker of the House.
Walter S. Martin,
Chief Clerk of the House.
A. S. Marshall, President pro tempore of the Senate.
F. EMANUELL,
Secretary of the Senate.

Dated February 20, 1935.

The VICE PRESIDENT also laid before the Senate the following resolution of the House of Representatives of the State of Nebraska, which was referred to the Committee on Public Lands and Surveys:

Resolution memorializing the Congress of the United States to establish a national park to be known as the "Lewis and Clark National Park" in Burt, Thurston, and Dakota Counties, Nebr.

Whereas Lewis and Clark made a trip of exploration across the continent in 1803 and opened up a previously unknown terri-

Whereas it is fitting and proper that Lewis and Clark should be honored by a perpetual commemoration; and Whereas there is approximately 75,000 acres along the Missouri River in eastern Burt, Thurston, and Dakota Counties which contains many historical points of interest with respect to the Lewis and Clark expedition; and

Whereas such land is especially adapted for a game refuge and migratory bird sanctuary: Now, therefore, be it

Resolved by the House of Representatives of the State of Nebraska in fiftieth session assembled, 1. That this house respectfully petitions and memorializes the Congress of the United States
to establish a national park to be known as "Lewis and Clark
National Park" along the Missouri River in Nebraska at historic
points touched by Lewis and Clark in 1803 while making their
trip agross the continent

trip across the continent.

2. That the chief clerk of this house is hereby ordered and directed to forthwith forward a copy of this resolution, properly authenticated and suitably engrossed, to the President of the United States, to the Vice President of the United States, to the Speaker of the House of Representatives, and to United States. States Senators representing the State of Nebraska, and to Congressmen in the House of Representatives of the United States representing the State of Nebraska, to take such steps as may be necessary to provide for the establishment of a national park in Nebraska to be known as the "Lewis and Clark National Park."

The VICE PRESIDENT also laid before the Senate a telegram from Josephine Tumulty, Jersey City, N. J., stating "Uphold the President; defeat McCarran amendment", which was referred to the Committee on Appropriations.

He also laid before the Senate a resolution adopted by the Crawford County (Iowa) Farm Bureau, favoring the making of an appropriation of \$60,000,000 for seed loans to farmers, which was referred to the Committee on Appropriations.

He also laid before the Senate a resolution adopted by the board of supervisors of the county of Alameda, Calif., fa-

voring the enactment of legislation to remove all unwarranted taxes and obstacles in connection with the distribution of wine, which was referred to the Committee on

He also laid before the Senate a resolution adopted by the Council of the City of San Diego, Calif., favoring the prompt enactment of legislation establishing a national oldage pension system, which was referred to the Committee on Finance.

He also laid before the Senate a telegram in the nature of a memorial from Magnus Lundberg, New York City, N. Y., remonstrating against the enactment of legislation inimical to the interest of investors in the securities of public-utility corporations, which was referred to the Committee on Interstate Commerce.

He also laid before the Senate resolutions adopted by the Alfred Gooding Guild, Young People's Religious Union of the South Church (Unitarian), of Portsmouth, N. H., favoring the enactment of the so-called "Costigan-Wagner antilynching bill", which were referred to the Committee on the Judiciary.

He also laid before the Senate resolutions adopted by the board of representatives of the city of Tampa, Fla.; the board of commissioners of Salt Lake City, Utah; the common councils of the cities of Stamford, Conn.; Quincy and Springfield, Ill.; Dearborn, Mich.; Clarksdale, Miss.; Okmulgee, Okla.; and Poughkeepsie, N. Y.; the city councils of Worcester, Mass.; and St. Petersburg, Fla.; and Groups Nos. 2200, 1812, and 2313, of Chicago, Ill.; Group No. 1745, of Royalton, Ill.; Group No. 2752, of Bradley, Ohio.; Group No. 2765, of Schenectady, N. Y.; Group No. 334, of Detroit, Mich.; and Group No. 2597, of Groveton, Pa., all of the Polish National Alliance of the United States of North America, favoring the enactment of pending legislation proclaiming October 11 of each year as General Pulaski's Memorial Day, which were referred to the Committee on the Judiciary.

Mr. VANDENBERG presented a petition of sundry citizens of Tuscola County, Mich., praying for the prompt passage of the so-called "Frazier-Lemke farm refinancing bill", which was referred to the Committee on Agriculture and Forestry.

Mr. MALONEY presented resolutions adopted by Group No. 356, of Meriden; Group No. 315, of Bridgeport; Group No. 2158, of Fairfield, and Group No. 2291, of Rockville, all of the Polish National Alliance of the United States of North America, in the State of Connecticut, favoring the enactment of pending legislation proclaiming October 11 of each year as General Pulaski's Memorial Day, which were referred to the Committee on the Judiciary.

Mr. CAPPER presented a resolution adopted by Wichita Division No. 198, Order of Benefit Association of Railway Employees, Wichita, Kans., favoring the enactment of legislation to modify section 4 of the Interstate Commerce Act so as to permit railroads to compete with unregulated forms of transportation, which was referred to the Committee on Interstate Commerce.

# ANTILYNCHING LEGISLATION

Mr. CAPPER. Mr. President, I also present a petition from John Hill and other citizens of Lawrence, Kans., urging passage of the Costigan-Wagner antilynching bill, for reference to the Judiciary Committee.

It is not my intention to detain the Senate, but I do want to place in the RECORD a statement as to my stand in favor of the early passage of this proposed legislation. I have favored this measure for years. Lynchings are a disgrace to our civilization. We know from past experience that local governments have been only measurably successful in coping with this reversion to the barbarism of 20 centuries ago.

The measure itself is reasonable and just. It provides that three or more persons acting together and without authority of law to kill or injure any person in the custody of a peace officer constitute a mob. It declares that a State which fails, neglects, or refuses to give protection to any such person against mobs has denied equal protection of its laws. In case a State fails to indict or prosecute for a lynching, recourse can be had to the Federal courts where judgments against the local governmental unit up to \$10,000 may be obtained.

Lynching is more than anarchy; more than a crime against the individual victim. It is moral degradation for those who participate. It is an education in savagery for the younger generation. It is a reversion to barbarism, and has no place in our society. The cumulative effect on the people of the community where lynchings occur is a most serious menace to society itself. I take this occasion to express the hope that the Judiciary Committee will submit an early and favorable report on the measure, and that it will be enacted into law at the present session of Congress.

(The petition presented by Mr. CAPPER from John Hill and other citizens of Lawrence, Kans., praying for the passage of the so-called "Costigan-Wagner antilynching bill", was referred to the Committee on the Judiciary.)

#### REPORTS OF COMMITTEES

Mr. WHITE, from the Committee on Claims, to which were referred the following bills, reported them each with an amendment and submitted reports thereon.

S. 1056. A bill authorizing adjustment of the claim of Schutte & Koerting Co. (Rept. No. 220); and

S. 1392. A bill conferring upon the United States District Court for the Northern District of California, southern division, jurisdiction of the claim of Minnie C. de Back against the Alaska Railroad (Rept. No. 221).

Mr. WHITE also, from the Committee on Claims, to which was referred the bill (S. 713) granting jurisdiction to the Court of Claims to hear the case of David A. Wright, reported it without amendment and submitted a report (No. 222) thereon.

Mr. BURKE, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 209. A bill for the relief of Carmine Sforza (Rept. No. 223)

S. 1037. A bill authorizing adjustment of the claims of Sanford A. McAlister and Eliza L. McAlister (Rept. No. 224); and

S. 1038. A bill authorizing adjustment of the claim of Elda Geer (Rept. No. 225).

Mr. VAN NUYS, from the Committee on the Judiciary, to which were referred the following joint resolutions, reported them severally without amendment:

S. J. Res. 21. Joint resolution authorizing the President to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski;

S. J. Res. 22. Joint resolution directing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; and

S. J. Res. 32. Joint resolution authorizing the President to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski.

Mr. WALSH, from the Committee on Education and Labor, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 147. A bill to alter the amount apportioned to certain States for public employment offices affiliated with the United States Employment Service (Rept. No. 226)

S. 857. A bill to authorize the Department of Labor to continue to make special statistical studies upon payment of the cost thereof, and for other purposes (Rept. No. 227);

S. 872. A bill for the allowance of certain claims for extra labor above the legal day of eight hours at the several navy yards and shore stations certified by the Court of Claims (Rept. No. 228); and

S. 1180. A bill to amend section 4865 of the Revised Statutes, as amended (Rept. No. 229).

RESOLUTIONS REPORTED FROM THE COMMITTEE TO AUDIT AND CONTROL THE CONTINGENT EXPENSES OF THE SENATE

Mr. BYRNES. From the Committee to Audit and Control the Contingent Expenses of the Senate, I report back favorably, without amendment, four resolutions and ask unanimous consent for their immediate consideration.

The VICE PRESIDENT. Without objection, the resolutions reported by the Senator from South Carolina will be considered in their order.

#### HEARINGS BEFORE THE JUDICIARY COMMITTEE

The resolution (S. Res. 81) submitted by Mr. Ashurst on the 15th instant and reported this day by Mr. Byrnes from the Committee to Audit and Control the Contingent Expenses of the Senate was considered by unanimous consent, and agreed to, as follows:

Resolved, That the Committee on the Judiciary, or any subcommittee thereof, is authorized, during the Seventy-fourth Congress, to send for persons, books, and papers, to administer caths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

#### ASSISTANT CLERKS, COMMITTEE ON COMMERCE

The resolution (S. Res. 25) submitted by Mr. Copeland on January 7, 1935, and reported this day by Mr. Byrnes from the Committee to Audit and Control the Contingent Expenses of the Senate was considered by unanimous consent and agreed to, as follows:

Resolved, That the Committee on Commerce is authorized to employ until July 1, 1935, an assistant clerk, to be paid from the contingent fund of the Senate at the rate of \$2,000 per annum.

#### NELLIE SNYDER

The resolution (S. Res. 85) submitted by Mr. Schwellen-BACH on the 18th instant and reported this day by Mr. BYRNES from the Committee to Audit and Control the Contingent Expenses of the Senate, was considered by unanimous consent and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Nellie Snyder, widow of Nevin Snyder, late an assistant clerk to the Senate Committee on Interstate Commerce, a sum equal to 6 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

#### HEARINGS BEFORE COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

The resolution (S. Res. 87) submitted by Mr. Connally on the 20th instant and reported this day by Mr. Byrnes from the Committee to Audit and Control the Contingent Expenses of the Senate, was considered by unanimous consent and agreed to, as follows:

Resolved, That the Committee on Public Buildings and Grounds, or any subcommittee thereof, hereby is authorized, during the Seventy-fourth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not seveny-tourch Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

#### ADMINISTRATION OF CODES UNDER THE N. R. A.

Mr. BYRNES. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably, with additional amendments, Senate Resolution 79, and, with an amendment, Senate Resolution 35, I ask unanimous consent for their consideration at this time.

The VICE PRESIDENT. The first resolution will be read. The Chief Clerk read the resolution (S. Res. 79) submitted by Mr. Nye and Mr. McCarran on the 14th instant, as follows:

Whereas the National Industrial Recovery Act, as a temporary measure, has been in operation for nearly 2 years and will expire by limitation of time on June 16, 1935; and

Whereas proposals will soon be pending before the Congress for an extension of the act or for the enactment of new legislation in

lieu of it; and

Whereas the Congress should be guided in its deliberations by the practical experience of the last 2 years; and

Whereas numerous charges have been made of injustice, oppression, and favoritism in the administration of the codes of the several industries; and

Whereas the charges include, among others, the following

1. That small enterprises are oppressed and their continued existence jeopardized;
2. That wage scales and the rights of the workers are being ignored or subordinated in the competitive battle of the strong to seize the markets of the weak;

That in some industries the code authorities are dominated by certain elements of the industry, and are using their powers for the

oppression of other elements;

4. That they are energetically using their usurped powers to accomplish the centralization of industry and to prevent its decentralization;

5. That hordes of paid investigators and inquisitors travel over the country practicing unlawful searches and seizures;
6. That in certain cases the administrators themselves have not hesitated openly to suspend or revoke the law for the benefit of favored individuals;

7. That even among the nonfavored elements of industry there is discrimination in this respect; that the strong are able to resist aggression while the weak must submit;

aggression while the weak must submit;

8. That, possessing vast and extralegal powers, code authorities have made trivial demands which cannot be ignored, under pain of economic death, and have compelled the accused to travel vast distances with their witnesses and records to remote places to vindicate themselves;

9. That under the pretense of enforcing wage provisions the code authorities and the administrators have declared and are putting into effect a policy of regulating production costs without reference to wage scales;

to wage scales;

10. That by means of the usurped power of fixing production costs they are indirectly fixing prices to the consumer;
11. That code authorities have usurped the legislative function

11. That code authorities have usurped the legislative function and have issued floods of new legislation under the guise of rules, regulations, and interpretations;

12. That such rules, regulations, and interpretations are deliberately designed to affect adversely the unfavored elements and to leave unaffected the favored elements of industry;

13. That the torrent of rules, regulations, and interpretations has been deliberately designed to be vague, indefinite, and uncertain in order that the codes may mean anything or nothing in the unlimited discretion and untrammeled will of the code authorities;

14. That many of these vague rules, regulations, and interpretations have been retroactive in character; that industry has been compelled to guess at its peril; and individuals have been charged with serious offenses for violation of supposed laws which were not and could not have been anticipated;

and could not have been anticipated;

15. That a wealth of statistical information is obtained from members of industry for the use and guidance of code authorities; that this information is available to the dominant elements and is withheld from those who would resist their domination;

16. That protected by code provisions for the confidential nature of information thus obtained, the operations of the code authorities are shrouded in mystery which the unfavored elements are unable to penetrate;

17. That in certain instances important amendments to codes have been obtained and approved of which the industry at large was in total ignorance for many months;

18. That when just complaints have been made to the administration the administrators have investigated the conduct of istration the administrators have investigated the conduct of themselves and of their collaborating code authorities; that such investigations have been secretly conducted, and the complaining

themselves and of their collaborating code authorities; that such investigations have been secretly conducted, and the complaining elements never called upon to produce evidence or informed that the investigation was in progress;

19. That section 4 (b) of the National Industrial Recovery Act (now expired by limitation) provided the conditions under which the President may require that no person shall engage in any trade or industry without first obtaining a license; that in defiance of the clear intent of the act certain industrial codes provide that all commodities produced shall bear an N. R. A. label; that the privilege of using such label shall be granted upon application to the code authority; that the privilege of using such label may be withdrawn in respect of any manufacturer whose operations, after hearing by the code authority and review by the Administrator, shall be found to be in substantial violation of the code; that this in effect constitutes the code authority and the Administrator a licensing authority; that some retail codes contain an absolute prohibition of the sale by any merchant of any commodity the code of whose industry requires a label unless the label of such industry be thereto affixed; that this system of legalized boycott places the manufacturer at the absolute mercy of the code authority and the Administrator; that a standardized practice has evolved under which a person aggrieved by a ruling of the code authority may appeal to the Administrator for redress, but that as a condition of obtaining a hearing of his grievances he must agree in advance to be bound by the decision of the Administrator and walve his right to resort to the judicial process: advance to be bound by the decision of the Administrator and waive his right to resort to the judicial process;

20. That, notwithstanding the provision of the Constitution of the United States that all bills for raising revenue shall originate in the House of Representatives, code authorities have assumed and are exercising the power to levy taxes on industries and are enforcing collection thereof by duress;

21. That code authority administration in many cases has lost all semblance of a rule of law and has become a rule of men, bent upon the oppression of their weaker competitors; and

Whereas if the conditions charged obtain to any considerable extent the Congress should have full knowledge of them to guide it in the formulation of new legislation; and

Whereas all friends of labor and all well-wishers for the success of the industrial-recovery program recognize that the correction of abuses is a necessary condition to the success of the program: Now, therefore, be it

Resolved, That the subject matter of this resolution be referred to the Senate Committee on Commerce and that said committee be, and is hereby, authorized and directed to investigate and report upon the subject matter of this resolution.

For the purposes of this resolution the committee or any subcommittee thereof is authorized to hold hearings; to sit and act at such times and places during the sessions and recesses of the Congress until the final report is submitted; to require by subpens or otherwise the attendance of such witnesses and the production of such books, papers, and documents; to administer such oaths; to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed \$25,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman. approved by the chairman.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. McCARRAN. I ask that it go over.

The VICE PRESIDENT. Objection is heard.

Mr. HARRISON. Mr. President, this is the resolution which pertains to an investigation of certain charges against the N. R. A. It was first referred to the Committee on Finance, reported by that committee, and then referred to the Committee to Audit and Control the Contingent Expenses of the Senate. With reference to the matter, we are in such situation that I think, if the resolution is going to be adopted, it should be adopted promptly; of course, if it is not going to be adopted, that is all right.

The Committee on Finance is ready to proceed with the proposed investigation. We are also ready to proceed with a measure along the lines of the President's recent message involving certain changes in the N. R. A. law. The results of the proposed investigation ought to be before the Senate when we begin to consider N. R. A. legislation. I had hoped to call the Committee on Finance together in the morning to lay our plans for consideration of the situation. If there is any delay of the proposed investigation, the committee will proceed to begin to write legislation, in accordance with the suggestions of the President, so we may get something before the Senate.

Mr. McNARY. Mr. President, may I ask the Senator from Mississippi what allowance the committee made with reference to expenses?

Mr. HARRISON. I think the committee reduced the amount from \$25,000 to \$5,000. The Committee on Finance did not make any recommendation with reference to the expenditure.

Mr. McNARY. Is it the opinion of the committee that \$5,000 is adequate for a full investigation?

Mr. HARRISON. I do not think there is any doubt that it is sufficient for the present. As the Senator knows, the Finance Committee has rather broad powers with reference to these matters.

Mr. NYE. Mr. President, has there been reported this morning another resolution authorizing an investigation of N. R. A. by the Judiciary Committee?

The VICE PRESIDENT. It has not as yet been laid before the Senate, but the Chair is advised that it is on the desk, reported this morning by the Senator from South Carolina [Mr. BYRNES].

Mr. NYE. For the information of the Senate, I think it ought to be made clear that the action of the Senator from Nevada [Mr. McCarran] in asking that the resolution which has been reported go over, was occasioned by the thought that two resolutions are being reported this morning calling for two separate and distinct investigations of N. R. A. It has been thought that there might be some advantage in a consolidation of the two resolutions. The request that the resolution go over was occasioned quite entirely by the desire. as I understand, to afford an opportunity for Senators interested to get together and endeavor to devise a plan of consolidating the two resolutions.

Mr. HARRISON. But the Senate might today recess over a day or two. My committee is anxious to get to work on the matter. We are going to proceed, if the resolution is not adopted, to the consideration of the changes in the N. R. A. law suggested by the President. It seems to me the resolution ought to be before the committee when we proceed and thus enable us to kill two birds with one stone. It is inconceivable that there should be any delay about the matter. Let the resolution be adopted and the investigation be undertaken by the Finance Committee, and then, if Senators want to make some effort later to consolidate the two investigations, that will be all right. I have no objection to the other committee proceeding with an investigation along monopolistic lines.

Mr. NYE. There might be a desire on the part of another committee which is concerned with the other resolution yet to be reported from the desk. I would suggest that before we pass definitely upon the resolution now before the Senate, the second resolution be reported so that the Senator from Nevada may have a chance then to make his point more clear.

The VICE PRESIDENT. As there has been objection to the consideration of Senate Resolution 79, it will go over.

Mr. NYE. Very well.

#### MONOPOLISTIC PRACTICES AND ANTITRUST LAWS

The VICE PRESIDENT. The second resolution reported by the Senator from South Carolina [Mr. Byrnes] will be stated.

The Chief Clerk read the resolution (S. Res. 35) submitted by Mr. King on January 7, 1935, and reported this day by Mr. Byrnes from the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

Whereas to prevent monopolies and combinations in restraint of trade and efforts to obtain monopolistic control of trade and commerce, laws were enacted by the Congress which are still in force; and

Whereas it is claimed that such laws have not been enforced and that monopolies have increased and monopolistic control of industry has been strengthened; and

Whereas, notwithstanding the enactment of said antitrust laws, it is alleged that the National Industrial Recovery Act has been construed as permitting monopolies and pro tanto repeals the said antitrust laws; and

Whereas it is alleged that the said antitrust laws are inadequate to meet monopolistic developments and should therefore be strengthened in order that the purpose for which they were enacted might be realized: Now, therefore, be it

Resolved, That the Committee on the Judiciary, or any duly authorized subcommittee thereof, is authorized to conduct an investigation to determine (1) whether the National Industrial Recovery Act has encouraged or promoted monopolistic practices; (2) whether the National Industrial Recovery Act or rules, regulations, and codes issued under it have tended to nullify the antitrust laws; (3) whether, in that event, legislation is needed to restore the antitrust laws to the position which they occupied prior to the date of enactment of the National Industrial Recovery Act; and (4) whether the antitrust laws, if properly enforced are adequate to control monopolistic practices.

The committee shall report as soon as practicable the results of its investigation, together with its recommendations, if any, for necessary legislation. For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-fourth and succeeding Congresses until the final report is submitted; to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents; to administer such oaths; and to take such testimony and make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed \$5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

Mr. McCARRAN. Mr. President, I ask to have both resolutions go over for 1 day, all with a view of getting together with other Senators in order to provide for one investigation, presumably and preferably by a select committee, thus to save duplication of investigation and also to save money.

A select committee, in my judgment, would be able to get to work immediately on the investigation. I am very anxious, as one of the proponents of one of the resolutions, to have the investigation go forward at once. It was with that

idea in mind that I wanted the resolution to go over for 1 day in order that we might get together and have concerted action on the whole matter.

The VICE PRESIDENT. Objection is heard.

Mr. HARRISON. Mr. President, a parliamentary inquiry. The VICE PRESIDENT. The Senator will state it.

Mr. HARRISON. Two resolutions having been submitted, and the two resolutions having been reported this morning, is there any parliamentary way for the Senator from Nevada to move to combine the two?

The VICE PRESIDENT. Not today. The resolutions must go over 1 day under the rule.

Mr. HARRISON. Would there be a way tomorrow for him to do so?

The VICE PRESIDENT. Is the parliamentary inquiry of the Senator from Mississippi whether he may ask for action tomorrow on the resolutions?

Mr. HARRISON. The parliamentary inquiry is, two resolutions providing for two separate investigations having been submitted, one calling for an investigation by a subcommittee of the Judiciary Committee and the other for an investigation by the Finance Committee, would it be in order tomorrow, under the rule, for a motion to be made to combine the two and have a select committee conduct the investigation?

The VICE PRESIDENT. Any amendment to either of the resolutions will be in order when they come before the Senate. The Chair believes that answers the Senator's parliamentary inquiry.

Mr. HARRISON. Very well.

### BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DICKINSON:

A bill (S. 2028) for the relief of Frederick H. Pollman; to the Committee on Military Affairs.

By Mr. CAREY:

A bill (S. 2029) to authorize naval and Marine Corps service of Army officers to be included in computing dates of retirement; to the Committee on Military Affairs.

By Mr. VANDENBERG:

A bill (S. 2030) for the relief of William Dean McCoy; to the Committee on Naval Affairs.

By Mr. DAVIS:

A bill (S. 2031) for the relief of Luther Maurice Walton;

A bill (S. 2032) for the relief of Henry A. Hart; to the Committee on Military Affairs.

A bill (S. 2033) granting a pension to Henrietta V. W. Owen; to the Committee on Pensions.

By Mr. KING:

A bill (S. 2034) to prevent the fouling of the atmosphere in the District of Columbia by smoke and other foreign substances, and for other purposes; and

A bill (S. 2035) to amend an act approved June 25, 1934, authorizing loans from the Federal Emergency Administration of Public Works, for the construction of certain municipal buildings in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. BORAH:

A bill (S. 2036) to provide for the acquisition of a site and the erection thereon of a Federal building at Buhl, Idaho; to the Committee on Public Buildings and Grounds.

By Mr. NEELY:

A bill (S. 2037) granting a pension to Rose Kennedy; to the Committee on Pensions.

By Mr. BYRNES:

A bill (S. 2038) granting an increase of pension to Edgar C. N. Waldrop; to the Committee on Pensions.

A bill (S. 2039) making it a felony to transport in interstate or foreign commerce persons to be employed to obstruct or interfere with the right of peaceful picketing during labor controversies; to the Committee on the Judiciary.

By Mr. GERRY:

A bill (S. 2040) to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, and acts in amendment thereof: to the Committee on Claims.

A bill (S. 2041) for the relief of Charles E. Wilson; to the

Committee on Military Affairs.

By Mr. LONERGAN:

A bill (S. 2042) for the relief of Grace Park; to the Committee on Claims.

A bill (S. 2043) to amend the Merchant Marine Act of June 5, 1920, Public, No. 261; to the Committee on Commerce.

A bill (S. 2044) for the refund of income and profits taxes erroneously collected; to the Committee on Finance.

A bill (S. 2045) for the relief of Stephen Sowinski; to the Committee on Military Affairs.

A bill (S. 2046) granting a pension to Stephen Sowinski; to the Committee on Pensions.

By Mr. THOMAS of Oklahoma:

A bill (S. 2047) to promote the general welfare of the Indians of the State of Oklahoma, and for other purposes; to the Committee on Indian Affairs.

By Mr. MALONEY:

A bill (S. 2048) for the relief of Lt. William J. Wholean; to the Committee on Finance.

By Mr. LA FOLLETTE:

A bill (S. 2049) for the relief of George H. Hauge; to the Committee on Claims.

A bill (S. 2050) granting a pension to Charlotte C. Oliver;

A bill (S. 2051) granting a pension to Marcella Kostermann; to the Committee on Pensions.

By Mr. FRAZIER and Mr. ASHURST:

A bill (S. 2052) to provide for the payment of taxes on certain lands acquired under authority of acts of Congress; to the Committee on Public Lands and Surveys.

By Mr. WALSH:

A bill (S. 2053) authorizing the appointment and retirement of Francis Joseph Thomas as an ensign in the United States Navy; to the Committee on Naval Affairs.

By Mr. MINTON:

A bill (S. 2054) to authorize the presentation of a Distinguished Service Cross to Harry L. Kast (with accompanying papers); to the Committee on Military Affairs.

A bill (S. 2055) granting a pension to Mary E. Troutman; A bill (S. 2056) granting a pension to Ellen Mullis Baker;

A bill (S. 2057) granting a pension to Willard Hyser; A bill (S. 2058) granting an increase of pension to Lucy S. Kemp;

A bill (S. 2059) granting a pension to Blanche Walker;

A bill (S. 2060) granting a pension to George E. Hilgert;

A bill (S. 2061) granting a pension to Amanda Bastian; A bill (S. 2062) granting a pension to Paulean Auberry

(with accompanying papers); A bill (S. 2063) granting a pension to Edward Morgan;

A bill (S. 2064) granting a pension to Lizzie Sarver; A bill (S. 2065) granting a pension to Joanna B. Town-

send: A bill (S. 2066) granting a pension to America V. Noel

(with accompanying papers);

A bill (S. 2067) granting a pension to Dora J. Mayberry (with accompanying papers);

A bill (S. 2068) granting a pension to Edward M. Stultz (with accompanying papers);

A bill (S. 2069) granting a pension to Gordon C. Patton (with accompanying papers);

A bill (S. 2070) granting a pension to Daniel L. Myers (with accompanying papers); and

A bill (S. 2071) granting a pension to Mary E. Stout (with accompanying papers); to the Committee on Pensions.

By Mr. McNARY:

A joint resolution (S. J. Res. 68) extending the thanks of the Government and people of the United States to the Republic of Finland; to the Committee on Foreign Relations.

#### HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred to the Committee on the District of Columbia:

H. R. 83. An act to provide for the conservation and settlement of estates of absentees and absconders in the District of Columbia, and for other purposes;

H. R. 3477. An act relating to the incorporation of Trinity College of Washington, D. C., organized under and by virtue of a certificate of incorporation pursuant to the incorporation laws of the District of Columbia, as provided in subchapter 1 of chapter 18 of the Code of Laws of the District of Columbia:

H. R. 4538. An act to change the designation of Lefler

Place to Second Place; and

H. R. 5711. An act to provide pensions for needy blind persons of the District of Columbia and authorizing appropriations therefor.

#### DR. CHESTER C. GROFF

Mr. COPELAND. Mr. President, the message received this morning from the House of Representatives advises the Senate that the House has passed without amendment the bill (S. 31) to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. Chester C. Groff.

The House and the Senate have passed identical bills in this matter. I move that the bill (H. R. 4996) to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. Chester C. Groff be indefinitely postponed.

The motion was agreed to.

#### UNLAWFUL ENTRY ON PRIVATE PROPERTY

Mr. KING. Mr. President, some days ago the Senate passed Senate bill 402, which has since passed the House of Representatives with very unimportant amendments. I ask the Chair to lay before the Senate the amendments from the House.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 402) to amend section 824 of the Code of Laws for the District of Columbia, which were, on page 1, line 8, after "dwelling", to insert "or building"; and on page 2, line 2, after "dwelling", to insert "or building."

Mr. KING. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

WORK RELIEF PROGRAM-TELEGRAM OF SENATOR GORE

Mr. ASHURST. Mr. President, I ask unanimous consent to have printed in the RECORD certain telegraphic correspondence between certain citizens of Oklahoma and the senior Senator from Oklahoma [Mr. Gore], and also a brief newspaper item.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

McAlester, Okla., February 22, 1935.

Hon. T. P. GORE,

United States Senate: Several thousand Pittsburg County unemployed people assembled in convention demand you support President Roosevelt's \$4,000,-000,000 relief measure. If you vote against measure sentiment is, you stay out of this county in next senatorial race.

Mayor Hartshorne, Chairman of Committee.

C. B. LINDSAY,

Mayor of Haileyville, Okla.

FEBRUARY 23, 1935.

Hon. JOE A. BROWN, . Joe A. Brown,
Mayor of Hartshorne,
Chairman Committee on Unemployed,
McAlester, Okla.,

Mayor of Haileyville,

Haileyville, Okla.:

This will acknowledge your exceedingly diplomatic and hospitable telegram. It shows how the dole spoils the soul. Your telegram intimates that your votes are for sale. Much as I value votes I am not in the market. I cannot consent to buy votes with the people's money. I owe a debt to the taxpayer as well as to the unemployed. I shall discharge both. None but the bully resorts to threats and none but the coward yields to them.

THOMAS P. GORE,

United States Senator.

[From the Washington Star of Feb. 26, 1935] SENATOR GORE SEES PERIL IF DRAGON RUNS IN OKLAHOMA

Senator Gore, of Oklahoma has won a reputation for salty com-

Senator Gore, of Oklahoma has won a reputation for saity comment, for it often has a sharp sting to it.

A Washington hostess was describing to him the other evening the so-called "dragon-lizard" at the National Zoological Park.

"Why, Senator", she said, "that lizard has a yellow tongue 7 inches long that he shoots out of his mouth."

"Good gracious", interrupted the Senator. "I hope he doesn't go to Oklahoma and run for the United States Senate."

#### THE N. R. A. AND SMALL BUSINESS

Mr. BORAH. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from Almarin Phillips & Son, of Port Jervis, N. Y., with reference to the price of roofing materials; and, bearing on the same subject matter, an editorial entitled "Taps for the Blue Eagle", which appeared in the Philadelphia Record of February 21, 1935.

There being no objection, the letter and editorial were ordered to be printed in the RECORD, as follows:

PORT JERVIS, N. Y., February 25, 1935.

Senator W. E. BORAH. Washington, D. C.

DEAR SIR: I see by the New York Times that you are engaged in an effort to revive the action of the antitrust laws. Would state an enort to revive the action of the antitrust laws. Would state that I have been in the wholesale asphalt roofing business for some time and I have never seen a time when the trade was so absolutely tied up, and with the present rules of the association, which practically takes in all of the United States, with the exception of two firms furnishing the mail-order houses, we will be put out of business and, at the same time, the companies are making enormous profits. A 10-inch square butt shingle that we have bought for about \$3.15 delivered today will cost us over \$4.50 delivered and, at the same time, the mail-order houses are selling the same shingle to a consumer at \$4.50. The companies are making such tremendous profits that they will hold together in a penelty-bound deal

ing such tremendous profits that they will hold together in a penalty-bound deal.

My son, who is president of the Mayors' Association of the State of New York, is in Chicago conferring with the mayors' associations of other States to devise some means by which the municipalities of the United States can buy goods without paying such tremendous figures. If you will confer with Mayor LaGuardia, of New York City, on the fire-hose situation, you will be astounded at the capacity and gall for price situation, a price situation which leaves enough profit for a tremendous graft to be paid and yet holds the cities up to an awful price.

We wish you the best of success in your endeavor to enforce some of the antitrust laws, because when the manufacturers get together in a deal like these deals they do not seem to stop at a reasonable price.

reasonable price. Very truly yours,

ALMARIN PHILLIPS & SON, ALMARIN PHILLIPS.

[From the Philadelphia Record, Feb. 21, 1935] TAPS FOR THE BLUE EAGLE

N. R. A. must be abandoned. Reluctant as Congress may be to take that step, no other sound course is open.

course is open.

Instead of continuing N. R. A., let Congress embody a minimum-wage law and a maximum-hour law in the Federal statutes—And jettison all the rest of the code claptrap, the complicated and often impossible trade-practice regulations, the price fixing, and various other devices through which N. R. A. has fostered monopoly instead of curbing it.

In his message to Congress, President Roosevelt enumerates various weaknesses of N. R. A. which he believes should be remedied. When one takes into consideration the many other weaknesses which the President does not mention—weaknesses in N. R. A. ad-

When one takes into consideration the many other weaknesses which the President does not mention—weaknesses in N. R. A. administration as well as weaknesses of the law itself—
There can be only one logical conclusion:
To drop this "noble experiment", go back where we were before it was launched, and start afresh.
"Don't trifle with that bird!"
This ominous reference of General Johnson to the blue eagle was a vain warning. The "bird" has been trifled with on every hand—by business men and public officials, by those charged with enforcing N. R. A., as well as those who opposed it from the start. Thus, today the Blue Eagle lies pitifully battered and mangled, far back on the high road to recovery. And the one humane thing to do is to put it out of the way, not let it suffer.
General Johnson's phrase is typical of the high hopes held for N. R. A. in its early days. Those initial effects were beneficial beyond question.

beyond question.

Subsequent operation of N. R. A., however, has been a backward movement instead of a forward movement.

For business, there has been increasing unwarranted interference in its affairs, mounting proof of the impossibility of running the complex commercial structure of the country from a bureau in Washington.

For labor the supposed guaranties of section 7 (a) have not been realized. Instead, N. R. A. often has served to interfere with labor's efforts to better working conditions. Appeals taken to the various labor boards have ended either in deadlock or fruitless

compromise. And even where labor won victories through N. R. A. agencies, those victories have been nullified time and again by other Government agencies.

For the public, N. R. A. has failed to fulfill its promise of putting more men to work at higher wages to restore purchasing

power.

A few figures will show just how N. R. A. has gone backward

The President's original reemployment agreement set a \$12 minimum wage. That was rock-bottom pay. And it was understood at the time that the various codes would increase that

minimum.

Instead, code after code has chiseled down the \$12 figure. That of the rubber-tire industry set a minimum wage of \$10. That of excelsior products, \$8. In the textile bag code it is \$8.60. In retail grocery trades, \$10 for 56 hours. In the wholesale grocery trade, \$9 for 44 hours. In the cleaning and dyeing industry, \$8; handkerchief makers, \$9; banking, \$12. The laundry code for the South hit bottom with \$5.60 for 40 hours' work. And only last week the cigarette code set a minimum wage of \$10.

Meanwhile, income-tax records show more returns filed for incomes above \$25,000 and less for incomes below \$25,000.

The American Federation of Labor reported in January that average wages of the 16 chief producing and distributing industries rose only 3 cents from \$20.53 a week in November 1932 to \$20.56 a week in November 1933.

Food prices, on the other hand, rose 7 percent, clothing and

Food prices, on the other hand, rose 7 percent, clothing and furnishings, 21 percent. Thus, real wages actually went down in a year in which corporation and individual profits expanded substantially.

Finally, while N. R. A. is estimated to have originally restored 4,000,000 men to employment, the trend of employment has been gradually downward over the past 10 months.

The proof of the pudding is in the eating. N. R. A. can be judged only by its fruits.

Particularly, when hope after hope, promise after promise, has gone unfulfilled.

That is why the Record believes Congress should act at once, and abolish N. R. A. before it carries us farther backward in our

fight for recovery.

That is why the Record believes we must substitute the fundamental economic protection of a minimum-wage law and a

With labor left to stand on its own feet and business left to stand on its own feet.

Labor then will be free to fight its battles without Government

interference.

Industry likewise will be free to solve its problems—free to go back on the basis of open competition which is the essence of capitalism.

#### THE CALENDAR

The VICE PRESIDENT. Morning business is closed. The calendar under Rule VIII is in order. The clerk will state the first order of business on the calendar.

#### BILLS PASSED OVER

The bill (S. 944) to amend section 5 of the Federal Trade Commission Act was announced as first in order.

Mr. AUSTIN. I ask that the bill go over.

The VICE PRESIDENT. On objection, the bill will be passed over.

The bill (S. 243) for the relief of Curtis Jett was announced as next in order.

Mr. KING. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 244) for the relief of Thomas Salleng was announced as next in order.

Mr. KING. Let the bill go over.

Mr. LOGAN. Mr. President, will the Senator withhold his objection for a moment to enable me to make a brief statement?

Mr. KING. Very well.

Mr. LOGAN. I happen to know Mr. Salleng personally. He is one of the finest law-abiding citizens of whom I know. He was in the Philippine Insurrection. He was in a number of engagements in the Philippines. After the troops came home he was sent somewhere to the Middle Northwest, to Minnesota, I believe. He heard that his mother was sick and so he went home. He was marked as a deserter. No effort was ever made to capture him; but being a man of considerable conscience his action troubled him, so sometime afterward he went back to the Army post, hunted up the officer in charge, surrendered himself, served his term, and was discharged.

The Committee on Military Affairs under such circumstances has long made it a practice, where a man has had honorable discharge be removed; and I trust the Senator from Utah will withdraw his objection.

The VICE PRESIDENT. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Military Affairs with an amendment, on page 1, line 8, after the words "on the", to strike out "13th day of July 1903", and insert "11th day of September 1905", so as to make the bill read:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Thomas Salleng, who was a member of Company D, Ninth Regiment United States Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States on the 11th day of September 1905: Provided, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### BILLS PASSED OVER

The bill (S. 1266) for the relief of Robert E. Masters was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1404) to promote the efficiency of national defense was announced as next in order.

Mr. COOLIDGE. Mr. President, yesterday when the cal endar was under consideration the Senator from Utah [Mr. King] asked that this bill go over. In view of the fact that he desires to study the bill more thoroughly, I ask that it go over at this time.

The VICE PRESIDENT. The bill will be passed over.

#### JOHN CARMICHAEL WILLIAMS

The Senate proceeded to consider the bill (S. 1082) for the reinstatement of John Carmichael Williams in the United States Navy, which was read as follows:

Be it enacted, etc., That the President be, and he is hereby, authorized, by and with the advice and consent of the Senate, to restore John Carmichael Williams, late a lieutenant, United States Navy, as an officer in the Navy with the rank and precedence which he held on May 22, 1931: Provided, That the said John Carmichael Williams shall establish to the satisfaction of the Secretary of the Navy, by the usual examination for such grade, his physical, mental, moral, and professional fitness to perform the duties thereof: Provided further, That the said John Carmichael Williams shall be carried as additional to the number of the grade to which he may be restored or at any time thereafter promoted, and he shall not be entitled to receive pay or allowances for the period during which he was not in the active service.

Mr. KING. Mr. President, will the Senator from Texas explain this bill?

Mr. SHEPPARD. Mr. President, ordinarily bills such as this are not favorably considered. This man happens to be an expert in aviation, as I explained in the last Congress when a bill similar to this passed the Senate; and there is a special need for officers of this type.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### BILL PASSED OVER

The bill (S. 213) to amend section 113 of the Criminal Code of March 4, 1909, 35 Statutes 1109 (U. S. C., title 18, sec. 203), and for other purposes, was announced as next in order.

Mr. KING. Let that go over.

Mr. ROBINSON. Mr. President, before this bill is disposed of I should like to have an explanation of it.

Mr. CONNALLY (and other Senators). Let it go over. The VICE PRESIDENT. The bill will be passed over.

# PICKWICK LANDING DAM, TENN.

The bill (S. 1506) to change the name of the Pickwick Landing Dam to Quin Dam was announced as next in order. Mr. ROBINSON. Mr. President, what is the reason for this change of name? Why is Congress troubled with legis-

battle service, to recommend that the disability of a dis- | lation changing the name of a dam from "Pickwick" to " Quin "?

> Mr. McKELLAR. Mr. President, I desire to have that bill go over.

> Mr. ROBINSON. It might be appropriate to change it from "Pecksniff" to some other Dickens' name.

> Mr. McNARY. Mr. President, in the absence of the author of the bill, I may say in a word that Quin is the name of a former Representative from Mississippi; and as chairman of the conference committee having to do with the Muscle Shoals project I served a great many years with Mr. Quin. He was very active, very purposeful and alert in the consideration of the legislation, and I think it is appropriate to his memory that this change should be made in the name of this dam.

> Mr. ROBINSON. Can the Senator tell us who was the Pickwick" after whom the landing was first named?

> Mr. McNARY. I am just taking up another Senator's task. I see that the Senator from Mississippi [Mr. HARRIsonl is here.

Mr. HARRISON rose.

Mr. McKELLAR. Mr. President, this dam is in Tennessee, and I have received a number of protests against changing its name. I have asked the Senator from Mississippi to let the bill go over, and I hope that will be done.

I knew Mr. Quin very well, indeed. I esteemed him very highly. He was a very fine man, and I was very sorry to learn of his untimely death. At the same time, there are protests from my State against the passage of the bill, and I shall have to examine into the matter before the bill is passed. Therefore I should like to have it go over.

Mr. HARRISON. Mr. President, will the Senator withhold his objection for just a moment?

Mr. McKELLAR. Certainly.

Mr. HARRISON. I heard the statement of the Senator from Oregon [Mr. McNary], the leader of the other side, and I appreciate very much his complimentary expressions with reference to the late Representative Quin. All of us are familiar with the fine record he made in the House and the very able service he rendered in connection with the particular legislation involving the development of Muscle Shoals. I will not say that he rendered more service than did the distinguished Senator from Tennessee [Mr. McKellar] or some other Senators here whose hearts were in that legislation; but certainly no Member of the House ever manifested more zeal, ability, and perseverance in bringing about the development of Muscle Shoals than did Representative Quin. As Chairman of the Military Affairs Committee of the House and as a member of the conference committee he was one of the strong pillars upon which the legislation rested.

Of course, I shall not move to take up the bill at this time. because I am sure the Senator from Tennessee desires to cooperate in the matter, and I am sure the protests that have come to him were only protests from some of his constituents who dislike to see an old name such as "Pickwick Landing" changed after it has existed in a community for a long time. The protests are not because there is any particular objection to changing the name of the dam to Quin, but just because some of those in the community would like to retain the name "Pickwick Landing." So I shall not move to consider the bill, hoping that the Senator will permit me to have it considered later by unanimous consent.

Mr. CONNALLY. Mr. President-

Mr. HARRISON. I yield to the Senator from Texas. Mr. CONNALLY. Has the name "Pickwick Landing" any special significance, or is the desire to retain it based upon the fact that the landing has borne that name for a long while?

Mr. HARRISON. It is just a name that has been given to this landing for a long time, long before there was ever any project to build a dam there.

Mr. CONNALLY. Mr. President, will the Senator from Mississippi indulge me further?

Mr. HARRISON. Yes. Mr. CONNALLY. I desire to concur in what the Senator from Mississippi has said with regard to the eminent and valuable services of the late Representative Quin with regard to Muscle Shoals.

Mr. SHEPPARD. Mr. President, perhaps Dickens crossed the river at that place when he visited the United States.

Mr. HARRISON. Probably so. Mr. ROBINSON. Mr. President, I desire to make it plain that in requesting an explanation of the bill, I did not know that it was the intention to name the dam after the late Representative Quin.

Mr. HARRISON. Yes; it is. Mr. ROBINSON. I, too, recognize the ability he displayed, and his patient and faithful service while a Member of the House.

Mr. HARRISON. As the Senator will recall, one of the dams was named after President Wilson; another was named after the Senator from Nebraska [Mr. Norris]; and I thought it most appropriate that this dam should be named after the Member of the House who rendered the greatest service in that body in this matter. This dam will be the nearest to the Mississippi line of any of those that are to be erected.

The PRESIDENT pro tempore. Objection being made, the bill will be passed over.

#### FILLING OF VACANCIES IN CERTAIN JUDGESHIPS

The bill (S. 481) authorizing the filling of vacancies in certain judgeships was considered, ordered to be engrossed for a third reading, read the third time, and passed, as

Be it enacted, etc., That any existing vacancy and any vacancy which may occur at any time hereafter in any of the following United States district judgeships created by the act of September 14, 1922 (42 Stat., ch. 306, sec. 1, p. 837; U. S. C., title 28, sec. 3), and the act of March 2, 1925 (43 Stat., ch. 397, secs. 1-3, p. 1098; U. S. C., title 28, sec. 4), are hereby authorized to be filled: 2 in the district of Massachusetts; 2 in the southern district of New York; 1 in the eastern district of New York; 1 in the western district of Pennsylvania; 1 in the eastern district of Michigan; 1 in the eastern district of Missouri; 1 in the western district of Missouri; 1 in the northern district of Ohio; 1 in the southern district of California; 1 in the district of Minnesota; 1 in the northern district of Texas; 1 in the district of Arizona, and 1 in the southern district of Iowa. of Arizona, and 1 in the southern district of Iowa.

# ALVA A. MURPHY

The bill (S. 170) for the relief of Alva A. Murphy was announced as next in order.

Mr. KING. Mr. President, undoubtedly Senators are familiar with the fact that a number of representatives of the Government have been wounded or killed in the enforcement of the prohibition laws as well as in the enforcement of other laws. It does not seem to me quite proper that we should single out one case; and in this instance, as I read the report, Mr. Murphy really was not in the employ of the Government.

As I say, it is rather singular that we should single out one case and grant compensation. It seems to me the whole question should be dealt with in a rather general way; and I suggest that this bill go over, only for the purpose of having the whole subject receive attention, because I think perhaps there should be some compensation.

I may say in passing that quite recently one of the finest citizens of my State, an officer who participated in the capture of one of the most dangerous of the public enemies, was shot and killed. Suggestions have been made that his family should receive some compensation; and, in view of the fact that there are a number of these cases, I ask that this bill go over.

The PRESIDENT pro tempore. The bill will be passed

RETIREMENT OF ACTING ASSISTANT SURGEONS OF THE NAVY

The bill (S. 883) directing the retirement of acting assistant surgeons of the United States Navy at the age of 64 years was announced as next in order.

Mr. ROBINSON. Mr. President, may I ask the Senator from Massachusetts [Mr. Walsh] to state the changes which this bill makes in existing law?

Mr. WALSH. Mr. President, this is one of the few bills on the calendar which are in the interest of economy. There

are now two acting assistant surgeons on active duty in the Navy who have reached the age of 64 years. In fact, both are over 70 years of age, and one is an invalid. They have been in the service since 1898. The Navy Department recommends their retirement, and promises not to fill the vacancies; so by retiring these two officers, instead of paying them their present salaries-they having become old and somewhat infirm—the Government will pay only the retirement pay and save about \$4,416 a year.

Mr. CONNALLY. Mr. President, will the Senator yield? The PRESIDENT pro tempore. Does the Senator from Massachusetts yield to the Senator from Texas?

Mr. WALSH. I do.

Mr. CONNALLY. If these surgeons are on the regular list, why do they not retire at the age of 64 anyway? Is not that the general law?

Mr. WALSH. It is true that that is the general law, but it does not apply to these men. That is why there has to be a special bill

Mr. CONNALLY. Are they regular commissioned officers or civilian employees?

Mr. WALSH. They are what are known as "temporary naval officers" in distinction from permanent naval officers.

Mr. CONNALLY. That is the point, then. Why should we extend the retirement privilege to civilian employees of the Navy Department while all other civilian employees have to retire under the regular civilian retirement law?

Mr. WALSH. Were they permanent naval officers, they would be retired. No provision of law provides for the retirement of temporary naval officers.

Mr. CONNALLY. To be sure; but they are not regular naval officers. Why should we extend the retirement privileges of naval officers to men who are not naval officers, but

who are simply civilian employees of the Navy Department? Mr. WALSH. But the alternative is that they will stay on their jobs and be paid much more than their retired pay.

Mr. CONNALLY. They will supposedly be doing some work if they stay on their jobs. I do not like to object to the Senator's bill, but I do think this is a very serious departure from the usual practice.

Mr. WALSH. Let me say that this is not my bill. I do not know the two individuals who will be retired. The bill is recommended by the Navy Department. I have no personal interest in the two acting assistant surgeons.

Mr. KING. Mr. President, may I ask a question of the Senator? Might not the passage of this bill be construed as a precedent for granting like privileges to other civilians?

Mr. WALSH. It might if there were any other acting assistant surgeons in the Navy who would be eligible. They are the only two who are left of those who, under special act of Congress in 1898, were appointed as temporary naval officers.

Mr. KING. I mean, in other departments where civilians have been employed, might not this be regarded as a precedent? If we should grant retirement privileges to civilians who happen to be in the Navy, why not grant retirement privileges to civilians who may be in other departments of the Government?

Mr. WALSH. Of course retirement privileges are granted to many civilians in various branches of the Government service.

Mr. KING. I know that.

Mr. CONNALLY. Not at three-fourths pay, however.

Mr. WALSH. That is true. This retirement will simply place these surgeons in the same status as regular commissioned medical officers who are given the retirement privileges.

Mr. CONNALLY. If this bill were passed, though, why would not the employees of the Public Health Service have the same right to retirement when they get to be 64 years of age, and the employees of all the other departments?

Mr. WALSH. I do not know what the law is with regard to retirements in the Public Health Service. In view of the interrogatories of the Senators, the bill can go over until I receive further information from the Navy Department.

Mr. CONNALLY. I ask that the bill go over, Mr. President. The PRESIDENT pro tempore. The bill will be passed

### A. C. MESSLER CO.

The bill (S. 313) to confer jurisdiction on the Court of Claims to hear and determine the claim of A. C. Messler Co. was announced as next in order.

Mr. KING. Let that bill go over.

Mr. WHITE. Mr. President, will the Senator withhold his objection?

Mr. KING. I withhold the objection for a moment, but I desire to call the Senator's attention to the fact that the claim is barred by the statute of limitations. It is an old claim.

Mr. WHITE. That is quite true.

Mr. ROBINSON. Mr. President, I should like to ask the Senator when the claim first arose. I have not had an opportunity to read the report.

Mr. WHITE. Mr. President, if I may, I will make a very

brief statement with respect to the claim.

The bill authorizes the Court of Claims to assume jurisdiction and to hear and determine this claim notwithstanding the lapse of time. In the last Congress a bill was presented providing for the payment of some \$16,000 in settlement of this claim. The measure was fully considered by the Committee on Claims, and the amount was reduced from \$16,000 to between twelve and thirteen thousand dollars. In that form the bill was favorably reported to the Senate, and was passed by the Senate.

The claim arises out of a contract entered into during the war by which the claimant company agreed to manufacture and deliver to the Government some 15,000,000 cartridge clips. The contract between the Government and the claimant was executed in several forms. It is a matter of regret that the forms were not all the same. There were words appearing on one form of the executed contract which did not appear in another. There were words stricken out in one form of the contract which were not stricken out in another. There were interlineations in some of the contracts. So there was presented a very confusing question as to the precise obligation entered into by the Government.

The Committee on Claims reached the conclusion that, upon a proper interpretation of the contract, the Government was obligated to furnish the contractors so many pounds of copper and so many pounds of spelter per 1,000 clips of cartridges at a designated price.

The specifications, which were attached to the contract, provided that there should be furnished 19 pounds per 1,000 clips. As a matter of fact, the Government furnished only 17 pounds per 1,000 clips, and the question is whether the obligation rested on the contractor to go into the open market and buy the 2 pounds of metal per thousand clips—which it did at a cost of something over \$16,000—or whether a proper interpretation of the contract placed on the Government the obligation of furnishing the entire amount of metal necessary to perform the contract.

The committee in the last Congress gave very searching attention to this question, and we reached the conclusion then that the obligation was on the Government.

It has seemed wise, because of difficulties the bill encountered elsewhere, to transfer this whole question of the proper interpretation of the contract to the Court of Claims, rather than to attempt to pass upon it here. I have explained the matter as well as I can.

Mr. KING. Mr. President, this is an old claim, originating, as the Senator has said, away back in the time of the war. The Senator will remember that we set up the Dent Board, and other instrumentalities, for the determination of claims against the Government which contractors and individuals might have growing out of services or alleged services during the war. I find on page 7 of the report the following:

The claim has been considered and denied by the Claims Board, Ordnance Department, and by the War Department Board of Contract Adjustment.

And the places where the decisions are given are cited.

The latter board denied the claim on the theory that, under the terms of the contract, the Government was obligated to furnish only 17 pounds of metal per 1,000 clips manufactured. An

appeal was taken to the Secretary of War, as authorized under the Dent Act, who on December 4, 1920, affirmed and approved the decision of the Board of Contract Adjustment denying relief.

The citation is given, Eighth Decisions Appeal Section, War Department Claims Board, 221—

Apparently the case has never been before the Court of Claims.

Mr. WHITE. Mr. President, the Senator is correct; but the fact remains that the Committee on Claims, after a most thorough investigation of this matter, and a consideration of the terms of the various drafts of the contract, reached a conclusion diametrically opposite to that reached by the authorities of the War Department, and it did seem entirely proper, in those circumstances, that the Court of Claims should pass upon the legal questions involved.

I think the proper interpretation of the contract determines this case. It is a legal question, and the Committee on Claims felt unanimously that the legal question should be passed upon by the court.

The PRESIDENT pro tempore. Is there objection to the

consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Court of Claims of the United States be, and hereby is, given jurisdiction to hear and determine the claim of the A. C. Messler Co., of Providence, R. I., notwithstanding lapse of time or any statute of limitations, and to award said company compensation for additional material furnished the Government under contract dated April 17, 1918, for the manufacture and delivery of cartridge clips.

#### MACK COPPER CO.

The bill (S. 1878) conferring jurisdiction upon the Court of Claims to hear and determine the claim of the Mack Copper Co. was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDENT pro tempore. Objection is made, and the bill will go over.

## TERESA DE PREVOST

The bill (S. 1360) for the relief of Teresa de Prevost was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDENT pro tempore. Objection is heard, and the bill will be passed over.

## UNION SHIPPING & TRADING CO., LTD.

The bill (S. 741) for the relief of the Union Shipping & Trading Co., Ltd., was announced as next in order.

Mr. KING. I should like to have an explanation of this measure. In the absence of explanation, I ask that it go over

The PRESIDENT pro tempore. Objection is made, and the bill will be passed over.

## WILLIAM J. COCKE

The Senate proceeded to consider the bill (S. 941) for the relief of William J. Cocke, which had been reported from the Committee on Claims with amendments, on page 1, line 6, after "\$9,116.88", to insert the words "in full settlement of all claims against the Government", and on page 2, after line 1, to insert the following proviso:

Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

So as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William J. Cocke, of North Carolina, the sum of \$9.116.88 in full settlement of all claims against the Government for losses growing out of contracts with the War Department, one dated July 1, 1918, for the purchase of garbage from Camp Green, situate at or near the city of Charlotte, N. C., and the other dated September 3, 1918, for Camp Wadsworth,

situate at or near the city of Spartanburg, S. C.: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

### JOHN W. BECK

The Senate proceeded to consider the bill (S. 457) for the relief of John W. Beck, which was read, as follows:

Be it enacted, etc., That the President of the United States be, and he is hereby, authorized to summon John W. Beck, a first lieutenant, United States Army, retired, before a retiring board to inquire whether at the time of his retirement under section 24b, National Defense Act, as amended, he was incapacitated for active service, and whether such incapacity was a result of an incident of service; and if, as a result of such inquiry, it is found that he was so incapacitated, the President is authorized to nominate and appoint, by and with the advice and consent of the Senate, the said John W. Beck a first lieutenant, Regular Army, and place him immediately thereafter upon the retired list of the Army, with the same privileges and retired pay as are now or may hereafter be provided by law or regulation for officers of the Regular Army: Provided, That the said John W. Beck shall not be entitled to any back pay or allowances by the passage of this act.

Mr. KING. Let us have an explanation of the bill.

Mr. SHEPPARD. Mr. President, the Committee on Military Affairs, after studying this matter, reached the conclusion that the mental condition of this man might have had something to do with the shortcomings which led to his being placed in class B, and the committee feels that consideration by a special board would be justified.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

## FRANK KROEGEL

The Senate proceeded to consider the bill (S. 51) for the relief of Frank Kroegel, alias Francis Kroegel, which was read, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Frank Kroegel, alias Francis Kroegel, who was a member of Company M, Twelfth Regiment New York Volunteer Infantry, shall hereafter be held and considered to have been honorably dishereafter be held and considered to have been honorably discharged from the military service of the United States as a member of that organization on the 22d day of July 1898, and notwithstanding any provisions to the contrary in the act relating to pensions, approved April 26, 1898, as amended by the act of May 11, 1908: Provided, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

Mr. KING. I should like to have an explanation of this bill.

Mr. LOGAN. Mr. President, Frank Kroegel was a soldier who enlisted, I believe, in 1898. He was then a boy 17 years old, a musician. He was in the Army at a concentration camp a few weeks, when one of his pals died of typhoid fever. This scared Kroegel considerably, so he thought he would go home and explain the matter to his father. He did so, and his father took him to the nearest Army post and surrendered him to the officer there, and the officer sent him to another. He apparently reenlisted, although he did not know that for many years afterward, but he did go back into the Army, and when he was marked a deserter, he was really in the service in another regiment.

Mr. ROBINSON. What was the age of the soldier at the time?

Mr. LOGAN. Seventeen, and not very bright. After he served in the new regiment a while, a board examined him, and they said that nearly everything was the matter with him, that he was totally blind, and that he should not have been received in the Army at all. Notwithstanding that, in

stating that he should never have been admitted into the Army at any time.

Under all these circumstances, it seemed to us that the man had never been a deserter according to the records, and ought to have the charge of desertion removed from his

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### ANNA S. CARRIGAN

The bill (H. R. 3373) for the relief of Anna S. Carrigan was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay Anna S. Carrigan, widow of Clarence Carrigan, late American consul at Montevideo, Uruguay, the sum of \$7,000, being 1 year's salary of her deceased husband, who died of illness incurred while in the Consular Service; and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, a sufficient sum to carry out the purposes of this act.

#### GERMAINE M. FINLEY

The bill (S. 1809) for the relief of Germaine M. Finley was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Germaine M. Finley, widow of James G. Finley, late a Foreign Service officer of the United States at Havre, France, the sum of \$2,750, being 1 year's salary of her deceased husband, who died while in the Foreign Service; and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, a sufficient sum to carry out the purpose of this act.

#### INTEREST PAYMENTS ON AMERICAN EMBASSY DRAFTS

The bill (S. 1896) to provide for interest payments on American Embassy drafts was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the sum of \$44,403.15 is hereby authorized to be appropriated for payment to the individuals and corpoized to be appropriated for payment to the individuals and corporations, or their attorneys in fact in the United States, listed in the report of December 10, 1931, of the Secretary of State to the President, as set forth in Senate Document No. 18, Seventy-second Congress, first session, the amounts specified therein, representing interest at 4¾ percent on certain drafts drawn on the Secretary of State by the American Embassies in Russia and Turkey and transfers which the Embassy in Turkey undertook to make by cable communications to the Secretary of State during the period from 1915 to 1920, payment of which was deferred, and amounting to a total sum of \$44,403.15: Provided, That no payment hereunder shall be made by the Secretary of the Treasury, except at the direction of the Secretary of State: Provided further, That full authority is hereby vested in the Secretary of State to determine, in his discretion, whether payment in whole or in part should be made, withheld, or deferred.

## SOPHIE DE SOTA

The bill (H. R. 330) for the relief of Sophie de Sota was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay Sophie de Sota, widow of Hernando de Sota, late American consul at Leipzig, Germany, the sum of \$6,000, equal to 1 year's salary of her deceased husband, who died of illness incurred while in the Consular Service; and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, a sufficient sum to carry out the purpose of this act.

## WILLIAM LYONS

The Senate proceeded to consider the bill (S. 1391) for the relief of William Lyons, which had been reported from the Committee on Claims with amendments, on page 1, line 7, after "\$1,500", to strike out the words "being the amount" and to insert in lieu thereof the words "representing an amount, after deducting the expense caused to the Government", on line 12, after the word "convicted", to strike out the words "without cost to the Government", so as to make the bill read:

been received in the Army at all. Notwithstanding that, in 1917 or 1918, during the World War, he enlisted again. The doctors examined him at that time and turned him down, in the Treasury not otherwise appropriated, to William Lyons, in

full settlement of all claims against the Government of the United States, the sum of \$1,500, representing an amount, after deducting the expense caused to the Government, of a bail bond filed in the case of United States against Louis L. Ross, and subsequently forfeited when the said Ross failed to appear for trial, although he was later apprehended and convicted: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwith-standing. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### ED SYMES AND OTHERS

The bill (S. 1012) for the relief of Ed Symes and wife, Elizabeth Symes, and certain other citizens of the State of Texas was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That Ed Symes and wife, Elizabeth Symes; Wade Symes and wife, Pearl Symes; Helen Symes Dodson and husband, D. S. Dodson; Howard Evans and wife, Mary Ann Evans; John L. Jones; and Leslie Stegall, all of McLennan County, Tex.; John L. Jones; and Leslie Stegall, all of McLennan County, Tex.; Mrs. Harry Loyd Lincoln, a widow who resides in the county of Carbon, Pa.; and Albert Symes Hunter, of Panama, Canal Zone, all being the sole heirs at law of Albert Symes and wife, Sally J. Symes, each deceased, their heirs, legal representatives, executors, administrators, and assigns, any statutes of limitation being waived, are hereby authorized to enter suit in the United States District Court for the Western District of Texas for the Waco Division for the amount alleged to be due said claimants from the United States by reason of the alleged neglect and alleged wrongdoing of the officials and engineers of the United States War Department in the location, erection, and construction of a lock and dam on the Brazos River in McLennan County, Tex., in the year 1919; that said lock and dam was so erected and constructed at such a point and in such a manner as to cause the river to overflow and cut a new channel across said lands, the overflow washing all of the soil off of said lands, thereby making it worthless for any purpose. lands, thereby making it worthless for any purpose.

SEC. 2. Jurisdiction is hereby conferred upon said United States District Court for the Western District of Texas to hear and determine all such claims. The action in said court may be presented by a single petition making the United States party defendant, and shall set forth all the facts on which the claimants base their shall set forth all the facts on which the claimants base their claims, and the petition may be verified by the agent or attorney of said claimant; official letters, reports, and public records, or certified copies thereof, may be used as evidence; and said court shall have jurisdiction to hear and determine said suit and to enter a judgment or decree for the amount of such damages and costs, if any, as shall be found due from the United States to the said claimants by reason of the alleged negligence and erroneous construction of said lock and dam, upon the same principles and under the same measures of liability as in like cases between private parties, and the Government hereby waives its immunity from suit. And said claimants and the United States of America shall have all rights of appeal or writ of error or other remedy as in similar cases between private persons or corporations: Provided, That such notice of the suit shall be given to the Attorney General or the United States attorney in such district, or other representatives of the Department of Justice, to appear and defend for the United States: Provided further, That such suit shall be begun within 12 months of the date of the approval of this act.

Mr. KING. Mr. President, with reference to the bill we have just passed, may I inquire of the Senator from Texas whether the Government, before it constructed the dam, did not make investigations, and have the assent of riparian owners to the construction of the dam?

Mr. SHEPPARD. Mr. President, it is claimed that this was not fully done in this particular case. We merely want the point worked out in the court.

Mr. KING. I cannot conceive that the Government would undertake the construction of a dam which might possibly occasion damage to riparian owners without having some understanding.

Mr. SHEPPARD. In this particular case it was not only a matter of construction, but of the dismantling of a structure by the Government, which occasioned damage for which it is claimed the Government should now pay. We should just like to have the point worked out by the court.

Mr. KING. What year was it?

Mr. SHEPPARD. The structure was completed about 1910, and dismantling began about 1917.

Mr. CONNALLY. Mr. President, will the Senator yield to me?

I yield to the Senator from Texas. Mr. KING.

Mr. CONNALLY. I happen to know something about this matter. This improvement is in the immediate vicinity of my home. This was a lock and dam on the Brazos River, which the Government erected in the course of the improvement of that stream. Later on the Government discontinued the dam; and in the meantime the lock and dam operated to raise the channel of the river, and blocked up the natural flow, and the river detoured and went through the lands of the claimants and caused considerable destruction. This was something not foreseen by them, and they had no way of preventing it, because the Government, by its action in building the dam and dismantling the dam, as suggested by the senior Senator from Texas, provoked this damage; and the claimants are absolutely not at fault in any way whatever. They could not prevent the action that was taken.

Mr. SHEPPARD. All we ask, Mr. President, is that these

claims be submitted to judicial examination.

Mr. KING. Mr. President, this claim is hoary with age, and it seems to me the damages are so remote that it would be very unfair to the Government to refer the matter to a court.

Mr. CONNALLY. Mr. President, will the Senator yield further?

Mr. KING. I yield.

Mr. CONNALLY. This claim is not as old as would seem to appear from the question of the Senator from Utah, because the damage did not occur immediately when the dam was built. It occurred over a period of years as the result of what the dam had done by filling up the stream through the accumulation of silt, so the damage is comparatively recent. It did not occur as far back as the senior Senator from Texas indicated anyway.

Mr. SHEPPARD. The construction of the dam was completed in 1910, and the damage continued for years.

Mr. CONNALLY. The dam was closed in 1915 or 1916.

Mr. SHEPPARD. Dismantling began about 1917. Mr. CONNALLY. It was several years afterward that the damage occurred.

Mr. KING. If it is possible before we adjourn, I shall enter a motion to reconsider for the purpose of making an investigation to consider the consequences of an act of this kind. It seems to me the Government places itself in jeopardy whenever it builds a dam, for if years and years afterward the river should make a detour, as stated in this case, the result might be to leave the dam high and dry, or it might be affected in a number of ways, and the Government would be liable. Therefore, the Government must be very careful in the construction of dams.

The PRESIDENT pro tempore. The Senator does not object to the passage of the bill?

Mr. KING. It was passed, and I shall ask for reconsideration.

## EDITH N. LINDQUIST

The Senate proceeded to consider the bill (S. 905) for the relief of Edith N. Lindquist, which had been reported from the Committee on Claims with an amendment, to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Edith N. Lindquist, chief nurse, United States Navy, the sum of \$600 in full satisfaction of her claim against the United States for reimbursement for the loss claim against the United States for reimbursement for the loss of certain clothing and other personal effects during the earth-quake and fire at Yokohama, Japan, on September 1, 1923: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### C. B. DICKINSON

The bill (S. 1694) for the relief of C. B. Dickinson was announced as next in order.

Mr. ROBINSON. Mr. President, it appears that this claim was disallowed by the General Accounting Office and that the sum is now outstanding and being demanded from the Maryland Casualty Co. of Baltimore, surety on the bond of the claimant. The Department of the Interior states that-

Although the claimant was aware, or should have been, of the law contrary to the action taken by him, the Government actually received the benefits of these expenditures, and no objection will be interposed by the Department.

The facts, as it appears from another paragraph in the report, are that the superintendent of certain Indian schools diverted funds appropriated for the construction of a new building to the completion of repairs on other buildings.

Mr. President, I think it is dangerous to permit such action. It leaves to subordinate officers, in such manner as their judgment approves, the privilege of making use of funds the use of which has been expressly limited by Congress. I doubt whether at this time the Senate should pass this bill. Unless some Senator is prepared to move that it be proceeded with, I ask that it go over.

The PRESIDENT pro tempore. The bill will be passed

#### BILL PASSED OVER

The bill (S. 285) to reimburse the estate of Mary Agnes Roden was announced as next in order.

Mr. KING. Let that go over. I desire to look into it.

The PRESIDENT pro tempore. The bill will be passed

Mr. BULKLEY. Mr. President, what disposition was made

The PRESIDENT pro tempore. Objection to its consideration was made by the Senator from Utah [Mr. KING].

Mr. BULKLEY subsequently said: Mr. President, I ask unanimous consent to recur to Senate bill 285, to reimburse the estate of Mary Agnes Roden. I understand that the Senator from Utah [Mr. King] does not insist on his objection.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Claims with amendments, on page 1, line 5, after the words "sum of", to strike out "\$5,515.48" and insert "\$5,000"; and at the end of the bill to add a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$5,000 to Sophie T. Walsh, administratrix of the estate of her deceased sister, Mary Agnes Roden, in full settlement of all claims against the Government of the United States for injuries received by said Mary Agnes Roden on December 11, 1926, when a United States mail truck collided with her at Lexington Avenue and Thirty-fourth Street, New York City: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of service rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim. with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### RELIEF OF DISBURSING OFFICERS OF THE ARMY

The Senate proceeded to consider the bill (S. 557) for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department.

Mr. KING. Mr. President, I should like to inquire whether the evidence before the committee showed any neg-

ligence on the part of any of these officers.

Mr. CAPPER. No, Mr. President. The bill was drafted by the War Department and sent to the Congress for passage. The War Department has gone into the question thoroughly. There are a great many miscellaneous claims which should be taken up, and which cannot be paid in any other way.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of the following disbursing officers of the Army of the accounts of the following disbursing officers of the Army of the United States the amounts set opposite their respective names: F. J. Baker, major, Finance Department, \$21.35; Roy W. Camblin, first lieutenant, Air Corps, \$19.41; E. Dworak, major, Finance Department (now retired), \$15; C. A. Frank, first lieutenant, Infantry, Finance Department, \$16.41; P. G. Hoyt, major, Finance Department (now deceased), \$94.54; William T. Johnson, first lieutenant, Finance Department, \$12.35; J. H. Osterman, captain, Quartermaster Corps, \$17.60; A. J. Tagliabue, first lieutenant, Finance Department (now retired), \$29.25, said amounts being public funds for which they are accountable and which represent amounts due to minor errors in computation of pay and allowances due military personnel, who are no longer in the service of the United States, and which amounts have been disallowed by the Comptroller General of the United States be, and he is hereby, authorized and directed to credit the accounts

SEC. 2. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit the accounts of F. J. Baker, major, Finance Department, \$149.31, of which amount \$105.57 represents payments made to three former officers of the National Guard; \$37.80 representing payments made to two former Reserve Officers' Training Corps students of the University of Florida and for which efforts to collect from the individual or Florida and for which efforts to collect from the individual payees for the overpayments have been unsuccessful; and \$5.94 paid to an officer of the Army for Pullman accommodations used by him on a change of station under proper orders, but for which the cash receipt necessary to support the voucher covering payment was lost, all of which amounts were disallowed by the Comptroller General of the United States in the accounts of Major

SEC. 3. That the Comptroller General of the United State be, and

Baker.

SEC. 3. That the Comptroller General of the United State be, and he is hereby, authorized and directed to credit in the accounts of Roy W. Camblin, first lieutenant, Air Corps (formerly disbursing officer, Ellington Field, Tex.), the amount of \$27.46, said amount being public funds for which he is accountable and which represents amounts due to errors in computing ration savings due organizations of the Army which have since disbanded.

SEC. 4. That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Roy W. Camblin, first lieutenant, Air Corps, \$107.36, representing an amount erroneously stopped against his pay by the Secretary of War for disallowance appearing in his accounts as disbursing officer at Ellington Field, Tex., in 1921 and 1922, and which disallowances had been cleared by the Comptroller General of the United States under authority of law prior to the collection of the stoppage.

SEC. 5. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit the accounts of F. A. Englehart, major, Ordnance Department, \$44.87, public funds for which he is accountable and which represent the proceeds due the United States from a cashier's check for \$70 drawn on March 30, 1925, on the First National Bank, Conyers, Ga., which bank failed between date of receiving check by the Government, April 2, 1925, and date of its presentation for payment, April 17, 1925, \$44.87 being the balance outstanding after the affairs of the above-mentioned bank had been liquidated.

Sec. 6. That the Comptroller General of the United States be.

tioned bank had been liquidated.

SEC. 6. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of John B. Harper, major, Finance Department, the sum of \$80.64, public funds for which he is accountable and which were paid by him to Joseph F. Battley, first lieutenant, Chemical Warfare Service, for mileage performed under War Department orders and which amount was disallowed by the Comptroller General of the United States: Provided, That the amount so paid shall not be charged against any moneys otherwise due payee.

SEC. 7. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of C. Newton, Jr., major, Finance Department, the sum of \$100, said amount being public funds for which he is accountable and which represents a payment made to William A. Weaver for services in and he is hereby, authorized and directed to credit in the accounts

testifying as an expert witness at a general court martial of an officer, which amount has been disallowed by the Comptroller General of the United States.

eral of the United States.

Sec. 8. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of K. W. Slauson, captain, Quartermaster Corps, the sum of \$22.26, public funds for which he is accountable and which were paid to George L. Dewey, first lieutenant, Infantry, for traveling expenses and disallowed by the Comptroller General of the United States.

Sec. 9. That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to George L. Dewey, first lieutenant, United States Army, the sum of \$160.49, being the amount properly due him for traveling expenses, voucher for which was approved for payment by the General Accounting Office but used as an offset against the disallowances in the accounts of Capt. K. W. Slauson, Quartermaster Corps, for a previous payment made Lieutenant Dewey for travel allowance while on duty as a language student in France: Provided, That no charge shall be raised in the accounts of K. W. Slauson, captain, Quartermaster Corps, and E. J. Heller, captain, Quartermaster Corps, on account of this payment.

payment.

SEC. 10. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of George N. Watson, major, Finance Department, the sum of 53 cents, public funds for which he is accountable and which were paid to the Western Union Telegraph Co. for transmission of an official message and which amount was disallowed by the Comptroller General of the United States on the grounds that such message could have been sent by naval radio service at reduced cost.

SEC. 11 Any amounts which the

Any amounts which otherwise may have been due any of the disbursing officers mentioned herein, or, in the case of deceased officers, may have been due their heirs, for any other deceased officers, may have been due their heirs, for any other purpose, and which amounts or any part thereof have been used as a set-off by the Comptroller General to clear disallowances in said officers' accounts mentioned herein, shall be refunded to such disbursing officer or their heirs: Provided, That any amounts refunded by any of said disbursing officers, or their heirs, to the United States on account of said disallowances, shall also be refunded to such disbursing officers or their heirs: Provided further, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact. services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

## RELIEF OF DISBURSING OFFICERS OF THE ARMY

The bill (S. 558) for the relief of certain disbursing officers of the Army of the United States for the settlement of an individual claim approved by the War Department was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of the following disbursing officers of the Army of the United States the amounts set opposite their names: Maj. W. D. Dabney, Finance Department, \$106.15; Capt. Francis Egan, Quartermaster Corps, \$59.62; Maj. Charles F. Eddy, Finance Department, \$68.80; said amounts being public funds for which they are accountable and which comprise minor errors in the computation of pay and allowances due former personnel of the military service and of the National Guard, and which amounts have been disallowed by the Comptroller General of the United States.

Sec. 2. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Maj. Carl Halla, Finance Department, the sum of \$3,083.21, said amount being public funds for which he is accountable and which he paid to Lt. Col. Samuel T. Talbott, United States Army, in settlement of a claim approved for household goods lost while in storage at Platisburg Barracks, N. Y., which claim had been approved by the Secretary of War as required by the act of March 4, 1921 (41 Stat. 1436), and which payment was later disallowed by the Comptroller General of the United States.

Sec. 3. That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Col. Charles A. Romeyn, Cavalry, United States Army, the sum of \$24, out of any money in the Treasury not otherwise appropriated, to reimburse him for a like amount paid out by him to the Springfield Hospital, Springfield, Vt., for hospitalization of Reserve Officers' Training Corps student, Bertram C. Goodell.

Mr. SHEPPARD. Mr. President, there are several bills of

Mr. SHEPPARD. Mr. President, there are several bills of the same nature as the one just passed which are regular routine bills.

## SETTLEMENT OF CERTAIN MISCELLANEOUS CLAIMS

The Senate proceeded to consider the bill (S. 559) to authorize settlement, allowance, and payment of certain claims,

which had been reported from the Committee on Claims with an amendment, to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to adjust and settle the following claims and certify the same to Congress:

(a) R. D. Jacques in the amount of \$3,332.15 for damage to his furniture, clothing, and effects, and \$6,862.50 for damage to his house; Rudolph J. Gasser, \$2,341.51 for damage to his house; his house, merchandise, and personal belongings, these three claims being the result of an airplane accident at Chicago, Ill., on April 30, 1932, when an Army airplane piloted by Second Lt. Charles A. Fargo, Air Corps Reserve, on an authorized flight, crashed into the house of Mr. Jacques, killing the pilot and his passenger and setting fire to the building in which the claimants were then living. were then living.

(b) Catalina Portugal de Marino, for damages in the amount of \$1,000 due to the death of her husband, Ramon Marino, who was killed by the propeller of an Army airplane while assisting in releasing the plane from the mire at Legaspi, Philippine Islands,

releasing the plane from the mire at Legaspi, Philippine Islands, on January 10, 1932.

(c) W. H. Williamson, Paulsboro, N. J., for damages in the amount of \$20.69 to bread and pastries due to sand and water from the body of a soldier drowned in the Delaware River at Penns Grove, N. J., on July 1, 1931, which was transported in claimant's wagon at the request of an Army sergeant, as an emergency measure, to the nearest medical aid in an effort to save life.

(d) Corp. Joseph R. Burdett, \$30, and Pvt. (1st cl.) J. S. Boehn, \$50, for loss of shotguns, private property of the claimants, which were stolen from a storeroom of the Quartermaster Detachment where they had been impounded as the result of an order issued by the post commander, Fort McKinley, Philippine Islands. (e) Pittsburgh Steamship Co., Cleveland, Ohio, in the amount of \$3,368.61 for damages on account of the collision of its steamer B. F. Affleck with the Government dredge General G. G. Meade, in the St. Marys River near Rains Island on August 29, 1932: Provided. That no part of the amount appropriated in this act in ex-

in the St. Marys Kiver hear Rains Island on August 29, 1932: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary not in connection with said claim, any contract to the contrary not-withstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

## MRS. CHARLES L. REED

The Senate proceeded to consider the bill (S. 1621) for the relief of Mrs. Charles L. Reed, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of", to strike out "\$15,000" and insert "\$4,000", and to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Charles L. Reed, of Huntington, W. Va., the sum of \$4,000 in full satisfaction of her claim against the United States for injuries suffered when struck by a United States mail truck at Huntington, W. Va., on October 16, 1929: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

## FAIRMONT CREAMERY, OMAHA, NEBR.

The bill (S. 1008) for the relief of the Fairmont Creamery, of Omaha, Nebr., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Commissioner of Internal Revenue be, and he is hereby, authorized and directed to receive, consider, and determine, in accordance with law, but without regard to any statute of limitations, any claim filed not later than 6 months

after the passage of this act by the Fairmont Creamery Co., Omaha, Nebr., for the refund of Federal income and profits taxes collected from the said Fairmont Creamery Co. for 1918 in excess of the amount properly due: *Provided*, That in the settlement of said claim there shall be no allowance of interest.

#### ELIZABETH B. EDDY

The Senate proceeded to consider the bill (S. 1136) to carry into effect the finding of the Court of Claims in the claim of Elizabeth B. Eddy, which had been reported from the Committee on Claims with an amendment, to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the legal representative of the estate of Elizabeth B. Eddy, widow of Charles G. Eddy, of New York, N. Y., the sum of \$602.92, and the said sum is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the purposes of this act: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary not-withstanding. Any person violating the provisions of this said shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### INTERNATIONAL MERCANTILE MARINE CO.

The Senate proceeded to consider the bill (S. 783) for the relief of the International Mercantile Marine Co., which had been reported from the Committee on Claims with an amendment to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$2,400 to the International Mercantile Marine Co., to reimburse said company for penalties which were assessed and collected but not actually incurred under the immigration laws of the United States, and so found by the Circuit Court of Appeals for the Second Circuit on July 7, 1931 (51 Fed. (2d) 1053), the failure of said company to file suit within the statutory period of limitations for the recovery of said sum being hereby waived: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

Mr. KING. Mr. President, I will ask the Senator from New York [Mr. Copeland] to explain this measure.

Mr. COPELAND. Mr. President, the Senator will observe from the report that the Committee on Claims has favorably reported a bill identical with one which it reported last year, and which passed the Senate at the last session. The purpose of the bill is to reimburse the International Mercantile Marine Co. for penalties which were assessed and collected but not actually incurred under the immigration laws of the United States.

The Senator will see, at the bottom of page 2 of the report, that the Assistant Attorney General says:

I see no objection to this bill on the merits. Whether the 6-year limitation of the Tucker Act should be waived is a question for the determination of Congress.

The bill seems to be meritorious, and I hope it may pass.

Mr. KING. Mr. President, as I understand, the International Mercantile Marine Co. brought into the United States in violation of law, or in violation of some of the regulations, a number of aliens, and by reason of these alleged and perhaps actual violations upon the part of the company penalties prescribed by law were assessed against the company.

Mr. COPELAND. That is true.

Mr. KING. And the company now seeks to escape the liability which legally attaches to it for its infraction of the law. Is that just?

Mr. COPELAND. The fines were imposed and paid more than 6 years before the commencement of the suit; and then it was found by a judgment of the Circuit Court of Appeals that there should be a modification so as to exclude the fines that had been imposed and paid 6 years before the suit was brought. It seems to me it is perfectly reasonable that the court should hold that the recovery of such fines was barred when the statute of limitation applied.

Mr. KING. Mr. President, this matter is fraught with some complexities. I shall not interpose an objection, but upon examining the report I may move to reconsider.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

## COMPAGNIE GENERALE TRANSATLANTIQUE

The Senate proceeded to consider the bill (S. 790) for the relief of the Compagnie Generale Transatlantique, which had been reported from the Committee on Claims with an amendment, to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$5,000 to the Compagnie Generale Transatlantique, to reimburse said company for penalties which were assessed and collected but not actually incurred under the immigration laws of the United States, and so found by the Circuit Court of Appeals for the Second Circuit on July 7, 1931 (51 Fed. (2d) 1053), the failure of said company to file suit within the statutory period of limitation for the recovery of said sum being hereby waved: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

Mr. COPELAND. Mr. President, this bill is similar in character to the one just passed.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

## BILL PASSED OVER

The bill (S. 574) relative to Members of Congress acting as attorneys in matters where the United States has an interest, was announced as next in order.

Mr. COSTIGAN. Mr. President, this bill is one with which I am in accord, but I have doubt as to whether it is sufficiently comprehensive in its terms. I suggest that an opportunity be afforded me to confer with the author of the bill; and I request that it go over.

Mr. BORAH. Mr. President, the Senator from Colorado spoke to me about a possible amendment which he might desire to offer to the bill; and as we have not had time to consider the amendment, I do not object to the bill's going over.

The PRESIDENT pro tempore. The bill will be passed over.

## HAROLD S. SHEPARDSON

The bill (S. 652) for the relief of Harold S. Shepardson, was announced as next in order.

Mr. KING. Mr. President, I should like an explanation of this bill.

Mr. SHEPPARD. Mr. President, this man had a total military service of 5 years 11 months and 22 days, covering two enlistment periods. The record shows he served the full 3-year period for the first enlistment, receiving an hon-

orable discharge, reenlisted May 5, 1902, and served all but 8 days of the second 3-year enlistment period. His mother had died during his second enlistment. Hearing that her estate was in danger of immediate dissipation, and, feeling that his presence was immediately required, he left the service just 8 days before the expiration of his second 3-year enlistment. The committee feels that the circumstances justify the action recommended.

The PRESIDENT pro tempore. Is there objection to the

present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Harold S. Shepardson, late of Company A, Fourteenth Regiment United States Infantry, shall hereafter be held and considered to have been honorably discharged April 28, 1905, from the military service of the United States: Provided, That no bounty, back pay, pension, or allowances shall be held to have accrued prior to the passage of this act.

### CONVEYANCE OF LANDS TO UNIVERSITY OF OREGON

The bill (S. 978) authorizing the Secretary of War to convey to the University of Oregon, certain lands, forming a part of the Coos Head River and Harbor Reservation, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War is authorized and directed to convey by quitclaim deed to the University of Oregon, State of Oregon, subject to the conditions hereinafter specified, the following-described part of the Coos Head River and Harbor Reservation situated on the south shore of the entrance to Coos Bay in Coos County, Oreg.: All of lot 3, section 2, township 26 south, range 14 west, Willamette meridian, except the west 750 feet of said lot heretofore conveyed to the University of Oregon: Provided, That such conveyance shall not be made until the Civilian Conservation Corps has relinquished the use and occupancy of said land.

Sec. 2. The lands herein authorized to be conveyed shall be used by the University of Oregon solely for scientific and educational purposes subject, however, to the right of the United States, in case of war or other emergency, to assume control of, hold, use, and occupy said lands or any part thereof for any and all military, naval, or other governmental purposes, and subject at all times to the rights of the United States stated in section 3 hereof. The deed executed by the Secretary of War under the provisions of section 1 of this act shall contain the express condition that if the University of Oregon shall at any time attempt to alienate said lands that same shall revert to the United States.

Sec. 3. The lands herein authorized to be conveyed to the University of Oregon shall at all times be subject to the right of the

SEC. 3. The lands herein authorized to be conveyed to the University of Oregon shall at all times be subject to the right of the United States to occupy and use such part thereof as are now or may hereafter be needed for jetty site or sites, for rights-of-way for tramways to such jetty site or sites, and for ingress and egress by persons engaged in river and harbor work; and the United States shall at all times have prior right to three-fourths of the natural flow of streams draining lots 2 and 3.

BILLS PASSED OVER

The bill (S. 236) for the relief of the heirs of Burton Stearns Adams, deceased, was announced as next in order.

Mr. KING. Mr. President, I will ask that that bill go over. I may say that the Senator from Kentucky [Mr. Logan1 has been compelled, on account of official business, to absent himself from the Chamber for some time, and, at his suggestion, as well as because of my own desire, I also ask that Orders of Business 217, 218, 219, 220, 221, 222, 223, and 224, being, respectively, the bills S. 236, S. 743, S. 279, S. 535, S. 537, S. 998, S. 1472, S. 428, and S. 937 be passed

Mr. COPELAND. May I ask the Senator if he will permit me, before he makes the request, to say a word about Order of Business 224, being the bill (S. 937) for the relief of the J. M. Dooley Fireproof Warehouse Corporation, of Brooklyn, N. Y.?

Mr. KING. In view of the fact that we will approach the consideration of the bill again within a day or two, and that the Senator from Kentucky ought to be here when it is considered, I think I shall have to insist on the objection.

Mr. COPELAND. Order of Business 224, being Senate bill 937, may I say to the Senator, was not reported by the Senator from Kentucky but was reported by the Senator from Vermont [Mr. GIBSON].

Mr. KING. I understand that; but the Senator from Kentucky has had to do with it in one way or another, as well as with the other bills to which I have referred.

Mr. COPELAND. Very well.

Mr. MURPHY. Mr. President, I was interested in Order of Business 219, being Senate bill 535, for the relief of William Cornwell and others.

Mr. KING. In view of the suggestion made by the Senator from Kentucky, I ask that all the bills to which I have referred go over; and I will do it on my own responsibility, for that matter.

The PRESIDENT pro tempore. The bills indicated by the Senator from Utah will be passed over.

### NATURALIZATION OF RAKHA SINGH GHERWAL

The Senate proceeded to consider the bill (S. 447) conferring jurisdiction on the United States District Court for the District of Oregon to hear, determine, and render judgment upon the suit in equity of Rakha Singh Gherwal against the United States.

Mr. KING. Mr. President, I should like an explanation of that measure. I invite to it the attention of the able Senator from Oregon [Mr. McNary]. It proposes to confer jurisdiction on the District Court for the District of Oregon in an equity proceeding.

Mr. McNARY. Mr. President, I think the title of the bill indicates clearly its general purpose. Inasmuch, however, as it has been reported by the Senator from New Mexico [Mr. HATCH], I should prefer that he make explanation.

Mr. HATCH. As I understand the case, judgment was rendered by default by the District Court of Oregon in 1924 canceling a certificate of naturalization. This bill merely confers jurisdiction on the same court to entertain a bill in equity to set aside the previous judgment canceling the certificate of naturalization. It gives the man a day in court and a chance to be heard.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the bill was ordered to be engrossed for a third reading, read the third time, and passed,

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States District Court for the District of Oregon to hear, determine, and render judgment upon any suit in equity

hear, determine, and render judgment upon any suit in equity brought by Rakha Singh Gherwal against the United States for the purpose of setting aside the default decree of such court rendered November 21, 1924, canceling the certificate of naturalization no. 1649806 of such Rakha Singh Gherwal.

SEC. 2. Such suit in equity may be instituted at any time within 6 months after the enactment of this act, notwithstanding the lapse of time or any statute of limitation. Proceedings for the determination of any such suit shall be had, and appeals from any judgment or decree entered therein shall be taken. In from any judgment or decree entered therein shall be taken, in the same manner as in the case of suits in equity over which such court has jurisdiction under paragraph (1) of section 24 of the Judicial Code, as amended.

The PRESIDENT pro tempore. That completes the calendar.

## EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

## EXECUTIVE REPORTS OF THE COMMITTEE ON NAVAL AFFAIRS

Mr. TRAMMELL, from the Committee on Naval Affairs, reported favorably the nominations of sundry officers in the Navy and in the Marine Corps, which were ordered to be placed on the Executive Calendar.

The PRESIDENT pro tempore. If there be no further reports of committees, the calendar is in order.

## IN THE MARINE CORPS

The Chief Clerk read the nomination of Richard P. Williams to be brigadier general in the Marine Corps.

Mr. KING. Over.

Mr. McNARY. Mr. President-

Mr. ROBINSON. I understand, Mr. President, that some conferences are in progress about the nomination of General Williams and also that of General Russell. I do not

wish to delay them; I myself should like to see them disposed of, but, if there is no objection on the part of the Senator from Oregon [Mr. McNary], I suggest that they go over until the conferences shall have been concluded.

Mr. McNARY. Are the conferences now being held?

Mr. ROBINSON. I understand they are.

Mr. McNARY. And it is understood, then, that these nominations will be continued no later than at the next executive session?

Mr. ROBINSON. I would agree to that suggestion, but I am not in the position at this time to say that that can be done.

Mr. McNARY. I am not asking for such an agreement, but am expressing the hope that the nominations will be considered at that time.

Mr. ROBINSON. I concur in the Senator's hope.

The PRESIDENT pro tempore. The nominations of General Williams and General Russell will be passed over.

#### THE JUDICIARY

The Chief Clerk read the nomination of Bunk Gardner to be United States attorney, western district of Kentucky.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of John J. Farrell to be United States marshal, district of Minnesota.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

#### POSTMASTER

The Chief Clerk read the nomination of Edward H. Goodwin to be postmaster at Plainfield, N. J.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

That completes the Executive Calendar.

#### ADJOURNMENT TO THURSDAY

Mr. ROBINSON. As in legislative session, I move that the Senate adjourn until 12 o'clock noon on Thursday next.

The motion was agreed to; and (at 1 o'clock and 5 minutes p. m.) the Senate, in legislative session, adjourned until Thursday, February 28, 1935, at 12 o'clock meridian.

## CONFIRMATIONS

Executive nominations confirmed by the Senate February 26, 1935

## UNITED STATES ATTORNEY

Bunk Gardner to be United States attorney, western district of Kentucky.

## UNITED STATES MARSHAL

John J. Farrell to be United States marshal, district of Minnesota.

POSTMASTER

NEW JERSEY

Edward H. Goodwin, Plainfield.

## HOUSE OF REPRESENTATIVES

TUESDAY, FEBRUARY 26, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Again, our Heavenly Father, we realize Thy infinite goodness and the assurance of our safety in an ordered world. They testify to the inspiration that saves and to Thy grace and everlasting righteousness. Often joy is touched with pain and disappointment falls upon the brightest hour, yet we rejoice that there is a good God, who wonders not amid the wrecks of a forsaken world. Gracious Lord, bestow Thy blessing upon us and persuade us that happy is the one who, in calmer moods and with wider vision, has abounding faith in the All-Father. Do Thou give zest to the spirit of devotion to our country. Bring us into the realization that only the workers know the sweetness of calm and rest. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

#### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Horne, its enrolling clerk, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 529. An act granting compensation to George S. Conway, Jr.;

H. R. 3982. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River between Rockport, Ind., and Owensboro, Ky.; and

H. R. 5701. An act granting the consent of Congress to the State of Indiana to construct, maintain, and operate a free highway bridge across the Wabash River at or near La Fayette, Ind.

The message also announced that the Senate had passed with amendments, in which the concurrence of the House is requested, a bill and joint resolutions of the House of the following titles:

H. R. 5255. An act making appropriations for the Departments of State and Justice, and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1936, and for other purposes;

H. J. Res. 94. Joint resolution providing for the participation of the United States in the California Pacific International Exposition to be held at San Diego, Calif., in 1935 and 1936; authorizing an appropriation therefor; and for other purposes; and

H. J. Res. 140. Joint resolution to provide for the completion of the publication of the writings of George Washington.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 38. An act for the relief of Winifred Meagher;

S. 39. An act for the relief of the estate of William Bardel;

S. 41. An act for the relief of the Germania Catering Co., Inc.;

S. 42. An act for the relief of Emmett C. Noxon;

S. 84. An act to amend section 61 of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, relating to depositories for money of bankrupt estates;

S. 155. An act for the relief of John Henry Tackett;

S. 239. An act for the relief of the Barlow-Moore Tobacco Co.;

S. 246. An act for the relief of Elmer Blair;

S. 271. An act for the relief of James Foy;

S. 281. An act for the relief of the Fred G. Clark Co.;

S. 282. An act for the relief of William Kemper;

S. 312. An act for the relief of Lillian G. Frost;

S. 314. An act for the relief of Vito Valentino;

S. 409. An act to amend certain sections of the Code of Law for the District of Columbia, approved March 3, 1901, as amended, relating to descent and distribution;

S. 410. An act to provide fees to be charged by the recorder of deeds of the District of Columbia, and for other purposes;

S. 416. An act for the relief of Las Vegas Hospital Association, Las Vegas, Nev.;

S. 483. An act for the relief of Stanley A. Jerman, receiver for A. J. Peters Co., Inc.;

S. 563. An act for the relief of the Jay Street Terminal, New York:

S. 581. An act for the relief of Harold E. Seavey;

S. 674. An act authorizing the President to order Maj. E. P. Duval before a retiring board for a hearing of his case, and upon the findings of such board determine whether or not he be placed on the retired list with the rank and pay held by him at the time of his resignation;

S. 694. An act for the payment of the claims of the Fidelity Trust Co. of Baltimore, Md., and others;

S. 742. An act for the relief of Charles A. Lewis;

S. 747. An act for the relief of Joe G. Baker;

S. 760. An act for the relief of Harry P. Hollidge; S. 781. An act for the relief of the estate of George B. Spearin, deceased;

S. 799. An act for the relief of Yvonne Hale;

S. 876. An act for the relief of Edgar Joseph Casey;

S. 878. An act for the relief of Ray Funcannon;

S. 879. An act for the relief of Denis Healy;

S. 894. An act for the relief of Robert H. Wilder;

S. 921. An act for the relief of C. J. Mast;

S. 927. An act to amend the act entitled "An act to give war-time rank to retired officers and former officers of the Army, Navy, Marine Corps, and/or Coast Guard of the United States", approved June 21, 1930, so as to give class B officers of the Army benefits of such act;

S. 929. An act for the relief of the Southern Products Co.; S. 1016. An act to empower the health officer of the District of Columbia to authorize the opening of graves, and the disinterment and reinterment of dead bodies, in cases where death has been caused by certain contagious diseases;

S. 1027. An act for the relief of Dr. R. N. Harwood;

S. 1036. An act authorizing adjustment of the claim of Dr. George W. Ritchey;

S. 1039. An act authorizing adjustment of the claim of the West India Oil Co.;

S. 1053. An act authorizing adjustment of the claim of the Rio Grande Southern Railroad Co.;

S. 1054. An act authorizing adjustment of the claim of White Bros. & Co.:

S. 1057. An act authorizing adjustment of the claim of the

Pennsylvania Railroad Co.; S. 1059. An act authorizing adjustment of the claim of Francis B. Kennedy;

S. 1062. An act for the relief of James R. Young;

S. 1002. An act for the relief of Claude C. Martin;

S. 1110. An act for the relief of A. Randolph Holladay;

S. 1121. An act for the relief of Isidor Greenspan;

S. 1126. An act for the relief of the International Manufacturers' Sales Co. of America, Inc., A. S. Postnikoff, trustee:

S. 1298. An act for the relief of John Z. Lowe;

S. 1325. An act for the relief of Dino Carbonell;

S. 1328. An act for the relief of the Snare & Triest Co., now Frederick Snare Corporation;

S. 1347. An act for the relief of Robert J. Smith, alias William McClocklin;

S. 1363. An act for the relief of John A. Jumer;

S. 1374. An act authorizing the survey, location, and construction of a highway to connect the northwestern part of continental United States with British Columbia, Yukon Territory, and the Territory of Alaska;

S. 1390. An act for the relief of Harry L. Reaves;

S. 1425. An act to amend section 80 of chapter 9 of an act to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898;

S. 1427. An act for the relief of Lyman I. Collins;

S. 1487. An act for the relief of Mick C. Cooper;

S. 1585. An act for the relief of Stefano Talanco and Edith Talanco;

S. 1605. An act authorizing the President to present Distinguished Flying Crosses to Air Marshal Italo Balbo and Gen. Aldo Pellegrini, of the Royal Italian Air Force;

S. 1616. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory and supplementary thereto;

S. 1712. An act to amend section 4878 of the United States Revised Statutes, as amended, relating to burials in national

cemeteries:

S. 1781. An act for the relief of George Voeltz;

S. 1803. An act to authorize the Secretary of War to pay certain expenses incident to the training, attendance, and participation of the equestrian and modern pentathlon teams in the Eleventh Olympic Games;

S. 1846. An act for the relief of the estate of Anton W. Fischer; and

S. J. Res. 43. Joint resolution for the establishment of a commission for the construction of a Washington-Lincoln Memorial Gettysburg Boulevard connecting the present Lin-

coln Memorial in the city of Washington with the battlefield of Gettysburg in the State of Pennsylvania.

#### THE LATE JOHN MORROW

Mr. DEMPSEY. Mr. Speaker, I rise to inform the House of the death in Santa Fe yesterday of the Honorable John Morrow, who served three terms in this body from the State of New Mexico, which I now have the honor to represent. A school teacher, a lawyer of note, and a trusted public servant during his useful life, John Morrow was held in high esteem by the people of his State. In his death New Mexico loses a valued and able statesman, and I am sure there are many Members of this House who served with Mr. Morrow who mourn his passing.

#### CALENDAR WEDNESDAY

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that business in order today, Calendar Wednesday, may be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

JURISDICTION OF COMMITTEE ON INTERSTATE AND FOREIGN COM-MERCE AND COMMITTEE ON THE MERCHANT MARINE, RADIO, AND FISHERIES

Mr. RAYBURN. Mr. Speaker, I have a unanimous-consent request which is on the Clerk's desk.

The SPEAKER. The Clerk will report the request. The Clerk read as follows:

Mr. Speaker, I ask unanimous consent that the bill H. R. 5379, a bill to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by water carriers operating in interstate and foreign commerce, and for other purposes, be rereferred from the Committee on Interstate and Foreign Commerce to the Committee on Merchant Marine, Radio, and Fisheries; and further, Mr. Speaker, I ask unanimous consent that hereafter all bills relating to or affecting transportation by water carriers, regardless of the fact that they may amend an act which was originally considered by the Committee on Interstate and Foreign Commerce, to be referred to the Committee on Merchant Marine, Radio, and Fisheries.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. SNELL. Mr. Speaker, reserving the right to object, I presume this request is made on the assumption that House Resolution 126 is going to be adopted by the House today?

Mr. RAYBURN. Yes; that is correct.

Mr. SNELL. It would seem to me the proper procedure would be first to change the jurisdiction of these committees and then present this unanimous-consent request, although I have no objection to the matter coming up now.

Mr. RAYBURN. There was a special reason, I may say to the gentleman, for presenting the unanimous-consent request first.

Mr. MICHENER. Reserving the right to object, Mr. Speaker, do I understand by the request that in the future the matter of water transportation will be considered entirely by one committee and rail transportation by another committee?

Mr. RAYBURN. I do not think it is contemplated that the inland rivers are in this resolution. The gentleman from Virginia [Mr. Bland] and the gentleman from New Jersey [Mr. Lehlbach], with whom I conversed about this matter, are here, and I may say that it is my understanding that all matters with respect to foreign commerce and related subjects go to the Committee on Merchant Marine, Radio, and Fisheries.

Mr. BLAND. Of course, insofar as inland rivers are concerned, there are certain matters that have always been before the Merchant Marine, Radio, and Fisheries Committee.

Mr. MICHENER. It occurred to me that we should be a little careful about changing the jurisdiction of committees by unanimous consent when it affected the subject of transportation, which some of us believe must be viewed as a whole and in one picture, in order to get the best results.

If we consent here we will send all water transportation questions to one committee and all rail questions to another committee and all bus and truck transportation questions to another committee; we may be getting away from efficiency.

Mr. LEHLBACH. Mr. Speaker, will the gentleman yield? Mr. RAYBURN. I yield to the gentleman from New Jersey.

Mr. LEHLBACH. Mr. Speaker, this proposition is part and parcel of an agreement, not only between the Committee on the Merchant Marine, Radio, and Fisheries and the Committee on Interstate and Foreign Commerce, but it has been carefully scrutinized and revised by the Committee on Rules, which has jurisdiction over the referring to committees of bills relating to subject matters within the jurisdiction of such committees. This unanimous-consent request is to be immediately followed by the presentation of a rule coming from the Rules Committee which further deals with the subject matter of jurisdiction. It does not in any way bring about a conflict of jurisdiction. Insofar as cooperation and coordination with respect to rates of competing water, highway, and railroad carriers are concerned, that is with the Interstate Commerce Committee, but all shipping matters concerning vessels on the rivers and on the coast and in overseas transportation have always belonged to the Merchant Marine Committee, and with the acquiescence of the Committee on Interstate and Foreign Commerce and with the sanction of the Rules Committee, this plan has been worked out and is satisfactory to all those who have made a study of the subject, and they agree with this particular solution of the question.

Mr. MICHENER. As a matter of fact, then, the Rules Committee is going to bring in a rule so that some consideration may be given to the matter?

Mr. LEHLBACH. Yes. Mr. MICHENER. And this unanimous-consent request is not going to settle the matter for all time?

Mr. LEHLBACH. Oh, no.
Mr. O'CONNOR. The Rules Committee proposes immediately to call up a resolution which fixes the jurisdiction of the two respective committees.

Mr. SNELL. As a matter of fact, that should have been done first, should it not?

Mr. O'CONNOR. We did not think so.

Mr. SNELL. I think so, but I am not going to object to the request.

I would like to ask one more question of the gentleman from New Jersey [Mr. Lehlbach]. As I understand it, the control of the boats on the rivers, and so forth, will be under the Merchant Marine Committee, but the rates under the jurisdiction of the Interstate and Foreign Commerce Committee?

Mr. LEHLBACH. That is substantially correct. That is the way it is now.

Mr. SNELL. I understand that: but is it to continue the

Mr. LEHLBACH. Yes.

Mr. SNELL. In defining the subject matter to be presented to these various committees, does the gentleman think it is distinct and definite enough so there will be no further argument between the two committees?

Mr. LEHLBACH. I do not think there is any possibility of any further controversy.

Mr. MAPES. Reserving the right to object, we could not hear on this side clearly the statement of the gentleman from Virginia, Chairman of the Committee on Merchant Marine, Radio, and Fisheries; and I think, because of his position and interest in the matter, the RECORD ought to show pretty definitely his understanding of this request. Is it the gentleman's understanding that as far as the jurisdiction of the two committees over inland waterway transportation is concerned this request and the rule to be adopted later does not change that jurisdiction at all from what it is now?

Mr. BLAND. Jurisdiction over inland waters remains as at present.

Mr. MAPES. With that understanding, I have no objection.

Mr. RICH. Reserving the right to object, I should like to ask the Chairman of the Interstate Commerce Committee if the regulation of rates will still be under the jurisdiction of his committee?

Mr. RAYBURN. Yes.

Mr. CULKIN. Reserving the right to object, I should like to ask the distinguished Chairman of the Committee on Merchant Marine, Radio, and Fisheries, on which I happen to serve, if this resolution or proposition proposes that all maritime matters go to the Committee on Merchant Marine and Fisheries? Is that the understanding?

Mr. BLAND. Not as to inland waters.

Mr. LEHLBACH. The fact is at the present time inland navigation with respect to its physical aspect is now with the Merchant Marine and Fisheries Committee. Insofar as the rate structure is concerned relative to the various means of transportation in interstate commerce, particularly where it competes with railroads, that remains with the Interstate Commerce Committee, and there is no conflict at all.

The SPEAKER. Is there objection?
Mr. CONNERY. Reserving the right to object, I would like to congratulate the Chairman of the Interstate Commerce Committee, and I hope it is an augury that in the near future all labor matters will be referred to the Committee on Labor. [Applause.]

The SPEAKER. Is there objection?

There was no objection.

#### REFERENCE OF BILLS

Mr. MEAD. Mr. Speaker, I ask unanimous consent for the rereference of the bills H. R. 5453 and H. R. 2845 from the Committee on the Post Office and Post Roads to the Committee on Civil Service.

The SPEAKER. Is there objection?

Mr. SNELL. Reserving the right to object, what are these

Mr. MEAD. H. R. 5453, to extend the classified civil service to postmasterships of the first, second, and third classes, and for other purposes, and H. R. 2845, to provide for appointments to the Post Office Department and the Postal Service solely on the basis of efficiency and merit, to extend the civil-service system, and for other purposes.

Mr. SNELL. Will they be referred to the Democratic national chairman? [Laughter.]

Mr. MARTIN of Colorado. Could not the gentleman make those retroactive for 3 years? [Laughter.]

The SPEAKER. Is there objection?

There was no objection.

PAYMENT OF ADJUSTED-COMPENSATION CERTIFICATES

Mr. TURNER. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. TURNER. Mr. Speaker, I have a communication from Ernest N. Haston, secretary of state of the State of Tennessee, enclosing a copy of House Joint Resolution 15, adopted by the General Assembly of Tennessee February 20, 1935, memorializing the Congress to enact laws that will pay the balance due the World War veterans on their adjusted-compensation certificates. I ask unanimous consent to extend my remarks in the RECORD and to include therein the resolution referred to.

The SPEAKER. Is there objection?

There was no objection.

Mr. TURNER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following joint resolution adopted by the General Assembly of the State of Tennessee, February 20, 1935:

STATE OF TENNESSEE,

To all whom these presents shall come, greeting:

I, Ernest N. Haston, secretary of state of the State of Tennessee, do hereby certify that the annexed is a true copy of house joint resolution no. 15, acts of 1935, the original of which is now on file and a matter of record in this office.

In testimony whereof I have hereunto subscribed my official signature and, by order of the Governor, affixed the great seal of the State of Tennessee at the department in the city of Nashville this 23d day of February, A. D. 1935.

[SEAL]

ERNEST N. HASTON, Secretary of State.

House Joint Resolution 15

(By O. L. Carter)

Memorial asking Congress to pass laws that will pay the soldiers' bonus, etc.

Be it resolved by the House of Representatives of the State of Tennessee (the senate concurring), That—
Whereas due to the long-continued depression, thousands of American veterans of the World War are unemployed and without the means of adequate support and are unable to provide the necessities and comforts of life for themselves and their families through no fault of their own; and

necessities and comforts of life for themselves and their families through no fault of their own; and

Whereas it is the policy of the national administration in its recovery program to bring about a distribution of public funds and accomplish wide-spread reemployment; and

Whereas the payment of the remainder of the amount due on the veterans' adjusted-compensation certificates held by veterans of the World War will result in a distribution of money to every community in the United States, which money will find its way into every channel of trade through the purchase of necessities and comforts of life, the payments of debts, the building and repairing of homes, the rehabilitation of small business enterprises, and through many other needed expenditures; and

Whereas the American Legion and Veterans of Foreign Wars have, in their respective national conventions, overwhelmingly approved the immediate cash payment of said certificates; and Whereas such certificates constitute a just obligation of the Government to the veterans of the World War: Now, therefore, be it

be it

Resolved by the House of Representatives of the State of Tennessee (the senate concurring), That the Congress of the United States immediately pass such legislation as is necessary for the immediate payment of the balance due on such adjusted-compensation certificates, with the remittance of interest and other charges against the principal sum of such certificates; and be it further

Resolved, That the Secretary of State of Tennessee be directed to transmit a copy of this memorial to the President of the United States, the Vice President of the United States, and to the Speaker of the House of Representatives, the Honorable Joe BYRNS, and also that a copy of the same be forwarded to Senators N. L. BACHMAN and K. D. McKellar, and to each of the nine Members of the United States House of Representatives from the State of Tennessee.

Adopted February 20, 1935.

Walter M. Haynes, Speaker of the House of Representatives. W. P. Moss, Speaker of the Senate.

Approved February 21, 1935.

HILL MCALISTER, Governor,

PERMISSION OF COMMITTEE ON LABOR TO SIT DURING SESSIONS OF THE HOUSE

Mr. CONNERY. Mr. Speaker, I ask unanimous consent that the Committee on Labor be given permission to sit during the sessions of the House for the next 3 days.

The SPEAKER. Is there objection?

There was no objection.

ODD FELLOWSHIP AND GEORGE WASHINGTON

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting therein an address by my colleague [Mr. CARTWRIGHT].

The SPEAKER. Is there objection?

There was no objection.

Mr. PITTENGER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein an address delivered by Congressman Wilburn Cartwright, of Oklahoma, at the Boosters' Society banquet held at New York City on Feb-

It was my pleasure to be present at the Boosters' meeting and listen to the eloquent talk delivered by Congressman CARTWRIGHT. It was particularly appropriate that he should speak on this occasion. He is grand master of the Grand Lodge, I. O. O. F., of Oklahoma, and represented that jurisdiction at the Booster's Society banquet.

The address Mr. Cartwright delivered is as follows:

Mr. Chairman, Grand Sire PITTENGER, officers and boosters, my

to bed and close up the chicken coops, see that the cows have been milked, and the horses fed.

been milked, and the horses fed.

I have been sitting here tonight, noting the similarity between New York City and the State of Oklahoma.

New York City and the State of Oklahoma.

New York City is the great cosmopolitan metropolis of the world. It is made up of people from every nation on the earth. Oklahoma is also cosmopolitan. It is made up of the cream of the citizenship of every State in the Union. We also have over 100,000 Indians, practically all of whom are educated and capable of taking care of themselves in any man's country.

New York City is noted for its wealthy men like Rockefeller and Morgan. Oklahoma is noted for its outstanding characters like Will Rogers and Bill Murray.

New York City is powerful with many great skyscrapers. Ok-

New York City is powerful with many great skyscrapers. Oklahoma is powerful, too. We do not have such high skyscrapers or a big water front like you folks; but if all the hogs of Oklahoma were one hog he could stand with his hind feet in Albany and front feet in Manhattan and with one root, root up Wall Street and cast it into the Atlantic Ocean.

If all the chickens of Oklahoma were one chicken, he could stand upon the tallest of your skyscrapers and with one crow jar the torch off the Statue of Liberty.

jar the torch off the Statue of Liberty.

If all the grain raised in Oklahoma were dumped on to the city of New York, you could stand upon the top of it and tickle the feet of the angels in Heaven.

If all the oil wells in Oklahoma were one oil well it would reach from New York City to Hades.

A New York boy and an Oklahoma City boy were quarreling over the merits of their respective cities. "Aw, wha'cha talkin' about?" said the boy from New York. "All de wise guys lives in de East. Don't it say in de Bible dat de wise men came out of de East?" "Sure, it says de wise men come out of de East, agreed the boy from Oklahoma City. "Dey come out of de East just as quick as dey get wise." You people talk about the "wild and wooly West." As a matter of fact, Oklahoma is largely made up of easterners gone west.

wooly West." As a matter of fact, Okianoma is largely made up of easterners gone west.

Seriously, I consider it a great distinction and honor to be invited here in company with Grand Sire William A. Pittenger, to speak to the Booster Society of New York. I have enjoyed the welcome, the fraternal greeting, the glad hand, the pleasant smiles, the ready sympathy, and the hearty fellowship of your great city since arriving here this afternoon. I bring you greetings from about 30,000 Oklahoma Odd Fellows and Rebekahs—the finest people the sun ever shone upon. The brotherhood of man rises above ple the sun ever shone upon. The brotherhood of man rises above all of our strife in life, and it is a beautiful thing that men can get together once in a while and be men socially for the brotherhood of man.

of man.

I find that Odd Fellows are all pretty much the same kind of good folks from the Atlantic to the Pacific and from Canada to the Gulf of Mexico. And among the sweetest and most wholesome experiences of life are the meetings of friends who esteem each other, who have real affection for each other, who have much in common, and yet who have rare opportunities to meet and fraternize in a congenial atmosphere as on this occasion.

We are proud to see our order make progress, not only in numbers, but to improve in its personnel and its ability to command the respect of all good citizens.

We strive to have our lodge meetings conducted in such a manner as to be a lesson in good deportment, cultivating a proper respect for its offices, and creating a respect for our lodge akin to that which all should have for the church and for law and order.

order.

order.

All good citizens are proud of the accomplishments made in inventions, literature, science, art, and all those things that have so added to the comfort, convenience, and enlightenment of the human race. In their early stages, probably all the inventions such as the printing press, steam engine, railroads, cotton gin, telegraph, automobile, airplane, radio, etc., were crude affairs, which have been brought to the present-day perfection by painstaking care and development.

Such is the history of our order, created in the brains of the few who felt that they had something in common with their fellow men and also something that would in time be recognized by the world at large as beneficial to the human race, and who, at best, could have had but a vague conception of the future great-

st, could have had but a vague conception of the future

ness of the order which they were instrumental in originating.

How well this idea of theirs has developed through their efforts and through the efforts of all those who followed them should be a matter of pride to all our members.

matter of pride to all our members.

Go into a piano house, strike a certain key, and every string on the same pitch in every instrument will catch it up and repeat it. That is sympathy. That is brotherhood. It means that if one portion of the human body suffers, the whole family suffers. It means that if a wrong is done to the workingman, an injury is inflicted on the whole social body. Brotherhood means a common sympathy between all parts of society and that each shall interest itself in the welfare of the other. And brotherhood means that I shall not only have an interest in the mass but especially in the shall not only have an interest in the mass but especially in the man. It is personal and individual. I must help him; I must give him a hand if he is down. If he has fallen, I must not only rescue him if I can, but I must do all in my power to remove the cause of his downfall.

good friends:

A certain college professor at a meeting asked this question, "If a billy goat should eat a rabbit, what would happen?" They were hall from the wide-open country where we gather, for such meetings as this, early so we can get home in time to put the children the butter." Now, at the risk of being considered a "hair" in the

butter, I will indulge in a little discourse right here on the relation

of fraternalism and American statesmanship.

In our country and in our times no man is worthy the honored

In our country and in our times no man is worthy the honored name of statesman who does not include the highest practical education of the people in all his plans of administration. He may have eloquence, he may have a knowledge of all history, diplomacy, jurisprudence, and by these he might claim in other countries the elevated rank of a statesman; but unless he speaks, plans, labors, at all times and in all places, for the culture and edification of the whole people he is not—he cannot be—an American statesman.

Comte said, "Ideas govern the world or throw it into confusion." The Czar's idea of his divine right to govern the world threw it into disorder. The ideas of peace and humanity within the masterful mind and heart of President Roosevelt, one of the big brothers of Odd Fellowship, brought order out of confusion and he is now leading the world in the truth and sentiment of brotherhood. It is with the greatest of pride that we point to President Roosevelt as a member in good standing of the little Odd Fellow lodge at Hyde Park, N. Y.

as a member in good standing of the little Odd Fellow lodge at Hyde Park, N. Y.

Let us also remember that our first President, George Washington, was a fraternalist; that he recognized the value of fraternal connections; that he accepted leadership with fidelity of purpose. There is none of us so fine, so big, so great, that we cannot benefit by an emulation of the fraternal activities of George Washington.

Tomorrow is Washington's birthday, and since he took the oath office as the first President of the United States in this, the first Capitol, it is well that we turn back for a moment to his life and

office as the first President of the United States in this, the Irst Capitol, it is well that we turn back for a moment to his life and day.

You have all heard of "George Washington's little hatchet." The other day I heard a story that was a little variation upon the original, and I am going to take up your time for a minute by repeating it to you. It was to this effect: Mr. Washington and Mrs. Washington, the parents of George, found on one occasion that their supply of soap for the use of the family at Westmoreland had been exhausted; and so they decided to make some family soap. They made the necessary arrangements and gave the requisite instructions to the family servant. After an hour or so the servant returned and reported to them that he could not make the soap. "Why not", he was asked; "haven't you all the material?" "Yes", he replied, "but there is something wrong." The old folks proceeded to investigate, and they found they had actually gotten the ashes of the little cherry tree that George had cut down with his hatchet, and there was no lye in it.

Now, I assure you, there is no lie in what I say to you when I assert that George Washington stands among the greatest men of human history, and those in the same rank with him are very few. Whether we measure by what he did, or what he was, or by the effect of his work on the history of mankind, in every respect he is entitled to the place he holds among the greatest of his race. As no one can add to the glory of the immortal Washington. First in war first in peace, and first in the hearts of his country-

race. As no one can add to the brightness of the hoon-day sun, so no words can add to the glory of the immortal Washington. First in war, first in peace, and first in the hearts of his countrymen, his fame will shine with undiminished splendor through all the coming ages. Under the smiles of the beneficent heavens he was the creator and savior of the greatest Nation in the history of the world. Oh, if there had not been such an instrument as

this in the day that tried men's souls!

When bowed by the burden of years, he laid aside the robes of office and like the humblest citizen of the young Republic wended his way to his beloved Mount Vernon soon to sink into the tomb, amid the grief of his countrymen and the reverend admiration of the civilized world.

Let us record the words as they fell from the peerless leader of our Army in the Revolution, our first and foremost President and unequaled statesman. Let us ponder upon the closing sentences of his farewell.

"In offering to you, my countrymen, these counsels of an old and affectionate friend, I dare not hope they will make the strong and lasting impression I could wish; that they will control the usual current of the passions, or prevent our Nation from running the course which has hitherto marked the destiny of nations, but if I course which has hitherto marked the destiny of hatlons, but if I may even flatter myself that they may be productive of some partial benefit, some occasional good; that they may now and then recur to moderate the fury of party spirit, to warn against the mischiefs of foreign intrigue, to guard against the impostures of pretended patriotism; this hope will be a full recompense for the solicitude for your welfare by which they have been dictated.

"Though in reviewing the incidents of my administration I am unconscious of intentional error, I am nevertheless too sensible of my defects not to think it probable that I may have committed many errors. Whatever they may be, I fervently beseech the Almighty to avert or mitigate the evils to which they may tend. I shall also carry with me the hope that my country will never cease to view them with indulgence; and that, after 45 years of my life dedicated to its service, with an upright zeal, the faults of incompetent abilities will be consigned to oblivion, as myself must soon be to the mansions of rest. be to the mansions of rest.

"Relying on its kindness in this as in other things, and actuated by that fervent love toward it, which is so natural to a man who views in it the native soil of himself and his progenitors for several generations, I anticipate with pleasing expectation that retreat in which I promise myself to realize, without alloy, the sweet enjoyment of partaking, in the midst of my fellow citizens, the benign influence of good laws under a free government—the ever-favorite object of my heart, and the happy reward, as I trust, of our mutual cares, labors, and dangers."

Few men of all time have such a record of achievement as our first and beloved President, George Washington. Still fewer can show, at the end of a career so crowded with high deeds and memorable victories, a life so free from spot, a character so un-selfish and so pure, a fame so void of doubtful points demanding either defense or explanation. Eulogy of such a life is needless, but it is always important to recall and to freshly remember just what manner of man he was.

Friends, we are all engaged in worth-while achievements. Our organization has definite purposes and ideals. We have visions of accomplishments; and vision with brotherly love has ever been the guiding angel of mankind. Throughout history it has always been the man of vision who has led. No progress has ever been made without it, and a Nation's greatest assets are its men of

made without it, and a Nation's greatest assets are its men of vision, whether statesmen, educators, inventors, or industrialists. I am proud to say here tonight that our outstanding American men of vision have been and are imbued with an abundance of the spirit of brotherly love, the very essence of fraternalism.

If this age can be said to be conscious of a definite aim and having a predominate purpose, it is that of bettering the conditions of life and infusing a spirit of humanity among all men. The world is looking at its questions from a new viewpoint, namely, that of humanity. Those who are living in the spirit of the age are not asking, "Am I my brother's keeper?" nor "Who is my neighbor?", but they are assuming the responsibilities of brotherhood and in sympathy, good will, and practical benevolence are helping to bear the burdens which are so crushing to the less fortunate brother. fortunate brother.

The Independent Order of Odd Fellows, which I have the honor

The Independent Order of Odd Fellows, which I have the honor to represent as grand master in the jurisdiction of Oklahoma, having rounded out 115 years of honorable achievement in America, is still forging forward with unabated vigor. Unquestionably, it is an important pillar in the temple of civilization and the moral influence of its worthy principles is felt the world around.

Judging by all appearances, you people of New York have merged yourselves into this great order, and I congratulate you on this moving and active booster society. Undoubtedly you have set high goals for yourselves and have attained them.

In Oklahoma our motto is "Go and do" and our watchword is "progress." We are striving to attain higher goals through organization, cooperation, teamwork, and push. We are proud of the progress we have made and of the fine citizenship in our order. We expect the near future to find us double in size, double in strength, and more perfect in quality.

in strength, and more perfect in quality.

And now as I close I want to give you the little poem by Kipling that I have quoted many times throughout the jurisdiction of

Oklahoma:

It ain't the guns nor armaments, nor the funds that they can pay, But the close cooperation that makes them win the day. It ain't the individual nor the army as a whole, But the everlasting teamwork of every bloomin' soul."

## AMENDATORY REGULATIONS ON MIGRATORY GAME BIRDS

Mr. COCHRAN. Mr. Speaker, I have a copy of a proclamation amending the regulations of the Migratory Bird Treaty Act, and the regulations issued under that treaty. We are having a number of requests for copies of this. It is not available. I ask unanimous consent that it be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. COCHRAN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

Whereas the Secretary of Agriculture, by virtue of the authority Whereas the Secretary of Agriculture, by virtue of the authority vested in him by section 3 of the Migratory Bird Treaty Act (40 Stat. 755; U. S. C., title 16, secs. 703-711), has submitted to me for approval a regulation further amendatory of the regulations approved and proclaimed July 31, 1918, which the Secretary of Agriculture has determined to be a suitable amendatory regulation permitting and governing the hunting, taking, capture, killing, possession, sale, purchase, shipment, transportation, carriage, and export of migratory birds and parts thereof and their nests and eggs. as follows: eggs, as follows:

eggs, as follows:

Regulation 3, "Means by which migratory game birds may be taken", as set forth in Proclamation No. 2094, of August 20, 1934, is amended by inserting in the third line of the first paragraph thereof, between the word "hereof" and the semicolon, a comma and the words "but they shall not be taken with or by means of any automatic-loading or hand-operated repeating shotgun capable of holding more than three shells the magazine of which has not been cut off or plugged with a one-piece metal or wooden filler. not been cut off or plugged with a one-piece metal or wooden filler incapable of removal through the loading end thereof, so as to reduce the capacity of said gun to not more than three shells at one loading", so that the paragraph as amended will read as fol-

"The migratory game birds specified in regulation 4 hereof may be taken during the open season with a gun only, not larger than no. 10 gage, fired from the shoulder, except as specifically permitted by regulations 7, 8, 9, and 10 hereof, but they shall not be taken with or by means of any automatic-loading or hand-operated repeating shotgun capable of holding more than three shells the magazine of which has not been cut off, or plugged with a one-piece

metal or wooden filler incapable of removal through the loading end thereof, so as to reduce the capacity of said gun to not more than three shells at one loading; they may be taken during the open season from the land and water, with the aid of a dog, the use of decoys, and from a blind or floating device, except that in the taking of wild ducks not more than 25 live duck decoys may be chet every early in the taking of wild guns of wild guess in California. shot over, and in the taking of wild geese in California the use of live goose decoys is not permitted; but nothing herein shall be deemed to permit the use of an automobile, airplane, power boat, deemed to permit the use of an automobile, airplane, power boat, sallboat, any boat under sall, any floating device towed by power boat or sailboat, or any sinkbox (battery), except that sinkboxes (batteries) may be used in the taking of migratory waterfowl in coastal sounds and bays (including Back Bay, Princess Anne County, State of Virginia) and other coastal waters; and nothing herein shall be deemed to permit the use of an airplane, or a power boat, sailboat, or other floating device for the purpose of concentrating, driving, rallying, or stirring up migratory waterfowl; and mourning doves shall not be shot or otherwise taken by means of bait." bait.

And whereas upon consideration it appears that approval of the foregoing amendatory regulation will effectuate the purposes of the aforesaid Migratory Bird Treaty Act and result in reducing the annual kill of migratory game birds.

Now, therefore, I, Franklin D. Roosevelt, President of the United States of America, do hereby approve and proclaim the foregoing mendatory regulation.

amendatory regulation.

In witness whereof I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the city of Washington this 2d day of February, in the year of our Lord 1935, and of the independence of the United States of America the one hundred and fifty-ninth. FRANKLIN D. ROOSEVELT.

By the President: CORDELL HULL Secretary of State.

JURISDICTION OF COMMITTEES ON INTERSTATE AND FOREIGN COMMERCE AND MERCHANT MARINE, RADIO, AND FISHERIES

Mr. O'CONNOR. Mr. Speaker, I call up House Resolution 126, which I send to the desk and ask to have read.

The Clerk read as follows:

#### House Resolution 126

Resolved, That the rules of the House of Representatives are amended in the following manner: "Rule X, clause 9. On the Merchant Marine and Fisheries, to consist of 21 Members.

"Rule XI, clause 7. To commerce—to the Committee on Inter-

state and Foreign Commerce.
"Rule XI, clause 9. To the merchant marine, including all transportation by water, Coast Guard, life-saving service, light-houses, lightships, ocean derelicts, Coast and Geodetic Survey, Panama Canal, and fisheries—to the Committee on Merchant Marine and Fisheries.

Mr. O'CONNOR. Mr. Speaker, I yield 30 minutes to the gentleman from Massachusetts [Mr. MARTIN].

This matter of the jurisdictional dispute of two great committees of the House, the Committee on Interstate and Foreign Commerce and the Committee on Merchant Marine, Radio, and Fisheries, has given the Rules Committee real concern. For some time there has been this dispute in the House as to the jurisdiction of those two committees. Early in this session the distinguished gentleman from Virginia [Mr. Bland], the Chairman of the Committee on Merchant Marine, Radio, and Fisheries, introduced House Resolution 40, to change the jurisdiction of the committee of which he is chairman, which would have affected the jurisdiction of matters which have been before the Committee on Interstate and Foreign Commerce. The Rules Committee has had several hearings on the matter. Modified and amended resolutions have been introduced, so that finally to the House we now present House Resolution 126, fixing the jurisdiction of these two committees, and changing the name of the Committee on Merchant Marine, Radio, and Fisheries to the Committee on Merchant Marine and Fisheries. That resolution has been reported by the Committee on Rules and also represents an agreement in complete accord between the two committees. Both committees have agreed entirely to the resolution and the question of their respective jurisdiction.

The distinguished gentleman from Texas [Mr. RAYBURN], Chairman of the Committee on Interstate and Foreign Commerce, today, a few minutes ago, made a unanimous-consent request which was granted and which I shall more fully explain as I interpret it. This unanimous-consent request covers two points. The first part of the request refers to

the Committee on Merchant Marine, Radio, and Fisheries as it was, a bill, H. R. 5379, which was recently introduced by Mr. RAYBURN, pertaining to "the regulation of transportation of passengers and property by water carriers operating in interstate and foreign commerce", and which bill the Speaker referred to the Committee on Interstate and Foreign Commerce. The Merchant Marine Committee has always claimed jurisdiction of that subject matter. The second part of the unanimous-consent request was intended to meet a situation which has grown up by precedent in this The Speaker has been compelled by the precedents House. to refer to a committee a proposed amendment of any law which had previously been reported out by that committee. For instance, last year an omnibus bill came before the House placing in the Communications Commission, a new bureau or commission of government, jurisdiction over all communications, telegraph, telephone, cable, and radio. That bill was reported by the Committee on Interstate and Foreign Commerce.

Radio some years ago was placed under the jurisdiction of the Committee on Merchant Marine and Fisheries, and the name of that committee was changed to include the word "radio." When a bill is introduced, for instance, amending the communications law, under the precedents, the Speaker, following them, must refer the proposed amendment to the committee which reported the bill originally.

The second part of Mr. RAYBURN'S unanimous-consent request covers that situation as far as bills relating to transportation by water carriers are concerned. It in effect overrides those precedents as far as bills relating to the merchant marine are concerned.

This jurisdictional dispute has been a troublesome subject. The Rules Committee has given a great deal of consideration to it. Both standing committees concerned, by their members individually and through and by action of the full committees have had almost daily conferences, and have finally worked out this resolution, to which everyone has agreed.

I am informed that in the Washington Post this morning an article appears stating that this resolution is a victory for one side. That is as far from the truth as anything could be. This is a victory for neither side. No one wins here. The fact that the Merchant Marine Committee has jurisdiction over radio does not justify any statement that the other committee wins the dispute. The Rules Committee came to the determination that you could not properly divide communications, and that radio, telegraph, telephone, and cable inevitably went together, and, the Interstate Commerce Committee having jurisdiction of most of those subjects and for a longer time than the Merchant Marine Committee had jurisdiction over radio, it was thought best and fairest to put radio in the Committee on Interstate and Foreign Commerce. On the other hand the Merchant Marine Committee reestablishes and reclaims its jurisdiction over the merchant marine and over many matters which were under the jurisdiction of the Interstate and Foreign Commerce Committee. There is no victory, therefore, for either side, and the Rules Committee would not be a party to any such a result. We have in fact taken from the Interstate and Foreign Commerce Committee many matters over which it has had jurisdiction, and there is no mathematician who could interpret the resolution to the effect that it is a victory for either side, the article in the Washington Post to the contrary notwith-

Mr. RAYBURN. Will the gentleman yield? Mr. O'CONNOR. I yield.

Mr. RAYBURN. I wish to confirm what the gentleman has just said. This was a unanimous agreement between the Committee on Merchant Marine and Fisheries and the Committee on Interstate and Foreign Commerce.

Mr. O'CONNOR. Everybody concerned is happy to have worked out this solution of a difficult problem, to relieve this dispute between the two committees, and to relieve the Speaker of the quandary in which he finds himself when omnibus bills and others bills come before him for reference. I believe the House should sustain the action of these two taken in bringing this resolution before the House.

Mr. SNELL. Will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. SNELL. I appreciate something about the argument that has gone on between these two committees for a great many years. I think it is good to have this matter settled and I am glad it has been amicably settled. But, as I stated sometime ago, it seems to me the logical procedure should have been to change the jurisdiction of the committees first and then, after that, rerefer the bills. In other words, we should not put the cart before the horse. If the gentleman does not care to discuss that matter, it is all right with me.

Mr. O'CONNOR. As I understand it, and perhaps I do not understand it, this bill which the Chairman of the Committee on Interstate and Foreign Commerce asked to be rereferred to the Committee on Merchant Marine and Fisheries pertained to the merchant marine. If there was any objection to that rereference, it would still remain in the Committee on Interstate and Foreign Commerce, and the resolution here pertaining to these matters would not take care of that bill. The bill would not reach the Committee on Merchant Marine and Fisheries.

Mr. SNELL. That is true, but the proper time to have asked that was after the jurisdiction of the committee had

Mr. O'CONNOR. There is a difference of opinion on that. However, I do not think there is anything sinister in making the request first.

Mr. SNELL. May I ask one further question? I do not quite understand the amendment, which reads "rule X, clause 9, on Merchant Marine and Fisheries, to consist of 21

Mr. O'CONNOR. That simply changes the name of the committee by omitting the word "Radio." We took out the word "Radio."

Mr. SNELL. It simply changes the name?

Mr. O'CONNOR. That is all.
Mr. MICHENER. Will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. MICHENER. The gentleman said that for logical reasons radio is being placed with other communications?

Mr. O'CONNOR. For "practical" reasons.

Mr. MICHENER. And I add "logical reasons." Therefore is it not just as reasonable that the matter of transportation should be placed in the hands of one group? In other words, with one group determining how safety devices and operation expenses to be incurred shall be determined, should not the same group which controls the revenues or the rates determine that matter?

Mr. O'CONNOR. That might have been the first impression of the Rules Committee, but after thoroughly considering the subject we thought that water transportation might be continued within the jurisdiction of this old Committee on Merchant Marine, which has had to do with it for many years. As to that subject, however, I am not qualified to go into it thoroughly with the gentleman, but when the members of these two committees discuss the resolution they will be able to answer the gentleman's question.

Mr. MICHENER. Has not the Rules Committee yielded to the question of consent? In other words, you have two committees warring over jurisdiction and not giving consideration to the merits of the legislation, but to the jurisdiction of

Mr. O'CONNOR. As I interpret it, the Rules Committee has not yielded one iota. The Rules Committee believes this is the way to solve the question of jurisdiction.

Mr. LEHLBACH. Will the gentleman yield? Mr. O'CONNOR. I yield.

Mr. LEHLBACH. Transportation on land within the United States and its competition by river boats and canal boats is an entirely different subject from merchant marine. which competes with foreign countries and which has always been within the jurisdiction of the Committee on Merchant Marine, Radio, and Fisheries. Now, having jurisdiction over the most important part of water transportation.

great committees and the position the Rules Committee has | it had, as a growth, received jurisdiction over all boats that carried passengers and freight. Whether they were in the transoceanic merchant marine or along the coast or on the river, that has always been in the Committee on Merchant Marine, Radio, and Fisheries, but where transportation by water comes in touch with land transportation and it is a question of coordination of rates and services, and the elimination of ruinous competition, that has been dealt with by the Committee on Interstate and Foreign Commerce. There is no conflict between that jurisdiction-

Mr. O'CONNOR. Well, the gentleman is using my time and he has 30 minutes of his own to be used later.

Mr. LEHLBACH. Well, the gentleman can have our time. Mr. O'CONNOR. I shall be glad to take it, if necessary. Mr. Speaker, I reserve the balance of my time.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, further amplifying the question which I just asked, it seems to me the question of transportation has become so important in this country that it should be considered by one agency in this body. Trucks are putting the railroads out of business. Waterways are putting the railroads out of business. It seems to me the height of folly that we should have one committee in this body considering the railroads, another committee considering the waterways, and another committee considering parts of the truck and bus business.

I come from the Great Lakes region. We know what water transportation means when compared with rail transportation. It seems to me that this Congress should adopt the same policy, as far as its committees are concerned, that the Nation has adopted with reference to transportation. There was a fight here extending over a period of years to get into the hands of one body—the Interstate Commerce Commission—the right to control rates and also the right to control the things that make the rates possible. So it is today. If we have the Committee on Merchant Marine and Fisheries, for instance, telling the water transportation people what they must use in the way of safety devices, regulating transportation by water, and the Interstate Commerce Commission doing the same thing with railroads, trucks, and busses, then possibly some other committee determining the rates, we are not going to get anywhere.

I have been on the Rules Committee: I know what they are up against; I know it is a real job; I know the jealousies of the committees here. I know every committee, like every bureau in the Government, when it gets jurisdiction, does not want to let go. It is desirable to work out something by unanimous consent. It seems to me, however, that there is a greater question and a larger problem involved than just a unanimous-consent agreement which might for the time being mollify the feelings of these two great committees. The House is not at all interested in whether the one committee wins in the contest for jurisdiction or whether the other committee wins in the contest for jurisdiction.

It may be practical for the purposes of the committees to make agreeable division of this legislation. I submit, however, that it is not practical or logical to send legislation, all of which pertains to a given subject, to several different committees. It has been conceded here by my friend the gentlemen from New Jersey, Mr. Lehlbach, who is the ranking member on the Committee on Merchant Marine, Radio, and Fisheries, that it may be logical to do as I suggest but not practical. At the same time, he admits that it is logical to concentrate telephone, telegraph, radio, and other forms of communication in one committee because each of these agencies performs a service which is similar, so far as result is concerned. It is, therefore, just as logical that one and the same committee should have jurisdiction over legislation affecting transportation. It matters not whether freight is shipped by water, rail, or air, regulations must be made by the Government and rates must be fixed or controlled. It seems to me an anomaly that one committee should have control over transportation by air, another over transportation by rail and trucks, and another over transportation by water. In this connection we might also add pipe lines because it is a well-known fact that the pipe lines are today transporting oil and gas to the direct detriment of other methods of transportation.

Progress requires that each of these methods be encouraged, developed and permitted to exist, and I am convinced that with the control of the proposed legislation divided among several committees, confusion will result. It is nonsensical that one committee should determine the best method of regulation of one method of transportation, thus limiting the revenues of the agency, while another committee regulates the rates which that agency must charge. We may all talk about retaining the railroads. At the same time, anyone familiar with the facts knows that there must be a coordinization or similar regulation of these several transportation facilities. The busses and trucks cannot continue to use the highways, maintained at public expense, without regulation, while the railroads are regulated to death. Modern conditions make the truck inevitable and no one wants to eliminate the truck. At the same time, the railroad is a necessity. Inland waterway transportation is fine but in a great part of the country this form of transportation is only available for 5 or 6 months in the year. Therefore, the railroad cannot be done away with. There is apparently much fear among the Members lest legislation be enacted placing the control of transportation in the hands of the Interstate Commerce Commission or some body which might, perchance, be railroad minded. I, for one, want to say now that greater consideration must be given to the railroads to the end that freight rates may be reduced and volume increased. It is ridiculous to talk about reducing freight rates and at the same time reduce the volume of business done by the railroads.

I am not going to oppose this rule because possibly it is the best "out" under present conditions, but I am suggesting that the Rules Committee give serious thought to rearrangement of committee jurisdiction so that kindred legislation may be considered along the lines above indicated.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey [Mr. Lehlbach].

Mr. LEHLBACH. Mr. Speaker, the gentleman from Michigan is criticizing a situation which exists at the present time and which it is not sought to disturb. Jurisdiction over water transportation has always been separated by the Congress from jurisdiction over land transportation. The situation the gentleman would like to see is a unification of control of legislation on transportation. This would, indeed, be an innovation, and this is not the time to seek to bring it about.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. LEHLBACH. I yield.

Mr. MICHENER. If it is a proper innovation, why is not this the time to bring it about?

Mr. LEHLBACH. Because it requires infinitely more study and enlightenment than can be given in a 5-minute speech on the floor of the House.

We are leaving the subject of unification of transportation, both as to administration and legislation, to the future. In this respect we are leaving things as they are today. As I say, I think this is neither the time nor the place to bring up the broader aspects of the matter for consideration.

Mr. Speaker, I yield back the balance of my time.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. Culkin].

Mr. CULKIN. Mr. Speaker, I am for this resolution. It is an amicable settlement between these two committees, fully considered and fully concurred in. It is to be regretted, of course, and it is regretted, that the technical experience of the old Merchant Marine, Radio, and Fisheries Committee passes into the discard, but Congress is used to that, for its experience has been discarded in practically every phase of the legislation we have seen go through this House during the past 2 years.

I rise particularly to say, Mr. Speaker, that this resolution does not settle the question of the coordination of rail and water transportation. There is a movement on foot, backed by propaganda throughout the entire country, to tie up low-rate water transportation with the railroads. Such procedure

will destroy the farmers and other groups who are now using the waterways.

I have no sympathy with this movement; and I say that the agreement evidenced today in this resolution does not settle this question. This question must be fought out on its merits when the time comes. If water transportation is to be weighted down with the past sins of the railroads, then, indeed, a new burden, an added, terrible, economic burden, will be placed upon the farmers, the manufacturers, and the shippers who use the inland and ocean waterways.

I am for the resolution and for the rule, but when this question of merging rail and water transportation does arise I warn the gentlemen who are concerned with the transportation rates of the Nation, that this situation will be watched and fought bitterly so that the farmer, the manufacturers, and the other groups engaged in shipping bulk commodities shall not be destroyed.

Mr. Speaker, I yield back the balance of my time.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. Rich].

Mr. RICH. Mr. Speaker, it has been said here this afternoon that the transfer of rates on inland waterways under this resolution, or the inclusion of transportation by water to the jurisdiction of the Committee on Merchant Marine and Fisheries, is not going to prove the solution of the problem of protecting the railroads of the country and the bus lines of the country against the low rates that are now being charged by the Inland Waterways Corporation.

Inland Waterways Corporation is a corporation formed by the Federal Government with a capital of \$24,000,000, operated under the direction of Major General Ashburn, who claims that the Federal Inland Waterways Corporation is a profit-making concern and that it is paying the Federal Government to operate it. Major General Ashburn, however, does not figure in the operation of the inland waterways the cost of maintaining his right-of-way on the rivers, nor does he figure interest on the money invested by the Federal Government in this enterprise. The Inland Waterways Corporation also franks its mail; the Government furnishes free of charge its offices here in Washington; the salaries of Major General Ashburn and other Government officials engaged in its operation are paid by the Government. I contend this corporation loses to our Government over \$1,000,000 a year.

To permit the Inland Waterways Corporation and others to operate on the Government-maintained rivers, locks, and so forth, in competition with railroads to go without regulation of their rates is merely to take money from the railroads and bus lines and bring them nearer to bankruptcy. We must remember in this connection that the railroads pay into the Federal Treasury nearly \$1,000,000 a day in taxes. They employ thousands of people to run them. They buy steel, this helps the steel mills to employ labor; they help this country in thousands of ways; and are we not going to regulate the water transportation the same as we do the railroads? It is not fair if we do not.

It is going to be very indefinite as to how long the railroads are going to be able to continue operating. It is going to be indefinite as to where we are going to get the money for taxation purposes if we continually set the Government up in business. It destroys initiative and kills legitimate business enterprises. It is high time that somebody in the Federal Government take action now and not at some future date to regulate all forms of transportation. If we are going to allow the Committee on Merchant Marine and Fisheries to take over this matter and allow it to continue as it has in the past, then we are getting to the point where we will deprive ourselves of taxes to run the Government, and by setting the Government up in business in competition with private enterprise we will kill the goose that lays the golden egg for the operation of our Government.

Mr. MANSFIELD. Will the gentleman yield? Mr. RICH. I yield to the gentleman from Texas.

Mr. MANSFIELD. The rates of the Inland Waterways Corporation are now under the jurisdiction of the Committee on Interstate and Foreign Commerce, just as the railroads are, and remains there if we adopt this resolution. Mr. RICH. I hope that is the case, and I hope the Committee on Interstate and Foreign Commerce will give some consideration to regulation of all rates, whether it be by water, by rail, or on the highways of this country.

Mr. CULKIN. Will the gentleman yield?

Mr. RICH. I yield to the gentleman from New York.

Mr. CULKIN. Does the gentleman know that it costs more in some parts of the west to transport a bushel of wheat 100 miles than the wheat itself is worth, and that the only salvation for those regions is water transportation?

Mr. RICH. The Inland Waterways Corporation reduced the rates 7 cents per bushel on wheat from St. Louis to New Orleans in order that they might help the western farmers. The next day the wheat price dropped in Liverpool, the wheat market of the world, 7 cents per bushel, and the Inland Waterways Corporation gave up their revenue. The farmers received no more for their wheat, and the foreign countries getting the benefit; our Government, which you and I help to support, paid the bill. It is time to help Americans, not foreigners.

Mr. CULKIN. The only salvation for the people in those areas is water transportation.

[Here the gavel fell.]

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. Fish].

Mr. FISH. Mr. Speaker, I want to make a few observations about this rule. This is the first time I have seen it, and I suppose it is all right, coming from the great Rules Committee after mature deliberation. However, it turns the Panama Canal over to the Committee on Merchant Marine and Fisheries. I am inclined to believe that the Panama Canal ought to be, by right, under the Committee on Military Affairs. It is governed by the Army, it is run by the Army, and the Canal and its fortifications are our main interest in the Canal Zone. It occurred to me, as I read this resolution, that it would be better to put it under the Committee on Military Affairs. That is not the reason, however, that I rose to speak on this occasion.

Mr. Speaker, I have great respect for the Committee on Interstate and Foreign Commerce. There is no more able or harder-working committee in the House, and there is no abler or better informed Member of Congress than is its chairman, the gentleman from Texas, Mr. RAYBURN. [Applause.] That committee in the past, as we all know, has been overburdened with work. I may have incurred the enmity of some members of that committee in my first years of service in this House because at that time they handled veterans' relief legislation. I may say that I fought through a whole session with the chairman, a Republican Member at that time, to get action on a bill to provide pay for an attendant for blind veterans. I could not even get consideration of my bill for a whole year because of more important legislation pending before that committee, such as railroad, coal, and interstate-commerce measures.

It did not have time to consider veteran-relief legislation, with the result that after fighting for a year, some of us got together and helped to create a Veterans' Relief Committee, which took away the power over veteran legislation from the Interstate and Foreign Commerce Committee. Although at that time the members of that committee were a little bit bitter, I believe now they are glad they got rid of their responsibilities to formulate veterans' legislation.

Mr. Speaker, the main observation I should like to make is: I do not see why the Interstate and Foreign Commerce Committee should be assigned the control of the Nicaragua Canal bill. Such a bill was introduced recently and was, I believe, referred to the Committee on Interstate and Foreign Commerce. It seems to me that bill should have been referred to the Committee on Foreign Affairs. I can readily understand why legislation affecting the Panama Canal was sent to the Interstate and Foreign Commerce Committee, because that committee handled the original bill, and the Panama Canal is under American control. I can understand the St. Lawrence bill being sent to the Committee on Interstate and Foreign Commerce, because half of it is under American control. I cannot understand or see any precedent, however, for send-

ing the proposed Nicaragua Canal bill, which involves the building of a canal in a foreign country, to the Committee on Interstate and Foreign Commerce. If I had been on the floor at the time I would have joined with the Chairman of the Committee on Foreign Affairs in insisting that it had been erroneously referred. That is why I rose today, because the matter is before us and we are discussing the powers of the various committees.

Mr. Speaker, without having studied this rule, I take it for granted it has been carefully formulated and is backed by sound consideration. I want to point out, however, to the Rules Committee and to the Members of the House, in considering this proposed rule that in the future I hope that legislation such as measures dealing entirely with foreign affairs, involving, for instance, the Nicaragua Canal, will be sent where they probably belong, namely, to the Committee on Foreign Affairs. We do not want anything that belongs to another committee, but insist that matters dealing with international affairs be referred to our committee.

Mr. Speaker, I yield back the balance of my time.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. Connery].

Mr. CONNERY. Mr. Speaker, I have no criticism whatsoever of the Speaker of this House or of any committee of this House, but this appears to be a good opportunity to give expression to some views which I have held for a long time in reference to committees. I am in favor of this resolution, of course.

I should like to see the Rules Committee consider the entire question of jurisdiction of committees. I do not blame the Speaker of the House or the Ways and Means Committee of the House, when an omnibus bill comes into the House in reference to unemployment insurance and old-age pensions with a tax provision in it, for having it sent to the Ways and Means Committee. This has been the custom and is in accordance with precedent.

Nevertheless, I think the Membership of this House will agree that such legislation going to the Ways and Means Committee merely because of the fact there is a tax provision in it is inequitable and unjust, for the reason that the Committee on Labor, of which I have the honor to be chairman, for the past 15 or 20 years has through extensive hearings, taking up many days and weeks, gone into the matter of old-age security, old-age pensions, and unemployment insurance. What I stated a few minutes ago I mean. I think every matter directly connected with labor or the working people of the United States should be referred to the Committee on Labor. Under the present rules the Speaker cannot do this if there is a tax provision in an omnibus bill.

I sincerely hope the Rules Committee will go into this entire matter at length and look over the jurisdiction of committees and see if some amendments cannot be made to the rules so that we will give labor legislation to the Labor Committee, interstate commerce legislation to the Interstate Commerce Committee, and so on.

There is one further thing I should like to say in closing. Four hundred and thirty-five Members come to this House. The man who is here for his first day is just as intelligent and interested in the welfare of the Nation as the man who has been here for 20 years. He may not have had the opportunity of learning the rules and the regulations and the parliamentary procedure and may have to study them for a while in order to know how these things are done, but nevertheless his thoughts and his ideals are just as valuable to the country the first day he comes here as they are, perhaps, 15 or 20 years later. These men go on committees, and no matter what committee they may be on, that committee should meet regularly and have important legislation to consider, and we should have the experience and the benefit of every Member of Congress on committees. In other words, there should be no such thing as a so-called "minor committee." Every committee should be a valuable one, and I am sincere when I say that I hope the Rules Committee will look into this question at length and try to send labor legislation to the Labor Committee, interstate commerce legislation to the Interstate Commerce Committee, and ways and means legislation to the Ways and Means Committee, and so forth, and not have a small coterie of 15 or 20 men in the House of Representatives enacting all the legislation for the people of the United States, because this is what it amounts to today. I hope this matter will be given very careful consideration. [Applause.]

[Here the gavel fell.]

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. Crawford].

Mr. CRAWFORD. Mr. Speaker, I want at this time to congratulate the two committees, together with the Rules Committee, for this move. Transportation is the lifeblood of commerce. We must have the rails, we must have the trucks, and we must have the waterways. I know this by personal experience in having shipped many millions of tons of freight over these routes.

I do not believe any one committee capable of passing on the freight structure of waterways, trucks, and rails. The railroad-minded man is not a truckman. The waterway-minded man is not a rail man. This country has developed to a point in rail, water, and truck transportation where we must have these three services. I have no patience with any-one who says that two must die for the sake of the other—whichever two it may be.

The farmers must have cheap transportation. We must give it to them in some way. On the other hand, you cannot have transportation service unless it meets the conditions and the requirements of the shippers. These are paramount.

If this rule will lead to something that is of benefit to the transportation agencies and their employees and result in giving the shippers of this country better service in the way of quicker transit time and lower rates, we should everyone be for it.

I am not canceling out of my mind the railroads. As I have said, we have to have them. We have to have the men on the railroads paid a fair and decent wage so they can maintain the service that the rails must give us in order to meet the shippers' requirements and hold their tonnage, and I hope that in the future consideration of any matters pertaining to transportation you will keep in mind the thought that the truck operator must be given peculiar consideration in behalf of the technical problems he must meet, and, likewise, the waterway agencies and the railroads must have consideration for those problems they must meet. Requirements of the shippers as well as the operating problems are all very different as between trucks, rails, and waterways.

I yield back the balance of my time, Mr. Speaker.

Mr. O'CONNOR. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to and a motion to reconsider was laid on the table.

## COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. BLAND. Mr. Speaker, I offer the following resolution, and ask for its immediate consideration.

The Clerk read as follows:

## House Resolution 130

Resolved, That those Members of the House elected to the Committee on the Merchant Marine, Radio, and Fisheries are hereby elected to the Committee on Merchant Marine and Fisheries, and all records and papers of the Committee on the Merchant Marine, Radio, and Fisheries are hereby transferred to the Committee on Merchant Marine and Fisheries.

That all bills, resolutions, papers, documents, petitions, and memorials heretofore referred to the Committee on Merchant Marine, Radio, and Fisheries are hereby referred to the Committee on Merchant Marine and Fisheries.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The resolution was agreed to.

On motion of Mr. BLAND, a motion to reconsider was laid on the table.

AMENDING THE AGRICULTURAL ADJUSTMENT ACT WITH RESPECT TO RICE

Mr. DRIVER. Mr. Speaker, I call up House Resolution 121.

The Clerk read as follows:

#### House Resolution 121

Resolved, That immediately upon adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 5221, a bill to amend the Agricultural Adjustment Act with respect to rice. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. DRIVER. Mr. Speaker, the purpose of this resolution is to make in order H. R. 5221, reported unanimously from the Committee on Agriculture, which has for its purpose the application of the processing tax to the production of rice.

Rice, by action of the House, was made a basic product in the administration of the agricultural adjustment bill. It was thought that it would carry out the parity principle through the marketing agreements which went into effect on October 1933 in which the producers of rice entered.

But it seems that during the time the agreement has been in operation there has gone into hands of the purchasers of rice and the act of many producers holding rice, until there is a surplus of 225,000,000 pounds.

The processing tax cannot be applied to rice before the 1st day of August. It is the desire of those interested in the production and marketing of rice that this processing tax shall be applied the 1st of March of this year in order that the product now held may be placed on the market and provide the benefit of parity price through the application of the processing tax.

Mr. SNELL. Will the gentleman yield?

Mr. DRIVER. I yield.

Mr. SNEIL. I think that is the most important part of the whole bill, and I wish the gentleman would be more explicit so that the average man can understand what he means by giving him the benefit, and how you are going to do it.

Mr. DRIVER. I did not intend to go thoroughly into the provisions of the bill at this time.

Mr. SNELL. If the gentleman prefers to do it later, that will be all right.

Mr. DRIVER. I would prefer to have that gone into by those in charge of the bill when the bill is offered for consideration.

Mr. SNELL. Very well.

Mr. DRIVER. I believe the House will not hesitate to adopt the rule making in order the consideration of the bill because of its importance, and I will only advert to so much as will bring to the House the value and necessity of the legislation

The emergency which justifies the application of the rule on the part of the committee is a desire to enable the holders of rice to place it on the market and dispose of it before the incoming of the crop this year. The quoted value today on blue rice, which is regarded as being about the average, is 31/2 cents per pound. Three and a half cents per pound is 1 cent less than the parity to which we have attained in the application to the basic crops which the Agricultural Department deals with, and, therefore, it is a matter of such importance that I feel the rule is justified, in order to give consideration to the holders of the rice purchased under the marketing agreement, and giving to them nothing but what they would be reasonably entitled to in the way of enabling them to reach the world market with the surplus of 225,000,000 pounds. Our production of rice is about 1,100,-000,000 pounds. We use in a domestic way 700,000,000 pounds of rice. We have a small importation of rice largely because of a demand for a quality of rice different from that which we produce. We have this surplus now on our hands amounting to 225,000,000 pounds. The operation of the tax will be fully explained to you by those who are interested in the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, it is not my purpose to oppose the adoption of the rule as the legislation is entitled to consideration. I am opposed to the bill which the rule will make in order because I believe it is wrong in principle and means a rise in tax of some \$200,-000.000 to be placed upon the hard-pressed consumers of this country. The presence of this bill emphasizes how once having started the vicious habit of a processing tax there is no end. Everybody wants to share in what appears to be easy money. We will be continually confronted with new demands which will place further burdens upon the shoulders of the American people. The end will not come until a suffering people, unable longer to bear the burdens, will revolt. Every time you artificially force up the cost of living you do an injustice to those whose means remain unchanged, and particularly to the millions on the relief rolls who are obliged to do with less. I am of the opinion we are not going to help recovery by increasing the food bill of the people before there is recovery in their purchasing power. Neither do I believe in the destruction of crops, which are real wealth, as a step to recovery. These measures may bring a little temporary relief, but in the end react to the disadvantage of those they are designed to aid. I do not object to the rule, but wish to make my own position clear.

The SPEAKER. The question is on agreeing to the resolution

The resolution was agreed to.

Mr. FULMER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 5221) to amend the Agricultural Adjustment Act with respect to rice, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 5221, with Mr. McMillan in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Without objection, the first reading of the bill will be dispensed with.

There was no objection.

Mr. JONES. Mr. Chairman, I yield 10 minutes to the gentleman from Louisiana [Mr. Montet].

Mr. MONTET. Mr. Chairman, the reasons suggesting this proposed program for the rice industry are briefly these: After rice had been made a basic commodity in the Agricultural Adjustment Act, the rice industry, which is localized in four States, Louisiana, Arkansas, California, and Texas, assembled and worked out a marketing agreement. With respect to this agreement, approximately 93 percent of the weighted volume of all commercial mills became signatories thereto, and approximately 7 percent of the weighted volume of these mills remained outside of the agreement. Approximately 98 percent of the rice growers joined in the program. However, by reason of having some 7 percent of the commercial mills not in the program, necessarily there followed considerable chiseling, which eventually wrecked the whole program. In other words, the stabilization of the rice industry through a marketing agreement proved ineffective. There was no way to enforce it. That became obvious last year, and the result has been that a good portion of last year's crop remained in the hands of the farmers. The mills were not willing to risk buying for speculative purposes, because they were fearful of the consequences by reason of the failure of the efficacy of the marketing agreement, and up to the time this program was worked out, most of the rice remained in the hands of the farmers. They were unable to move it and great distress existed through the whole of the riceproducing area. We had some 4,000,000 bags of rice still left in the hands of the growers because no one would buy for speculative purposes.

Later the commercial mills and the growers themselves realized that something had to be done to save the situation. Committees were appointed from both the processors and growers, and the legislation presented to the Congress is

the result of the combined judgment of the committee of both the growers and the processors, as well as that of the Department of Agriculture. The committee unanimously took the position that the only way you could effectually execute a rice program was to give complete control to the Department of Agriculture through a processing-tax program and, contrary to the view expressed a few moments ago by the gentleman from Massachusetts [Mr. MARTIN] that this bill would cost the consumers \$200,000,000, since we produce only one billion and a quarter pounds of rice in this country, and, approximately 750,000,000 of that being consumed here, the tax itself will amount to much less than \$10,000,000. However, it is the opinion of the Department of Agriculture that the processing tax will in no way increase the present price of rice to the consumer, because for the last 2 years, by reason of the marketing agreement. the industry has been able to hold up the price of rice somewhere near parity. This program will in no way increase that price. The trouble with the agreement was that by reason of its ineffectiveness there were no speculative buyers, and the growers themselves were caught with their rice on hand, and unable to move it. However, there will be no increase in the selling price of rice to the consumer, in my opinion, and in the opinion of the Department. Even the 1 cent a pound processing tax will not provide enough to bring rice up to its parity price. As I have just indicated, the program here suggested is absolutely agreeable to all cooperating millers and cooperating producers in the riceproducing sections of this country.

There is no purpose to reduce the present rice production, because during the last 5 years, by reason of economic conditions, that reduction has been taken care of. There was then a reduction in acreage and in production of some 20 percent, and this will make it possible for the Department to effectively stabilize the production we now have, and control it.

Mr. SNELL. Would the gentleman care to yield for a question at this point?

Mr. MONTET. I yield.

Mr. SNELL. Under section 2 at the top of page 3 of the report there is mentioned:

(2) The issuance of tax-payment warrants to growers who hold rough rice from the 1933 and 1934 crops and to millers holding stocks of rough rice which have been purchased at the prices specified in the existing marketing agreements and licenses. These warrants may be used in the payment of the processing tax or redeemed for cash by the Secretary of Agriculture.

Will the gentleman explain just what that means?

Mr. MONTET. To the best of my ability, I shall. There is just a small quantity of rice originating in 1933 and left on hand in the hands of the millers. Up to February 1 of this year there was left on hand a great quantity of rice carried over from the 1934 crop. As I said a moment ago, since this program has been initiated rice has been moving very rapidly, that is, since the 1st of February. Some 3,000,000 bags have been disposed of to the trade. There is probably a half million bags left. The idea of these tax-payment warrants is this: They are to be issued only to growers and processors who cooperated under the agreement. The mills have on hand considerable rice for which they paid the marketing agreement prices.

Those prices are a great deal above the world price. It will take approximately this 1 cent a pound to compensate them for the difference, if they went out and sold the rice at the world price. Hence, in order to compensate those processors and growers who cooperated, and in order to bring them to the level of the world price, it is proposed here that tax-payment warrants be issued to those growers and processors, so that they will not suffer a loss by reason of the fact that they cooperated under the marketing agreement.

Mr. SNELL. Well, I should like to get some information about this. Suppose I am a miller and I paid a processing tax on rice of 1 cent a pound, and I am unable to dispose of that rice as I expected for a profit, or even to get my money back. Now it is proposed by the terms of this bill that the Federal Government shall give me a tax-payment

warrant back for that 1 cent, or, in other words, gives me a subsidy of 1 cent a pound on what I did not sell, and I can cash that with the Secretary of Agriculture. Is that correct?

Mr. MONTET. Yes, sir; or it can be used in the payment of future processing taxes.

Mr. SNELL. But the Federal Government, then, is subsidizing these people 1 cent a pound on rice they did not

Mr. MONTET. To that extent.
Mr. MILLER. Will the gentleman yield to me?

The CHAIRMAN. The time of the gentleman from Louisiana [Mr. Montet] has expired.

Mr. JONES. Mr. Chairman, I yield the gentleman from Louisiana 2 additional minutes.

Mr. MILLER. Will the gentleman yield? Mr. MONTET. I yield.

Mr. MILLER. The tax-payment certificate only goes to the miller or processor or owner of the rice that was produced in 1933 and 1934, which paid the contract price. He has not paid the processing tax on that rice, however, but in order to equalize his situation with the situation of the new crop, it is necessary to issue these tax-payment certificates because he has in good faith complied with the marketing agreement.

Mr. SNELL. Now, can the gentlemen tell me by what theory of government that is done? Suppose I bought something last year and I paid too much for it and I cannot sell it, then I can go to the Federal Government and the Federal Government will give me the amount that I paid last year. What new theory is that? I certainly never heard of this being done before.

Mr. MILLER. It is no new theory.

Mr. SNELL. Have we been doing that before?

Mr. MILLER. Yes.

Mr. SNELL. Where?

Mr. MILLER. This simply equalizes the position of the man who has cooperated in good faith, under his agreement, with those who have not cooperated and who will receive the benefit of this act, by the processing tax of 1 cent.

Mr. SNELL. I may be dull, but I do not understand the gentleman. I bought this last year with the intention of selling it, did I not? I hoped to make a profit, but business was such I could not.

Mr. MILLER. Yes.

Mr. SNELL. And I was not able to sell it. It was a mere marketing agreement. I was in business. I could not sell it. Now I am asking the Federal Government to pay me the difference between what I paid last year and the market price today. Is there anything wrong with my statement so far?

Mr. MILLER. Not as far as it goes; no, sir.

Mr. SNELL. Well, that is what I want to know.

Mr. MILLER. But it does not go far enough.

Mr. MONTET. It eliminates the payment of any tax on rice produced in 1933 and 1934. It is an exchange between the Government and the processor or holder of the rice.

Mr. SNELL. Why is it any exchange? I have not paid the Government anything. The gentleman says I have not paid the processing tax. To my mind it is simply a gift by the Federal Government of 1 cent per pound to the holders of the balance of the 1933 and 1934 crop.

Mr. MONTET. I will state to the gentleman the reason why it would not be unfair.

The CHAIRMAN. The time of the gentleman from Louisiana [Mr. Montet] has again expired.

Mr. SNELL. Well, Mr. Chairman, I want 5 minutes. I want to get some information about this matter.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. I desire to ask the gentleman some further questions in order to get some information about this.

It seems to me from reading the report and from what the gentlemen have said, that these people own this rice. They bought it last year, say, at 4 cents a pound. Today they can sell it for not more than 3 cents; so we are passing 1

a bill in Congress to say that the Federal Government will give back that 1 cent a pound that they will lose on this rice. Is that not the fact?

Mr. MONTET. No; it is not.

Mr. SNELL. Just explain it to me. The other gentleman said it was.

Mr. MONTET. As was explained by the gentleman from Arkansas, the only people who will receive tax-payment certificates will be those growers and processors who cooperated under the marketing agreement; and under that marketing agreement the market price of rice was held up to a certain level. If these processors who accumulated that rice were to go on the market today and sell that rice for which they paid marketing agreement prices they would lose approximately a cent a pound, for the prices they paid are approximately a cent a pound above the present world market.

Mr. SNELL. I agree with the gentleman fully. As a matter of fact when they bought that rice they expected to make money on it.

Mr. MONTET. Necessarily so.

Mr. SNELL. But because they did not they are asking Congress to assume the loss. I think that is a pretty logical explanation of the bill.

Mr. MONTET. I do not think the Government is to be out one cent under the operation of this bill.

Mr. SNELL. Who is to pay this? How will the Secretary of Agriculture get the cash with which to pay it?

Mr. MONTET. Not a cent is to be paid out of the Treasury

Mr. SNELL. Where does the money come from, then?

Mr. MONTET. The Government will issue tax-payment certificates just on that rice produced or bought last year and for which an agreed price was paid, which was about a cent higher than the world price today. This extra 1 cent per pound is needed to bring it up to the price they paid

Mr. SNELL. If we do this for those who bought rice, why is not the man in my community who bought dry goods last year and paid processing taxes, but who, because of conditions of business, was not able to dispose of those goods at the price he paid for them, not entitled to come to the Government today and get relief?

Mr. MONTET. I am not prepared to tell the gentleman that he would not be; but we are dealing with rice.

Mr. SNELL. That is a very broad statement; and it bears out my contention that this is a bill simply to subsidize those who bought and produced rice and did not get their money

Mr. MONTET. No more so than many other subsidies that have been given to the interests of the gentleman's district in the East and those of other eastern and northern States.

Mr. SNELL. If the gentleman can point out any one case of subsidy comparable with this, I should like to have him do it.

Mr. MONTET. The farmers of the country, if the gentleman calls this a subsidy, are just having done for them a small portion of the justice they have been justly clamoring for for generations, and in no way measures up to the subsidies which in the past have been paid to special interests in that section of our country from whence the gentleman comes.

Mr. SNELL. The gentleman refuses to answer my question. It cannot be answered. I yield time to any gentleman on the majority side who thinks he can answer the question. No one asks for time. It cannot be answered.

Mr. MONTET. I would be glad to answer any question relative to the bill.

Mr. SNELL. If I have asked a question that is not relative to the bill I apologize. I have the floor; I yield to anybody who can answer me. It cannot be answered.

Mr. MONTET. I think the gentleman has been answered. Mr. HOPE. Mr. Chairman, I yield 3 minutes to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON. Mr. Chairman, I have asked for this time in order that I may direct two or three questions to the

gentleman from Louisiana [Mr. Montet], if he is willing to ] answer them

Is the legislation proposed by this bill permanent or temporary in character?

Mr. JONES. I will say to the gentleman from New Jersey that this legislation is simply some changes to the Agricultural Adjustment Act, which legislation will last for the emergency. This, therefore, is of the same duration as the emergency legislation, the Agricultural Adjustment Act, which may be ended on proclamation by the President that the emergency has ended.

Mr. WOLVERTON. Is any definite time fixed in the bill as a limit for its duration?

Mr. JONES. There is no definite time fixed in the bill.

Mr. WOLVERTON. Is it left entirely to the discretion of the President to determine when the emergency has ceased? Mr. JONES. Within the discretion of the President unless

the Congress before that time repeals the act.

Mr. WOLVERTON. Under the provisions of this bill it is then left to the discretion of the President to determine when the emergency has ceased to exist?

Mr. JONES. Under the original Agricultural Adjustment Act that is true, and this is an amendment of that act.

Mr. WOLVERTON. Would the gentleman approve legis-

lation of this character as permanent legislation?

Mr. JONES. I think I would prefer to cross that bridge when I get to it. I do not think all of this emergency legislation is perfect in character, but I do feel that it has accomplished much good, and I think as we go along still more good will be accomplished. It is just like the transition of the automobile or any line of industry; things are perfected as they go along. Were the gentleman to go down to the Smithsonian Institution and look at the first automobile he would hesitate a long while before starting in it to Baltimore; but they did not quit with that car simply because it was not perfect.

Mr. WOLVERTON. Does this legislation set up any standards to guide or control the President in determining when the emergency has ceased to exist?

Mr. JONES. The original act does that; this is part of the original act.

Mr. WOLVERTON. What are the standards?

Mr. JONES. The parity price. It was recognized by every man in America who had studied the question that one of the chief causes of the condition in which we found ourselves was the paralysis that had resulted by virtue of the reduced purchasing power of the farmer. The act automatically becomes ineffective as to any commodity as of the date the parity price is reached.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield 2 additional minutes to the gentleman from New Jersey.

Mr. JONES. On any of these commodities the processing tax practically ceases.

Mr. WOLVERTON. Is rice now on the floor of processing houses subject to this tax?

Mr. JONES. No; and that is one of the reasons they want these changes. They could levy this same tax without this bill, but there are some peculiar features about rice which made them want to make some changes applicable only to rice. It does not change the other features of the bill.

This permits the tax to go on before the beginning of the present marketing season and not have the benefit paid until a new season comes in, thus avoiding the floor tax.

Mr. WOLVERTON. My question is based on the assumption that those engaged in processing have at the present time stocks of rice on hand. It is for that reason I am asking whether this bill upon its enactment would affect that rice by the placing of this tax upon it?

Mr. JONES. It is my understanding it will not be taxed. These transfer warrants, as I understand it, are simply taxpaying warrants. The money collected goes into the Treasury. All of these major programs so far have been selfsupporting. The Treasury is not going to pay out anything actually.

Mr. WOLVERTON. In the event a processing house shall purchase imported rice, would such rice be subject to this processing tax?

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. JONES. I would rather one of these other gentlemen answer that question, but I will give the gentleman my impression if he desires. I understand all foreign goods will be subject to the compensating tax. That is my understanding of its operation.

Mr. WOLVERTON. In addition to the present tariff duty? Mr. JONES. This has no bearing on the tariff. It may or may not be subject to the tariff, but whatever it is, this is in

Mr. WOLVERTON. There is a tariff duty at the present time on rice. I am therefore inquiring whether this proposed processing tax will be in addition to the present tariff duty now paid upon imported rice?

Mr. JONES. Yes; and this is in addition to whatever tariff there is. This is a compensating tax for this particular item and it is added on whether there is a tariff or not.

Mr. WOLVERTON. This goes far beyond the explanation given by the gentleman from Louisiana.

Mr. JONES. No. That particular feature is in practically all of the provisions of the original bill covering basic commodities; at least that power exists.

Mr. WOLVERTON. Will this bill have the effect, as other legislation of similar character, of increasing the price of the commodity to the ultimate consumer?

Mr. JONES. That will altogether depend. I understand the present price of rice is something like satisfactory, and it probably will not increase the price materially.

Mr. WOLVERTON. Upon what theory does the gentleman feel this will not increase the price to the consumer when similar legislation has already done so with respect to other commodities subject to the processing tax?

Mr. JONES. Well, similar legislation has not increased materially the price to the consumer. Other conditions and other legislation and codes are more responsible for those increases. I think in some degree those things have nullified the provisions of this act, but that is another story altogether.

[Here the gavel fell.]

Mr. JONES. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, there is heard frequently the suggestion that the processing fees have vastly increased the price paid by the consumer, but that is not correct. If you will analyze the additional cost involved in the processing fees, you will find that it amounts to so little that it will not be noticeable. Some excuses have been made, but other legislation, I believe, and other matters have had more to do with the general price level of finished articles. A great many people believe that some increases were essential so far as various commodities were concerned. The additional raw material cost in the various manufactured products made from basic items of the farm does not amount to enough to bother

Mr. SHORT. Will the gentleman yield?
Mr. JONES. I yield to the gentleman from Missouri.
Mr. SHORT. The processing tax on cotton has doubled the price of overalls.

Mr. JONES. Oh, no. The processing tax on cotton has not increased the price of the finished overalls more than a few cents per pair. According to the Consumers' Counsel there are 2.2 yards of denim or 2.06 pounds of cotton in the average pair of overalls. The processing fee on cotton is 4.2 cents per pound. This would make an increased raw material cost of less than 9 cents per pair of overalls on account of the processing fee. According to the same authority the average price of overalls in July 1933 was \$1.09. The average price in January 1935 was \$1.59-22 cities. The rise includes not only the processing fee but increase in the price of cotton, in cost of manufacturing, salary to textile workers, and other costs.

Mr. SHORT. May I say that in northern Arkansas a year ago the farmers received from \$18 to \$20 an acre for not planting cotton, and on some of those acres you could not grow enough cotton to make a shirt tail.

Mr. JONES. Mr. Chairman, I refuse to yield further. The gentleman does not want information. He wants to argue,

even in the face of facts.

As a matter of fact, the actual price of the cotton in a pair of overalls at present prices is not as much as 30 cents, and the raw material cost of the cotton in a cotton shirt is less than 8 cents.

Mr. SHORT. A certain quality and brand of overalls you could buy for 75 cents before the processing tax was put on today costs \$1.35.

Mr. JONES. Well, if the gentleman wants to go back to the conditions which prevailed at the time he speaks of, he can go alone. I know of no one who wants to go with him.

Mr. SHORT. I am telling the gentleman the situation in Arkansas. I do not know how it is in Amarillo.

Mr. JONES. The gentleman states that is due to this act, but it is not true. I invite the gentleman to come to Amarillo. [Here the gavel fell.]

Mr. JONES. Mr. Chairman, I yield 3 minutes to the gentleman from Arkansas [Mr. McClellan].

Mr. McCLELLAN. Mr. Chairman, the major part of the rice-growing section of Arkansas is in my district. I do not happen to live in that particular section but I am familiar with some of their problems.

It is the purpose of this industry, of course, to cooperate with the Government in its program. This they have been seeking to do. Since the enactment of the Agricultural Adjustment Act they have been trying to operate under a marketing agreement. Generally, they have complied with this agreement. They entered into it in good faith and have sought to comply with it. By reason of its being a voluntary agreement, those who did enter into it reduced their acreage in an attempt to reduce production so as to raise the price. There are others who did not enter into this agreement and who have not cooperated with the Government.

This bill is for the benefit of those who have undertaken to cooperate with the Government in its program. As a result, under the marketing agreement, with the price fixed by the Secretary of Agriculture, the price has been materially upheld, but now you are faced with this situation. Those who undertook to, and did market their rice, who were not cooperating with the Government, have been able to sell and dispose of theirs. Those who have cooperated in good faith, many of them have not sold their rice and the rice is in the hands of the producers.

Now, in order to make this act operate so as to protect all alike and to benefit and sustain those who have tried to cooperate with the Government in its recovery program, they now propose this processing tax so as to equalize these benefits.

The question was asked about this measure providing a profit to the miller who has purchased rice by reason of these tax certificates being issued to him. This is not true. He has already paid for that rice the price fixed by the Secretary of Agriculture and has helped to hold up the price, and it would be manifestly unfair and unjust to again put a processing tax on this rice that he has purchased, and for which he has paid the minimum price as fixed by the Secretary of Agriculture in an attempt to cooperate with the Government.

I may say that the folks in my section favor the enactment of this measure and I trust you will give it your support.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. Dirksen].

Mr. DIRKSEN. Mr. Chairman, I think this is one of the most amazing bills that has ever come before this House. They entered into a rice marketing agreement sometime last year for the ostensible and distinct purpose of holding up

the price. Now, some of the gentlemen down in the Southland who are rice growers and processors and millers cooperated with the program in order to hold it up, while others did not. However, there was nothing mandatory in the law which compelled them to cooperate.

They accumulated a lot of rice. A lot of the smart boys unloaded their rice and got the price while the getting was good and while there was a market for it. There is now a lot of rice down there, probably several hundred million pounds, that has not been disposed of, and they now find that the market has been sort of shut off or the market for rice has been more or less saturated. These gentlemen therefore are not going to realize the price they expected, and therefore after venturing into what is distinctly a speculative undertaking, they come to the Congress of the United States and say, "Gentlemen, we may lose \$10,000,000 on this deal, so we are asking that you pass legislation imposing a processing tax of 1 cent a pound on rough rice so that we may be reimbursed, or at least that we may be subsidized against this loss."

As I understand it, this is the way the situation appears in this bill. Now, they say, very naively, that you do not dip into the Treasury. Certainly you do not, but you are going to pay 1 cent a pound, or about \$10,000,000, before this demand is liquidated, and who pays it? For the benefit of those few folks down in the South, the rice eaters in the various districts in Illinois, Pennsylvania, and Kansas, and every other State are going to pay it. They are going to pay it in every section of the country, and one might explain it on the basis of insurance. For instance, it is just like all the people in the country undertaking to spread and absorb the burden of those who are going to lose money in a speculative venture down there, and I think in this respect the bill is essentially bad.

Now, there is a little item in the report which came with this bill which states this:

However, unless a plan comparable to the one embodied in this proposed legislation is soon initiated which will stimulate buying, the grower probably will be forced to start making price concessions.

This tax must necessarily be added to the cost that the consumer is going to pay. Perhaps the cost of the processing tax in connection with cotton, as discussed a moment ago, is not reflected very largely in cotton goods, but if rice sells for a nickel a pound and you add this tax, that tax adds 20 percent more, which you are adding to the consumption cost imposed upon the people everywhere in this country.

How is it going to work out? You are going to set up a sales resistance, the same as we have at the present time in connection with pork. I was in Chicago last Saturday. and I found there was a consumers' strike everywhere and that they had actually processed fewer hogs that day than they had at any time in the last 5 years, and why? It is not very difficult to understand. Here is a working man making \$17 a week, which is the present general wage of many industries in my State at the present time. He has just so much, namely, \$17 or \$16 or \$18, which must be budgeted for food, clothing, and rent. Rents go up a little bit, and he has to squeeze off of the clothing and the food allowance in his family budget. Then if prices go up, as in the case of pork chops, where the price has risen from 18 cents a pound to 28 cents in the butcher shops of Illinois in the last 6 or 7 months, it means he can eat pork chops perhaps once a week, whereas otherwise he would eat them twice a week. The result is an immediate curtailment of consumption, a drop in bulk-sales volume, and a recession in production of consumers' goods.

I do not blame this on the processing tax, but this is what you have to bear in mind: There is always a certain psychology that goes along with this. If processors get a chance to add 1 cent for processing tax, they may also get a chance to exploit the market and add 2 cents, and the other cent is put in their pockets by way of profit, and this is what often happens in connection with a measure of this kind. Here is a fixed family budget, and here are folks whose wages

are barely enough to subsist them, and if you pass legislation resulting in rising prices, the result is what? A buyers' strike similar to what you are having at the present time with respect to so many products. The report of the Consumers' Council of the A. A. A. is eloquent of the rise in the cost of living, and soon the high cost of living will become an outstanding problem.

So consumption goes down, and then what about this observation I have referred to in the report? Instead of stimulating purchases, instead of stimulating consumption, you have simply set up a factor that is adverse to and retards consumption and you defeat the whole purpose of the bill. I think it is a bad bill. [Applause.]

Mr. JONES. Mr. Chairman, how does the time stand?

The CHAIRMAN. The gentleman from Texas has 7½ minutes remaining, and the gentleman from Kansas, 14 minutes remaining.

Mr. HOPE. Mr. Chairman, I yield 4 minutes to the gentleman from Wisconsin [Mr. Bolleau].

Mr. BOILEAU. Mr. Chairman, I think it is important to realize in this connection that the rice producers in the South have in the last 2 years tried to some extent to stabilize their own industry by causing a material reduction of the acreage of rice.

Those who came before the committee in support of the bill stated that there has been a reduction of about 20 percent in the acreage of planted rice during the last 5 years. It is important to note that some of the reduction took place as the result of the tendency on the part of the growers to reduce production. Only a small part was affected last year during the operation of the marketing agreement. But it shows conclusively that some interest has been taken during the last 2 years in the profitable growing of rice, and for that reason they have reduced production year after year, until they have taken a good deal of land out of rice production.

I believe if we enact this legislation it will have the effect of stabilizing the industry. I am satisfied that if they have the acreage down to where it ought to be, the result will be beneficial. If we are to do anything that would tend to increase the price of rice without having some control over the amount of acreage, the benefits that would accrue as the result of this program would be lost, because the program would defeat itself by increasing the production. I believe it will have the effect of increasing and keeping the price of rice up where it belongs.

So far as I know, there is no opposition to this bill on the part of the producers. It seems to meet their approval. They feel that it will help their industry, and I am convinced that if we can help the industry and not increase the cost to the consumer, we should do so.

The suggestion has been made that the operation of the bill might cause some drain on the National Treasury. I must say that the processing tax to be levied on the domestic and foreign production of rice, that is rice consumed in this country, will provide a sufficient amount in the form of revenue to take care of any expenditures that might be incurred by the Department of Agriculture, as a result of the operation of the Act. I do not believe the result of this act will cause any drain on the Federal Treasury. I believe it to be self-sustaining and that it will be self-supporting. I for one want to join those men from the rice-producing States in asking Congress to approve the legislation.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. Crawford].

Mr. CRAWFORD. Mr. Chairman, a great many curses are flung at the processing tax, from the standpoint of raising prices to the consumer. I think it enters into the price that the consumer has to pay, and I think the N. R. A. code has a great deal to do with it. I think a lot of other things have to do with the price the consumer has to pay. At the same time I cannot, after a lot of study and some experience, reconcile myself to the belief that the processing taxes are the salvation of the rice grower, the sugar grower, or any other farmer of the United States. When the price of the processing tax is placed on rice, it will work out

something like this, and if I am not correct I wish some rice man would correct me. Once this goes on and you start shipping out rice, rice is billed to the wholesale jobber at, we will say, 2½ cents per pound—100 bags of 100 pounds each, say-\$250. On the bottom of that invoice there will probably be, "Plus processing tax, 1 cent per pound, \$100." The retailer receives that invoice from the wholesale jobber. He looks at the invoice and he says, "I shall mark up the price of rice." He will probably mark it up 11/2 cents in addition to the price he would have marked it up in the absence of the tax, and when the consumer comes in and says, "What's the matter with rice, that it is up a dollar and a half a hundred", he will say, "We had to put on a processing tax." When that takes place the consumer will start looking around for potatoes or some substitute for rice and the chances are that he will shift away from the consumption of rice, but if the consumer takes it, he will undoubtedly pay an additional price for the rice over what he pays at the present time.

I agree with the gentleman from Illinois [Mr. DIRKSEN] in the uniqueness of this bill. I cannot understand why the rice producer and the friends of the rice industry should come in here and ask that a provision of this kind be placed in the bill. The remark has also been made that this will probably not reduce the acreage of rice at the present time. If there is a surplus and if the price of rice is now 1 cent per pound over the world parity and if the farmers are now clamoring for loans with which to finance their 1935 crop, what will happen to the surplus of rice which will result from the 1935 crop when the surplus coming therefrom is added to the surplus at the present time? Is there any rice man here who will answer that question for me, if he cares to answer it? I want to know what they propose to do with the surplus of rice that will come from the 1935 crop when it is added to the 225,000,000-pound surplus which you have at the present time?

Mr. DEROUEN. I think the gentleman is not well informed. There is no surplus. We are trying to protect the farmers. The big institutions today are not buying the raw material and the farmers are holding it. This is a farmers' bill.

Mr. CRAWFORD. You had a marketing agreement, and from that remark I would take it that the processors of rice have rigged the marketing agreement to the end that the grower of rice holds the bag and the rice.

Here is another thing I want to drop in at this time. Under what kind of a marketing agreement does the grower of rice now sell his rice to the processor? Take these farm products and analyze them carefully, and you will find that in most every case the processor has a way of buying the raw goods from the farmer on some kind of a purchasing contract which does not give the farmer a square deal.

One needs only to refer to the purchasing contracts which run between milk producers and processors, rice producers and processors, wheat producers and wheat processors, corn, hog, beef, wool, sugar beets, and many other farm-crop producers and processors to have sufficient proof to remove all doubt about this statement of fact. When farm products have the last few years been selling at starvation prices to farmers the operating profits of processors have been mounting. The farmer is an unorganized vender or seller of his labor in the form of farm products. He does not receive the benefits which flow from protection on farm goods simply because he sells those goods on the wrong kind of a sales contract running between the farmer and the processor. There is nothing in "processing taxes" to correct this fundamental wrong. The processing tax and parity-payment procedure takes the parity price away from the consumer and in most cases permits the processor to lower the amount he pays to the farmer. This is because the farmer is in a way "guaranteed parity" by the Government which collects the sum through assessment of the processing tax to the consumer. Where will the farmer be when the processing taxes are no longer assessed and benefit payments cease? What the farmer should do is to place himself in position to force the processor to pay the farmer a reasonable share of the market value which the processor receives for the goods. Any program which fails in this respect is unfair and unsound to the American farmer and consumer and discriminates in favor of the processor. The processor reasons that if the Government and consumer is to pay the farmer parity, why should the processor pay a reasonable price for the raw farm products. These are the cold facts we as a Congress face, and the farmers of this country expect us to pass a law now and then which protects them in the sale of their goods to the processors and which gives the farmer cost plus a profit for his goods the same as N. R. A. protects the processor.

The CHAIRMAN. The time of the gentleman from Mich-

igan has expired.

Mr. JONES. Mr. Chairman, I yield 4 minutes to the gentleman from Colorado [Mr. Martin].

Mr. MARTIN of Colorado. Mr. Chairman, I am not familiar with the mechanics of this particular bill and had not intended to ask any time on it until I was struck by statements of the gentleman from Louisiana [Mr. Montet] explaining why their rice-marketing agreement under the Agricultural Adjustment Act had failed. It had failed, as I recall his statement largely due to the fact that about 2 percent of the growers and about 7 percent of the processors would not sign up, and that recalled an experience that I had extending over a period of a year with another agricultural commodity, to wit, edible beans.

Rice is a big agricultural industry in Louisiana. Wheat is a big agricultural industry in some other sections. Out in the Rocky Mountain section and in some of the other sections of the country, beans constitute a great agricultural commodity, ranking seventh in value in my State among agricultural commodities in the way of importance. I carried on a campaign for almost a year to get something done for edible dried beans, particularly the pinto bean produced in the Rocky Mountain region. I initiated and carried on a campaign that resulted in bean buying on the part of the Government. When that failed to help the market, due largely to the way it was handled, we started to get a marketing agreement. We worked on that for months.

We held State hearings, we held regional hearings, and we held national hearings embracing all bean-growing areas, until finally there was produced what the officials down in the A. A. A., handling these agreements and processing-tax matters, said was the finest marketing agreement ever worked out under the Department of Agriculture. It did not get as far as the rice agreement, which was wrecked by the chiselers and hold-outs and bootleggers. They failed to sign up because the retailers held out for fixed margins and fixed resale prices, and meanwhile the drought came along and wiped out the 1934 crop, and sent beans sky-high, and made a lot of the growers feel that they could get all they wanted for their beans without a marketing agreement, and, therefore, it was not entered into. But a good crop year will break the market down, just as it was broken down by former surpluses. Due to that failure to get a marketing agreement I have introduced a bill making edible beans a basic commodity, and that is why I am on the floor now, calling this matter to the attention of the Committee on Agriculture and its chairman. Potatoes were mentioned a moment ago. A potato bill has been introduced. It is my opinion, Mr. Chairman, that agriculture in this country has to be regulated. The farmers must regulate the output and marketing of their products and stabilize prices if they expect to preserve the agricultural industry in this country and get anything out of it. It is the farmer who needs this protection. The big packers do not go broke. The big elevator men and the big mill men do not go broke. All of these big organized interests in Chicago, Kansas City, and St. Louis, which make millions out of the farmers, do not need this legislation. They do not need legislation setting up quotas, regulating production, imposing processing taxes, which is only a part of the mechanism and not the objective of the thing. They will get by. They always have gotten by. It is the farmer who goes broke and always will be broke

until he gets some regulation of his industry, and the Government through this legislation is simply showing him the way. Apparently this is the only way now it can be done. The farmer has nothing to risk on this legislation; he is already broke.

The CHAIRMAN. The time of the gentleman from Colorado [Mr. Martin] has expired.

Mr. JONES. Mr. Chairman, I yield such time as he may desire to the gentleman from Louisiana [Mr. DeRouen].

Mr. Derouen. Mr. Chairman, I shall not be able to speak long or stand long. I am just out of the hospital, as most of you know. I have made a careful study of this bill. It meets the approval of all growers of the States of California, Texas, Arkansas, and Louisiana, as well as the approval of the millers and the processors. In fact, all parties interested in rice and the processing of agricultural products have approved of this bill. I am asking you to help pass this bill today in order to restore to the farmers a parity price. It will not raise the price, as many seem to think. It will not create that condition.

Mr. Chairman, H. R. 5221, the proposed amendment to the Agricultural Adjustment Act, has been developed in a series of conferences with the rice section of the A. A. A., rice growers and millers, and other Congressmen interested in the growing of rice, and the proposed legislation represents the views of the rice industry as to changes desirable to meet an increasingly critical situation in the rice industry.

To this end this bill proposes to attain three principal objectives, to wit:

First. To maintain prices at present levels throughout the remainder of this marketing season.

Second. To move the surplus of rice from the 1933-34 crops into the channels of trade.

Third. To permit a change from a marketing-agreement program to a production-adjustment program in such a manner as will avoid any adverse effect on the interest of growers or the trade.

This bill proposes specifically, first, the levying of a processing tax beginning March 15, 1935. Without such a provision in the law a processing tax could not be made effective until the beginning of the next marketing year, August 1, 1935. Second. The issuance of tax-payment warrants to growers who hold rough rice from the 1933–34 crops and to millers holding stocks of rough rice which have been purchased at the prices specified in the existing marketing agreements and licenses. These warrants may be used in the payment of processing taxes or redeemed for cash by the Secretary of Agriculture. Third. The elimination of a floorstocks tax on clean rice now in the hands of millers, jobbers, retailers, or others in the trade who have stocks on hand in order to exempt from the tax all old-crop rice for which the marketing-agreement price has been paid.

If the plan proposed in this bill operates as may be reasonably expected, it would mean that surplus stocks of 1933 and 1934 crops will have moved into foreign consumption at world prices and the growers will not be carrying heavy stocks of rough rice as they enter upon a program of production adjustment with benefit payments to cooperators.

The continued holding of large stocks by the growers instead of the trade would probably mean that the grower soon would be compelled to sacrifice his rice at lower prices. While from the point of view of the market, supplies are not of unmanageable proportions, from the point of view of the growers, his unsold rice is becoming a distressing problem. Creditors are pressing for the payment of loans made for 1934 production purposes and the farmer will soon need funds to plant his 1935 crop. There is increasing pressure to liquidate his 1934 rice, and, it should be emphasized, while some growers have sold all of their rice, others have not sold a bag.

Prices to growers through the marketing agreements have been maintained at satisfactory level. However, unless a plan comparable to the one embodied in this proposed legislation is soon initiated—which will stimulate buying—the grower probably will be forced to make price concessions. When price concessions are begun, it is believed there is a grave possibility of the price structure collapsing, in spite

of provisions of the marketing agreements, which are designed to effect stability in price. The late seller—the grower who did not immediately market his rice but held it, to market it in an orderly manner—will be penalized.

The necessity for dealing with rice in the manner proposed in the bill lies in the fact that prices have been maintained during the current marketing season through marketing agreements and licenses at a level almost 1 cent per pound above world prices. In order to move the surplus into the channels of trade, it would probably be necessary to either terminate the marketing agreements and licenses at the effective date of the processing tax or reduce the prices specified in them. In either case it is expected that the market price would decline to world-price level. If growers should not receive tax-payment warrants covering unsold rice, they would receive only the market price, which would mean that those growers who had not sold prior to that time would receive substantially less than those growers who had sold. This would be unfair and inequitable.

Unless the floor-stock tax is eliminated and millers are issued tax-payment warrants covering rough rice purchased at prices specified in marketing agreements and licenses, practically no purchases would be made until the effective date of the tax. This would result in disorderly marketing conditions and would affect growers' interests adversely, and it would also penalize those millers holding large stocks of rice. Should a floor-stock tax be collected in the rice industry, the costs of the particular lots of rice held by millers and others in the trade at the time the processing tax becomes effective would be substantially more than the cost of rice sold by them prior to and purchased by them following the effective date of the tax.

Of course, only the cooperating farmers will receive the benefit payments from the processing tax. [Applause.]

Mr. HOPE. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this bill does not involve the establishment of any new principle or even the extension of an existing principle as far as farm legislation is concerned. Rice is a basic agricultural commodity at the present time. It would be possible to put a processing tax on rice without this legislation or any legislation, but there are certain unusual situations in the rice industry which make it advisable to put into effect a variation of the processing-tax plan which has been applied to other commodities. Hence this bill.

Now, this is the situation with reference to rice that was presented to our committee: There has been a marketing agreement by which the price of rice has been increased considerably above what it was prior to the time that agreement was put into effect. That agreement has kept the price in this country approximately 1 cent a pound above the world price. We have exported considerable quantities of rice in the past, and because we have had this fixed price, higher than the world price, there has been a considerable decrease in our exports of rice. While there is no burdensome surplus at present, as long as that condition continues there is danger of piling up a supply which will vitally affect the price to the grower. The processing tax offers the best solution of that problem, because under the processing-tax plan you can have a domestic price equal to the world price, plus the processing tax, and you can sell the surplus on the basis of the world price. That is the advantage, as I see it, that this plan has over the marketing plan which has been in effect.

In addition to that, this plan will probably be more effective in controlling the acreage and production of rice, because under the marketing agreement there have been a few who have not cooperated, yet they have gotten the benefit of the plan. Under the processing-tax plan those who do not cooperate do not get the benefit of the plan. There is no reason to believe that this measure will increase the cost of rice to the consumer, because the bill itself fixes the processing tax at 1 cent a pound until July 1, 1936, and that is approximately the amount that the present price is above the world price. So this legislation in itself should not and will not, in my judgment, increase the price of rice to the consumer. There may be some other factor which will do that

within the next year, but I do not believe we can fairly say that this legislation in itself will do so. It seems to me only fair, in view of the fact that we have put the processing tax in effect on other commodities that we should use it for rice, which is an important crop in four of our States. Furthermore, the processing tax which is fixed in this bill will not of itself bring the price of rice to parity.

My view of the matter is that as long as a processing tax does not bring the price of an agricultural commodity up to parity that we need not worry very much about the effect of that tax on the consumer. If the processing taxes were to put a load on the consumer and drive prices above parity. then we might well become concerned, but not until then.

[Here the gavel fell.]

The CHAIRMAN. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That subsection (a) of section 9 of the Agricultural Adjustment Act, as amended, is further amended by striking out the comma after the words "except that" in the second sentence and inserting in lieu thereof the following: "(1)"; and by striking out the period at the end of said second sentence and inserting a comma and the following: "and (2) in the case of rice, the Secretary of Agriculture shall, before March 1, 1935, proclaim that rental or benefit payments are to be made with respect thereto, and the processing tax shall be in effect on and after March 1, 1935."

Mr. JONES. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Jones: On pages 1, 2, 6, and 7 where the word "March 1" appears, insert "March 15."

The amendment was agreed to.

Mr. JONES. Mr. Chairman, there are a great many more or less formal and clerical amendments which were adopted in the committee. It was intended that the bill should be reintroduced. But this was not done.

I now ask unanimous consent that the bill be read as amended and that unless a question is raised as to an amendment, that the language in each paragraph as amended be considered the language of the bill.

This procedure is a little unusual, but I can see no objection to it. If any Member wishes to raise an objection to a particular amendment the objection can be considered when the amendment is reached in the reading of the bill. I make this suggestion only in the interest of saving time, for there are a number of correcting amendments.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that the bill be read in the manner indicated. The Chair may suggest for the information of the membership that the amendments may be read or attention may be called to any particular amendment.

Mr. JONES. I do not mean committee amendments we may offer from the floor. I refer to the amendments that are indicated in the printed bill; and if any Member desires to object or raise any question about any such amendment, the agreement will not apply to the amendment.

I ask unanimous consent further that the RECORD show the committee amendments.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that the amendments be incorporated in the RECORD.

Is there objection to the request of the gentleman from Texas?

There was no objection.

The committee amendments referred to are as follows:

On page 2, line 19, after "pound" and before the comma insert " of rough rice."

On page 2, line 19, strike out "thereof" and insert in lieu thereof "of such rate."

thereof "of such rate."

On page 2, strike out line 25 and lines 1 to 5, both inclusive, on page 3, and insert in lieu thereof the following: "rice, the weight to which the rate of tax shall be applied shall be the weight of rough rice when delivered to a processor, except that where the producer processes his own rice the weight to which the rate of tax shall be applied shall be the weight of rough rice when delivered to the place of processing."

On page 3, strike out lines 16 to 24, both inclusive, and lines 1 and 2 on page 4, and insert in lieu thereof the following:

"(A) The term 'rough rice' means rice in that condition which is usual and customary when delivered by the producer to a

is usual and customary when delivered by the producer to a processor.

"(B) The term 'processing' means the cleaning, shelling, milling (including custom milling for toll as well as commercial milling), grinding, rolling, or other processing (except cleaning by or for the producer thereof for seed purposes and drying) of rough rice; and in the case of rough rice with respect to which a tax-payment warrant has been previously issued or applied for, the term 'processing' means any one of the above-mentioned processings or any preparation or handling in connection with the sale or other disposition thereof."

On page 4, line 5, strike out beginning with the word "who" down through the word "Agriculture" in line 7 and insert in lieu thereof "whom the Secretary of Agriculture finds to be willing."

On page 4, line 16, strike out the word "adding" and all of lines 17 to 24, both inclusive, and insert in lieu thereof "inserting in the first sentence thereof, after the comma following the words 'rental and benefit payments', the words 'redemption of tax-payment warrants issued under the provisions of subsection (b-1) of section 15 of this title,"

payment warrants issued under the provisions of subsection (b-1) of section 15 of this title,"

On page 5, line 6, after "to", insert "rough."

On page 5, line 11, strike out "about" and insert in lieu thereof "after."

On page 5, line 14, after "issued" insert "or applied for."
On page 6, strike out lines 24 and 25 and lines 1 to 3, both inclusive, on page 7, and insert in lieu thereof the following: "(2) upon presentation to the Secretary of Agriculture shall be redeemed by him in legal tender for 99 percent of their face value at such place or places as may be prescribed by the Secretary of Agriculture;" and
On page 8 strike out beginning with the

Agriculture; "and
On page 8, strike out beginning with the word "Commissioner" in line 14 down through the word "regulation" in line 16, and insert in lieu thereof "Secretary of Agriculture such information as he shall, by order,".

as he shall, by order,".

On page 9, after line 19, insert the following:
"Sec. 11. Subsection (a) of section 17 of the Agricultural Adjustment Act, as amended, is further amended by inserting after the second sentence the following: 'In the case of rice, a tax due under this title which has been paid by a tax-payment warrant shall be deemed for the purposes of this subsection to have been paid; and, any provision of law notwithstanding, the Comptroller General is authorized and directed to certify for payment (without review of the fact of payment of such tax) any refund of a tax so paid, in the amount scheduled to him by the Commissioner of Internal Revenue." Internal Revenue.

Mr. JONES. Mr. Chairman, I ask further that these amendments be agreed to en bloc with the understanding that any of the amendments may be questioned as they are reached in the reading of the bill for amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The question is upon the committee amendments.

The committee amendments were agreed to.

The Clerk read as follows:

SEC. 6. Subsection (d) of section 9 of the Agricultural Adjustment Act, as amended, is further amended by renumbering paragraph (7) as paragraph (8) and by inserting after paragraph (6) the following:

"(7) In the case of the

"(7) In the case of rice—
"(A) The term 'rough rice' means rice in that condition which is usual and customary when delivered by the producer to a

processor.

"(B) The term 'processing' means the cleaning, shelling, milling (including custom milling for toll as well as commercial milling), grinding, rolling, or other processing (except cleaning by or for the producer thereof for seed purposes, and drying) of rough the case of rough rice with respect to which a taxrice; and in the case of rough rice with respect to which a tax-payment warrant has been previously issued or applied for, the term 'processing' means any one of the above-mentioned processings or any preparation or handling in connection with the sale or other disposition thereof.

"(C) The term 'cooperating producer' means any person (including any share-tenant or share-cropper) whom the Secretary of Agriculture finds to be willing to participate in the 1935 productionadjustment program for rice.

"(D) The term 'processor', as used in subsection (b-1) of section 15 of this title, means any person (including a cooperative association of producers) engaged in the processing of rice on a commercial basis (including custom milling for toll as well as commercial milling)."

Mr. JONES. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Jones: Page 4, line 13, insert after the word "except" the following: "grinding or cracking by or for the producer thereof for food for his own livestock and." Page 4, line 14, strike out the word "thereof."

The amendment was agreed to.

The Clerk read as follows:

tence thereof, after the comma following the words "rental and benefit payments", the words "redemption of tax-payment warrants issued under the provisions of subsection (b-1) of section 15 of this title."

Mr. JONES. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Jones: Page 5, line 19, change the capital "I" to a small "i."

The amendment was agreed to.

The Clerk read as follows:

SEC. 9. Subsection (e) of section 15 of the Agricultural Adjustment Act, as amended, is further amended by inserting after the word "Provided" the following: "(1) That in the event any of the provisions of this title have been or are hereafter made applicable to any possession of the United States in the case of any particular commodity or commodities, but not generally, this title, for the purposes of this subsection, shall be deemed applicable to such possession with respect to such commodity or commodities but shall not be deemed applicable to such possession with respect to other commodities."

Mr. JONES. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Jones: Page 10, line 13, after the word "commodities", change the period to a semicolon and insert the following: "and (2)—".

Mr. DONDERO. Mr. Chairman, I move to strike out the

Mr. Chairman, 17 days from now the pink-slip amendment, section 55 (b) to the Internal Revenue Law of 1934, will become effective. That provision was in effect once before. It remained in effect 1 year and was then repealed. In the last session of Congress this law was again revived in another legislative body and finally became a part of the 1934 Revenue Act.

The so-called "pink-slip law" provides that any person filing an income-tax return must show on the pink slip attached to the return his gross income, deductions, and net income. This must be filed with your income-tax return for the year 1934; and if you fail to do it, the Collector of Internal Revenue will do it for you and charge you \$5 to be added to your income tax.

This provision of the act, which has now become known as the "pink slip", is causing a lot of people to see red; and I, like the gentleman from Missouri [Mr. Bell], who took the floor yesterday, am receiving many telegrams and letters protesting this provision of the act. I think the provision is unjust for the reason that it does not disclose the actual condition of the taxpayer, for even though a person's return might show a net income of \$5,000, it does not necessarily follow that the person had \$5,000 left at the end of the year.

You may have had obligations to pay; you may have had death and sickness in your family, for which you can take no deductions; nevertheless, your income-tax report shows you did have that much left.

What does it do? What effect does it have upon you? It means that any snooper, any high-pressure salesman, any racketeer or bandit may come to the Bureau of Internal Revenue of the Government and get the information for every base desire on the part of that element in our country. They can find out just exactly what your income was, and then go back to your community, give the information to your competitor, or use it in their own behalf to sell you the things you do not want or need, and, if not that, place the information in the hands of any contribution solicitor, who will make demands upon you. If you do not subscribe to the things they ask, you will be confronted with the fact that your income return showed a net income of \$5,000; that you are able to do it, but you did not do it and thereby you are humiliated and embarrassed in your own community, although unable financially to comply and be compelled to defend yourself against such action. It makes the Government of the United States a bureau of information for the criminal element of the country and a paradise for gossipers.

Mr. BELL. Will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Missouri. Mr. BELL. Does not the gentleman think that it would SEC. 7. Subsection (b) of section 12 of the Agricultural Adjustment Act, as amended, is amended by inserting in the first sen- be very helpful if all the Members of Congress would get in touch with the Ways and Means Committee and urge an immediate hearing on this matter?

Mr. DONDERO. Certainly; and I hope that before the 15th day of March the Ways and Means Committee will see fit to report to this House, not a postponement of this law or a modification of the law, but an absolute repeal of that particular section of the law. Let us return to the same provision as contained in the act of 1926, which made the information available to any proper agent or officer of the Government who had a right to see what your income-tax return did show.

Mr. Chairman, I want to ask, in good faith, whether anyone can take the floor of this House of Representatives and show what good purpose this law serves to the Government of the United States. Someone has stated that it makes a man honest. In my judgment it makes him dishonest, because rather than disclose the privacy of his business to every criminal agency in the land he will try to find a way to avoid giving the information.

Mr. MILLARD. Will the gentleman yield?
Mr. DONDERO. I yield to the gentleman from New York.
Mr. MILLARD. Does the gentleman know that there are 29 States in the Union that have income-tax laws, and that only 1 of them, the State of Wisconsin, requires a pink slip to be made out?

Mr. DONDERO. I thank the gentleman for his observation.

In conclusion, Mr. Chairman, may I say that if this law is to remain in effect, there should be a provision added whereby anyone seeking information in reference to any taxpayer shall give his name, his purpose, and reasons for requesting the information before it is given to him, and notice should be served on the taxpayer telling him who is looking up the

Mr. JONES. Mr. Chairman, I respectfully refer the gentleman from Michigan to the Ways and Means Committee for solution of this problem.

Mr. Chairman, I ask unanimous consent to withdraw the amendment which I offered.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk concluded the reading of the bill.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. McMillan, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee having had under consideration the bill (H. R. 5221) to amend the Agricultural Adjustment Act with respect to rice, and for other purposes, pursuant to House Resolution 121, he reported the same back to the House with sundry amendments adopted by the Committee.

The SPEAKER. Under the rule the previous question is ordered.

Is a separate vote demanded on any amendment. If not, the Chair will put them in gross.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. Hook, on account of illness.

To Mrs. Kahn, indefinitely, on account of serious illness in

To Mr. Stewart, for Thursday and Friday next, on account of hearings held in his district on two surveys, as requested by Rivers and Harbors Committee.

To Mr. Fernandez, for 10 days, on account of important

## HOME OWNERS' LOAN CORPORATION

Mr. GREEVER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. GREEVER. Mr. Speaker, I am glad to submit, as an example of the excellent management of the Honorable Bayard C. Wilson, State manager of the Home Owners' Loan Corporation for Wyoming, a report of the activities of the Wyoming agency of the Home Owners' Loan Corporation from the date of its inception, August 10, 1933, up to and including January 15, 1935.

The statement reflects a careful analysis of an efficient and carefully managed branch of this important agency.

There is an urgent need for additional funds with which to complete further worthy loans in Wyoming, and I trust that Congress will soon appropriate funds for the purpose of the furtherance of the good work of this institution.

Report of operations—Wyoming agency Home Owners' Loan Corporation, Aug. 10, 1933, to Jan. 15, 1935

Number of applications received     Number of applications withdrawn, 1¾ percent     Number of applications rejected, 23¾ percent	3, 643 62 866
4. Number of applications eligible, 74½ percent  5. Number of loans closed to date	2, 715 2,154
6. Total loan disbursements	
CLASSIFICATION OF REJECTED APPLICATIONS	
9. Number of loans rejected because of inadequate security	346
<ul> <li>10. Percentage of loans rejected because of inadequate security, 9 ½ percent.</li> <li>11. Number of rejections because of unsatisfactory</li> </ul>	
credit	185
12. Number of rejections because of insufficient title (otherwise eligible)	95
13. Percentage of rejections because of insufficient title, 10 percent.	90
<ol> <li>Number rejected because of lack of distress</li> <li>Number rejected on account of purchase or refinancing of property subsequent to date of</li> </ol>	86
passage of Home Owners' Loan Act  16. Number rejected because of property being	66
chiefly commercial	53
<ol> <li>Number rejected on account of dilapidation or poor construction of improvements.</li> </ol>	35
APPLICATIONS ON WHICH PROGRESS WAS SUSPENDED BY ORDER OF GENERAL MANAGER, HOME OWNERS' LOAN CORPORATION, DATED NOV. 13, 1934	
18. Number of applications suspended for lack of available funds	261
<ol> <li>Percentage of applications suspended for lack of available funds, in ratio to total eligibles, 9½ percent.</li> </ol>	201
20. Amount required to refund suspended appli-	\$797, 682, 24
DEDUKT OF BUILDING OF PROOFS BAY DESCRIPTION	

REPEAL OF PUBLICITY OF INCOME-TAX RETURNS PROVISION OF REVENUE ACT OF 1934

Mr. MILLARD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in reference to the publicity feature of the income-tax law.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MILLARD. Mr. Speaker, I rise to make an appeal to the Members of this House to repeal the vicious provision in the 1934 Internal Revenue Act authorizing the Commissioner of Internal Revenue to make available to public inspection and examination the summary of income-tax returns, thus encroaching on the privacy to which every American citizen

The already overburdened taxpayers in the United States are particularly resentful of section 55 of the 1934 law which not only makes them victims of blackmail, kidnapers, racketeers, and other gangs of the underworld, not only opens the way for snooping neighbors and business competitors to scrutinize their affairs, but which obviously assumes that the average American is dishonest. Our people resent the stigma which the Congress, in a fit of hysteria, cast upon them by compelling them to submit to this provision, and they de-

The provision falls not alone on the man of wealth but on the middleman struggling to pay his taxes, to meet his mortgage and insurance payments, and to give his children an education. The small taxpayer, even more than the large, strenuously protests having his earnings paraded before the

busybodies in his neighborhood and against a law which makes him the prey of snoopers and the salesmen of worthless certificates.

The most bitter criticism of the opening of the Internal Revenue Bureau's records to the public has been based on what has been termed the "unwarranted intrusion of the Government in private affairs." When the income-tax law was passed something over a decade ago, it was the distinct understanding of the people that returns would be kept confidential. Had there been any intimation at that time that the Congress would go beyond all reasonable limits and throw the tax lists open to the public, I venture to say there is not the slightest question that the bill would have been defeated.

Leaders in both parties have condemned and opposed the proposal. In a masterly report of the case as early as June 14, 1918, Cordell Hull, a former Member of this House, afterward a Member of the Senate, and now Secretary of State, wrote:

I have investigated and reached my individual conclusion with respect to the proposed general publicity of income-tax returns solely from the standpoint of the most satisfactory and successful administration of the income-tax law and the securing of the largest possible yield of revenue. Viewed from this standpoint, I have been unable to bring myself to the conclusion that publicity would secure the most desirable revenue results. I may first refer to the experience of some governments which have tried out income taxation for the longest periods. England, after 75 years' experience with her present income-tax law, retains her policy of keeping the results secret. There is no demand from any source, so far as I am advised, for publicity of English income-tax returns.

returns.

Holland retains secrecy under her income-tax law, which has been in operation some 25 years. Denmark pursues the same policy of secrecy under her income-tax law, in operation for 14 years; Austria pursues the same policy under her law, enacted some 75 years ago; Canada's recent income-tax law contains the same provision; France in her recent law has some form of secrecy, the exact nature and extent of which I am not definitely informed. This policy of these different countries, after many years' trial, is controlled entirely by the question of the most satisfactory administration and the largest revenue yield of their respective laws. They evidently have not felt justified in allowing considerations of collateral or other government policies, however strongly and plausibly urged, to effect a change in this policy.

plausibly urged, to effect a change in this policy.

Whatever may be thought or said to the contrary, there is a phase of human nature which, while entirely willing to make full and complete returns of income and pay taxes accordingly in the belief that all taxpayers are receiving equitable treatment, is at the same time utterly averse to the idea of general publicity of private business methods and private business affairs. The States and the Federal Government can provide for investigations and full publicity of business methods, practices, and affairs generally by separate enactment, as has already been done to a measurable extent. Publicity at this stage, when business conditions and methods have become far more complicated and consistent of a far greater variety than those in existence during and following the Civil War period, would be resented by taxpayers to a correspondingly greater extent than it was during the operation of the Civil War acts. I strongly favor any and every kind of publicity needed with respect to all phases of our financial, commercial, and industrial activities, but I think it unwise in the light of almost universal experience in the past to discredit or break down the income-tax system or seriously jeopardize it by utilizing this law instead of some separate law or laws for publicity purposes.

\* No tax or penal law, the successful operation of which is dependent upon facts voluntarily furnished by informers, with

I believe that I am correct in asserting that no Treasury Department officials for the last 25 years have advocated the publicity provision. The members of the subcommittee of the Ways and Means Committee appointed in June 1933 to study and report upon methods of prevention of tax avoidance, made no recommendation, or even reference to the publicity of tax returns, nor did the report of the Ways and Means Committee of February 1934 contain any suggestion that the publicity of tax returns was an appropriate means of eliminating tax avoidance, though the amendment was offered to the committee and rejected. In commenting upon the proposal when the provision was being considered in the House on February 14, 1934, the Chairman of the Ways and Means Committee said:

without pecuniary reward, can expect more than a precarious

existence.

The Department, while in sympathy with the publicity feature, said that if it was thrown wide open, the fear was that shyster lawyers throughout the country would be down there in droves looking over individual returns and then going to the taxpayer

and saying. "You have overpaid your tax. If you employ me, I can get you a refund of taxes." The committee thought it would be unwise to do that.

The direct evil of the publication of income-tax returns should in itself condemn it. We all know that in 1925 when returns were made subject to public inspection the information compiled therefrom was promiscuously bought, sold, and otherwise dealt in. Within 24 hours of the announcement that the tax lists would be open for inspection by the public the internal-revenue offices in various cities were beseiged with applicants from promoters, life-insurance salesmen, professional compilers of mailing lists, besides the usual inquisitive neighbors, curious competitors, and creditrating agencies. The nature of the applications is indication enough of the value of the lists to certain interests. One of the most serious and menacing aspects of this publicity plan is that it directs the pirates of finance specifically to those individuals who have money to invest. The belief of its authors was that publicity would uncover the tax dodger, but it seems safe to say that for every dollar the Government receives in additional revenue through information thus divulged, many more dollars of additional expense will be caused taxpayers through the interruption of the routine of revenue offices and the necessity for additional clerks to keep the public posted with tax information.

The wide protest that went up after the publication of the returns in 1925, following the enactment of the provision in 1924, caused its repeal in 1926. This was so with previous enactments. Statutes such as this which encroach upon the personal rights of the taxpayer have not long been countenanced and have heretofore been of short duration. I hope the same will be true of this one.

The Department of Justice, as well as municipal and State police forces all over the United States, are making a strenuous and very satisfying effort to combat crime. The Congress has enacted anticrime legislation to aid enforcement officers; and in the same session it deliberately played into the hands of blackmailers and kidnapers by opening the records of income-tax returns for their inspection. We also enacted a law proposing to provide safe securities for the investor, and forthwith passed another making the taxpayer, large and small, the target for unprincipled exploiters to prey upon. We assume that virtue is attached to all publicity, and we required that publicity be given to loans made by the Reconstruction Finance Corporation to banks. We all know the irreparable harm done to the American people by this requisite, but we do not learn by experience. The very mildest of our critics will call us inconsistent; the more forceful, brand us vicious. Certainly we show a lack of coordination.

Making income-tax returns public records has been tried before, and in each instance has failed. Public opinion will force its repeal sooner or later. It demands its repeal now. Why wait until the damage shall have been done? The large taxpayers are not evading their taxes illegally. Such a provision will not close the loopholes. Publicity of incometax returns is not going to help this situation. There is nothing in section 55 of the 1934 act to assure a true declaration of the taxable income.

The State of Wisconsin has such a provision. Of the 29 States that have some form of State income-tax law, only this one has included the publicity clause on its statute books. The tax commissioner in that State in his report on the provision in 1930 wrote "The expected results have not materialized. There have been no instances where public inspection has brought forth unreported income. A survey shows that public examination is almost wholly without any public motive or significance, but that advantage is taken to serve purely private or personal interests. Very frequent use is made of them in delving into the intimate concerns of business competitors. Those who pry into income-tax returns do not do so with the thought or attempt to find fraud or unreported incomes." Herein rests the rebellion of the American people. The provision is an invasion of private rights and it places business under a handi-cap, which it can afford at this time less than at any other in my recollection, by revealing its methods to the investigation of its rivals. The personal right to privacy is clearly violated and no good public end is served. The only argument brought forth in favor of the provision is a fallacy; in principal it is wrong; in practice it is unjust. I join with the taxpayers of the United States in demanding its repeal before March 15, 1935.

#### ORDER OF BUSINESS

Mr. SNELL. Mr. Speaker, may I ask the majority leader what the program will be for the remainder of the week?

Mr. TAYLOR of Colorado. Mr. Speaker, I may say to the minority leader that I expect to report out the annual Interior Department appropriation bill for 1936 tomorrow, and expect that will occupy the attention of the House during the remainder of this week.

Mr. SNELL. The consideration of that bill will continue for the remainder of the week?

Mr. TAYLOR of Colorado. Yes; I think it will take 3 days, and I hope to again adjourn over Saturday.

Mr. SNELL. And the gentleman does not expect to bring up the banking bill?

Mr. TAYLOR of Colorado. I do not intend to let anything interfere with the consideration of the Interior Department bill.

Mr. SNEIL. Several Members have asked me about the program for the remainder of the week.

Mr. TAYLOR of Colorado. Of course, the Speaker has the right to change the procedure; but I do not think anything will interfere with the consideration of that bill.

#### ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 529. An act granting compensation to George S. Conway, Jr.;

H. R. 3982. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River between Rockport, Ind., and Owensboro, Ky.; and

H. R. 5701. An act granting the consent of Congress to the State of Indiana to construct, maintain, and operate a free highway bridge across the Wabash River at or near La Fayette, Ind.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 31. An act to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. Chester C. Groff.

## ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 41 minutes p. m.) the House adjourned until tomorrow, Wednesday, February 27, 1935, at 12 o'clock noon.

## COMMITTEE HEARING

## COMMITTEE ON IMMIGRATION AND NATURALIZATION

Public hearings in room 445, House Office Building, Wednesday, February 27, at 10 a.m., on bills H. R. 3023 and H. R. 4354, providing for repatriation of native-born subjects of this country who have lost their citizenship either by marriage or through naturalization in foreign countries of their parents.

# REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. FERNANDEZ: Committee on Naval Affairs. H. R. 4760. A bill to increase the statutory limit of expenditure for repairs or changes to naval vessels; without amendment (Rept. No. 241). Referred to the Committee of the Whole House on the state of the Union.

Mr. EDMISTON: Committee on Military Affairs. H. R. Yalobusha, and Yazoo Rivers in Mississippi, 3482. A bill to amend the act of May 19, 1926, "An act to purposes; to the Committee on Flood Control.

authorize the President to detail officers and enlisted men of the United States Army, Navy, and Marine Corps to assist the governments of the Latin-American Republics in military and naval matters"; without amendment (Rept. No. 242). Referred to the Committee of the Whole House on the state of the Union.

Mr. CASTELLOW: Committee on Foreign Affairs. House Joint Resolution 182. Joint resolution to provide for membership of the United States in the Pan American Institute of Geography and History; and to authorize the President to extend an invitation for the next general assembly of the Institute to meet in the United States in 1935, and to provide an appropriation for expenses thereof; without amendment (Rept. No. 248). Referred to the Committee of the Whole House on the state of the Union.

## REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. MONTET: Committee on Military Affairs. H. R. 249. A bill for the relief of Leonard Theodore Boice; without amendment (Rept. No. 240). Referred to the Committee of the Whole House.

Mr. GWYNNE: Committee on Claims. H. R. 285. A bill for the relief of Elizabeth M. Halpin; with amendment (Rept. No. 243). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H.R. 4086. A bill for the relief of Ellis Duke, also known as Elias Duke; without amendment (Rept. No. 244). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 4105. A bill for the relief of Julian C. Dorr; without amendment (Rept. No. 245). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 4178. A bill for the relief of the International Manufacturers' Sales Co. of America, Inc., A. S. Postnikoff, trustee; with amendment (Rept. No. 246). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 4210. A bill for the relief of Anthony Nowakowski; with amendment (Rept. No. 247). Referred to the Committee of the Whole House.

## CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 3299) for the relief of William Burke, and the same was referred to the Committee on Military Affairs.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FIESINGER: A bill (H. R. 6186) to amend section 611 of the Revenue Act of 1918; to the Committee on Ways and Means.

By Mr. KENNEDY of New York: A bill (H. R. 6187) to promote equality of bargaining power between employers and employees; to diminish the causes of labor disputes; to create a national labor relations board, and for other purposes; to the Committee on Labor.

By Mr. STACK: A bill (H. R. 6188) to authorize the Reconstruction Finance Corporation to make loans to aid in the development of the recovery of potassium salts and other minerals; to the Committee on Banking and Currency.

By Mr. SWEENEY: A bill (H. R. 6189) to amend section 4399, United States Revised Statutes, by adding a subsection; to the Committee on Merchant Marine and Fisheries.

By Mr. DOXEY: A bill (H. R. 6190) to provide for the control of the waters of the Coldwater, Tallahatchie, Yocona, Yalobusha, and Yazoo Rivers in Mississippi, and for other purposes; to the Committee on Flood Control.

By Mr. BLAND: A bill (H. R. 6191) authorizing the use of condemned naval vessels for breakwater purposes; to the Committee on Naval Affairs.

By Mr. BRUNNER: A bill (H. R. 6192) to authorize the issue of certain automobile tags to certain employees of the House of Representatives; to the Committee on the District of Columbia.

By Mr. ELLENBOGEN: A bill (H. R. 6193) prohibiting the importation of the United States flag or emblem from foreign countries, and for other purposes; to the Committee on Ways and Means.

By Mr. GILCHRIST: A bill (H. R. 6194) to provide for conveying to the State of Iowa certain lands within the non-navigable meandered lake beds within that State for use as public parks, recreation grounds, and game refuges; to the Committee on the Public Lands.

By Mr. GOLDSBOROUGH: A bill (H. R. 6195) to restrict chain and branch banking, to amend the National Bank Act and the Federal Reserve Act, and for other purposes; to the Committee on Banking and Currency.

By Mr. HILDEBRANDT: A bill (H. R. 6196) to assure to persons within the jurisdiction of every State the equal protection of the laws by discouraging, preventing, and punishing the crime of lynching; to the Committee on the Judiciary.

By Mrs. JENCKES of Indiana: A bill (H. R. 6197) to amend section 61 (relating to deposits of bankrupt estates) of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, as amended: to the Committee on the Judiciary.

By Mr. JOHNSON of Texas: A bill (H. R. 6198) to control flood waters of the Brazos River and its tributaries in the State of Texas, to aid and improve agriculture and industrial development within said river basin, and for other purposes; to the Committee on Flood Control.

By Mr. KVALE (by request): A bill (H. R. 6199) to amend the Agricultural Adjustment Act, as amended, with respect to farm prices; to the Committee on Agriculture.

By Mrs. ROGERS of Massachusetts: A bill (H. R. 6200) to authorize the Chief of the Bureau of Public Roads to investigate and report on traffic conditions, with recommendations for corrective legislation; to the Committee on Roads.

By Mr. SAUTHOFF: A bill (H. R. 6201) to provide relief to meet the emergency needs of the public schools of the Nation; to the Committee on Education.

By Mr. SWEENEY: A bill (H. R. 6202) to amend section 4463 of the Revised Statutes of the United States, as amended by the act of Congress approved May 11, 1918; to the Committee on Merchant Marine and Fisheries.

Also, a bill (H. R. 6203) to apply laws covering steam vessels to vessels of 15 gross tons and over propelled by internal-combustion engines; to the Committee on Merchant Marine and Fisheries.

By Mr. VINSON of Georgia: A bill (H. R. 6204) to authorize the assignment of officers of the line of the Navy for aeronautical engineering duty only, and for other purposes; to the Committee on Naval Affairs.

By Mr. McLEOD: Resolution (H. Res. 131) amending section 4, of rule XXVII, of the House, Seventy-fourth Congress; to the Committee on Rules.

By Mr. LEA of California: Resolution (H. Res. 132) for the consideration of H. R. 5292; to the Committee on Rules.

By Mr. JONES: Joint resolution (H. J. Res. 187) to provide an appropriation for loans for crop production and harvesting during 1935; to the Committee on Appropriations

harvesting during 1935; to the Committee on Appropriations. By Mr. HOUSTON: Joint resolution (H. J. Res. 188) proposing an amendment to the Constitution of the United States fixing the term of Members of the House of Representatives at 4 years; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. O'CONNOR: Joint resolution (H. J. Res. 189) relating to the continuance on the pay rolls of certain employees in cases of death or resignation of Members of the House of Representatives, Delegates, and Resident Commissioners; to the Committee on Accounts.

## MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Nebraska, regarding the establishment of the Lewis and Clark National Park; to the Committee on the Public Lands.

Also, memorial of the Legislature of the State of Arizona, regarding the use of public funds for the construction of highways; to the Committee on Appropriations.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

were introduced and severally referred as follows:

By Mr. GILCHRIST: A bill (H. R. 6205) for the relief of
Wiley H. Nanney; to the Committee on Naval Affairs.

Also, a bill (H. R. 6206) for the relief of Alva A. Murphy; to the Committee on Claims.

By Mr. GOLDSBOROUGH: A bill (H. R. 6207) for the relief of Earl Sykes, W. Ward Beaston, the estate of Noble Benson, David L. Seacord, and Edith Carpenter; to the Committee on Claims.

Also, a bill (H. R. 6208) for the relief of Joseph Pethersky, of Port Deposit, Md.; to the Committee on Claims.

Also, a bill (H. R. 6209) for the relief of Brown & Cunningham, of Port Deposit, Md.; to the Committee on Claims.

Also, a bill (H. R. 6210) for the relief of Winfred G. Scott; to the Committee on Claims.

By Mr. GUYER: A bill (H. R. 6211) granting a pension to Estella Garrison; to the Committee on Pensions.

By Mr. KNUTE HILL: A bill (H. R. 6212) for the relief of Alfred Gans and W. C. Kennedy; to the Committee on Claims

By Mr. O'CONNOR: A bill (H. R. 6213) for the relief of Henrietta Jacobs; to the Committee on Claims.

By Mr. SCOTT: A bill (H. R. 6214) for the relief of Royal W. Robertson; to the Committee on Naval Affairs.

Also, a bill (H. R. 6215) granting a pension to Mary A. Nichols; to the Committee on Pensions.

By Mr. SNYDER: A bill (H. R. 6216) granting a pension to Malissa Hoover; to the Committee on Pensions.

Also, a bill (H. R. 6217) granting an increase of pension to Sarah Miller; to the Committee on Invalid Pensions,

By Mr. SUTPHIN: A bill (H. R. 6218) for the relief of Frederick L. Rose; to the Committee on Naval Affairs.

By Mr. SWEENEY: A bill (H. R. 6219) for the relief of Walter Ream Lennox; to the Committee on Military Affairs.

By Mr. TABER: A bill (H. R. 6220) granting an increase of pension to Martha E. H. Fisher; to the Committee on Invalid Pensions.

By Mr. THOMASON: A bill (H. R. 6221) for the relief of the heirs of G. B. Moss; to the Committee on War Claims,

By Mr. WERNER: A bill (H. R. 6222) granting a pension to Elizabeth Pouless; to the Committee on Pensions,

## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2006. By Mr. ANDREW of Massachusetts: Petition of the General Court of Massachusetts, relative to the prevention or punishment of the crime of lynching; to the Committee on the Judiciary.

on the Judiciary.

2007. By Mr. BACHARACH: Resolution adopted by the Northeastern Poultry Producers Council, favoring an excise tax, or some other form of protection, against the importation of eggs and egg products; to the Committee on Ways and Means.

2008. Also, petition of 75 citizens of Bridgeton, N. J., asking for the repeal of the "pink slip" provision of the Revenue Act of 1934; to the Committee on Ways and Means.

2009. By Mr. BOYLAN: Petition from the General John R. Brooke Camp, No. 29, National Indian War Veterans, U. S. A., of New York, respectively asking favorable consideration of House bill 2857; to the Committee on Pensions.

League, New York City, N. Y., proposing legislation designed to change method of assessing Panama Canal tolls; to the Committee on Insular Affairs.

2011. Also, resolution adopted by the Common Council of the City of North Tonawanda, N. Y., memorializing the Congress of the United States to pass, and the President of the United States to approve, the General Pulaski's Memorial Day resolution now pending in Congress; to the Committee on the Judiciary.

2012. By Mr. BUCKLER of Minnesota: Petition of Emel Lind, chairman, and Jalmer Neuvonen, secretary, of the Newton Township Unit of the United Farmers' League of New York Mills, Minn., praying for the passage of the Workers Unemployment Old Age and Social Insurance Act (H. R. 2827), by Mr. Lundeen, which provides for the establishment of unemployment, old-age, and social insurance, and for other purposes; to the Committee on Labor.

2013. Also, petition of Emel Lind, chairman, and Jalmer Neuvonen, secretary, of the Newton Township Unit of the United Farmers' League of New York Mills, Minn., praying for the passage of the farmers' emergency relief bill (H. R. 3471), by Mr. Burdick; to the Committee on Agriculture.

2014. By Mr. BURNHAM: Resolution of the Board of Supervisors of Imperial County, Calif., urging the Congress of the United States to adopt such measures as may be deemed proper to discourage communistic activities designed to undermine the foundation of all forms of existing government; to the Committee on Immigration and Naturalization.

2015. By Mr. CULLEN: Petition of the Common Council of the City of North Tonawanda, N. Y., memorializing Congress to pass, and the President of the United States to approve, if passed, the General Pulaski's Memorial Day resolution now pending in Congress; to the Committee on the Judiciary.

2016. By Mr. CROWTHER: Petition of Group 1459 of the Polish National Alliance of the United States, signed by Joseph Smiarowski, president, S. Ciesinski, secretary, and A. Sanienski, treasurer, recommending the designation of October 11 of each year as General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

2017. By Mr. DIETRICH: Petition of residents of the Fifteenth Pennsylvania Congressional District, opposing the passage of Senate bill 1725 and House bill 5423, the Public Utility Act of 1935; to the Committee on Interstate and Foreign Commerce.

2018. By Mr. DOBBINS: Resolution of the Common Council of the City of Springfield, Ill., memorializing Congress to pass the pending General Pulaski Memorial Day resolution; to the Committee on the Judiciary.

2019. By Mr. ELLENBOGEN: Petition of the Sentinels of the Republic, protesting against publication of income-tax returns; to the Committee on Ways and Means.

2020. By Mr. GREEVER: Memorial of the Legislature of the State of Wyoming, memorializing Congress to pass an act embodying the essential features of the so-called "Frazier-Lemke farmers' refinancing bill" at the earliest possible moment; to the Committee on Agriculture.

2021. By Mr. GUYER: Petition of Group No. 1115 of the Polish National Alliance, Kansas City, Kans., urging enactment of House Joint Resolution 81, to direct the President to proclaim October 11 of each year as General Pulaski's Memorial Day: to the Committee on the Judiciary.

2022. By Mr. HALLECK: Petition of members of Jesse Engle Post, No. 228, American Legion, Francesville, Ind., favoring immediate payment of adjusted-service certificates as provided by the Vinson bill, and other legislation endorsed by the National American Legion; to the Committee on Ways and Means.

2023. By Mr. HANCOCK of New York: Petition of Group No. 2517 of the Polish National Alliance, Syracuse, N. Y., favoring enactment of House Joint Resolution 81, directing

2010. Also, resolution adopted by the Chain Store Traffic | the President to proclaim October 11 of each year as General Casimir Pulaski's Memorial Day; to the Committee on the Judiciary.

2024. By Mr. HILDEBRANDT: Petition of the Battle Mountain Sanitarium, a Veterans' Administration hospital at Hot Springs, S. Dak., protesting to the Veterans' Administration and Members of Congress against the denial of the privilege, thus permitting the veterans and employees to attend the performances with their families, thus promoting the general welfare of the veterans of the institution aforesaid: to the Committee on World War Veterans' Legislation.

2025. By Mr. HOEPPEL: Petition of the Holy Name Society, St. Benedict's Parish, Montebello, Calif.; to the Committee on Foreign Affairs.

2026. Also, petition of the Holy Name Society, Sacred Heart Parish, Covina, Calif.; to the Committee on Foreign Affairs.

2027. By Mr. KEE: Resolution adopted by the Williamson Chamber of Commerce, Williamson, W. Va., relative to legislation concerning aliens; to the Committee on Immigration and Naturalization.

2028. Also, resolution of the Lions Club, of Bluefield. W. Va., requesting the Congress of the United States to enact during its present session such legislation as may be necessary to eliminate the Federal tax on gasoline; to the Committee on Ways and Means.

2029. By Mr. KERR: Petition of the Senate and House of Representatives of the State of North Carolina, memorializing Congress to use granite and natural stone in the construction of public buildings; to the Committee on Public Buildings and Grounds.

2030. By Mr. LAMBERTSON: Resolution of the community Young Women's Christian Association, of Sabetha, Kans., urging passage of House bill 9986; to the Committee on Interstate and Foreign Commerce.

2031. By Mr. LAMNECK: Petition of Charles B. Hart, of 104 Fifteenth Avenue, and other citizens of Columbus, Ohio. urging the continuance of the Nye munitions investigation; to the Committee on Military Affairs.

2032. By Mr. McLAUGHLIN: Petition memorializing the Congress of the United States to establish a national park to be known as the "Lewis and Clark National Park" in Burt, Thurston, and Dakota Counties, Nebr.; to the Committee on the Public Lands.

2033. By Mr. MEAD: Petition of the dry-goods merchants of the city of Buffalo, requesting Congress to enact legislation as proposed in House bill 3971; to the Committee on Interstate and Foreign Commerce.

2034. Also, petition of the Assembly of the State of New York, requesting Congress to enact the necessary laws to extend to the people of Puerto Rico the right to elect their own Governor and other local officers; to the Committee on Insular Affairs.

2035. By Mr. MERRITT of New York: Resolution of the Ivanhoe Democratic Club, of Flushing, N. Y., urging Congress for an extension of the Home Owners' Loan Corporation; to the Committee on Banking and Currency.

2036. By Mr. MILLARD: Petition signed by residents of Westchester County, N. Y., opposing the passage of the holding-company bill; to the Committee on Interstate and Foreign Commerce.

2037. Also, resolution adopted by the members of the Knights of Columbia Post, No. 2407, at Rye, N. C., protesting against certain alleged acts of the National Revolutionary Party in Mexico: to the Committee on Foreign Affairs.

2038. By Mr. MOTT: Petition signed by 16 citizens of Grants Pass, Oreg., protesting against religious conditions now existing in Mexico; to the Committee on Foreign Affairs.

2039. By Mr. O'CONNELL: Resolution passed by the Town Council of Westerly, R. I., recommending as a Public Works Administration project the deepening of the harbor at Watch Hill and Little Narragansett Bay; to the Committee on Appropriations.

2040. Also, resolution memorializing Congress in regard to the so-called "cotton processing tax" passed by the General

2041. By Mr. PFEIFER: Petition of John G. Marshall, Inc., Brooklyn, N. Y., concerning the Black-Connery 30-hourweek bill; to the Committee on Labor.

2042. By Mr. PLUMLEY: Petition of Chester Post, No. 67, American Legion, endorsing and urging the passage of House bill 3896 to provide for the immediate payment to veterans of the face value of their adjusted-service certificates; to the Committee on Ways and Means.

2043. Also, petition of Barre Post, No. 10, American Legion of Vermont, endorsing the Legion's bill (H. R. 3896) asking for cash payment at face value of the adjusted-service certificates; to the Committee on Ways and Means.

2044. Also, petition of the Jay Peak Post, No. 28, American Legion, favoring the immediate cash payment in full of the adjusted-compensation certificates as provided for in House bill 1; to the Committee on Ways and Means.

2045. Also, petition of the women of the American Legion Auxiliary of the Department of Vermont, over 3,000 in number, urging support of the Vinson bill (H. R. 3896); to the Committee on Ways and Means.

2046. Also, petition of 21 legal voters of Montpelier, Vt., favoring passage of the Townsend old-age-pension plan (H. R. 3977); to the Committee on Ways and Means.

2047. By Mr. RICH: Petitions of citizens of Blossburg and Mansfield, Pa., protesting against House bill 5423 and Senate bill 1725; to the Committee on Interstate and Foreign Commerce.

2048. By Mr. ROGERS of Oklahoma: Petition of Annie Farr, of San Antonio, Tex., urging immediate action of Congress on House bill 2856, drafted and introduced by Representative Will Rogers, embracing a system of Federal old-age pensions of \$30 to \$50 per month for citizens of the United States above 55 years of age; to the Committee on Ways and Means.

2049. Also, petition of Fannie Boyd, 508 Idaho Street, and numerous other citizens and residents of Oklahoma City, Okla., urging immediate action of Congress on House bill 2856, by Representative WILL ROGERS, embracing the Pope plan for a Federal system of old-age pensions of \$30 to \$50 per month for citizens of the United States above 55 years of age; to the Committee on Ways and Means.

2050. Also, petition of T. W. Williams, of Alba, and 1,574 others in the State of Texas, urging passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, known as the "Pope plan" for direct Federal old-age pensions of \$30 to \$50 per month, beginning at age 55, independent of State participation; to the Committee on Ways and Means.

2051. Also, petition of Dona Jones, of Abbeville, Miss., and 2,415 others in the State of Mississippi, urging passage of House bill 2856, by Congressman WILL Rogers, of Oklahoma, known as the "Pope plan" for direct Federal old-age pensions of \$30 to \$50 per month, beginning at age 55, independent of State participation; to the Committee on Ways and Means.

2052. Also, petition of Warren Crawford, of Huntsville, Ala., and 2.086 others in the State of Alabama, urging passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, known as the "Pope plan" for direct Federal old-age pensions of \$30 to \$50 per month, beginning at age 55, independent of State participation; to the Committee on Ways and Means.

2053. Also, petition of Anna Hoyt, of Adona, Ark., and 1,644 others in the State of Arkansas, urging passage of House bill 2856, by Congressman WILL Rogers, of Oklahoma, known as the "Pope plan" for direct Federal old-age pension of \$30 to \$50 per month, beginning at age 55, independent of State participation; to the Committee on Ways and Means.

2054. Also, petition of J. D. Manchester, of Glynn, and 1,600 others in the State of Louisiana, urging passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma,

Assembly of the State of Rhode Island; to the Committee on | known as the "Pope plan" for direct Federal old-age pensions of \$30 to \$50 per month, beginning at age 55, independent of State participation; to the Committee on Ways

> 2055. Also, petition of Mrs. K. A. Bruce, of Wildersville, and 1,470 others in the State of Tennessee, urging passage of House bill 2856, by Congressman WILL Rogers, of Oklahoma, known as the "Pope plan", for direct Federal old-age pensions of \$30 to \$50 per month, beginning at age 55, independent of State participation; to the Committee on Ways and Means.

2056. Also, petition of John Ruley, of Adairville, and 565 others in the State of Kentucky, urging passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, known as the "Pope plan" for direct Federal old-age pensions of \$30 to \$50 per month beginning at age 55, independent of State participation; to the Committee on Ways and Means.

2057. Also, petition of Mrs. J. R. Puckett, of Batesburg, and 143 others in the State of South Carolina, urging passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, known as the "Pope plan" for direct Federal old-age pensions of \$30 to \$50 per month beginning at age 55, independent of State participation; to the Committee on Ways

2058. Also, petition of John F. Sims, of Agency, and 432 others in the State of Missouri, urging passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, known as the "Pope plan" for direct Federal old-age pensions of \$30 to \$50 per month beginning at age 55, independent of State participation; to the Committee on Ways and Means.

2059. Also, petition of Martha Allen, of Arden, and 251 others in the State of North Carolina, urging passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, known as the "Pope plan" for direct Federal old-age pensions of \$30 to \$50 per month, beginning at age of 55, independent of State participation; to the Committee on Ways and Means.

2060. Also, petition of Y. Naranjo, of Amalia, and 130 others in the State of New Mexico, urging passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, known as the "Pope plan" for direct Federal old-age pensions of \$30 to \$50 per month, beginning at age of 55, independent of State participation; to the Committee on Ways and Means.

2061. Also, petition of E. A. Morris, of Alachua, and 242 others in the State of Florida, urging passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, known as the "Pope plan" for direct Federal old-age pensions of \$30 to \$50 per month, beginning at age of 55, independent of State participation; to the Committee on Ways and Means.

2062. Also, petition of D. C. Blanton, of Achille, and 150 others in the State of Oklahoma, urging passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, known as the "Pope plan" for direct Federal old-age pensions of \$30 to \$50 per month, beginning at age 55, independent of State participation; to the Committee on Ways and Means.

2063. Also, petition of Rafael Romero, of Allsion, and 35 others in the State of Colorado, urging passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, known as the "Pope plan" for direct Federal old-age pensions of \$30 to \$50 per month, beginning at age 55, independent of State participation; to the Committee on Ways and Means.

2064. Also, petition of Maude Malone, of Arkansas City, and 52 others in the State of Kansas, urging passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, known as the "Pope plan" for direct Federal old-age pensions of \$30 to \$50 per month, beginning at age 55, independent of State participation; to the Committee on Ways and Means.

2065. Also, petition of Susan Breckenridge, of Columbus, and 43 others in the State of Indiana, urging passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, known as the Pope plan for direct Federal old-age pension of \$30 to \$50 per month, beginning at age 55, independent of State participation; to the Committee on Ways and Means.

2066. Also, petition of L. Kelly, of Des Moines, and 18 others in the State of Iowa, urging passage of House bill 2356, by Congressman Will Rogers, of Oklahoma, known as the Pope plan for direct Federal old-age pensions of \$30 to \$50 per month, beginning at age 55, independent of State participation; to the Committee on Ways and Means.

2067. Also, petition of W. B. Salmon, of Athens, and 132 others in the State of Georgia, urging passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, known as the "Pope plan" for direct Federal old-age pensions of \$30 to \$50 per month, beginning at age 55, independent of State participation; to the Committee on Ways and Means.

2068. Also, petition of Robert H. Donahue, of Albion, and 698 others in the State of Illinois, urging passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, known as the "Pope plan" for direct Federal old-age pensions of \$30 to \$50 per month, beginning at age 55, independent of State participation: to the Committee on Ways and Means.

2069. By Mr. RYAN: Resolution of Group No. 1033 of the Polish National Alliance of the United States, South St. Paul, Minn., memorializing Congress to designate October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

2070. By Mr. SADOWSKI: Petition of the Automobile Club of Michigan, protesting against the continuance of the Federal gasoline tax; to the Committee on Ways and Means.

2071. By Mr. SANDERS of Texas: Petition of the citizens of the Third Congressional District in the State of Texas, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference: to the Committee on Ways and Means.

2072. By Mr. SCOTT: Petition of R. J. Freeman and nine others, of Artesia, Calif., favoring the Townsend old-age revolving pension plan; to the Committee on Ways and Means.

2073. Also, petition of William P. Dasher and 8 others, of Artesia; Harold Mitler and 8 others, of Long Beach; Carl Hartsell and 8 others, of Compton; Joseph A. Swift and 72 others, of Long Beach; Bertha Haywood and 19 others, of Redondo; and Sam Smith and 277 others, of Long Beach, all of the State of California, favoring the Townsend old-age revolving pension plan; to the Committee on Ways and Means.

2074. By Mr. TARVER: Petition of citizens of Marietta, in the State of Georgia, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2075. Also, petition of citizens of Trenton, in the State of Georgia, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2076. Also, petition of citizens of Gordon, in the State of Georgia, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2077. Also, petition of Roland Black and 12 other citizens of Walker County, Ga., favoring old-age pensions; to the Committee on Ways and Means.

2078. By the SPEAKER: Petition of the Chicago Photo Engravers Union, supporting the McCarran ammendment to House Joint Resolution 117; to the Committee on Appropriations.

2079. Also, petition of the Crawford County Farm Bureau, Denison, Iowa; to the Committee on Agriculture.

## HOUSE OF REPRESENTATIVES

WEDNESDAY, FEBRUARY 27, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in Heaven, we thank Thee for the sacred privilege of tarrying at the seat of prayer. Here may we be blest with that spiritual discernment and faith by which we shall realize the sympathy and the soul-inspiring influences of God; we would patiently wait for the divine disclosure. Overrule our weak tendencies, our pride, and our selfishness which strive against the commonwealth of the soul. Forbid that we should permit anything to cloud and dull the visions of the spirit. Endue us with fortitude so we shall not allow any moral feebleness to mar or lower the standards of our conduct. We are thankful for the enjoyment of the lovely things of life; but inspire us with the ministry and the abiding issues of consecrated service. At this altar we are deeply saved because we have truly served. In the name of our Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

#### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 330. An act for the relief of Sophie de Sota; and H. R. 3373. An act for the relief of Anna S. Carrigan.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 51. An act for the relief of Frank Kroegel, alias Francis Kroegel:

S. 244. An act for the relief of Thomas Salleng;

S. 285. An act to reimburse the estate of Mary Agnes Roden;

S. 313. An act to confer jurisdiction on the Court of Claims to hear and determine the claim of A. C. Messler Co.;

S. 447. An act conferring jurisdiction on the United States District Court for the District of Oregon to hear, determine, and render judgment upon the suit in equity of Rakha Singh Gherwal against the United States;

S. 457. An act for the relief of John W. Beck;

S. 475. An act for the relief of Mrs. George F. Freeman; S. 481. An act authorizing the filling of vacancies in certain judgeships;

S. 557. An act for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department;

S. 558. An act for the relief of certain disbursing officers of the Army of the United States and for the settlement of an individual claim approved by the War Department;

S. 559. An act to authorize settlement, allowance, and payment of certain claims;

S. 652. An act for the relief of Harold S. Shepardson;

S. 788. An act for the relief of the International Mercantile Marine Co.;

S. 790. An act for the relief of the Compagnie Generale Transatlantique;

S. 905. An act for the relief of Edith N. Lindquist;

S. 941. An act for the relief of William J. Cocke;

S. 978. An act authorizing the Secretary of War to convey to the University of Oregon certain lands forming a part of the Coos Head River and Harbor Reservation;

S. 1008. An act for the relief of the Fairmont Creamery, of Omaha, Nebr.;

S. 1012. An act for the relief of Ed Symes and wife, Elizabeth Symes, and certain other citizens of the State of Texas;

S. 1082. An act for the reinstatement of John Carmichael Williams in the United States Navy; S. 1136. An act to carry into effect the finding of the Court

S. 1136. An act to carry into effect the finding of the Court of Claims in the claim of Elizabeth B. Eddy;

S. 1391. An act for the relief of William Lyons;

S. 1474. An act for the relief of Paul H. Creswell:

S. 1621. An act for the relief of Mrs. Charles L. Reed;

S. 1809. An act for the relief of Germaine M. Finley;

S. 1896. An act to provide for interest payments on American embassy drafts; and

S. J. Res. 9. Joint resolution authorizing the Federal Trade Commission to make an investigation with respect to agricultural income and the financial and economic condition of agricultural producers generally.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the fol-

S. 402. An act to amend section 824 of the Code of Laws for the District of Columbia.

The SPEAKER laid before the House the following communication, which was read by the Clerk:

MOBILE, ALA., February 20, 1935.

Hon. Joseph W. Byrns,
Speaker of the House of Representatives,

Washington, D. C.

My Dear Mr. Speaker: I hereby tender my resignation as a
Member of the Seventy-fourth Congress, to become effective March
2, 1935.

With assurance of my best wishes, I am, Yours very sincerely,

JOHN McDUFFIE.

#### THE LAWYER AND JUSTICE

Mr. DUNN of Mississippi. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by inserting an article from the Jackson (Miss.) Daily News of December 30, 1934, by George B. Etheridge, one of the oldest associate justices of the supreme court, on the Lawyer and Justice.

I assure my colleagues that it has no political significance whatever.

The SPEAKER. Is there objection?

Mr. RICH. Reserving the right to object, and I will not object, I want to say that the Members of the House have been very good in trying to keep newspaper articles from the RECORD. I just received a notice by the Chairman of the Joint Committee on Printing [Mr. FLETCHER] that they will be compelled to ask for an additional hundred thousand dollars for the Committee on Printing if we continue to place these things in the RECORD and increasing its size. hope the Membership will try their best to keep these matters out of the RECORD.

Mr. BOYLAN. Will the gentleman yield? Has he called attention to the fact that the Senate is the worst violator of the rule?

Let me say to the gentleman that Senator FLETCHER and Senator Robinson are trying their best to hold them down, and I hope they will do so. Within the last few weeks it has not been so bad, although they are getting in too much now.

Mr. BOYLAN. The Members of the Senate are the offenders, not the House.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. DUNN of Mississippi. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include an article from the Jackson (Miss.) Daily News of December 30, 1934, by George H. Ethridge, one of the oldest associate justices of the Supreme Court of Mississippi, on the Lawyer and Justice, as follows:

[From the Jackson (Miss.) Daily News, Dec. 30, 1934] THE LAWYER AND JUSTICE

By George H. Ethridge, associate justice supreme court

The lawyer, when he is fully fitted for his duties as such, and when he uses his talents for the higher good of society, is one of which he uses his talents for the higher good of society, is one of the most important figures in civic life. He is a connecting link between the present and the past and should be the safest and most important guide for the future. The law as a science has come down to us from the remote past, changing with the habits and customs of the people, but, at all times, furnishing a guide for the best methods of regulating human affairs, as it has been in the efforts of its administrators made the most enlightened efforts to conform to actual justice and the rules for ascertaining what is justice and how the truth may most effectually be dis-

covered and applied, to the affairs of men, advanced from crude ideas to a refined sense of practical justice. The lawyer who has mastered his profession and learned all the rules for the ascertainment of practical justice and studied their history—their successes and failures and the reasons for them—sees more clearly than others where ideality and practicality may be best blended to secure the most satisfactory justice that can be attained in human affairs. The lawyer is not naturally better or wiser than others in different avocations, but his studies and his practice in the courts give him a peculiar advantage in making and administering law.

No man can aptly make or enforce laws without having the learning that has come down to us from the past. This learning must with each generation be studied, modified, and applied to the practical affairs of everyday life. As people do not live now under exactly the same conditions that existed many years ago, running into the hundreds and perhaps thousands of years, it would be unjust to have them tied firmly and irrevocably to the rules that then existed. But the fundamental principles of justice do not vary much with the passing of the years. It is these principles that must be studied anew with each age and each generation, and modified where they operate unjustly in the practical affairs of men. Law is not an exact science. It is the best effort of man to reach perfection in dealing with each other. Men of one age may have erroneous ideas of what are the soundest principles of human conduct. If they by their pronouncements err in these principles, how far should society be bound by their judgments? That is a question that they are not to decide for all future generations, but is a question for each generation to decide for itself, in its own age, acting through its own tribunals. Rules which have served justice well should not be discarded without very grave reasons for so doing. The lawyer, by his daily study and reflection, can be of great service to his generation by applying his knowledge and experience to the problems as they arise, where change appears to be necessary. He should be able to bring to that task a mind well stored with the learning peculiar to the law and a refined sense of responsibility for the smooth course of justice. He should be aware of the dangers of needless changes and the dangers of perpetuating harm lying in erroneous decisions of statutes.

The law is composed of two great sources of authority and reason. One is thought of the problem and done. learning that has come down to us from the past. This learning must with each generation be studied, modified, and applied to

erroneous decisions of statutes.

The law is composed of two great sources of authority and reason. One is the custom by which people have lived and done business for long periods of time, acting upon the common-sense justice of the great multitude. Their judgment must be given due weight in deciding every legal question that has not been recently considered and reviewed by the lawyer, both at the bar and on the bench. The lawyer on the bench needs the counsel and judgment of the lawyer at the bar, and the lawyer at the bar may be very helpful to the lawyer on the bench in deciding just what the law is, and if it has developed into injustice due to new conditions, just what changes may or should be made, and just who should make the necessary changes.

If the custom has existed for a long time "whereof the memory

should make the necessary changes.

If the custom has existed for a long time "whereof the memory of living men runneth not to the contrary", then it is the law just as much as if it had been formally enacted by the legislature. A custom once established may change by a counter custom, and when it has existed for a like period it supplants the former custom or law. The judges of the courts must decide this question for the common knowledge of men who live in their age. The judge has no power to enact a law, and hence when he finds that the custom has existed for the prescribed time, he cannot change the law although he may believe it wrong in principle. It must be referred to the law-making department, known in most States as the legislature, and in the National Government as the Congress. The legislative body may make any change it considers necessary, whether it has been long-used custom or a previous statutory enactment. The courts must follow the law-making powers' decision and give effect to it unless it is repugnant to the State or Federal Constitutions. Whether it is too repugnant is a judicial question to be decided by the judge when some person or corporation affected by the statute affected brings a suit to have it declared void and set aside as having no legal force.

The Constitution is a paramount law, and no legislature has any

The Constitution is a paramount law, and no legislature has any power to set it aside, but they must, when necessary to enforce the Constitution, set aside an enactment of the legislative department. Constitution, set aside an enactment of the legislative department. The courts are not more powerful than the legislature, but the Constitution is. Someone must be the judge of whether a statute of the legislature infringes or violates a provision of the Constitution, but the courts can only act when a real lawsuit arises and the question is necessary to the disposition of the lawsuit. The lawyer here is a valued adviser of the court. There are usually one or more lawyers on each side giving the reasons for their positions and bringing into view any other court decision which has decided the question in other States having like constitutions and the reasons which influence his judgment. When each side has been fully heard and when the judges read the decisions and books upon the question, then they must render a decision. It is here where the lawyer may render his highest service to society. He is valuable question, then they must render a decision. It is here where the lawyer may render his highest service to society. He is valuable according to his ability, learning, and labor in the matter. In legislative bodies, when statutory changes are under consideration, the lawyers in that body should give fully of their time and counsel to the lawmakers. There are usually, if not always, competent lawyers who are members of that body to render such service. In order to determine such questions they should consider the old law and changes that are proposed in that law and the mischief that has resulted from the old law, and just what remedy is proposed and whether it is suitable or faulty. Often no change is really

needed at all, but some member of the body, or other citizen, acting through the right of petition, may think there is need for a change. In such case the learning and experience of the lawyer are of great value. If he has made a study of the statute and the are of great value. If he has made a study of the statute and the court decisions construing it, he will often be able to greatly affect the minds of his colleagues in the legislature or the committee before them when he appears if he is not a member of the legislature. The lawyer and the lawmaker should have profound knowledge of the history and economics of the country and of as many other countries as it may be reasonable to expect of them.

#### THE LAWYER'S EDUCATION

These things being true, it is generally realized that a lawyer should have as full knowledge as he may acquire consistent with making his living and accumulating something during the years of vigorous life. He should have some knowledge before entering upon his professional career, and there is much diversity of opinion as to just what kind of education he should have as a condition when the professional career, and there is much diversity of opinion as to just what kind of education he should have as a condition. ion as to just what kind of education he should have as a condi-tion upon entering upon so important a field of activity. The law arises out of life and applies to the life that people live. It should not be expected that a great technical knowledge should be had before trying out the profession in practice. No newly made lawyer is going to be called upon to act in the most impor-tant affairs of life until he has proved his capacity to deal with the matter.

Usually there is a tolerably long period between the date of admission and the date of being called upon to act in the more important affairs of life. During this time the newly made lawyer should diligently apply his mind to the study of the law and its reasons and history. During this period of "watchful waiting" he will have much time for such study. When he gets a small case, or one involving a small amount, he will have something very practical to apply his mind to. It is a concrete proposition governed by legal principles. Just what principles should be applied he must learn and decide. It is the very best kind of education. The preliminary education need not be of the highest kind. It is not necessary that he should be a master of any kind of degree. His education need not at that period be beyond, or greatly beyond, that of the community he lives in and whose laws are presumably made for their needs and guidance. The main question is, Has he the necessary knowledge to understand the rules that govern that community and what the ideas and ideals of its people are? of its people are?

Justice for one class of people would not in every case be justice for another and different people. Their lawsuits arise out of their dealings and their understandings. They are not usually highly trained in the higher branches of learning, neither does a knowledge of those higher branches help much in solving their problems. and working out practical justice. The disposition of the average mind is to require too high a standard at the beginning and too little to be acquired in after life. The lawyer who does not follow up his studies after being admitted to the bar will not achieve much eminence no matter what his education was before he was admitted. His success will depend upon what he learns in the profession much more than it will upon what he had when he

But whatever standards may be required, they should depend upon what he actually knows and not where it was obtained. Much of the so-called "college education", and especially in standard colleges, consists of mere cultural education or polish, having but little to do with the practical things of life. For instance, much little to do with the practical things of life. For instance, much stress has been placed all along the line of learning in the different languages, both dead and living, as a requirement of a college education, and it has now drifted into the high schools. Ordinarily, the man or woman is going to spend the whole life in an English-speaking country and will have but little use for these other languages. Usually, when they have been out of college for a few years, they are wholly lost when it comes to speaking or reading these languages. They serve no useful purpose in the professional life, or, at least, the use is so small compared to the requirements of other knowledge as to make its value insignificant so far as practical efficiency is concerned. as practical efficiency is concerned.

## TWELVE YEARS IN SCHOOL

The movement of standardization goes merrily on, and now it is required that a child, before he can be admitted to a standard college, must have spent 12 years of at least 8 months (usually 9) in the grammar and high-school courses. If he passes each grade every year, it will require 12 years; and if the child enters at 5 years, he will be 17 years of age before he is eligible for the college course. If he has the ability to finance a college course, he will be 21 before he can get out of the literary school. If he is still well fixed financially, he will then enter the professional school, and at the end of 4 years will take up the business and responsibility of professional life. But suppose the child is not thus fortunately situated, but must earn the money wherewith to acquire these higher branches, how will he then fare? He will, we will say, finish the grammar grades by the time he is 21 years old (and where a child has to do a part of the family work, and earn a part of the family income, it will be fortunate if it can at this age begin the acquirement of the high school and college and professional education). If he is fortunate enough to earn enough to save in 1 year the expense of a year in school, he will begin with the high-school branches. By working 1 year and going to school another, he will acquire a high-school education at 28 years of age. It will then be necessary to begin on the college course, and he will be fortunate if he can make enough in 1 year to go to school 1 year. It will then take 8 more years of combined The movement of standardization goes merrily on, and now it

work and study to get out of college. He will then be 36 years of age; and if he wants to enter one of these professions he will again be fortunate if he can make enough in 1 year to pay school expenses 1 year, and as it will require 4 years of professional education to meet these standards, he will be 44 years old when he

penses I year, and as it will require 4 years of professional education to meet these standards, he will be 44 years old when he begins professional work.

The investment of both time and money is, therefore, too heavy to expect that such a person will undertake the arduous task. He will necessarily abandon all ambition along that line and will become, to a certain extent, rebellious against a government that denies him the opportunity of entering these learned and "genteel" professions and occupations. Let us then see about the child that is able to finish the high school during its minority, but has no means of procuring an education in an accredited institution until by its labor it has earned and saved the necessary amount. It will then take on the same basis 8 years to get the college education, but then it has the ambition to enter a profession and this, if the standards are so raised, will require 8 more years, which will enable the child (?) to enter the profession at the age of 36 years. Will such people strive to enter the professions and "genteel occupations" at such a cost of time and money? If not, the country must give up its ideals and lose some of the best talent that has heretofore adorned these occupations. There will be no more Benjamin Franklins, Patrick Henrys, John Marshalls, Andrew Jacksons, Henry Clays, Abraham Lincolns, Andrew Johnsons, or James A. Garfields, each of whom rendered the most distinguished service.

#### EMINENT SELF-MADE LAWYERS

Patrick Henry, the great agitator, who inspired the love of liberty and fomented resistance to English tyranny and sponsored the great Revolutionary War that gave us our liberties and made us great Revolutionary War that gave us our liberties and made us the greatest nation of liberty in the world, a country in which the rights and liberties of the whole people, plebian and patrician, noble and common, lay and clergy, are equally secured, and each may follow the destination that brain and ambition carve out for him in the great activities of life—Patrick Henry, more than any other one man, brought this about; and yet he had no diploma in "an accredited college." Then there was John Marshall, the greatest judge that ever sat in a seat of human justice, and whose wisdom and foresight is the wonder of the world. By common wisdom and foresight is the wonder of the world. By common consent he tops the world as a lawyer and judge, and yet he had no diploma in an accredited college. Then there is "Old Hickory"—soldier, statesman, and patriot combined—who whipped the British at New Orleans, and "King" Biddle and the bank at Wash-British at New Orleans, and "King" Biddle and the bank at Washington, and who today shares equal honors with the great apostle of liberty, Thomas Jefferson, as a patron saint of democracy. He had but little learning in the books, but he had a profound common sense and a great practical wisdom and was the peer of any man of his time, not even excluding Henry Clay, who was himself an unlearned man so far as having had a course of study in an accredited college. Neither of these men—giants though they were in intellect and influence—had a degree in any college of any kind. Then there was honest Abe Lincoln, whose name and memory are enshrined in the hearts of the Nation and of the world, who takes a seat in the summit of fame with Washington himself. who takes a seat in the summit of fame with Washington himself. And yet he was uneducated so far as accredited colleges were concerned.

There are thousands of others of somewhat less eminence, but who have adorned all callings and professions and won their mark in the various walks of life in which they cast their shadows, oft towering above the graduate of the accredited college of their day and generation.

This country has grown and prospered wonderfully under the theory of equality of right and opportunity for all the people, regardless of rank, wealth, or ancestry. We have more useful inventions than any other country, although our civilization was considered, at the time of the Revolution, as inferior to that of the greater nations of Europe. In all walks of life the child of poverty has struggled up to the great heights of success and fame in competition with the children of families who boasted of ancestry and college diplomes for several generations. It is a clorious recpetition with the children of families who boasted of ancestry and college diplomas for several generations. It is a glorious record, and the only one where opportunity was open to the unfortunate and poor. Shall we cast such glory into the discard and the rubbish heap and close the doors of opportunity in the face of the unfortunate and the poor? I hope not; yet we are doing this very thing, and by so doing we are sowing the dragon's teeth of hate that will, in the future, surely grow a harvest of blood.

## REQUIREMENTS OF LAWYER

At the present time in this State our laws prescribe a high-school education, or its equivalent, to practice law in the courts of the State, in addition to requiring an examination in 12 subjects of the law. All of the associated schools have in mind reising this requirement to a full 4-year college course before taking the law course, and a full 4-year law course on top of that. Does the young lawyer need a college education to make a success in the study and practice of the law? I think not.

I have observed many successful lawyers who did not have even the equivalent of the present day high-school course. Many others had no more. Many of them never went to a law school and then won over competitors who had all the advantages that accredited colleges can give. I do not mean to depreciate the value of college education to a lawyer. It certainly is an advantage. But it is not a sine qua non. A young man who has the equivalent of a high-school education knows enough to master the law if he is studious and has the wisdom known as "common sense." There are law lexicons and English lexicons wherein he

may master the meaning of words, and with these mastered, he may understand the most tedious and technical law book printed in English, and in this day and country, all that are worth reading are printed in the English language. It has become the habit of legal writers and law-book publishers to put their books in good, plain English, avoiding much of what, in the former years, were latinized words, phrases, and maxims. The law is not so difficult to learn when one tries earnestly. The chief difficulty is the vast amount of things and conditions which the law deals with, the multitudinous volumes of cases and precedents with which he must deal. It is the variety and vastness of the application of the law to facts and conditions. This requires diligence rather than occult learning to the master. The law is a science, but not a perfect one, and it is not the greater difficulty to understand its nomenclature, but rather the untiring application of common sense to concrete facts and conditions. There is no just reason for shutting the doors of this field in the face of the ambitious young man who is willing to spend his evening hours around the lamp rather than chasing the fleeting hours of evening with flying feet to the caprictous pleasing of a flute, violin, or an orchestra.

The bar (or the practice of law) has long been regarded as a highway to emispance and he who understands the things.

or an orchestra.

The bar (or the practice of law) has long been regarded as a highway to eminence, and he who understands the things that the successful practicing lawyer must learn over a period of years will better understand how to deal with them. No man or woman can be a real statesman without protracted study of the laws and conditions of this country. Every business man may, at times, need the services of a lawyer, not always a profound one or a high-priced one, but a lawyer, nevertheless. The small-town lawyer is still a necessity, and will likely always be, to the welfare and prosperity of the country.

#### CORRECTING OCCUPATIONAL ERRORS

A reason of great influence that should not be ignored in considering what standards of education are to be required to enter any profession is the possibility of error in selecting that line of work for a life task. Often the youth and the student do not know just what line of work they will like nor what they may succeed in. Often one enters business life under a wrong impression of the business they have selected, and with wrong ideas about their capacity for that line of work. It is highly important that these mistakes be corrected and suitable avocation found before committing all the energies and resources of life into it. If every young person had a matured and experienced mind and knew the details of every line of business, then it might be that we could reasonably require the person to be well-trained for that particular task before undertaking it, especially where it has a quasipublic interest. That is to say, if it be one that necessarily affects the public in a material way.

We must remember that young men and young ladies who have

We must remember that young men and young ladies who have no experience in any line of business, and who know next to nothing of its requirements, of its emoluments, and consequently are not qualified to judge of what it is nor of their capacity to taste for it—we should keep it possible for such to correct their errors in making a selection for a business. A parent is often but little better qualified than his son or daughter where they desire to enter a business that the parent has not followed—and they generally do want to get into a different line. It is true that a majority actually follow the occupation of their parents if they have the means to do so. But that sometimes is a matter of practical necessity for the lack of knowledge and financial ability to go into something else. The jobs which we do not have generally look more desirable than the one we do have. No person can be happy in life if he is engaged in a business or calling that is not agreeable to him. He cannot be successful in any eminent degree. He should have the right without undue sacrifice of making a change. If the time and money spent is very great in qualifying for it, he feels that he must stick to it regardless of his capacity to be happy or fill it with credit. This ought not to be so.

## ADDITIONAL CLERK HIRE

Mr. WARREN. Mr. Speaker, I rise to submit a unanimous-consent request. Mr. Speaker, I am today reporting from the Committee on Accounts H. R. 6028, to provide for additional clerk hire in the House of Representatives, and for other purposes.

This will come to the House from this Committee on Accounts without any recommendation whatever. It is my purpose when it is discussed to present my views in opposition to this measure. It is not a privileged bill. I am therefore asking unanimous consent that this bill may be treated as a privileged bill coming from the Committee on Accounts.

Mr. TABER. Reserving the right to object, I understand that will permit the gentleman to have absolute control of the time, and he can use an hour. I want to ask the gentleman if, in addition to his own statement, he is going to permit those opposed to the measure to have at least half the time?

Mr. WARREN. I happen to be one of those opposed to the measure, and, of course, I shall divide the time equally.

Mr. TABER. I should like to know also if the gentleman would agree that the resolution shall not be called up until after the Interior Department bill is disposed of?

Mr. WARREN. It could not be called up today if consent was given. It was my purpose, if it is satisfactory to the Speaker, to call it up next Monday morning immediately after the reading of the Journal.

Mr. TABER. I think we ought to know when it is to be called up. I would not object to the consideration of the resolution under the circumstances and the statement of the chairman of the committee.

Mr. SNELL. Will the gentleman yield?

Mr. WARREN. I yield.

Mr. SNELL. Is not this a rather unusual procedure, for the Committee on Accounts to offer to the House a resolution that it does not endorse? Has that thing been done in late years?

Mr. WARREN. Of course, it is unusual. I understand it has been done in the past, but just now I do not recall the case.

Mr. SNELL. I do not remember such an occasion, but it might have happened.

Mr. WARREN. I know the propriety about keeping the committee proceedings inviolate, and I hope I am not transgressing on that when I say that this whole subject has been very carefully considered by the committee in the different phases of it. The committee on one occasion voted unanimously against a session clerk. It is my opinion—and I hope I am not transgressing the rules to say it—that this would have been unfavorably acted upon yesterday except for the feeling that we think that as this peculiarly affects the privileges of the Members of the House, we were willing to have them vote upon it.

Mr. SNELL. As I am not a member of the committee, I cannot transgress any rules along that line, but it is currently reported that this comes from the Committee on Accounts because the Democratic steering committee insisted on having it brought out. I do not ask the gentleman to reply to that statement. It is currently so reported.

Mr. WARREN. The gentleman is at liberty to ask that, and also to get a reply. It is quite true that a committee from the Democratic steering committee asked that this be reported out. Of course, I have great respect for the Democratic steering committee, but it certainly did not actuate me in any way, nor does it keep me from vigorously opposing this, if it comes up for a vote.

Mr. SNELL. I understood the gentleman to say that the committee on one occasion voted unanimously against it.

Mr. WARREN. Oh, the gentleman misunderstood me. I stated that the committee voted unanimously against a session clerk—another resolution. On that the committee was unanimous. They were not unanimous on this.

Mr. SNELL. Then I misunderstood the gentleman. Why is it necessary to make it a privileged matter, if the gentleman just needs unanimous consent to consider it.

Mr. WARREN. Oh, I think the committee ought to have control of the debate, if it comes up.

Mr. SNELL. I suggest that it is not necessary to make it a privileged resolution but simply to ask unanimous consent to consider it in the House on next Monday.

Mr. WARREN. That gives the committee the right to demand the previous question after an hour.

Mr. SNELL. Oh, I don't think I have any objection to that, if that is all the gentleman has in mind.

Mr. MAPES. Mr. Speaker, will the gentleman yield?

Mr. WARREN. Yes.

Mr. MAPES. As I understand the request of the gentleman, it is to give the resolution a privileged status so that it can be called up and considered in the Committee of the Whole as other privileged bills, but the gentleman is asking that the resolution be considered as a privileged resolution, which will give him the right to call it up as he sees fit, the same as if it were a privileged resolution reported by his committee. Is that correct?

Mr. WARREN. That it be treated as any other privileged resolution coming from the Committee on Accounts.

Mr. MAPES. That will limit the discussion of it to 1 hour. and give the control of the debate to the gentleman from North Carolina.

Mr. WARREN. That is correct.

Mr. MAPES. And no amendments would be in order?

Mr. WARREN. I would not say that.

Mr. MAPES. They would not be unless the gentleman yielded for that purpose.

Mr. WARREN. That is correct. I would not say 3 days ahead of its consideration, without any amendment being submitted to me, that I would not permit an amendment.

Mr. MAPES. Inasmuch as the gentleman is opposed to the resolution. I shall not object to his request.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. WARREN. Yes.

Mr. RICH. Do I understand that the committee is opposed to the resolution?

Mr. WARREN. I did not say that.

Mr. RICH. Is a majority of the committee opposed to the resolution?

Mr. WARREN. That is my opinion.

Mr. RICH. If the majority of the committee is opposed to the resolution, then it is brought up because of the fact that they want the Membership of the House to determine whether they want to add another clerk to the pay roll during the session of Congress.

Mr. WARREN. That is correct.

Mr. RICH. It seems to me if the Members of Congress and their clerks would spend a little more time in their offices, probably we could eliminate that expense.

Mr. WARREN. Of course, the gentleman can state his views when the resolution comes up for consideration.

Mr. RICH. Then we will come here to debate on this, and the Membership of the House will probably, if they see fit, carry it into effect, and add just so much additional burden to the taxpayers of this country.

Mr. WARREN. It is to cost \$440,000 a year.

Mr. RICH. Mr. Speaker, I object.

Mr. WARREN. Mr. Speaker, will the gentleman reserve his objection?

Mr. RICH. I reserve the objection.

Mr. WARREN. I ask the gentleman most earnestly not to object. I have stated to the gentleman that I am very much opposed to this and will so express myself at the proper time; but I think it ought to be considered and the Members of the House ought to have the right to vote on it, and I hope, furthermore, that we may have a roll-call vote upon the matter.

Mr. MAPES. Will the gentleman yield? Mr. RICH. Will the gentleman do everything in his power to see that we get a roll call?

Mr. WARREN. Of course.

Mr. RICH. Then I withdraw my objection.

The SPEAKER. Does the gentleman yield to the gentleman from Michigan?

Mr. WARREN. Yes.

Mr. MAPES. The question I had in mind to submit to the gentleman from North Carolina has already been answered, and that is, if the consent be given, would he assist in helping to get a record vote on the resolution?

Mr. WARREN. I certainly shall ask for one.
The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. WARREN] that H. R. 6028 be given a privileged status, to be considered as other reports from the Committee on Accounts in the House?

There was no objection.

## CONTINUATION IN OFFICE OF CERTAIN EMPLOYEES

Mr. WARREN. Mr. Speaker, I wish to submit another unanimous-consent request.

House Joint Resolution 189, introduced by the gentleman from New York, Mr. O'CONNOR, relates to the continuance on the pay roll of certain employees in cases of death or resignation of Members of the House of Representatives, Delegates, and Resident Commissioners. It is a unanimous report from the Committee on Accounts. It is not a privileged resolution.

I therefore ask unanimous consent that this resolution be made a privileged resolution coming from the Committee on Accounts.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. RICH. Reserving the right to object, as I understand, House Joint Resolution 189 calls for continuation on the pay roll for 6 months of secretaries of Members who die?

Mr. WARREN. Not to exceed 6 months.

Mr. RICH. Why should we keep on the pay roll secretaries of Members who die?

Mr. O'CONNOR. Will the gentleman yield to me?

Mr. WARREN. Certainly.

Mr. O'CONNOR. I introduced this resolution. The matter was called to my attention upon the death of one of our Members recently, the distinguished and beloved Member from New York, Mr. Griffin. Under the law the secretary is only continued for 30 days. In addition to that, immediately upon the death of a Member all franking privileges are cut off. Unless a Member is reelected from that district within a few months that district has no representation or clearing place for its interests. After 30 days the secretary is off the pay roll and must move out of the office. This resolution is not original with me. It has been suggested for years.

It is my idea, however, that the district should be represented here for sometime at least, not to exceed 6 months. If a new Member is elected in the meantime, as will probably happen in the New York district, then the secretary is only continued for 2 or 3 months, or until the new Member is

Mr. RICH. That provision is in the bill, is it?

Mr. O'CONNOR. That is in the bill. The extension of service is not to exceed 6 months, or until a new Member is elected.

Mr. SNELL. Would this secretary have the franking privilege and all other privileges that go to a Member?

Mr. O'CONNOR. This resolution does not take care of the franking privilege. That is another matter that I submit might be taken care of. For instance, when a Member dies the secretary on that date cannot even send a telegram. I have permitted them sometimes to use my frank, although it may be a violation of the strict rules of the House. The franking privilege, to some extent, might well be another matter to be continued for some time after the death of a

Mr. SNELL. Is an office furnished and various other perquisites that go to all Members?

Mr. O'CONNOR. Some office must, of course, be furnished, but the secretary, under this resolution, comes under the direction of the Clerk of the House, who can dismiss the secretary if the Clerk thinks he or she is inefficient or not working in accordance with the regular duties of a secretary to a Member.

Mr. SNELL. If I remember correctly, and I am not absolutely certain about it, that matter was brought before the House, and whether it was objected to or turned down by a vote of the House, I am not sure, but I think that at the time of the death of Mr. Browning, of New Jersey, this same proposition was brought before the House and it was turned down.

Mr. O'CONNOR. I am informed that the matter has never come before the House.

Mr. SNELL. It may have been objected to when it came up for unanimous consent, but this is a pretty far-reaching proposition.

Mr. O'CONNOR. I do not think so. I think the resolution corrects a situation that has existed for some time. I do not believe a district should be absolutely unrepresented for 6 months.

Mr. SNELL. The Governor can call an election, if he wants one, within 30 days.

Mr. O'CONNOR. Of course, the election cannot possibly be held within 30 days from the time of the death.

Mr. SNELL. But the gentleman knows a secretary cannot represent a district, when it comes right down to it.

Mr. O'CONNOR. He or she certainly can take care of the requests from a district and maintain the files pertaining to the district.

Mr. SNELL. Then the language must be changed, giving the secretary the power of representing the district, giving him the franking privilege and an office, and all these other things. Now, it is a pretty far-reaching proposition you are asking for at the present time.

Mr. RICH. I would remind the gentleman from New York that it might happen, as, for instance, is the case in the State of New York at the present time, that a State would have two delegates at large who do not have any particular district to attend to. One of these delegates at large might be requested to take over the office of a dead member from that State until its affairs were closed up.

The SPEAKER. The gentleman from North Carolina asks unanimous consent that House Joint Resolution No. 189 be given a privileged status to be considered as other reports from the Committee on Accounts.

Is there objection?

Mr. RICH. Mr. Speaker, I object.

PUBLICATION OF WRITINGS OF GEORGE WASHINGTON

Mr. KELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Joint Resolution No. 140, with Senate amendments, and concur in the Senate amendments.

The Clerk read the Senate amendments, as follows:

Page 2, line 1, strike out all after "Sec. 2" down to and including "to" in line 5 and insert: "The former Director of the George Washington Bicentennial Commission, without receiving any compensation therefor, shall."

Page 2, line 15, strike out "and compensate."

Page 2, line 17, strike out "and pay."

Page 2, lines 18 and 19, strike out "for personnel authorized by this section."

this section,".

Pages 2 and 3, strike out all of section 3 and insert:
"Sec. 3. For personal services, including services rendered since
December 31, 1934, travel and necessary miscellaneous expenses, in
connection with the purposes of this joint resolution, there is
hereby appropriated, from any money in the Treasury not otherwise
appropriated, \$35,000."

Page 3, lines 6 and 7, strike out "Obligations authorized to be
incurred and payments authorized to be made" and insert "Payments authorized"

ments authorized."

Page 3, line 8, strike out "paid" and insert "made."
Page 3, line 9, strike out all after "Department" down to and including "Director" in line 10.

Mr. SNELL. Mr. Speaker, I do not know that there is any objection, but I think the changes should be explained.

Mr. KELLER. I shall be pleased to. The Senate amendments merely make the bill conform with the rules of the accounting department. This resolution passed the House on the 6th day of the month.

Mr. SNELL. What are the changes?

Mr. KELLER. Take section 3, for instance:

For personal services, including services rendered since December 31, 1934, travel and necessary miscellaneous expenses, in connection with the purposes of this joint resolution, there is hereby appropriated, from any money in the Treasury not otherwise appropriated, \$35,000.

Mr. SNELL. Just what is the difference between the Senate amendment and the language of the section as it passed the House?

This appropriates a definite and specific Mr. KELLER. amount, and limits the amount to \$35,000.

Mr. SNELL. Was the other resolution limited to \$35,000?

Mr. BLOOM. It turns back into the Treasury the money in the hands of the Commission, so that past accounts are closed up. It appropriates \$35,000 for the next 2 years to take care of the salaries of the historian and other employees. The money on hand goes back into the Treasury. This is a direct appropriation.

Mr. SNELL. Does it change the amount at all?

Mr. BLOOM. No; the amount is practically the same.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Senate amendments were agreed to.

REPORT OF THE SPECIAL COMMITTEE ON UNAMERICAN ACTIVITIES

Mr. KRAMER. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein a radio address broadcast last evening by the gentleman from New York [Mr. DICKSTEIN].

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. KRAMER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the address delivered over the radio last evening by the gentleman from New York [Mr. DICKSTEIN], as follows:

On the 17th of February Gen. Smedley Butler saw fit to employ this radio network to indulge in general criticism of the work done by the congressional committee on un-American activities and to cast aspersions on the character of such men as Alfred E. Smith, Louis Howe, General MacArthur, and Hanford McNider. I would not be true to my oath of office as a Congressman nor to my responsibility as a public official if I let these uncontrolled statements go unchallenged.

Since it is necessary for me to offer an apology to the American

my responsibility as a public official if I let these uncontrolled statements go unchallenged.

Since it is necessary for me to offer an apology to the American people for General Butler regarding the latitude he has taken about his utterances before our committee, I desire to state that General Butler not only came to the committee but also gave the statement to the newspapers in advance of his appearance before the committee. He deliberately issued a statement to the press outlining in great detail as to what he was going to testify, although his actual testimony did not in many respects bear out his statement to the newspapers. Before General Butler finished his testimony before the committee the early edition of the November 20, 1934, issue of one New York paper carried a copyrighted statement by him which I am sure was not ethical on his part.

The committee felt it should hear General Butler and to follow out the leads which the General furnished to the members of the committee. The testimony given by General Butler was kept confidential until such time as the names of the persons who were mentioned in his testimony could be checked upon and verified. The committee did not want to hear General Butler's allegations without giving itself the opportunity to verify the assertions made by him. It did not feel like dragging into the mud of publicity names of persons who were mentioned by General Butler unless his statements could be verified, since untold damage might be caused to a person's reputation by public discussion of testimony which could not be substantiated. This accounts for the fact that when the results of the hearing were finally made public, references to Alfred E. Smith and others were omitted. They were wholly without consequence and public mention might be misinterpreted by the public. The essential portions, however, of General Butler's testimony have been released to the public and his specific by the public. The essential portions, however, of General But-ler's testimony have been released to the public and his specific charges relating to the proposed organization of a soldier's move-ment have been thoroughly aired and passed upon by the com-

General Butler is quoted in the New York Post of November 20,

1934, as follows:

"Of course, I told the leaders of this Fascist movement that I was not interested in fascism or in any other 'ism.'"

But over this network he said:

"As a matter of fact, it wasn't a Fascist movement at all, except certain newspapers and the committee itself so termed it."

General Butler's outbreak is much less intelligible when a glance is taken at the official report of the committee, in which due and complete reference is made to Butler as well as all the facts brought out by him. Let me read from the report of the committee: committee:

"This committee received evidence from Maj. Gen. Smedley D. Butler (retired), twice decorated by the Congress of the United States. He testified before the committee as to conversations with one Gerald C. MacGuire, in which the latter is alleged to have suggested the formation of a Fascist army under the leadership of

suggested the formation of a Fascist army under the leadership of General Butler.

"MacGuire denied these allegations under oath, but your committee was able to verify all the pertinent statements made by General Butler, with the exception of the direct statement suggesting the creation of the organization. This, however, was corroborated in the correspondence of MacGuire with his principal, Robert Sterling Clark, of New York City, while MacGuire was abroad studying the various forms of veterans' organizations of Fascist character."

"The following is an except from one of MacGuire's letters:

"The following is an excerpt from one of MacGuire's letters:
"I had a very interesting talk last evening with a man who is quite well up on affairs here, and he seems to be of the opinion that the Croix de Feu will be very patriotic during this crisis and will take the cuts or be the moving spirit in the veterans to accept the cuts. Therefore they will, in all probability, be in opposition to the Socialists and functionaires. The general spirit among the functionaires seems to be that the correct way to regain recovery is to spend more money and increase ways, rather than to put

functionaires seems to be that the correct way to regain recovery is to spend more money and increase wages, rather than to put more people out of work and cut salaries.

"'The Croix de Feu is getting a great number of new recruits, and I recently attended a meeting of this organization and was quite impressed with the type of men belonging. These fellows are interested only in the salvation of France, and I feel sure that the country could not be in better hands because they are

not politicians; they are a cross section of the best people of the country from all walks of life, people who gave their all between 1914 and 1918 that France might be saved; and I feel sure that if a crucial test ever comes to the Republic that these men will be the bulwark upon which France will be saved.

"'There may be more uprisings; there may be more difficulties; but, as is evidenced right now, when the emergency arises party lines and party difficulties are forgotten as far as France is concerned and all become united in the one desire and purpose to keep this country of the greatest freedom on the European continent.'

"This committee asserts that any efforts based on these lines

"This committee asserts that any efforts based on these lines as suggested in the foregoing, and leading off to the extreme right, are just as bad as efforts would lead to the extreme left."

This ends the quotation from the report. In the face of this report Butler cannot honestly assert that the committee did not properly go into the questions raised by him. General Butler says that the movement that he was discussing was not to be a Fascist movement but a sort of a soldiers' movement. If that is so, the facts brought out by him were given full publicity and the American public was acquainted with

every substance concerning it.

Now, let us see what the charges are against Alfred E. Smith, General MacArthur, Hanford McNider, and Louis Howe. Not even up to this minute has General Butler made any specific charges against these men. What have they done? The committee finds that they have done nothing except for the fact that General Butler has mentioned their names in his testimony.

Butler has mentioned their names in his testimony.

Butler says that Louis Howe did not want to have him invited to the Chicago convention of the American Legion. He does not say that Howe told him that, but he states that MacGuire, who was the chairman of the distinguished guest committee of the American Legion, asked Louis Johnson, the then commander of the Legion, to place General Butler's name on the list of invited guests, but that Johnson had taken this list for approval of the White House and was told by Mr. Howe, the President's Secretary. guests, but that Johnson had taken this list for approval of the White House and was told by Mr. Howe, the President's Secretary, that Butler's name should be crossed off, because the President did not want him. Remember, this is not testimony given by Butler as to what Howe told him, but it is testimony given by Butler to the effect that somebody told somebody else that Howe did not wish him invited to the convention. Is this the kind of testimony which should subject the Secretary to the President to be called upon to make an answer before the committee? Testimony which everybody understands is pure hearsay and which is of absolutely no importance to anyone does not require the Secretary to the President to be subjected to any questioning.

Let us see how Alfred E. Smith's name is mentioned in the testi-

of absolutely no importance to anyone does not require the Secretary to the President to be subjected to any questioning.

Let us see how Alfred E. Smith's name is mentioned in the testimony—and, mind you, there is no charge of any kind which would call upon anybody to investigate; simply the throwing out of a name which may just as well be omitted for whatever good it may do. All the general had to say about Alfred E. Smith was that at the dinner to be given by the Governor of Massachusetts in honor of General Butler he was to have his picture taken with Governor Smith, at which General Butler stated that he did not like Alfred E. Smith. If this statement is a charge which requires an investigation, I cannot for the life of me see where any charge is made or intended simply because Governor Smith's name was just thrown out by General Butler. And so it goes with all the other prominent names which General Butler complains should have been investigated. No charge is made that these individuals were in any kind of a plot to overthrow the American Government or to sponsor any anti-American movement. Oh, no; just because General Butler sees fit to mention the names of certain people, he immediately insists that mentioning their names is a charge which the committee should investigate. The committee would become a laughing stock of the world if it were to go into the question of examining prominent citizens simply because some-body casually mentions their names.

The committee takes full responsibility for not paying any attention to this type of testimony. It could not be permitted to go out to the public. It would only result in needless subjection of prominent men to unsavory criticism.

This is the sum and substance of the charges which General

prominent men to unsavory criticism.

go out to the public. It would only result in needless subjection of prominent men to unsavory criticism.

This is the sum and substance of the charges which General Butler says should have been investigated by the committee.

General Butler's anger is wholly unexplained, and I do not believe that the general, if permitted to reflect, would repeat his so-called "charges." None are substantiated, and they are so filmsy that it is hard to believe that a person of General Butler's standing in the community would indulge in such promiscuous accusations. However, should the committee's power be extended it may be that the general will receive one of the first subpenas to further appear before the committee.

General Butler asks why Clark was not called before the committee. Well, the reason was that Mr. Clark has been living in France for over a year, as General Butler well knows, and naturally he could not be subpenaed, but on the 29th of December 1934, Mr. Clark was represented before the committee in the person of his attorney, and full information was given the committee. Mr. Butler did not tell you this.

I believe the American people are intelligent enough to understand that a committee of the type which Congress created to investigate subversive movements with limited time at its disposal, and which sought to achieve the one aim, and that is to put an end to any treasonable un-American activities, should not have its time occupied by going into baseless accusations and investigating something which calls for no investigation at all. We do not believe that the mention of any name in the inquiry which is absolutely irrelevant to the subject matter and of no consequence

to the work of the committee as a whole should be dragged into a public discussion for no purpose whatsoever. The committee had to attend to its business intelligently and will not permit its forum to be used for the airing of silly grievances or discussions of investment places. of imaginary plots.

THE WORK RELIEF BILL

Mr. ROGERS of Oklahoma. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a radiobroadcast I made last evening.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ROGERS of Oklahoma. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a radio address delivered by me on invitation by the National Broadcasting Co., on a Nation-wide hook-up, on February 26, 1935. I appeared on the regular feature program entitled "Congress Speaks", presented to the Nation every week from the House wing of the Capitol by the National Broadcasting Co.

The radio address follows:

Good evening, my fellow Americans. Speaking to you at this hour on this pertinent feature program of the National Broadcasting Co. after a week so momentous in the Nation's history that it has brought the far-reaching decision of the Supreme Court on the gold clauses, after a week that has sent the largest appropria-tion measure of all time back to the Senate committee for redraftand after a week that has been outstanding for the outspoken opposition from numerous quarters on several new-deal measures pending in Congress, I come to you through this medium as an humble champion of the great man in the White House, President Franklin D. Roosevelt. I sincerely believe that everything he has done and everything he has proposed was prosecuted with the one aim in mind of trying to bring the country back to normalcy. I will go further than that and make the statement that the great majority of the 6.000 bills that have been introduced in the House. majority of the 6,000 bills that have been introduced in the House and the 2,000 that have been introduced in the Senate during this and the 2,000 that have been introduced in the Senate during this session of the Seventy-fourth Congress were drafted by their authors with a sincere view of helping to end the depression. They were introduced as a contribution to the restoration of confidence. They are a part of the great revitalizing process so ably prosecuted by President Roosevelt to restore this Nation, to rout poverty, to stabilize agricultural products, to solve the monetary problems, and to accomplish many other purposes definitely antidepression. Down to date the present administration is receiving the well-deserved applause of the majority of our people for its major activities. There have been mistakes, yes. But we are confronted by the time-proven principle that any administration or any man may sometimes err. We are heartened by the fact that the Roosevelt administration has demonstrated a policy of correcting the mistakes it has made when they became apparent. There is no doubt that there are improvements yet to be made. No one questions the fact that there is yet remedial legislation to be enacted. Realizing that the accomplishments down to date have been

Realizing that the accomplishments down to date have been made under the direct leadership and by the forethought of Franklin D. Roosevelt, it is well to consider here our progress under his banner since March 4, 1933. We have emerged from the depths of the most terrible depression the American people have ever known. Our domestic trade has been awakened, our foreign commerce has considerably improved, smoke replaces cobwebs in our principal factories, the glow from the miner's headlamp is once more apparent, and our unemployment has actually decreased through governmental and private enterprise. Recently President Roosevelt flung far and wide the challenge to the American people to take stock of themselves. Our great President requested us all, individually, to ask ourselves the question, "Am I better off than I was in March 1933?" This bold, fearless challenge was pointed to by Republicans and other antiadministrationists as a positive boomerang to the new deal. Like many other cherished hopes of the opposition, this predicted boomerang failed to materialize. The die-hards and soreheads have failed utterly to reckon with the Roosevelt policy, the Roosevelt popularity, the Roosevelt frankness, Realizing that the accomplishments down to date have been Roosevelt policy, the Roosevelt popularity, the Roosevelt frankness, and above all the Roosevelt strategy. Apparently the great masses of the American people have accepted the challenge of the President, for the anti-Roosevelt forces have quit talking about the

matter.

Paradoxical as it may sound, the obstructionists have "risen above principle" and are now playing in the manner of a beast with human misery. The obstructionists have followed a self-designed strategy of attaching this and that amendment to the works-relief program until it has been shamefully retarded. It is felt here, however, that the works-relief program will not remain waterlogged for long. Contained in this proposal is the future of many successful agencies of the Roosevelt new deal. The greatest, perhaps, is the huge public-works program, one of the most satisfactory of the present administration. It has reached into every State in the Union. It is founded on a permanent basis. It is a creative work that will remain a serviceable monument to the thoughtfulness of this era. It is predicated upon construction, the erection of important buildings, the development of needed facilities such as water works, gas plants, ice plants, public markets, drainage projects, school buildings, libraries, power distributing plants, dormitories, swimming pools, sewers, and sewage-disposal

plants, courthouses, toll bridges, auditoriums and gymnasiums, plants, courthouses, toll bridges, auditoriums and gymnasiums, reservoirs, and numerous other projects of permanent value to the Nation. Who will say that it is not important that this work be carried forward? Who will acquiesce in unreasonable delay in acting on the works-relief program? Almost every important agency of the new deal is affected by this proposal. The public-works program has been mentioned. There is also the Civilian Conservation Corps, probably the most successful part from a standpoint of popularity of the Roosevelt administration. In the Civilian Conservation Corps is the program of soil erosion, the good effects of which are felt universally.

In Oklahoma, the Stafe which it is my pleasure to represent

civilian Conservation Corps is the program of soil erosion, the good effects of which are felt universally.

In Oklahoma, the State which it is my pleasure to represent at large in the House of Representatives, the soil-erosion work is under the capable direction of Dr. N. E. Winters, connected with the agricultural college at Stillwater, Okla. As an example of the importance of this work, using the State of Oklahoma for an example, Dr. Winters, after scientific investigation, has made startling discoveries of the erosion of Oklahoma farms. Alarming indeed is information from Dr. Winters that 85 percent of the cultivated land of Oklahoma suffers serious soil losses, that more than 2,000,000 acres of Oklahoma land have no top soil; that more than 440,000,000 tons of soil are annually washed from fields and pastures of Oklahoma; and that a fleet of 4,200 motor trucks of 4,000-pound capacity, loading and unloading every 10 minutes, working day and night throughout the year, could barely haul away this tremendous volume of soil. Oklahoma is not without parallel in this soil-erosion problem. Contained in the waterlogged works-relief measure is the future of the soil-erosion program so effectively initiated by President Roosevelt. Contained in the works-relief measure is the great conservation program, more popularly known as the C. C. C. Will anyone deny that this important work should be speeded forward without delay? Are there those who are foolhardy enough to say that the American people do not want this program? Will any self-styled leader of the obstructionists be careless enough to say that these newdeal agencies have been unsuccessful?

We come now to another major program of the Roosevelt administration that will undoubtedly be affected by the delay of

deal agencies have been unsuccessful?

We come now to another major program of the Roosevelt administration that will undoubtedly be affected by the delay of the works-relief measure. It involves Federal aid to education. The present administration has come nearer to recognizing that education is a Federal as well as a State problem than any preceding administration. It has followed a policy of extending Federal aid to every school district in the Nation below 5,000 population when it became definitely established that the district had used every possible local, county, and State resource and yet was faced with closing. Weak schools over the Nation have been kept open by the present Roosevelt administration. Teachers—who are open by the present Roosevelt administration. Teachers—who are at best poorly paid—have been able to receive salaries that otherwise would not have been available had not the Federal Government come to the rescue. The continuance of this policy is indefinite until action is obtained on the works-relief bill. Who would dare oppose this feature of the program, when the education of the school children of the entire Nation is at stake? Who would would dare oppose this feature of the program, when the education of the school children of the entire Nation is at stake? Who would have the fortitude to face an aroused and militant constituency of school teachers who have worked without pay? Who could withstand the telling logic of parents who proclaim that their children shall not be denied the opportunity of an elementary education? He who would oppose the works-relief bill must give consideration to this matter. Having spent 15 years teaching school in my home State of Oklahoma before coming to Congress, I have been vitally interested in everything affecting education. I am proud that I have had a part in securing almost \$2,000,000 of Federal money for the aid of education in Oklahoma to the present date. Federal aid kept schools from closing last year, and we want to keep our schools open for the present term. Again I say that Oklahoma is not without parallel. The condition is analogous in other States. Public sentiment will demand that this phase of the Roosevelt program be not only continued but that it be expanded. Public sentiment will go so far in time that a permanent program of Federal support for education will be adopted.

We come now to perhaps the most pressing phase of the work-relief bill, that of direct relief. President Roosevelt has reiterated time and again that no one shall starve. The helpless and the weak have been depending on Congress to carry forward the President's wishes and provide sustenance and shelter to the pitiable victims of the ravaging depression. I submit to you that we cannot procrastinate with human misery. We cannot afford to tantalize our fellow beings in poverty and want who have so lately approved the program of President Roosevelt. We must accept the mandate thrown down from the highest tribunal last November, which so definitely expressed approval of the present administration. President Roosevelt and his new-deal program were running on every ballot in every State in the Union last

were running on every ballot in every State in the Union last November. The people overwhelmingly approved both. The ballot box last November said that the Federal Government must con-tinue in the role of being "our brother's keeper." It, in effect, said that the States and local communities are unable to comsaid that the States and local communities are unable to completely carry the relief load. The ballot box said the people are already overburdened with ad valorem taxes. It said the people are already overtaxed on the tangible things. It approved in no uncertain terms the action of the Federal Government, under the leadership of President Roosevelt, in assuming the relief and so-called "charity" burdens until the various new-deal agencies alleviate poverty and distress. In the face of these circumstances it is impossible that a majority party can fail to take immediate action on the work-relief bill now pending in Congress.

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an address delivered on Washington's Birthday by the Resident Commissioner of the Philippine Islands [Francisco A.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to have inserted in the RECORD an address of Hon. Francisco Delgado, Philippine Resident Commissioner, delivered in Alexandria, Va., at the annual celebration of Alexandria-Washington Lodge, February 22, 1935, in honor of George Washington.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

In expressing deep appreciation for the honor and privilege of participating in this great annual celebration of Alexandria-Wash-

participating in this great annual celebration of Alexandria-Washington Lodge, in honor of its first worshipful master, may I be permitted to say that I fully realize that this was done to honor not me personally but rather the Grand Lodge of Free and Accepted Masons of the Philippine Islands, to which I belong, and the people I humbly represent in this country.

And it is most fitting that a Filipino Mason should thus participate in rememorating the birth of so great a Mason and so great a world benefactor as Worshipful Brother Washington, because there exist special reasons why Philippine Masonry and the Filipinos, as a people, should claim, with their brethren of America, primacy in their love, respect and veneration of Gen. George Washington.

This is not only a legal holiday celebrated through the length

Mashington.

This is not only a legal holiday celebrated through the length and breadth of the Philippines, but is also one of the few events celebrated annually by the Masonic fraternity there. In joining you heartily in this celebration as I do, therefore, I am expressing not only my own deep and sincere feelings but also those of the most worshipful grand lodge of the Philippines, with its 109 lodges and more than 6,000 members, and the remainder of the 14 million inhabitants of our islands.

A brief and summary examination of the historical background and the present situation of Masonry in the Philippines will immediately reveal the special interest of the members of the craft there in this celebration.

The first chronicled event concerning Freemasonry in the Philippines refers to the trial of two Irishmen by the Tribunal of Inquisition in Manila in 1756 for what was then regarded as the inquisition in Manila in 1756 for what was then regarded as the crime of being a Freemason. They were acquitted, but neither history nor tradition records the reason for the acquitted. However, knowing as I do the genius of our Irish brethren, I venture to say that it must have been not on the ground of disavowal of Masonry but by a flash of their quick and natural wit, which must have dazzled the stern judges of that monster of modern civilization.

It is also recorded that during the years 1762-4, while Manila was under British military occupation, that an English field lodge did Masonic work in the very cathedral of that city. Neither of those events, however, left any lasting impressions of Masonry on Philippine soil.

It was not until 1856 that the first Masonic lodge was regularly established in the Philippines, under charter from the Grand Orient of Portugal. Later on in the eighties many other lodges

established in the Philippines, under charter from the Grand Orient of Portugal. Later on in the eighties many other lodges were organized under charters from the Gran Oriente de España, the Gran Oriente España, the Gran Oriente España, and the Grand Orient of France. It was this type of militant Masonry, militant because of persecutions and by force of circumstances, that first germinated in the Philippines to fight fanaticism and obscurantism. It brought the spark of liberty, equality, and fraternity into the breasts of the Filipinos and inspired them to throw off the yoke of tyranny then prevailing in their country, through the revolution of 1896.

By providential design, America came to the Philippines in 1899, and with the advent of her valiant soldiers her type of Masonry was brought into the Philippines. It was the Field Lodge of the North Dakota Regiment of Volunteers that was first organized in 1899, but the same disappeared as soon as that regiment was ordered home. However, from 1901 to 1907 three regular lodges were chartered by the Grand Lodge of California, and henceforth we see securely planted in the Philippines that system of Masonry which uses the moral, mental, and spiritual improvement of its individual members to uplift and help their fellow men. In 1912 these three lodges organized the Grand Lodge of Free and Accepted Masons of the Philippine Islands, which shortly thereafter absorbed by affiliation all the regular lodges organized under the foreign jurisdictions except one chartered by the Grand Lodge of Scotland, which to this day operates in the city of Manila.

It was through this medium that the Masonic confusion prevailing in the Philippines for a time was ended and the Masonry of American origin superseded all other types previously existing there. So that now, and for two decades past, symbolic Masonry in the Philippines is a direct descendant of the type of Masonry prevailing in North America, with exactly the same moral and mental standards, substantially the same ritual, and obs

faithfully the same landmarks and the same tenets of brotherly

And the same is true as regards the higher bodies of Scottish Rite in existence there now, for they all belong and operate under the authority of the Supreme Council of the Southern Jurisdiction of the United States.

Nurtured as they are from the traditions and the same sources of inspiration, it is but natural that the Filipino Masons of today should, in your own fashion and with the same reverence and affection, look up to the exemplary life and conduct of Worshipful Brother George Washington as a guiding star to follow and a goal

Brother George Washington as a guiding star to follow and a goal worthy of attainment.

Are not his integrity, self-effacement, and humility, his deep love of family and neighbor, his fortitude in adversity, his fair and just treatment of his inferiors, his condescension to his equals, his respect for and intelligent obedience to his superiors, his unfinching firmness in the performance of duty, his uncompromising attitude toward vice and corruption, his insistence on morality and religiousness as essential to the stability of human institutions, and his devotion to liberty within law and order—in short, are not the many virtues adorning his character which were so zealously put into practice in his everyday life the very aims and purposes of our great and truly universal fraternity, as you and we understand it?

The memory of his deeds ought ever to be held as a glittering

The memory of his deeds ought ever to be held as a glittering pattern to every known Mason in all climes. For, to use the sub-lime lines of one of the poets of our craft, he was, indeed—

"The great in heart, the great in mind, Who looked thru Masonry to God, And looked thru God to all mankind, Learned more than word or sign or grip, Learned man's and God's relationship."

On the other hand, a glance at American-Philippine relationship would at once show why the Filipinos should be eternally grateful to America, and that the truly altruistic and unparalleled policy followed by the United States Government in the Philippines may directly be traced to Washington's own ideas and thoughts of the fundamentals of that government.

True it is that you can no more speak of America's greatness without mentioning the greatness of Washington than you can of the advanced civilization of Greece without mentioning her great philosophers or the grandeur of Greece without mentioning her great

philosophers, or the grandeur of Rome without exalting her Ca

philosophers, or the grandeur of Rome without exalting her Caesars, or the glories of the French Empire without touching upon the genius of Napoleon. These are as much inseparable concepts as that of the body and soul when referring to a human body. It is equally true that the history of America is in itself in its own period the history of the world. Indeed, Washington is not merely a sage and a hero of the United States of America, but of the entire world, because the beneficent results of his deeds have affected the four corners of the globe.

Withal there is such a close relationship between the funda-

Withal, there is such a close relationship between the fundamental ideas of government as he conceived and put them into practice during the formative period of the Government of this greatest of all republics and the blessings subsequently carried and transplanted into the Philippine Archipelago that the Filipinos became readily the direct beneficiaries of the wise policies recommended by him.

mended by him.

As early as December 4, 1788, Washington wrote:

"The more I am acquainted with agricultural affairs the better I am pleased with them, insomuch that I can nowhere find so great satisfaction as in those innocent and useful pursuits. In indulging these feelings I am glad to reflect how much more delightful to an undebauched mind is the task of making improvements on the earth than all the vainglory which can be acquired from ravaging it by the most uninterrupted career of conquests.

ravaging it by the most uninterrupted career of conquests."

Again in his Farewell Address, among other things, he said:
"Profoundly penetrated by this idea, I shall carry it with me to
my grave, as a strong incitement to unceasing vows that Heaven
may continue to do the choicest tokens of its beneficence—that
your union and brotherly affection may be perpetual; that the
free Constitution, which is the work of your hands, may be
sacredly maintained; that its administration, in every department,
may be stamped with wisdom and virtue; that, in fine, the happiness of the people of these States, under the auspices of liberty,
may be made complete, by so careful a preservation, and so
prudent use of this blessing, as to acquire to them the glory of
recommending it to the applause, the affection, and the adoption
of every nation which is yet a stranger to it."

And further:

And further:

"Observe faith and justice towards all nations; cultivate peace and harmony with all. Religion and morality enjoin this conduct; and can it be, that good policy does not equally enjoin it? It will be worthy of a free, enlightened, and (at no distant period) a great nation, to give to making the magnanimous and too novel example of a people, always guided by an exalted justice and benevolence. Who can doubt that, in the course of time and things, the fruits of such a plan would richly repay any temporary advantages which might be lost by a steady adherence to it. Can it be, that Providence has not connected the permanent felicity of a nation with its virtue? The experiment, at least, is recommended by every sentiment which ennobles human nature. Alas! is it rendered impossible by its vices?"

Now, note the resemblance of the magnanimous policies thus suggested by President Washington with those enunciated by President McKinley (another illustrious member of our craft) in his instructions of January 20, 1899, to the first Philippine Commission wherein he expressed the hope that the Commissioners

would be received as bearers of the "richest blessings of a liberating rather than a conquering nation", and directed that the insular government that they were about to establish be a "government not for the satisfaction of the American people but for the happiness, peace, and prosperity of the Filipinos", and that "their customs and habits, even their prejudices were to be considered" considered.'

considered."

This was reaffirmed in his message to Congress in the same year, when, among other things concerning the Philippines, he said: "The Philippines are ours not to exploit but to develop, civilize, to educate, to train in the science of self-government. This is the path of duty which we must follow or be recreant to the mighty trust committed to us."

It was in the furtherance of these altruistic policies that the Congress of the United States on July 1, 1902, enacted the first organic act for the government of the Philippine Islands, wherein the fundamentals of a democratic and republican form of government as first conceived by Washington and the makers of the American Declaration of Independence and the United States Con-American Declaration of Independence and the United States Constitution were embodied.

Those instructions and the provisions of that organic act were generally carried out by the members of the first Philippine Commission, Governor Taft (another great and honored member of our craft) and his successors in that office, with the result that progress was made in the Philippines in all lines of endeavor by

leaps and bounds.

leaps and bounds.

Indeed, the advancement made was so rapid that by August 1916, upon the recommendation of President Wilson, the Sixty-fourth Congress wrote into law the second part of what might be termed the "Charter of Philippine Liberty", commonly known as the "Jones Law", which further advanced the freedom enjoyed by the Filipino people and contains this declaration so similar to the sentiments expressed by Presidents Washington and McKinley:

"Whereas it was never the intention of the people of the United States in the incipiency of the War with Spain to make it a war of conquest or for territorial aggrandizement; and

conquest or for territorial aggrandizement; and

"Whereas it is, as it has always been, the purpose of the people of the United States to withdraw their sovereignty over the Philippine Islands and to recognize their independence as soon as a stable government can be established therein; and

"Whereas for the speedy accomplishment of such purpose it is desirable to place in the hands of the people of the Philippine Islands as large a control of their domestic affairs as can be given them without in the meantime impairing the exercise of the right of sovereignty by the people of the United States, in order that by the use and exercise of popular franchise and governmental powers they may be better fitted to fully assume the responsibilities and enjoy all privileges of complete independence" and so forth.

In 1922, upon the report made by Governor Harrison (another illustrious member of our craft) of the favorable conditions then existing in the Philippines, President Wilson recommended to the Congress of the United States the granting of complete inde-pendence to the Philippine Islands. But the Great Architect of the Universe willed that the next step toward Philippine emancipation Universe willed that the next step toward Philippine emancipation be deferred until another great President and true Mason, the present occupent of the historic White House, should be at the helm of this Government. And thus it was that the final step, in the form of what is known as the "Tydings-McDuffie Act", upon the recommendation of President Franklin D. Roosevelt, was approved by the Seventy-third Congress on March 24, 1934. The title of said act is: "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes." other purposes.

other purposes."

Onerous and hard as indeed are some of the conditions therein imposed, it was nevertheless gratefully accepted, as required in one of the sections thereof, by the Filipino people through the Philippine Legislature on May 1, 1934. Also, in accordance with some of the provisions thereof, a constitutional convention consisting of delegates from every nook and corner of the Philippine Archipelago was convoked and set in session in Manila continuously from July 30, 1934, to February 18, 1935, when the members thereof signed the constitution they unanimously adopted. A mission is now on its way from Manila to the United States bringing authentic copies of the constitution for submission to the President of the United States as required by the Tydings-McDuffle Law.

If press reports from neutral and impartial sources may be believed, it may be affirmed that the constitution as adopted by the Philippine Constitutional Convention as a whole has met the gen-

Philippine Constitutional Convention as a whole has met the general approval and commendation of all. It is virtually a transplantation of a truly democratic and popular government, as conceived and put into practice here, to the tropical Philippines with only such changes as to details as were necessitated by local requirements.

For 35 years a public-school system has been in operation in For 35 years a public-school system has been in operation in the Philippines under American guidance and standards, wherein English has been the sole medium of instruction. American history and the life story of such American heroes as George Washington, Patrick Henry, and John Marshall, to mention only a few of the Virginia cavaliers, have been taught continuously to the 1,200,000 school children attending our public schools annually. Is it any wonder, then, that English should have become a common language among us and that the youngest of our school children should have become familiar with the great deeds and benefactions of President Washington and the other illustrious great Americans?

In passing I may relate the following story as illustrative of the regard for President Washington even among our small children:

The members of the class in a grade school were required by their teacher to write an essay on George Washington, and this is what the youngest boy in the class wrote about him: "America, or Uncle Sam, which is the same, has done many good things for the Philippines and is just like a real uncle to the Filipinos. Washington is the Father of his Country and the founder of its Government, and therefore he is the good old grandaddy of the Philippines and of the Filipinos. And so in my prayers I always ask God to bless pop and mom, Uncle Sam, and good old Grand-daddy Washington."

daddy Washington."
So it is that as America's great and magnanimous task in the Philippines is about to be consummated, having kept full faith

Philippines is about to be consummated, having kept full faith with her plighted word, as prophetically envisioned by Washington, she will ever be blessed not only by the present generation of Filipinos and their children but by all the future generations and their children's children until time shall be no more. And the memory of George Washington, the Father of his Country, and his good deeds for America and the world will ever live in the grateful hearts of every Filipino.

Discontinuance of political relations will not change the feelings of gratitude and loyalty of the Filipino people to America and the American people. On the contrary, it will enhance them. Upon the Latin-Occidental foundation laid out by the 350 years of Spanish control in the Philippines, you have built a modern twentieth century superstructure of Anglo-Saxon western civilization, and nothing shall ever separate that part of the East known as the Philippines from the western nations except your own will and pleasure.

and pleasure.

Regardless of political ties, the Philippines being the vanguard Regardless of political ties, the Philippines being the vanguard of Christianity and occidental civilization in the Far East, we shall always be close to you masonically, culturally, spiritually, religiously, and commercially as long as you permit us to do so and as close as you wish us to be. We will, to a man, always stand by the principles and standards which Washington's teachings and vision, and those emulating him, have brought to us until we pass out from this terrestrial abode to the celestial lodge

MOB VIOLENCE AND LYNCHING

Mr. WOLVERTON. Mr. Speaker, I ask unanimous consent to extend my remarks and insert in the RECORD a joint resolution of the Senate and House of the Assembly of the State of New Jersey, memorializing the Congress of the United States to adopt measures directed against mob violence and lynching.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. WOLVERTON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include a joint resolution of the Senate and General Assembly of the State of New Jersey, memorializing the Congress of the United States to adopt measures directed against mob violence and lynching, approved February 21, 1935, reading as follows:

Whereas in many sections of the United States crimes of vio-lence are rapidly increasing, both in numbers and in seriousness; and

whereas one of the most deplorable types of crime is the wanton destruction of human life, public and private property by mobs under so-called "lynch law"; and

Whereas such crimes strike at the very fundamentals of our constitutional rights and our system of democratic government, tending, if unchecked, to result in an absolute disregard for and defiance of duly constituted agencies charged with the protection of life and property and with the proper enforcement of our criminal laws; and

Whereas a continuel disregard of the taking of human life.

Whereas a continual disregard of the taking of human life and the destruction of property by irresponsible individuals banded together under the influence of excitement to usurp the prerogatives of legal agencies devoted to the apprehension, prosecution, and punishment of criminals, can but encourage the rising tide of violence; and

Whereas a stable government can only be maintained where the courts, operating under due process of law, shall be the only agency or power permitted to deprive any citizen of his constitutional rights to life and liberty; and

Whereas we firmly believe that this unfortunate situation can be best curtailed and eradicated through the power of our Federal Government: Therefore, be it

Resolved by the Senate and General Assembly of the State of New Jersey:

 That the Congress of the United States now in session be memorialized and requested to, as speedily as possible, adopt and pass some remedial measure and to take such other action as may pass some remedial measure and to take such other action as may be necessary, fit, and proper to curtail as far as possible under the Federal laws this growing national evil of mob violence and lynching, to the end that everyone in the United States of America may be accorded and guaranteed full protection of life, liberty, and property under our Constitution; be it further Resolved, That copies of this joint resolution be transmitted to the Vice President of the United States, to the Speaker of the House of Representatives, and to the Senators and Representa-

tives in the Congress of the United States from the State of New 2. This joint resolution shall take effect immediately.
Approved February 21, 1935.

I am in full accord with the viewpoint expressed in such resolution and favor the adoption of such legislation. My colleagues from New Jersey have likewise a favorable opinion with respect to the same and desire for the early enactment of a law to effectuate the purpose of the resolution.

### HOME OWNERS' LOAN ACT OF 1933

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent that the bill (H. R. 6021) to provide additional home-mortgage relief, to amend the Federal Home Loan Bank Act, the Home Owners' Loan Act of 1933, and the National Housing Act, and for other purposes, be given a privileged status.

Mr. SWEENEY. Mr. Speaker, reserving the right to object, before this measure is given a privileged status I think the Congress and the country ought to know who is going to administer the affairs of the Home Owners' Loan Corporation. If we authorize an additional \$1,500,000,000 of the Corporation's bonds, are the men now under indictment to be kept in charge of certain offices? Are the 100 charges of criminal violations of law against a certain office in Michigan to be surveyed; and will the Rules Committee have the courage to report out the resolution to investigate the Home Owners' Loan Corporation, which resolution is now before that committee, before we attempt to continue this maladministration in the hands of the same chairman, the members of the board, and some of the State managers?

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. SWEENEY. I yield.

Mr. MARTIN of Massachusetts. I may say to the gentleman from Ohio that the Republican members on the Rules Committee will be glad to vote for his investigation.

Mr. SWEENEY. I thank the gentleman, but I think it is up to the Members on this side to clean their own house and demand this investigation. This is not a matter of politics. The principle of clean government is at issue.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

Mr. SWEENEY. Mr. Speaker, I object.

## CALIFORNIA-PACIFIC INTERNATIONAL EXPOSITION

Mr. McREYNOLDS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk House Joint Resolution No. 94, with a Senate amendment, and concur in the Senate amendment

The Clerk read the Senate amendment, as follows:

Page 8, line 16, after "may", insert "be."

Mr. SNELL. Mr. Speaker, reserving the right to objectand I shall not object-if I remember correctly, the Senate has made no material change in the resolution as it passed the House.

Mr. McREYNOLDS. They made but one amendment, and that was the insertion of the word "be" only.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Senate amendment was agreed to.

### PROGRESSIVE VETERANS

Mr. SCOTT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. SCOTT. Mr. Speaker, several days ago I made an attempt to call to the attention of this House the birth and development of the liberal thought and demand for action in California.

I tried to show that many people have come to the realization that our potential national wealth is great enough to abolish the poverty-stricken conditions here completely if only sanity and intelligence could be injected into the control and operation of our economic machinery.

Yesterday I received a letter from a friend of mine in Long Beach. He had enclosed a pamphlet put out by an organization called the Progressive Veterans of America, with national headquarters in Los Angeles.

I want to indulge in a few pertinent quotations:

It is our intention at this time to lay down in broad general principles the basis for an organization to be established for the purpose of securing for our people, through the efforts of their outstanding patriots, a fair and equitable treatment from all the controlling forces by which they live.

As veterans of those wars fought for the purpose of maintaining and preserving the liberties inherent in the ideals of American government, we feel called upon to offer our services in what we consider the most important war in the history of our Nation—

consider the most important war in the history of our Nation-

consider the most important war in the history of our Nation—
the war against poverty.

We believe that it is our right to be heard and to make our
influence felt in the life of the people whose liberty we have been
called upon to preserve. As citizens and soldiers, and as those
who have earned a right to call themselves true American patriots,
it is our intention to form at this time an organization through
which we can again express our devotion and sacrifice to the people of our country, and abolish poverty in this great Republic of
plenty.

plenty.

It is our intention to pursue the aims of this organization with dignity, and through methods fully sanctioned by the laws of our country. It is our plan to present, in a forceful and decisive way, whatever solutions or suggestions we might have to offer to any of the pressing social, economic, and political problems of our

We present ourselves to the public at large as an organization whose sole purpose is to seek, through honesty and integrity, means by which unhealthy and destroying social and economic evils can be eliminated in our national life.

evils can be eliminated in our national life.

One of our chief principles must be that we are not to be frightened into any kind of surrender or compromise by forces operating for purely selfish purposes; that whatever programs we sponsor shall be advanced solely for the greater good of all the people and never in the service of a small, specialized, or greedy minority. We, as soldiers, are not to be "used" by any self-seeking group, nor will we permit such a group to express itself through us or exploit the people behind the shield of that true patriotism which is beyond personal ambition.

One of the first and most important of the propositions of our organization is the fact that our membership individually as well

one of the first and most important of the propositions of our organization is the fact that our membership individually, as well as a whole, insists that no Fascist form of government shall take the place of our constitutional democracy. It is becoming increasingly evident that the veterans of the United States are being persuaded by subtle and dangerous propaganda to sponsor or support or in other ways aid movements which are in reality directly expressed to those principles of liberty for which they have ctly opposed to those principles of liberty for which they have

sacrificed so much.

We believe it is the right of any American citizen to examine the principles of his Government, and we defend that right against hysterical, unreasonable, and thoroughly untenable accusations that an intelligent survey of our problems is necessarily a subversive movement

Realizing the tragic truth that self-seeking interests have in the past used patriotism as a smoke screen behind which they worked for the ruination of our people, it is our intention to inform our fellow veterans of their true position in our social order, and to impress upon them the obligations they accepted when they

we pledge our support for the passage of legislation that will put into effect the short-hour day and the short-day week.

We further pledge ourselves as an organization to foster or aid any program that has for its purpose Government ownership and control of public utilities where such control can be proven to be of direct benefit to the consumer in terms of lowered rates for such

vital services.

And, further, as a result of the recent investigation of our banking system, we urge that the Government operate, own, and control that system, in order to secure the people, not only against recurrences of catastrophe in our financial system, but to broaden and make more serviceable to the people at large these institutions that form the center of our financial structure.

We protest against those men and organizations who abuse the safety of the country by their sole desire to secure a profit from the manufacture of implements of national protection. We insist that the profits be taken out of the manufacture of war materials, and we further declare ourselves in favor of the elimination of all

and we further declare ourselves in favor of the elimination of all

profits in times of war.

An important part of our program of operation shall be to tender the services of properly constituted committees to those agencies that have for their purpose the employment of surplus labor in cooperative plans of production.

We emphatically declare against the taxation of small incomes where it is the intention to place upon them the burdens which where it is the intention to place upon them the burdens which are more easily borne by those incomes in larger brackets, and we believe that a liberal limit should be made on the property of the small-income classes which should be free from taxes of any sort. We further oppose all forms of sales tax that is directly chargeable to the consumer and insist that the maintenance of government be derived from taxes on income and profit.

We refuse to subscribe to the reactionary demands of greedy business and commercial groups that have organized themselves for the sole purpose of continuing and augmenting the enormous

privileges that have permitted them to exploit the citizens of the

United States.

We ask that a sufficient income tax shall be levied on both individual and corporate incomes, to maintain the educational opportunities to which our children are entitled.

It is our purpose to protect our Government from reactionary subversive interests and to present a united front for an intelligently progressive attitude in national affairs.

We make no stand against the taking of fair profit in business enterprise and defend the rights of business under our American system to conduct itself as an important part of our economic structure, but in return we definitely demand that profit making stay within its own limitations; that it make no attempt to coerce or to secure for itself special privileges through its powers of wealth; that it not be permitted to endanger or unbalance the economic system in ruthless pursuance of the profit motive, and that above all, it shall allow the American people to live in security and peace and happiness. peace and happiness.

Gentlemen, that declaration was made by a group of men who risked everything in the defense of the country they love. It is not made by Communists, Fascists, wild-eyed radicals, or crackpots. It was made by red-blooded Americans. How much longer will we deny the wishes of these people?

Mr. GRAY of Pennsylvania. Mr. Speaker, I desire to submit a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GRAY of Pennsylvania. The other day I presented a bill in reference to this pink-slip provision, providing that a pink slip would not be necessary in the case of individuals whose net income was less than \$3,000. The bill comes to

me printed \$3,500. May I inquire who will make the change? The SPEAKER. I suggest that the gentleman take that

matter up with the Parliamentarian.

Mr. GRAY of Pennsylvania. Mr. Speaker, I ask unanimous consent to proceed for 30 seconds.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GRAY of Pennsylvania. Mr. Speaker, I have a matter of very great importance and information to the House. This morning in my mail I received the following letter from a constituent:

I wholly disapprove of the bills in the hands of Congress concerning every kind of business in the United States. Yours truly.

### PERMISSION TO ADDRESS THE HOUSE

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that on Friday next, immediately after the reading of the Journal and disposition of business on the Speaker's table, I may be permitted to address the House for 15 minutes and discuss the centennial anniversary of the birth of Mark Twain, who was born in my congressional district on March 1, 1835.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

### THE TOWNSEND PLAN

Mr. WHITE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a joint memorial addressed to the House by the Town Council of the City of Nampa, Idaho.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. WHITE. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the resolution adopted by the City Council of the City of Nampa, Idaho, relative to the Townsend old-age revolving pension plan, as follows:

TOWNSEND MEMORIAL ADOPTED BY NAMPA CITY COUNCIL FEBRUARY 18. 1935

Resolved by the City Council of the City of Nampa, Idaho: Whereas the United States Government is seeking ways and means to end the depression and restore prosperity in our country; and

Whereas no plan tried so far has succeeded in obtaining that

goal; and Whereas Whereas the Townsend old-age revolving pension plan, if adopted, has every indication of success in terminating the depression and restoring prosperity and therefore is worthy of trial: Now,

Resolved by the City Council of the City of Nampa, Idaho, That it is heartly in favor of the Townsend old-age revolving pension plan and that it hereby memorializes the United States Congress to enact the same into law; and be it further

Resolved, That the city clerk of the city of Nampa be hereby directed to forward a copy of this resolution to President Franklin D. Roosevelt, Senators William E. Borah and James P. Pope, to the Congressmen from the State of Idaho, Compton I. White and D. Worth Clark, and to both Houses of the Idaho State Legislature. Approved February 18, 1935.

E. W. KISING, Mayor.
A. E. LINDSEY,
L. L. MILLER,
J. C. WENGERT,
GEO. R. PROCTOR,
F. H. HOSTETLER,
FRANK A. KIRCHU,
Councilmen.

I hereby certify that the above is a true and correct copy of a resolution passed by the mayor and City Council of the City of Nampa, Idaho, at their regular meeting held February 18, 1935.

F. KUEHN, Jr., City Clerk.

#### INTERIOR DEPARTMENT APPROPRIATION BILL, 1936

Mr. TAYLOR of Colorado, from the Committee on Appropriations, submitted a privileged report on the bill (H. R. 6223) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1936, and for other purposes (Rept. No. 249), which was read a first and second time, and, with the accompanying report, referred to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. LAMBERTSON reserved all points of order.

### PREVENTION OF PROFITEERING IN TIME OF WAR

Mr. O'CONNOR, from the Committee on Rules, reported the following privileged resolution for printing in the RECORD:

### House Resolution 133

Resolved, That immediately upon adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 5529, a bill to prevent profiteering in time of war, and to equalize the burdens of war and thus provide for the national defense, and promote peace. That after general debate, which shall be confined to the bill and shall continue not to exceed 4 hours, to be equally divided and controlled by the Chairman and ranking minority member of the Committee on Military Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit, with or without instructions.

### INTERIOR DEPARTMENT APPROPRIATION BILL, 1936

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6223) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1936, and for other purposes; and pending that, may I ask the gentleman from Kansas [Mr. Lambertson] what his pleasure is in reference to general debate?

Mr. LAMBERTSON. I have a few requests over here, but not a great many. It occurred to me that possibly general debate might end today except on the bill itself and then allow general debate tomorrow to be on the bill.

Mr. TAYLOR of Colorado. That will be satisfactory to our side.

Mr. Speaker, I ask unanimous consent that general debate upon the bill continue during the balance of the day, the time to be equally divided between the gentleman from Kansas [Mr. Lambertson] and myself, and that on tomorrow general debate be limited to the bill itself.

Mr. LAMBERTSON. The time to be equally divided?

Mr. TAYLOR of Colorado. The time to be equally divided between the gentleman from Kansas [Mr. Lambertson] and myself

Mr. LAMBERTSON. Is the gentleman's request that general debate be concluded today, including general debate on the bill itself?

Mr. TAYLOR of Colorado. We will take the bill up under the 5-minute rule, and the debate will be confined to the bill.

Mr. LAMBERTSON. I thought perhaps we would have general debate limited to the bill itself tomorrow.

Mr. TAYLOR of Colorado. Of course, if a Member is talking on the bill at the expiration of his time and asks

for an additional 5 minutes, I think we may be liberal with him. My thought was that the general debate after today ought to be confined to the bill itself.

Mr. LAMBERTSON. That was my idea.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6223), with Mr. Mead in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 20 minutes to the gentleman from Texas [Mr. Mansfield].

Mr. MANSFIELD. Mr. Chairman, agriculture is our foremost industry, and cotton constitutes a crop of the first magnitude. One-third of the people of the United States are vitally interested in the success of this important industry.

For many years our home production of cotton has been greater than that of all the rest of the world. It has not only supplied our domestic needs, but cotton has held the lead over all other commodities in our export trade. Slightly more than 55 percent of the cotton produced in the United States in recent years has found a market abroad.

For the past 15 years our home consumption of cotton has remained practically the same, though our population increased enormously during that time. For the 14-year period from 1920 to 1933, inclusive, our average annual consumption was 6,070,407 bales.

During that time our population increased from 105,-710,620 in 1920 to 125,693,000 in 1933. Still there was no increase in the consumption of cotton in the United States. In fact, the 105,000,000 people in 1921 actually consumed 209,000 more bales than was consumed by the more than 125,000,000 people in 1933.

Our cotton exports increased slightly during the 14-year period. This relieved, to a certain extent, the loss sustained in domestic consumption. Our annual average of exports for the period was 7,363,227 bales. The largest amount of exports in any year was in 1926, when 10,926,614 bales of American cotton was marketed abroad.

The following year, 1927, the average price of cotton advanced from 12.5 to 20.2 cents per pound, notwithstanding the fact that the world production in that year was above the average for the 14-year period, to the extent of 182,065 bales. The enormous exports of the previous year undoubtedly exerted an influence for this advance in market price in 1927.

The average annual home production of cotton during the 14-year period 1920-33 was 13,237,785 bales. The average foreign production was 10,006,150 bales. The average world production was 23,243,935 bales. I am inserting in the Record at this point table of figures obtained from the Census Bureau, showing the production, distribution, and average price of cotton for the 14-year period from 1920 to 1933.

World production of cotton from 1920 to 1933 and average price

	Home	Foreign	Total	Price	Consump- tion	Exports
	PER PER			Cents	The state of	1344
1920	13, 440, 000	6, 225, 000	19, 665, 000	15.8	4, 892, 672	5, 744, 698
1921	7, 954, 000	7, 377, 000	15, 331, 000	16.9	5, 909, 820	6, 184, 094
1922	9, 762, 000	7, 197, 000	17, 959, 000	22.9	6, 666, 092	4, 822, 589
1923	10, 140, 000	8, 820, 000	18, 960, 000	28.7	5, 680, 554	5, 655, 856
1924	13, 639, 000	10, 197, 000	23, 836, 000	22.9	6, 193, 417	8, 005, 228
1925	16, 123, 000	10, 555, 000	26, 678, 000	19.6	6, 455, 852	8, 051, 491
1926	17, 755, 000	10, 064, 000	27, 819, 000	12.5	7, 189, 585	10, 926, 614
1927	12, 783, 000	10, 643, 000	23, 426, 000	20. 2	6, 834, 063	7, 539, 945
1928	13, 426, 000	12, 202, 000	25, 628, 000	18.0	7,091,065	8, 043, 588
1929	14, 548, 000	12, 105, 000	26, 653, 000	16.8	6, 105, 840	6, 689, 798
1930	13, 756, 000	11, 548, 000	25, 304, 000	9.5	5, 262, 974	6, 759, 927
1931	16, 629, 000	9, 700, 000	26, 329, 000	5.7	4, 866, 016	8, 707, 549
1932	12, 710, 000	10, 924, 000	23, 634, 000	6.5	6, 137, 395	8, 419, 399
1933	12, 664, 000	12, 529, 000	25, 193, 000		5, 700, 558	7, 534, 415
1934	9, 000, 000	13, 225, 000	22, 225, 000			

In these calculations there is no reference to the crop of ! 1934. The results of that year are not yet fully known. Even if known they would be useless for statistical purposes, as conditions were abnormal.

Due to the crop restriction measures authorized by Congress, superinduced by the great drought in the Southwestern States, our production of cotton in 1934 was reduced to less than 10,000,000 bales. This was 3,000,000 bales below the 14-year average. The foreign production in 1934 is estimated at 13,225,000 bales, or about 3,000,000 bales above the 14-year average.

Notwithstanding our reduction in cotton last year was just about offset by the increased production abroad, our farmers actually received more than double the market price they received the year before. This saved them from financial ruin and justified the extreme measures adopted which contributed to their recovery.

These measures were intended for emergency relief only, and have served their purpose. A permanent policy should now be established. A policy that will aid the farmer and not injure other branches of the cotton industry.

In establishing a permanent policy for cotton, the question of our foreign markets cannot be ignored. If we are to lose our foreign markets entirely, then our production must be limited to home consumption, which has averaged but little more than 6,000,000 bales.

This would reduce us to less than half of our present average production. It would be the equivalent of only twothirds of the short crop produced in 1934 under the restrictive measures of the Bankhead and the Agricultural Adjustment Acts, plus the great drought.

Assuming that our 9.000.000-bale crop of 1934 was sold at an average of 12 cents, then a 6,000,000-bale crop must bring 18 cents to realize an equal amount. The world price, of course, might be considerably less than 18 cents.

Domestic mills would not pay the 18 cents for American cotton unless forced to do so by a tariff wall. Behind such a tariff wall all cotton goods would be pyramided to consumers at enormous prices, under the compensatory duties that would be demanded, and which have seldom, if ever, been denied by Congress.

If our foreign markets are to be abandoned, the southwestern cotton-producing States would be placed at a great disadvantage as compared to the Southeastern States. The cotton mills are practically all located in New England and in Georgia and the Carolinas. Cotton grown in the Eastern States has the advantage of a comparatively shorter haul and correspondingly lower freight rate by either rail or truck.

The all-rail freight rate on cotton from Galveston and Houston to the New England mills located at Fall River, New Bedford, Taunton, Willimantic, and Danielson is \$1.54 per hundredweight, or \$7.70 per bale. The rate to the Carolina mills at Gastonia, Charlotte, Concord, Kannapolis, Anderson, Greenville, and Spartanburg is \$1.01 per hundredweight, or \$5.05 per bale. This rate to the Carolinas is only temporary and expires July 5, 1935. After that date the normal rate of \$1.22 per hundredweight, or \$6.10 per bale, is to be restored.

Mr. SHORT. Mr. Chairman, will the gentleman from Texas yield?

Mr. MANSFIELD. I yield.

Mr. SHORT. Can the gentleman tell us what the water rate is from Galveston to New England?

Mr. MANSFIELD. I am coming to that point right now. The combined rail-and-water rate from Texas ports to New England mills ranges from \$1.75 to \$2.90 per bale, Fall River and New Bedford having the advantage over Taunton, Willimantic, and Danielson in such shipments.

The export rates on cotton from Texas ports to European and Asiatic countries are generally slightly less than \$2 per bale. They are fixed by conference agreements for the different ranges, the average being about 35 cents per hundredweight, or \$1.75 per bale.

These shipping rates account for the fact that cotton from Texas, Oklahoma, Arkansas, Louisiana, and much of that from Mississippi, western Tennessee, and Alabama goes into other laws. His proposal is for the cotton farmer to receive

the export trade. Our home mills are supplied from the Eastern cotton-producing States, where they have the advantage of short hauls by either rail or truck lines.

This statement is fully verified by the record. In 1933 the cotton shipped through the ports of Texas totaled 6,198,496 bales. This cotton was grown principally in Texas and Oklahoma. Of this amount, 5,749,616 bales was exported to European and Asiatic countries.

The cotton shipped from Texas ports in the coastwise trade amounted to only 448,880 bales. The major portion of these coastwise shipments went to New England mills, though a small portion of it was afterward exported from Atlantic ports.

Of the cotton shipped out through the ports of Texas in 1933, 93 percent went directly into exports, and 7 percent in coastwise trade. Of the shipments through the port of New Orleans, 83 percent was exports and 17 percent coastwise. Of the shipments through the port of Mobile, 75 percent was exports and 25 percent in coastwise trade.

If deprived of our foreign markets, the shipments of cotton from the Gulf ports would have to go to eastern mills. either by ship or by rail. The cotton farmers of the Southwestern States would have to pay an average of about three times the transportation costs paid by the eastern cotton farmer.

The coastwise shipments may be eliminated entirely, if the merchant marine is placed under the Interstate Commerce Commission as proposed by the Eastman plan. The only reason for such consolidation is to prevent the ships from taking business from the railroads.

Mr. CULKIN. Mr. Chairman, will the gentleman from Texas permit an interruption?

Mr. MANSFIELD. I yield to the gentleman from New York.

Mr. CULKIN. If such a policy were followed, can the gentleman tell the committee briefly what percentage it would increase the transportation cost of cotton approxi-

Mr. MANSFIELD. As I have just stated, it ranges from \$1.75 to \$2.90 a bale by water and \$7.70 by rail to New Eng-

land mills from Texas, Oklahoma being the same, of course. Mr. WOODRUFF. Mr. Chairman, will the gentleman yield further?

Mr. MANSFIELD. I yield. Mr. WOODRUFF. Is it the gentleman's opinion that if we did not have water transportation available, the rates for the rail haul would be what they are today?

Mr. MANSFIELD. Everyone can form his own conclusion as to that, of course.

In other words, I am wondering Mr. WOODRUFF. whether the competition afforded by water transportation does tend to hold down freight rates.

Mr. MANSFIELD. I think that is universally conceded:

This is the age of subsidies. Practically every industry in the United States is now actually receiving a subsidy in some form, either direct or indirect. The banks, the factories, the great insurance companies, the waterways, the highways, the railways, the airways, the merchant marine, and various others. Some of these subsidies are camouflaged, others are

The ship subsidy has been in the guise of mail contracts, The President says the subsidy is necessary and should be in the open. I agree with him. As a member of the Committee on Merchant Marine and Fisheries, I expect to support that policy. I want the people to know where the money is

We are now subsidizing agriculture. Much of it is in the open, but some of it camouflaged in the form of loans, some of which were never expected to be repaid. I have supported all these measures. I now want to place agriculture where it can survive without loans.

Mr. J. E. McDonald, commissioner of agriculture of Texas. is advocating a measure for the relief of the cotton farmer, to take the place of the A. A. A. and the Bankhead Acts and an outright subsidy on that portion of the crop which is necessary for home consumption. Then, let him grow as much, or as little, as he pleases for the export trade, and, on that portion of his crop, he would take his chances with the world.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from Pennsylvania.

Mr. RICH. If we have reduced our crop 3,000,000 bales, and foreign growers have increased theirs 3,000,000 bales, with the subsidies we have placed now on cotton, we have increased the price above that of foreign countries, and how can the cotton farmers of this country do any exporting, or how are they going to sell cotton in this country, unless they have a tariff wall?

Mr. MANSFIELD. I believe if they are limited to six or seven million bales for home consumption our home mills will buy foreign cotton at lower prices in preference to buying our own cotton, and I believe that under such circumstances Congress would place a tariff wall against the importation of cotton from other countries.

Mr. RICH. This would be necessary in order to protect the cotton farmers?

Mr. MANSFIELD. To protect the cotton farmers, perhaps. [Here the gavel fell.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield the gentleman from Texas 5 additional minutes.

Mr. MANSFIELD. Under this plan we would hold our export trade. Farmers would receive perhaps more and better benefits than they are now receiving. Cotton pickers, ginners, compressors, oil-mill workers, exporters, railways, and ship lines would all receive benefits, of which they are deprived under the present restrictive laws. The cost to the Government is expected to be no more, but probably less, than the agencies now in force. Mr. McDonald believes that the necessary funds can be raised by a processing tax, though I understand his definite plans for the purpose have not yet been entirely worked out.

The main thing necessary under such a system should be to safeguard the farmer who has heretofore diversified his crops in the general interest. In order to do this the farm quotas should be based upon acreage of cultivatable land instead of an average production basis, as was the case in the operation of the Bankhead law. Another safeguard should be placed to protect the small farmer as compared to the commercial farmer.

I hope our able Secretary of Agriculture and the Committee on Agriculture, which have done such wonderful work in the interest of the farmer, may be able to work out a scheme for the general recovery of the cotton industry in all its branches

Mr. COLDEN. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from Cali-

Mr. COLDEN. Does not the gentleman from Texas believe that the farmer who lives on his farm and actually tills the soil should have preferential treatment as against the commercial farmer or the man who lives in the city and has a large number of tenants?

Mr. MANSFIELD. I think the gentleman is eminently correct. I think it is the duty of Congress to protect the little man who needs such protection in preference to the wealthy or the large commercial farmer. This is the point I was making when the gentleman asked his question. I hope our able Secretary of Agriculture and the Committee on Agriculture, who have been doing such wonderful work in the last year or two for the benefit of the farmers all over this land, will be able to work out a permanent policy, not only for the cotton farmer but for farming generally, and let us have this policy to take the place of the measures that have been enacted for the emergency.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from Missouri.
Mr. SHORT. Does not the gentleman believe that the
Bankhead bill really tends to help the large landowner rather
than to help the poor tenant farmer?

Mr. MANSFIELD. I hardly know how to answer the question. I do not think the Bankhead bill has had any effect at all this year. It was not enacted until the 21st of April last, when the President signed the measure and cotton was already planted. It did not go into effect until the 12th of July, under regulations adopted by the Secretary of Agriculture, and cotton was then being picked. I do not think it affected the production or the price, but I think the drought, the Agricultural Adjustment Act, and the loans of 10 and 12 cents per pound had some effect. The Government now has more than 4,100,000 bales of cotton on hand on which they have made loans of 10 or 12 cents. This cotton will be depressing the price for another year unless it can be exported or disposed of in some way.

Mr. SHORT. There are many tenant families on our plantations that have been thrown out of employment due to the restricted acreage.

Mr. MANSFIELD. Thousands of cotton pickers in my State have been thrown out of employment.

Mr. SHORT. They have suffered terribly in my State also.

Mr. MANSFIELD. Yes.

Mr. SHORT. I am sorry I did not get to hear all of the gentleman's fine address. I have enjoyed his remarks, because I consider him one of the ablest Members of the House. I should like to know if he has explained or will explain why we consume less cotton today with 20,000,000 more population.

Mr. MANSFIELD. The ladies are wearing too much silk.

Mr. SHORT. And it is also due to the increase in the rayon industry?

Mr. MANSFIELD. And the rayon industry; yes.

Mr. LAMBERTSON. Mr. Chairman, I yield 15 minutes to the ranking minority member of the Committee on Appropriations [Mr. Taber].

Mr. TABER. Mr. Chairman, I want to talk to the House for a few moments this morning on the question of the financial condition of the country, and to call the attention of the House and the country to what I believe to be some very salient facts and some things which I think the people of this country ought to begin to think about, and to some of the responsibilities which I think Congress ought to begin to take notice of.

For the fiscal years 1934, 1935, and 1936, ending on June 30 of each year, the appropriations for the regular annual running expenses of the Government are approximately \$4,000,000,000. In addition to that there is being used, for regular running expenses, approximately five to six hundred million dollars of relief money, in addition to what has been heretofore the annual running expenses of the Government.

Our taxes are taking care of not more than \$3,000,000,000 of these regular annual appropriations. So that we are running a deficit on our current operations of approximately \$1,000,000,000 which goes into a bond issue.

Now, for emergency relief items directly, we are expending from four and one-half to five billion dollars a year, all of which goes into a bond issue, and none of which is raised out of our tax budget. All of that goes into the bond issue and adds to what the country owes.

Since the 4th of March 1933, there have been direct emergency appropriations of \$7,200,000,000. In addition to that there have been transferred probably a billion dollars from other appropriations which had been made and have not been used for that particular purpose theretofore.

At the present time there is appropriated and unexpended \$5,369,000,000 of emergency funds.

Let me say there is \$1,700,000,000 of the \$3,300,000,000 appropriated in June 1933 still unexpended. We were told then that we were faced with an emergency and we must appropriate the money right off because it would have to be used right away—just as we were told when the bill was before us 2 weeks ago for \$4,880,000,000 that we must do it now.

The expenditures for relief in the last 2 years have been \$2,400,000,000, and in addition to that we have spent approximately \$500,000,000 on roads.

under these relief expenditures for work relief which have amounted to anything in the line of putting people to work or getting the money out and expended for a useful pur-

Now, we have had allotted to rivers and harbors and to reclamation projects items which have generally been appropriated for by Congress and which Congress could not pork barrel" itself into a program of extravagance sufficient to allow it to sponsor approximately a billion dollars. Most of this has not been spent, and most of it is still there doing nobody any good. The works that it will create are going to be a liability to the Government instead of an

Nothing has been accomplished by this expenditure of money except to put the Government into business, to destroy confidence, drive folks out of private employment. In that period of 2 years the relief rolls have very largely increased. Gentlemen know the situation in their own individual districts. The general picture shows a tremendous increase. In New York City alone in the last year the increase has been, as I understand it, from 250,000 families on relief to 375,000 families.

Our public debt in 1930 stood at \$16,000,000,000. Today the public debt stands at twenty-eight and one-half billion dollars. If you add to that the \$5,369,000,000 of emergency funds which have been appropriated and not yet expended, you have a figure of \$33,869,000,000. If you add to that the \$4,880,000,000 which we passed here the other day, and which has not yet become a law, you have almost \$39,000,-000,000. If you add to that the \$2,000,000,000 of the bonus, you have \$41,000,000,000. If you add to that the \$5,000,-000,000 of guaranty of home-loan and farm-loan bonds, a large part of which the Government must pay, you have approximately \$46,000,000,000. There are approximately \$5,000,000,000 of these guaranties. If you add to that the \$2,000,000,000 that unquestionably will be authorized by this Congress of additional guaranties on the home-loan and farm-loan bonds, you have a national debt staring us in the face, when these funds which have been provided for by the House and which probably will be provided for by this Congress, are appropriated, of \$48,000,000,000.

Mr. CHRISTIANSON. Mr. Chairman, will the gentleman vield?

Mr. TABER. Not yet. I shall in a moment.

Mr. CHRISTIANSON. Just to make the observation that also there are \$20,000,000,000 of State and municipal indebtedness outstanding, bringing the total of national debt to \$68,000,000,000, if the \$48,000,000,000 figure is correct.

Mr. TABER. I have given the items and details. There cannot be any dispute about the details nor about the arithmetic. That is the way it stands now. I do not understand how we can go on in the way we are going, piling up the number of people who are on relief, not balancing our Budget, not feeling any sense of responsibility about balancing it, not getting anywhere. I am sick and tired of contradictory policies, and that is what we have had from the day that this administration started. Never in the world are we going to get out of this depression unless we come to our senses and balance the Budget.

Mr. HOEPPEL. Mr. Chairman, will the gentleman yield? Mr. TABER. I cannot yield to anyone. We must take care of the relief as it is necessary, but we cannot go on with these tremendous expenditures without breaking the backbone of the credit of the Government. It is absolutely impossible for any recovery to come with this kind of opera-

I am in hopes that the Committee on Ways and Means will not bring out the social-securities bill unless it provides the funds in the same bill by taxation to meet every dollar that will be required to be expended. I am in hopes that the Ways and Means Committee will bring out a tax bill which will tax this country to the point where it is balancing its Budget. Never in the world can we expect these wild

The roads expenditures have been the only expenditures | do anything toward bringing things to a head and stopping this depression, unless we get some sense in ourselves along that line. The net result of all its operation is more and more distress. The ultimate result, and that result will come as these terrible expenditures are pyramided onto the people of the country, will be a total collapse of the entire structure of Government, with wild inflation, printing-press money-nothing upon which we can build for recovery.

Now, I am making a plea at this time to Members on my side of the aisle and to the Members on the other side of the aisle to appreciate the situation we are facing in this country. We must put our house in order. We must stop these large expenditures and these things that are taking the lifeblood out of America.

The small business man throughout the country has been up against a terrific proposition. The N. R. A. and the A. A. A. have operated, insofar as they could by control, to wipe out the small business man and to leave nothing but the great big trusts. We are destroying the very fiber and backbone of America by the way we are operating. Is it not time that we should come to, that we should have a definite, forward-looking policy and try to provide the business men of our country with confidence? We tell the business man and the manufacturer that they must provide employment for our people, but we take away from them by the unsound operation of our Government and our finances the possibility of credit, and the sound confidence that he ought to have to let him proceed to give that employment. Oh, that our people should realize the situation that they are facing! Oh, that our people should come to the point where they are prepared to take their medicine in the line of taxes! Oh, that our people might realize what these terrible expenditures are doing to them and doing to their credit, and turn over a new leaf and stand up and try to do something to put the United States of America on its feet! [Applause.]

The CHAIRMAN. The time of the gentleman from New York [Mr. TABER] has expired.

Mr. LAMBERTSON. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Chairman, I have a profound sympathy for the distress of the cotton farmer in the South. He has had hard times and has been obliged to endure great hardships in common with the masses everywhere-in every part of the United States. I am not opposing the cotton-processing tax on any narrow grounds of sectionalism or conflicting interests. As a matter of fact, I do not recognize any conflict of interests. I do not believe the legislation is beneficial to any class, although temporarily it may appear so to a few who are the beneficiaries of the experiment. I am opposed to the measure because it places a tremendous and unnecessary burden upon the textile industry, both North and South-an industry which has been in the doldrums for many years and which should be given the solicitous consideration of the Government rather than be pushed deeper into the mire. I do not believe the experiment will be beneficial ultimately to the cotton farmer in the South. We are never going to solve the difficulties of the cotton farmer through a dole to pay for not raising cotton.

Let us look coldly at the facts. Last year about 30,000,000 acres of cotton were planted in the United States, while the other countries planted 44,500,000 acres. These figures show conclusively cotton is not exclusively an American commodity, but a world commodity. We raise approximately 45 percent of the world crop, and other countries raise 55 percent. Obviously we can regulate the price of cotton only in the United States. There must be a world price outside of the confines of this country. Our success in selling cotton abroad depends upon price, quality, and service. Nothing else is material. Other countries can render as satisfactory service as we can, and, for the major part of the trade, the quality of the foreign cotton is satisfactory. Price remains the determining factor in our bid for foreign

If our price is higher than the world price, we must be expenditures to bring recovery, never in the world can we ready to reconcile ourselves to a complete loss of the foreign cotton trade. It is inevitable and must follow as surely as the night follows day.

These crop-reduction bills, I believe, are materially advancing the time when we shall have lost the major part of our cotton sales abroad. There are already substantial and threatening signs of what the future contains.

Japan, Greece, and Yugoslavia are trying to produce cotton. Great Britain, Belgium, and Italy are giving every encouragement to stimulate cotton production in their colonial possessions in Asia and Africa. Japan is stimulating cotton fields in Manchukuo and Korea. Brazil has completed a survey which dreams of a cotton domain larger than what exists at present in southern United States. These are disturbing signs and call for careful consideration before approving the continuance of an experiment which is hastening the ruin of the cotton trade.

Who benefits from this ill-advised experiment? This is a reasonable question when a Government, through an experiment, brings ruin to several millions of people so that a smaller group can be temporarily aided.

Obviously only a grower of cotton can reap any profit, or—
to put it more definitely and more accurately—only the
owner of a plantation. And the chief gainer is the largeplantation owner. The little farmer is not wildly enthusiastic over this experiment. He would have voted against its
continuance last year except for the exemptions given when
the referendum was in progress. A favorable verdict was
necessary, and the little fellow was thrown a bone so he
could record a favorable answer.

The large farmer is the chief gainer—I say "gainer" advisedly, because eventually he will lose, as will everyone who is engaged in the cotton trade. For a few pieces of silver, needed badly, to be sure, at the moment, he is willing to sell his future. All that can be said for this crop-reduction bill is that it gives some ready cash to the distressed planter.

Now let us turn to the other side of the picture, because there is another side which is entitled to consideration. Who is injured by this ill-advised experiment? First, let us direct our attention to the cotton fields. J. S. Wanamaker, of South Carolina, president of the Cotton Growers' Association, says the crop-reduction experiment has forced 40 percent of the cotton growers onto the Federal relief rolls. Think of that statement. I repeat, 40 percent of those engaged in growing cotton have been deprived of means of livelihood through this legislation. The opportunity to work has been denied many thousands since the inauguration of the policy to pay people for not raising cotton. How can we ever get the people back to work at a normal and gainful occupation if we are to continue to pass legislation which deprives people of their vocation? That is a phase of this question which is entitled to some thought.

This reduction program eventually means the loss of our foreign export market for cotton in our inability to meet the world price of cotton. It eventually means the stabilizing of the South on a 6,000,000-bale production, or just enough to take care of the home market. It has been estimated over a million families in the South will lose their opportunity for a livelihood if this is the goal that we arrive at.

Mr. CULKIN. Will the gentleman yield? Mr. MARTIN of Massachusetts. I yield.

Mr. CULKIN. Can the gentleman explain how the referendum on the renewal of the Bankhead bill carried so overwhelmingly? Is the gentleman familiar with that phase of it?

Mr. MARTIN of Massachusetts. Yes. I understand concessions were made so the law would not apply to five or six hundred thousand small farmers.

Mr. CULKIN. The gentleman, then, believes that the tenant farmer and the share cropper were tricked into supporting this program?

Mr. MARTIN of Massachusetts. Well, I do not know that they were tricked, but at least they were led astray. Probably that would be the better way to put it.

Mr. CULKIN. That group is now in distress as the result of this program?

Mr. MARTIN of Massachusetts. The reports that come to me indicate they are very much in distress, and hundreds of thousands are obliged to go to the Federal Government for relief. This was due largely to the crop-reduction program.

Mr. CULKIN. Has the gentleman noticed that there has been introduced in the other body a bill involving the disbursement of a million dollars on the part of the Government for the relief of the share croppers and tenant farmers who have been displaced by this program?

Mr. MARTIN of Massachusetts. I am aware of such a bill. It indicates the distress existing in the cotton fields.

These people are engaged as farmers and laborers in picking, ginning, compressing, storing cottonseed oil, milling, shipping, merchandising, and so forth. It is serious to gamble with the livelihood of a populous section of our country.

It is serious to disturb the economic conditions of a great section of the country without thinking the problem clear through.

The survey down South reveals the chief beneficiaries are the larger cotton growers. Others benefit very little. It is understood clearly the South itself stands to suffer enormously in the years which are to come.

Now let us travel to the cotton-spinning industry, an industry with factories located in nearly every State in the Union; an industry which gives employment to millions of people; an industry which is particularly vital to the prosperity of the South and New England. What is the effect of this experiment on this large industry?

May I say the industry has been stripped of the greater part of its reserve money by the many years of depression? It is struggling desperately to live. It is upon this almost bankrupt industry the Government is placing the burden of carrying the cost of the cotton farmers' relief. I say it is unwise and manifestly unfair.

The processing tax is draining the lifeblood of the cottonspinning industry, both North and South. It has already contributed to the closing of one large concern employing 3,200 people in my district. It has been the factor which has closed many other plants in other sections of the country. Continue this experiment and you contribute to the closing of many other concerns.

Theoretically the tax is paid by the manufacturer and passed along to the consumer, but only theoretically. As a practical matter, in the present condition of the cloth market, the manufacturer finds he cannot add to the price of cloth the amount of the tax which its sponsors anticipated. The mill is asked to absorb the tax. When mills are running on an extremely narrow margin this creates a losing proposition. Factories cannot continue indefinitely to operate at a loss, and consequently the jobs of many thousands are in danger of being lost.

Neither can we overlook the fact the tax will cause consumers to look for substitute products for cotton. There are evidences of this taking place in rayon, silk, wool, linen, jute, and paper. These commodities are not obliged to pay the tax, and consequently are in a better position to take away some demand hitherto supplied by cotton. All this is a decided loss to the cotton grower, and some of it may easily become a permanent loss.

I have said nothing of the millions of consumers. In some instances they are assessed and find they are contributing to the cost of the experiment.

This is the situation we face as we are called upon to make a decision concerning the continuance of a policy which stands before the country branded with the mark of failure. Shall we continue this unwise experiment? I hope the answer will be "No."

Yet you ask, and I think quite properly, What about the distressed cotton farmer? Shall he be allowed to suffer? My answer would be emphatically "No." He should not be allowed to suffer. If he needs aid, he should be given relief. But do not pass the "check" to an industry worse off than the cotton grower. Do not create a situation which aids the planters and puts hundreds of thousands of other people on the relief rolls, a large part of whom are in the cotton-growing section. This is not helping to bring about the real.

recovery we seek. Do not contribute to the loss of the foreign markets if you want to prevent the South from being stabilized on a 6,000,000-bale basis. This is not helping anyone.

I believe it would be infinitely better for the farmer, the textile industry, the consumer, and the people of the United States generally if you went directly to the United States Treasury and gave the farmer a direct contribution of \$125,-000,000. If this is a real relief measure, the cost should be borne by all the people and not by a single industry which itself is in a life-and-death struggle.

Mr. McCORMACK. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. McCORMACK. It is also important to bear in mind at the present time that there is a broader question involved as the result of the processing tax imposed, where prices have been pyramided and pyramided without the purchasing power increasing commensurate therewith. We are now reaching the point—properly so—where we must consider legislation to protect the consumer.

Mr. MARTIN of Massachusetts. The gentleman is right in a way. There are some parts of the textile industry where the tax is not passed along and pyramided, but in other instances it is. The gentleman is particularly accurate when he says that on the question of foodstuffs it is a problem we must consider seriously—how far the poor consumer of this country, with his wages stationary and his condition desperate, can continue consuming goods and paying the high prices he is forced to pay.

Mr. McCORMACK. Will the gentleman yield further?

Mr. MARTIN of Massachusetts. I do.

Mr. McCORMACK. We realize the necessity of action with reference to the farmer. It is a condition and not a theory.

Mr. MARTIN of Massachusetts. We want to help him.

Mr. McCORMACK. I have advocated refinancing their farm mortgages at interest as low as 3 percent, the difference to be assumed out of general taxes, if necessary, provided the farmer makes substantial payments on account of the mortgage indebtedness, to ultimately get him out of debt, as far as the Federal Government is concerned. As we get him out of debt, this becomes less and less a Federal problem. The farmer's problem, from a tax angle, is local. He has no tax problem with reference to the Federal Government. He may have some transportation problems to which we should give consideration, such as charges for transporting his goods from the farm to the consumer. We from the industrial sections realize the spirit and we try to cooperate as much as possible; but, on the other hand, the time has now arrived when this Congress should and must give primary consideration to the industrial worker, who, when he is out of work, has no farm to go to, has no little place on which to grow produce, but who is dependent strictly upon charity or other public or governmental agencies. This pyramiding, working an extreme hardship upon the consumer, has now reached a stage where we must give consideration to it. Furthermore, the processing taxes should be reduced and reduced in an effort to try to control this pyramiding of prices, which is resulting so harmfully to the consumer.

Mr. MARTIN of Massachusetts. The gentleman is correct. There is no question but, with the increase in price beyond the purchasing power of the people, the demand for goods will be less, and consequently production has to be less, and we start upon a vicious circle which must in the end bring ruin to everybody.

I yield to the gentleman from California [Mr. COLDEN].

Mr. COLDEN. Does not the gentleman from Massachusetts believe that not only his industries, but the farmer, also, is entitled to cost of production plus a reasonable profit on his labor?

Mr. MARTIN of Massachusetts. I am not objecting to the farmer getting relief. I say if these cotton farmers need the \$125,000,000 produced by the processing tax, we might better give them an outright gift of that sum right out of the Treasury. It would be better, on the whole, to do it

that way and not bring disaster to millions of people as we are doing today with this unwise experiment.

[Here the gavel fell.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 20 minutes to the gentleman from Ohio [Mr. Harlan].

Mr. HARLAN. Mr. Chairman, I regret that owing to the shortness of my time I cannot yield for questions until I conclude my main statement. I regret also the absence of the gentleman from Massachusetts [Mr. Treadway], who made some remarks the other day which this talk is intended to answer.

On February 14 I addressed the House concerning H. R. 5493, a bill which is now pending before the Judiciary Committee, and which provides that members of the Cabinet may at all times occupy seats in both Houses of Congress and participate in debate under the rules of the House on questions pertaining to their departments. Also, that on 1 day each week they shall be required to attend these sessions, unless excused, for the purpose of answering questions pertaining to the work of their various departments.

The bill reads as follows:

Be it enacted, etc., That the members of the President's Cabinet shall be entitled to occupy seats on the floor of the Senate and House of Representatives with the right to participate in debate on matters relating to the business of their respective departments, under such rules as may be prescribed by the Senate and House, respectively.

SEC. 2. That said Cabinet members shall attend the sessions of the Senate on the opening of the sittings on Tuesday of each week, and the sessions of the House of Representatives on the opening of the sittings on Thursday of each week to give information asked by resolution or in reply to questions which may be propounded to them under the rules of the Senate and House: Provided, That the answers to said questions would not be, in the opinion of the Cabinet member interrogated, against the welfare of the United States: Provided further, That the questions propounded comply with the rules of the Senate and House: And provided further, That the Senate and House may by resolution dispense with the attendance of one or more of said Cabinet members on any stipulated day.

I recommend a favorable report of this bill to the House by the committee, and a subsequent passage of the bill by the House, for the reason that the bill would give us a system of government which would provide, first, adequate executive power; second, continuing legislative control over the use and abuse of that power; and third, congressional leadership in the national interest.

Last Wednesday the gentleman from Massachusetts [Mr. Treadway] in his remarks on this bill took issue with the latter two propositions. He maintained that the proposed bill would not supply adequate legislative control and that our present system provides sufficient legislative leadership. He also contended that under our present system we have a greater expansion of Executive authority than is safe for democratic government.

During recent years there has been considerable discussion as to the effect of the operation of this system on Congress. The critics are divided into two classes, one presenting sentiments expressed by the gentleman from Massachusetts. The other, diametrically opposite, has probably been best defended by former Secretary of the Treasury, David F. Houston, who, in an article in World's Work in June 1925, says.

Neither House of Congress will take its leadership from men brought in from the outside, men whom it does not select. Nor, in the long run, even if the President's party controls both Houses, will Congress tolerate obvious efforts of the President directly to lead it. And especially will it resent attempts of the President to force its hand by appeals over his head to the people.

Thus we have two definite groups, one saying that the seating of Cabinet members would throw all of the Government into the hands of the Executive, and the other saying that, due to the resentment which would be created, practically all Executive leadership would be destroyed. In view of most human experience with extreme viewpoints, the chances are that the truth lies between the two. That is, that the system would furnish reasonable, helpful Executive leadership in lawmaking, but that legislative jealousy would at the same time give Congress far more control over the

abuse of Executive authority than we have ever known in this country.

It is well to remember that all of this discussion has occurred prior to the last two Presidential administrations and prior to the recent depression. During the first of these administrations, we have found that without strong leadership in the national interest, Congress becomes an easy prey to block and lobby. During the latter administration in the face of a national emergency, we have seen that Congress will readily yield to strong Executive leadership, so that our experience during the last 8 years has made the position of both opponents to Cabinet cooperation in legislation a very difficult one. Why is it, then, that during the many years that this plan has been under discussion, it has not as yet been accepted by the Congress? One obvious answer is that in very few periods of our history have we found an actual balance between the legislative and executive branches. In almost every administration either the executive or the legislative branch of government has been in the ascendant. When the executive was in power the President has been very slow to recommend the passage of such a bill for fear of losing that power, and when the Legislature was in control, of course, it has hesitated to jeopardize its position.

It is, of course, natural for us, as individuals, to fear unknown experiences. And it seems to be a very commendable trait in nations to hesitate in trying new experiments in government toward which they are not driven by absolute necessity. It is, no doubt, also because of this that the United States has been very hesitant in adopting this comparatively simple change in government. We have stood quietly on the side lines and seen practically every democratic government that has come into existence since our own adopt either all or a substantial part of Cabinet participation in lawmaking. Nearly every country in Europe that is not under some form of dictatorship requires the presence of Cabinet members in legislative assemblies, and the same is true of the South American Republics. We alone look askance at the whole procession, claiming to be fearful that our Executive would use this instrumentality to increase his power to the injury of the country.

This attitude is certainly not justified by the experience of other free governments, and especially is it clearly disproved by English history. For many centuries there was a struggle in England between the executive and legislative power as to which would be the controlling force in government. It was not until the present cabinet system was devised, in the early part of the nineteenth century, that for all time that question was settled in favor of the legislative branch. The House of Commons, by keeping the Cabinet constantly under its surveillance and subject to its direction, provided that so long as British institutions shall prevail that body shall be the controlling factor.

Yet we, according to the gentleman from Massachusetts, should be timorous about adopting even a short step in this direction, for fear that that short step will make the President a menace to our freedom.

Our own history has shown us that, without any exception, wherever the need of broad executive power has existed the President has seized that power and Congress has not quibbled while the emergency has been upon us. Apparently it would be almost impossible to adopt any system that would increase the present ability of the Executive to take unto himself any and all necessary power. The only thing that is left for us to do is to try to devise some system that will at all times, both normal and during emergencies, give the Legislature the right to control this power which will inevitably be taken when the occasion arises.

In 1837 Hon. Richard Fletcher, at that time a member of the Ways and Means Committee, in a speech in Faneuil Hall, Boston, complained that during Jackson's term of office the principal function of the Ways and Means Committee was going through the form of approving the laws which Jackson prepared and handed down to them for acceptance. It may not be merely a coincidence that the first effort in Congress to bring the President's Cabinet under the control of

the House and Senate was in April 1864, during the close of the Lincoln administration, when Executive power had expanded beyond the precedence even of the Jackson. The committee considering this bill reported it favorably and complained bitterly of the manner in which the executive department unduly influenced the deliberation of the Legislature. The report says of the President's Cabinet:

It has been notorious for years that by personal interviews with Members, by private conversations at the office, in social intercourse, at casual meetings on the floor of the two Houses, by verbal statements to the chairmen of committees—liable always to be misunderstood or misinterpreted—by unofficial communications to the committees themselves, these officers originate, press forward, modify, or entirely defeat measures of legislation.

It is also interesting to note that, at this same period in our history, the Confederate States who were so jealous of the law-making rights of States that they were willing to go to war over it, and who would not knowingly or willingly expand the Federal Government in any of its departments beyond the absolute necessities of the case, provided in their own constitution for the admission of cabinet members into the deliberations of their house and senate.

Obviously, then, from the intent of the farmers of the law itself, from the historical development of English parliamentary government, from our own experience and the experience of all other governments that have adopted this cooperative method of government between the legislative and executive departments, there is not a thread upon which any substantial fear of executive encroachment can be hung. This measure is designed to do the one thing that our constitutional fathers held constantly in their minds—the maintenance of a balance between the three departments of government. This is the one method that will enable the Legislature to exercise that control which our modern industrial development has made necessary in the Executive.

The only control that Congress has at the present time over Executive conduct is the interminable, tiresome, and usually futile congressional investigation, with its reams of testimony, expensive junketing trips, loads of newspaper publicity, and usually a dud at the end. President Grant's 8 hectic years brought forth 37 such investigations. President McKinley beat Congress to the punch at the close of the Spanish-American War by appointing his own commission to tell the world all about the embalmed beef; sinking transports, and utter lack of military supplies. The congressional investigation of the controversy between Gifford Pinchot and Secretary Ballinger in the administration of President Taft is still ripe in the memory of most of us. The odoriferous scandals of the Harding administration were all brought to light by congressional investigation. Practically all of this could have been avoided if Congress had been in a position to demand in the public interest constant information from members of the Cabinet as to what they were doing and why they were doing it.

Yet the executive department would also be in a much greater position to work efficiently. It could inject its opinion on national questions in the same forum in which those opinions are attacked—on the floor of the House of Representatives. It could supply Congress with facts and information known only to the executive department, which would save a lot of useless oratory and a lot of misinformation. In short, it could give to Congress a leadership in the national interest.

The gentleman from Massachusetts [Mr. Treadway] in his remarks says that Congress already has plenty of leadership, and he fortifies that statement by naming a number of illustrious leaders of Congress who have served in times past. It was never my intention to say that Congress has not had leadership. We have had many patriotic men in these Halls, but in every case they were elected from congressional districts. They either voted and talked as the majority in their districts required or they were not reelected to Congress. If such leadership happened to be in the national interest, it was due to the fortuitous circumstance that a man of exceptional ability happened to come from a district that had the national viewpoint rather than a sectional one. The purpose of bringing Cabinet members on the floor of the House is to

give the only public official that is elected by all the people | of the United States, the President, power to exert leadership over Congress at all times from a national viewpoint; not by the accident of circumstance but as a system of

The overwhelming preponderance of opinion of our real students of government endorse such a bill as now pending before our Judiciary Committee. In my former talk I set forth the personnel of the senatorial committee that had given unanimous approval of this measure, a committee which for high standing of scholarship and public service would be very hard to duplicate in our history. It contained such names as James G. Blaine, George Pendleton, General Butler, John G. Ingalls, and others of almost equal standing.

In giving the list of authorities approving this proposition, we must ever keep in mind the name of our own colleague the gentleman from Virginia, Mr. A. J. Montague, who is probably the best informed man in the country on the development of this whole problem and the necessity of this reform. A number of years ago he gave an address before the Pennsylvania Bar Association on this subject, which is so scholarly and complete that it leaves very little to be said.

One of the salient points of that address is that secret Cabinet meetings, combined with secret committee meetings in Congress, tend to destroy that public interest which is vital to a democracy. This system makes for an overactivity of politicians and an indifference in general by the people to problems of government. Both of these evils would be largely overcome by the public appearance of Cabinet members and the open discussion of their views.

Prof. Harold J. Laski, in Harper's Monthly for June of 1928, heartily endorses this proposal and says:

The habit of debate in the House of Representatives would be The habit of debate in the House of Representatives would be restored, and with its restoration there would be both an increase in the significance of opposition and a growth of public interest in the process of politics. A Secretary charged with corruption, like Mr. Daugherty or Mr. Fall, would have to meet his accusers face to face, a fact which would, at a stroke, raise the level of political morality in America.

Charles G. Fenwick, of Bryn Mawr College, writes in the American Political Science Review for November 1920 a similar endorsement. Hon. Perry Belmont, at one time Chairman of our Committee on Foreign Affairs of the House of Representatives, writes in the Constitutional Review of July 1928 a very scholarly review of the whole subject, and in that article quotes a conversation which he has had with Hon. Elihu Root, our present representative on the World Court and a man described by President Theodore Roosevelt as the greatest statesman in the world. Mr. Root is quoted

I have long been of the opinion that it would improve the conduct of both the legislative and executive business of the Government to have the heads of the executive department entitled to seats in the House of Congress with the right to be heard and the duty to give information under appropriate regulation.

Mr. Belmont also quotes Mr. John W. Davis, our Democratic candidate for President in 1924, as being favorable to Cabinet participation.

Dr. Charles A. Beard, the author of The Rise of American Civilization, and probably our outstanding student of governmental problems, in an article in Harper's for July 1930,

This (requiring Cabinet members to attend Congress) should have a wholesome influence on both departments of Government. Again and again Congress enacts laws in vague and general terms, leaving interpretation and application to Executive authority. The Water Power Act of 1920 and the Boulder Dam Act of more recent fame are excellent examples. In such cases it frequently happens that the administration departs, or seems to depart, widely from the intention of the legislature, assuming that it was ever clearly formulated. The Members of Congress attack the administration on the floor and the administration fires volleys through the press at Members of Congress. Not an edifying spectacle. Worse than at Members of Congress. Not an edifying spectacle. Worse than that, it delays, confuses, and hampers the transaction of business. Every issue of this character should be defined on the floor of Congress, with the parties in interest face to face, the press watching and the country informed.

Justice Story, in his Commentaries on the Constitution, by very clear inference approves of such a system, and in section 869 bemoans the secrecy in relationship between executive and legislative branches of the Government.

President Woodrow Wilson, in an article on the subject,

The degree of separation now existing between the executive and legislative branches cannot long be preserved without very serious consequences resulting. Congress and the President now treat each other as almost separate governments, so jealous is each of its prerogative. What we need is harmonious, consistent party governments, and the party governments is the party governments. ment instead of a wide dispersion of function and responsibility. We can get it only by connecting the President closely, as closely as may be, with his party in Congress. The natural connecting link is the Cabinet.

Hon. William C. Redfield, after his retirement as Secretary of Commerce in 1919, issued a book entitled "With Congress and Cabinet." He says on page 42:

The weakness of the House as a working part of the Government is insufficient knowledge of economics and of the Government itself. \* \* \* The Halls of Congress are not a source of accurate knowledge concerning the Government.

His solution of the problem was to have Under Secretaries from the executive departments present in Congress at all times.

Chief Justice Charles E. Hughes, who was then Secretary of State, in an address in Albany, N. Y., in 1924, said:

It ought to be possible for Cabinet officers to take part in the debates in both Houses on matters touching their department and thus be able to give exact information and to defend themselves against unjust attacks. \* \* \* Under the present arrangement against unjust attacks. \* \* \* Under the present arrangement a Cabinet officer often hears of misunderstandings and of an outpouring of mistaken notions which a brief statement from him could have corrected, but the misapprehension has been voiced and has gone through the country perhaps never to be overtaken.

The force of Chief Justice Hughes' remarks was impressed upon me this afternoon as I listened to the gentleman from New York [Mr. Taber] discuss the financial condition of the country when he insisted on listing all of the money that the Federal Government has advanced in the form of loans to the States, cities, and home owners of this country as being Federal expenditures. Continuing, Justice Hughes said:

We can preserve the advantages of stability and enhance the opportunity of Executive leadership, not by overriding the cherished prerogatives of the Congress or by attempting to gain an illicit advantage for that leadership but by having a recognized contact through the regular admission of Cabinet officers to the floor of both Houses of Congress.

Hon. James A. Garfield, later a President of the United States, speaking of the same proposal before Congress, said:

Who does not know that the enactment of this law will tend to bring our ablest men into the Cabinet of the Republic? Who does not know that if a man is to be responsible to his executive does not know that if a man is to be responsible to his executive acts and also be able to tell why he proposes new measures, and to comprehend intelligently the whole scope of his duties, weak men will shrink from taking such places? Who does not know that it will call out the best talent of the land both executive and parliamentary? \* \* \* It is the silent, secret influence that saps and undermines the fabric of republics, and not the proposed the collision between intellects the array of facts. open appeal, the collision between intellects, the array of facts. I hope that this measure will be fairly considered. If it does not pass now, the day will come, I believe, when it will pass. When pass now, the day will come, I believe, when it will pass. When that day comes I expect to see a higher type of American statesmanship, not only in the Cabinet, but in the legislative halls.

Mr. MAY. Will the gentleman yield? Mr. HARLAN. I yield to the gentleman from Kentucky for one question.

Mr. MAY. In view of the fact that the framers of the Constitution provided for absolute divorcement of the three departments of government, each from the other, and particularly the executive from the legislative, has the gentleman considered the possibility of entangling the executive and legislative branches of the Government by his bill?

Mr. HARLAN. I may say to the gentleman that I will include in my remarks, which I did not intend to do, a statement by James Madison appearing in the Federalist, answering an article by Montesquieu on the question of separation of departments of government:

He (Montesquieu) did not mean that the departments should have no partial agency in the acts of each other. His meaning can amount to no more than this: That where the whole power of one department is exercised by the same hands which possess the whole power of another department, the fundamental principles of a free constitution are subverted. Former President Taft, in his message to Congress on December 19, 1912, forcibly recommended the adoption of a bill permitting and requiring Cabinet members to participate in legislative matters. In this message he says:

There has been much lost motion in the machinery due to the lack of cooperation and interchange of views face to face between the representatives of the Executive and the Members of the two legislative branches of the Government. It was never intended that they should be separated in the sense of not being in constant effective touch and relationship to each other. The legislative and Executive each perform its own appropriation function, but these functions must be coordinated. \* \* \* I do not think that I am mistaken in saying that the presence of the members of the Cabinet on the floor of each House would greatly contribute to the enactment of beneficial legislation.

Thus we have seen the measure which is now pending to require Cabinet members to enlarge their functions and cooperate with the legislative branch endorsed by the history of the British Empire in its struggle to achieve democratic government. We have seen this experience copied to greater or less degrees by almost all of the later republics, both European and American. We have seen in America an irresistible growth of Executive power, with no apparent instrumentality to control that power on the part of the legislature. We have seen our thinking students of government try to devise a means of working out of this dilemma, and out of this effort-70 years-the first bill to establish cooperation between the Cabinet and the legislature was initiated. That bill has been endorsed by our outstanding students of government everywhere. It has met the express approval of at least three of our Presidents, of a senatorial committee of outstanding ability, of two of our Chief Justices of the Supreme Court, and of our representative on the World Court. Yet we must not proceed in haste, as we are told by the gentleman from Massachusetts, who says that the bill will dangerously increase executive power, while we are also warned by a former Secretary of the Treasury that it will so irritate the legislature that it will be a futility. The choice between these viewpoints is now in our hands, and as one Member of this body I recommend the passage of the bill by this House.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 10 minutes to the gentleman from Georgia [Mr. Castellow].

Mr. CASTELLOW. Mr. Chairman, it was not my purpose to consume any time on this occasion, but, having listened to interesting talks this morning by several distinguished Members of this House, I feel inclined at least to interpose a few comments.

I was especially interested in the discourse of the gentleman from Texas [Mr. Mansfield] in the beginning of the debate. He gave us some very interesting information in reference to the cotton situation in the South. The lesson that I drew from his statistics inclines me to make this suggestion. It is now high time that we as a people decide whether we are to be nationalistic and self-contained or remain a factor in the commerce of the world.

If we expect to deal in the markets of the world, it follows necessarily that we must put ourselves in position to compete with others who are dealing in that same market. The gentleman has shown us that while the cotton production of this country decreased last year some 3,000,000 bales, there was a corresponding increase in the production of other countries. Consequently, the world supply was not reduced. If we expect to sell cotton in the markets of the world, necessarily we are going to be compelled, whether we would like it or not, to be in position to compete with those countries that produce the same commodity. This is not only true in the production of cotton, but it is likewise true in the production of any commodity that is to be placed on the counters of the world and offered for barter.

As I have remarked before upon the floor of the House, there is an absolutely logical reason for everything which has transpired or ever will. Why is it that the wealth of the United States, and I might say the wealth of the world, is centered in that part of the country which is intrinsically the poorest part of the United States—I will not say of the world? Why is it that the southern part of the United States, rich in soil, with a wonderful climate, possesses a

negligible portion of the wealth of the United States, while that part of the country inhabited by those we call New Englanders possesses so much of the wealth of the world? There is a reason, an absolutely valid reason, for it. One is that by the decree of Nature men prosper, not when helped but when they rise to meet emergencies and overcome difficulties. They evidently were using their brain while we probably were enjoying our climate.

Until recently, as I understand, the chief difference between the doctrines of the Republican Party and those of the Democratic Party was upon the subject of tariffs. The people of the Democratic Party, the nucleus of which, of course, remains in the South, stood for low tariffs or no tariffs, while the people of the North and the East stood for high tariffs and protective tariffs. Now, what transpired? What was the tragical result of this difference of opinion in regard to the policies which should be enacted into law?

The situation might be illustrated with a game of baseball, for instance, between New York and Washington. The umpire calls into consultation the captains of these teams, and he says to the Washington captain, "Mr. Captain, how many strikes do you say a batter should have before he is out?" And the captain promptly responds, "Three."

He then asks the captain of the New Yorkers, "How many strikes do you contend a batter should have before he is out?" And the captain of the New York team replies, "I think he should have five. Now, what is your decision, Mr. Umpire?" The umpire responds, "Well, I am thoroughly agreeable. I like to please all, so I am going to agree with both you gentlemen. Each batter of the Washington team will be allowed three strikes before he is out; each batter of the New York team will be permitted five strikes before he is out. The game is called!"

The United States has said time and again, "I am going to agree with the Democrats of the South, and I am going to agree with the Republicans of the North and the East; I am going to give you people of the South what you want, a low tariff or no tariff, and I am going to give the people of the North and the East what they want, a high tariff, a protective tariff", thereby forcing the agricultural classes to sell the products of their labor in an open market in competition with the world, and to buy their necessities in a market inflated by a high protective tariff.

We have operated under those rules for 150 years; and is it surprising that we of the South have not won a game yet? [Laughter and applause.]

Now, I am not saying that we are more virtuous than you, and I would be far from admitting that you are more virtuous than we.

The question of tariff seems to be largely a question of expediency as it affects the business interests of respective localities, and in its solution the voice of selfishness and self-interest seems to prevail, as is often clearly demonstrated on both sides of this House.

There are many other things that I should like to say, suggested by the splendid speech of my friend from Texas [Mr. Mansfield].

The next speaker was the gentleman from New York [Mr. Taber], from the Republican side. I have listened to the gentleman on many occasions, and I say this: that the truth is the truth, not because any particular one speaks it, but because it is the truth, whether it be in Holy Writ or not. If good comes from this side or that side, I for one am willing and anxious to accept it. Mr. Taber was speaking my convictions when he said he believed the time was near at hand, or even now at hand, when we should at least begin to make some effort to balance our Budget.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 5 minutes additional time to the gentleman from Georgia.

Mr. CASTELLOW. Mr. Chairman, there are two words in the English language which, according to my judgment, have caused more bankruptcies and more financial failures in private life than anything else that I can think of, and the principle that applies to private life will apply with equal

force to public life, or the life of a State or a municipality. The two words to which I refer are "Charge it." Require a man to pay cash for what he buys, or even if you go further than that and require him to pay in good, new silver dollars, then many a time he will put the dollars back in his pocket and not buy something which he fancied he needed but in reality did not need, or at least could do without. I have considered the Committee on Ways and Means, that is charged with the duty of getting up the money to meet these great expenditures which we are making and have been making.

I deeply sympathize with those gentlemen when the time arrives for them to raise by taxation adequate funds to meet resulting demands upon the Federal Treasury. When this time does arrive, I fear they will become the most unpopular committee, not only in this Congress, but that has ever served in any Congress in the history of the country. I believe further that the committee that is charged with the duty of raising the revenue should have some voice in directing how it should be expended, and I furthermore submit that it would be most expedient, and more in keeping with business principles, to provide the funds before the various appropriations are made. I have never known an individual to achieve much success who contracted obligations before the formation of definite plans whereby they were to be met. If you will determine in advance what funds can be supplied-and before any appropriations are made-in my judgment, the results in the end will be much more satisfactory.

I never did think it was right for the old man, the head of the family, to have to raise and make the money, and have the children, who make nothing, do all of the spending and saying how much. [Applause and laughter.] It never impressed me as good business, and neither do I think it honest.

Next is the question of the tariff. That is a big question. It takes lots of time to discuss it. I never did want to start talking here unless I had at least 2 hours, but rather than have a row with my good friend Mr. Taylor, I accepted what he said he could give me, 10 minutes, although I cannot get started in that length of time, particularly upon such a controversial subject.

It has occurred to me that there was much wisdom in the thought suggested by the gentleman from Texas [Mr. Sumners] during the last Congress, that we often give too much consideration to the garment in which the thought is to be clothed, rather than to the substance of the thought itself. If we would simply express ourselves with more ease and reason together as men, I believe the aggregate results would be much more satisfactory. I was interested a day or two ago when Mr. Marvin Jones used an illustration of the automobile—and I approve of it very much, because I used it in my first campaign some years ago.

The CHAIRMAN. The time of the gentleman from

Georgia has again expired.

Mr. CASTELLOW. I shall keep on talking, Brother Tay-LOR, just as long as you give me time. I have something to say which I think of real worth, and you yourself might think more of it tomorrow than you do today, if you will give it consideration during the night.

Mr. TAYLOR of Colorado. Does the gentleman desire 5 minutes more?

Mr. CASTELLOW. Yes; although 55 minutes would be

Mr. TAYLOR of Colorado. I shall have to limit the gentleman to 5 minutes.

Mr. CASTELLOW. I thank the gentleman very much. Small favors are gratefully received. What Mr. Jones said of the automobile is one of the illustrations that I used in my campaign, as I said. I remarked to my people that I had never seen the Congress in session but that I was convinced if the 435 Representatives constituting its membership would thoughtfully cooperate in an honest effort to relieve the distressing situation, gratifying results would be accomplished.

I asked them to think of the old machine, with its rattling chains and lever control, that Dr. Patterson, of Cuthbert, operated with difficulty but a fixed determination to find something speedier than the horse. It is indeed a fossil now as compared with our splendid machines of today, but it was up-to-date at that time. Consider now the marvelous product of mechanical skill, so much in evidence on every hand, which the greatest mechanic ever employed by Henry Ford or Walter Chrysler, or any other since time began, could never alone have produced, for it represents the contributions of hundreds and thousands of honest and earnest men, not one of whom could have built anything approximating it. It represents the combined thoughts of many. Then, I said, why cannot our Representatives in Congress devote themselves in a practical way—as have our mechanics, who are not lawyers, business men, or bankers-and give us something in the way of a governmental machine which will approximate in efficiency that these mechanics have accomplished in their field?

I believe they could. Just at this point, and speaking about what we have done with machinery, that is largely the trouble with our situation today. We have done so much more in a mechanical way, and machinery has been developed so much more rapidly than we have mentally, that matter has exceeded and seems now to excel what we are pleased to term "brains." Beyond question, I fear, we have not the ability or capacity to cope with the situation which it has produced.

According to my judgment, there are five fundamental causes for the conditions which came upon us in 1929 and have followed since. I arrived at these conclusions prior to my entry into the Congress, and in discussing the situation with my people enumerated them as follows:

First. An inequitable distribution of governmental burdens and an unwarranted tax upon our people by governmental expenditures, which at that time were estimated by the President as being \$13,000,000,000 levied by National, State, and local Governments. But that is one of the smallest of the five.

Second. The alienation of our foreign trade by unwise tariff legislation.

Third. A dissipation of American wealth by unwise investments in foreign securities.

Fourth, and by far the most important of the five, I believe, is the marvelous increase in labor-saving devices, without due regard to the laborers displaced, thereby increasing and multiplying the ranks of the unemployed.

Fifth. The tremendous increase in our obligations to pay a multitude of debts with a handful of money. And I now submit that practically all of our remedial legislation has been to correct some one of these fundamental difficulties. [Applause.]

The CHAIRMAN. The time of the gentleman from Georgia [Mr. Castellow] has expired.

Mr. LAMBERTSON. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. Gifford].

Mr. GIFFORD. Mr. Chairman, it is a joy indeed to hear from the State of Georgia. October 4 last we heard the views of its Democratic State Convention. I have the platform here. It repudiated everything in the new deal, and it would be a good thing for this House if somebody from the State of Georgia would read to us the keynote speech made at that time. We Republicans could subscribe to that platform. For the encouragement of the State of Georgia, and for the encouragement of the gentleman from New York [Mr. TABER], who has just spoken, it seems that this spending of huge sums of money, which is such a delight to politicians, is now meeting with something in the nature of a set-back. It reminds me of the attractive young lady cashier, about whom I read the other day, who said to her boss that she would have to take a holiday; that she was not looking her best. He said, "Nonsense." "Oh, yes", she said, "I am sure it is necessary. The men are beginning to count their change." [Laughter.]

I think the indications are that we are beginning to count the cost of government. Let me read to you the following:

Our Federal extravagance and improvidence bears a double evil. First, our people and our business cannot carry its excessive burdens of taxation. Second, our credit structure is impaired by the unorthodox Federal financing made necessary by the magnitude of these deficits. The latter is more technical but to my mind the more dangerous. The truth is that our banks are financing these stupendous deficits and that the burden is absorbing their resources. All this is highly undesirable and wholly unnecessary. It arises from one cause only and that is an unbalanced Budget and the continued failure of this administration to take effective steps to balance it.

From President Roosevelt's preelection speech in 1932.

This House ought to be treated to a reading of many of those preelection speeches. The Republicans here could well endorse now practically all of those preelection doctrines, in the light of what has happened since March 4. 1933.

But, Mr. Chairman, I rose particularly in defense of New England. I am proud to do it. Even if our recreational. fishing, and textile industries were suffering severely, Massachusetts paid more in percentage than any of the other States for relief of her people. She stands high in that regard, but we shall be obliged to continue to help pay, for years and years to come, the 99 percent of the relief bills of certain of the other States. So that I feel, under such conditions, that we may justly appeal for assistance for our industries. We were told a day or two ago, when our New England governors came to Washington-all of them or their representatives-that everything they desired by way of legislation had been delegated by Congress to the President of the United States. "Appeal to him." So, after all, these speeches made upon the floor of this House seem to be of little avail.

In fairness, I want to say, relating to the processing tax, about which we have, today and recently, heard so much, that the doctrine of "reward the farmer for not raising cotton; penalize the mills for manufacturing cotton" is certainly not working out as planned. Scarcity and high prices are what this administration seems to desire to bring about in order to restore prosperity. "Reward the cotton farmers for not raising cotton; penalize the mills for manufacturing it." This pithy expression was recently uttered by one of our manufacturers, and it is worth repeating here.

Mr. FORD of California. Will the gentleman yield?

Mr. GIFFORD. I yield, if the gentleman is willing to reward my fishermen for not catching fish.

Mr. FORD of California. I am not a miracle worker, and I could not do that, but I would ask the gentleman this: How many of his customers for textiles are farmers, and is not the processing tax giving those farmers the money to purchase the gentleman's textiles?

Mr. GIFFORD. Yes; and right along that line I think I can please the gentleman when I can say, unlike other New England Congressmen, I acknowledged, when we passed the processing tax, that the consumer would have to pay it, and that the farmer would not benefit at the expense of the manufacturer, who would simply pass it on, if possible. That was the theory advanced.

In practice, however, our mills have been forced to absorb this tax, which was not the intention. The idea behind it might have been good. I have often remarked that if Massachusetts were to say that her textile plants pay this processing tax, then North Carolina could well say that they pay the tobacco tax; but she does not. A stamp is placed on every package of tobacco that is sold. Why can we not devise some sort of stamp to be placed on the manufactured article when it is sold so that everybody may know that the consumer is paying the tax? It was asserted that our people were buying cotton products altogether too cheaply. But in this effort to try to absorb the processing tax and meet competition there has been a direful effect on the textile mills.

Mr. Chairman, I thoroughly understand how difficult it is for us to get sympathy in such a matter; how difficult it is to overcome sectionalism. Every time I bring this up someone will take me by the arm confidentially and say: "Well, after all, the textile mills of the North are poorly located and you have got to come down South, have you not, where labor is more orderly and where the raw product is right at hand." New England is perhaps fighting a hard fight with that viewpoint so clearly in the minds of the majority party. But does the cotton producer want the processing tax and all else besides? I am appealing today that some sentiment may be aroused in the sunny South for New England. It has that God-given chance to raise the cotton, and all her acres are profitable, to some extent at least. I am hoping that some day you will have the buying power down there; but it will come only when you pay your workers a reasonable wage and when you give them better living conditions. How do I know? I went down there to see; and I think I understand the present unfair conditions existing there. I would like to record at this particular moment one answer I got to the question "How can the southern mills make money?" The reply was: "We have no idle machinery; the wheels turn 24 hours a day."

We have overcome that to some extent, under the N. R. A.; we have forced certain sections of the country to come under a minimum wage with the differential of \$1; but the textile industries are claiming that now much more of this nature should be added to the N. R. A.; and are appealing to the President. We cannot appeal here except to arouse your interest, sentiment, and sympathy. Why should they pay practically all workers, including the semiskilled only the minimum wages paid in other sections of the country. Why? Cannot the N. R. A., as demanded by labor, impose a real code of fair competition? That is the intent of it.

Now, let us have these semiskilled and skilled workers put into three or four separate classes, and whether in one section of the country or in another have the workers paid the same. That is the only thing that will add to your purchasing power. Our New England textile mills are in a precarious condition. We have a right to appeal to the Congress, or to the President, if necessary. We have contributed much toward the wealth of this country. Processing taxes must be rearranged as far as this maladjustment occurs; the South must forego the advantage, if you please, of low labor costs and by some method be forced to recognize fair competition. This is a reasonable request.

This afternoon, while we have plenty of opportunity to discuss matters, I wish to follow up my suggestion to the gentleman from California. Can you imagine any industry worse off than the fishing industry? Do you need to be told what an important industry it is, particularly now that food prices, meat prices, are going up, and the slogan has got to be, "Eat more fish"? Were I to portray to you the fisherman's life and the hardships he has to endure, it would be a tale the like of which you have never heard connected with any other industry. Why not now give him the benefits of a processing tax and pay him something for not catching fish? He is asking his Congressmen for assistance such as is given the farmers, and we can only say, "Yes; we know we are your Congressmen, but under conditions existing here we are absolutely helpless."

They ask, "Can you not prevent that trade pact with Canada?"

And we must answer, "No; we handed all the power to the President. On the floor of Congress we may be able to appeal for sympathy and to enlist sympathy, but we are shorn of power to aid our constituents in almost all matters on which they appeal to us. I, with other Congressmen, can get up on the floor and make speeches, just speeches to be read at home; but we experience only the weariness of futility."

Now, Mr. Chairman, I do hope that sometime this government of trial by error shall cease. In closing, I would like to add a little pleasantry, as I did in the beginning, for so many people have been confused about a government of

trial by error. When you are explaining it, to women's clubs especially, tell them a government of trial by error is like this: A lady told her maid to give the baby a bath and put the thermometer in the water to see that its temperature was just right.

The maid replied: "I do not need to. I put the baby in the bath, and if the water is too hot he turns red, and if it is too

cold he turns blue, and I can tell."

Everything is turning red or turning blue. Let us get back to the thermometers, the barometers, and to old-fashioned experience, just as Georgia demands. [Applause.]

Mr. CRAWFORD. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Michigan. Mr. CRAWFORD. I am very much interested in what the gentleman had to say in reference to the scarcity of production. If I remember correctly, the other day someone from Ohio made the statement on the floor to the effect that wages are paid from profit. May I ask the gentleman if, in his opinion, that statement is true, or is it a fact that wages are paid from production?

Mr. GIFFORD. The wages of the textile mills since 1925 have been paid from profits made theretofore. Many of the stockholders of the mills that have been hanging on since 1925 now say. "Let us salvage the ship. Let us get anything we can for our share of stock. We have been patriotic long enough." Our mills are now being dismantled and whatever may be left within them is being sold-auctioned off to get what little they can out of the wreck.

[Here the gavel fell.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. DICKSTEIN].

Mr. DICKSTEIN. Mr. Chairman, I am very sorry that I have not more time than has been allotted to me this afternoon, as I should like to discuss in detail the report of the Committee on Un-American Activities, which is now on the Union Calendar. This committee completed an investigation on behalf of the Congress dealing with subversive activities by the nationals of foreign governments. The committee made great progress, and, in my opinion, presented a great report.

However, I should have liked to have the report go further and make additional recommendations.

Mr. Chairman. I should like to have had additional discussion in detail concerning certain activities of the Nazi government in this country.

I would have condemned the Ambassador from Germany for his activities in the United States in a dual capacity: He represented the German Government here as an Ambassador, and at the same time he was very active in spreading propaganda within the borders of the United States. I hope that at some future time I will have the opportunity to further discuss that question.

Several times during the progress of hearings before the committee Ambassador Luther's name and the German Embassy were brought into prominence and the evidence definitely indicated that he has been acting unjustly toward our people, in that while serving in his official capacity he also represented and gave comfort to groups in this country which were affiliated with a political party of a foreign government and which endeavored to instill in the minds of American citizens the pernicious racial and religious animosities which dominate that foreign political party. Naturally, Ambassador Luther had the opportunity through regular channels to deny these charges, but he did not do so; he probably claims diplomatic immunity.

I should have liked to have taken a number of the consuls representing the German Government and sent them right back home, because, Mr. Chairman, our United States consuls would not dare do abroad what these men have done in this country. The committee found that some of these consuls have dished out thousands upon thousands of dollars in cash to pay propaganda agents and secret spies to strike at the very things that we cherish and which are the very fundamentals of our Government. On the Nazi activities I intend to extend my remarks.

The committee has discovered instance upon instance where German consuls in this country assisted in the printing and the spreading throughout the United States of propaganda designed to aline American against American on subjects contrary to the principles of this Government, and that they were a party to the disbursement of funds to carry on this work directly from the German consulates. Most of this money was paid in cash, the purpose being to prevent, and so far as possible, make impossible, the discovery of this financial tie-up; but your committee was able, by very careful examination to uncover these facts by documentary evidence and sworn statements. The amounts of these transactions, uncovered by your committee, ran into the thousands of dollars, but there is no telling how large the amounts were which the committee was unable to uncover in the limited time at its disposal.

I would here give full credit to the millions of people in this country of German ancestry and of German birth, against whom no charge of any un-American activities has been placed, and who have recognized this investigation was in fact a protection to them against unjust criticisms. I would also give appropriate credit to the many German-Americans who have cooperated with me from the very beginning of my unofficial investigation of these alien Nazi activities, up to the time the investigation was authorized by the House of Representatives, and thereby made official.

When alien leaders come to this country under the pretext of being friendly aliens, when in fact they are leaders in their own countries and come here to cement a feeling among people who came originally from their country, or whose ancestry migrated here from that country, and ask them to subscribe to a principle of foreign philosophy of government which leads to a dictatorship and can only have the effect of arousing animosity between American citizens and residents, then I say, that alien leaders of that type are not fit to remain here or to become citizens of the United States. Furthermore, when these alien leaders secure the cooperation of any Americans and by their combined efforts endeavor to inspire our people to act against the interests of the United States through groups controlled by aliens for the purpose of attacking the Government or our people with direct and indirect subsidies paid by the Nazi government which was discovered as beyond dispute and beyond question, then it is time for our Government to call a stop to these activities.

It is not my purpose or intention to advocate the destruction of free speech, free press, or free assembly, but the principle of free speech, free press, or free assembly does not mean the smuggling into our borders of propaganda, which if read, would bring about intolerance, bigotry, religious and racial hatred among our own people. Nor does it mean the smuggling of ammunition, nor the smuggling of uniforms, nor the receiving of orders from foreign dictators, brought in by these aliens for the purpose of educating American people regarding their conduct here or the form of government we should have. Free speech does not mean that the Nazi Party of Germany can threaten American citizens of German birth in an effort to secure them to subscribe to the principles of the National Socialist Labor Party, when those principles require you to be of Aryan blood, forbid your being a Mason or a member of any other fraternal order, and demand that you cannot be a Jew. These principles of free speech, free press, and free assembly, as we understand them, do not require us to subscribe to the principles of these alien leaders under the threat of violence or, if in business, boycott, should the demands of these alien propagandists on behalf of foreign governments be rejected.

Free speech and free assembly do not mean that these Nazi groups shall have the inalienable right to hold secret meetings, pledge allegiance to carry out their pernicious propaganda against our form of government and against our people, to conspire with one another to bring about force and violence and disrepute among the people of this country, to conduct parties on German boats to which are invited innocent victims of American birth who believe they are going there for the purpose of seeing a program of development,

only to find that they are taught by Nazi leaders to believe the principle that Hitler rules the earth. Free speech, free press, and free assembly do not authorize the conducting of un-American schools and un-American youth camps, whether Nazi or Communist, to teach everything that is foreign and un-American—everything that our people will not tolerate, and do not mean the license to deliberately endeavor to destroy every beautiful doctrine that our forefathers died and bled for in their efforts to establish and preserve this Nation. However, these principles have been used as a license rather than a privilege, and have been practiced all over the country by local groups of the Friends of the New Germany, which is the American organization representing the National Socialist Labor Party in Germany.

This organization, the Friends of the New Germany, which is a foreign group, under the leadership of unnaturalized aliens, has been properly declared an un-American group by the Supreme Court of the State of New York when they requested a charter of corporation and same was denied.

Now then, how can the leaders and members of this organization justify their parades with the swastika flag at the head, the use of foreign uniforms, carrying guns, marching along while they sing the national anthem of the National Socialist Labor Party of Germany. People of this type, in my opinion, are not fit to be American citizens or enjoy the privileges of this country.

As I have indicated above, I am in accord with the report of the committee but would have liked to have seen it go a little bit further. I would have recommended that it be made a violation of the criminal statutes for any foreign group to import and wear uniforms while conducting their foreign propaganda; I would have recommended that it be a crime for steamship companies, other companies, or individuals to deliberately and intentionally smuggle these uniforms into the country for propaganda purposes; I would have recommended also that the citizenship be terminated in the case of every individual who holds American citizenship and foreign allegiance in a dual capacity; I would have recommended the making of some specific charge against foreign governments who endeavor to spread propaganda inimical to our country and our people, and who set up machinery of propaganda and appropriate money therefor with the intention that it be used in the United States to spread their foreign ideals.

I have every regard for an alien who comes here for the purpose of making this country his home, and I say that we shall provide him with the means of earning a living; we should facilitate his efforts to become assimilated in our American life; we should give him proper protection while he is here—but in return I would expect such aliens to be law abiding, to help us in our efforts to effect their assimilation, to help us in our own program, to advance American ideals of thought, teachings, and government. But whenever any alien comes here for the sole purpose of doing injustice to his fellow men and seeks through the agency of foreign origin to bring about this discontent, slander, unrest, and intolerance among the people of his adopted country, I say that such an alien does not deserve the protection and opportunities which this country affords, and should be sent back home.

Evidence received by the committee indicated that every industry in Germany is today under the control of the German Government. The Government has confiscated industry, especially in the larger brackets of activity, and although on the surface it may appear that they are conducting their individual businesses, nevertheless the committee has found that the German Dye Trust, German steamship companies, and many other larger industries are absolutely under the direct control of the German Government.

It developed that when Ivy Lee entered into his contract with the German Dye Trust for the purpose of advising them, on the surface this information was intended for that industry; but Ivy Lee told your committee that he felt certain the information was reaching Government officials; and it is needless to say that the German Government evidently had something to do with the \$25,000 fee which Ivy Lee received for each year during the life of the contract. It is a peculiar

circumstance that one of Mr. Lee's sons was taken to Germany by Mr. Lee and by him left in Germany as his contact man at an annual salary of \$33,000, although Mr. Lee testified that they had no business in Germany other than the matter pertaining to the contract between himself and the German Dye Trust.

Another organization in this country about which the committee received information in this propaganda work directed through German railroads and German tourists' bureaus was the organization known as "Carl Byoir and Associates." One of the associates, Mr. Dickey, was subpenaed and was examined by me in executive session and also by the committee in public session, at which time Carl Byoir was in Europe. In this connection I should like to say to you that a great deal of credit is due Mr. Carl Byoir, the head of this firm, who upon his return from abroad gave evidence of his outstanding character as an American who is in sympathy with the principles of our Government, when he immediately terminated the relationship between his organization and the German Government, and terminated his own relationship, so far as any contract was concerned. between the German Government or any German industry and his concern and also indicated that had he known the facts back of the contract which became the subject of the investigation before this committee, he most certainly would not have permitted his firm to be tied up with it. And in this connection I want to congratulate him for his highminded attitude.

At some future date I should like to discuss more fully the evidence taken by the committee centering around the names of Gen. Smedley D. Butler, Gerald C. Maguire, and Robert Sterling Clark, but it would be useless at this time to connect a number of links, which General Butler complains that we have not done.

General Butler gave his evidence before the committee in executive session and told a most fantastic tale, but a peculiar fact is that the story was substantiated by many documents submitted by General Butler whose sworn statement was received by the committee, less than a month and a half before the life of the committee terminated. The committee proceeded to conduct an investigation in an effort to secure verification of the essential details of his story.

In that effort the committee subpensed Gerald C. Maguire, whose testimony, in my opinion, and I believe in the opinion of the entire membership of the committee, from the start was intended to throw a smoke screen over his real activities. During his examination by myself and other members of the committee, he was endeavoring to show that he represented Mr. Clark for the purchase of bonds for which he was given hundreds of thousands of dollars. There is evidence that he never returned a large part of the money placed at his disposal, there was no evidence to show that he actually purchased any bonds for Mr. Clark, and there were strong inferences that it may be assumed that the money was used for improper purposes among certain groups of people in an effort to bring about the adoption by the American Legion convention in Chicago, of certain proposals in which certain individual members of Wall Street are interested, the ulterior motive being that these Wall Street individuals, by securing a hammer-lock, could use these American Legion sponsored measures against the President of the United States as well as against the Congress. In his efforts to cover up the real motives of his activities Maguire seems to have deliberately committed perjury before the committee. in my opinion.

The committee could not have possibly established the conversations which Butler claimed that he had with Clark, since Clark was not available—he was then in Europe, had been some time previous, and still is. However, the committee did examine Mr. Christmas at the very end of the life of the committee as soon as Mr. Christmas had himself returned from Europe, and he gave testimony which clearly indicated that Maguire had not told the committee the whole truth. The committee has gone as far as it possibly could, but if time and money had permitted, it probably could have gone into the Clark tie-up more thoroughly and in greater detail

At this time I just want to extend a word of personal | credit to radio stations WNYC and WNEW and stations affiliated with these two for transmitting over their network one of the public hearings conducted in New York City by this committee, which was heard by many hundreds of people; as a result of that broadcast the committee received much valuable information regarding subversive activities and movements at various places throughout the

Also I wish especially to publicly express appreciation of myself and on behalf of the committee to the Association of the Bar of the City of New York for all of the courtesies they extended to the committee and myself, and for their generous spirit. Their rooms and the facilities of their building and the willing cooperation of their employees were at all times cheerfully made available for executive and public hearings held in New York City.

The committee has gone into the question of fascism extensively, and I will endeavor to discuss this more fully later.

At this time I want to deal with the question of communism. The question, I admit, is a rather broad one. I want to appeal to this House and to the American people that I think it is most essential for the House to continue the life of the committee. I want you to bear in mind that this committee in December 1934, just about a month before our power expired, went into the matter and investigated the whole Communist situation. The report as presented by the gentleman from Massachusetts [Mr. McCormack] presents an illustration of the tie-up that exists between the Communist Party of the United States and the Third Internationale in Russia.

Here is just one thing that happened: I subpensed the treasurer of the Communist Party and examined him. had learned there was an awful lot of money coming in, and I was trying to find out the sources of the financial support of the Communist Party. I wanted to find out how they could spread all over our country. They have schools in New York, in Philadelphia, in Chicago, in Boston, in Cleveland, in Los Angeles, in San Francisco, in Washington, and in practically every big city in the United States. Who is financing these schools and who is supporting them?

Mr. KNUTSON. Will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from Minne-

Mr. KNUTSON. May I call the gentleman's attention to the fact they also conduct summer schools for young boys and young girls who are in their early teens.

Mr. DICKSTEIN. That is correct.

Mr. Chairman, in one school they have almost 3,000 students who pay practically nothing. These Communists seem to have a lot of parades. In fact, they parade almost every day. They do not want to work, nor do they want to go back to Russia. I have had my own personal experience with them. They have been picketing my house almost daily because they do not want to be deported. They have been making speeches right in front of my nose. They have defied the Government and its laws, and defied the special committee of this House.

I examined the treasurer of the Communist Party and, Mr. Chairman, I asked him to produce the books and records showing their financial transactions. He told me in substance, not in so many words, that he would refuse to produce the books showing the financial resources of the Communist Party. Why? Mr. Chairman, they are just as we are. They sleep with this proposition every night. They knew that Congress was not in session and they found out that we could not bring them before the bar of the House, although the old laws, sections 102 and 104 of the Revised Statutes, states that one is guilty of a misdemeanor when refusing to obey the mandate of a committee of either House of Congress. However, the law says that it must be within the District of Columbia. In other words, they took advantage of an old statute under which we could not compel them to produce anything while Congress was not in session because the examination did not take place in the

District of Columbia. So I could not get the books. They defied the Congress of the United States.

Mr. Chairman, for this reason alone in the very near future I am going to call upon the Members, including the gentleman from Texas [Mr. Blanton], to extend the life of this committee so that we may bring these culprits before the bar of justice and make them respect the mandates of this Congress and the last Congress. We have traced hundreds of thousands of dollars, but they refuse to produce the documents because they say: "You are in a new Congress and you cannot bring us before you now."

By direction of the committee, I presented the facts of this matter to the Federal district attorney, in whose jurisdiction this offense was committed by this witness, likewise the counsel for the special committee submitted citations of court decisions on the subject, but we found the committee was unable to bring this contumacious witness before the grand jury in that jurisdiction, nor could we bring him before the bar of the House, since Congress was in recess and would not probably convene again during life of that Congress or during the life of this committee.

I just want to quote from a letter received from the district attorney and received by me on or about October 25

I am obliged to say that after further consideration of section 192 et seq. of title 2, U. S. C., I am still of opinion that section 192 must be read in conjunction with section 194 of the same title, and that reading them together they confer no jurisdiction on the district court of this district to proceed either by information or indistrect expect this without the section of the same time or indistrect the section of th tion or indictment against this witness

So this committee was helpless to compel this witness to produce evidence vitally pertinent to the investigation which the House had directed it to make during the Seventy-third

One of the recommendations made by the committee in the report is that legislation should be enacted to prevent the recurrence of this situation in future investigations ordered by Congress when such examinations are made while Congress is not in session here.

What do you think I found this morning? A fine, young American man came to me this morning for the first time and brought me a certain document showing that the Communist Party is conducting a real theater, with real actors, and all of the plays are based upon communism and are for the purpose of teaching your children and my children the philosophy of communism.

Now, how do they do it? I will show you how keen and smart they are in doing this. They went into Philadelphia a month ago and hired one of the large theaters there. They then accumulated all the Communist forces, including some educators, and each of these Communist groups was given a number of tickets, which were distributed free of charge to small children, to girls and boys, to men and women, and to the unemployed, who came to the theater without paying anything. There was produced the play "Stevedore", a great Communist play, and when you leave the theater they believe you are a converted Communist. Then this troupe of actors, most of whom are Communists, go from one city to another and again distribute thousands of these tickets for nothing and bring poor victims into the theater and produce other plays which would create revolution within the borders of our country.

[Here the gavel fell.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. DICKSTEIN. I say to you, Mr. Chairman, the time has come when we have got to have a show-down. There are two ways-to the right or to the left-one is just as bad as the other in this case. Either these people are going to subscribe to and comply with our laws and our Constitution or we have got to find some method of getting rid of them.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. DICKSTEIN. Yes.

Mr. SHORT. The gentleman may not now know definitely, but is he not of the strong conviction that much of this strong financial support does not come from abroad; but, | perhaps, is supplied here at home?

Mr. DICKSTEIN. For the information of the gentleman, I have a list showing some of the contributors.

Mr. SHORT. Will the gentleman kindly insert that list in his remarks?

Mr. DICKSTEIN. I am going to insert the names of some of those who have been supporting this theater movement that has been going on in all the large cities and in the congested districts of the country, but bear in mind that if you want to get the crux of the whole situation you have got to give this committee a little more time to go into the matter. We are in position to lay our hands on certain people if we can develop certain facts which we have in our possession, and then we can bring you some real, startling information.

Let me quote to you from the list of organizations which have sponsored this theater movement in Philadelphia: Tuesday evening, December 11, United Workers' Organization; Thursday evening, December 13, United Workers' Organization; Friday evening, December 14, United Workers' Organization.

There is a Communist actors' group known as the "Actors Emergency Committee", or a name very similar to that, and the leader of that group is known to be a very radical Communist, according to my informant.

Mr. SHORT. Does not the gentleman feel that our recognition of Soviet Russia has had a tendency to further aid in the spreading of such propaganda in this country?

Mr. DICKSTEIN. I would not want to go that far, but there is some information which I do not think my colleague, the gentleman from New York [Mr. FISH], when he examined into this situation, found out about.

There are a number of manufacturing concerns in my city as well as in Philadelphia, and all the other large cities, that, under threat of violence to property and employees, have been coerced. This "left wing" organized themselves into what they call a strong-arm guard, and they come to you, as a manufacturer, and say, "Now, Mr. Jones, or Mr. Smith, your pay roll is \$10,000 a week. We assess you 3 percent of that pay roll, in addition to what you pay your employees, for the purpose of unemployment relief." This money does not go to unemployment relief, Mr. Chairman. It goes to spread further the doctrine of intolerance and the doctrine of communism, and if you do not pay it, the first thing you know you are going to have a strike on your hands, and the second thing you know, your property will be destroyed and the stocks of goods or merchandise will be mutilated, and before you know it you are out of business.

We have discovered a lot of bank accounts. The smallest balance in these bank accounts is \$40,000. We have discovered about four or five bank accounts that were taking blackmail from a lot of honest business men, and if they had not subscribed to the tax levied upon them by these so-called "left wingers", they would have called a strike and destroyed their property.

Mr. CULKIN. Mr. Chairman, will the gentleman yield? Mr. DICKSTEIN. I yield.

Mr. CULKIN. Is the gentleman able to state whether Russia is financing this movement in America?

Mr. DICKSTEIN. If I could get this treasurer whom we directed to produce certain documents, under a subpena after giving him every opportunity, I could perhaps answer the question. We waited there for almost 8 hours for this man to produce the books that he had seen only that morning. If I could get these books and trace certain information which the committee has, I think I could answer the question and also the question that is in the mind of every Member of this House.

Mr. McCORMACK. Mr. Chairman, will the gentleman

Mr. DICKSTEIN. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Without regard to whether or not financial contributions have been traced—and of course with

exist or not, I have no knowledge—but the indisputable fact remains that there is direct continuity between the Third International of Soviet Russia and the Communist Party of the United States. Earl Broder, the leader and head of the Communist Party in the United States, admitted under oath or under affirmation before this committee, that there was direct, political continuity between the party in the United States and the Third International of Soviet Russia.

[Here the gavel fell.]

Mr. ZIONCHECK. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. CULKIN. The charge is definitely made, I may say to the gentleman who is making this most interesting speech, that the program in Mexico, where doctrines are being inculcated by the Government akin to the Russian doctrine or propaganda, is being financed by the Soviets.

Mr. DICKSTEIN. Well, there are some suspicious circumstances, but I would not be prepared at this moment to state whether it is a Communist or any other subversive movement. I want to give them the benefit of the doubt.

Mr. TAYLOR of Tennessee. Will the gentleman yield? Mr. DICKSTEIN. Yes.

Mr. TAYLOR of Tennessee. The gentleman is a member of the Committee on Un-American Activities, of which I am also a member—I want to ask the gentleman if there was evidence that Russia had made a substantial contribution to communistic publications in this country?

Mr. DICKSTEIN. That is true; but the main purpose was to produce, from the books of the organizations, the very things that we are all dreaming about, that we are all talking about—and, mind you, there were members of this international group connected with the chairman of the supply system of this country, and we tried to get them but they took the next boat and went out. They are now coming back.

Mr. FISH. Will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. FISH. I hold in my hand a clipping from a New York newspaper, which says that there has been a protest filed by the Daughters of the American Revolution in Congress against loans from the F. E. R. A. for summer schools for workers which taught subversive propaganda and activities. That is rather hard to believe, but it appeared in the press, backed up by a responsible organization. The article, supported by an affidavit, claimed that these summer workers' schools trained students to promote a general strike, seize industry, and set up a government of workers as was done in Soviet Russia. Has the gentleman any information of that

Mr. DICKSTEIN. No such information at all. We did find back in December that there was one communistic C. C. camp but, by the time we were able to get hold of them on January 2, our time expired.

Mr. FISH. I think it is highly important that you should investigate this statement made in good faith, and find out if any of the F. E. R. A. funds are diverted to teaching communism in the summer schools for workers. It is well known that the libraries in the schools financed by Federal funds are largely made up of communistic literature.

Mr. FENERTY. Will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. FENERTY. The gentleman from New York [Mr. DICKSTEIN] in his admirable presentation of the eagerness of the Russian agents here to destroy American principles of government has given us food for very serious thought. The gentleman has doubtless heard that communistic groups have distributed pamphlets among workers whose purpose is to cast contempt on our courts, to urge the Communist, when arrested for crime, to refuse to give any information, to "pack" the courtroom with Communist agitators in the hope of intimidating American jurors, and to ridicule the procedure and dignity of American justice as a sham provided to confuse defendants and prevent their acting with any intelligence. These pamphlets refer to American laws against sedition and anarchy as "class laws" forged by the "capitalist state" to suppress innocent sovietizers. arrested Communist is urged to "make capitalism the dethe limited time available they were not, and whether they | fendant and himself the prosecutor" by making a class speech to the courtroom. If the anti-American agitator happens to be an alien, as is so often the case, he is told that deportation is a weapon of the rich to try to weaken the communist class, and so he is directed to refuse to give any information as to the time or place or manner of his entrance into our country. Even demonstrations outside the court toward the end of the trial are recommended to the Communists as a means of terrorizing the courtroom and thus prejudicing the case in favor of the seditionists. Everything that can be urged to destroy respect for America and her institutions is advocated by these professional mischief makers, whose capital is Moscow and whose god is Stalin, the black dictator from Caucasus.

In this regard the gentleman from New York [Mr. Culkin] was absolutely correct when a moment ago he intimated that Communists are active in Mexico. As a matter of fact, the entire Government and its 6-year plan are modeled on Soviet principles. Mexican delegates have been sent to Moscow to study the Russian principles and methods of government. Red Russia has spent \$18,000,000 for Communist propaganda in Mexico, in the belief, as Russian representatives in Mexico have admitted to American news correspondents, that once Mexico is Russianized, America is next. A peculiar feature of the situation is that the Calles group now oppressing the Mexican people, out-sovieted the Russians by accounting for only three of the eighteen millions. Is is any wonder that the red czar" of Mexico, Calles, is the third largest depositor in the Bank of England? This Armenian Bolshevist has acquired millions by preaching communism while he plundered the underprivileged workers of the country which he dominates, even though there is some doubt that he is a native. His love for Asiatic ideals and the fact that the circumstances of birth are unknown lend color to the Mexican belief that he is not Mexican at all, but Asiatic.

I need not tell you that the subsidized hirelings representing the Red regime of Mexico in this country will probably deny any connection with the Soviet. They will even deny that there is any persecution of the Catholic, Protestant, and Jewish faiths in Mexico, despite the testimony of American and other eye witnesses. They say that there has been no oppression in Mexico during the last 20 years, but I can show you photographs of their victims hanging lifeless to the telegraph posts along the railroads. I can show you pictures of the posters made for use in the Socialist schools, containing the Russian symbols, the hammer and scythe, all of them clearly Russian in origin, and it is interesting to Americans that at least one poster picturing a Red soldier sweeping out authority and faith from the country suspiciously represents him with a Japanese cast of countenance. Let the Mexican Ambassador or his consul general in New York or any of the Soviet agents now in this country deny that Russian representatives were lately in Mexico, and I will give them the name of the American gentleman who interviewed these representatives there.

Incidentally, as a word of warning to our own peaceloving people, we should emphasize the danger that exists for such organizations as the Rotary, the Lions, the Spanish-American War Veterans, or others who may be contemplating visits to Red Mexico this year. Apart from the fact that, just as in Russia, such tourists are shown only what the Government wants them to see and are filled with Red propaganda by a governmental group that finds it difficult to conceal its contempt for American gullibility, it should be pointed out that such organizations are not only endangering the lives of their own members but running the risk of embroiling our peace-loving people in the quarrels and bloodshed in Mexico. Already there is revolt against the Communist Government in 12 Mexican States. Travel is unsafe. Warnings have come through American correspondents that the railroad lines into Mexico City from Vera Cruz, Laredo, El Paso, and Mazatlan will be cut. The sovietized government group, already tottering, can continue to enrich themselves at the people's expense only if they can alienate sympathy from the oppressed peons. What better way, they figure, than by having some Americans killed or injured and then placing the blame on the now aroused people? It is an old Mexican custom. Throw blood

in the faces of the Americans and blame the people who are attempting to rid themselves of the Calles parasites now living on their substance.

What a sad day it would be for these American organizations if, through lack of knowledge of the real situation, they were to go to Mexico to be wined and dined by the anti-American groups now preaching communism there, only to find that, in good faith and unwittingly, they had become the occasion of shedding more American blood on the sands of Mexico. The Red frontier is not now in Europe; it is at our own door. Americans should not be fooled into visiting and encouraging a system which hopes soon to destroy American traditions and reduce our own land to Red reversalism.

The gentleman from New York probably has these facts at his fingers' ends. He and his committee are doing a laudable work that deserves the support and hearty commendation of all patriotic citizens. I hope the committee is given whatever help it requires from the Members of this House.

Mr. DICKSTEIN. The gentleman is correct. Now, this is not because the committee wants to take on any more work. I think we have done more work now than this Congress can appropriate money for. We have not had sufficient money to cover the scope of these subversive movements in this country. I do not care what other governments want. My argument, and the committee's purpose, is to let them keep their propaganda in their own country. We want no part of it in this country.

Mr. FIESINGER. Mr. Chairman, will the gentleman yield?

Mr. DICKSTEIN. Yes.

Mr. FIESINGER. Did the gentleman find any of these activities in the smaller towns and rural communities?

Mr. DICKSTEIN. Oh, that is their meat. They delight in the rural towns, because they create a religious hatred amongst neighbors. They distribute certain documents which bring in the religious question. Some of these people in these small communities have no radio, some do not get many newspapers, and they almost believe the things they read in those documents. The letters that the committee received, and which I received personally, show that.

Mr. HAMLIN. Mr. Chairman, will the gentleman yield? Mr. DICKSTEIN. Yes.

Mr. HAMLIN. As a teacher of 25 years' experience in Maine, and a graduate of Bolton College, I ask the gentleman whether it is true, as we read in the Hearst papers, which I am beginning to enjoy very much, that many of the professors of our so-called "high-toned colleges" are going to Russia, or going to Soviet schools the coming summer, and are being financed by us Democrats and Republicans in America?

Mr. DICKSTEIN. I cannot answer the question directly, but I can give the gentleman some information along that line. The German Government, as was shown in the Nazi investigation, obtained a number of professors and "brain trust" men to go to Germany for the purpose of coming back and saying wonderful things about Hitler and his regime, and the Fascist government in Italy is taking American children over to that country to study fascism.

Information came to the committee, too late for a thorough investigation, which seemed to indicate that American-born children of Italian parents were taken from the American schoolrooms back to Italy at the expense of the Italian Government for training and practice of the Fascist principles and when these children arrived back in their home town here in America they were met at the train by members of the staff of the Italian consulate at that place and everybody was greeted with an approved Fascist salute.

Also, that the chief of propaganda for the Mussolini government for foreign countries came to America to spread his philosophy of government, and he succeeded in throwing such a smoke screen about his real purposes that he was apparently given a clean bill of health by our own officials, notwithstanding a most earnest request was filed with some

authorities for his removal or the curtailment of his subversive activities among our citizens of Italian extraction.

Children right here in Washington-the Capital of this Nation—have been pictured in the public press wearing the uniform of the Italian Youth Movement at a function of some sort held in one of the city high schools.

However, all of this information about the Italian Fascist activities has not been authenticated by an investigation by this committee. The fact that it did reach the committee very late from unorganized groups of American citizens of Italian extraction warrants the belief that startling things might be disclosed should this committee be given added time for a thorough investigation of the facts before it now on this subject. So it will be seen they all have some sort of an in and out, and if we can get to the bottom of it, with the power of this Congress, I think we will solve the problem.

Just now the important thing is for this House to extend the life of this special committee, with additional funds at its disposal, in order that the facts already found out may be further looked into. The origin of all this propaganda must be found, and the source of all this foreign money for the spread of this propaganda in this country should be discovered and stopped, and there are other facts which this Congress should have for the purpose of intelligently correcting the evils, so far as they can be remedied by legislation. I thank you. [Applause.]

Mr. LAMBERTSON. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. Knurson].

Mr. KNUTSON. Mr. Chairman, of course, with ten or eleven million people out of work in this country, it is to be expected that this should be fertile ground for any troublemaker to sow his seed, whether he be Communist. Socialist, or what not. We can legislate and appoint committees to investigate the activities of these perversive organizations that are seeking to undermine our institutions, but it is not going to do much good until we have restored prosperity in our country. When people are hungry and idle they are not much concerned about the Constitution.

We are not going to restore prosperity in this country until we stop these enormous imports which are coming in from all corners of the earth. The other day I happened to pick up a copy of the Boston Marine News, which contained some startling figures. For instance, it may be news to gentlemen on the other side of the aisle that we are importing thousands of tons of anthracite coal from Europe, that we are importing tens of thousands of barrels of crude oil every week from South America, that we are importing butter from Holland, Denmark, and New Zealand, canned beef from Argentine, manganese ores from Russia, India, and Brazil. And then you wonder why there is unemployment in this country. Thousands of papermakers are out of work because of large importations of pulp and print paper from Canada, Scandinavia, Russia, and the Baltic States.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. We are also importing a considerable quantity of potatoes. I yield to the gentleman from Idaho.

Mr. WHITE. Will the gentleman explain why, when his party was in power, we were unable to get a tariff on man-

Mr. KNUTSON. Mr. Chairman, I do not want to show up the gentleman's lack of information, but I am afraid I shall have to do so. The Republicans gave manganese a tariff of \$20 a ton, which has been reduced under the Cuban treaty to \$10 a ton. Does that answer the gentleman? When we went off the gold standard it had the effect of automatically reducing all tariff rates by 41 percent, but that was not enough to suit the free traders. In order to meet the free-trade views of those internationalists down in the State Department, we have since concluded trade agreements with a number of foreign countries which have resulted in a further reduction in the tariff by 50 percent, and then gentlemen wonder why 11,000,000 Americans are walking the streets looking for work.

Why are there 11,000,000 idle Americans? Because of the enormous importation of foreign-produced commodities which are being permitted to come into this country and Zealand, where the cattle are out on green pasture the year

displace similar commodities of American origin. We are importing altogether too much from abroad.

According to the report of the Department of Commerce for 1934, I find that during the 12-month period ending December 31 last we imported \$1,634,000,000 worth of merchandise of one kind or another. This enormous importation is classified as follows:

Animals and animal products, edible	\$48, 971, 999
Animals and animal products, inedible	109, 607, 905
Vegetable food products and beverages	467, 886, 069
Vegetable products, inedible, except fibers and wood	222, 097, 590
Textile fibers and manufactures	240, 213, 847
Wood and paper	181, 454, 490
Nonmetallic minerals	86, 444, 403
Metals and manufactures, except machinery and	
vehicles	129, 743, 817
Machinery and vehicles	11, 799, 775
Chemicals and related products	65, 125, 717
Miscellaneous	71 487 055

Is there anyone in this Chamber who will contend that when we imported nearly \$13,000,000 worth of meat products last year we helped the American cattle raiser? Surely no one will claim that we helped the Minnesota dairyman when we imported \$10,864,824 worth of dairy products in 1934. Will it be possible to convince the fishermen on Lake Superior and Lake of the Woods that their well-being was promoted when we imported \$23,127,092 of fish. Those who have been employed in our paper mills, but are now out of work, know full well that the reason they are out of work is that we imported \$181,454,490 worth of pulp and print paper last year. The thousands of idle stonecutters and miners realize that they are out of work because we imported \$86,444,303 worth of minerals last year.

A few moments ago the able gentleman from Massachusetts [Mr. GIFFORD] spoke of the very serious unemployment problem in New England. I should like to call the gentleman's attention to the fact that last year we imported textile fibers and manufactures valued at \$240,213,847. We imported vegetable food products and beverages to the tune of \$467,886,069 during the same period.

Now, Mr. Chairman, I come to a situation that is giving me the gravest concern: The tariff on butter, as fixed by the Republican tariff law of 1930, is 14 cents per pound, but when we went off the gold standard it had the effect of reducing all tariff rates by 41 percent, which made us the lowest tariff country in the world, save England. As a result of going off the gold standard, the tariff on butter is now only 81/4 cents, which is not anywhere near enough, as is shown by the fact that this year we have already imported nearly two million pounds of butter from New Zealand and Holland. And on March 5 the steamer Port Gisbourne from Wellington, New Zealand, will land a cargo of 31,000 boxes of butter, which will bring the total receipts of butter for January and February and the first 4 days of March up to 4,118,000 pounds.

A colleague recently received a letter from the president of a large dairy company in Michigan, which is engaged in the manufacture of powdered milk. He stated that for years they have sold much of their product to a large buyer on the Atlantic seaboard, and recently this buyer asked him to quote a price on four carloads of powdered milk for delivery in March and April, and he quoted 15 cents per pound delivered. He was advised that the bids submitted by American producers ranged from 14½ to 18½ cents per pound. While the eastern company was considering these bids a cargo of powdered milk came in from Holland upon which was quoted a price of 131/4 cents, which made a difference of about \$300 on the two carloads. The Michigan company was obliged to meet this price, although it represented a positive loss on the transaction, but as the president stated in his letter, he had to meet the price in order to fulfill his contract with the farmers who were furnishing the milk, but that he will not be able to do so indefinitely.

Ladies and gentlemen of the Committee, how much longer are we going to stand patiently by while the very ground is being cut from under us by a competition that we cannot meet. Our dairymen cannot meet the prices set by New round, while we must feed our cattle 5 and 6 months in the year, and then we must not lose sight of the fact that all kinds of feed, including hay, have increased in price anywhere from 100 to 300 percent during the last year as a result of the drought. Our paper mills cannot meet the competition of other countries where the wages are comparatively low and the hours long. The same is true of our quarry and mining industries, also of the manufacturing industries.

There can be no return to prosperity until we have put practically all of the ten or eleven million idle Americans back to work. They cannot go back to work so long as we continue this indefensible policy of buying hundreds of millions of dollars worth of products from other countries that we can and should produce here at home. These enormous importations are destroying the morale of our people, and I mean the employers as well as the employees.

If President Roosevelt would announce tomorrow that the dollar is to be stabilized at 59 cents and that the American producer and wage earner are going to be given the American market, the depression would be over in 30 days. That, Mr. Chairman, and the refinancing of agricultural indebtedness at a low rate of interest would result in an era of genuine prosperity in this country such as we have not enjoyed since the golden days before the World War. Let us forget all this internationalism and concentrate upon this one principle that our first duty is to the American people.

I thank you.

Mr. LAMBERTSON. Mr. Chairman, I yield 10 minutes to the gentleman from North Dakota [Mr. Burdick].

Mr. BURDICK. Mr. Chairman, I do not want to blame anybody this afternoon in what I am going to say, but I want to give you the farmer's version of the situation we are in and how we got there. Then it remains for the Members of this Congress, regardless of party, to try to get us out. That is the only question I desire to present.

The immediate thing that caused the collapse of agriculture was the action of the Federal Reserve Board in the city of Washington on the 18th day of May 1920. That is the day we went broke. It is true that we lived a long time afterward, but the critical stroke had been delivered in May 1920.

During the war, representatives of this Government went to every agricultural section of America and encouraged the farmers to raise more grain, raise more foodstuffs, buy more machinery, more horses, and more land. I can well remember the charts they presented, showing the 12 Federal Reserve banks loaded with money. All that credit was available to the farmers if they would move in and raise foodstuffs, because the Government recognized after war was declared that the greatest power of any nation to defend itself was not in guns or men but in food. We went into debt. We bought more land, more horses, and more machinery. When the war was over and when the country was at peace, I want to present to you gentlemen just what happened.

Out of a clear sky the Federal Reserve Board of this Nation, that controlled the finances of America in a private way, on the 18th day of May sat around the table here in the city of Washington and decided that all of this credit that had been given to the farmers to raise more feed to win the war had to be paid. I say to you that I had a difficult time to find the inside proceedings of that board of directors of the Federal Reserve System, but I finally secured a photostat of those proceedings and I have had it reprinted, and I hold it in my hand now. If you gentlemen are unaware of the danger of leaving the finances of this great Nation, its money and credit, in the hands of private interests, I wish you would read the document of the interworkings of that institution, using their own language.

I can well remember that the people in my section, and I was one of them, were compelled to pay. In a period of 5 months in my own instance, and that was the instance of hundreds of men in the livestock business in the West, I saw my sheep fall from \$11.50 a head to 50 cents a head. The

bottom fell out of agricultural products, and the bottom fell out of land, merely because this Federal Reserve Board said to us, "You have to pay." When we all had to pay we were all selling, and you can see the economic result of everybody forced into the market to sell their products.

I say to you the way we have left the finances of this Nation for 150 years is not to the credit of this Congress. It seems to me now is the time, if we are going to put this Nation on its feet and make it responsive to the protection of the men and women who compose it, we should take control of the money and credit of this Nation and put it in the hands of the Government and take it away from private interests. [Applause.] Unless we do that we will continue as we are. I know that under the financial system under which we have been living every 50 years the pioneers of America have lost their homes, and the only reason they have not been on the relief rolls before is because we had new territory to which we could move. The history of my own family is indicative of this situation. We came from Rhode Island. When we moved over the Appalachian Mountains into the Ohio Valley and built a new home in the wilderness, it took my forefathers just 50 years to lose that home they had built.

It was just 50 years before it was taken away by foreclosure, through the operation of high interest rates. We did not go on the county, because there was a great domain ahead of us to which we could go, and we went on to the prairies and forests of Wisconsin and we built another home. At the end of the next 50 years we saw these old homesteaders losing their land in Wisconsin-not going on the county, because there was still a new territory to which they could move. Away back in the late seventies and early eighties, having lost our homes in Wisconsin through this financial system, we moved on to the great Territory of Dakota, where we struggled for the next 50 years. Just 3 years ago we held the fiftieth anniversary of the settlement of that great Territory of Dakota, and there on that day I met men and women who had come into the country in covered wagons, driving the Indians and buffaloes out, and settled on the prairie, where they were given 480 acres of the best land on earth. In that county meeting, with at least 200 pioneers present, not more than a mere handful in the entire county could stand up and say they owned their own homes. They had lost their land. Let me tell you that in that great Territory to which we moved 55 years ago we have already lost 62 percent of all titles to homesteads.

Where can we go now? Here we are, homeless again after 50 years of pioneering in the Great Plains country. We cannot go on West as we used to do. The West is gone; there is no more West. All the homesteads have been taken that are of any value. No; we have now reached the end of the trail, and for the first time in the history of this country we cannot escape that financial pressure which has ever and ever pushed us on to the West. The pressure is now stronger than ever, but, helpless to escape it, we are literally standing with out backs to our own doors fighting for our homes. We ask remedial legislation and emergency legislation, such as the Frazier-Lemke refinance bill, the soldiers' adjusted-compensation bill, the old-age-pension bill, as a means to refinance our homes which we still occupy and which have been taken away from us; we ask that our circulation be increased by the finance of this bill and the soldiers' bonus bill as a means to increased buying power to help industry; we ask an adequate old-age-pension bill that will protect the old, insure jobs for the young, and leave the distribution of relief in the hands of the aged and the sympathetic instead of the cold-blooded, unsympathetic bureaus.

These remedial measures we must have. But the real question before the American people is greater than either of these—it is a question whether the great mass of the American people shall have a right to live under the protection of the Constitution, or whether the money power of the country shall continue to use the Government's money and credit for their own private profit while the millions suffer. Profit must be replaced by service; wealth must be supplanted by patriotism; confidence in government by the

masses must replace special privilege if this Government is to endure.

Why should New England be interested in the situation of the 40,000,000 people engaged in agriculture? New England is distinctly a manufacturing center. Who are her purchasers? In normal times—1914 to 1920—the figures in the Department of Agriculture show that the farmers of America purchased 40 percent of the output of the steel mills, 42 percent of the output of the leather mills, 45 percent of the output of the textile mills. Today the manufacturing plants of New England are not only closed but are being dismantled and sold because there is no businessthis upon the authority of the Honorable Charles L. GIF-FORD. Why is there no business in the New England mills? It is because a great farming empire-North and Southhas lost its buying power. The constant and never-ending program of selling their products below the cost of production, while methods of finance, high-interest rates, and taxes has worked on under the assumption that the farmer can always pay, has destroyed the farming business; and with that went the destruction of their buying power. Yes, old New England must get into this farm fight and put the farmer back in a position where he can take over the output of its mills, if either the farmer or the manufacturing interest of New England is to be saved to our civilization. The interest of both groups is interdependent—what will help the one will help the other.

I say to you that the great problem before the American people today, the real problem, is the same conflict that has been carried on in this country for 150 years. You gentlemen of the South ought to feel proud of the men you have produced who stood on the side of the people in this great contest. I refer to Washington, Jefferson, Jackson, Lincoln, all born in the South. If you read the lives of any one of those four men, you will find that the contest which they were fearful of was the coming contest between the people on one side struggling for the mere right to live and on the other a combination of financial men who would think more of profits than they would of patriotism for their own country.

I say, in this Congress we can take some steps now, through the building of a central bank or Government ownership of the Federal Reserve System, that will give to the Congress that which the Constitution guarantees—the power to issue money and regulate the value thereof. That is our job, as I see it. Many things can be done to bridge us over until that time arrives, but it is a challenge to all parties in this Nation, to all men and women who love the institutions that we represent and who believe in this Government and will defend it, to recover this Government from the control of private interests and put it back into the hands of the American people, where it belongs. [Applause.]

[Here the gavel fell.]

### A LAME DUCK'S SOLILOQUY

Mr. CROWTHER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. CROWTHER. Mr. Speaker, the Members of the House of Representatives who had the privilege of serving with the Honorable Edgar Howard, who represented the Third District of Nebraska, will, I am quite certain, join me in expressing our appreciation of the splendid service he rendered during the 12 years he was associated with us.

He is possessed of gracious and kindly attributes. On more than one occasion he demonstrated by his votes that he had the courage of his convictions, and the siren song of expediency never swerved him from the path of duty. He accepted the verdict of November 6, 1934, in that fine spirit which is indicative of his character.

The following contribution of blank verse entitled "A Lame Duck's Soliloguy" is in my estimation a literary gem, and is just what we might expect from our gentlemanly and scholarly friend. It is my privilege, by permission of the House, to present it to his former colleagues:

A LAME DUCK'S SOLILOGUY

Not by my request nor by my desire, But by cold and adverse circumstance I have been relegated to that realm I have been relegated to that realm
Which all statesmen view with apprehension.
Try as I may to wear a don't-care smile,
Acting as though I wanted to retire,
Methinks my colleagues view me doubtfully,
Beholding sickness in my bravest smiles.
Through the years many swan songs I have heard
Prom the lips of other fallen lame ducks,
But, thanks to the gods and good George Norris,
I shall be spared the speaking of swan words.
Never again will I be one of six
To help the good chaplain raise the curtain
For fun or tragedy on a new day
In that arena wherein Jack Garner
Oft hurled verbal barbs at the Mellonites, Oft hurled verbal barbs at the Mellonites, Sometimes to wound the opulent belies Of Morgan and Mellon, Meyer and Mills— Sometimes to see them broken on the shield Sometimes to see them broken on the shield Of Ohio's always princely Longworth. Those glad days are gone, never to return To this lame duck. But the gods were good In giving me those days. My lame leg hurts, But the spreness is soothed by memory Of that high privilege which I enjoyed In elbow-touching with master mortals Who halled me as worthy their friendship. In that highest legislative body Which ancients or moderns have ever known

-Edgar Howard.

Mr. LAMBERTSON. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. CULKIN].

Mr. CULKIN. Mr. Chairman, I asked for this time for the purpose of calling the attention of the Committee to what I consider one of the greatest and most destructive economic errors in the history of this or any other civilization. I refer to the mad, insane policy of reclamation as practiced in these United States of America.

Primarily, let me say that in these United States of America there are outside, under the sun, arable acres to the number of 973,000,000. Normally there are in cultivation in continental America approximately 300,000,000 acres. By virtue of the reduction policy of the Agricultural Administration there are now in production approximately 250,000,000 acres, hardly more than one-quarter of the arable lands in these United States; and yet, for a number of years last past, the Federal Government has poured into this policy of reclamation millions of dollars; and, under the drive of departmental propaganda coming from the Department of the Interior, private enterprise has poured into this reclamation folly more than a billion dollars.

The problem of the farmer today, the problem of the farmer yesterday, and for the last 10 years, has been, Mr. Chairman, the problem of surplus. The experience of many of the Members on the floor this afternoon goes back to the days of the Farm Board, by which \$500,000,000 was expended in a vain effort to control the surplus in the various crops. Under the present A. A. A. the policy of control of the surplus was adopted through the medium of legislation that permitted acreage retirement and benefit payment. Yet the Department of the Interior, at loggerheads and at war with the policies of the Department of Agriculture, has pursued this fatal policy of bringing new lands into production. Today, within the confines of America some 3,000,000 additional acres are being brought into production; 3,000,000 additional acres which will add to the surplus and add to the existing distress of the farmers.

My friends of the reclamation States say that is only a fancied, a seeming surplus. They claim, if you please, that crops of all kinds created by reclamation amounts to but 1 percent of the crop production in America. This, gentlemen, is, of course, a definite fiction; in some fields the increased croppage rises as high as 15 percent; in certain crop production it has preempted fields that formerly were not surplus crops and has made them surplus. To meet the surplus-crop objection they say that the money that goes into this insane practice and policy is their own money, that it comes from their own States, from public lands. are no more entitled to that money, Mr. Chairman, than is the city of New York entitled to the money collected there from customs. Today, however, they are marching straight | empire builders of the Department of the Interior. The into the Treasury of the United States.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield? Mr. CULKIN. I yield.

Mr. KNUTSON. Would the gentleman put into his remarks the amount of money we are spending to increase production and also the amount of money we are spending to control production?

Mr. CULKIN. I will add those figures later in my remarks.

Mr. KNUTSON. And show by just what amount we are by this insane method wasting literally hundreds of millions of dollars.

Mr. CULKIN. In response to the gentleman's observation, I may state that several of the projects that have been put into effect by Mr. Ickes—Honest Harold, the head of the P. W. A.—have been condemned by Congress; no one knows that fact better than the distinguished chairman of the subcommittee, the gentleman from Colorado [Mr. Taylor], a man for whom I have the greatest respect and whom I regard as an able and sincere reclamationist.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. I yield.

Mr. MICHENER. Does the gentleman not know that it has been the fixed policy of Congress during the last few years, up to the Seventy-third Congress, to not authorize or bring into operation any new reclamation projects, because we were troubled with an agricultural surplus; but that the policy has been simply to protect and maintain what we had already invested?

Mr. CULKIN. The gentleman is correct. That was the policy definitely agreed on. That covenant has been violated.

Mr. MICHENER. Before the new deal.

Mr. CULKIN. Yes; until Congress in an evil hour delegated its power to allocate funds to the P. W. A. and its advisers, whoever they are.

Mr. KNUTSON. The gentleman from Michigan mentioned that that had been the policy up to the Seventythird Congress. I take it he means that that was the policy up to the spring of 1933.

Mr. MICHENER. What I mean is this, and it is generally conceded by those men who have been here any length of time, as has the gentleman from Minnesota; it has been generally conceded and advocated by the gentleman from Colorado [Mr. Taylor], the chairman of the subcommittee, that we should not bring into cultivation and operation additional projects; that if we only took care of what we had, then we would have too much; but during 1933 and from then on, under Executive order we have continuously developed and made arrangements to develop these new projects.

Mr. CULKIN. I thank the gentleman for his contribution. I will develop this matter more fully a little later.

Mr. HANCOCK of New York. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. I yield.

Mr. HANCOCK of New York. The gentleman from Michigan is referring to this program of planned economy, is he not?

Mr. CULKIN. Yes; planned economy, Mr. Chairman, where one department is definitely at variance with the plans of another.

Mr. SHORT. Mr. Chairman, will the gentleman yield? Mr. CULKIN. I yield.

Mr. SHORT. At the very time when Secretary of Agriculture Wallace has spent several hundred millions to take 35,000,000 acres out of cultivation, is it not true that Secretary Ickes has authorized over \$100,000,000 to finance reclamation projects that will put 4,000,000 acres into a state where it can be cultivated?

Mr. CULKIN. What the gentleman says is true. I will say to the gentleman and to the Committee that for years there has been a definite struggle going on between the economists of the Department of Agriculture and the pseudo

empire builders of the Department of the Interior. The A. A. A. is in charge of crop reduction under Mr. Chester Davis, a sincere and able public official. While he is endeavoring to control surplus and bring up the price level for farm produce this Reclamation Bureau is murdering his program. Reclamation should be under the Department of Agriculture. When saner times come it will go there.

The economists of the Department of Agriculture have protested against the introduction of any more land. These empire builders in the Bureau of Reclamation, who had the urge to make two blades of grass grow where one grew before, are insisting upon the development of new land. I will go into that a little more specifically in a moment.

Mr. Chairman, on February 23, 1933, I made some remarks in the House which dealt with this question of reclamation. I make bold to say that the facts contained in those remarks have never been successfully disputed. Those remarks were called to the attention of the reclamation forces in America, and, as a result, I had a call from two distinguished gentlemen who were interested in this proposition. One of them was Marshall Dana, editor of the Portland Oregonian, and the other one was John W. Hawes, agricultural economist of the Northern Pacific Railroad. They were most interesting gentlemen, and in due course they opened up the question of how the House, in my opinion, would stand on future reclamation policies and how it stood upon the continuance of the existing works where a reclamation policy or a reclamation project had actually been put to work.

I assured those gentlemen that so far as I knew it was not the purpose of the House to cripple any existing project, where the community had entered upon a specific development, but that I believed the House was soundly and vigorously against the reclamation of new areas. Then and there these two gentlemen, coming ostensibly from Dr. Mead, of whom I shall speak more fully later, agreed in substance that the policy of reclamation should stop where it was and go no further. They specifically stated that they would fight in the interest of their own people who were already on the land against any further reclamation until America's population had increased substantially. They stated they would particularly oppose the Grand Coulee project, which, if put into effect, will bring into bearing some 1,200,000 acres of land. These gentlemen went their way. I forgot to add, Mr. Chairman, that Marshall Dana at that time was not only the able editor of that great newspaper, the Portland Oregonian, but was also president of the Reclamation States Association of America. Of course, he spoke with some authority on the proposition.

The Congress, in an evil hour, turned over to the President and to the departments some \$3,000,000,000. When Congress had departed, as the distinguished Chairman of the Committee well knows, the Department of the Interior, through these alleged empire builders, who are destroying the American farmers, proceeded to put vast projects to work.

The P. W. A. made an allotment of \$105,390,000 to various reclamation projects last year. This money is not taken out of the revolving funds, so-called, but comes direct from the United States Treasury. Some day the people who toil and who create the wealth of America will have to pay this back. Here is the list:

Federal project no.	Project	Allotment
3,4	Deschutes, Oreg	\$50,000 38,000,000
5	Owyhee, Oreg	5,000,000
6	Vale, Oreg	1,500,000
7	Yakima-Kittitas, Wash.	60, 000
9	Grand Coulee, Wash	15, 000, 000 20, 000
11	Casper-Alcova, Wyo	12,000, C00
12	Yuma, Ariz	120,000
13	Boise, Idaho.	40,000
14	Upper Snake River storage, Idaho	4, 000, 000
15	Minidoka-Gooding, Idaho	30,000
16 17	Bitter Root, Mont	100, 000 65, 000

Federal project no.	Project	Allotment
18 3 19 20 21 22 23 24 24 25 6 27 28 30 31 32 33 34 4 35 36 36 37 28 90 41	Chain Lakes storage, Montana Sun River, Mont Truckee storage, Nevada Humboldt, Nev Rio Grande, N. MexTex Stanfield, Oreg Hydrum, Utah Ogden, Utah All-American Canal, Calif.  Verde, Ariz Parker-Gila, Ariz Parker-Gila, Ariz Provo River, Utah Moon Lake, Utah Sanpete, Utah Uncompalagre, Colo Boulder Canyon Umatilla River, Oreg San Luis, Colo Grande Ronde, Oreg Buffalo Rapids, Wyo Klamath, Oreg - Calif Caballo, N. Mex Shoshone, Wyo Frenchtown, Mont	2, 000, 00 500, 00 300, 00 3, 000, 00 150, 00 150, 00 1, 500, 00 2, 700, 00 1, 500, 00 2, 725, 00 10, 00 2, 725, 00 10, 00 2, 725, 00 10, 00 2, 725, 00 10, 00 10, 00 2, 725, 00 10, 00 10
41	Frenchtown, Mont	105, 3

I want to give the Committee today an illustration of several of these projects, and I shall begin with the Casper-Alcova, Wyo., project.

The Casper-Alcova, Wyo., project was condemned by the investigators and economists of the Department of the Interior. You gentlemen will readily find that upon investigation. There was no need for further reclamation in Wyoming, and yet Honest Harold, under some urge, proceeded to put this proposition to work. May I say, Mr. Chairman, that the Casper-Alcova project will cost when completed \$300 an acre, with a nominal deduction for power development. It is a fact, not capable of successful contradiction, that better land than the Casper-Alcova land, with water on it, can be bought at present along the North Platte River, in the State of Wyoming, for the sum of \$40 an acre. The Casper-Alcova land is a sour, inferior land, as appears from the record.

Mr. GREEVER. Will the gentleman yield?

Mr. CULKIN. I yield to the gentleman from Wyoming. Mr. GREEVER. The gentleman made the statement that there was no further need for reclamation in the State of Wyoming. Is the gentleman familiar with that land?

Mr. CULKIN. I am familiar with the situation, and I may say to the gentleman that I have read the report on the Casper-Alcova project very carefully. May I inquire of the gentleman if he has read it?

Mr. GREEVER. The report on the Casper-Alcova project?

Mr. CULKIN. Yes.

Mr. GREEVER. I have read it a great many times.

Mr. CULKIN. Then the gentleman knows what I am talking about. The gentleman found that the Casper-Alcova land was an inferior land?

Mr. GREEVER. I know the present allotment of land for the Casper-Alcova project is approximately 36,000 acres of very fine land. May I ask the gentleman one more question? Does the gentleman know that Natrona County has contributed from oil royalties something like \$50,000,000?

Mr. CULKIN. That money belongs to the people of the United States just as much as the customs duties collected at the port of New York belong to the people of the United States.

Mr. Chairman, replying further to the gentleman, may I say that I have been over the situation with some care. I do not desire to do injury to any locality. I respect their ambitions and their desire for development. In the last session of Congress the distinguished former Member from Wyoming, Mr. Carter, and I discussed this matter at some length. He knew I had an arrow in my quiver for this project, and he protested vigorously that the land would be used only for sugar-beet production, which was a nonsurplus

crop. Thus he lulled me into a state of quietude. I admired the gentleman. He was a useful Member of the House, and I am sure the gentleman who succeeded him will be as able and distinguished. Subsequent to that, and by a singular turn in the wheel of fate, the Department of Agriculture, through a bill that came from the Department and passed the House, reduced beet-sugar production in America. This procedure had no effect on the mad reclamationists headed by Dr. Mead. This project went on. What I definitely say in response to the gentleman from Wyoming [Mr. GREEVER] is that this Casper-Alcova project proposition is unsound from every angle. I may say also that I know the genesis of it. It is rated unsound in the documents of the Department, and the acreage should not have been put in work costing \$300 an acre, with a nominal reduction for power, when better land in the same State and having water on it can be bought for \$50 an acre.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield? Mr. CULKIN. I yield.

Mr. KNUTSON. May not all this building activity be promoted on account of the fact that a very prominent gentleman in this administration is very active in the building game? I do not know, but I am simply wondering if the gentleman has any information about that.

Mr. CULKIN. May I say to the gentleman from Minnesota that I have been more or less militant with respect to the Postmaster General, if the gentleman meant him, but I am going to give him a clean bill of health on this. I do not believe that reclamation is within the Postmaster General's cosmos. He is active in other fields.

Now, Mr. Chairman, there is another project in the reclamation hall of fame to which I desire to call the attention of the Committee. I refer to Grand Coulee, that colossal imposition upon the American people, upon every man, woman, and child who toils within the United States, because out of their blood and sweat must eventually come the payment for this folly.

A few minutes ago I called the attention of the Committee to the fact that the distinguished editor of the Portland Oregonian and president of the Reclamation Society of America had told me that he himself would oppose the Grand Coulee at this time. The National Grange opposed the Grand Coulee, Every agricultural influence opposed the Grand Coulee, and Mr. Dana, the president of the Reclamation Society of America, said it should not go on for at least 25 years. Yet when Congress' back was turned Dr. Mead put into work this new, outrageous implement or machinery for creating more surplus. This monster crime against the farmers of America will cost approximately \$250,000,000, bringing into production 1,250,000 additional acres.

Of course, the Department of the Interior, or the P. W. A., in its original break-down on this proposition, called it power, but in fact it had no power phases. That was a red herring that was drawn across the trail. There is nobody to sell power to up in that country except the coyotes and the jackrabbits. It is not marketable.

Up in that country and on the same Columbia River, at Bonneville, on the lower Columbia, is a development that will cost before it is finished approximately \$50,000,000. I have no quarrel with this. I think it is a sound power and navigation development, and the disbursement a proper one.

However, the original break-down called the Grand Coulee project power, and then a sense of guilt stole over the rather blunt consciousness of Mr. Honest Harold Ickes, and in a second break-down he called it reclamation. He became ashamed and afraid of his fraud on the people of America and called it by its true name, which was and is reclamation.

I am going to call your attention to an interesting fact bearing on the visit of the two gentlemen I have named to my office in the year 1933. Sometime late last year, 1934, the Secretary of the Interior appointed a committee of two members to make a review of the reclamation proposition in America. He appointed F. E. Schmitt, who, I think, is the editor in chief of the Engineering Record, an authoritive magazine. I have no doubt Mr. Schmitt is an able engineer.

He also appointed a gentleman who was one of those who visited me with Mr. Dana, Mr. John W. Haws, an agricultural economist in the employ of the Northern Pacific Railroad. This committee gave a whitewash, if you please, to the projects which Mr. Haws condemned in my office and Mr. Schmitt's magazine had criticized editorially. They gave a whitewash, an unjustifiable whitewash, to this horrible economic crime against America and against the struggling farmer, East and West. They gave a thick coat of whitewash to this proposition and, more particularly, the proposition of the Grand Coulee. This committee was under retainer from the Reclamation Bureau. It was a packed court and packed

The history of this project is interesting. The fate of national leaders has been determined by the Grand Coulee. Heads have fallen into political baskets, and at least one face has ceased to illumine the United States Senate since this project was put in work. An investigation by the gum-shoe division of Secretary Ickes' Department into this project brought peculiar results. As I have said, one man at least disappeared from the political lists last year. It would be too sorrowful to dwell on that. What I wish to emphasize is that in the face of the great quantity of arable land in the United States and in the face of this unparalleled overproduction in every phase of agriculture to which this land in the Grand Coulee or Casper-Alcova is suited, they proceed to put these projects in work.

There is another phase of this matter which I wish to call to your attention. The distinguished President of the United States, after his trip on the Pacific, came overland and made certain speeches en route, more particularly in the Grand Coulee district. If my memory serves me right, the President of the United States told the people there that this development was for the people of the United States, and he urged them to come and settle upon this land. The President was ill-advised on this, for he did not know that the men and women who go on these lands are ruined in advance.

Mr. Chairman, let me tell the Committee that never, in the history of reclamation, has a single project that I know of been financed on its own merits. They either have been financed by private capital, which was wholly or partially lost in these enterprises, or they have been financed in large part by the Government.

There are many of the Federal projects running into millions of dollars which the Government has written off the books. The remaining and existing governmental projects show a period of payments extending as high as 96 years with an annual payment per acre as low as 98 cents. It should be remembered that these are deferred payments not actually beginning until the project had been for many years undergoing conditions.

To give you an illustration of the methods of repayment, I cite you a partial list of these projects with the period of repayment:

Project	State	Period of repay- ment
Boise Belle Fourche. Strawberry. Garland Kittitas. Baker Vale Owyhee	Idaho	Years 46 41 32 40 96 85 67

These are typical of the whole and from these figures it will be seen that the grandchildren of the present workers on these projects will be still paying for this land. No further evidence is needed of their absolute futility. With regard to the payments on private projects, the history of the California irrigation districts, which are perhaps the best from the economic standpoint, show a history of bankruptcy and financial compromise. The following table demonstrates my point:

Name of district	Bonded indebted- ness incurred	Basis of settlement on bonds
Grapelend. East Riverside. Alessandro. Perris. San Jacinto and Pleasant Valley Escondido. Central	\$129,000 237,000 765,000 400,000 225,250 350,000 570,000	No settlement, 25 to 50 cents per dollar. Bonds held void. 40 cents per dollar (part, total loss). No settlement. Settled for \$200,000. 35 cents per dollar.
Central Browns Valley Sunset Alta Tulare Tipton Tule River Rialto	140,000 329,500 543,000 500,000 100,000 411,000	30 cents per dollar. No settlement. 75 cents per dollar. 50 cents per dollar. 72 cents per dollar. 50 cents per dollar. 12 to 25 cents per dollar.

The widows and orphans whose money was invested in these private reclamation projects could give eloquent testimony of their financial unsoundness.

I want to repeat, if I have already stated the thought, that every man who went onto one of those reclamation projects has suffered; he was first exploited by the locality. then he was up against the proposition that he had little local market, and when he shipped his produce to Denver, Chicago, or New York the market was glutted. So he was ruined and destroyed. The House probably knows that Dr. Mead has been hung in effigy more times than Benedict

I will say to the Committee that Dr. Mead, head of the Reclamation Bureau of the Department of the Interior, is the man behind the gun. He wrecked and was driven out of Australia. He partially wrecked agriculture in California, and is now engaged upon wrecking the whole of agricultural America. I charge him anew, as I did last year, with being public enemy no. 1 of these United States, and more particularly the farmers of this Nation.

Mr. GREEVER. Will the gentleman yield?

Mr. CULKIN. I yield.

Mr. GREEVER. The gentleman made the statement that there had never been a reclamation project self-supporting. Mr. CULKIN. Yes.

Mr. GREEVER. Does the gentleman mean public or private—one or both?

Mr. CULKIN. I mean both.

Mr. GREEVER. I know many that are self-supporting. Mr. CULKIN. The gentleman will have to be specific. What I mean is that the project did not finance itself.

Mr. GREEVER. There are projects in the State of Wyoming that have done that.

Mr. CULKIN. There was a gentleman named Teele, who wrote a book on the economics of reclamation. Probably the gentleman has seen the book. Mr. Teele was at one time in the Department of Agriculture. While he was there he did not dare to write the book, but after he retired he gave it to the world. It should be read by every Member of Congress. That book is sound in its every conclusion, and I commend the reading of it to the gentleman. May I say further that I have no desire to inflict harm upon any locality which has an existing project, or a project in work? What I am fighting against here is the extension of reclamation. In that connection, again taking issue with the unfortunate suggestion of the distinguished President of the United States, and with all due respect to his high position, charming character, and great achievements, I say to the people of the United States who are meditating going on these lands that certain ruin stares them in the face if they do. Exploitation first and then bankruptcy. That is definitely my conclusion, and that is the conclusion of this dis-tinguished economist, Mr. Teele, who tore the mask off the grotesque face of reclamation.

Mr. ZIONCHECK. Mr. Chairman, will the gentleman vield?

Mr. CULKIN. Yes.
Mr. ZIONCHECK. I have the committee hearings open at page 105, giving the status of the construction costs and the amount of repayment, and, coming down to the line of repayment, here are the percentages of repayments. The gentleman can get the list of the States on the left-hand side. Arizona project, which is the Salt River project, 100percent repayments; Arizona-California project, 97.7-percent repayment; California project, the Orland project, 96.2-percent repayment; and, going down the line without mentioning the States, the next one is 100 percent, the next 73.1 percent, the next 100 percent, the next 99.8 percent.

Mr. CULKIN. I do not want the gentleman to make a

speech in my time.

Mr. ZIONCHECK. On page 107, the gentleman will get the payments of rentals.

Mr. CULKIN. I hold to my general statement, to the contrary. The bookkeeping in the Reclamation Bureau, if carried on in a bank, would put all concerned in jail.

Mr. ZIONCHECK. Mr. Chairman, I ask unanimous consent to put this list that I refer to in the RECORD.

Mr. CULKIN. Oh, Mr. Chairman, I object to that. I do not want that poetry inserted in my speech.

Mr. ZIONCHECK. Then I shall ask later on to put it in.

Mr. CULKIN. I shall have no objection to that.

In conclusion, I assert that this reclamation policy as carried on by the Federal Government and as encouraged by the Federal Government on private reclamation projects has really been in large measure the reason for the surplus, that it has no justification in agricultural economics, and is, in fact, one of the chief contributing factors to the condition in which the farmers of America find themselves today.

Mr. CRAWFORD. Mr. Chairman, will the gentleman vield?

Mr. CULKIN. Yes.

Mr. CRAWFORD. Did I understand from the gentleman's remarks that the Casper-Alvoca project is suitable principally to the growing of sugar beets?

Mr. CULKIN. That is what I was advised.

Mr. CRAWFORD. Does the gentleman know that at the present time the farmers in the vicinity of Toledo, Ohio, in that rich agricultural belt, are being denied the privilege of growing 17,000 acres of sugar beets this very year?

Mr. CULKIN. I thank the gentleman for his contribution. I urge, Mr. Chairman, that the Congress regain its constitutional control of the Federal Treasury and stop this mad folly. I say that in charity to every community which has a project in work. If it is not stopped, this mad reclamationist, Dr. Mead, will destroy agriculture in America as he destroyed it in Australia and other parts of the world. I submit those thoughts for your careful consideration and appropriate action when legislative opportunity offers.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield myself 10 minutes. In view of some of the statements made by the gentleman from New York [Mr. Culkin] I think it appropriate to call attention to the hearings of this committee a year ago on this matter. We went into this matter quite fully at that time, and have done so in nearly all of the hearings for the last 12 or 15 years. Last year, on page 70-71 of the hearings, the gentleman from Pennsylvania [Mr. DITTER] cross-examined Dr. Mead before this subcommittee, of which I have the honor to be chairman. Dr. Mead then said, speaking of all the reclamation projects in the United States:

The whole area under production is less than 1 percent of the cultivated area of the United States. That 1 percent is scattered over one-third of the United States, and in that one-third cities and towns today are growing faster than the farmer. The local demand for the things that are grown on Federal reclamation projects grow faster than the production, and the amount that goes outside constantly diminishes. We send very few things East that can be produced in the East. What we send East are things that cannot be produced in the East, like our winter lettuce or our cantalogue or fruit. Nothing could be more harmful to the

that cannot be produced in the East, like our winter lettuce or our cantaloups or fruit. Nothing could be more harmful to the country than to stop the increase in fruit production.

I was in the city of Yakima a week ago. They are shipping apples today to six of the most important countries of Europe in largely increased quantities. The people who are shipping those apples buy corn in Nebraska. They do not compete with the Middle West in growing corn; they grow a product so superior in quality that they have a world market.

The East gets the benefit of making clothes for the western irrigator, making their automobiles, making their plows, and the eastern workman gives the eastern farmer his trade. We do not compete for it. To say, as is frequently stated, that in the East land is rented to take it out of production and thus reduce the surplus, while the Government is appropriating money to help the western irrigators to increase production and hence add to the surplus, shows a total misconception of the situation in the irrigated regions and of the reasons for providing a better water supply for lands now irrigated. Everyone knows that if there was no irrigation in the arid one-third of the country it would not help the eastern farmers, because the market for products of the eastern no irrigation in the arid one-third of the country it would not help the eastern farmers, because the market for products of the eastern factories and stores, which has been created by irrigation, gives employment to people who are fed from the products of the eastern farms. In other words, irrigated agriculture sends very few farm products east; it sends practically all of its orders for manufactured articles to the Eastern States and towns, and the workers who make these goods are fed from the products of the eastern farms. In this way irrigated agriculture supplements and supports the eastern farms rather than competing with them. the eastern farms rather than competing with them.

Now I may say this is no new subject. The gentleman from New York [Mr. Culkin] has discussed this matter at great length nearly every year for many years. The fallacy of his criticism is this: In 1902 Congress enacted the irrigation-reclamation law. The law provided for the creation of a revolving fund to be made by collecting 5 percent from the sales of all public lands throughout the West and certain royalties on oil and coal and some other sources entirely from our western country. We of the West, from our own country, have created and furnished every dollar that has ever gone into that fund ourselves. I refer to the projects heretofore built, and built out of the reclamation fund. Not one dollar of all the money that has ever gone into that fund ever came out of the entire State of New York or any other Eastern or Northern or Southern State. It came out of our country, out of our property, and out of our work.

Out of our own development of that great wilderness of the West, one-third of the area of the United States. When we voluntarily created that fund to populate that country, to furnish homes for the surplus population of all the rest of the United States. Our principal crops do not compete scarcely at all with the farm crops of any other parts of our country. Our range cattle and sheep and our sugar beets and alfalfa do not at all affect the farmers of the rest of the country any more than the cotton and tobacco of the South affects us.

Dr. Mead is correct when he says that only 1 percent of the area of all the agricultural crops of the United States is under irrigation on all the reclamation projects throughout the entire country. It seems to me it is utterly nonsensical and ridiculous to say that that infinitesimal amount can injuriously affect the welfare of the farmers of the United States.

Mr. MICHENER. Will the gentleman yield?

Mr. TAYLOR of Colorado. I yield.

Mr. MICHENER. Is it not true that today in Washington in every chain store you will find Idaho potatoes, irrigated potatoes? Is it not true that on every fruit stand and in every market you will find Yakima or Washington irrigated apples? You will find them right in our cloakroom, in competition with the Maryland apple and the Michigan and Maine potatoes.

Mr. ZIONCHECK. Would the gentleman insist on inferior potatoes being sold here when better potatoes come from Idaho and from the West?

Mr. MICHENER. Oh, the gentleman is an optimist.

Mr. CULKIN. Will the gentleman yield?

Mr. MICHENER. But I object to the gentleman saying that irrigation does not compete with the farmer of the East. The gentleman read some testimony that they only sent lettuce and cantaloups and a few things like that back East. I am calling attention to the fact that they ship potatoes and lettuce and fruit, which the gentleman will find on his own table tonight.

Mr. TAYLOR of Colorado. I think the eastern advertisements about Idaho potatoes are a good deal like the advertisements are about Rocky Ford cantaloups. There is not the slightest doubt that the Rocky Ford cantaloup is the finest cantaloup ever grown on this planet. Those wonderful cantaloups are raised only in Colorado. The truth is

that when they get ripe they are cut in two, the seeds taken out, and luscious cantaloups is thrown out to waste. Thousands of acres of the finest cantaloups on earth go to rot every year. The owners dry the seed and ship and sell that seed at a high price all over the world. The people who buy that seed plant it and raise the cantaloups, and then the eastern stores advertise them everywhere as the famous Rocky Ford cantaloup. They make a pretty good imitation for the first year.

After that they are practically of no account, but they are sold universally throughout the country as "Rockyford cantaloups." Not one out of a thousand ever came from Colorado, and I think some people may be capitalizing the Idaho potatoes the same way. But even if a few western potatoes are sold in the East it is such an insignificant item that it is hardly worth mentioning. It looks like straining at a gnat. Another thing, some of the Members of the House talk as though all the agricultural crops we raise in the West are on governmental irrigation projects. As a matter of fact, not 5 percent of our crops are grown on Federal reclamation projects. A very large percentage of all our crops are raised by irrigation, but it is by privately built and owned and operated canals, ditches, and reservoirs.

Mr. CULKIN. Will the gentleman yield?

Mr. TAYLOR of Colorado. I yield.

Mr. CULKIN. I thank the gentleman for his leniency in dealing with me.

Mr. TAYLOR of Colorado. Frankly, I expect, when we reach the consideration in this bill tomorrow of the items for the Bureau of Reclamation, to yield time to some of my western colleagues to further comment on this subject.

Mr. CULKIN. I was going to ask the gentleman if it is not true that fruit and other products grown on arable land that God put under the sun for that purpose, are more prolific in this quality known as "vitamins" than that grown under irrigation?

Mr. TAYLOR of Colorado. I doubt that very much, but I cannot testify as an expert on vitamins. I think we have the finest fruit in the world.

Mr. MICHENER. Will the gentleman yield further? Mr. TAYLOR of Colorado. I yield.

Mr. MICHENER. The gentleman from Colorado [Mr. Taylor] is very courteous and we all appreciate that the West owes much to the gentleman so far as its reclamation projects are concerned. It is the gentleman's fairness that has always helped him get these projects; but is it not true that the gentleman, appreciating the situation in the country, 4 or 5 years ago, assumed an attitude, as did most western reclamationists who were in the House at that time, that they would do well if they maintained the projects which they had, and that they came before the various committees asking for assistance for those projects to keep them going and keep them alive, with the direct understanding with the rest of us that there would be no new projects asked for, so long as we had an agricultural surplus?

[Here the gavel fell.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield myself 5 additional minutes.

I ask the gentleman from Michigan if it is not true that us western Members have absolutely kept the faith from that day to this? I do not recall that Congress has enacted a single bill creating any new reclamation project for several years.

Mr. MICHENER. Yes; and as was suggested by the gentleman from New York, the Congress established that policy, a policy agreed to by all interested here; but when the Congress was sent home the last session, the powers that were spending the people's money—money which did not come from the West—went out there and started these various projects in direct opposition to the policy the gentleman from Colorado and others had agreed to. At that time Congress was gone, and no one could object; and we are now confronted with those very projects which will do the very thing suggested by the gentleman from New York.

As stated by the gentleman from Colorado, we are keeping the faith, we are keeping our agreements; but we did not dream at that time that in the near future we would be confronted by another policy which would vitiate and destroy the very agreements we adopted, and which some of us voted for at our own peril because we did not come from reclamation States. We have kept those agreements, but we object to another authority coming along and vitiating the thing with regard to which we have entered into a gentlemen's agreement.

Mr. TAYLOR of Colorado. Let me call the attention of the gentleman from New York, and the House, to page 105 of the testimony taken within the last week by this subcommittee on this bill. That gives a complete construction account of all repayments up to June 30, 1934, on all the 24 existing projects. It shows that 10 of them are paid up 100 percent and 8 are paid up over 99 percent. Two of them are down—one 73.1 percent and the other 74.8 percent. Both of those have good reasons for not paying. But the average percentage of repaid amounts due for all the 24 projects is 98.6 percent. That is a conclusive and wonderfully good showing.

Mr. CULKIN. According to whose books—Mr. Mead's?
Mr. TAYLOR of Colorado. I am quoting from the records
of the Reclamation Bureau.

Mr. CULKIN. In my estimation, the gentleman from Colorado is a sincere and able legislator; and I would be content to let the reclamation policy of this Government be decided and controlled by him. That is how much confidence I have in him. [Applause.] I do not have the same measure of confidence in Dr. Mead.

Mr. TAYLOR of Colorado. Let me say that the project that is reported as only having paid 73.1 percent of the amount due is the Uncompander project in my district. The reason for that is that about 3 years ago we passed a bill which gave the water users under that project a 5-year moratorium on the construction charges with the understanding that they should expend a certain amount of money each year on drainage work. For that reason they have not been required to pay construction charges for several years.

Mr. CULKIN. And I supported the gentleman in that, did I not?

Mr. TAYLOR of Colorado. Yes; I know the gentleman did, and I very much appreciated his support.

Mr. CULKIN. Yes; I actively supported it; I recall it.

Mr. TAYLOR of Colorado. I think the record of payments on these projects is exceptionally good. The Government is not losing its investment. The reclamation fund is not revolving 100 percent, but it is coming much nearer to it than most enterprises are these days. My committee is assisting in maintaining and completing the projects that we have and making the reclamation fund go as far and do as much good as possible. We do not control the creation of projects by Executive order or their being financed by Public Works money.

Mr. CULKIN. The gentleman had no voice in them.

Mr. TAYLOR of Colorado. No; not a bit.

Mr. CULKIN. The gentleman from Colorado is not responsible for them.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. ZIONCHECK].

Mr. ZIONCHECK. Mr. Chairman, I asked for this time for the purpose of extending my remarks in the Record at this point. I would point out to the gentleman from New York and to the gentleman from Michigan that had it not been for the reclamation projects of the West the relief rolls in Michigan and in New York, and the East generally, would have been larger and a greater burden would have been imposed upon them.

Mr. Chairman, I ask unanimous consent to insert in the Record at this point various schedules of payments not only for construction costs but for operation and maintenance costs, together with an article here as to the condition and the manner in which settlers come upon these reclaimed lands and the services rendered by the Reclamation Service to them after they get upon the land.

Mr. CULKIN. Mr. Chairman, reserving the right to object, the gentleman referred to an article. Does the gentleman want to insert some statistics; is that all?

Mr. ZIONCHECK. Does the gentleman contend that an official of the Government would deliberately make a false statement before a committee when it could be proven to be

Mr. CULKIN. If he were an insane reclamationist he would testify as an insane man would.

Mr. ZIONCHECK. The General Accounting Office certainly would have to pass on these figures.

Mr. CULKIN. If the gentleman will tell me what he wants to insert I can tell whether I have objection to it. I have no objection to any official statement.

Mr. ZIONCHECK. These accounts must go through the General Accounting Office.

Mr. CULKIN. The gentleman referred to an article. What article does the gentleman wish to insert?

Mr. ZIONCHECK. It is not an article; it is part of the record.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MILLARD. Mr. Chairman, will the gentleman yield?

Mr. ZIONCHECK. I yield.

Mr. MILLARD. Is the Okanogan project in the gentleman's State?

Mr. ZIONCHECK. It is.

Mr. MILLARD. I see they have paid only 77 percent of what they owe the Government.

Mr. ZIONCHECK. If the people generally throughout the country were able to pay 77 percent of their debts, this country would be far better off. The gentleman does not mention the other Washington project in Yakima which has paid 99.8 of the payments due.

Mr. Chairman, my only purpose in inserting the following data and information from the hearings is to correct the erroneous impression of the gentleman from New York [Mr. CULKIN]. The other phases of the general question of reclamation will be ably presented by the learned Chairman of this Subcommittee on Appropriations and some of my western colleagues.

Status of construction-account repayments, June 30, 1934

State	Project	Amounts uncol- lected of amounts due	Percent repaid o amount due
Arizona	Salt River		100.
Arizona-California	Yuma	\$10, 160, 20	99.
California	Orland	30, 251, 84	96.
Colorado		00, 201. 01	100.
Do		180, 568, 43	73.
Idaho		100, 000, 10	100.
Do		82, 800. 00	100.
Do		16, 469, 84	99.
Do		10, 100. 01	100.
Montana	Bitter Root		100.
Do		79, 21	99.
Do			5.
Do	Sun River	00,020.00	100.
Montana-North Dakota			100.
Nebraska-Wyoming	North Platte	55, 442, 76	98.
Nevada		839, 46	99.
New Mexico	Carlsbad	73. 26	99.
New Mexico-Texas		70.20	100.
Oregon			100.
Do			
Do	Stanfield		A 20 CO 200
Do		135, 488, 80	74.
Do		200, 1000	Selection of the select
Oregon-California		1, 015, 06	99.
Oregon-Idaho	Owyhee		
South Dakota	Belle Fourche		100.
Utah	Hyrum		
Do	Salt Lake Basin		100.
Do	Strawberry Valley		100.
Washington			manual sol
Do	Okanogan	38, 271, 23	77.
Do	Yakima	15, 689, 32	99.
Wyoming	Casper-Alcova		
Do	Riverton		22.2.2.
Do	Shoshone	392, 36	99.
Total		622, 861, 77	98.

State and project	Charges due and unpaid	Percent repaid of amount due
Arizona-California: Yuma	\$35, 236, 85	99.0
California: Orland	33, 169. 12	93. 3
Grand Valley		99. 0 100. 0
Idaho:		0.000
Boise King Hill		100.0
Minidoka		100. 0 100. 0
Montana: Huntley		100.0
Milk River		91.8
Montana-North Dakota: Lower Yellowstone Nebraska-Wyoming: North Platte	7 320 78	100.0
Nevada: Newlands New Mexico: Carlsbad		100. 0
New Mexico. Carisoad. North Dakota: North Dakota:	33, 080. 90	99. 1
Buford-Trenton		100. 0 100. 0
Oregon: Umatilla		100.0
Vale Oregon-California: Klamath	4, 250, 00	50. 0 99. 7
South Dakota: Belle Fourche		100. 0
Washington: Okanogan		100.0
Yakima Wyoming: Shoshone		97. 7 99. 8
Total	268, 212, 02	99. 0

Statement of reclamation fund water rental charges paid and unpaid as of June 30, 1934

State and project	Amount due	Amount repaid	Charges due and unpaid
Arizona: Salt River	\$2, 246, 726, 01	\$2, 246, 726, 01	
Arizona-California: Yuma	538, 161, 88	537, 344, 89	\$816, 99
California: Orland	121, 450. 85	121, 450. 85	
Grand Valley	501, 016, 68	494, 333, 85	6, 682, 83
Uncompangre	1, 223, 133, 55	1, 218, 374, 56	4, 758, 99
Idaho:	I STATE OF THE PARTY OF THE PAR		2,100.00
Boise	789, 938, 57	789, 938, 57	
Minidoka	607, 776, 44	607, 721, 44	55, 00
Minidoka-Gooding	13, 796, 00	13, 796, 00	200
Montana:			
Huntley	11, 242, 84	11, 242, 84	
Milk River	238, 023, 57	228, 884, 93	9, 138, 64
Sun River	132, 243, 21	130, 902, 29	1, 340, 92
Montana-North Dakota: Lower Yellow-	200,200,00	200, 002, 20	2,010.04
stone	135, 473, 18	135, 345, 38	127, 80
Nebraska-Wyoming: North Platte	344, 079, 79	344, 079, 79	121.00
Nevada: Newlands	28, 291, 16	28, 291, 16	
New Mexico:	20, 2011 20	20, 201.10	000000000000000000000000000000000000000
Carlsbad	39, 824, 83	39, 807, 58	17. 25
Hondo	9, 129, 70	9, 129, 70	
New Mexico-Texas: Rio Grande	1, 459, 625, 48	1, 449, 893, 48	9, 732, 00
North Dakota:	2, 200, 020, 20	21 2101 0001 10	0,102.00
Buford-Trenton	31.75	31, 75	San Commence
Williston	2, 117, 28	2, 117, 28	
Oregon:		-,	
Umatilla	95, 656, 52	69, 379, 72	26, 276, 80
Volo	22, 234, 01	19, 495, 97	2, 738, 04
Oregon-California: Klamath	309, 475, 94	302, 882, 88	6, 593, 06
South Dakota: Belle Fourche	9, 423, 38	9, 423, 38	0,000.00
Utah: Strawberry Valley	17, 596, 13	17, 596, 13	1
Washington:		211000.10	
Okanogan	110, 645, 28	110, 645, 28	Decision of the last
Yakima	181, 071, 38	171, 491, 88	9, 579, 50
Wyoming:	020000000000000000000000000000000000000	213,223,00	0,0,0,00
Riverton	23, 952, 91	23, 912, 91	40,00
Shoshone	76, 521, 90	75, 470, 43	1, 051, 47
			The second second
Total	9, 288, 660, 22	9, 209, 710, 93	78, 949, 29

CONDITIONS UPON WHICH ENTRIES ARE MADE BY SETTLERS ON RECLA-MATION PROJECTS

Mr. Zioncheck. To carry on with that question, just how does a new settler get in upon Government land, upon a reclamation project, because what I am leading up to is this rehabilitation program of the President and how it will coordinate. There is a possibility of using this to take the people from the towns that want to do something.

Dr. Mean. Originally the idea was that any man could get on a piece of land, whether or not he had any money or experience. Originally there was no attempt to control values, so speculation People who had neither capital nor experience came in and filed on the public land, and sometimes land was sold for more than it was worth. People that got caught in those situations

either lost everything or they have had a struggle that they should not have had. In the readjustment act that was passed in 1926 provision was made that there has to be an examining board for every settler that comes in, and that is a board of practical farmers, and they ask him about his capital and about his experience, and about what his plans are.

about what his plans are.

Mr. Zioncheck. Who appoints that board?

Dr. Mead. We do. The Secretary appoints them.

Mr. Zioncheck. And they are right at the locality of the project?

Dr. Mead. Yes. They are always there at the project, and they know the conditions. There is nothing more helpful to an intending settler. If he is going to bring money into it, he gets an idea from talking with them as to what he is up against, and if he has not capital enough he is excluded at that point. We believe that a farmer needs \$2,000, but a farm worker, who just has 4 or 5 acres, can start without capital, because he depends mainly on wages, and the idea is that he gets cheap living.

The law provides that we can appraise that land, fix the price at which it is to be sold.

Mr. White. You are referring at this point to privately owned

Mr. White. You are referring at this point to privately owned land within the district, or are you referring to the Government

#### CONDITIONS UPON WHICH GOVERNMENT LAND IS SECURED

Dr. MEAD. I am referring to privately owned land. The condi-

Dr. Mead. I am referring to privately owned land. The conditions under which Government land is secured are fixed by the Government. Fillings are usually under the Homestead Act.

Mr. Zioncheck. In both cases you are referring to privately owned land within the boundaries of the district?

Dr. Mead. Yes. To explain further how these land appraisals operate and the change from the settlement methods which originally prevailed. Originally there was no attempt made to control the price at which privately owned land was sold or the speculative increases in the price of privately owned land hefore development. increases in the price of privately owned land before development took place, but now when a new project is under consideration if it includes privately owned land, the owners of that land are required to sign an agreement that they will accept the appraised price, or in some cases if more than the appraised price is secured, one-half of the increase over the appraised price goes to the Government as a payment on the construction charge. To further show how this operates, in one of the districts where the works are under construction or where all the land for which water can be supplied has been settled, the price which the private owners expected to charge was \$50 an acre. Their land was sagebrush without any improvewas \$50 an acre. Their land was sagebrush without any improvements. Everything needed to convert it into an irrigated farm and enable the settler to make a living had to be done. It had to be cleared, the land leveled, and the buildings put on it. If to these costs there had been added \$50 an acre, the settler would have paid more than the land was worth and he would have

have paid more than the land was worth and he would have assumed a burden that he could not carry.

Mr. ZIONCHECK. They probably bought it at 50 cents an acre?

Dr. MEAD. Part of it was obtained through buying road grants. I do not know how the remainder was obtained, but these owners were nonresidents, and if there had been no control over the price they could have asked, we would have had to reject the project, because the cost of land and water combined would have been too great. Under the law as it is now a board of appraisers was created familiar with conditions and with the value of irriwas created, familiar with conditions and with the value of irrigated and unirrigated land. The valuation, I think, was liberal, but it was only about \$11 an acre.

but it was only about \$11 an acre.

Mr. White. Average?

Dr. Mead. Yes. The result of this appraisal and the acceptance of the appraised price by the owners in effect gave the settler his farm for about \$40 an acre less than it would have cost him if there had been no control over prices, and this \$40 an acre could go into improvements. It made the land attractive, and the project is being settled promptly. Another example is where the land in the district was partly developed. It was leveled and had improvements but an inadequate water supply, and another part of the land was cut-over timberland, rough, where the cost of clearing and leveling ran from \$50 to \$100 an acre. But this was cut up into small tracts and the work could be done by settlers when not otherwise employed. not otherwise employed.

not otherwise employed.

Here was a severe test of the new plan of fixing prices in advance. Some of the cut-over timberland was valued as low as \$2.50 an acre. Its owners protested that they had paid more than that sum in taxes, but the valuation stood and settlers are acquiring this land at that price. Some of the best lands of the project unimproved was valued at from \$10 to \$15 an acre, and it is so productive that it has been developed and settled as rapidly as the water could be furnished. This is a great advantage to the settler and has hastened the settlement and improvement of farms. In this last instance I am dealing with one of the projects where the cost of construction of canals is the highest yet approved by the Government. It is \$170 an acre, and there were once where the cost of construction of canals is the nighest yet approved by the Government. It is \$170 an acre, and there were once skeptics who did not believe the Government would ever be repaid. But at a meeting in the valley where this was discussed it was shown that the yearly payments of farmers where land values were kept down is less than the yearly payments of farmers in another district established before speculation was curbed. The construction cost in this older district is only \$50 an acre, but the yearly payments on land and water are more than they are in the other project where the construction cost is \$170 an acre.

Mr. ZIONCHECK, What do you mean by board of appeals? Is

Mr. ZIONCHECK. What do you mean by board of appeals? Is there such a board here?
Dr. Mead. Yes.

Mr. Zioncheck. I noticed in one of your reports that certain entries were made by settlers and that all of them were approved except three, and that these were upon appeal.

Dr. Mead. Yes.
Mr. Zioncheck. What do you mean by appeal?
Dr. Mead. Until recently when land was thrown open to settlement there was no inquiry into the capital, the experience, the character, or anything which would determine whether the settler was qualified to succeed, but under the Adjustment Act of 1926 provision was made for the establishment of a local board which would interview the prospective settlers and advise them as to the conditions which would confront them and advise the Government as to whether they were qualified to succeed. Experience had shown that on farms of say 40 acres or more a settler would need about \$2,000 in money or equipment to make it a safe risk. On smaller areas, say 5 acres, where the settler would depend mainly on wages, and which were in effect farm laborers' allotments, he could be taken on without any capital.

Today the applicants for farms go before these boards and talk

Today the applicants for farms go before these boards and talk over conditions and expenses and probable income, and those who are regarded as good prospects are recommended and are approved.

are regarded as good prospects are recommended and are approved. Those that are not regarded as good prospects are advised that they will not be approved. Sometimes those rejected appeal. There are other cases where there are two or more applicants for the same farm. Only one application can be approved and the one who loses out sometimes appeals.

I think the case to which Mr. Zioncheck refers was a case in his own State on the Kittitas project where there were 80 applicants for 20 farms, and where some of those who were not approved have appealed, claiming that they have better qualifications that the ones who were approved.

Mr. Zioncheck. Who constitutes the board of appeals?

Dr. Mead. Usually the same board which interviews settlers at first, or it may be a new board if there is complaint of unfairness. In any case it is a local board usually made up of farmers who are familiar with the local conditions and with the cost of changing raw land into a farm, and with the returns which the settlers may expect.

#### EXPENSES OF DIVISION OF PUBLIC RELATIONS

Mr. ZIONCHECK. Now, Mr. Kubach, turn to page 257 of the bill, in the seventh line, where you have new language. You have deleted the language "reclamation economics", and put in its place the words "public relations." Why do you have that new language, and what is the intention?

Dr. Mead. That is largely for the dissemination of information to irrigation projects, dissemination of information to the public.

Mr. ZIONCHECK. Dr. Mead, will this public-relations office be something like a public-relations office of a private power company to disseminate propaganda rather than enlightenment, or will this be an enlightening organization?

Dr. Mead. It is an educational organization, for the people on

Dr. Mead. It is an educational organization, for the people on the projects. We want to give them more instruction than we have been able to give in the past. We want to send experienced, skilled men to all of these projects, to show them how to farm

better.

Mr. Wigglesworth. How is that done?

Dr. Mead. I get good men and send them into the field, to talk to individuals and groups of farmers about their work.

Mr. Zioncheck. That is for men who really go out to the settlers and help them to solve the problems as they come up?

Dr. Mead. Yes. It is a question which is the better term, but economics are largely investigation, and we do not do so much of that. It is more to give instructions to these people.

### GIVING INFORMATION TO SETTLERS

Mr. Zioncheck. Doctor, on page 271 you have a paragraph

reading as follows:

"Giving information to settlers: For the purpose of giving in-"Giving information to settlers: For the purpose of giving information and advice to settlers on reclamation projects in the selection of lands, equipment, and livestock, the preparation of land for irrigation, the selection of crops, methods of irrigation and agricultural practice, and general farm management, the cost of which shall be charged to the general reclamation fund and shall not be charged as a part of the construction or operation and maintenance cost payable by the water users under the projects; \$20,000, together with the unexpended balance of the appropriation for this purpose for the fiscal year (1934 is continued available for the same purpose for the fiscal year) 1935."

Does this relate to that other item that we just referred to?

Dr. Mead. Yes; it is now all under public relations.

Mr. ZIONCHECK. You change the language in the previous sec-

Mr. Zioncheck. You change the language in the previous section, and this coordinates with that?

Mr. Zioncheck. You have included new language there, the words "together with" right after \$20,000, and that is a new

words "together with" right after \$20,000, and that is a new appropriation of \$20,000.

Would you explain the increased appropriation, or, rather, the reason for that appropriation of \$20,000 there?

Dr. Mead. We have more projects, and we wanted to do more work. For the purpose set forth, \$20,000, together with the unexpended balance of 1935, is requested. On projects where settlement and agricultural development is going on, there is need for the employment by the Bureau of Reclamation of men of sound business training and knowledge of irrigation practice to advise beginners regarding their development and farming operation, together with advising them as to crop rotation and marketing conditions.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 5 minutes to the gentleman from Wyoming [Mr. Greever].

Mr. GREEVER. Mr. Chairman, there have been some things said here relative to reclamation by the gentleman from New York [Mr. Culkin] which I should like to answer.

In the first place, I have lived within a country containing reclamation projects for the past 15 years. This project is located in the State of Wyoming, in Park County. It contains several thousand acres, and the principal crops of this project are alfalfa, sugar beets, potatoes, and beans. I have observed while living in this locality that some of these crops are shipped out to eastern markets, principal among them being potatoes. I know that a large proportion of the forage crops are fed and disposed of to what may be termed "local" markets. Many cattle and sheep are fed from these forage crops.

The crops are largely noncompetitive with other crops, and may I say in this connection that it is my belief that the gentleman's objection to reclamation, based upon an overproduction in this country, is based upon the fact that there is an overproduction which occurs upon nonproductive land, which production is not profitable to the grower and is economically unsound, but I do not believe that any production which is profitable owing to the excellent character of the soil is an unprofitable venture.

I have noticed in this particular locality and in those of which I have spoken that while there may be a small portion of the crops that are produced shipped out, yet I have seen many, many times carloads of farm machinery, furniture, automobiles, foodstuffs, and articles of almost every kind and nature shipped into this project, where only a few years ago there was no community and which was sagebrush country. I also know that there have been shipments of corn from the Midwest to these reclamation projects for use in connection with the farming activities, thereby providing a market for other agricultural projects instead of depriving them of such markets

Mr. CULKIN. Will the gentleman yield?

Mr. GREEVER. I yield to the gentleman from New York. Mr. CULKIN. I would like to have the gentleman put the name of the project to which he refers in the RECORD.

Mr. GREEVER. I am speaking of the Shoshone project in Park County.

Today that project has hundreds of fine homes, and there is no finer place in the United States in which to live. There is no place in the United States where there are better schools and better surroundings with which to equip young people to start out in life.

As the gentleman from Colorado [Mr. Taylor] has so ably pointed out, there is less than 1 percent of the crops from the reclamation projects of the United States which are competitive with eastern crops and, therefore, could not contribute to the production any more than that amount.

There is much being said today about the making of homes for people where they can be self-sustaining, and I say to you that it has been my observation that there is no more self-sustaining economic unit in the entire United States, no place where the physical, moral, and mental advantages are greater than upon the reclamation projects in the West.

In a speech recently delivered by Senator Pope, of Idaho, at the national reclamation conference at Salt Lake City, Senator Pope showed that of the \$48,000,000 that had become due by the water users of this country, 99.3 percent had been paid.

The most complete refutation of any purportedly expert financial criticism of irrigation, however, is furnished by a review of the liquidation of moneys advanced by the Bureau of Reclamation for initial irrigation development. At this writing, \$48,000,000 has become due the reclamation fund from water users. Of that amount only \$350,000 has not been paid. In other words, the account of farmers with the Bureau of Reclamation is at present 99.3 percent paid. Moreover, the Bureau of Reclamation is holding for certain irrigation districts \$1,200,000 in actual cash which is not due but is being held as cash credit. I very seriously doubt that any other line of business endeavor could, after a comprehensive survey, boast a similar record of solvency in its capital investments.

Mr. PIERCE. Will the gentleman yield?

Mr. GREEVER. I yield to the gentleman from Oregon.

Mr. PIERCE. Do not forget that that was our money for western land. That did not come out of taxes.

Mr. GREEVER. That is true.

The gentleman from New York has also referred to the Casper-Alcova project and has stated that it should have never been built. As a matter of fact, Natrona County has paid into the reclamation fund of the United States in excess of \$50,000,000, through oil royalties from governmental leases, and has not received one cent back to replace this lost asset. There will be reclaimed under this project between forty and sixty thousand acres of land which has been classified by the engineers of the United States, some of the most competent engineers in the world, as being very productive land. It offers an opportunity to the people of that section of the country to feed their cattle and sheep from products of this area. The crops that will be raised upon this project will be noncompetitive crops.

In seasons of drought there has been no influence so prominent in equalizing economic conditions caused by the drought as has reclamation. It has been necessary on many occasions to feed the crops raised upon reclamation projects to cattle and sheep and other livestock in order to permit them to survive through the winter. It provides the crops which are so necessary for the maintenance of the sheep and cattle business.

Power plants that have been constructed in connection with irrigation projects have enabled the citizens of communities to have power and light at a rate which they can afford to pay, and this has gone and will go a long way further in the modernization of the home, about which we hear so much today and which is a constructive and far-sighted policy.

Towns and villages have grown up on the reclamation projects which have contributed much to the buying power of the country. Reclamation is feasible and practical. It has been recognized from time immemorial as a necessary factor in the life of any nation, and the application of water to land in the West is, in my opinion, one of the most progressive developments which we have in the United States today. The Honorable Harold L. Ickes, Secretary of the Interior, and the Director of Reclamation, Dr. Mead, have rendered a service to the American Nation through their recognition of these facts.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 5 minutes to the gentleman from Idaho [Mr. White].

Mr. WHITE. Mr. Chairman, I was very much interested in the statement of the gentleman from New York, which seems to give the viewpoint of some of the Members from the East on the question of reclamation. I am wondering how well they are acquainted with the various reclamation districts of the West and with their effect upon the business of manufacturing articles which are finding a market in the Western States.

Mr. Chairman, I have seen the irrigation districts built up from barren sagebrush plains into beautiful, flourishing communities. If there has been money expended by the Government it will be repaid, and we must always remember that additions to territory in this country have been made at some expense. Thomas Jefferson bought Louisiana, and for that vast territory he paid money. We bought Alaska. When we added that great domain we paid money. At the time it was thought to be a foolish investment, but it proved that we received a wonderful territory, practically an empire in itself, which enriched this country and the people manyfold.

During the depression, when there was unemployment and distress all over the country, I had the experience of traveling through the irrigated regions of the West and came in contact with the people of those irrigation areas. I found that of all the communities, whether it be in the State of New York or in the Central West, the people in the irrigated communities had withstood the depression and were in a better financial state than were the inhabitants of any

of the other communities I visited. The reason was because those people were producers. They are producing new wealth, and they are producing what they consume. A great deal of the products of those districts are consumed at home, or within the State.

I want to call attention to a further fact. A great deal of the products of those districts find outlets in export. For instance, we export our apples; we export other products from those districts and bring new money into the country.

Mr. Chairman, we have in this country 12,000,000 unemployed people. We do not know what to do with them. We are looking for a place where we may give them a home, where we may allow them to establish new communities. What better or finer place can you find than land that is assured of moisture, assured of crops, and is stable, as are these western irrigated communities?

The philosophy expressed here by the gentleman from New York [Mr. Culkin] is that we have a surplus of products, a surplus of people, and a surplus of land. All he needs is a big knife to cut off the surplus products and cut off the surplus people and surplus land and put them in the discard.

Let us put the land, the products, and the people together and build up new communities in our country.

Mr. CULKIN. Mr. Chairman, will the gentleman yield? Mr. WHITE. Yes.

Mr. CULKIN. The A. A. A. in the Department of Agriculture is giving ample precedent for the procedure the gentleman suggests by killing all the little pigs. Is not that

Mr. WHITE. We are reducing production, but to my mind that is a question of finance. Let us straighten out the tangled financial condition in this country and let business grow and develop in the United States. The principles that have been announced here by the gentleman from New York, if they could have been put into operation in the early days, what would have happened to the great State of Illinois, the great Dakotas, and the Central West if we had restricted the development of that country as the gentleman now wants to restrict the development of these great productive areas in

Mr. CULKIN. Let me say to the gentleman, if I may, that in my State, when the farmer's land needs reclaiming or irrigating, he does it himself. This is the doctrine that applies in New York State.

Mr. WHITE. That is what we are doing in the West. [Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I yield 10 minutes to the gentlewoman from Massachusetts [Mrs. Rogers].

Mrs. ROGERS of Massachusetts. Mr. Chairman, yesterday I introduced in the House H. R. 6200, which is a bill to authorize the Secretary of Agriculture to investigate and report on traffic conditions with recommendations for corrective legislation. I earnestly ask the members of the committee to help me secure the passage of this bill. It will not involve any additional appropriation. There is enough money in the contingent fund of the Bureau of Public Roads to make the survey. They must complete the survey in 3

During the late World War we all were shocked and saddened by the daily publication of the casualty lists showing the deaths and injuries which resulted from the great

Today, almost 17 years after the close of hostilities, we read of much greater losses of life and just as extensive injuries, without the emotion and without a second thought as to the cause and prevention of these casualties.

I refer to the daily list of killed and injured on our streets and highways. In the year just passed approximately 36,000 persons lost their lives in traffic accidents-3,000 every month in the year, almost 100 every day. The number is so staggering that it is almost beyond comprehension. It demands immediate thought and consideration and immediate action.

From the year 1913, when figures were first available, the

showing a gain over the previous, with the exception of one, 1932.

The tremendous use of motor cars, the increased speeds, and better road conditions, have all been factors in this mounting death rate. At the end of 1933—the latest figures available-there were 23,827,290 motor vehicles registered in the various States. In the past year this figure has been materially increased.

We have spent huge sums of public money to make travel over our highways more comfortable. We have cooperated, through the Federal Bureau of Public Roads, with every State in the Union toward making road conditions better. Our roads are the finest in the world. They are the models for all other nations. They were built for speed and they are used for speed. The average passenger car in good running order travels at the rate of 50 miles an hour upon the open highway with reasonable safety.

Many of our States have uniform, up-to-date, and reasonable traffic laws and regulations. Others have not. Twenty-two States, up to 1930, had no drivers' license law. A few have since adopted regulatory measures. Think of it! Anyone, regardless of age, mentality, physical or other ability, could drive a car in these commonwealths without examination. Is it to be wondered at that a comparison of the records of States with drivers' license laws requiring an examination of all new drivers, and administered by a strong central authority, with those States not having such laws, shows a distinct contrast in motor-vehicle death trends?

A study made by the National Safety Council shows striking evidence of the effectiveness of proper regulation in the records of States before and after the adoption of drivers' license laws.

Aside from the importance of having examined and licensed drivers is the necessity of uniformity of State traffic laws. I am sure that many of you, in driving to your homes, have experienced the necessity of altering your driving in passing from one State to another. In one State you may be permitted to drive at any speed, so long as it is reasonable and with due regard to the safety of others. Passing over the State line, you are greeted with signs warning you that the speed limit is 35 or perhaps 30 miles an hour. Every time you go beyond this limit you are breaking the law. Or perhaps you may go through some city, whose local regulations are unknown to you. Accustomed as you may be to waiting for lights to turn green before turning the corner, you are confused and bewildered by a local ordinance which permits turns on red.

These are just a few of the confusing and troublesome differences in regulations which the average motorist encounters in touring. Is there any wonder there were over 1,000,000 persons injured last year in traffic accidents? Glance at the figures below and note the horrible record of the last year:

Year	Deaths	Per 100,000 popula- tion	Per 100,000 cars
1913	4, 227	4.4	306. 7
1918	10, 723	10. 4	167. 9
1923	18, 394	16. 5	120.5
1924	19, 379	17. 1	109. 2
1925	21, 877	19. 0	109.0
1926	23, 431	20.1	105. 9
1927	25, 796	21.8	110.9
1928	27, 996	23. 3	113. 8
1929	31, 215	25. 7	117.3
1930	32, 929	26.7	123, 5
1931	33, 675	27. 1	129.8
1932	29, 451	23.6	121.6
1000	31, 363	25. 0	132.0
1933 1934 (estimated)	35, 500	28.1	143. 0

Hardly one of us but has had some friend or relative the victim of this confusion and bedlam of regulation or lack of regulation. What are we going to do about it? The toll of pain and misery is increasing even as we deliberate. What can be done to stop it? We cannot go to each of the toll of deaths and injuries has steadily mounted, each year | States and say you must adopt this or that code of laws.

Nor do we want to do that. Cooperation and suggestion will produce the desired results. Coercion will not.

I have given this matter much serious thought, and with the idea of unifying and consolidating the best ideas on the subject I have introduced in Congress a bill. This measure directs the Secretary of Agriculture to use such part as may be necessary of the contingent fund of the Bureau of Public Roads for study and research of traffic conditions and measures for their improvement. He is authorized to cooperate with the State, District of Columbia, and municipal authorities, together with private organizations, educational institutions, and other agencies in his study.

The bill further directs the Secretary of Agriculture to submit a report to Congress as to the status of uniform legislation throughout the country, with recommendations as to any measures which will promote the necessary uniformity in such laws.

This measure does not need an appropriation from Congress. The contingent fund which I have mentioned in my bill is more than ample for the purpose. It is a fund accumulated by the Bureau from the 11/2 percent taken from Federal highway appropriations.

Highway and safety officials have assured me that this legislation is a step in the right direction for sane, reasonable, and uniform traffic laws.

Entirely apart from the physical suffering caused by traffic accidents is the tremendous loss in personal property. It is so huge that no true figure can be obtained. It is safe to say that millions of dollars worth of property are destroyed each year in accidents which are avoidable in many

I am well aware that there are many angles to this question. However, the matter has been under study for a long period of years by various private and Government agencies. The bill which I have introduced will consolidate the opinions and ideas of the best authorities in the country on this subject. There is a divergence of opinion between these experts as to the best form of remedial action. Now is the time to weigh carefully each of their suggestions. Start this study and stop this slaughter. It is vital to you and vours.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. PATMAN].

## CIRCULATING MEDIUM

Mr. PATMAN. Mr. Chairman, I have some interesting information in regard to the circulating media that I would like to insert in the RECORD, and I ask unanimous consent to revise and extend my remarks and to insert such information as I desire that will be explanatory of the statements I make.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Chairman, the circulating medium consists of demand deposits subject to check and the actual currency and coin that is outstanding. The actual currency and coin has not increased or decreased substantially in 15 years in this country. It remains practically the same. Demand deposits have increased and decreased. It is a wellknown fact that as money becomes dear everything else measured in money becomes cheap.

From 1926 until 1929 demand deposits subject to check aggregated \$21,000,000,000. As I have said, the actual money outstanding was about \$5,000,000,000. Since that time the banks have called loans and caused deposits to be canceled, until they really have \$14,000,000,000 demand deposits in all the banks of this Nation at this time. Therefore the 15,000 banks have canceled, have destroyed, \$7,000,000,000 of our circulating medium; yet many of us are accused of being radicals because we merely want to restore \$2,000,000,000 of the circulating medium, of which the banks have destroyed \$7,000,000,000.

Mr. FIESINGER. Will the gentleman yield?

Mr. PATMAN. I yield.

Mr. FIESINGER. If I understood the gentleman correctly, he said as the circulating medium increased the prices decreased?

Mr. PATMAN. What I meant was that when the price of money is dear, the price of everything else becomes less valuable.

Mr. FIESINGER. But an increase of money would not

make money dear, would it?

Mr. PATMAN. No. An increase of money would make money cheaper and interest rates cheaper, as I understand it.

For instance, from 1926 to 1929 we had on an average \$200 per capita circulation of money and credit. To say that so many dollars per capita is in circulation does not mean a thing in the world. The only way to determine the circulating medium is by adding the demand deposits to the money outstanding. An average of \$200 per capita during this period of time. In 1934 the per capita circulation was only \$150, including both money and credit. We have had onefourth of our circulating medium absolutely destroyed.

Mr. SNELL. Will the gentleman yield for a question?

Mr. PATMAN. I will be glad to yield to the gentleman.

Mr. SNELL. How much of real currency is there at present in circulation?

Mr. PATMAN. About five and one-half billion dollars are presumed to be in circulation. This includes about \$700,-000,000 that is normally in the vaults of banks other than Federal Reserve banks.

Mr. SNELL. But is there not more than there was in the period from 1921 to 1927?

Mr. PATMAN. Yes; some more.

Mr. SNELL. I saw a statement a short time ago that there was more real money outstanding at the present time than there was in the year 1929.

Mr. PATMAN. There is not much difference, as I said, because it varies very little. Of course, in 1933, when there was a rush on the banks, the circulating medium outstanding, the actual money, increased about \$2,000,000,000 right away, because the people were afraid and they wanted to convert their deposits into money. All of this money has not been returned to the banks. For that reason there is more money outstanding now.

I shall be glad to insert in the RECORD the amount outstanding for 1914 to 1934, and other related information.

### MONEY IN THE UNITED STATES

Statements showing the stock of money in the United States in the years ended June 30, 1914 to 1934, and the imports and exports of merchandise, gold, and silver in the calendar years 1914 to 1933, and the 9 months ended September 30, 1934, follow:

Stock of money in the United States, in the Treasury, in reporting banks, in Federal Reserve banks, and in general circulation, years ended June 30, 1914 to 1934

Year ended June 30 Coin and other money in the United States	and other money in the	Coin and other money in Treasury as assets !		mone in repor	oin and other money n reporting banks <sup>1</sup> Held by of for Feders Reserve bar and ager		eral banks	In gene tion, amoun reporti Federa banks, ury	exclus its he ing al Re	eld by banks, serve
		Amount	Per- cent	Amount	Per- cent	Amount	Per- cent	Amount	Per- cent	Per capita
1914	Millions \$3,797.8 4,050.8 4,541.7 5,678.8 6,906.2 7,688.4 8,158.5 8,174.5 8,276.1 8,299.4 8,429.0 8,667.3 8,118.1 8,118.1 8,118.1 8,118.1 8,118.1 9,079.6 9,004.4 10,078.4	\$338. 4 348. 2 299. 1 269. 7 365. 5 490. 7 463. 6 406. 1 386. 5 359. 4 363. 9 353. 2 350. 9 351. 3 373. 1 247. 2 254. 9 278. 2 314. 5	8. 91 8. 60 6. 59 4. 75 5. 27 7, 61 6. 01 5. 67 4. 91 4. 44 4. 06 4. 38 4. 19 4. 05 4. 33 4. 37 2. 98 2. 81 3. 09 3. 12 21. 68	1, 472. 2 1, 487. 3 882. 7 981. 3 1, 047. 3 926. 3 814. 0 777. 1 900. 8 938. 3 975. 2		593.3 1, 342.7 2, 061.0 2, 226.7 2, 200.2 2, 799.9 3, 403.8 3, 120.3 3, 120.3 3, 120.3 3, 120.3 3, 465.1 2, 970.2 3, 437.3 4, 002.7 3, 031.1 4, 043.2	9. 45 13. 06 23. 84 29. 84 28. 96 26. 97 34. 25 41. 16 40. 14 41. 12 37. 63 37. 85 36. 59 40. 04 42. 58 44. 08 33. 66 40. 12	2, 177. 1 2, 579. 1 3, 599. 0 3, 895. 3 4, 420. 3 3, 984. 7 3, 649. 2 4, 046. 2 3, 948. 5 3, 876. 9 3, 910. 1 3, 866. 2 3, 930. 1 3, 947. 2 3, 668. 2 3, 956. 5 4, 921. 0	46. 21 47. 94 45. 42 52. 11 50. 67 54. 18 48. 75 44. 69 46. 49 46. 69 44. 61 48. 41 46. 23 44. 16 43. 55 54. 65 55. 31	21. 24. 74 33. 97 36. 67 41. 50 36. 71 33. 18 36. 20 34. 69 33. 35 32. 57 32. 72 32. 47 29. 76 31. 87 39. 41 40. 32

<sup>1</sup> Public money in national-bank depositories to the credit of the Treasury of the United States not included.

<sup>2</sup> Money in banks of island possessions not included.

Note.—Population estimated at 113,818,432 in 1924; 115,469,094 in 1925; 117,227,000 in 1926; 118,719,000 in 1927; 120,104,000 in 1928; 121,546,198 in 1929; 123,250,000 in 1930; 124,135,800 in 1931; 124,881,806 in 1932; 125,753,206 in 1933; and 126,485,606 in 1934.

The following table in regard to money and credit is selfexplanatory:

	Amount of demand deposits subject to check <sup>1</sup>	Amount of money out- standing 2	Amount of money in the vaults or banks 3	Population of the United States (estimated 4)	Per capita circulation of money and credit
7 20 1010	Thousands	Thousands	Thousands		
June 30, 1916		\$2, 177, 100	\$2, 364, 600	100, 757, 735	\$141. 16
June 20, 1917 June 29, 1918		2, 579, 100 3, 599, 000	3, 099, 700 3, 307, 200	102, 172, 845 103, 587, 955	129. 30 151, 71
June 30, 1919	14 721 725	3, 895, 300	3, 793, 100	105, 003, 065	177, 30
June 30, 1920		4, 420, 300	3, 738, 200	106, 543, 031	188, 65
June 30, 1921		3, 984, 700	4, 189, 800	108, 207, 853	185. 37
June 30, 1922		3, 649, 200	4, 626, 900	109, 872, 675	163, 67
June 30, 1923		4, 046, 200	4, 656, 600	111, 537, 497	164. 02
June 30, 1924		3, 948, 500	4, 898, 000	113, 202, 319	167. 93
June 30, 1925	16, 563, 201	3, 876, 900	4, 422, 500	114, 867, 141	177.95
June 30, 1926	18, 208, 622	3, 910, 100	4, 518, 900	116, 531, 963	189. 81
June 30, 1927		3, 866, 200	4, 801, 100	118, 196, 785	211.60
June 30, 1928		3, 930, 100	4, 188, 000	119, 861, 607	208. 49
June 29, 1929		3, 947, 200	4, 591, 600	121, 526, 429	208. 80
June 30, 1930		3, 668, 200	4, 638, 400	123, 191, 600	200. 95
June 30, 1931		3, 956, 500	5, 123, 100	124, 070, 000	182, 44
June 30, 1932		4, 921, 000	4, 083, 400	124, 822, 000	154. 21
June 30, 1933		5, 070, 800	5, 007, 600	125, 693, 000	147. 02
June 30, 1934 Jan. 1, 1935 6	14, 961, 774	4, 683, 900	8, 950, 500	126, 425, 000	155. 39

¹ Individual deposits subject to check in all reporting banks, as shown in the annual reports of the Comptroller of the Currency.
¹ Figures in this column include only money in general circulation, exclusive of amounts held by reporting banks, Federal Reserve banks, and Treasury. Source: Annual reports of the Comptroller of the Currency.
³ In the Treasury, Federal Reserve banks, and reporting banks. Source: Annual reports of the Comptroller of the Currency.
¹ Continental United States. Estimates as of the middle of the year. Source: Statistical Abstract of the United States, 1934, p. 10.
¹ The sum of the first and second columns divided by the population is given in the fourth column.

fourth column

6 Not available.

I want to call attention to what Benjamin Franklin said in his Autobiography, as it is very timely today:

About this time [about the year 1729] there was a cry among the people for more paper money, only fifteen thousand pounds being extant in the province, and that soon to be sunk. The wealthy inhabitants oppos'd any addition, being against all paper currency, from an apprehension that it would depreciate, as it had done in New England, to the prejudice of all creditors. We had discuss'd this point in our Junto where I was on the side of an addition, being presumed that the first small sum struck in 1729 and done being persuaded that the first small sum struck in 1723 had done much good by increasing the trade, employment, and number of inhabitants in the province, since I now saw all the old houses inhabited, and many new ones building; whereas I remembered well, that when I first walk'd about the streets of Philadelphia, eatwent, that when I has wark a good the streets of Finaletpina, eating my roll, I saw most of the houses in Walnut-street, between Second and Front streets, with bills on their doors, "To be let"; and many likewise in Chestnut-street and other streets, which made me then think the inhabitants of the city were deserting it one after another.

one after another.

Our debates possess'd me so fully of the subject, that I wrote and printed an anonymous pamphlet on it, entitled The Nature and Necessity of a Paper Currency. It was well receiv'd by the common people in general; but the rich men dislik'd it, for it increas'd and strengthen'd the clamor for more money, and they happening to have no writers among them that were able to answer it, their opposition slacken'd, and the point was carried by a majority in the House. My friends there who conceiv'd I had been of some service, thought fit to reward me by employing me in printing the money; a very profitable job, and a great help to me. This was another advantage gain'd by my being able to write.

The utility of this currency became by time and experience so

advantage gain'd by my being able to write.

The utility of this currency became by time and experience so evident as never afterwards to be much disputed; so that it grew soon to fifty-five thousand pounds, and in 1739 to eighty thousand pounds, since which it arose during the war to upwards of three hundred and fifty thousand pounds, trade, building, and inhabitants all the while increasing, tho' I now think there are limits beyond which the quantity may be hurtful.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield? Mr. PATMAN. I yield.

Mr. WOLCOTT. If I remember the quotation correctly, Franklin was differentiating between a redeemable and an irredeemable paper currency.

Mr. PATMAN. The point is, I may say to the gentleman from Michigan, that the houses in Philadelphia were vacant; "for rent" signs were on the houses on practically every street; but by increasing the circulating medium it caused good times, and people soon filled those homes. In addition to that, trade increased. That is the point I was making.

Mr. WOLCOTT. My point was that Franklin distinguished between the paper money for which there was a a redeemable paper money as against an irredeemable paper money.

Mr. PATMAN. I am not taking issue with the gentleman. I surmise his conclusions are correct, because Franklin states here:

I know there are limits beyond which the quantity may be hurtful.

I agree that there are, of course. In Germany the people deliberately destroyed their currency system; it was not accidentally done; they did not start out with inflation hoping to control it; they did not want to control it. They owed debts they could not pay. They could not possibly pay those debts. They did not want to repudiate them, they could not repudiate them; but they could print the money that these debts were payable in; and they deliberately and purposely printed that money in order to pay those debts, although the money was worthless. A carpenter could work half a day and pay off a \$10,000 mortgage. A farmer could raise a bushel of wheat and pay off all the debts of a lifetime; but they destroyed their currency in order to do it. In this country no one is hoping to go in that direction. We want a controlled expansion of the currency, a sufficient medium of exchange; that is all we want. We want people to be able to pay their debts with dollars that are worth approximately the same as those dollars were worth when they were borrowed. That is all the people of this country want. In order to do this, however, Congress has got to reassume its constitutional duty to coin money and regulate its value. Under our present system this great privilege and right has been farmed out to the banks of the country; and remember when these banks have a right to make this money and charge people for the Government's credit, a blanket mortgage on all the property of all the people, those banks that have this great privilege are not even under the slightest obligation to maintain a sufficient circulating medium.

[Here the gavel fell.]

Mr. PATMAN. The following is inserted as a part of my extension:

### MONEY-MANUFACTURING PLANTS

There are 15,000 money-manufacturing plants; 10,000 of them are State banks and 5,000 are national banks.

In order for them to make money, people must give notes to these banks and get a credit in the form of a demand deposit. In order to decrease demand deposits or deposit currency, loans are called and paid, which cancel the demand deposits or money. In order to increase the circulating medium, someone must go in debt and pay interest.

Fifteen years ago there were 30,000 of such banks. The number has been reduced one-half, which reduces the opportunity of the people to increase the circulating medium through loans.

# EARNINGS OF BANKS

The total earnings of these banks in 1933 aggregated \$1,700,000,000. Their net earnings aggregated \$525,000,000. These banks have almost ceased to function as intended; all the banks are not responsible. The great privilege has been farmed out to them of lending on an average of \$10 to every \$1 that they have available. They are not even required or obligated in any way to maintain a sufficient circulating medium of exchange. They are given this privilege, and they can honestly and legitimately use it for their own selfish, greedy advantage, without regard to the general welfare and under no obligation whatsoever to serve the general welfare.

### CONGRESS RESPONSIBLE

Congress has allowed this privilege to continue, notwithstanding the constitutional requirement that Congress shall coin money and regulate the value thereof.

### THREE STATES HAVE ONE-HALF DEPOSITS

The time and demand deposits aggregate about \$41,000,-000,000. One-half of this amount is in three States-New York, Pennsylvania, and Massachusetts.

### DEPOSIT CURRENCY

Demand deposits subject to check serve the same purpose clamor and sound paper money which had a base behind it, as currency and are referred to as deposit currency. From 1926 to 1929, inclusive, these deposits amounted to \$21,000,- [ 000,000. At the end of the fiscal year in 1934 they amounted to \$14,000,000,000. Therefore, these banks destroyed \$7,000,-000,000 of our circulating medium, whereas the actual money outstanding, including paper money and coins, has remained practically the same-about \$5,000,000,000-for 15 years.

It seems to be all right for the banks to destroy \$7,000,-000,000 circulating medium, but if some of us attempt to restore \$2,000,000,000 of that circulating medium, we are immediately branded as radicals and flat-money advocates.

These 15,000 money-manufacturing institutions engage principally in bookkeeping and pencil-mark transactions, but they have at their disposal the Bureau of Engraving and Printing at Washington, which is a stand-by for the purpose of furnishing the actual currency in greenback form when needed.

#### BANKS AS WELL AS PEOPLE VICTIMS

Let it be understood that I am not opposing individual banks or individual bankers. I am not criticizing them, but I am opposing a system that many of the banks, as well as the people, are victims of.

## ISSUE DOLLAR BILL INSTEAD OF DOLLAR BOND

We must have banks. We want safe banks for the people's deposits. Personally, I prefer a 100-percent reserve for all banks and let the Government make the money on the issuance of credit. We will have no more bank failures. These 15,000 banks, having no sort of proper control, have ceased to function as such and are now commercial bookkeepers for hire and holders of Government bonds. These banks hold about \$13,000,000,000 in United States Government bonds, and they receive annually about \$400,000,000 in interest on these bonds. This is a pure subsidy. The Government should not pay interest on its own credit, and as Thomas Edison said:

If the Government can issue a dollar bond, providing for interest, that is good, it can issue a dollar bill that is good.

The banks do not pay one penny tax on these bonds to either the local government or the Federal Government.

If the 100-percent reserve requirement is enacted, we can pay off the national debt and save approximately a billion dollars a year in interest charges.

## ONE-EIGHTH OF 1-PERCENT INTEREST RATE

Further, we can refinance the bonds of States, counties, and municipalities which were sold for the purpose of obtaining funds to make public improvements and for educational purposes. This refinancing should be done in a way that the interest rate will not exceed cost to the Government less than one-eighth of 1-percent annual interest. Improvement bonds in the future should be taken up by the Government at the same rate. This will reduce taxes at least 50 percent on the people, including farmers and home owners and other owners of real estate and tangible properties who are the least able to pay anything. One-half the average tax bill is for interest on bonds.

Estimate of additional revenue that would have been derived under the income and excess-profits tax rates of the year 1918 continued in subsequent years, with effect upon the public debt by the application of such additional revenue thereto

## INDIVIDUAL-INCOME TAX

Year	Actual net income	Actual tax	Theoretical tax	Excess
1918	\$15, 924, 639, 000	\$1, 127, 722, 000	\$1, 127, 722, 000	
1919	19, 859, 491, 000	1, 269, 630, 000	1, 406, 052, 000	\$136, 422, 000
	23, 735, 629, 000	1, 075, 054, 000	1, 680, 483, 000	605, 429, 000
	19, 577, 213, 000	719, 387, 000	1, 386, 067, 000	666, 680, 000
	21, 336, 213, 000	861, 057, 000	1, 510, 604, 000	649, 547, 000
	24, 777, 466, 000	661, 666, 000	1, 754, 245, 000	1, 592, 579, 000
1924	25, 656, 153, 000	704, 265, 000	1, 816, 456, 000	1, 112, 191, 000
1925	21, 894, 576, 000	734, 555, 000	1, 550, 136, 000	815, 581, 000
1926	21, 958, 506, 000	732, 471, 000	1, 554, 662, 000	822, 191, 000
Total	178, 795, 247, 000	6, 758, 085, 000	12, 658, 705, 000	6, 490, 620, 000
	22, 545, 091, 000	830, 639, 000	1, 596, 192, 000	765, 553, 000
Total	201, 340, 338, 000	7, 588, 724, 000	14, 254, 897, 000	7, 166, 173, 000

Estimate of additional revenue that would have been derived under the income and excess-profits tax rates of the year 1918 continued in subsequent years, with effect upon the public debt by the application of such additional revenue thereto—Continued

## CORPORATIONS—INCOME AND EXCESS-PROFITS TAXES

Actual net in- come	Theoretical net income	Actual tax	Theoretical tax	Excess
\$8, 361, 511, 000		\$3, 158, 764, 000		
7, 902, 655, 000 4, 336, 048, 000 6, 963, 811, 000 8, 321, 529, 000 7, 586, 652, 000 9, 583, 684, 000	6, 542, 608, 000 3, 399, 895, 000 5, 222, 858, 000 6, 241, 147, 000 5, 689, 989, 000 7, 187, 763, 000	1, 625, 235, 000 701, 576, 000 783, 776, 000 937, 106, 000 881, 550, 000 1, 170, 331, 000	2, 471, 601, 000 1, 284, 378, 000 1, 973, 060, 000 2, 357, 743, 000 2, 149, 530, 000 2, 715, 350, 000	846, 366, 000 582, 802, 000 1, 189, 284, 000 1, 420, 637, 000
8, 981, 884, 000	6, 736, 413, 000	1, 130, 674, 000	2, 544, 842, 000	1, 414, 168, 000
	come \$8, 361, 511, 000 9, 411, 418, 000 7, 902, 655, 000 4, 336, 048, 000 6, 963, 811, 000 8, 321, 529, 000 7, 586, 652, 000 9, 583, 684, 000 9, 673, 403, 000 63, 779, 200, 000 8, 981, 884, 000	\$8, 361, 511, 000  9, 411, 418, 000 \$8, 031, 704, 000 7, 902, 655, 000 4, 336, 048, 000 6, 963, 811, 000 8, 321, 529, 000 6, 522, 858, 000 9, 583, 684, 000 7, 187, 763, 000 9, 673, 403, 000 7, 285, 052, 000 63, 779, 200, 000 49, 571, 016, 000 8, 981, 884, 000 6, 736, 413, 000	\$8, 361, 511, 000 \$\$  9, 411, 418, 000 \$\$8, 031, 704, 000 \$\$2, 175, 342, 000 \$\$7, 902, 655, 000 \$\$6, 542, 608, 000 \$\$1, 625, 235, 000 \$\$8, 321, 529, 000 \$\$6, 241, 147, 000 \$\$81, 550, 000 \$\$9, 583, 684, 000 \$\$7, 187, 763, 000 \$\$81, 550, 000 \$\$9, 583, 684, 000 \$\$7, 187, 763, 000 \$\$1, 170, 331, 000 \$\$9, 673, 403, 000 \$\$7, 255, 652, 000 \$\$81, 550, 000 \$\$81, 550, 000 \$\$81, 550, 000 \$\$81, 550, 000 \$\$9, 583, 684, 000 \$\$7, 255, 652, 000 \$\$1, 170, 331, 000 \$\$81, 550, 000 \$\$81, 550, 000 \$\$9, 573, 403, 000 \$\$7, 265, 652, 000 \$\$1, 170, 331, 000 \$\$81, 550, 000 \$\$1, 170, 331, 000 \$\$81, 550, 000 \$\$1, 170, 331, 000 \$\$81, 550, 000 \$\$1, 170, 331, 000	\$8, 361, 511, 000 \$1, 704, 000 \$2, 175, 342, 000 \$3, 034, 137, 000 \$4, 336, 048, 000 \$6, 542, 608, 000 \$1, 625, 235, 000 \$2, 471, 601, 000 \$6, 963, 811, 000 \$6, 241, 147, 000 \$7, 586, 652, 000 \$6, 241, 147, 000 \$937, 106, 000 \$2, 175, 360, 000 \$7, 586, 652, 000 \$6, 684, 007, 187, 763, 000 \$1, 170, 331, 000 \$2, 149, 530, 000 \$90, 583, 684, 000 \$7, 187, 763, 000 \$1, 170, 331, 000 \$2, 149, 530, 000 \$1, 170, 331, 000 \$2, 149, 530, 000 \$1, 170, 331, 000 \$2, 149, 530, 000 \$1, 170, 331, 000 \$2, 149, 530, 000 \$2, 149,

Additional revenue if rates con-

tinued through 1926\_\_\_\_\_ Probable saving in interest by annual payment of such addi-\_ \$15, 122, 476, 000

tional revenue on public debt\_ 2, 450, 000, 000

17, 572, 476, 000

2. 070. 524. 000 Balance of debt. 1926\_.

Public debt June 30, 1927\_ 18, 510, 000, 000 Additional revenue if rates con-17, 302, 197, 000

tinued through 1927\_\_\_\_ Probable saving of interest by annual payment of such additional revenue on public debt\_ 2, 750,000,000

20, 052, 197, 000 Surplus after complete payment of public debt\_\_ 1, 542, 197, 000

Note.—It is assumed that business profits (net income) would not have been depressed by the high tax.

(This statement prepared by the Joint Committee on Internal Revenue Taxation. Mr. L. H. Parker, Chief of Staff.)

Mr. TAYLOR of Colorado. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MEAD, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 6223) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1936, and for other purposes, had come to no resolution thereon.

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. Johnson of West Virginia, indefinitely, on account of illness.

"PINK SLIP" PUBLICITY—A GOVERNMENTAL INVASION OF THE PRIVATE RIGHTS AND SECURITY OF THE CITIZEN

Mr. BACON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. BACON. Mr. Speaker, I wish to discuss a question which I believe goes to the very fundamentals of our rights and privileges as American citizens-whether or not the personal relationship of the private citizen to his Government on matters pertaining between them alone shall be publicly exposed and exploited.

I refer, of course, to the natural and inherent right of privacy that every law-abiding man and woman has under a democratic form of government, and more specifically to the jeopardy of those rights through the publication of everyone's intimate business and personal affairs through the famous "pink slip" publicity clause in the Revenue Act of 1934.

It appeals to me as a natural, and particularly an American, concept that a citizen's relations with his Government on tax matters, where the general public interest does not

otherwise decree, should be inviolate and of necessity should | be held in confidence as against every third person.

While much public sentiment has been aroused, I do not believe it has yet addressed itself adequately to the fundamental and underlying principle that is involved-whether such confidential relations and knowledge shall be published for the use of third persons who cannot possibly justify any logical social right to them.

Involved in the question also, and inseparably mixed with it, is the citizen's right to personal security, which I feel will be seriously jeopardized through the promiscuous broadcasting of the details of his personal and private affairs.

The right to privacy and security has come down to us through the centuries. It is a natural and inherent right.

It is not a gift of law; it is a gift from our forefathers. should be ours to bequeath on. It is a right independently secured, rooted in developing customs, and recognized by the old common law. It is not such a right that can be capriciously breached or its meaning twisted by new or uncommon interpretations.

But, whether we fully realize it or not, I can see the beginning of a destruction of this inherent and natural right, of this peculiarly American concept of the right to privacy and security. That this threat touches only one group in our country does not affect the principle.

This indefensible situation has been gradually and insidiously developing. Probably unnoticed or not seriously considered by the average citizen as exposing him to any dangerous loss of rights, he has suddenly become faced with the naked realization of all that is involved.

Like so many other governmental policies and tendencies, the growth has been through slight deviations and indirect approaches. In times of depression or national disturbances, this tendency is generally unnoticed, because then the average citizen's vigilance is caught off guard by the necessity of giving practically exclusive consideration to the necessities of his own circumstances, and it is also the time when he may be more or less passive in accepting new laws and rules, which are held out to him as being vitally necessary in the proper running of the country's economic machine.

And so, in the case of the infamous "pink slip" publicity provision of law the citizen finally wakes up, and perhaps too late to defend himself.

In the discussions attending the submission of the incometax amendment to the people, it was emphatically stated by leaders of all political parties that the information obtained by the Government in levying income taxes would be confidential. At that time this question was very much in the minds of the American Congress, the State legislatures that ratified the amendment, and the American people. And thus we find in the original act of 1913 it was specifically provided that all income-tax returns should be open to inspection only by explicit order of the President himself, under rules and regulations prescribed by the Secretary of the Treasury and having the express approval of the President.

This provision of law was carried intact in all subsequent revenue acts down to 1924. The right given to the President to provide for the inspection of returns, presumably contemplated the possible development of some situation where it would be distinctly in the public interest to have the returns opened to scrutiny. It was no doubt felt that in extraordinary circumstances and where the public interest or the common good demanded it, the right to provide for inspection of income-tax returns should lie within the authority of the President. But conversely, it is fair to assume that the recognition of the confidential relationship between the citizen and his Government in income-tax matters would be held inviolate and not be subjected to transgression except the public interest or the common good demanded it.

So up to 1924 this policy prevailed. However, in that year we find the first definite translation of the agitation to make public income-tax returns. The 1924 law provided that income taxes paid should be made available to public inspection in the office of the collector of internal revenue in each district and any other place the Commissioner of Internal Revenue should determine. The information that

was required to be made public consisted of the name and the post-office address of each person making an incometax return together with the amount of the income tax paid by each person. In the 1924 act also was included the requirement giving to the Ways and Means Committee of the House of Representatives and the Committee on Finance of the Senate, or any special committee of either House or Senate, the right to call on the Secretary of the Treasury for any data contained in income-tax returns for their inspection and scrutiny.

This latter provision was as patently in the public interest as the first was not. And this latter provision, also, has been in the law since and is in the law now.

But the provision in the 1924 act providing for the exposure of the tax paid to anybody and everybody was the successful beginning of that insistence for full publicity, especially from certain quarters, which finally led to the present pink slip" provision.

The results of the 1924 provision were misleading, harmful, and generally unfortunate. An aroused citizenship demanded its repeal. The officials of the Treasury themselves testified that no useful purpose was served, and they themselves recommended the repeal of the law. Thus, after the harmful experience of the 1924 law the provision was repealed in the act of 1926.

But agitation for full publicity did not die with the repeal of the 1924 law. The flame of its enthusiasm burned brightly or dimly in the intervening years, depending entirely on the position of the political weathercock, and also, it must be said, on the degree of reception to demagogic appeals to class distinctions which were aroused for obviously selfish political purposes.

I do not include in this charge sincere friends of tax publicity, although I distinctly question the soundness of their reasoning. But in the main the agitation was kept alive by politicians, in and out of Congress, who humbugged some people into thinking that publicity would bring an end to

In the consideration of the 1932 act a particularly determined effort was made to provide for full publicity, not only of the tax paid, but of every item of whatsoever kind that would be included in the return. This was defeated. And, generally, the right remained in the President to provide for inspections in his discretion when presumably the public interest demanded disclosure.

But the movement toward mandatory and full publication continued on. And in the 1934 act we see included, for the first time, a provision for obligatory income-tax publicity. There we find the addition of the infamous section 55 (b), which provides for the full publication of the information required by the notorious pink slip.

This "pink slip" which all taxpayers have received, re-

quires that the following information be given:

The name and address of the taxpayer; total gross income; total deductions; net income; total credits against net income; and tax payable.

There is no longer any safeguard thrown around this publicity provision—that publicity shall be subject only to rules and regulations prescribed by the Treasury and approved by the President. This is mandatory, and whether the President wills or not, the publicity must be given. I am informed that the Treasury Department feels that in order to carry out the letter and spirit of this section they will feel obligated to furnish to anyone the "pink slip" information.

This means, in a practical way, that sometime after the 15th of March there will be furnished to the press of the country tabulated lists of all those who have filed a return, whether they pay a tax or not. To put it more concretely, every single man or woman who has a net income of \$1,000 a year or over and every married man or woman who has a net income of \$2,500 a year or over will appear on the tabulations that will be furnished to the press of the country.

Every little country newspaper, if it can afford to give space for this free and delectable advertising, can parade the list on its front page of those living in the towns and villages within their circulations. Every newspaper in the

to Washington or the different internal-revenue offices for the information exposing the intimate affairs of the people in their communities to the public gaze.

This is the situation that confronts us today. I am here tonight to appeal to you and all other honest citizens to join together in a nonpartisan and nonpolitical effort to repeal this obnoxious section. I say nonpolitical and nonpartisan advisedly, because I want to recall to your mind the fact that when this section was introduced in the Revenue Act of 1934 it was not advocated or supported by the President or by his Secretary of the Treasury. This section was not in the revenue bill as it came to the House originally. It slipped into the law during the closing days of the last Congress as the final result of an amendment adopted by the Senate providing for full publicity of the entire return. This amendment was offered by Senator La Follette and carried by 7 votes, with 21 Senators absent

The amendment of Senator LA FOLLETTE went much further than the "pink slip" amendment, and when the bill went to conference all the House conferees could do was to modify it as much as they could. The result of this modification is the present "pink slip" section. The conference report came up in the House and was adopted without a roll call in the closing days, and so the "pink slip" section became a law with the President's signature of the revenue bill. It was felt that the compromise, bad as it was, was the best that could be obtained without jeopardizing the passage of the revenue bill

I want to emphasize, however, again that this proposal was not recommended by the administration. I do not know how it feels toward the "pink slip" section. I should like to know. But, having in mind the fact that it has never availed itself of the right to order public inspections of returns heretofore, I have every hope that the administration will favor its repeal when the time comes.

On February 8 I introduced a bill to repeal section 55 (b). the "pink slip" section, and this measure is now before the Ways and Means Committee of the House. The chairman of the committee and the Speaker of the House have both publicly declared themselves in favor of the repeal of this section. I have requested a hearing and action on my bill. and have been informed that the committee cannot take up this bill or any similar bill until after they have disposed of what is known as the "Economic Security Act", involving old-age pensions and unemployment insurance, and also the different bonus measures. These two measures will take a long time, and hearings on both may be lengthy. However, the proposal to repeal this section is a very simple matter and should not take more than an hour's discussion before coming to a decision.

Let us now turn to the implications and results that will occur should the Congress take no action looking toward the repeal of this section. And in fairness, also, let us examine first the claims of the proponents of this proposal.

In all the years of income-tax publicity agitation, the alleged primary purpose of the movement's leading cru-saders is the prevention of tax evasions. They have gone on the theory that full publicity would deter and frighten the potential taxpayer who was flirting with schemes to defraud his government; that full publicity would wield a psychological effect in inducing such honesty as greatly to augment the Government's income. They have argued that the burning light of publicity would make a man think twice before he adopted ingenious schemes to establish losses for deduction purposes, and so keep down his taxes; that it would prevent him from claiming offsets to which he was not entitled; that it would materially cut down the instances of shocking tax evasions that have been brought to light within the past few years.

The argument has been made that to assure secrecy would also assure trickery and fraud on the part of the taxpayer, and that, therefore, it was necessary and in the public interest to expose the returns to public inspection. And one particularly strange suggestion that has been advanced is that it would provide a full opportunity for employees of the

country, whether a city daily or a country weekly, will rush | Internal Revenue Bureau, on their own responsibility, to run to Members of Congress and of the Senate and advise them of the things that were rotten, not in Denmark but in the office of the Commissioner of Internal Revenue.

However, these arguments may apply either to the alleged benefits to be gained from full publicity, or under the "pink slip" section, I think it is pretty obvious that they contemplate the presumption of crookedness against the taxpayer. And so far as the Internal Revenue Bureau is concerned it is a rather sad commentary on administration. But admitting for the sake of the discussion that there may be individual instances where taxpayers might resort to false and fraudulent returns, the arguments of the proponents of publicity still remain an indictment of the whole body of taxpayers as a class.

It is here that I think they lose their proper sense of perspective. I do not think they themselves seriously believe that the great body of taxpayers want to defraud the Government. However, the conscientious publicity proponent is so obsessed with the idea of reaching the big and wealthy tax evader that he entirely loses sight of the effects of publicity on that vast majority of citizens whose incomes are moderate, over 90 percent of whom are in the classes with incomes ranging from \$1,000 up to \$5,000.

The honest publicity proponents want to expose the wealthy corporation tax evader. Here again they fall into error in thinking that all corporations are wealthy.

In both cases the publicity proponents are seemingly willing to ruthlessly sacrifice over nine-tenths of all those making returns in order to get the returns of individuals and corporations of large wealth spread out to the scrutiny of

But returning to the "pink slip" and the information it requires, is it to be expected that this requirement will frighten a man into reporting an income he might otherwise conceal; or of making him think twice before he establishes a fictitious loss; or of claiming offsets to which he is not entitled? Hardly. So far as inducing the reporting of a taxable income is concerned, our experience with the 1924 act demonstrates that it will not have any such effect. The psychological effect may well be that it will scare people into not making returns, for fear of the involved publicity.

So far as the other arguments for publicity are concerned, that there is some advantage of utility to the Government in preventing the establishment of fictitious losses and offsets, or collusion between employees of the Internal Revenue Bureau and the taxpayers, I can only answer that the "pink slip" disclosure contains no essence of information that would be of any utility in reaching such evasions. It cannot possibly, by any stretch of the imagination, give any information which might show the juggling of a man's income-tax items. If there is any juggling the Government is in a full position, already, to detect it, because it has the full return in its files, item by item.

There has been honest and dishonest salesmanship of income-tax publicity as a policy. I cannot agree with the reasoning advanced by those honestly adhering to the view of its usefulness in the public interest.

But more often than not, in my estimation, this agitation for publicity has been boiled in the cooking pots of demagogues whose ulterior motives are not the public interest but class cleavage and the creation of class hatreds.

Their appeal for support of their aims has not been one based on exposition and reasoning, but on oratory and bombast calculated to bring distortion to the average man's viewpoint. The effects of their agitation can but breed discord and mutual distrust.

And where their efforts have not been organized with any definite objective in mind the most kindly thing I can say is I suspect it is their hope that with the advent of full publicity for income taxes, or even of the "pink slip" provision, they will be afforded generous opportunities to go on fishing expeditions which will assure them a fair catch-of notoriety and free space in the country's press.

I cannot agree that these "pink slips", these infamous

writs of assistance to snoopers, will freshen the flow of revenue

into the Treasury. Rather, they will serve to dam it up. The more obstacles and obstructions we place in the taxpayer's way the more the element of reluctance will appear in his cooperation.

The ideal income-tax provisions would, of course, be those that would create a natural and automatic flow of revenues to the Treasury and that would obviate the necessity of having the vast auditing and checking machinery in vogue, the upkeep of which is in itself an expensive item. Simplicity of return requirements may aid in this direction, but if we are to get full cooperation from the taxpayers, we must presume their honesty, we must respect their confidence, and hold out the hand not of oppression but of cooperation.

To legislate a presumption of crookedness against the taxpayer, as the "pink slip" section does, will not help. It will hurt, and under the "pink slip" section I see a definite en-couragement to tax evasion. In this I am generally supported, I believe, by a statement made by the Treasury Department in the hearings on the 1926 revenue bill, which declared:

There is a provision in the present act (1924) for publicity of the amount of tax paid by every taxpayer. The publicity is utterly useless from a Treasury standpoint. \* \* \* All of the supervising internal-revenue agents report that no additional tax has been collected due to the publicity provision, and all of them recommend its repeal. \* \* The returns and all information in connection therewith are readily available to the Treasury. The in connection therewith are readily available to the Treasury. The amount of tax paid is no true indication of the income of the individual. There are all kinds of losses and deductions. To make publicity complete would expose every trade secret to the tax-payer's competitor. It would do nothing to aid the Treasury or to increase the Government revenue. On the contrary, publicity encourages further tax evasion and loss of revenue. There is no excuse for the present publicity provision except the gratification of idle curiosity. \* \* No other country I know of publishes this information. Why should we in a free country insist on the exposure of the personal affairs of our citizens to the world?

In this connection allow me to draw from the experience of Wisconsin with the publication of income-tax returns. Wisconsin is the only State that has such a law on its books today. In 1930 the Wisconsin Tax Commission, in its formal report, said:

The repeal of the secrecy clause by the 1923 legislature opened all income-tax returns to public inspection. The repeal was urged and passed upon the supposition that public inspection would result in fewer incorrect returns and in discovering much unreported income. These expected results have not materialized in any degree in the administration of either the individual or the corporation returns. There have been no instances where public inspection has brought forth unreported income; and as to its anticipated effect in producing more correct income returns, experience has shown that it has had the opposite effect. Knowing that their returns are open to inspection, taxpayers consolidate and condense their reports to make them as unintelligible as possible to those inspecting them, thus making their auditing by the commission or by the income-tax assessor more arduous, necessitating additional work, considerably more correspondence, and consequent

The commission does not favor any secrecy of returns that would bar examinations in the public interest, but it does suggest that the promiscuous misuse of files for private purposes, to the great inconvenience and annoyance of officials and the expense of the State; ought to be discontinued. No other State or country having such files in custody permits such misuse of them. These files contain the record of the lifeblood and register the pulse of the person and private business affairs of our own taxpayers and should be accessible only when the public interest is concerned.

And on this general point let us see the practice of England. The mother country emphatically does not permit publicity of income-tax returns. In fact, the inspector or surveyor of taxes in Great Britain, who corresponds to our revenue agent, cannot even go to the original books of the taxpayer as a matter of right. The inspector of taxes, on taking office, takes an oath promising not to make public information in respect to income-tax returns.

In the United States appeals in the great majority of cases go to the Board of Tax Appeals, whose hearings have always been public. In Great Britain the general and special commissioners perform the appeal function of our Board of Tax Appeals, and the hearings before such commissioners are secret. The only time a person's income-tax case becomes wholly or partly public in Great Britain is when a case is appealed from the decision of the general or special commissioners to the King's bench division of the high court of of the Wisconsin income-tax returns was in the prepara-

judicature. I have been told by an expert of eminancethese have been his words practically verbatim—that there can be no doubt that Great Britain has pursued a policy of still greater secrecy in income-tax matters than has ever been pursued in this country even before the enactment of the Revenue Act of 1934.

And the highest judicial authority in our land, the United States Supreme Court, has signified its recognition of the serious effects that might flow from not properly safeguarded disclosures of income-tax returns. In one case before it they declared:

The interests of persons compelled, under the revenue laws, to furnish information as to their private business affairs would often be seriously affected if the disclosures so made were not properly

Let me remind you here that the repeal of this section will in no way affect other provisions of the act making available all income-tax details to the Treasury Department, the committees of Congress, and to States and municipalities which have the right to ask this information of the Federal Government, and even for publication if the President should see fit. Thus the rights of the Government would continue to be fully protected.

Now to turn to some of the evil effects that will flow if this provision is not repealed. Let us try to visualize some of the direct consequences and at the same time balance them against the alleged benefits of publicity. Who will be the most interested parties to scan the publication of these returns? First of all the idle curious, the gossip, and those who take pleasure in snooping into other people's business. Picture, if you will, to yourselves the idle gossips around a country store or the country post office going over the publication of these returns in the local country weekly.

Offhand this might seem to be an innocent pastime. the amusement, such as it may give, were simply enjoyed for the moment and the information immediately forgotten, the results would not be particularly worrisome. However, in idle and prurient gossip we have a distinct outrage on the citizen's feelings. The man or woman on the advertised list, and their families, become not only the butt for humor of a sort but for malicious stories. All those in the community on the list will be talked about, wondered about; talk will beget talk until ill feelings are bound to become engendered, resulting in the creation of social discord and in definite damage to social standards.

But far more serious than the idle gossip are those classes of people who make it a business of compiling sucker lists to sell. We all know that despite the enactment of the Securities and Exchange Act that there are still going about this land glib salesmen selling fake securities to the gullible, either through the mails or by house-to-house canvasses. With what glee will these issuers of fake securities pounce upon the list of citizens who have a net income of over a thousand dollars a year! The widow or the woman living alone with a small or moderate, or even a comfortable, income will be immediately preyed upon by these contemptible

You can all readily think of the many kinds of importunities that citizens will be subjected to-the book agent, the fake charity racket, crooked real-estate salesmen, poor relatives, and so on-will all welcome these sucker lists and this information.

During the last few years the daily newspapers have been filled with accounts of racketeers, blackmailers, and kidnapers. In my opinion the publication of these lists will be one of the greatest incentives to crime that can possibly be imagined. The Dillingers, the Carpis, and the "Baby Face" Nelsons and their ilk will eagerly scan each list in his own community for a clue as to possible profitable victims. So far as this criminal element is concerned, the Government, in effect, will be furnishing a "who's who" list of prospects. It might just as well furnish these lists to the kidnaper and racketeer direct and be done with it.

I have referred to the Wisconsin law, and you may be interested to know that the main use made of the publication tion of lists that were hawked about and sold to those who had no legitimate reason for having them. The result was such a scandal that the Wisconsin Legislature in 1933 was obliged to pass a law to prevent the sale of these lists by those who were hawking them about, and they imposed a severe penalty, a fine or imprisonment, or both.

And let me remind you, in connection with the "pink slip" provision, that there is no safeguard thrown around its publication similar to that afforded by the Wisconsin law. We intend to dish out this information indiscriminately, to permit its compilation and sale, in whole or in part, and for the use of any who may desire it.

One of the most serious abuses that will be brought about by this section is the publication of business information to a man's competitor, and I am not at this moment thinking of large business or industry, as such; but the smaller business men in the cities, and the small merchants in the towns of the country. The disclosure of his intimate business and financial set-up will be eagerly scanned by his competitors and by his creditors.

We have been going through a depression. Many businesses have necessarily met with reverses and many are in the red. To parade their misfortunes at this time particularly would be the height of folly and would retard business recovery. In some cases the small business man's credit might be so affected that it would drive him to the wall. Many individuals have suffered losses in the past 2 years. They have been courageously trying to recover; many are skating on thin ice. To suddenly throw the light of such publicity on their intimate business affairs not only will hurt their credit, if not jeopardize it, but will submit them to unnecessary humiliation and discouragement, and in many instances may thoroughly break down their morale.

In advocating the repeal of this section I have not thought primarily of the man of large means but of the man who groups himself in the smaller brackets, where over 90 percent or more of all the returns are represented. The world knows who the large taxpayers are; the world knows those who have large incomes. Whether their incomes this year or next year, or any year, will be smaller or larger than the public might have expected may be of passing interest, but it will not cause particular comment.

I am primarily concerned with the man or woman, the smaller industry or business, in the lower brackets. They are the ones who will be most seriously injured. They are the ones who live in the smaller towns of the country, and they are the ones who will have to bear the humiliation and see their private affairs spread out on the front page of their country weekly. Many people seem to think that this publicity affects only those of wealth. I cannot too strongly emphasize again that it affects every single man with a net income of a thousand dollars and every married man with a net income of \$2,500 or over, and this whether he pays

I have had a large mail, bringing in protests from all parts of the country. I have yet to identify a single man or woman who has written me as a person of large means. The big body of protests has come from small merchants and business men throughout the country who are concerned over the parading of their intimate business affairs in the press.

And there is the professional man who may not want to advertise his success or have his failure exposed. In this connection it must be remembered that the information on the "pink slips" may be entirely false as to a man's success or failure. A doctor may have sustained a severe loss in the stock market which would wipe out his taxable income, and yet he might be paraded before the world as an unsuccessful doctor without patients. The same thing applies to the lawyer, and in fact to every other professional man.

On the other hand, in the case of the doctor, a small country physician may have made a successful speculation in real estate. His return for the year might be three or five times his ordinary income. We all know that lawyers and doctors are having considerable difficulty collecting their fees at the present time. In the case I have cited his difficulty might be increased tenfold.

I cannot begin, in the short space of an evening, to uncover all the ramifications, embarrassments, distress, humiliation, and discouragements that will put themselves in the way of the smaller taxpayers unless this section is repealed.

There has been a tendency in Washington of late to throw obstruction in the way of business. I, for one, am ready to believe that 99.99 percent of American business men. industrialists, and professional men are honest and lawabiding American citizens.

There are some people, of course, who have been too prone to judge the large majority by the backslidings of the very few. We cannot base our laws in consideration of a small criminal element. If this country is to recover, it will only recover through the common sense, genius, and application to business of the average American. Government should give him a chance; government should assume he is honest, as we all know him to be. This publicity clause is but another obstacle in the way of recovery. I, for one, believe that these obstacles, and this one in particular, should be removed so that the honest, law-abiding American can have a chance to go ahead without the worry and fear of the dead hand of government being stretched out to search and expose and exploit his private intimate business affairs.

I want for a moment to recur again to the broad considerations of principle involved in this question. They are not light or transient. They distinctly affect not only our indefeasible right to privacy and security but the happiness of our lives.

Whether I have persuaded your agreement with my viewpoint or not, I feel that our privileges as free citizens are jeopardized by the "pink slip" clause in question.

There is the distinct deprivation of the right of privacy, and there is the jeopardy to our personal security. This may not be immediate, but it exists; our personal security is lessened, not only through fear but by the real threats that are within the range of probability.

In the complex composition of our population we have unfortunately progressed to a point where crime is organized. "Make war on crime" is now a catch phrase. If we admit, as we must, too large an existence of criminal elements and ingenious means to take advantage of information respecting an individual's private income, it is distinctly against the public interest to take any step which would lessen our security from such attacks. If we admit there are risks, then the "pink slip" clause definitely jeopardizes our personal security. It subjects the taxpayer not only to the loss of his privacy but to real fears and disquiet and distress without leaving him with any defense.

The provision smothers the guaranties of privacy and security.

It promotes trespass, even if it is only through the eve.

It is abhorrent to our sense of fair play.

If we remain passive, submissive; if we yield and submit to this rape of our rights; if we prostrate and bow ourselves low, where will the end be?

Will not our timid submission to the publicity section lay us open and make us more vulnerable to even more repulsive governmental practices?

THE 30-HOUR WEEK AND THE MONOPOLY OF THE RADIO

Mr. WOOD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and to include therein an address delivered by the gentleman from Massachusetts [Mr. CONNERY] over station WEVD on the 30-hour-week bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. WOOD. Mr. Speaker, under leave to extend my remarks in the Record, I include the following radio address delivered by Hon. WILLIAM CONNERY, of Massachusetts, over station WEVD of New York City on the 30-hour week and the Monopoly of the Radio, February 21, 1935:

Friends of WEVD I greet you.

It is a pleasure and a privilege to address the many thousands of industrial workers who make possible the continuation of this real labor station.

The problems of labor—of the industrial workers—were never greater than they are at the present time. With 11,000,000 or more unemployed; with many millions dependent upon Government relief for even a mere existence; with ruthless and callous-hearted her for even a mere existence; with ruthless and callous-nearted captains of industry continuing to exploit the unorganized workers in order that they may pile up additional millions of mere dollars; with social-service workers employed by the Government, most of them receiving large salaries, invading the homes of the workers and virtually telling them what they can eat and where they can live, it is only the strength of the organized labor movement—the American Federation of Labor and its constituent national and interestical labor unloss which protects the labor. tional and international labor unions—which protects the industrial workers of our country from being forced back to where we were before we emerged from serfdom.

were before we emerged from serfdom.

President Roosevelt has just asked Congress to continue the National Industrial Recovery Act for another 2-year period. President Roosevelt rightfully states that the N. I. R. A. has virtually abolished child labor; has reduced the hours of labor in most cases to 40 per week, which is too long; has eliminated the cutthroat competition existent in many industries, which was possible only through the sweating of the exploited workers, and had established minimum wages for most of our exploited workers.

Yet had the administration accepted the Connery 30-hour-workweek bill 2 years ago, which bill was unanimously reported to the House by the Labor Committee, of which I have the honor of being chairman, these good conditions would all be the law of the land today. This bill was reported out 2 months or more before the

chairman, these good conditions would all be the law of the land today. This bill was reported out 2 months or more before the birth of the N. R. A. In addition, the Connery bill established a real partnership of the Government with labor and industry, with labor having equal representation on all boards created. Also the passage of the Connery bill would have provided employment for at least four and possibly six of the eleven or more millions of unemployed. These four or even six million industrial workers, employed at profitable wages, would have been able to care for themselves and their families without being dependent upon Government relief. ernment relief.

It will please you to know that yesterday the subcommittee of the Senate Judiciary Committee voted 4 to 1 to report favorably the 30-hour-work week bill. I understand that the Senate Judi-ciary Committee will report this week favorably to the Senate after

their meeting next Monday.

Every self-respecting American worker seeks work, not charity. Government figures show that if we are ever to emerge from this present depression it will be done only through providing profitable employment for our millions of American industrial workers. It is they who constitute the great mass of purchasing power which has made America the greatest country in the world.

The House Committee on Labor is now holding hearings on the Connery bill, which bill provides that labor shall have equal representation with employers on all boards, codes, and other agencies or commissions set up by our Government. We have

representation with employers on all boards, codes, and other agencies or commissions set up by our Government. We have heard the testimony of several labor officials, and also we have listened to the testimony of Donald Richberg, one-time noted labor attorney, who is now referred to in Washington as the assistant President. While at one time labor looked to Richberg as their friend, that time has passed, and he has lately been severely criticized and condemned by the great officials of the labor move-

Testimony has been given to our committee indicating that the N. R. A. has failed due to the fact that most of the codes are the N. R. A. has failed due to the fact that most of the codes are controlled and operated by the very people Congress in enacting the N. R. A. set out to penalize—the ruthless and calloused captains of industry. The codes have failed in many instances, due entirely to the fact that very few of the codes provide for any representatives of the workers. The codes have failed because the N. R. A. has not properly enforced section 7A. This was the one section of the bill supposed to guarantee to labor the right to organize. The Congress struck out of the bill a proviso which would have legalized company unions. Yet company unionism, despite the expressed opposition of the Congress, has been recognized and permitted to function under rulings of Richberg and others. Richberg and others.

has been recognized and permitted to function under rulings of Richberg and others.

The testimony recently presented to the Committee on Labor by I. M. Ornburn, secretary of the union label trades department of the American Federation of Labor, and president of the Cigar Makers International Union, was most illuminating. Ornburn showed that the cigarette industry, represented for months in the N. R. A. by S. Clay Williams, Chairman of the Administrative Division of the N. R. A., recently put over a code for the cigarette industry which permits of the continued payment to the exploited workers of that industry wages as low as 12 cents per hour. This industry has earned greater profits during the last 4 depression years than they ever earned before. The labor cost of making cigarettes, we were shown, is less than 2 percent of the wholesale value of the cigarettes. That is the type of cooperation which President Roosevelt has received from the great captains of industry whom he placed in executive positions in the N. R. A. in his effort to bring back prosperity to America.

It was shown to our committee—and I am citing this industry simply as an illustration—that while the four large cigarette companies, which you might describe as the "trust", producing almost 90 percent of all the cigarettes produced in America, insisted that they be permitted to continue to exploit their workers, the two large independent cigarette companies, both unionized, who sell the 10-cent packages of cigarettes, were willing and wired the President of their willingness to subscribe to a code with wages 40 percent greater than those provided for in the code put over by the cigarette trust. The efforts of the unionized cigar manu-

facturers to better the conditions of the workers in that industry were in vain, as the influence of big business in the present set-up of N. R. A. is most apparent in Washington.

Incidentally, to show you the unfairness of present-day conditions, the Government imposes a flat tax of 6 cents per package of 20 cigarettes. When those cigarettes sell for 10 cents, which are the cigarettes put out by the unionized factories, the manufacturer has but 4 cents with which to pay for his token his labor, his the cigarettes put out by the unionized factories, the manufacturer has but 4 cents with which to pay for his tobacco, his labor, his printing, his overhead, and his profit; while the nonunion cigarettes, selling for 15 cents or two for a quarter, the product of the exploited workers of the nonunion cigarette manufacturers, after paying the tax of 6 cents, leaves the profiteering manufacturer 9 cents with which to pay for tobacco, his labor, etc.

Is it any wonder that President Roosevelt, in his message to Congress yesterday, said—I quote: "Monopolies and private price fixing within industries must not be allowed or condoned."

President Roosevelt has found that the large industries of this country—while millions of our workers were dependent upon the

country—while millions of our workers were dependent upon the Government for relief—as a result of the operation of the N. R. A. had added thousands of millions of dollars in profits as a result of the long hours the workers are forced to work and the increased prices which have resulted through the suspension of the anti-trust laws.

Possibly it might be well to use the condition of your own radio station, WEVD, as a further example of how the great captains of industry exploit not only the workers of our country but even the properties of the country as well.

The radio-broadcasting industry is, on the whole, one of the most profitable industries we have. The radio-broadcasting industry as the results through a few parts of the radio-broadcasting industries we have.

try exists through a franchise, given to a licensee by the Federal Communications Commission, an agency of Congress. Congress has specifically stated that no holder of a radio license has any property right in the air. The license is renewable every 6 months, and that specification Congress laid down to eliminate, as it thought measured.

thought, monopoly.

Despite the fact that we have eleven or more millions of workers unemployed, and that most American industries are restricted to unemployed, and that most American industries are restricted to a 40-hour-work week, the radio broadcasting industry, child of the Power Trust, is able to force its workers to work 48 hours each week. And, apparently, there is no force in the N. R. A. or in the Federal Communications Commission strong enough or interested enough in the workers employed in the radio broadcasting industry to shorten these long hours. In addition, each of the two networks have created company unions, with the full knowledge of the officials of the N. R. A.

This radio station, WEVD, owned as I understand by representatives of the workers and operated for the benefit of the workers, is a legitimate, non-profit-making, labor, educational institution.

tives of the workers and operated for the benefit of the workers, is a legitimate, non-profit-making, labor, educational institution. One of your officers, David Dubinsky, president of the Ladies Garment Workers International Union, has lately been honored with elevation to a vice presidency of the American Federation of Labor. Officials of the American Federation of Labor, with whom I am in constant contact, tell me of the great work President Dubinsky has done for the workers of his industry.

As I stated to you a few moments ago, it was the intent of Congress, expressly written into the law that there was to be no

As I stated to you a few moments ago, it was the intent of Congress, expressly written into the law, that there was to be no monopoly in radio broadcasting. Senator Dill, recognized as an authority on radio legislation, stated on March 19, 1932, only 2 years ago—I quote: "Chain organizations are especially guilty of this (referring to attempted monopoly). The National Broadcasting Co. owns or controls 12 stations and most of them on cleared channels with high power. The Columbia owns 5 and controls 3 additional, most of which are on cleared channels with high power. The American people", continued Senator Dill, "will never permit the enlargement of this ownership to any great extent as a permanent policy", end of quotation. And yet, within 2 years of the making of that statement—and while Senator Dill was still a Member of the Senate—the National Broadcasting Co., the child of the Power Trust, added eight additional stations to their chains. Of course, you know, or you should know, that the National Broadcasting Co. is owned and controlled by the Power Trust, with M. H. Aylesworth, former managing director of the National Electric Light Association, in supreme command.

To refresh the memories of some of my listeners I might add

To refresh the memories of some of my listeners I might add that this same Mr. Aylesworth is the same gentleman the Federal Trade Commission, in its report on the Power Trust and public utilities, found expended or authorized the expenditure of large sums of money to influence college professors and teachers in our colleges and schools to write and to lecture on subjects helpful to

the enlarged and continued profits of the Power Trust through the continued exploitation of the consumers of gas and electric lights.

Three years ago I was appealed to by representatives of the American Federation of Labor to sponsor legislation directing the Federal Radio Commission, the predecessor of the present Communications Commission, to assign a clear-channel wave length to munications Commission, to assign a clear-channel wave length to labor. As a result of the efforts put forth by the friends of the American Federation of Labor in the Congress of the United States, and to prevent the necessity of Congress assigning these invaluable radio facilities, the Federal Radio Commission prevailed upon the National Broadcasting Co. to consent to WCFL, the radio station operated by the Chicago Federation of Labor, having unlimited time with power of 5,000 watts on 970. The National Broadcasting Co. further agreed that no additional radio stations would be assigned to this wave length without the consent of the American Federation of Labor.

The American Federation of Labor recognized the value of their having a clear-channel wave length, and only at the last conven-

having a clear-channel wave length, and only at the last convention they reaffirmed their demand for the continued ownership of

this wave length, with the further stipulation that no radio station, other than those owned and controlled by labor, be placed on this wave length.

Last Saturday morning, while conversing with one of the news reporters in my office, I was amazed to learn that this wave length is no longer to be the property of the American Federation of Labor, but that additional commercial radio stations in Albany, N. Y., Fort Worth, Tex., and Miami, Fla., are to be placed on the same wave

While I am Chairman of the House Committee on Labor, I am not an officer of the American Federation of Labor, and I do not interfere in the internal affairs of the organization.

However, knowing of the good work your radio station has done in the past and realizing how much greater work your radio station would do if it had a more desirable wave length with addistation would do if it had a more desirable wave length with additional power and unlimited hours, instead of the miserly hours and low power now assigned to you, I voluntarily wrote to the members of the Broadcast Division of the Federal Communications Commission and protested against other stations being assigned to this labor wave length. I also suggested that if they were going to destroy this property of labor by permitting other commercial interests the use of it, that they ought to consider your problem and give this legitimate labor radio station—WEVD—an opportunity of being placed on this wave length.

Former Congressman Anning Prail, of Staten Island, is now the Chairman of the Broadcast Division, and he answered my letter. He suggested that there are other stations in New York which might be interfered with if my suggestion was carried out.

ter. He suggested that there are other stations in New York which might be interfered with if my suggestion was carried out. My answer to Chairman Prall and to the other members of the Communications Commission is that where there is a will there is a way, and if there is an honest desire on the part of the Commission to give labor in New York a real opportunity of broadcasting to the millions of industrial workers of Greater New York they will easily make the necessary transfers of radio facilities.

However, I was amazed to learn only yesterday of the contempt which the profiteers in radio broadcasting have for the Federal Communications Commission, a Government agency.

It is understood that some weeks ago a number of gentlemen interested in radio met in a hotel room or in a lawyer's office and proceeded, under the direction of a representative of the Power

proceeded, under the direction of a representative of the Power Trust, to divide up this radio wave length which we, in Congress, definitely understood was the property of the American Federation of Labor

of Labor.

Not only did they actually divide up this property, but they entered into a written agreement, signed and sealed, setting forth the rights of each of the parties, and, then they handed in to the Federal Communications Commission their findings with a request that this governmental agency, supposedly an agency of the Congress of the United States, approve of their action.

To indicate further the monopoly which exists in radio broadcasting, let me illustrate by comparing the radio properties in New York City of the two networks with all other radio properties.

There are 13 radio stations in New York City. One is owned by the city, but is not allowed to operate at night. One station, owned and operated by the Paulist Fathers, an organization which has done wonderful work all over this country, a non-profit-making body, is licensed to operate only 15 hours per week. Seven other radio stations either share time or are not allowed to operate at night. Two other stations, with low power, are permitted to broadcast unlimited hours. The three radio stations owned and operated by the two networks are allowed to broadcast on 50,000 watts with unlimited hours on the most desirable wave lengths. with unlimited hours on the most desirable wave lengths.

Is there a radio monopoly? Surely I have given you the answer. Incidentally, one of these New York high-powered stations, operating unlimited hours, is licensed to a radio manufacturing company and leased to the network owned by the Power Trust.

While the licensee holds the license, it has nothing to do with

while the licensee holds the license, it has nothing to do with the operation of the station other than to receive an enormous rental, which means added profits to the stockholders at the expense of the people of the United States.

Figures recently released show that the two great networks last year received more than 80 percent of all the revenue received from radio broadcasting. Is there a monopoly in radio?

I should have much preferred to have discussed for your benefit additional labor problems but presented. I thought it more fitting

I should have much preserred to have discussed for your benefit additional labor problems, but, personally, I thought it more fitting, in view of the happenings of the past week and the possible effect upon your radio station WEVD, that you have a knowledge of the power of monopoly. It is due principally to this monopoly in radio that your station is forced to operate on such an undesirable wave length and to share time with other stations.

What is true of monopoly in radio broadcasting is true of monopoly in other industries.

monopoly in other industries.

Through monopoly a few are enriched while the masses are

It is essential, if the workers of America are to preserve the liberties handed down to us by our forefathers who made America great, that you all organize and become members of your respective labor unions, and, with a united front, we in Congress friendly to labor will be able to help you.

I thank you.

## THE POST OFFICE DEPARTMENT

Mr. PETERSON of Florida. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and to include therein a speech made by the Postmaster General at the dedication of a public building in Sarasota.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. PETERSON of Florida. Mr. Speaker, under the leave to extend my remarks in the RECORD, I submit the following address made by Hon. James A. Farley, Postmaster General of the United States, at the dedication of the new Federal building at Sarasota, Fla., on Friday February 15,

My activities have carried me to all parts of the United States, especially to the larger centers of population; but in all my travels I have never visited any State or community that has given

ravels I have never visited any State or community that has given me more pleasure than a visit to Florida at this season of the year. Your balmy breezes, your invigorating sunshine, and your outdoor life bring health and happiness to everyone who has the good fortune to live here. There is a special advantage in coming to Sarasota, where we find people from every section of the country, all thoroughly enjoying the benefits of your wonderful climate. It is eminently fitting that on the occasion of the dedication of this Federal building that so many residents of other parts of the country should join with the people of Sarasota in these exercises. The dedication of a Government building, which is a symbol of The dedication of a Government building, which is a symbol of the United States Government—your Government and mine—in-spires in every America citizen a deep and wholesome regard for

his country and its institutions.

The bonds of patriotism bind us together in mutual affection for our country, regardless of the State or section from which

we may come.

Our post offices supply one of the most beneficient objects of Our post offices supply one of the most beneficient objects of government. They are a means of communication which bind friends and families together, shorten and relieve the absence of loved ones, facilitate business and trade, and promote good will. They should be conducted with the utmost integrity and efficiency. They should also be conducted with economy, bearing in mind that service to the public is the first consideration.

When I took over the management of the Post Office Department

on March 4, 1933, President Roosevelt directed that so far as possible the people be relieved of the tremendous tax burdens of postal deficits. These deficits had been increasing from year to year during prior administrations, and when I assumed office I found that the Department had operated during the previous year at a loss of \$153,000,000.

at a loss of \$153,000,000.

I caused a survey to be made and we instituted a policy of economy, with special attention toward the elimination of waste. We found that there had been a great decline in the volume of mail. We had an estimated surplus of personnel amounting to

approximately 15,000 employees.

By diligent effort and the loyal cooperation of the officers and employees of the Postal Service throughout the United States, we were able, in the first full year of the administration, to eliminate the deficit, and last year we had a surplus of over \$12,000,000.

The postal deficit was eliminated by the same means any prudent business man would use in trying to save his business when he saw it going on the rocks.

saw it going on the rocks.

By not filling vacancies caused by deaths, resignations, and removals for cause among our employees, and through retirement on pension, we were able to solve the problem of the surplus employees. Through this method we were able to care for our surplus personnel without the arbitrary removal of a single employee in any part of the United States, and without the drastic salary cuts such as occurred in private industry amounting at times to 50 percent.

A rigid investigation of our transportation service disconting

A rigid investigation of our transportation service, discontinuance of duplicated service, and better terms in the reletting of contracts, effected savings of over \$14,000,000 during the same

We did not stop there but continued our work of saving the people's money. On our supplies and equipment we saved over \$6,000,000. On our post-office leases we saved over \$3,000,000. We reduced our travel expenses by more than \$1,000,000. And on

reduced our travel expenses by more than \$1,000,000. And on odds and ends, we saved approximately \$275,000.

We feel that we have answered the demand of the people as expressed by the President for relief from the burdensome tax of a postal deficit. It has been done without impairing the service. In fact, increasing business has warranted increased service, and it has been supplied.

Last April, I called before me 25 experienced post-office inspectors and had them make a Nation-wide survey for complaints of in-adequate service and to determine the need for increased facilities. As a result, some 1,885 clerks and carriers were added to the force, and additional service provided. Complaints of unsatisfactory service are now rare and when received they are promptly adjusted.

We shall endeavor to keep the Post Office Department on a self-sustaining basis and believe we shall have the earnest support of the people and Congress in this purpose.

I recommend the retention of the present 3-cent postage rate on letter mail. A reduction of a penny on first-class postage would mean a loss of revenue amounting to \$75,000,000 annually. I believe the people who use the mails are willing to pay the additional penny rather than have this tax loaded on the backs of the taxnaying public. A reduction of the 2 centuries that of the taxpaying public. A reduction of the 3-cent rate should not come until the mails have increased in sufficient volume to warrant such a reduction.

The financial outlook in the Post Office Department is encouraging. Reviving business in the industrial, financial, and agricultural world is being reflected in our increasing post-office receipts throughout the Nation. The people of the United States have weathered the storms of adversity, the sunshine of prosperity is beginning again to brighten our land, and you of Florida have done your part to bring this about.

The Post Office Department is your own organization. You should patronize it to the fullest extent. The service rendered is inexpensive, safe, and swift.

Our organization in Washington and in the field, down to the

Our organization in Washington and in the field, down to the last man, is devoted to your service. It is a body of trained experts. At the present time there is a larger number of widely experienced career men in the Postal Service than there has ever been before. Each was selected because of his integrity, his ability, and his long experience in the civil service. We have a well-organized business unit, manned by loyal and efficient officers and employees who are interested in providing the best mail serv-

and employees who are interested in providing the best mail service of any country in the world.

In this connection I wish to pay tribute to the vast army of postal employees, men and women, who have so loyally cooperated with me in the work of the Post Office Department. In the course of my duties I have visited many post offices in various parts of the country, and wherever I have gone I have received the most generous welcome and hospitality from the thousands of employees I have met. I want them to know how deeply I appreciate their fine spirit of service, and long after I have left the Department I shall cherish the memories of this fine body of postal workers in the whole-hearted assistance they extended to me during my tenure of office. ing my tenure of office.

conclusion, I congratulate the people of Sarasota on this splendid new structure. It will add greatly to the beauty of your city, and I trust it will promote the convenience of all your citi-

zens and aid them in their business enterprises.

## ADMINISTRATION OF THE FEDERAL HOUSING ACT NOT SUCCESSFUL TO DATE

Mr. SWEENEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of the bill I introduced today to amend the National Housing Act, and to include also a communication from the Cleveland Federation of Labor.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SWEENEY. Mr. Speaker, it was my privilege 1 year ago, during the session of the Seventy-third Congress, to lead a delegation of the Members of the House of Representatives to the White House to confer with the Chief Executive, in an effort to enlist the support of the administration in legislation creating a national housing act.

The delegation comprised Republicans, Democrats, and Farmer-Laborites, representing a cross section of the industrial districts of the country. It was the consensus of opinion of the delegation, and expressed to the President of the United States, that there was an urgent need for legislation to provide funds for renovizing, repairing, and modernizing of homes, and a strong demand for the construction of new homes.

At that time there were hundreds of thousands of skilled mechanics unemployed in the Nation. I mentioned to the President that in Cleveland there were approximately 60,000 members of the building trades idle for 3 or more years, and we anticipated that through this legislation the unemployment jam could be broken, and many thousands of the unemployed would be absorbed in gainful occupation.

The President of the United States gave respectful hearing to the appeal of this delegation and expressed his sympathy and desire that such legislation be enacted. It was significant that shortly thereafter the National Emergency Council created the machinery that resulted in what is now known as the "National Housing Act."

The opposition to this proposed legislation was freely expressed in debates when the act was before the House for consideration. The opposition came chiefly from the building-and-loan institutions of the country, which institutions had collapsed entirely in a large part, and were not in a position to loan for the purpose indicated by the then pending legislation.

Since the creation of this legislation no material benefits have come to the building-trades craft of the country for whom the act was primarily designed to benefit. On the contrary the financial institutions, who qualify under the act, are not making loans for new construction. Too much New York Life Insurance Co. and other similar institutions

attention is paid to the administration of title I, and large amounts of money are being spent to advertise the products of certain capital-goods industries.

While some financial results have been obtained through the administration of title I, to wit, the repairing and modernizing of homes, and in the installation of refrigeration plants, and so forth, greater good could be obtained by paying more attention to the administration of title II. and providing funds for new construction. It is apparent that the banks and financial institutions will not respond in making loans for new construction in the fashion anticipated by the proponents of the National Housing Act. Unless the Government comes to the rescue by making loans direct to individuals for construction purposes, we can reasonably expect no material benefits resulting from the administration of title II under the present set-up.

In an effort to secure action that would be beneficial to the prospective home owners and give employment to the building-trades craftsmen, I have introduced H. R. 6239, which is now before the Committee on Banking and Currency. I respectfully submit that this measure, although it only allocated \$500,000,000 for direct loans for new construction, it is a step in the right direction and will force the financial institutions who qualify under the act to be more liberal and more responsive to the applicants for loans for new construction, when they will be in direct competition with the Federal Government. I insert the bill referred to, H. R. 6239:

A bill to amend title II of the National Housing Act, to authorize home-mortgage loans, and to appropriate the sum of \$500,000,000 therefor, and for other purpose

Be it enacted, etc., That subsection (2) of paragraph (b) of section 203 of the National Housing Act be amended to read as follows:

"(2) Involve a principal obligation (including such initial service charges and appraisal and other fees as the Administrator shall approve) in an amount not to exceed \$16,000, and not to exceed 80 percent of the appraised value of the property as of the date the mortgage is insured."

SEC. 2. That the following sections be added to title II of said

"SEC. 210. The Administrator is further authorized and empow ered to make loans for the construction of dwellings as defined in section 201 of this title upon the security of mortgages as defined in said section 201, which mortgages are either insured or for which commitments for the insuring thereof have been made as in said section provided.

"SEC. 211. The Administrator is further authorized to purchase or to agree to purchase from any mortgagee approved by the Administrator under the provisions of paragraph (b) of section 201 hereof, any mortgage, together with the credit instruments, if any, secured thereby which is insured under the provisions of this title, and covers property or low-cost housing projects constructed after the passage of this act.

"SEC. 212. Such loans shall be made and the purchase or the agreement to purchase such mortgages shall be made at such rates and under such rules and regulations as the Administrator may prescribe, and all agreements to purchase such mortgages shall be completed prior to December 31, 1938.

"Sec. 213. The amount of the loans which the Administrator may make under section 210 hereof and the amount of the mortgages which he may purchase under section 211 hereof shall not exceed in the aggregate \$500,000,000 and the Reconstruction Finance Corporation shall make available to the Administrator said sum of \$500,000,000 or such part thereof as he may from the time deem processary and the amount of potes dehentures. said sum of \$500,000 of such part thereof as he may from time to time deem necessary, and the amount of notes, debentures, bonds, or other such obligations which the Corporation is authorized and empowered to have outstanding at any one time under existing law is hereby increased by an amount sufficient to provide existing law is hereby increased by an amount sunicient to provide such funds: Provided, That the President, in his discretion, is authorized to provide such funds or any portion thereof by allotment to the Administrator from any funds that are available, or may hereafter be made available, to the President for emergency

The recent amendment I presented to the R. F. C. Act, and which was adopted by the House, provides for assistance in the creation of national mortgage associations by giving opportunity to secure funds from the R. F. C. for initial capital investment and undoubtedly will pave the way to activity in the mortgage market by permitting these associations to buy and sell mortgages created as a result of the administration of this act.

I respectfully submit that despite the statement of the Chairman of the Federal Housing Administration that the are now ready to loan for new construction at low interest rates an amortized plan of long-term credit will not solve the problem, as in many communities institutions of this type will not loan for new construction where they have many real properties on their hands, and upon which they are inevitably bound to sustain a substantial loss.

I respectfully submit for the consideration of the House and the Nation communication forwarded to me under date of February 18, 1935, over the signature of Mr. Dan Moley, secretary of the Cleveland Federation of Labor. Through unanimous consent I have the privilege to insert this communication in the RECORD for the benefit of my colleagues in the House of Representatives.

> CLEVELAND FEDERATION OF LABOR, Cleveland, Ohio, February 18, 1935.

Hon. Martin L. Sweeney,
Member of Congress, House Office Building,

Washington, D. C.
DEAR CONGRESSMAN SWEENEY: Enclosed herewith is a propo DEAR CONGRESSMAN SWEEDLY: Enclosed herewith is a proposed bill to amend the National Housing Act. The amendment to the R. F. C. bill which you introduced was a very important forward step in that it authorized the R. F. C. to subscribe for or make loans upon the stock of the national mortgage associations. However, we have no assurance as to how much of the \$100,000,000 will go into the national mortgage associations. This R. F. C. amendment is not a substitution for the amendment contained in the proposed bill.

Under the amendment which we are proposing to the Housing Act the Administrator is authorized to make loans for the con-struction of dwellings upon the security of mortgages which are insured under the Housing Act, or to purchase construction mort-gages insured under the Housing Act. This is a clear, definite, distinct, and direct way to attack the present problem. We need new construction and we need it badly. The men in the building industry are out of work and hundreds of thousands of owners want to build, and the only way that the desire of those who want to build can be utilized to put the unemployed to work is through construction loans. Such loans are not available in most localities.

The Federal Housing Administration argues that it is necessary to amend the State banking laws in many of the States regardless of the fact that the national banks are now enabled to make loans and are so liquid that they do not know what to do with their funds. If this be true, then it is up to the Government to make loans until such a time as these banks are put in a position to make loans.

It is also stated that the moratorium laws in certain Sta whereby foreclosures are postponed, are another stumbling block to the lending institutions. If that be true, that is another argument for the making of direct loans by the Government. The building industry and the large number of employees depending upon it cannot wait longer, regardless of what arguments or excuses are made.

Under provisions of the amendment to the R. F. C. Act, in order that construction loans may become available it must subscribe for stock in or make loans upon stock of national mortgage associations or other financial institutions. I do not believe that the existing financial institutions will avail themselves of this opportunity to obtain funds. Similar opportunities have been open for many months past for such institutions to borrow money through the Federal home-loan bank or to obtain additional funds by conversion into Federal savings-and-loan associations. Existing institutions do not care to sell stock or borrow money for the pur-

stitutions do not care to sell stock or borrow money for the purpose of stimulating new construction.

It is true that some relief might come through the formation of national mortgage associations, though the failure of such organizations to be created in the 9 months since the Housing Act was enacted argues that there will be few, if any, created in the future. There is evidently something wrong with the set-up of the national mortgage associations or such organizations would already be functioning.

The very existence of funds to lend in the hands of the Housing Administrator would stir the existing agencies having money to lend to come into the mortgage field. As long as no other mortgage companies are making loans, the existing agencies are willing to withhold their funds, believing—though erroneously—that delay in new construction will better enable them to dispose of the properties they have acquired.

There is no better acquirety for the investment of funds today.

There is no better security for the investment of funds today than a well-secured and insured mortgage on new real estate. You can rest assured that if existing institutions with money to lend see these mortgages being taken up by someone else they will come into the field and furnish the necessary funds.

I suggest there be a caucus held by the Ohio delegation for the purpose of organizing to gather all the strength possible to have these amendments adopted, and, further, that this Ohio delegation draw in their colleagues from the other States and form a congressional delegation to present to President Roosevelt the true situation. I am firmly convinced that he does not know that one of the measures which he described to the strength of the measures which he described to the strength of the measures which he described to the strength of the measures which he described to the strength of the measures which he described to the strength of the measures which he described to the strength of the str of the measures which he depends upon to relieve unemployment and stimulate business has not been administered to the best interests of those for whom it was created. Any resolutions that the industry or their labor might present will not be effective

because, in the first place, the President does not have time to read such resolutions and, in the second place, because they are oftentimes routed through to the administrative official whom they are criticizing. We know from our experience in the past that it was only when a congressional delegation called upon the President personally that definite action was taken.

It seems to me that, as Ohio is second only to Pennsylvania in the employment of men in the manufacture and distribution of building materials, every Ohio legislator should make this the first order of business. We know from past experience that there are several hundred Congressmen throughout the country who realize that something must be done, and you should experience no difficulty in having them accompany you to see the President.

Kiplinger, in his last article in the current issue of Nation's Business magazine, states that Congress will probably put fire under the Federal Housing Administration. I understand that the National Retail Lumber Dealers Association are meeting in Washington for the purpose of putting out a Nation-wide protest.

It does seem to us that if the administration is serious about this matter every necessary thing will be done rather than have criticism come from business men and the unemployed first and then do something later.

I am addressing this letter to you because you were instrumental in forming the last delegation to the President, but I have also written Senators Bulkley and Donahey and the other Congressmen from this district this same letter.

men from this district this same letter.

Although the National Housing Act was passed as an emergency measure to put men to work, it is perfectly obvious to everyone that unemployment has not been relieved to any great exent, and it is perfectly true that there has not been enough new construction started to even talk about it. The real reason is the desire on the part of the lending institutions to sell the properties on their hands before they allow any new construction. This whole argument was threshed out pro and con during the session of the Seventy-third Congress. Unless something is done to stimulate new construction, building-trades men will be out of work for the rest of this year; and if something is not done by the Congress, it means they will face another winter without work.

There is plenty of demand throughout the country for homes.

gress, it means they will face another winter without work.

There is plenty of demand throughout the country for homes, but the financing is not available and will not be unless the banks know that the Government is in a position to make direct loans. If this Federal Housing Administration does not fulfill the promises held out by President Roosevelt you can look for a tremendous backlash during the 1936 campaign. This National Housing Act can be the foundation for recovery and one of the best arguments for a continuance in power of the Democratic Party, but if it is not carried out properly and if construction is not started it will be a boomerang that will be hard to catch.

The great mass of people know little about the goldstandard.

be a boomerang that will be hard to catch.

The great mass of people know little about the gold-standard argument, the World Court, a big Navy, or many other such issues; but this National Housing Act has had so much publicity and advertising that the citizens of every little hamlet in the country have looked forward with hope to better business country his

through it.

I know from my own experience that the citizens of Ohio are getting sick and tired of promises of what the National Housing Act is going to do for them, and in the various meetings that we held there was a strained atmosphere and the people were in a critical mood. It is my opinion that the legislator who plays a prominent part in seeing that this law is put into operation properly or is the proponent of amendments which will make it more effective will have something substantial to talk about to the greatest number of people. The entire building industry, including labor, will forever be grateful. It seems to me an opportunity too wonderful for our Ohio legislators to miss, and I trust that they will take these amendments and jam them through this Congress as quickly as they can, as well as take every other step necessary to put us in a position to carry out the purposes of the National Housing Act.

I should like to have an expression of your views on this mat-

I should like to have an expression of your views on this matter as soon as possible, because the situation in Ohio is serious. Suggest that this letter or parts thereof be read on the floor of Congress and introduced into the RECORD.

Very truly yours,

DAN MOLEY Secretary, the Cleveland Federation of Labor.

Mr. Speaker, again I repeat the prime objective of the National Housing Act was to absorb the unemployed skilled laborers and mechanics, and to meet the demand for the construction of new homes, which demand is apparent to those who care to seriously study the question. This season of the year in normal times generally expands into activity, especially in the building lines. Every advantage should be taken of the opportunity afforded by those in charge of the administration of the National Housing Act to carry out the expressed intent of Congress, especially the administration of title II and to pay less attention to the campaign being conducted for the purpose of publicizing the household appliances manufactured and sold by the General Motors Co., the Johns-Manville Co., the General Electric Co., and one or two others who have a monopoly on the production of these special appliances.

Mr. FIESINGER. Mr. Speaker, I ask unanimous consent to extend my remarks by including an address I made last evening to the "Little Congress."

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FIESINGER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the address I made last evening to the "Little Congress", as follows:

I am glad for this opportunity to address you. This assemblage is quite famously known throughout the length and breadth of

I am glad for this opportunity to address you. This assemblage is quite famously known throughout the length and breadth of the land. References to your proceedings are not infrequently noted in the local press of America. I take it that most of you, if not all of you, are ambitious as you become qualified by age and experience to take a larger part in the political affairs of this country. If it were within the compass of my capabilities to help you in furthering your ambitions, I should feel that I have done, not only for you but for the country, a real service.

What is it basically that has caused the perplexities of the past, the present, and is surely to engage the future, or, in other words, what is the issue that we have grappled with in the past, ensnared the present, and will become paramount in the future?

It is the question of price levels. If the capitalistic system is to survive, if the country and the world is to avoid chaos, we must treat price levels. This is the great problem of statesmanship of our day, and will be in your day and a long time thereafter. Time does not permit of reference to the past nor to the future, and only to the present in a limited way.

What was the basic, fundamental thing that brought on the Roosevelt administration? It was not reform, although that helped; it was not work or direct relief, because that came afterward; but it was the confidence of the people that price levels of the products of our farms, our mines, and our forests would be raised to that point where the average man engaged in such pursuits, with average energy, ability, and facility, could make the cost of production plus a reasonable profit. And that means a rather high price level if we are going to pay our public and private debt, cope with high taxes, and furnish the standard of living that Americans are accustomed to.

Now, I do not care how successful this administration may be in its efforts for reform—and I am for that within reason—or how

Now, I do not care how successful this administration may be in Now, I do not care how successful this administration may be in its efforts for reform—and I am for that within reason—or how generous and just it may be to the recipients of relief, and how equitable it may be to the taxpayers who will eventually pay the bill, or what public improvements and conveniences it may set up, or what credits it may extend to anyone, it will fall and go out of power unless it is successful either by design or chance or, rather, may I say, luck, to bring about the price level for prime commodities that I have already alluded to.

modities that I have already alluded to.

To state the matter concretely, in 1929 the value of the new wealth taken from the ground, so to speak, was \$20,000,000,000, equivalent to 5 percent on our then existing national-wealth structure of \$400,000,000,000. In 1932 this new wealth had a money value of about \$8,000,000,000, hardly able to sustain a wealth structure of \$200,000,000,000. This sum hardly supports our debts in this country. So, taken as a whole, this Nation was at that time bankrupt. It is a little better now, but still has a long way to go.

Now, I have said nothing about labor, industrial, financial, and commercial enterprise. I need not say anything about these, because, if you solve the problem of the price level for the producers cause, if you solve the problem of the price level for the producers of prime commodities, these other things will take care of themselves and do it handsomely. I do not mean to say that these things will not have problems, and the people have problems with reference to them. The intricate social relationships of these days will require legislatively some checks and balances with reference to these things. What I mean to say is that the unemployment will cease to vex us, labor will have high wages, productive industry reasonable profits, and capital will secure its just reward.

I refuse to accept as a permanent policy and look about it with misgivings even as temporary the policy of production control of prime commodities. The problem of statesmanship is to take care of 40,000,000 unemployed men in the world by putting them to work at remunerative tasks. Restore the value of prime commodities, or, to state it in another way, restore price levels, and 40,000,000 men will go back to work and pay for consuming those commodities. As has been said many times, overproduction is not the problem, but underconsumption due to lack of purchasing power.

Cutting down production by Government action will not generate

lem, but underconsumption due to lack of purchasing power.

Cutting down production by Government action will not generate purchasing power in the long run. We shall come to realize such actions to be a delusion. Let the grinding force of economic law regulate it. If your ambition is to be statesmen worthy of the name, my advice to you is not to monkey too much with economic law. It is a buzz saw. There is a field for statesmanship to which I want to particularly call your attention, and that is social insurance, and by that I mean old age, unemployment, blind, infant, mothers, and so forth mothers, and so forth.

The nations have made some progress and there is a heap more to be accomplished, but do not get the cart before the horse and use these things to get yourselves out of depressions. It just can't be done. What you want to do is to treat price levels as I said, for during a period of depression these things tend to depress price levels, and that makes more depression—for what is depression but depressed price levels? Cure your price levels and producers of

wealth will gladly kick in to support reasonable social insurance plans; and they should. What they are kicking about now is paying while operating in the red. Give them some black ink and then make them pay, and they will rise up and call you blessed.

Now, I know you are saying to yourself this all sounds good but it is strange and queer. I'll admit that common sense does sound strange and queer in these days, but I am talking to statesmen of the future.

men of the future.

men of the future.

Prosperity, with rare exceptions, always has been and always will be a vital issue. Proper price levels, not artificially engendered, mean prosperity; low price levels mean depression.

You naturally inquire of yourself: Well, how can I operate on the prosperity end and not on the depression end of this thing? The one means in power and the other means out of power. Out of power is the purgatory of a statesman's life. Everybody hates purgatory. I cannot tell you exactly how to get on the prosperity end and stay on it. I can, however, give you some things to think about. In my judgment, the key to prosperity price levels is to regulate the value of purchasing power of gold. The money of the world is gold, claims on gold, and gold equivalents. Wheat, cotton, copper, rubber, sugar, coffee, and whatnot are measured in terms of the value of gold. Gold itself is a commodity, and its value is subject to the law of supply and demand. It is a supreme commodity that measures all other commodities.

commodities.

Gold, though its price be fixed, fluctuates nevertheless in value or purchasing power. This fluctuation engenders two movements with reference to price levels.

with reference to price levels.

As gold expands in purchasing power, currency and bank deposits, which are claims on gold, lose velocity, because buyers withhold commitments, feeling they will get more for their money, hence lower price levels. The other movement is, as gold contracts in purchasing power, currency and bank deposits gain velocity, because buyers want to invest for profit in the various forms of property—result, higher price levels. To apply the language of the stock market, one is a long and the other a short operation.

I do not say that the claims on gold in the form of currency or bank credits have not an influence on price levels. They do, but not in the interests of higher price levels, when gold is expanding in purchasing power, or while people think it will expand

panding in purchasing power, or while people think it will expand in purchasing power.

When gold is expanding in purchasing power or people think it will, they hoard it and claims upon-it. Then, even though you have plenty of currency for all normal purposes, you will have the phenomena of the people complaining that there is not enough money in circulation, most people broke, depression price levels; and the way to cure this condition is to start the printing presses going or adopt some "damphool" idea with reference to silver with the idea of artificially raising price levels. This is infinitely. inflation.

Of course, inflation can come another way when the Government gets so heavily in debt that confidence diminishes in its ability to eventually pay its obligations in gold. But I must not get off the track about inflation. That's worse than purgatory—that's hell. Before I got off the track I wanted to say that by your statesmanship you must regulate the value of gold in the interests of prosperity price levels. When your price levels restain point snip you must regulate the value of gold in the interests of prosperity price levels. When your price levels reach a certain point consistent with equity to debtor and creditor alike, tax obligations and reasonable profit to producers of prime commodities, then you must stop and stabilize, and then your aim must be to keep your money of constant purchasing power from generation to generation. That is the ideal of statesmanship.

to generation. That is the ideal of statesmanship.

I offered a bill in the Seventy-second Congress and again in the Seventy-third, H. R. 1577, designed to accomplish these results. In short, it recognized a corner on gold, a hoarding of gold and claims on gold; and, in order to break the corner, the bill provided that silver be given legal-tender qualities for its world-accepted value. This bill recognizes gold as the single standard of measurement, but uses silver in limited amounts in competition with gold to reduce gold to a normal purchasing power and then stabilize it, thus making it the servant rather than the master of mankind master of mankind.

## ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the

H. R. 330. An act for the relief of Sophie de Sota;

H. R. 3373. An act for the relief of Anna S. Carrigan; and H. J. Res. 94. Joint resolution providing for the participation of the United States in the California-Pacific International Exposition to be held at San Diego, Calif., in 1935 and 1936, authorizing an appropriation therefor, and for other

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 402. An act to amend section 824 of the Code of Laws for the District of Columbia.

## ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 53 minutes p. m.) the House adjourned until tomorrow, Thursday, February 28, 1935, at 12 o'clock noon.

# EXECUTIVE COMMUNICATIONS, ETC.

237. Under clause 2 of rule XXIV, a communication from the President of the United States, transmitting supplemental estimates of appropriations for certain independent establishments, amounting to \$94,760,000 for the fiscal year 1935 and \$550,000 for the fiscal year 1936, in all \$95,310,000 (H. Doc. No. 114), was taken from the Speaker's table, referred to the Committee on Appropriations, and ordered to be printed.

# REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. TAYLOR of Colorado: Committee on Appropriations. H. R. 6223. A bill making appropriations for the Department of the Interior for the fiscal year ending June 30, 1936, and for other purposes; without amendment (Rept. No. 249). Referred to the Committee of the Whole House on the state of the Union.

Mr. WARREN: Committee on Accounts. House Joint Resolution 189. Joint resolution relating to the continuance on the pay rolls of certain employees in cases of death or resignation of Members of the House of Representatives, Delegates, and Resident Commissioners; without amendment (Rept. No. 250). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'CONNOR: Committee on Rules. House Resolution 133. Resolution for the consideration of H. R. 5529; without amendment (Rept. No. 251). Referred to the House Calendar.

Mr. WARREN: Committee on Accounts. H. R. 6028. A bill to provide for additional clerk hire in the House of Representatives, and for other purposes; with amendment (Rept. No. 252). Referred to the Committee of the Whole House on the state of the Union.

Mr. JOHNSON of Texas: Committee on Foreign Affairs. House Joint Resolution 164. Joint resolution authorizing the President to invite foreign countries to participate in the Pacific Exposition of 1938 at Los Angeles, Calif.; without amendment (Rept. No. 253). Referred to the House Calendar.

Mr. RANDOLPH: Committee on the District of Columbia. S. 404. An act to provide for the acquisition of land in the District of Columbia in excess of that required for public projects and improvements, and for other purposes; with amendment (Rept. No. 254). Referred to the Committee of the Whole House on the state of the Union.

Mr. FADDIS: Committee on Military Affairs. H. R. 4754. A bill to provide for the protection and preservation of domestic sources of tin; without amendment (Rept. No. 257). Referred to the Committee of the Whole House on the state of the Union.

Mr. PARSONS: Committee on the Territories. H. R. 6084. A bill to authorize the city of Ketchikan, Alaska, to issue bonds in any sum not to exceed \$1,000,000 for the purpose of acquiring the electric light and power, water, and telephone properties of the Citizens' Light, Power & Water Co., and to finance and operate the same, and validating the preliminary proceedings with respect thereto, and for other purposes; without amendment (Rept. No. 258). Referred to the House Calendar.

Mr. MEAD: Committee on the Post Office and Post Roads. House Report 259. A report of the investigation of the Post Office Department pursuant to House Resolution 33. Referred to the Committee of the Whole House on the state of the Union.

# REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 3662. A bill for the relief of certain claimants who suffered loss by fire in the State of Minnesota during October 1918; with amendment (Rept. No. 255). Referred to the Committee of the Whole House.

Mr. HARTER: Committee on Military Affairs. H. R. 604. A bill for the relief of Thomas Stokes; with amendment (Rept. No. 256). Referred to the Committee of the Whole House.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. TAYLOR of Colorado: A bill (H. R. 6223) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1936, and for other purposes; to the Committee on Appropriations.

By Mr. BRUNNER: A bill (H. R. 6224) to provide for the local delivery rate on certain first-class mail matter; to the Committee on Ways and Means.

By Mr. CROSBY: A bill (H. R. 6225) to divide the State of Pennsylvania into four judicial districts, and for other purposes; to the Committee on the Judiciary.

By Mr. DISNEY: A bill (H. R. 6226) authorizing an appropriation for payment to the Osage Tribe of Indians on account of their lands sold by the United States; to the Committee on Indian Affairs.

By Mr. FORD of Mississippi: A bill (H. R. 6227) to authorize the Reconstruction Finance Corporation to make loans to counties, parishes, road districts, and school districts in the several States for the purpose of assisting and enabling such counties, parishes, road districts, and school districts to reduce and refinance their outstanding bonded indebtedness, and for other purposes; to the Committee on Banking and Currency.

By Mr. KNUTSON: A bill (H. R. 6228) authorizing a capital fund for the Chippewa Indian Cooperative Marketing Association; to the Committee on Indian Affairs.

By Mr. LAMNECK: A bill (H. R. 6229) to amend the Revenue Act of 1934; to the Committee on Ways and Means. Also, a bill (H. R. 6230) to amend subsection (a) of section 313 of the Tariff Act of 1930; to the Committee on Ways and

By Mrs. NORTON (by request): A bill (H. R. 6231) to amend an act approved June 25, 1934, authorizing loans from the Federal Emergency Administration of Public Works for the construction of certain municipal buildings in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

Also (by request), a bill (H. R. 6232) to prevent the fouling of the atmosphere in the District of Columbia by smoke and other foreign substances, and for other purposes; to the Committee on the District of Columbia.

By Mr. ROGERS of New Hampshire: A bill (H. R. 6233) to insure domestic tranquillity, to provide for the common defense, and to promote the general welfare of the United States by improving the navigability, controlling the flood waters, and eliminating the pollution of the Merrimack River and its tributaries; by providing for the development and improvement of forest reserves, recreational grounds, parks, and highways, and the preservation of wildlife; by promoting agriculture and industry, and by producing electrical energy for interstate transmission, and also by providing healthy water supplies; and for the relief of unemployment among the people in the Merrimack River Valley and neighborhood; and further, for the creation of a corporation to carry out the aforesaid; to the Committee on Flood Control.

By Mr. ROGERS of Oklahoma: A bill (H. R. 6234) to promote the general welfare of the Indians of the State of Oklahoma, and for other purposes; to the Committee on Indian Affairs.

Also (by departmental request), a bill (H. R. 6235) transferring certain national-forest lands to the Zuni Indian Reservation, N. Mex.; to the Committee on Indian Affairs.

Also (by departmental request), a bill (H. R. 6236) to authorize the creation of an Indian village within the Shoalwater Indian Reservation, Wash., and for other purposes; to the Committee on Indian Affairs.

Also (by departmental request), a bill (H. R. 6237) to reserve 30 acres on the public domain for the use and benefit of the Kanosh Band of Indians in the State of Utah; to the Committee on Indian Affairs.

Also (by departmental request), a bill (H. R. 6238) to authorize turning over to the Indian Service vehicles, vessels, and supplies seized and forfeited for violation of liquor laws; to the Committee on Indian Affairs.

By Mr. SWEENEY: A bill (H. R. 6239) to amend title II of the National Housing Act, to authorize home-mortgage loans, and to appropriate the sum of \$500,000,000 therefor, and for other purposes; to the Committee on Banking and Currency.

By Mr. WALLGREN: A bill (H. R. 6240) to provide for the construction of a bridge across the Portage Canal between Marrowstone Island and the mainland, Jefferson County, State of Washington; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 6241) to authorize certain changes in final roll of the Puyallup Tribe of Indians in the State of Washington; to the Committee on Indian Affairs.

By Mr. LAMNECK: A bill (H. R. 6242) permitting the deduction for income-tax purposes of certain deposits in closed banks on December 31, 1934; to the Committee on Ways and Means.

By Mr. CANNON of Wisconsin: A bill (H. R. 6243) reducing the Membership of the House of Representatives; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. CLARK of Idaho: A bill (H. R. 6244) to provide for the establishment of a game management supply depot and laboratory, and for other purposes; to the Committee on Agriculture.

By Mr. TAYLOR of Tennessee: A bill (H. R. 6245) to provide for the erection of a monument in honor of the soldiers buried in the churchyard of Washington Church, Knox County, Tenn.; to the Committee on Military Affairs.

By Mr. WHITE: A bill (H. R. 6246) to prohibit manufacturers' special rebates or discounts to chain- or branch-store organizations competing with independent retail establishments, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. EKWALL: A bill (H. R. 6247) for the acquisition of a site and the erection thereon of buildings and the equipment thereof, for the use of the diplomatic and consular establishments at Helsingfors, Finland; to the Committee on Foreign Affairs.

By Mr. FISH: A bill (H. R. 6248) for the acquisition of a site and the erection thereon of buildings and the equipment thereof for the use of the diplomatic and consular establishments at Helsingfors, Finland; to the Committee on Foreign Affairs.

By Mr. SUMNERS of Texas: A bill (H. R. 6249) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

By Mr. THOMASON: A bill (H. R. 6250) to amend the National Defense Act; to the Committee on Military Affairs.

By Mr. McFARLANE: Resolution (H. Res. 134) requesting William P. MacCracken, Jr., to immediately resign his membership on the National Advisory Committee for Aeronautices; to the Committee on the Judiciary.

By Mr. STEAGALL: Resolution (H. Res. 135) for the consideration of H. R. 6021; to the Committee on Rules,

By Mr. FENERTY: Joint resolution (H. J. Res. 190) directing the President to proclaim October 11 of each year General Pulaski Memorial Day for the observance and commemora-

tion of the death of Brig. Gen. Casimir Pulaski, and authorizing the Postmaster General to issue a special series of postage stamps; to the Committee on the Judiciary.

#### MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of New Mexico, opposing the Federal tax on gasoline; to the Committee on Ways and Means.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 6251) granting an increase of pension to Margaret V. Myers; to the Committee on Invalid Pensions.

By Mr. BOEHNE: A bill (H. R. 6252) granting a pension to Caroline Harris; to the Committee on Invalid Pensions.

By Mr. CARY: A bill (H. R. 6253) granting a pension to Jennie Welborn; to the Committee on Invalid Pensions.

By Mr. COOPER of Ohio: A bill (H. R. 6254) for the relief of David N. Aiken; to the Committee on Naval Affairs.

Also, a bill (H. R. 6255) for the relief of Harry H. Viall; to the Committee on the Civil Service.

By Mr. DALY: A bill (H. R. 6256) for the relief of Stanford Anderson; to the Committee on Naval Affairs.

Also, a bill (H. R. 6257) granting a pension to Emma Hendrickson; to the Committee on Pensions.

By Mr. DEMPSEY: A bill (H. R. 6258) for the relief of D. E. Woodward; to the Committee on Claims.

By Mr. DINGELL: A bill (H. R. 6259) for the relief of Ajun Khan; to the Committee on Claims.

By Mr. FLETCHER: A bill (H. R. 6260) for the relief of Theodore John Campbell; to the Committee on Military

Also, a bill (H. R. 6261) granting an increase of pension to Barbara Cook; to the Committee on Invalid Pensions.

By Mr. JOHNSON of West Virginia: A bill (H. R. 6262) granting a pension to John D. Pearson; to the Committee on Pensions.

By Mr. LANHAM: A bill (H. R. 6263) for the relief of W. D. Davis; to the Committee on Claims.

By Mr. LEA of California: A bill (H. R. 6264) for the relief of Anna Lueger; to the Committee on Claims.

By Mr. O'BRIEN: A bill (H. R. 6265) for the relief of John P. Hart; to the Committee on Claims.

By Mr. PIERCE: A bill (H. R. 6266) granting a pension to Matilda Jane Hart; to the Committee on Invalid Pensions

By Mr. ROBSION of Kentucky: A bill (H. R. 6267) for the relief of Wint Rowland; to the Committee on Claims.

Also, a bill (H. R. 6268) for the relief of W. C. Wright; to the Committee on Claims.

Also, a bill (H. R. 6269) for the relief of W. H. Keyes; to the Committee on Claims.

By Mr. ROMJUE: A bill (H. R. 6270) granting an increase of pension to Sarah A. Lindsey; to the Committee on Invalid Pensions.

By Mr. SHANLEY: A bill (H. R. 6271) for the relief of Horace M. Case; to the Committee on Naval Affairs.

By Mr. STACK: A bill (H. R. 6272) granting a pension to Anna D. Berger; to the Committee on Pensions.

By Mr. SUMNERS of Texas: A bill (H. R. 6273) for the relief of J. H. Knott; to the Committee on Claims.

By Mr. VINSON of Kentucky: A bill (H. R. 6274) directing the Secretary of the Treasury to pay the sum of \$2,000 to Capt. Charles F. See; to the Committee on Claims.

By Mr. WHITTINGTON: A bill (H. R. 6275) for the relief of John Livingston and Mrs. John Livingston; to the Committee on Military Affairs.

By Mr. GRISWOLD: A bill (H. R. 6276) for the relief of Anton Wenzel Kaukusch; to the Committee on Naval Affairs. By Mr. SMITH of Washington: A bill (H. R. 6277) providing for a survey of Shelton Harbor, Wash.; to the Committee on Rivers and Harbors.

# PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2080. By Mr. ANDREWS of New York: Resolution adopted by Group 1856, Polish National Alliance, of Niagara Falls, N. Y., memorializing Congress to enact legislation commemorating the death of Gen. Casimir Pulaski; to the Committee on the Judiciary.

2081. Also, resolution adopted by the Common Council of North Tonawanda, N. Y., memorializing Congress to enact legislation commemorating the death of Gen. Casimir Pulaski; to the Committee on the Judiciary.

2082. By Mr. BACON: Petition of Council No. 1206, Knights of Columbus, Oyster Bay, N. Y., protesting against conditions of religious persecution in Mexico; to the Committee on Foreign Affairs.

2083. By Mr. BOYLAN: Petition signed by W. O. Hay, Jr., and other residents of New York City, protesting against the Rayburn public-utility bill (H. R. 5423); to the Committee on Interstate and Foreign Commerce.

2084. By Mr. BRUNNER: Resolution of the Holy Name Society, of St. Thomas the Apostle Roman Catholic Church, Woodhaven, N. Y., regarding the conditions in Mexico; to the Committee on Foreign Affairs.

2085. Also, resolution of the Maris Stella Council, No. 378, Knights of Columbus, Far Rockaway, N. Y., protesting against the reign of terror and religious persecution in Mexico; to the Committee on Foreign Affairs.

2086. Also, resolution of the Polish National Alliance of the United States of North America, memorializing Congress to enact House Joint Resolution 81 and Senate Joint Resolution 11, directing the President of the United States of America to proclaim October 11 of each year as General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

2087. By Mr. BUCKLER of Minnesota: Petition of Alf N. Solwald, chairman, and Borghild Melbye, secretary, representing the Clay County (Minn.) Farmer-Labor Association Central Committee, praying for immediate legislation to pay the soldiers' adjusted-service certificates; to the Committee on Ways and Means.

2088. Also, petition of H. A. Paulson, commander, and members of the Jess-Omundson Post, No. 1676, of the Veterans of Foreign Wars, urging the immediate cash payment of the soldiers' adjusted-service certificates in Treasury notes according to the Patman bill H. R. 1; to the Committee on Ways and Means.

2089. By Mr. CITRON: Petition of sundry employees of the Bullard Co., of Bridgeport, Conn., objecting to Senate bill 87; to the Committee on Labor.

2090. Also, petition of the Common Council of Stamford, Conn., urging Congress to make October 11 of each year General Pulaski's Memorial Day; to the Committee on the Judiciary.

2091. By Mr. CROWTHER: Petition of Group No. 1947, Polish National Alliance of the United States, Schenectady, N. Y., favoring enactment of House Joint Resolution 81; to the Committee on the Judiciary.

2092. Also, petition of Group No. 509, Polish National Alliance of the United States, Schenectady, N. Y., favoring enactment of House Joint Resolution 81; to the Committee on the Judiciary.

2093. By Mr. EATON: Petition of the State of New Jersey; to the Committee on the Judiciary.

2094. By Mr. ELLENBOGEN: Petition of Group No. 2673 of the Polish National Alliance of the United States; to the Committee on the Judiciary.

2095. By Mr. FENERTY: Petition of sundry citizens of the twentieth ward of the city of Philadelphia, Pa., urging enactment of legislation providing a pension of from \$30 to

\$50 a month for every man and woman over the age of 60 years, to be financed on an income tax; to the Committee on Ways and Means.

2096. By Mr. FISH: Petition of 694 residents of the Twenty-sixth Congressional District of New York, opposing Senate bill 1725 and House bill 5423, providing for the abolishment of public-utility holding companies as being detrimental to the public interest; to the Committee on Interstate and Foreign Commerce.

2097. By Mr. GOODWIN: Petition of 250 residents of Monticello, Swan Lake, Liberty, Youngsville, and Chatham, N. Y., requesting that the public-utility bills (S. 1725 and H. R. 5423) be defeated; to the Committee on Interstate and Foreign Commerce.

2098. Also, petition of 275 residents of Columbia County, N. Y., particularly the town of Chatham, protesting against the enactment of the public-utility bills (S. 1725 and H. R. 5423); to the Committee on Interstate and Foreign Commerce.

2099. By Mr. HALLECK: Petition of veterans and friends of veterans at Rochester, Ind., favoring the legislative program of the National American Legion, including the immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

2100. By Mr. KINZER: Petitions signed by 99 citizens of the Tenth Congressional District of Pennsylvania, protesting against the public-utility bill (H. R. 5423); to the Committee on Interstate and Foreign Commerce.

2101. By Mr. LUCAS: Petition of Roscoe Orten and 14 other citizens of White Hall, Ill., relating to old-age pension legislation; to the Committee on Ways and Means.

2102. Also, petition of E. E. Linkogel and 14 other citizens of Hardin, Ill., endorsing old-age pension legislation; to the Committee on Ways and Means.

2103. Also, petition of D. S. Bond and 14 other citizens of Beardstown, Ill., endorsing old-age pension legislation; to the Committee on Ways and Means.

2104. By Mr. MAPES: Petition of Group No. 248, of Grand Rapids, Mich., of the Polish National Alliance of the United States of North America, recommending the issuance of a proclamation designating October 11 of each year as General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

2105. Also, petition of Gmina No. 10, Grand Rapids, Mich., of the Polish National Alliance of the United States of North America, recommending the issuance of a proclamation designating October 11 of each year as General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

2106. By Mr. MERRITT of New York: Petition of John Howard Hanway and other citizens of Pelham Manor, N. Y., urging Congress to defeat the public-utility bills (S. 1725 and H. R. 5423); to the Committee on Interstate and Foreign Commerce.

2107. Also, petition of P. Hornby and other citizens of Whitestone, N. Y., urging Congress to defeat the Rayburn and Wheeler public-utility bills; to the Committee on Interstate and Foreign Commerce.

2108. Also, petition of Alfred F. Beltz, of Brooklyn, and other citizens of New York State, opposing the proposed Wheeler-Rayburn utility bills and calling upon Congress to defeat these measures; to the Committee on Interstate and Foreign Commerce.

2109. Also, petition of Frank Shea, of Brooklyn, N. Y., and other citizens of Brooklyn and vicinity, opposing the Rayburn public-utility bill (H. R. 5423) and the Wheeler publicutility bill (S. 1725), etc.; to the Committee on Interstate and Foreign Commerce.

2110. Also, resolution of Forest Hills Post, No. 630, of Forest Hills, Long Island, N. Y., urging that facilities of the Brooklyn Naval Hospital should be made available to the veterans of the World War; to the Committee on Naval Affairs.

Westchester County, N. Y., protesting the enactment of the holding company bill; to the Committee on Interstate and Foreign Commerce.

2112. By Mr. MILLER: Petition of citizens of Herpel, in the State of Arkansas, numerously signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2113. Also, petition of citizens of Dowdy, in the State of Arkansas, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2114. By Mr. O'BRIEN: Petition of group no. 5, of the Polish National Alliance of the United States of America, relating to House Joint Resolution 81 and Senate Joint Resolution 11, directing the President of the United States to proclaim October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

2115. By Mr. O'CONNELL: Resolution of the General Assembly of the State of Rhode Island, endorsing the work of the United States Senate committee, created for the investigating of the activities and operations of individuals and corporations engaged in the manufacture, sale, and distribution of armaments and munitions of war, and recommending the continuance of this investigation; to the Committee on Mili-

2116. By Mr. PFEIFER: Petition of the Brooklyn Chamber of Commerce, Brooklyn, N. Y., concerning amendment to the 1934 income-tax law; to the Committee on Ways and Means.

2117. Also, petition of the R. H. Comey Brooklyn Co., Brooklyn, N. Y., concerning the Black 30-hour-week bill; to the Committee on Labor.

2118. Also, petition of General John R. Brooke Camp, No. 29, National Indian War Veterans, United States Army, of New York, urging favorable consideration of House bill 2857; to the Committee on Ways and Means.

2119. Also, telegram from George F. Trommer, president Trommers Brewry, C. G. Christie, William A. Strassel, Brooklyn, N. Y., concerning the Rayburn-Wheeler bill (H. R. 5423); to the Committee on Interstate and Foreign Commerce.

2120. By Mr. PIERCE: Petition of the mayor and Common Council of the City of Cove, Oreg., relating to the Townsend plan; to the Committee on Ways and Means.

2121. Also, petition of the Common Council of the City of Klamath Falls, Oreg., urging Congress to pass General Pulaski's Memorial Day resolution; to the Committee on the Judiciary.

2122. By Mr. POLK: Petition signed by Oscar M. Bishop and other members of Mount Orab Council, No. 392, Junior Order of United American Mechanics, urging support of House Joint Resolution No. 69, creating the Department of Justice Bureau of Alien Deportation, etc.; to the Committee on Immigration and Naturalization.

2123. By Mr. RANSLEY: Memorial of the Philadelphia Board of Trade, opposing House bills 304 and 311, the first, known as the "train-limit bill", placing a limit upon the length of trains, and the second, known as the "full-crew bill", prescribing the number of employees required for the operation of locomotives and trains; to the Committee on Interstate and Foreign Commerce.

2124. By Mr. REED of Illinois: Petition signed by Louis J. Ceithaml and 17 others, requesting immediate payment of the adjusted-service compensation certificates: to the Committee on Ways and Means.

2125. By Mr. RICH: Petition of citizens of Tioga County, Pa., protesting against House bill 5423 and Senate bill 1725; to the Committee on Interstate and Foreign Commerce.

2126. By Mr. ROGERS of Oklahoma: Petition of W. S. Canan, of Antioch, and 179 others in the State of West Vir-

2111. By Mr. MILLARD: Petition signed by residents of | ginia, urging passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, known as the "Pope plan for direct Federal old-age pensions of \$30 to \$50 per month", begining at age 55, independent of State participation; to the Committee on Ways and Means.

> 2127. Also, petition of citizens of the State of New Jersey. residents of the county of Salem, numerously signed, urging the passage of House bill 2856, by Congressman WILL Rogers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

> 2128. Also, petition of citizens of the State of Nebraska, residents of the county of Lancaster, numerously signed, urging the pasage of House bill 2856, by Congressman WILL Rogers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

> 2129. Also, petition of citizens of the State of Iowa, residents of the county of Boone, numerously signed, urging the passage of House bill 2856, by Congressman WILL ROGERS. of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

> 2130. Also, petitions of citizens of Archuleta and Mesa Counties, State of Colorado, numerously signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

> 2131. Also, petitions of citizens of Doddridge, Grant. Mc-Dowell, Monongalia, and Preston Counties, State of West Virginia, numerously signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

> 2132. Also, petitions of citizens of Dickenson, Scott, Wise, and Wythe Counties, State of Virginia, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference: to the Committee on Ways and Means.

> 2133. Also, petitions of citizens of Bexar, Dallas, Dewitt, Dickens, Erath, Grimes, Hardin, Harrison, Haskell, Hill, Jefferson, Nacogdoches, Newton, Runnels, Tarrant, Titus, Wharton, and Young Counties, State of Texas, numerously signed, urging the passage of House bill 2856, by Congressman WILL Rogers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

> 2134. Also, petitions of citizens of Blount, Carroll, Chester, Clay, Crockett, Davidson, De Kalb, Gibson, Greene, Grundy, Hamilton, Hardeman, Haywood, Henry, Knox, Lauderdale, Macon, Marion, Montgomery, Morgan, Rhea, Robertson, Rutherford, Sequatchie, Shelby, Stewart, Sullivan, Sumner, Tipton, White, and Wilson Counties, State of Tennessee, numerously signed, urging the passage of House bill 2856, by Congressman WILL Rogers, of Oklahoma, for direct Nationwide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

> 2135. Also, petitions of citizens of Anderson, Cherokee, Clarendon, Colleton, Lancaster, Laurens, Marlboro, Newberry, Oconee, Pickens, and Spartanburg Counties, State of South Carolina, numerously signed, urging the passage of House bill 2856, by Congressman WILL Rogers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2136. Also, petitions of citizens of Beaver and Fayette Counties, State of Pennsylvania, numerously signed, urging the passage of House bill 2856, by Congressman Will Rocers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2137. Also, petitions of citizens of Atoka, Caddo, Coal, Creek, Grady, Latimer, McCurtain, Muskogee, Osage, and Wagoner Counties, State of Oklahoma, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2138. Also, petitions of citizens of Columbus, Graham, Guilford, McDowell, and Wake Counties, State of North Carolina, numerously signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2139. Also, petitions of citizens of Colfax, Lincoln, Mora, Rio Arriba, and Santa Fe Counties, State of New Mexico, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, for direct Nationwide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference: to the Committee on Ways and Means.

2140. Also, petitions of citizens of Bates, Douglas, Dunklin, Jackson, Jefferson, New Madrid, Pemiscot, St. Francis, and St. Louis Counties, State of Missouri, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2141. Also, petitions of citizens of Alcorn, Bolivar, Calhoun, Carroll, Chickasaw, Claiborne, Clarke, Coahoma, Copiah, De Soto, Greene, Hinds, Holmes, Itewamba, Jefferson, Jones, Lauderdale, Leflore, Lowndes, Monroe, Neshoba, Noxubee, Rankin, Scott, Simpson, Sunflower, Tallahatchie, Tishomingo, Walthall, Yalobusha, and Yazoo Counties, State of Mississippi, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2142. Also, petitions of citizens of Bienville, Caddo, Franklin, Iberville, LaFourche, Natchitoches, Orleans, Ouachita, Pointe Coupee, Rapides, Sabine, and Webster Parishes, State of Louisiana, numerously signed, urging the passage of House bill 2856, by Congressman Will Rocers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2143. Also, petitions of citizens of Grayson, Marshall, Pulaski, Simpson, Todd, Trigg, Warren, Webster, and Whitley Counties, State of Kentucky, all numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, for direct Nation-wide, impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2144. Also, petitions of citizens of Allen, Bourbon, and Wilson Counties, State of Kansas, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2145. Also, petitions of citizens of Elkhart and Lake Counties, State of Indiana, numerously signed, urging the passage of Green Bay, Wis., of House bill 2856, by Congressman Will Rogers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State particities of Green Bay, Wis., Memorial Day resoluting death of General tee on the Judiciary.

pation or State interference; to the Committee on Ways and Means.

2146. Also, petitions of citizens of Cook, Dewitt, Effingham, Franklin, Green, Iroquois, Jefferson, Madison, Marion, Pike, Posey, Richland, Sangamon, St. Clair, Vermillion, Wabash, and Williamson Counties, State of Illinois, numerously signed, urging the passage of House bill 2856, by Congressman Will Rocers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2147. Also, petitions of citizens of Forsyth, Franklin, Gilmer, Grady, Gwinnett, Hall, Johnson, Laurens, Madison, Muscogee, Upson, Wheeler, and White Counties, State of Georgia, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2148. Also, petitions of citizens of Bay, Duval, Hillsborough, and Polk Counties, State of Florida, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2149. Also, petitions of citizens of Bradley, Conway, Desha, Drew, Faulkner, Greene, Jefferson, Lincoln, Little River, Lonoke, Mississippi, Nevada, Ouachita, Phillips, Poinsett, Pulaski, Sebastian, Sevier, Union, and Woodruff Counties, State of Arkansas, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2150. Also, petitions of citizens of Barbour, Bibb, Blount, Butler, Calhoun, Clarke, Clay, Colbert, Covington, Crenshaw, De Kalb, Fayette, Geneva, Greene, Henry, Lauderdale, Limestone, Marshall, Mobile, Monroe, Pike, Russell, Sumter, Tuscaloosa, Walker, and Winston Counties, State of Alabama, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, for direct Nationwide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2151. By Mr. RUDD: Petition of the Irving Civic Association, Inc., of the Boroughs of Brooklyn and Queens, 637 Knickerbocker Avenue, Brooklyn, N. Y., concerning taxes to be equally levied on all Federal, State, and municipal employees as well as on privately employed individuals; to the Committee on Ways and Means.

2152. Also, petition of the Irving Civic Association, Inc., of the Boroughs of Brooklyn and Queens, 637 Knickerbocker Avenue, Brooklyn, N. Y., concerning old-age pensions for all citizens, irrespective of financial standing, and that the revenue for same be obtained through a Federal sales tax; to the Committee on Ways and Means.

2153. Also, petition of Mary E. Wancura, 281 Weirfield Street, Brooklyn, N. Y., and three other citizens of Brooklyn, N. Y., concerning the Rayburn-Wheeler public utility holding companies bills (H. R. 5423 and S. 1725); to the Committee on Interstate and Foreign Commerce.

2154. Also, petition of Julia V. C. Thorn, 87-50 Ninety-fifth Street, Woodhaven, Long Island, N. Y., and 18 other citizens of Woodhaven, concerning House bill 5423 and Senate bill 1725, public utility holding companies legislation; to the Committee on Interstate and Foreign Commerce.

2155. Also, petition of Irene B. Fries, 179 Pine Street, and 10 other citizens of Brocklyn, N. Y., concerning House bill 5423, public utilities holding companies bill; to the Committee on Interstate and Foreign Commerce.

2156. By Mr. SCHNEIDER: Memorial of the City Council of Green Bay, Wis., favoring passage of General Pulaski's Memorial Day resolution for memorial services commemorating death of General Pulaski on October 11; to the Committee on the Judiciary.

2157. By Mr. SHANLEY: Petition of the State Court of Connecticut, Catholic Daughters of America, regarding the Mexican situation: to the Committee on Foreign Affairs.

2158. Also, petition of Hollis D. Immick, of Meriden, Conn., protesting against section 55 (b) of the Revenue Act of 1934; to the Committee on Ways and Means.

2159. Also, petition of the Grand Executive Council of the Connecticut Grand Lodge of the Order of the Sons of Italy in America, regarding legislation pertaining to old-age pension; to the Committee on Ways and Means.

2160. Also, petition of the Branford Branch 1538, Connecticut National Association of Letter Carriers, referring to the observance of Armistice Day as a postal holiday; to the Committee on the Post Office and Post Roads.

2161. Also, petition of Group No. 356 of the Polish National Alliance of the United States of North America, referring to General Pulaski's Memorial Day; to the Committee on the Judiciary.

2162. By Mr. SPENCE: Resolution adopted by the Sixth District Conference of the American Legion of Kentucky; to the Committee on Ways and Means.

2163. Also, petition of John Gilligan and others, urging Congress that a uniform Federal old-age-pension law be enacted: to the Committee on Ways and Means.

2164. By Mr. SUTPHIN: Petition by Council of the Borough of Point Pleasant, N. J., favoring an old-age-pension plan; to the Committee on Ways and Means.

2165. Also, petition of Point Pleasant Lodge of the Independent Order of Odd Fellows, New Jersey, favoring oldage pensions; to the Committee on Ways and Means.

2166. Also, petition of the city of Plainfield, N. J., praying that October 11 of each year be proclaimed as Pulaski Day and known as a "national holiday"; to the Committee on the Judiciary.

2167. Also, petition of the State of New Jersey, opposing mob violence and lynching; to the Committee on the Judiciary.

2168. Petition of the Board of Commissioners of New Brunswick, N. J., opposing any form of Federal taxation that may be interpreted to impose a burden or obligation upon States and their political subdivisions, districts, or agencies; to the Committee on Ways and Means.

2169. Also petition of the Point Pleasant Borough Civic Club, New Jersey, favoring an old-age-pension plan; to the Committee on Ways and Means.

2170. Also, petition of the Board of Commissioners of Newark, N. J., urging that October 11 of each year be proclaimed a national holiday to be known as "Pulaski Day"; to the Committee on the Judiciary.

2171. By Mr. SWEENEY: Petition of the Baptist Ministers' Conference of Cleveland, Ohio, regarding antilynching legislation; to the Committee on the Judiciary.

2172. By Mr. TINKHAM: Petition of citizens of Boston, Mass., favoring legislation for the Townsend plan of old-age revolving pensions; to the Committee on Ways and Means.

2173. Also, petition of citizens of Boston, Mass., protesting against conditions in Mexico and requesting the recall of Ambassador Josephus Daniels; to the Committee on Foreign Affairs.

2174. Also, resolution of Group No. 228, Boston, of the Polish National Alliance of the United States of North America, memorializing Congress to enact House Joint Resolution 81 and Senate Joint Resolution 11, directing the President of the United States of America to proclaim October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

2175. Also, resolutions of the General Court of Massachusetts, memorializing the Congress of the United States, relative to prevention and punishment of the crime of lynching; to the Committee on the Judiciary.

2176. By Mr. TRUAX: Petition of F. Hilbrant and other citizens of Norwalk, Ohio, urging support of the Townsend pension bill; to the Committee on Ways and Means.

2177. Also, petition of Trumbull Lodge, No. 73, Amalgamated Association of Iron, Steel, and Tin Workers, Warren, Ohio, by their corresponding representative, Calvin Love, approved.

urging support of the McCarran amendment on prevailing wages as they fear without the amendment the relief bill will destroy their wages and what standard of living they now have; to the Committee on Appropriations.

2178. Also, petition of the Polish American Citizens Club, of Cleveland, Ohio, by their secretary, Henry Skezeckoski, urging support of House bill 2827, knowing as they do the opposite measure which does not provide unemployment insurance for those who have jobs at the present time; to the Committee on Labor.

2179. Also, petition of John L. Swank and other citizens of Toledo, Ohio, urging the Congress of the United States to pass a bill obligating the Government of the United States to pay every citizen of said Government, whose record is free of habitual criminality and who has attained the age of 60 years, a monthly pension of \$200 until the end of his life upon the sole condition that he agree, under oath, to spend the entire amount of the pension within the confines of the United States during the current month in which it is received; to the Committee on Ways and Means.

2180. Also, petition of the Moniuszko Singing Society of Polish National Alliance, of Cleveland, Ohio, by their secretary, Vincenty Cikacz, urging support of House bill 2827; to the Committee on Labor.

2181. By Mr. TURNER: Petition regarding an act for relief of retired warrant officers of the Army who served honorably as commissioned officers during the World War; to the Committee on Ways and Means.

2182. By Mr. WALLGREN: Petition of the House of Representatives, State of Washington; to the Committee on Ways and Means.

2183. By Mr. WOLCOTT: Petition of Clarence Kelch, of Silverwood, Mich., and 48 other members of Farmers Unions, in Lapeer and Tuscola Counties, Mich., urging the prompt enactment of the Frazier-Lemke refinancing bill; to the Committee on Agriculture.

2184. Also, petition of Fred Elftman, Jr., of Pigeon, Mich., and 49 other members of Pigeon Local, No. 124, of the Farmers Union, urging the prompt enactment of the Frazier-Lemke refinancing bill; to the Committee on Agriculture

2185. Also, petition of Archie Waggoner, of Vassar, Mich., and 49 other members of the Farmers Union, urging the prompt enactment of the Frazier-Lemke refinancing bill; to the Committee on Agriculture.

2186. By the SPEAKER: Petition of the Townsend Revolving Club, of Leroy, Ill.; to the Committee on Ways and Means.

# SENATE

THURSDAY, FEBRUARY 28, 1935

The Chaplain, Rev. ZgBarney T. Phillips, D. D., offered the following prayer:

Father of mercies, in whom are the springs of all parental grace: we thank Thee for the spirit that breathes upon this earth of ours with patience, kindly care, and gracious works, wherein Thou dost reveal Thy loving-kindness in the morning and Thy faithfulness every night. Above all, we bless Thee for the precious human things of life: for the hearts that love and trust us, for the teaching of sorrow, for the ministry and use of pain, and for the healing touch of time, bringing to us wider thoughts and an ever-growing sympathy for all who are oppressed with wrong. Do Thou guard and garrison the hearts of all Thy people with the inestimable gift of peace, and enable us to accept, without repining, the discipline of the present time as the means whereby we may press forward to the goal of a high and holy influence among the nations of the world. We ask it in the name of Jesus Christ our Lord and Savior. Amen.

## THE JOURNAL

On request of Mr. Robinson, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, February 26, 1935, was dispensed with, and the Journal was approved.

#### MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

#### CALL OF THE ROLL

Mr. LEWIS. I suggest the absence of a quorum and ask for a roll call.

The VICE PRESIDENT. The clerk will call the roll. The legislative clerk called the roll, and the following

Senators answered to their names:

Adams	Copeland	Keyes	Pope
Ashurst	Costigan	King	Radcliffe
Austin	Couzens	La Follette	Reynolds
Bailey	Cutting	Lewis	Robinson
Bankhead	Dickinson	Logan	Russell
Barbour	Dieterich	Lonergan	Schall
Barkley	Donahev	McAdoo	Schwellenbach
Bilbo	Duffy	McCarran	Sheppard
Black	Fletcher	McGill	Shipstead
Bone	Frazier	McKellar	Steiwer
Borah	George	McNary	Thomas, Okla.
Brown	Gerry	Maloney	Thomas, Utah
Bulkley	Gibson	Metcalf	Townsend
Bulow	Glass	Minton	Trammell
Burke	Gore	Moore	Truman
Byrd	Guffey	Murray	Tydings
Byrnes	Hale	Neely	Vandenberg
Capper	Harrison	Norbeck	Van Nuys
Carey	Hastings	Norris	Wagner
Clark	Hatch	Nye	Walsh
Connally	Hayden	O'Mahoney	Wheeler
Coolidge	Johnson	Pittman	White

Mr. LEWIS. I announce that the Senator from South Carolina [Mr. SMITH], the Senator from Tennessee [Mr. BACHMAN], and the Senator from Iowa [Mr. MURPHY] are necessarily detained from the Senate; that the junior Senator from Louisiana [Mr. Overton] and the junior Senator from Arkansas [Mrs. Caraway] are absent because of illness; and that the senior Senator from Louisiana [Mr. Long] is absent on account of official business.

Mr. AUSTIN. I desire to announce that the senior Senator from Pennsylvania [Mr. Davis] is necessarily detained from the Senate.

The VICE PRESIDENT. Eighty-eight Senators have answered to their names. A quorum is present.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the joint resolution (H. J. Res. 94) providing for the participation of the United States in the California-Pacific International Exposition to be held at San Diego, Calif., in 1935 and 1936, authorizing an appropriation therefor, and for other purposes.

The message also announced that the House had agreed to the amendments of the Senate to the joint resolution (H. J. Res. 140) to provide for the completion of the publication of the writings of George Washington.

The message further announced that the House had passed a bill (H. R. 5221) to amend the Agricultural Adjustment Act with respect to rice, and for other purposes, in which it requested the concurrence of the Senate.

# ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President:

S. 31. An act to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. Chester C. Groff;

S. 402. An act to amend section 824 of the Code of Laws for the District of Columbia:

H. R. 330. An act for the relief of Sophie de Sota;

H. R. 529. An act granting compensation to George S.

H. R. 3373. An act for the relief of Anna S. Carrigan;

H.R. 3982. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River between Rockport, Ind., and Owensboro, Ky.;

H. R. 5701. An act granting the consent of Congress to

free highway bridge across the Wabash River at or near La Fayette, Ind.;

H. J. Res. 94. Joint resolution providing for the participation of the United States in the California-Pacific International Exposition to be held at San Diego, Calif., in 1935 and 1936, authorizing an appropriation therefor, and for other purposes; and

H. J. Res. 140. Joint resolution to provide for the completion of the publication of the writings of George Washington.

## WILLIAM P. M'CRACKEN, JR.

The VICE PRESIDENT. The Chair understands that the Sergeant at Arms has a report to submit to the Senate, which will now be received.

The Sergeant at Arms, Chesley W. Jurney, submitted the following report:

> SENATE OF THE UNITED STATES, OFFICE OF THE SERGEANT AT ARMS. Washington, D. C., February 28, 1935.

To the PRESIDENT OF THE SENATE:

The case of Chesley W. Jurney, petitioner, v. William P. Mac-Cracken, Jr., having been decided in favor of the petitioner by the Supreme Court of the United States, the said William P. Mac-Cracken, Jr., pursuant to a stipulation entered into on February Cracken, Jr., pursuant to a stipulation entered into on February 15, 1934, by and between the said William P. MacCracken, Jr., and myself, as Sergeant at Arms of the Senate, submitted himself to me on February 26, 1935, for commitment to the District of Columbia Jail for the period of 10 days prescribed in Senate Resolution 185, agreed to on February 14, 1934. I thereupon, at 4 p. m. on said day, committed him to the duly constituted authorities of said jail, and their receipt is hereto attached.

CHESLEY W. JURNEY,
Sergeant at Arms United States Senate.

SENATE OF THE UNITED STATES, Office of the Sergeant at Arms, Washington, D. C., February 26, 1935.

To the duly constituted authorities in charge of the District of

Columbia Jail:

Sins: In accordance with the order of the United States Senate adopted Wednesday, February 14, 1934 (legislative day of Tuesday, Feb. 6, 1934), a copy of which is hereto attached, I now deliver to your institution for confinement therein for the term set forth in the order of the Senate heretofore referred to, William P. Mac-Cracken, Jr., and ask that a copy of this letter be signed by you as my receipt for the delivery and confinement of the said person in confinement. in your institution.

Respectfully.

CHESLEY W. JURNEY. Sergeant at Arms United States Senate. Received the above person at 4 p. m., February 26, 1935.

THOMAS M. RIVES,

Superintendent District of Columbia Jail.

By E. G. TURNURE,

Receiving Officer.

Mr. AUSTIN. Mr. President, I ask leave to have printed in the RECORD, succeeding the report by the Sergeant at Arms, a statement by William P. MacCracken, Jr., made February 26, 1935.

The VICE PRESIDENT. Is there objection?

Mr. NORRIS. Mr. President, I wish to inquire of the Senator from Alabama [Mr. Black] whether he has seen the statement?

Mr. BLACK. I assume it is the same statement that was in the press. If it is, I have seen it.

Mr. NORRIS. I also saw that statement, and I doubt very much whether it recites the facts as they are. I do not believe that the Senate ought to permit to be printed in the RECORD a statement by the defendant in the case which is contrary to the facts as established in the Senate. I realize that the Senator from Alabama had charge of the matter, and I do not wish to interfere, if he has seen the statement, but if it is the same statement I saw, I do not think it states the truth.

Mr. McNARY. Mr. President, I am not familiar with the statement, but it has long been the practice, and a fair one, that when anyone has offered to make a statement to permit it to go into the RECORD for what it is worth. Inasmuch as the statement has been presented here today, I think it quite proper that it should go into the RECORD.

Mr. NORRIS. If the statement I saw in the newspapers the State of Indiana to construct, maintain, and operate a is correct and is the same as that now being offered for the

RECORD, there ought to be some sort of an apology offered by the Supreme Court of the United States for sustaining the action of the Senate, for if that statement be true, then, we have put in jail an innocent man who has committed no crime or done anything wrong. The statement is at complete variance with what the Senate found to be the facts and that the Supreme Court supported.

Mr. BLACK. Mr. President, I will state that, while I have offered no objection to the presentation of the statement for the RECORD, I desire to be distinctly understood that I do not agree that the statement is correct. I do not concede its correctness by not objecting to its being placed in the RECORD. I agree with the Senator from Nebraska [Mr. Norris] that certain inferences from the statement in part, in my judgment, at least, are contrary to the facts submitted to the committee and upon which the Senate sentenced Mr. MacCracken.

Mr. ROBINSON. Mr. President, in view of statements which have been made about the matter I shall object, for the present at least, the inclusion of the statement in the RECORD.

The VICE PRESIDENT. Objection is heard.

Mr. AUSTIN. I give notice that at an appropriate time I shall read the statement, and perhaps I shall have something to say about it.

## DISPOSITION OF USELESS PAPERS

The VICE PRESIDENT laid before the Senate a letter from the chief examiner of the United States Civil Service Commission, transmitting, pursuant to law, a schedule of papers on the files of the Commission in Washington, and in certain field offices, that are not needed in the transaction of public business and have no permanent value or historical interest, and asking for action looking to their disposition, which, with the accompanying papers, was referred to a Joint Select Committee on the Disposition of Useless Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. Bulow and Mr. WHITE members of the committee on the part of the Senate.

SAN FRANCISCO PEAKS TOLL ROAD, ARIZONA (S. DOC. NO. 25)

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of Agriculture, transmitting, in response to Senate Resolution 234 of the Seventy-third Congress submitted by Mr. Ashurst, information relative to the purchase of a toll road in the Coconino National Forest, Ariz., which was referred to the Committee on Agriculture and Forestry, ordered to be printed as a Senate document, and to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE, Washington, February 26, 1935.

The PRESIDENT UNITED STATES SENATE.

SIR: Reference is made to Senate Resolution 234 of the Seventythird Congress requesting this Department to enter into negotiations with the San Francisco Mountain Scenic Boulevard Co. of Arizona for the purchase of the toll road to the summit of the San Francisco Peaks in the Coconino National Forest, State of

Arizona.

During the past season the Department caused an examination to be made of the road in question by Mr. W. J. Ward, associate highway engineer of the Bureau of Public Roads of this Department, who, after making a detailed study of the road and other possible locations for a satisfactory highway to the summit of the San Francisco Peaks, reported, with respect to the existing road, as follows:

"The existing road to the top of the mountain is known as the San Francisco Mountain Boulevard or the Weatherford Road,

"The existing road to the top of the mountain is known as the San Francisco Mountain Boulevard or the Weatherford Road, after its promoter. This road was constructed with private funds under permits from the Secretary of Agriculture, the first of which was granted to J. W. Weatherford in 1916. A later permit granted to the San Francisco Mountain Scenic Boulevard Co. in 1920 stipulated that, on demand of the Secretary of Agriculture after 15 years from that date or at intervals of 5 years thereafter, the road should be surrendered to the Government upon payment of its reasonable physical value.

"Construction was begun about 1919 and completed in 1928. The company operated this road thereafter as a toll road until 1934, when they were unable to provide proper maintenance. It is the desire of the company that the Secretary of Agriculture exercise its right and take over the road, since it has not been a financial success. The company claims to have spent about

financial success. The company claims to have spent about \$150,000 on the road to date.

"This road begins at the toll house, 3.5 miles north of Flag-staff, on the Fort Valley Road, and extends to a point on top of the ridge between Agassiz and Humphrey Peaks, elevation about 12,000 feet, having a length of 15 miles. Standards of alinement

and grade are very low, there being 10 switch-backs of about 25-foot radius and many more of somewhat larger radius. Grades

foot radius and many more of somewhat larger radius. Grades are not uniform and range up to 18 percent, with very little suitable for high gear. Construction was done to a width of 12 to 15 feet, but lack of maintenance has reduced the effective width several feet at this time. It is very rough and barely passable from toll house to mile 10 at Fremont Saddle and entirely impassable beyond this point.

"U.S. highways nos. 66 and 89 pass through Flagstaff, population 3,900, which will be the source of San Francisco Mountain traffic. The Fort Valley Road extends from Flagstaff to Fort Valley via toll house, and the Hart Prairie and other minor roads continue entirely around the west and north sides of the mountain and join U.S. no. 89 near Deadman's Wash, northeast of the mountain. The Schultz Pass Road extends from the Fort Valley Road to toll house to Schultz Pass, then descends again north of Mount Eldon to U.S. no. 89. Flagstaff has built a low-standard road along their water conduit from Schultz Pass to the intake near Jack Smith Spring, from which point the Forest Service has built a narrow development road 4 miles in length around to a spring a narrow development road 4 miles in length around to a spring on the north side of Humphrey Peak. Other minor roads are shown on the map.

"The San Francisco Mountain Boulevard has been open for travel in normal years only about 90 days per year. This was largely due to the great difficulties encountered on the north side of Fremont Peak between Fremont Saddle and Doyles Saddle, where snow and ice collect on the north slope and where slides

frequently occur.

"Since none of the existing toll road will be utilized on the recommended route, its value to the Government is limited to its recommended route, its value to the Government is limited to its value as a fire-patrol and forest-administration road and to its value to engineers and contractors during location and construction. This road is of some value to the Forest Service from a point 1 mile north of the toll house to Doyles Saddle, a distance of about 10 miles, since it traverses an area not served by existing roads or by the recommended route. The Forest Service estimates a similar road suitable to their purpose and to serve this area would cost \$20,000 to \$30,000 to construct.

"For a location survey this road would eliminate the necessity for a pack train for a period of about 2 months as well as save some time. The estimated value of the road for this purpose is \$500.

some time. The estimated value of \$500.

"Its value to contractors is rather intangible. With some improvement it would serve to make the recommended route accessible for equipment at Fremont Saddle and various places beyond that point. The contractor's method of operation is also a factor in valuing the present road for this purpose. It is believed \$2,000 to \$3,000 would be a fair value to contractors of this road."

The Forest Service reports that the present road is paralleled by an existing development road constructed by the Forest Service, which serves in a large measure the administrative needs of that

which serves in a large measure the administrative needs of that Service. Furthermore, there are other forest-protection roads reaching the region from the north side of the mountain. Consequently the Forest Service does not feel justified in placing any appraised value on the toll road for the protection requirements

of that Service.

Notwithstanding substantial expenditures made by the present owners of the toll road, it is the judgment of this Department that the road is totally inadequate for safe public use. It is unsurfaced and in large part consists of merely a single-track road of dangerously narrow width. The hazards of numerous switch-backs of as little as 25 percent radius of curvature and the chiestlengths which are not uniform in characteristics. switch-backs of as little as 25 percent radius of curvature and the objectionable nature of gradients which are not uniform in character and which range up to 18 percent are, of course, obvious. Only a small proportion of the traveling public would be willing to use or could safely use a road of such character even though maintenance work was performed. It is stated that at no time since the completion of the road have the revenues been sufficient to cover the cost of maintenance.

In view of the facts found, the Department does not feel that it will be warranted in entering into negotiations for the purchase

it will be warranted in entering into negotiations for the purchase of this road at any price.

Very truly yours,

(Signed) R. G. TUGWELL, Acting Secretary.

## PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint memorial of the Legislature of the State of Oregon, which was referred to the Committee on Military Affairs:

## House Joint Memorial 5

To the Honorable Senate and House of Representatives of the United States in Congress assembled:

We, your memorialists, the Thirty-eighth Legislative Assembly of the State of Oregon, convened in regular session, respectfully repre-

Whereas the early and complete development of Tongue Point as a secondary naval base in accordance with the original understand-ing between the citizens of Clatsop County and the United States

should be undertaken immediately; and
Whereas the immediate establishment of one or more fully
equipped flying fields in the State of Oregon to be maintained by
adequate Army personnel should be undertaken by the Federal
Government; and

Whereas the Federal Government has expended approximately \$470,000,000 on the Pacific coast for military posts and naval shore

establishments, and of that sum approximately \$330,000,000 has been expended in the State of California and \$136,000,000 in the State of Washington and only \$5,000,000 in the State of Oregon, or less than 1 percent of the full amount expended by the Federal

Government on the Pacific coast for national defense has been allocated to the State of Oregon; and Whereas there are at the present time some 80 active and inactive military and naval posts on the Pacific coast and Oregon's share only consists under the defense program of one military post at Fort Stevens, which is inactive, a radio station at Astoria, and the undeveloped secondary naval base at Tongue Point, Clatsop County;

Whereas the entrance to the Columbia River should be adequately protected by the best modern defensive military equipment used by the air, Army, and naval forces as a hostile force landing on the Pacific coast would have one of two main objectives:

To seize, occupy, and destroy important territory and restrict vital commerce in order to force a settlement of the dispute on terms favorable to the invader;

terms favorable to the invader;

2. To seize and occupy territory preliminary to annexation and colonization by the invading power; and

Whereas a survey of the Oregon coastline shows that in order to accomplish either of the above objectives the landing of hostile forces at any point other than the Columbia River would be ineffective unless the invaders were able to penetrate the coast range and occupy the valleys between the Cascade and coast ranges, and a hostile power able to occupy the territory adjacent to the Columbia River would restrict commerce at that point and enable them to send cruisers, destroyers, and troop transports up the Columbia and Willamette Rivers as far as Vancouver and Portland and enable them to establish a base for the conquest of the great wheat belt of eastern Oregon and Washington as well as the Willamette Valley; and

Whereas military authorities have reached the conclusion that in order to safely defend this area there should be established:

1. Fort Stevens:

(a) Three batteries railroad artillery. This has already been recommended to the War Department by the Coast Artillery, but no appropriation has been made for the transportation and installa-

tion of the same.

(b) One battalion Regular Army field artillery, 155-mm howitzer; detachment of antiaircraft artillery; at least 1 searchlight platoon; 1 gun battery and 1 machine-gun battery and a mine-laying detachment.

2. Flying fields:
Two first-class, fully equipped flying fields established by the Army Air Corps and maintained by Regular Army equipped personnel. One of the fields to be located in the vicinity of Portland and the other in central or southwestern Oregon, and each field should have the following permanent garrison detachment Air Corps: Detachment antiaircraft artillery, at least 1 searchlight platoon, 1 gun battery, and one machine-gun battery, and the fields to be maintained so that a large fleet of all types of airplanes could arrive at the field immediately prepared for action and utilize the field as a base of operations.

3. The Oregon National Guard Field Artillery 166-mm Howitzer

3. The Oregon National Guard Field Artillery 166-mm Howitzer Regiment should be completed by adding the headquarters and service units and two firing batteries.

The Oregon National Guard partial regiment of coast artillery harbor defense, consisting of five batteries, should be converted to antiaircraft artillery and additional units added to complete the regiment; and

regiment; and

Whereas a grave emergency exists from the fact that we, the greatest creditor nation of the world, are envied by all nations, and that the only unprotected spot on our Pacific coastline is the State of Oregon, and in case of war with any foreign nation we would be the vulnerable point of attack: Now, therefore, be it

Resolved by the House of Representatives of the State of Oregon (the senate jointly concurring therein), That we, your memorialists, the Thirty-eighth Legislative Assembly of the State of Oregon, convened in regular session, respectfully petition the Congress of the United States to pass appropriate legislation to carry out the provisions embodied in this memorial; and be it further

Resolved. That a copy of this memorial be transmitted to the

Resolved, That a copy of this memorial be transmitted to the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, and to each member of the Oregon delegation in Congress, and that the secretary of state is hereby instructed to transmit the same.

Adopted by the house February 7, 1935.

JOHN E. COOTER

Adopted by the senate February 18, 1935.

HENRY L. CORBETT,
President of the Senate.

(Endorsed: House Joint Memorial No. 5. Introduced by Repre sentative Carter. W. F. Drager, chief clerk. Filed Feb. 22, 1935, Earl Snell, secretary of state.)

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of North Dakota, which was referred to the Committee on Commerce:

# Senate Concurrent Resolution Q

Whereas there is no bridge across the Little Missouri River within the limits of the Fort Berthold Reservation so that the

Indians living north and west of this river find it difficult at times to cross the Little Missouri to get to the Elbowoods Bridge; and Whereas there is a need that such bridge be constructed for the convenience and welfare of those Indians living north and west of the Little Missouri: Now, therefore, be it

\*Resolved by the Senate of the State of North Dakota (the house of representatives concurring), That we respectfully request the construction of this bridge, and that it be considered a Federal project, and the same be constructed from Federal relief funds recently granted by Congress, and that the work of the construction of said bridge, as far as possible, be contributed by the Indians on relief; this bridge to be built on the trail now passing south of Independence and crossing section 27, township 148, range 91, Dunn County, approximately 4 miles northwest of the Fort Berthold Bridge, also known as the "Four Bears Bridge", across the Missouri River, or at the most feasible location in that vicinity. vicinity.

A. S. Marshall, President of the Senate. F. E. Tunell, Secretary of the Senate.
WILLIAM M. CROCKETT, Speaker of the House.
Walter S. Martin,
Chief Clerk of the House.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of North Dakota, which was referred to the Committee on

## Senate Concurrent Resolution T

Be it enacted by the Senate of the State of North Dakota (the

Senate Concurrent Resolution T

Be it enacted by the Senate of the State of North Dakota (the house of representatives concurring):

Whereas a large percentage of the farmers of the State of North Dakota are experiencing a shortage of feed for their livestock because of crop fallure in the year 1934 by reason of the drought and have not the means with which to purchase sufficient grains for feeding purposes at their present high prices; and

Whereas farmers are receiving Federal aid for the purchasing of feed to sustain their livestock, but that the aid or relief provided is inadequate with which to purchase sufficient feed at present high prices, even though the Federal allowance has been increased about 50 percent, since feed has also appreciated in price in about the same proportion; and

Whereas a large number of livestock have perished and many more will perish unless relief can be had; and

Whereas large quantities of feed, consisting of oats, barley, and low grades of wheat fit for feeding purposes, are available in the Dominion of Canada at considerably lower prices than prevail here, and that the importation of feed grains would not in any way prove detrimental to the agriculture industry of this State or of the United States: Now, therefore, be it

Resolved by the Twenty-fourth Legislative Assembly of the State of North Dakota, That we respectfully petition the President of the United States, the Honorable Franklin D. Roosevelt, and the Congress of the United States to permit limited quantities of feed grains to be shipped into the United States, duty free, and in sufficient amount to relieve the acute feed situation that now prevails, and thereby prevent large losses by starvation of livestock in this and adjoining States; be it further

Resolved, That a copy of this resolution be forwarded to President Franklin D. Roosevelt, the President of the United States Senates, the Speaker of the House of Representatives of the United States Senators Lynn J. Frazzer and Gerald P. Nye.

A. S. Marshall,

Presid

Secretary of the Senate.
WILLIAM M. CROCKETT,
Speaker of the House,
WALTER S. MARTIN, Chief Clerk of the House.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of New Jersey, which was referred to the Committee on the Judiciary:

STATE OF NEW JERSEY.

# Joint Resolution 1, Laws of 1935

Joint resolution memorializing the Congress of the United States to adopt measures directed against mob violence and lynching

Whereas in many sections of the United States crimes of violence are rapidly increasing both in numbers and in seriousness; and

and

Whereas one of the most deplorable types of crime is the wanton destruction of human life, public and private property by mobs under so-called "lynch law" and

Whereas such crimes strike at the very fundamentals of our constitutional rights and our system of democratic government, tending, if unchecked, to result in an absolute disregard for and defiance of duly constituted agencies charged with the protection of life and property, and with the proper enforcement of our criminal laws; and

Whereas a continual disregard of the taking of human life and the destruction of property by irresponsible individuals banded

together under the influence of excitement to usurp the prerogatives of legal agencies devoted to the apprehension, prosecution, and punishment of criminals, can but encourage the rising tide

and punishment of criminals, can but encourage the rising tide of violence; and
Whereas a stable government can only be maintained where the courts, operating under due process of law, shall be the only agency or power permitted to deprive any citizen of his constitutional rights to life and liberty; and
Whereas we firmly believe that this unfortunate situation can be best curtailed and eradicated through the power of our Federal Government: Therefore be it
Resolved by the Senate and General Assembly of the State of New Jersey, 1. That the Congress of the United States now in session be memorialized and requested to as speedily as possible

sion be memorialized and requested to as speedily as possible adopt and pass some remedial measure, and to take such other action as may be necessary, fit, and proper to curtail as far as possible under Federal laws this growing national evil of mob violence and lynching, to the end that everyone in the United States of America may be accorded and guaranteed full protection of life,

liberty, and property under our Constitution; be it further Resolved, That copies of this joint resolution be transmitted to the Vice President of the United States, to the Speaker of the House of Representatives, and to the Senators and Representatives in the Congress of the United States from the State of New

This joint resolution shall take effect immediately. Approved February 21, 1935.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Arkansas, which was ordered to lie on the table:

Senate Concurrent Resolution 7

Resolution memorializing the Congress of the United States to pass, and the President of the United States to approve, if passed, the General Pulaski Memorial Day resolution now pending in Congress

Whereas a resolution providing for the President of the United States to proclaim October 11 of each year as General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski, is now pending in the present session of the United States Congress; and

Whereas the 11th day of October, 1779, is the date in American history of the heroic death of Brig. Gen. Casimir Pulaski, who died from wounds received on October 9, 1779, at the siege of Savan-

from wounds received on October 9, 1779, at the slege of Savannah, Ga.; and
Whereas the States of Arkansas, California, Connecticut, Delaware, Illinois, Indiana, Kentucky, Louisiana, Maryland, Kansas, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, New Hampshire, New Jersey, New York, Nevada, Ohio, Pennsylvania, South Carolina, Tennessee, Texas, West Virginia, and other States of the Union through legislative enactment designated October 11 of each year as "General Pulaski's Memorial Day"; and
Whereas it is fitting that the recurring anniversary of this day be commemorated with suitable patriotic and public exercises in observance and commemorating the heroic death of this great American hero of the Revolutionary War; and
Whereas the Congress of the United States of America has by legislative enactment designated October 11, 1921, October 11,

legislative enactment designated October 11, 1921, October 11, 1931, October 11, 1932, and October 11, 1934, as "General Pulaski's Memorial Day" in the United States of America: Now, therefore, be it

Resolved by the Senate and House of Representatives of the Gen-

Resolved by the Senate and House of Representatives of the General Assembly of the State of Arkansas assembled:

Section I. That we hereby memorialize and petition the Congress of the United States to pass, and the President of the United States to approve, if passed, the General Pulaski's Memorial Day resolution now pending in the United States Congress.

Sec. 2. That certified copies of this resolution, properly authenticated, be sent forthwith to the President of the United States, the

Vice President of the United States, the Speaker of the House of Representatives of the United States, and to Hon. Ignatius E. Werwinski, United States Commissioner of Deeds of Indiana, South Bend, Ind., by the secretary of the senate.

Approved, February 15, 1935.

The VICE PRESIDENT also laid before the Senate resolutions adopted at a meeting of the Property Owners Association of Milwaukee, Wis., favoring the enactment of legislation establishing an equity capital tax to apply to all equity in capital, and also legislation to abolish the "British land and property tax system" in the United States, which were referred to the Committee on Finance.

He also laid before the Senate the petition of Mrs. Waverly Lee, of Dillwyn, Va., praying for the enactment of a Federal old-age pension law, which was referred to the Committee on

He also laid before the Senate a resolution adopted by Junker-Ball Post, No. 1865, Veterans of Foreign Wars of the United States, favoring the enactment of the so-called "Patman bill", being the bill (H. R. 1) to provide for the immediate payment to veterans of the face value of their adjustedservice certificates and for controlled expansion of the currency, which was referred to the Committee on Finance.

He also laid before the Senate several memorials of citizens of New York City, N. Y., and New Haven, Conn., remonstrating against the enactment of legislation inimical to the interests of investors in securities of public-utility companies, which were referred to the Committee on Interstate Commerce

He also laid before the Senate petitions, numerously signed, of sundry citizens of Flint and vicinity, in the State of Michigan, praying for the prompt enactment of legislation to eradicate all subversive movements aimed at the destruction of the Government, which were referred to the Committee on the Judiciary.

He also laid before the Senate several petitions and letters and telegrams in the nature of petitions from sundry citizens of California, Kentucky, New Jersey, New York, and Texas, praying for the adoption of the work-relief program recommended by the President of the United States, which were referred to the Committee on Appropriations.

He also laid before the Senate a telegram from Ignatius K. Werwenski, of Chicago, Ill., praying for the enactment of pending legislation proclaiming October 11 in each year as General Pulaski's Memorial Day, which was ordered to lie on

He also laid before the Senate a resolution adopted by the District of Columbia Society of the Sons of the American Revolution, favoring the enactment of House bill 2897, making it a crime to advocate or promote the overthrow of the Government by force or violence, etc., which was referred to the Committee on the Judiciary.

He also laid before the Senate a resolution adopted by the District of Columbia Society of the Sons of the American Revolution, favoring the enactment of legislation establishing in the national capital a museum of American history, where historical documents may be collected, preserved, and made accessible, etc., which was referred to the Committee on the Library.

He also laid before the Senate the petition of Local Union No. 1856, United Brotherhood of Carpenters and Joiners of America, of Philadelphia, Pa., favoring the retention of the so-called "McCarran amendment", relative to prevailing wage scales, in the joint resolution (H. J. Res. 117) making appropriations for relief purposes, which was referred to the Committee on Appropriations.

He also laid before the Senate a resolution adopted by Walter J. Hatzfeld Post, No. 356, the American Legion, Department of Missouri, of St. Louis, Mo., favoring the passage of the so-called "Patman bill", being the bill (H. R. 1) to provide for the immediate payment to veterans of the face value of their adjusted-service certificates and for controlled expansion of the currency, which was referred to the Committee on Finance.

He also laid before the Senate resolutions adopted by the Common Councils of the cities of Helena, Ark.; New Britain, Conn.; Calumet City, Ill.; Frankfort, East Chicago, and South Bend, Ind.; Detroit, Mich.; Portsmouth, N. H.; Toledo and Youngstown, Ohio; New Kensington, Pa.; Klamath Falls, Oreg.; Bristol, R. I.; the board of directors of Fairmont, W. Va.; the board of commissioners of the city of Newark, N. J.; and the mayor and aldermen of the city of Savannah, Ga., favoring the enactment of legislation proclaiming October 11 in each year as General Pulaski's Memorial Day, which were ordered to lie on the table.

Mr. ASHURST presented a concurrent memorial of the Legislature of the State of Arizona, praying that part of the proposed appropriation of about \$4,800,000,000 requested by the President for public-works improvement be set aside exclusively for highway purposes, which was referred to the Committee on Appropriations.

(See concurrent memorial printed in full when laid before the Senate by the Vice President on the 26th instant, p. 2605. CONGRESSIONAL RECORD.)

Mr. NORRIS presented a resolution adopted by the House of Representatives of the State of Nebraska, memorializing Congress to enact legislation establishing a national park to be known as the "Lewis and Clark National Park" in Burt, Thurston, and Dakota Counties, Nebr., which was referred to the Committee on Public Lands and Surveys.

(See resolution printed in full when laid before the Senate by the Vice President on the 26th instant, p. 2607, Congres-SIONAL RECORD.)

Mr. BAILEY presented the following joint resolution of the Legislature of the State of North Carolina, which was referred to the Committee on Public Buildings and Grounds:

Joint resolution memorializing Congress to use granite and natural stone in the construction of public buildings

Whereas the Federal Government is contemplating an extensive

Public Works program, under which many public buildings will be erected throughout the United States; and

Whereas the present status of unemployment in the granite and stone industries in the State of North Carolina and other granite-and stone-producing States is deplorable, it being estimated that from 80 to 85 percent of granite and stone employees are on Federal relief: and Federal relief; and

Whereas the greater portion of the cost of finished granite and

stone is incurred by labor; and
Whereas the quality and durability of granite and stone buildings unquestionably excels that of buildings constructed of inferior materials; and

Whereas from the standpoint of economy and prudent policy it is advisable that lasting and durable materials be used in the construction of public buildings: Now be it therefore

construction of public buildings: Now be it therefore

Resolved by the Senate of the State of North Carolina (the
house of representatives concurring), That Congress be respectfully urged and petitioned to enact legislation, or to otherwise
take appropriate action to require that granite and natural stone
be used in the construction of public buildings to be erected
under the Public Works program; and that the secretary of state
be instructed to send copies of this resolution to the President,
Vice President, Secretary of the Treasury of the United States,
and to the Members of Congress from the State of North Carolina.

In the general assembly, read three times and ratified this the
19th day of February 1935.

A. H. Graham.

A. H. GRAHAM, President of the Senate. R. G. Johnson,

Speaker of the House of Representatives.

Examined and found correct.

R. G. CARSON For Committee.

Mr. PITTMAN presented the following joint resolution of the Legislature of the State of Nevada, which was referred to the Committee on Finance.

Assembly joint resolution memorializing Congress to enact suitable legislation to impose a tariff on copper

Whereas the present tariff on copper will expire by limitation on

Whereas the present tarm of copper wire expire by inflatation of June 30 of the present year, unless congressional legislation extending the same shall be enacted prior thereto; and
Whereas a discontinuance of said tariff would be destructive of the copper industry in the State of Nevada and adjoining States: Now, therefore, be it

Resolved by the Assembly and Senate of the State of Nevada, That Congress be memorialized to enact such legislation as will continue a tariff on copper not less than 9 cents; and be it further

Resolved, That duly certified copies of this resolution be transmitted by the secretary of state of the State of Nevada to each of our Senators at Washington, D. C., and to our Representatives in Congress.

FRED S. ALWARD,
President of the Senate. EDWARD A. DUCKER, Jr. Secretary of the Senate. WILLIAM KENNETT, Speaker of the Assembly. LEONARD A. WILSON, Chief Clerk of the Assembly.

State of Nevada, Executive Department. Approved February 16. 1935.

RICHARD KIRMAN, Governor.

Mr. PITTMAN also presented the following joint resolution of the Legislature of the State of Nevada, which was referred to the Committee on Interstate Commerce:

Resolved by the Assembly and Senate of the State of Nevada, That Congress be memorialized to provide for the State of Nevada, That Congress be memorialized to provide for the State of Nevada, under the provisions of Executive Order No. 6251, dated August 19, 1933, Senate Resolution No. 80, dated May 29, 1933, and under Senate Joint Resolution No. 74, dated April 14, 1934, a survey of the present and future market for electricity, the methods for balancing supply and demand; cost for electricity, cost for transmission and distribution to consumers; survey of electric rates, and formulation of a program of public works, which will present a complete statement of all charges for electricity for every community in Nevada; and be it further

Resolved, That the secretary of state transmit a duly certified copy of this resolution, under the seal of the State of Nevada, to the Hon. Franklin D. Roosevelt, President of the United States, to each of our Senators in the United States Senate, to our Representative in Congress, and to the Hon. Frank R. McNinch, Chairman Federal Water Power Act Commission.

Fred S. Alward,
President of the Senate.
Edward A. Ducker, Jr.,
Secretary of the Senate.
WILLIAM KENNETT,
Conclusion of the Accomplish Speaker of the Assembly. LEONARD A. WILSON, Chief Clerk of the Assembly.

State of Nevada, Executive Department. Approved February 16, 1935.

RICHARD KIRMAN, Governor.

Mr. KING presented a resolution adopted by the board of commissioners of the city of Salt Lake City, Utah, favoring the enactment of pending legislation proclaiming October 11 in each year as General Pulaski's Memorial Day, which was ordered to lie on the table.

Mr. VAN NUYS presented resolutions of the Common Councils of the cities of East Chicago, Frankfort, and South Bend, Ind., favoring the enactment of legislation proclaiming October 11 in each year as General Pulaski's Memorial Day. which were ordered to lie on the table.

Mr. MALONEY presented resolutions adopted by the Common Councils of the cities of New Britain and Stamford, Conn., favoring the enactment of pending legislation proclaiming October 11 in each year as General Pulaski's Memorial Day, which were ordered to lie on the table.

He also presented memorials of members of the Holy Name Society of St. Thomas' Church, of Waterbury, and State Court of Connecticut, Catholic Daughters of America, assembled at Fairfield, in the State of Connecticut, protesting against alleged antireligious conditions and religious persecutions in the Republic of Mexico, which were referred to the Committee on Foreign Relations.

Mr. CAPPER presented a resolution adopted by Boston Grange, No. 1838, Patrons of Husbandry, of Emporia, Kans., favoring the repeal of the Federal tax on gasoline, which was referred to the Committee on Finance.

He also presented the memorial of the president and directors of the Norton (Kans.) Chamber of Commerce, remonstrating against the enactment of legislation providing a 30-hour-work week in industry, which was referred to the Committee on the Judiciary.

Mr. BARBOUR presented resolutions adopted at a meeting of Salem Grange, No. 172, Patrons of Husbandry, of Salem, N. J., favoring the repeal of the Federal tax on gasoline, which were referred to the Committee on Finance.

He also presented a resolution adopted by the Council of the borough of Point Pleasant, N. J., favoring the passage of the so-called "Townsend old-age pension plan", which was referred to the Committee on Finance.

He also presented resolutions adopted by the Common Council of the city of Plainfield and the Board of Commissioners of the city of Newark, in the State of New Jersey, favoring the enactment of legislation proclaiming October 11 in each year as General Pulaski's Memorial Day, which were ordered to lie on the table.

Mr. COPELAND presented a resolution adopted by the Webster Chamber of Commerce, of Webster, N. Y., favoring the "commodity-dollar" plan of regulating the gold value of United States currency as advocated by Dr. George F. Warren of Cornell University; which was referred to the Committee on Banking and Currency.

He also presented a resolution adopted by the board of directors of the Railroad Brotherhoods' Savings & Building Association, of New York City, favoring the repeal of the exemption granted to dividends derived from shares of Federal savings and loan associations from certain taxation, or the granting of a similar exemption to dividends derived from shares of such associations operating under State charters, which was referred to the Committee on Banking and Currency.

He also presented a resolution adopted by Carl Follen Unit No. 103, Steuben Society of America, of Richmond Hill, N. Y., favoring an amendment to the Constitution whereby the final declaration as to whether the Nation shall engage in war shall be left to the decision of the people by referendum, which was referred to the Committee on the Judiciary.

He also presented resolutions adopted by the Common Council of Poughkeepsie, N. Y., and Groups 1754 and 1459, Polish National Alliance of the United States of North America, of Jamaica and Schenectady, respectively, in the State of New York, favoring the enactment of legislation providing that October 11 in each year be proclaimed General Pulaski's Memorial Day, which were ordered to lie on the table.

Mr. WALSH presented a petition of members of the Neighborhood Club, of Arlington, Mass., praying for the enactment of certain banking legislation (suggested by Rev. Charles E. Coughlin, of Michigan), which was referred to the Committee on Banking and Currency.

He also presented a petition of Fitchburg Local, No. 12, International Brotherhood of Paper Makers, of Fitchburg. Mass., praying for the adoption of the so-called "McCarran amendment" for providing for the payment of the prevailing wage in the expenditure of appropriations for public works relief purposes, which was referred to the Committee on Appropriations.

He also presented a memorial of sundry citizens of the State of Massachusetts, remonstrating against the enactment of legislation making appropriations for relief purposes without specifying how the money is to be spent, which was referred to the Committee on Appropriations.

He also presented petitions of William J. Cooney Post, No. 121, the American Legion, of Leicester; Amesbury Auxiliary to Post No. 2016, Veterans of Foreign Wars of the United States, of Amesbury; Daniel J. Purcell Post, No. 241, American Legion, of Monson; American Legion Auxiliary, Post No. 5, of Worcester; and sundry citizens of Ipswich, all in the State of Massachusetts, praying for the enactment of legislation providing for the immediate cash payment of adjusted-service certificates of World War veterans, which were referred to the Committee on Finance.

He also presented petitions of the Fall River branch of the American League Against War and Fascism, of Fall River, and members of the Fairlawn Community Methodist Episcopal Church, of Shrewsbury, in the State of Massachusetts, praying for the enactment of old-age-pension legislation, which were referred to the Committee on Finance.

He also presented the memorials of W. Dudley Cotton and sundry other citizens of Boston and vicinity, in the State of Massachusetts, remonstrating against publication of individual income-tax returns, which were referred to the Committee on Finance.

He also presented a resolution adopted by the Municipal Council of the city of Gloucester, Mass., protesting against any reduction in tariffs affecting the fishing industry, which was referred to the Committee on Finance.

He also presented a communication from the chairman Special St. Lawrence Committee, Atlantic Deeper Waterways Association, of Boston, Mass., listing organizations and associations which have recorded their opposition to the ratification of the Great Lakes-St. Lawrence Deep Waterway Treaty, which was referred to the Committee on Foreign Relations.

He also presented the memorial of Russell B. Stearns, of Dedham, and sundry other citizens, all in the State of Massachusetts, remonstrating against the enactment of legislation inimical to the interest of investors in public-utility companies, which was referred to the Committee on Interstate Commerce.

He also presented the memorial of employees of the White & Bagley Co., of Worcester, Mass., remonstrating against the enactment of legislation establishing a 30-hour-work week in industry, which was referred to the Committee on

He also presented the petition of Dr. J. F. D. Delia, Sr., of Alexandria, La., praying for the enactment of legislation providing a Chiropody Corps for the United States Army, which was referred to the Committee on Military Affairs.

N. R. A. PRICE FIXING AND PRODUCTION CONTROL

Mr. VANDENBERG. I desire to present an important memorial with a brief word of explanation in connection with it.

There was organized yesterday in Washington a preliminary national committee for the elimination of price fixing and production control from N. R. A. codes in the future. It is a committee representing some of the finest industrial thought of the country. It reflects also the viewpoint of much consumer thinking, which believes that legalized monopoly is strangling the country. It is the committee which is undertaking to challenge the attitude of the National Manufacturers Association and the United States Chamber of Commerce insofar as these great organizations have advocated that the N. R. A. shall be continued practically in its existing form, when the existing law expires next June.

I ask that a very brief statement of the principles adopted by the committee and representative of the basic philosophy which always heretofore has saved America may be read by the clerk at the desk. It goes to the heart of the N. R. A.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The legislative clerk read as follows:

THE PLATFORM OF THE NATIONAL COMMITTEE FOR THE ELIMINATION OF PRICE FIXING AND PRODUCTION CONTROL-ADOPTED FEBRUARY 27, 1935

We affirm that the monopolistic power of price fixing and production control proffered to industry under N. R. A. is traditionally and economically unsound and dangerous. This is not only doing an injustice to the consumer, but is actually retarding

High costs and prices produced by such means lead to decreased volume of business and employment. Lower costs and lower prices which come from free competition will increase both volume and employment

employment.

Trade-practice provisions designed to accomplish price fixing or production control must inevitably lead to regimentation of business and to the sacrifice of efficiency at the cost of the consumer.

Price-control power in the hands of industry today is working a

great hardship upon many small industries.

We, therefore, insist that it is in the interest of recovery that there be incorporated in whatsoever legislation there may be to modify or continue the present National Industrial Recovery Act an affirmative prohibition against direct or indirect price fixing or production control.

If in the interest of the public welfare there is needed any additional legislation governing trade practices, let it be general in character and applied alike to all types of industry.

Mr. VANDENBERG. I associate myself with this sound general philosophy. I wish to indicate further that it is the announced purpose of the committee, according to its own statement, to undertake the mobilization of proof that both big and little industry in the United States subscribes in an overwhelming degree to this declaration of principle and to this demand for the restoration of free competition in respect to prices and production.

I want the RECORD to show the preliminary membership of the committee which issues this statement and which now proposes to contact 100,000 American industrialists. It is headed by Mr. Robert W. Irwin, president of the Robert W. Irwin Co., of Grand Rapids, Mich., who is chairman of the code authority, furniture manufacturing industry, and also a member of the durable goods industries committee. ask that the complete membership of the committee may be printed in the RECORD at this point.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

FIRST MEMBERS OF THE NATIONAL COMMITTEE FOR THE ELIMINATION OF PRICE FIXING AND PRODUCTION CONTROL IN INDUSTRY

Robert W. Irwin, chairman, Robert W. Irwin Co., Grand Rapids, Robert W. Irwin, chairman, Robert W. Irwin Co., Grand Rapids, Mich.; E. R. Beetham, American Excelsior Corporation, Chicago; Excelsior Supply Co., Cleveland; Col. F. M. Curlee, Curlee Clothing Co., St. Louis, Mo.; Erwin Funk, Washington representative National Editorial Association, Burlington Hotel; F. E. Blake, Appleton Rubber Co., Franklin, Mass.; F. H. Mueller, Mueller Furniture Co., Grand Rapids, Mich.; John M. Brower, Brower Furniture Co., Grand Rapids, Mich.; Charles Kirchen, West Michigan Furniture Co., Holland, Mich.; G. A. Stockhus, West End Furniture Co., Rockford, Ill.; L. A. Cornelius, president Wolverine Brass Works, Grand Rapids, Mich.; James D. Andrew, American Boller Manufacturers Association and affiliated industries; George L. Markland, presi-

dent Philadelphia Board of Trade, Philadelphia, Pa.; Herbert Gutdent Philadelphia Board of Trade, Philadelphia, Pa.; Herbert Gutterson, president Carpet Institute, Chrysler Building, New York City; John A. Sweetser, president Bigelow-Sanford Carpet Co., Inc., 140 Madison Avenue, New York City, F. H. Coffey, Kent-Coffey, Manufacturers, Lemon, N. C.; O. A. Moeller, Kentucky Flooring Co., Orange, Va.; S. H. Curlee, Jr., Curlee Clothing Co., 1001 Washington Avenue, St. Louis, Mo.; F. M. Brumby, president Brumby Chair Co. Mariette Ga. Co., Marietta, Ga.

Mr. VANDENBERG. In conclusion, I ask that a statement by Mr. Irwin may also be printed in the RECORD. It is a statement dealing with the proposed substitution of a socalled "open-price plan" for the existing N. R. A. price-fixing

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE PURPOSE AND EFFECT OF THE "OPEN-PRICE PLAN" (OR PUBLICITY OF PRICES)

(By Robert W. Irwin, president Robert W. Irwin Co., Grand Rapids, Mich., chairman code authority furniture manufacturing industry)

Many lines of industry have, through the powers granted under N. R. A., adopted this very effective plan as a means of price fixing or price control.

Under this plan, if adopted by an industry and incorporated in its code, every unit in that industry is compelled to publicly file prices on all of its products. Prices are usually filed with the industry's code authority, and are available to all members of that

The person or concern is at liberty to change prices at will, but the time in which new prices may be made effective varies from immediately to a period of several days. The object of the waiting period, before goods may be sold at changed prices, is that all members of that industry may be advised of the change and thereby have an opportunity to better meet the competition brought about as a result of these changes.

Index the plan no manufacturer may sall his product at prices.

Under the plan no manufacturer may sell his product at prices or terms under other than those on file with whatever agency is designated for this purpose. To do so would be a violation of the law, and such an act would carry the penalties provided in the law, and such as N. R. A. statute.

Its proponents claim that its purpose is not price fixing, but rather to stabilize competition and to raise the ethical standards of business. It is supposed to prevent so-called "cutthroat, cannibalistic, ruthless competition." These are new phrases coined by those who no longer want to do business under the principles of free and open competition, but, on the other hand, want and are obtaining Government support to violate every principle of commerce which was safeguarded under the Sherman Antitrust Law. Its proponents very softly and smoothly say that all that is asked is that every buyer have an opportunity to purchase at the

Those who further the open-price policy are attempting to justify Those who further the open-price policy are attempting to justify their position by the argument that the clear marking of prices in the retail trades has helped business ethics tremendously, and that the open-price policy will result in similar benefits by clearly designating the prices at which a manufacturer proposes to sell his goods. This, it is argued, will eliminate many of the unfair trade practices, and therefore justifies the inclusion of this provision in N. R. A. and in codes.

vision in N. R. A. and in codes.

This contention is a pure delusion. There is, of course, no objection to the issuance of catalogs and price lists by business. In fact, in most businesses it is essential that catalogs and price lists be issued. There is no other way of doing business. It is quite another matter, however, to permit the issuance of these catalogs and price lists for interchange with competitors, and then hold the umbrella of law over this practice. In other words, when the Sherman antitrust and other laws are suspended and this practice affirmatively permitted the Sherman Antitrust Law, then obviously the open-price policy will flourish as a means and method of price fixing and price control. It is one thing for individual concerns to issue a price list. It is another thing to have a system under which an organized method of interchange of these price lists takes place with time lags for changes, etc., and with the consent of the Government and the waiver of the antitrust laws.

It sounds idealistic to one not familiar with the principles of

It sounds idealistic to one not familiar with the principles of trade, and the absolute necessity of a continuation of barter which has always been the underlying basis of the exchange in commodities.

Its purpose is not idealistic or in the public interest. Its pur-

pose and effect are to control prices.

It forms and many times is used as an underlying base for a price-fixing agreement. It makes violators of one law of those who do not violate the Sherman Antitrust Law.

As an illustration of how this plan works in fixing prices if there

is a secret and unrecorded agreement between manufacturers in a certain line:

After having reached the agreement in regard to prices, A, generally the largest concern, will issue the first price list. B, C, D, and others will follow suit. Everything is now set and prices have become stabilized. There can no longer be ruthless, cannibalistic, cutthroat, or cave-man competition, at least not so long as the understanding or agreement continues.

The first man who violates this agreement without notifying all of his competitors has violated a Federal law and is subject to pun-

ishment, notwithstanding the fact that by violating one law he is no longer continuing to violate the Sherman Antitrust Law.

The facts are that if the "open-price" plan is honestly adhered to it will greatly intenstify competition. What greater factor is there to intensify competition than to always know your competitor's prices? The fact that this is so well known in trade establishes beyond a question of doubt that the purpose of the "open-price" plan is nothing more or less than to bring about price stabilization, another name for price fixing. Even its adherents will admit that this is its purpose, but, as stated before, it does not accomplish that purpose unless there is an underlying agreement, which formerly was prohibited under the Sherman Antitrust Law.

If price fixing is to be taboard and the principles of tree and open.

If price fixing is to be tabooed and the principles of free and open competition are to be reestablished, with the Sherman Antitrust Law fully operative, it will be necessary that there be incorporated in any new N. R. A. act not only an affirmative prohibition against price fixing, but also a prohibition which will deny to any branch of industry operating under codes of so-called "fair competition" the right to make mandatory upon all members of that industry the public filing of prices. If the adoption and use of the "open-price" plan is to be permitted at all, it should be allowed only as an individual unit's right and not be made mandatory upon all operating within a given industry.

#### GREAT LAKES-ST. LAWRENCE DEEP WATERWAY TREATY

Mr. GIBSON presented resolutions adopted by the Vermont Dairymen's Association, which were referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Whereas the ratification of the treaty between the United States and Canada for the development of the St. Lawrence Seaway will be brought before the United States Senate at this session of

Whereas the development of the electrical power now going to waste on the St. Lawrence River would result in a lower rate and an increased use of electricity on the farms of Vermont; and

Whereas the lowering of rates for electricity would undoubtedly attract many new manufacturers to this State and thereby create increased employment and a corresponding increase in the demand for farm products; and

Whereas the improvement of navigation on the St. Lawrence River, covered by this treaty, will complete developments from the sea to the head of Lake Superior and is the first step in securing an outlet from Lake Champlain to the St. Lawrence River, for deep-draft steamships; and

Whereas the St. Lawrence Seaway will materially lower freight rates on all commodities and help to maintain a balance between agriculture and industry in Vermont: Therefore be it

Resolved, That the Vermont Dairymen's Association respectfully petition United States Senator Ausrin and United States Senator Gibson to vote in favor of ratification of this treaty; and be it

Resolved, That the Vermont Dairymen's Association instruct the secretary of this association to forward a copy of this reso-lution to the President of the United States, Hon. Franklin D. Roosevelt.

M. H. CAMPBELL Chairman Committee on Resolutions.

# FEDERAL GASOLINE TAX

Mr. ROBINSON. I present a communication from the director of the National Automobile Dealers Association, with accompanying resolutions, which I ask may be printed in the RECORD and referred to the Committee on Finance.

There being no objection, the communication, with accompanying resolutions, was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

PINE BLUFF, ARK., February 21, 1935.

Senator Joseph T. Robinson,

Senator Joseph T. Robinson,

Washington, D. C.

Dear Senator Robinson: I have the honor, as a member of the board of directors of the National Automobile Dealers Association, to submit to you, with a request for your support, the attached resolution opposing any further extension or enactment of the existing Federal gasoline tax of 1 cent per gallon.

This resolution has received unanimous adoption by our national executive committee. Being the State director for Arkansas I am sending this to each of our Senators and Representatives in the Congress. Our association president, F. W. A. Vesper, likewise has transmitted it to the President of the United States as well as to the Ways and Means Committee of the House and the Finance Committee of the United States Senate.

This Federal gasoline tax will expire normally June 30 next. It should be allowed to die. It is highly discriminatory and harmful to the automotive industry in that it acts as a deterrent to the sale and use of motor vehicles—the trade that has taken the leadership in pointing the way to national recovery the last year through a stimulation of automobile sales. Should it not be encouraged to further advance in business, instead of being handicapped further?

This tax was not levied for the maintenance of good roads, but is just another special tax imposed upon motor-vehicle operators for general-fund purposes.

for general-fund purposes.

What started to be a temporary, emergency tax, already has cost motorists \$62,839,826.70 during the 6 months it was in effect in 1932, another \$181,125,987.62 in 1933, and \$170,000,000 (estimated) in 1934. The total special additional taxes paid by our unfairly burdened group is more than \$1,000,000,000 per year, which was more than one-eighth of the total tax revenue collected for the Federal Government throughout the entire United States in 1934. (This was in addition to the other taxation to which motorvehicle owners and dealers paid.)

Despite the struggle of the automotive industry and the dealers' trade in 1934 to increase business, increase production, and increase employment, collections from automotive taxes by the Federal Government in 1934 was 2.1 percent greater than in 1933, according to the National Highway Users Conference.

Taxation on gasoline now totals from 20 to 100 percent of its retail price.

retail price.

Therefore, it is with confidence in your principles of fair treatment of all citizens alike that I present this resolution to you, expressing as it does the united feeling of our 30,000 dealers and the 25,000,000 car owners who should not be singled out from our population of 122,000,000 people to bear more than one-eighth additional share of the general expense of the Federal Government. Respectfully yours,

FELIX G. SMART, Director, National Automobile Dealers Association.

Resolution on the Federal gasoline tax

To all United States Senators and Representatives of the Seventy-

fourth Congress:
Whereas the Congress of the United States has levied an emer-

Whereas the Congress of the United States has levied an emergency Federal tax of 1 cent per gallon on sales of gasoline, the revenues from which are utilized for general-fund purposes; and Whereas such Federal gasoline tax constitutes a double assessment on motor-vehicle operators, in view of the fact that the 48 States of the United States had already levied State taxes on sales of gasoline when the said Federal gasoline tax was imposed, and such tax is, in fact, an invasion of the rights of the States; and Whereas the use for general-fund purposes, of the said revenues derived from such Federal gasoline tax, constitutes, in effect, a usurpation and diversion of funds that should rightfully accrue to the States for road construction and maintenance; and

the States for road construction and maintenance; and
Whereas the assessment of this tax by the Federal Government
is highly detrimental to the interests of the States, in that it now
tends to make the total gasoline tax in many States prohibitive
and is causing in some States diminished returns; and
Whereas contrary to the intent and purpose of the gasoline-tax
principle as originally recognized by the States and later subscribed to by the Congress of the United States in the HaydenCartwright Act of 1934, the Federal gasoline tax also encourages
diversion and evasion of gasoline taxes in the States; and
Whereas revenues from the taxation of gasoline sales were intended properly to belong to the States, for the construction and
maintenance of roads and must be restored to them, particularly
in view of the necessity for matching future Federal-aid funds,
as soon to be provided under the Hayden-Cartwright Act of
1934; and

as soon to be provided under the Hayden-Cartwright Act of 1934; and

Whereas for the foregoing reasons, and in view of the fact that the Ways and Means Committee of the House of Representatives, the Finance Committee of the Senate, and the Vinson Subcommittee on Double Taxation have each previously recognized the unfairness of the Federal gasoline tax and have stated that it ought to be eliminated; and

Whereas we believe that the said tax should be allowed to expire at the expiration of the present fiscal year, on June 30, 1935, and the taxation of gasoline hereafter left to the States for their exclusive use as a means of providing funds for highways: Now, therefore, be it

therefore, be it

therefore, be it Resolved, By the executive committee of the National Automobile Dealers' Association, by mail vote of January 24, 1935, pursuant to the constitution and bylaws of said association, whose membership during the year 1934 totaled 30,000 automobile dealers who are constantly in contact with the 25,000,000 motor-vehicle owners of the United States, said executive committee thereby being in a position to interpret the will not only of the association membership but of the owners of motor vehicles, as well, that the above committees and both Houses of Congress be and hereby are memorialized on behalf of the members of this organization to allow the Federal gasoline tax to expire at the close of the present fiscal year, June 30, 1935, in accordance with the declared intent at the time it was passed; that it be not levied again in any way whatsoever, and that the Federal Government permanently withwhatsoever, and that the Federal Government permanently with-draw from the field of gasoline taxation and leave to the States exclusively the power and right to tax gasoline sales in the future; and, be it further

and, be it further

Resolved, That a copy of this resolution be transmitted to the Chairman of the Ways and Means Committee of the House of Representatives to be laid before the members of the committee, and to the Chairman of the Senate Committee on Finance to be laid before the members of that committee, and, likewise, that the directors of this association be requested to present this resolution with a letter of transmittal, to both Senators from their respective States, and to the Members of the House of Representatives who represent the district under the jurisdiction of each of the directors of this association, urging them to use their

utmost endeavors to carry out our desires as expressed in the letter and spirit of this resolution, and thus afford to our members and all those who operate motor vehicles or are consumers of gasoline, commercially or privately, the greatly needed relief which they demand from an excessive burden of discriminatory taxation due largely to the combined high tax on gasoline in State and Nation. Nation.

EXECUTIVE COMMITTEE, NATIONAL
AUTOMOBILE DEALERS' ASSOCIATION,
F. W. A. VESPER, Chairman.
Certified to be a true copy of resolution adopted by above

executive committee.

J. O. MUNN. Secretary.

## BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HARRISON:

A bill (S. 2072) for the relief of Robert H. Muirhead; to the Committee on Military Affairs.

By Mr. BYRD:

A bill (S. 2073) to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes; to the Committee on the Library.

A bill (S. 2074) to create a National Park Trust Fund Board, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. CLARK:

A bill (S. 2075) to provide for the appointment of additional district judges for the eastern and western districts of Missouri; to the Committee on the Judiciary.

By Mr. COPELAND:

A bill (S. 2076) for the relief of Domenico Politano; to the Committee on Claims.

A bill (S. 2077) to authorize the presentation of the Distinguished Service Cross to William A. Sullivan; to the Committee on Military Affairs.

A bill (S. 2078) granting a pension to Fred W. Coleman; to the Committee on Pensions.

By Mr. BAILEY:

A bill (S. 2079) for the relief of Samuel Madison Strange; to the Committee on Claims.

A bill (S. 2080) to prohibit the exportation of tobacco seed; to the Committee on Finance.

By Mr. LEWIS:

A bill (S. 2081) for the maintenance of aged dependents; to the Committee on Finance.

By Mr. TRUMAN:

A bill (S. 2082) for the relief of Thomas J. Gould; to the Committee on Claims.

A bill (S. 2083) to provide for appointment of Sgt. Raymond J. Hanna, detached enlisted men's list, United States Army, now serving with Missouri National Guard, a warrant officer, United States Army; to the Committee on Military Affairs.

A bill (S. 2084) granting a pension to Mattie Jarrett;

A bill (S. 2085) granting a pension to Lizzie Kennedy;

A bill (S. 2086) granting a pension to Sarah J. Parker; and

A bill (S. 2087) granting an increase of pension to William T. Conley; to the Committee on Pensions.

By Mr. ROBINSON (for Mrs. CARAWAY):

A bill (S. 2088) to authorize acquisition of land to provide appropriate means of access to the post-office building at Jonesboro, Ark.; to the Committee on Public Buildings and Grounds.

By Mr. ROBINSON (for Mr. SMITH):

A bill (S. 2089) for the relief of Otis L. Sims; to the Committee on Military Affairs.

A bill (S. 2090) to correct the naval record of Carlyle P. Mixon; to the Committee on Naval Affairs.

A bill (S. 2091) granting a pension to Elizabeth H. Geddings; to the Committee on Pensions.

By Mr. CONNALLY:

A bill (S. 2092) to control flood waters of the Brazos River and its tributaries in the State of Texas, to aid and improve agriculture and industrial development within said river basin, and for other purposes; to the Committee on Commerce.

By Mr. VAN NUYS:

A bill (S. 2093) granting a pension to Ethel H. Randall (with accompanying papers); to the Committee on Pensions.

By Mr. WHEELER:

A bill (S. 2094) to provide funds for cooperation with the school board at Medicine Lake, Mont., in the construction of a public-school building to be available to Indian children of the village of Medicine Lake, Sheridan County, Mont.; to the Committee on Indian Affairs.

By Mr. NORRIS:

A bill (S. 2095) to amend an act entitled "An act to improve the navigability and to provide for the flood control of the Tennessee River; to provide for reforestation and the proper use of marginal lands in the Tennessee Valley; to provide for the agricultural and industrial development of said valley; to provide for the national defense by the creation of a corporation for the operation of Government properties at and near Muscle Shoals in the State of Alabama, and for other purposes", approved May 18, 1933; to the Committee on Agriculture and Forestry.

By Mr. McNARY:

A bill (S. 2096) for the relief of W. G. Wertz; and

A bill (S. 2097) conferring jurisdiction upon the Court of Claims to hear and determine claims of certain bands or tribes of Indians residing in the State of Oregon; to the Committee on Claims.

A bill (S. 2098) granting an increase of pension to Nettie M. Underwood; to the Committee on Pensions.

By Mr. KING:

A bill (S. 2099) for the relief of David Thygerson; to the Committee on Claims.

A bill (S. 2100) to amend an act of Congress entitled "An act to establish a Code of Law for the District of Columbia", approved March 3, 1901, as amended, by adding three new sections to be numbered 802 (a), 802 (b), and 802 (c), respectively; to the Committee on the District of Columbia.

By Mr. FLETCHER:

A bill (S. 2101) granting a pension to Walter L. Rosasco; to the Committee on Pensions.

By Mr. BONE:

A bill (S. 2102) granting a pension to Della Anderson; to the Committee on Pensions.

By Mr. TRAMMELL:

A bill (S. 2103) to authorize the purchase of existing buildings for governmental use, and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. COSTIGAN:

A bill (S. 2104) to provide for a census of unemployment, occupations, and population; to the Committee on Commerce.

By Mr. SHEPPARD:

A bill (S. 2105) to provide for an additional number of cadets at the United States Military Academy; to the Committee on Military Affairs.

By Mr. CAPPER:

A bill (S. 2106) to increase the public revenue of the United States of America by amending the Revenue Act of 1932; to the Committee on Finance.

A bill (S. 2107) to amend an act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes", approved July 1, 1902, and amendments thereto, and for other purposes; to the Committee on the District of Columbia.

By Mr. COOLIDGE:

A joint resolution (S. J. Res. 69) to provide for the erection of a suitable memorial to the Fourth Division, American Expeditionary Forces; to the Committee on Military Affairs.

By Mr. COPELAND:

A joint resolution (S. J. Res. 70) authorizing the erection in Washington, D. C., of a monument in memory of Col. Robert Ingersoll; to the Committee on the Library.

## PAYMENT OF ADJUSTED-SERVICE CERTIFICATES

Mr. GORE. Mr. President, I desire to reintroduce a joint resolution which I introduced a few days ago and have it referred to the Committee on Finance. It authorizes the President to readjust the debts owing to this Government by the governments of Europe, and to use the proceeds for the discharge of the adjusted-service certificates.

The VICE PRESIDENT. The joint resolution will be received and referred as indicated by the Senator from Okla-

homa.

The joint resolution (S. J. Res. 71) to authorize the President to enter into agreements with foreign governments to readjust the obligations of such governments held by the United States and to secure payments on such readjusted obligations sufficient to pay the adjusted-service certificates now outstanding, and for other purposes, was read twice by its title and referred to the Committee on Finance.

#### WORK-RELIEF PROGRAM-AMENDMENT

Mr. REYNOLDS. Mr. President, I send to the desk an amendment to the McCarran amendment in the form of an added provision, which I respectfully ask the clerk to read.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The CHIEF CLERK. The Senator from North Carolina [Mr. REYNOLDS] proposes to amend the so-called "McCarran amendment" to the joint resolution (H. J. Res. 117) making appropriations for relief purposes by inserting at the proper place the following:

Provided, however, That the President is hereby authorized to examine the facts and determine whether the payment of such prevailing wage in any locality is subversive of the maintenance or recovery of private industry or otherwise detrimental thereto; and in the event that the President finds that the payment of such prevailing wage is so subversive or detrimental and shall issue a proclamation so declaring, then within 10 days thereafter he shall be and is authorized to direct the payment of such scale of wages in such locality as he shall determine.

The VICE PRESIDENT. The amendment will be printed and referred to the Committee on Appropriations.

Mr. REYNOLDS. Mr. President, I am thoroughly convinced that every Member of this body always has been, is now, and will hereafter be in favor of raising the living standards of the workers and the toilers of America.

Mr. ROBINSON. Mr. President-

Mr. REYNOLDS. I yield to the Senator from Arkansas. Mr. ROBINSON. I suggest to the Senator that before he proceeds with his address the Senate have an opportunity to conclude morning business.

Mr. REYNOLDS. Very well. I yield the floor, as suggested by the Senator from Arkansas, until morning busi-

ness shall have been concluded.

## HOUSE BILL REFERRED

The bill (H. R. 5221) to amend the Agricultural Adjustment Act with respect to rice, and for other purposes, was read twice by its title and referred to the Committee on Agriculture and Forestry.

# CHANGE OF REFERENCE

On motion of Mr. Nye, the Committee on Claims was discharged from the further consideration of the bill (S. 1468) for the relief of Charles Augustus Lathrop, and it was referred to the Committee on Finance.

REGULATION OF TRAFFIC IN FOOD AND DRUGS-AMENDMENT

Mr. McNARY submitted an amendment intended to be proposed by him to the bill (S. 5) to prevent the manufacture, shipment, and sale of adulterated or misbranded food, drink, drugs, and cosmetics, and to regulate traffic therein; to prevent the false advertisement of food, drink, drugs, and cosmetics; and for other purposes, which was referred to the Committee on Commerce and ordered to be printed.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT—PROCESSING TAX ON RICE

Mr. HAYDEN submitted an amendment intended to be proposed by him to the bill (H. R. 5221) to amend the Agricultural Adjustment Act with respect to rice, and for other purposes, which was referred to the Committee on ! Agriculture and Forestry and ordered to be printed.

# MAGGIE THOMAS DAVIS

Mr. TYDINGS submitted the following resolution (S. Res. 90), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate, fiscal year 1934, to Maggie Thomas Davis, daughter of William Thomas, late a laborer of the Senate under supervision of the Sergeant at Arms, a sum equal to 1 year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances

PROBLEMS OF GOVERNMENT-ADDRESS BY SENATOR BARKLEY

Mr. CLARK. Mr. President, I ask unanimous consent to have printed in the RECORD a speech delivered by the senior Senator from Kentucky [Mr. BARKLEY] at the annual Democratic banquet of Kansas Democrats at Topeka, Kans., February 22, 1935.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Fellow Democrats, I am grateful to my friends in Kansas for the cordial invitation which brings me here on the birthday of the Father of his Country to discuss with you some of the problems which confront our people and their Government. It is not easy to depart from Washington during a busy session of Congress with measures of vast importance pending which may affect the welfare of the people for years or decades to come. My excuse for coming to your State, if I need an excuse, is the belief that now and then someone in the midst of the consideration of these great problems in the Congress and in the Capitol ought to take a little time off to bring to the people such message as he may have in discussing intimately and frankly what affects them all.

In the discussion of problems of government, those who occupy positions of political responsibility are too often prone to look at all questions from the standpoint of partisan politics. While I am a lifelong and earnest advocate of the policies of the Democratic Party, I hope I may not be foolish enough to claim that all virtue resides in our bosoms and all evil in the bosoms of our opponents. As a matter of course I am proud of the history and the accom-Fellow Democrats, I am grateful to my friends in Kansas for the

resides in our bosoms and all evil in the bosoms of our opponents. As a matter of course I am proud of the history and the accomplishments of American democracy. I am proud that Thomas Jefferson was its father and Andrew Jackson its great pioneer and effective advocate. I am proud that Grover Cleveland emphasized its rugged honesty, and that Woodrow Wilson gave to it a vision which lifted us above the sordid considerations of narrow and selfish individualism and crowned it with something of a mass

responsibility.

I am proud that Franklin Roosevelt combines the philosophy of Jefferson, the courage and driving power of Jackson, the rugged honesty of Cleveland, and the broad humanitarian conceptions of Woodrow Wilson.

No man ever assumed the leadership of a nation under circumstances more distressing or discouraging. We had seen our commerce with other nations dwindle from \$10,000,000,000 to little more than two billions. We had seen the smoke of industry fade from the skies and millions of honest God-fearing and hard-working men thrown out of employment and deprived of an opportunity to earn an honest living. We had seen agriculture collapse until the farmers were compelled to produce what feeds and clothes the world for less than the cost of that production. And we had seen the agencies of credit which had been set up for the enefit of agriculture completely cease to perform their expected functions.

We had seen the total collapse of our banking system as ev We had seen the total collapse of our banking system as evidenced in the failure of more banks in the 4 years prior to the inauguration of Mr. Roosevelt than had failed in all the history of the American Nation, and we had seen more banks fail in the United States in that period than had failed in all the rest of the

We had seen State after State declare banking holidays in order to give temporary protection to institutions in which the people had lost their confidence.

And as a result of this we saw the American people losing confidence not only in their economic, industrial, and social structures, but losing confidence in the very political institutions for which they had sacrificed in peace and in war alike. In the midst of this national gloom President Roosevelt took the helm of our ship of state.

I need not undertake in detail to chronicle all of the accomplishments of his administration from March 4, 1933, to this date. And when I say "his administration "I mean not only the executive but the legislative branch of our Government, because no Executive, however wise or powerful, can accomplish much in the field of legislation for recovery without the cordial cooperation of the elected representatives of the people.

The history of our efforts to restore confidence in the banking system is one of the brightest chapters in the history of financial legislation. By a stroke of broadness unequaled the President declared a national banking holiday by closing the banks until they could be reopened under circumstances that would inspire

new confidence among the people. Legislation was enacted pronew confidence among the people. Legislation was enacted providing a new charter for a stronger banking system than has ever existed in the history of the Nation. As part of this new charter Congress undertook to guarantee to practically all of the depositors in all of our banks—State and National—that their deposits would be available when called for.

Under the new legislation and the new guidance of those placed in charge of this vital function of our Government, we have increased our deposits in the past year and a half by more than \$6,000,000,000. The American people now believe in the integrity of their financial institutions.

increased our deposits in the past year and a half by more than \$6,000,000,000. The American people now believe in the integrity of their financial institutions.

I have referred to the collapse of the farm credit system which was set up for the benefit of American agriculture during the administration of Woodrow Wilson. Men in and out of Congress, immediately prior to the inauguration of the new deal, doubted whether the farm credit system could ever be restored. For more than a year it had utterly ceased to function. Doleful and pessimistic men preached its funeral in public forum and private drawing room. But before the Roosevelt administration was 6 months old, the farm credit system had taken on new life because it had a new leadership, and all over this Nation it has not only restored its power to function, but it has restored the confidence of the American farmer. Hundreds of thousands of farms have been rescued from the auctioneer, and the morale of the farmer has been restored and preserved.

We found a vast and unsalable agricultural surplus, which rested like a mountain upon the backs of depressed farmers. This unsalable surplus not only added to the aggregate cost of the farmer's production but it depressed the prices of that part of his production for which he found a sale. It was recognized by everybody that unless we could find a market in foreign countries for this unsalable surplus, we could not continue to produce it without disaster to the farmer. Inasmuch as the foreign market for these surpluses had been destroyed by the short-sighted policy of our predecessors, it was necessary to find a way by which to reduce that surplus at least until the American farmer could find a normal market for the products of his fields.

Carping critics may condemn, as they frequently do, that which they do not understand or willfully misrepresent. But the income

a normal market for the products of his fields.

Carping critics may condemn, as they frequently do, that which they do not understand or willfully misrepresent. But the income of the American farmer has been increased during the past 2 years by more than a billion dollars per annum. The prices of his products have increased in some instances by more than 100 percent, and on the average between 50 and 75 percent. The American farmer has seen a new vision. He is thrilled by new hope, and looks forward to the realization of his laudable ambition with the full confidence that his Government, and his elected officers, are bending every possible effort to aid him in the solution of his problems.

One of the greatest difficulties encountered by the new admin-

One of the greatest difficulties encountered by the new administration in the very beginning was that of the unprecedented unemployment among the able-bodied laboring men and women of the Nation. It was estimated that more than 13,000,000 workof the Nation. It was estimated that hide than 13,000,000 work-ers were without employment and were walking the streets in search of work, which they could not obtain. It was estimated by the Secretary of Commerce in the last administration that the loss of our trade with foreign nations had been responsible for the loss of employment by more than 3,000,000 American workingmen. But whatever the cause may have been, and wherever the responsibility lay, these men and women were out of work and it was a task of the first magnitude to attempt to restore them to honest and remunerative toil.

honest and remunerative toil.

One of the methods by which this was attempted was shortening hours of labor so as to distribute employment among a larger number of employees. Another method was to abolish the curse of American labor—the exploitation of children in the sweatshops of the country for private greed and indefensible gain.

It was realized also that more abuses existed in the industrial and commercial life of the Nation, which could not be abolished except by the cooperation of business and industry themselves, working also with labor and labor's problems.

except by the cooperation of business and industry themselves, working also with labor and labor's problems.

In order to attempt to solve these correlated questions the National Industrial Recovery Act was passed by Congress and signed by the President. No one would claim that this act was offered, or that it was operated as a panacea for the solution of either industrial, economic, or labor problems; but it is a fact to be noted that nobody offered anything better, either then or since.

It could not have been expected that an act so comprehensive, dealing as it did with the business relationships of millions of our people could have been administered without some misunder-

dealing as it did with the business relationships of millions of our people, could have been administered without some misunderstanding, some friction, and even some injustice. But even those who have criticized it, and still criticize it, not only offer nothing better in its place but actually protest against its discontinuance. In a hearing before the Finance Committee on the question of giving the President the power to negotiate trade agreements with foreign nations many business men appeared to object to the granting of such a power, although it had been frequently granted by our opponents for nearly 75 years. In each instance when these critics and objectors were asked whether they favored the discontinuance of the National Industrial Recovery Act, their reply was in the negative.

While we may find some injustices, which may have come about

was in the negative.

While we may find some injustices, which may have come about by the administration of this act, on the whole it has served the interests of American business and of American labor. Whether we give credit to this act or some other act, or a combination of acts, the role of the unemployed has been reduced from 13,000,000 to seven or eight millions of people. On the average, the American wage scale has increased. Shorter hours of labor have been provided for the American laboring men and

thousands of our children have been freed from the sweatshops to

enter the portals of schools and playgrounds.

We are now engaged in the effort by additional legislation to preserve what has been found helpful in the National Industrial Recovery Act, and to discard what has been found unwise or impracticable. And this program commends itself to American business and to American labor, as well as to all classes of our presents.

people.

There has been an endless dispute raging among the American people ever since October 1929 as to whether the collapse in the stock market caused the depression, or whether the shadow of an approaching depression caused the collapse in the stock market. I have neither the time nor the inclination to enter into a discussion of this mooted question. But we do know that prior to that date, Americans of all classes were encouraged to forsake the ordinary pursuits of industry and of labor to try their hand at the wheel of fortune. Prices for securities that had no foundation in the condition of the concerns these securities represented were pyramided by the speculative mania which was openly encouraged by those occupying the highest political positions in the Nation. Nation

During that hectic period when securities for a few days at a time would tend to decline, the then Secretary of the Treasury would fulminate from the Treasury Building to the effect that stocks were not yet high enough and that there was no just rea-

would fulminate from the Treasury Building to the effect that stocks were not yet high enough and that there was no just reason for not expecting or desiring that they should go higher. And when the optimistic prognostications of the head of the Treasury did not operate to turn the tide back toward speculative inflation, the President himself, on more than one occasion, gave oral and written encouragement to the speculating mania.

As a result millions of people lost the savings of a lifetime, and paper values never justified by actual conditions collapsed so fundamentally and carried with that a train of evil events so disastrous as to destroy nearly half the paper value of all securities held by the American people. In an effort to protect the people of the Nation from such a disaster in the future, we have provided for Government supervision of the issue of securities and their sale upon the exchanges of the country, and those who during the process of legislation, condemned these regulations as unwarranted, now hall them as wise and proper measures of protection to the American investor.

As a result of the terrific conditions which have existed for the past 5 years, the question of relief for unemployment has been uppermost in the minds of men in private and in public life. Prior to the arrival of the present depression, charity and public relief for the most part, were dispensed by private organizations, or by local government in the community where it was needed. I need not discuss whether a reversal of this policy could have been avoided by the assumption of greater local responsibility, but the President and Congress were soon confronted with the dilemma of permitting American men, women, and children to starve by the wholesale, or bringing the agencies of the Federal Government to their rescue by the expenditure of public funds. There was only one answer to this dilemma. If cities and counties and States had exhausted their means of taxation, or their revenue-raising powers, and were still deficient i the situation. Even if local authorities did not exert their full authority in the raising of local funds, likewise the Nation could not ignore its obligations. Men, women, and children could not be left to the tender mercles of the elements and refused the comforts of food, shelter, and of clothing. We could not in this Nation of theoretical, if not actual plenty, brought about by any possible maldisposition and maladjustment of our economic system, permit men, women, and children to die of hunger or exposure.

tem, permit men, women, and children to die of hunger or exposure.

This obligation, recognized by the Nation as a national problem, has been a great burden upon our financial resources. It is and will be a continued burden until normal conditions have returned and private industry has been able to absorb unemployment and private and local agencies of relief are able to resume this burden. In his message to Congress in January, the President laid before us what seems to be a constructive and far-sighted program of work and relief. We are now debating in Congress whether we shall appropriate nearly \$5,000,000,000 for work and relief or shall abandon work altogether and appropriate \$2,000,000,000 for relief. We are debating whether we shall take men off the rolls of charity and at a wage which will enable them to live in decency, enroll them in a program of constructive work and permanently add to the value and the wealth of the Nation. We are debating whether in order to get men off of the rolls of charity we shall employ them on public or other works, at rates of pay equal to the rates of wage paid by private industry. It seems to me there is but one answer to this question. We cannot afford to place the Government in competition with private industry by offering a wage so attractive that men will desert private industry to become enrolled on Government pay rolls. At the same time, we ought to pay a wage sufficiently high to induce men to leave the rolls of charity to become enrolled among those who are earning what they receive at the hands of the Federal Government.

We have criticized and are being criticized by those who have no program of their own because these great agencies of the Nation program of their own because these great agencies of the Nation program of their own because these great agencies of the Nation program of their own because these great agencies of the Nation program of their own because these great agencies of the Nation program of their own because these great agencies of the Nation p

We have criticized and are being criticized by those who have no program of their own because these great agencies of the National Government have for the time unbalanced our Budget. All of us would be glad if each year and each month our National Budget could be balanced, just as we would be delighted if our personal budgets could be balanced. But there has never been a great crisis in the national history involving large and unusual expenditures when the Federal Budget could be balanced.

It was not balanced during the Civil War. It was not balanced during the depression of 1873. It was not balanced during the depression of 1893. It was certainly not balanced during the great World War. During that great struggle, which lasted, so far as we were concerned, for only 19 months, we expended more than \$30,000,000,000, raised by taxation and by the sale of Liberty bonds. That was an amount greater than the total cost of the National Government from the Declaration of Independence in 1776 to the time of the declaration of war against Germany in 1917. While that expenditure from our standpoint as a nation was justified, it involved the destruction of billions of dollars' worth of property and hundreds of thousands, if not millions, of human lives. human lives

human lives.

We have been compelled during recent years to unbalance our national budget. We have increased the national debt by seven or eight billions of dollars, but my friends, let us bear in mind that not a dollar of this money has been expended to destroy a single home, nor a single piece of property, that has been accumulated by the toll and sweat of an American citizen. Not a dollar of it has been expended to sniff out a single human life home of women in this are any other Netion. While I voted as a dollar of it has been expended to sniff out a single human life born of woman in this or any other Nation. While I voted as a Member of Congress to enter the World War, and voted for every measure put forward to win it hastily and completely, I would rather spend \$1,000,000 to save American lives and American property, than to vote for a single dollar to destroy them here, or elsewhere, in the world. We do not have to apologize for our efforts to preserve the lives and the property of the American people, or to restore and maintain their high morale as free and independent citizens of the world's greatest Nation

efforts to preserve the lives and the property of the American people, or to restore and maintain their high morale as free and independent citizens of the world's greatest Nation.

These are but a few of the deeds we have accomplished and are seeking to accomplish. We could not expect to carry forth a great humanitarian program without opposition and condemnation among the short-sighted, or the reactionaries. George Washington had to fight a similar element to gain American independence. Thomas Jefferson had to fight a similar element to obtain the rights of democracy for the American people, and Andrew Jackson met the same type of opposition in his fight against entrenched privilege. Abraham Lincoln, was confronted at every step by critic and denouncer, by the forsaker and by the intellectual superior who arrogated to himself all wisdom and all knowledge, and condemned Lincoln because he came forward and represented the great body of the common people. But in spite of opposition and bitter condemnation, George Washington established the Nation. Thomas Jefferson established a democracy, Andrew Jackson proclaimed it to the common man, and Abraham Lincoln preserved the Union and became the Nation's greatest martyr. Likewise, Woodrow Wilson fought the forces of reaction in bringing a new freedom into the lives of the American people, inspired by the same fundamental conceptions of public responsibility. Guided by the same providential hand, I predict that Franklin D. Roosevelt, acclaimed today as the hope of the Nation without regard to party, color, or religion, will take his place among those who have given and have preserved the rights, the privileges, and the hopes of millions of people here and throughout the world.

We have not sought and are not seeking to destroy individual

privileges, and the hopes of millions of people here and throughout the world.

We have not sought and are not seeking to destroy individual liberty. Every man who enjoys civilized society must surrender something that might be deemed an original liberty in order that organized society may live. But in so doing, he acquires a greater and a more lasting freedom, the freedom to live under law and under the protection of the Government; the freedom to work and support his family; the freedom to educate his children; the freedom to enjoy all of the necessities and some of comforts and luxuries of life; the freedom to travel now and then to see something of the beauties of God's great world; the freedom to vote and to have a voice in his Government; the freedom to be unhampered by the strong or the powerful through the agencies of protection given to him by a just and an honest Government.

I challenge those who complain that we have robbed the people of their liberties to point to a single instance where they have lost any liberty which they should have retained. I challenge those who criticize everything we have done to tell us what they would have done if the people had placed responsibility in their hands instead of ours. I challenge them to give us a bill of particulars, containing what they ever proposed, or what they now propose, as a substitute for what we are attempting to do to rescue the American people.

American people.

American people.

Do they condemn us for restoring American agriculture, for preserving the farmer's home and his confidence in his country? Do they condemn us for strengthening and revitalizing our financial institutions? Do they condemn us for providing a way by which the small-home owner in towns and cities could preserve his hearthstone and his little family? Do they condemn us for seeking to find an outlet for our surplus products through the markets of the world? Do they condemn us for feeding the hungry? Do they condemn us for abolishing child labor? Do they condemn us for seeking to spread labor among a larger number of people by shortening the hours of labor?

Do they condemn us for seeking a form of insurance against the hazards of unemployment among the Nation's workers in the

Do they condemn us for seeking a form of insurance against the hazards of unemployment among the Nation's workers in the future? Do they condemn us for seeking to diminish the hazards of old age by attempting to provide a reasonable and workable old-age pension for those who have served their day and generation without adequate financial remuneration? Do they condemn us for seeking to conduct the Government on such a basis as to guarantee a larger measure of justice and of opportunity to the underprivileged classes of our people, many of whom have been made underprivileged because others have been overprivileged

under laws and under policies heretofore in operation. Do those who condemn the "new deal" hope to reinaugurate the "old deal", which was essentially a raw deal? If so, let them say so openly and not slip up on the American people from the rear and seek to administer a blow while they are not looking.

and seek to administer a blow while they are not looking.

As I stated at the outset, we do not claim a monopoly of virtues or wisdom. Neither do we attribute to our opponents a monopoly of folly or of evil, but the American people are overwhelmingly convinced that Franklin D. Roosevelt and those who are working with him, whether they be Democrats, Progressives, or Republicans, have been and are putting forward a superhuman effort to lift the American people and the American Nation out of the bogs of despondency and of hopelessness, and place them upon a firm foundation of equity, of equality, of justice, and of public service, which will enable them to enjoy the fruits of their labors and to enjoy a fair share of our natural resources and opportunities.

In behalf of such a consummation, we summon not only the

In behalf of such a consummation, we summon not only the hosts of democracy, whom you and I in part represent, but we invite the sympathetic and constructive cooperation of all Americans without regard to political, religious, or economic convictions, whose chief desire in life is to serve the cause of popular government and of popular rights.

## NARCOTIC DRUG EVIL

Mr. PITTMAN. Mr. President, I ask unanimous consent to have printed in the RECORD the radio broadcast of Mr. Hayne Davis, vice president of the Narcotic Association for Official Cooperation; Hon. Charles Curtis, of Kansas; and Hon. Key Pittman, of Nevada, January 23, 1935, relative to the narcotic-drug evil and the necessity of the States of our Union acting with respect to the matter while their legislatures are in session at the present time.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

The announcer of the National Broadcasting Co. said:

The announcer of the National Broadcasting Co. said:

"This is the first of a series of broadcasts under the auspices of the World Narcotic Defense Association, of which Admiral Richmond P. Hobson is president. This association has its headquarters in New York City and devotes itself to protection of the people in every possible way against the narcotic-drug evil. The arrests made last December for violation of existing narcotic laws throughout the entire country, totaling nearly 1,000 in 1 week, gave some evidence of the extent of this evil, and at the same time disclosed grave defects in the narcotic laws of the States.

"For the curing of these defects, and for enabling the United States to fulfill all its treaty obligations on narcotics and to achieve a maximum of service to mankind through cooperation with the

States to fulfill all its treaty obligations on narcotics and to achieve a maximum of service to mankind through cooperation with the nations in combating this evil in its international aspects, the Narcotic Association is now carrying on a comprehensive campaign to secure adoption by all the States of the Union of a uniform law on narcotics. The National and Columbia Broadcasting Cos. have tendered their assistance by donating five periods for broadcasts in aid of this campaign. Eminent authorities have consented to assist by making use of the time thus made available. "The speakers at these broadcasts are Hon. Charles Curtis, former Vice President of the United States; Hon. Key Pittman, Chairman of the Senate Foreign Relations Committee; Hon. Royal S. Copeland, United States Senator from New York; Hon. James J. Davis, United States Senator from Pennsylvania; Hon. Morris

Davis, United States Senator from Pennsylvania; Hon. Morris Sheppard, United States Senator from Texas; Hon. James E. Wat-Sheppard, United States Senator from Texas; Hon. James E. Watson, former United States Senator from Indiana; Hon. Scott M. Loftin, of Florida, president of American Bar Association; Hon. Clarence E. Martin, of West Virginia, former president of American Bar Association; Mr. H. J. Anslinger, United States Commissioner of Narcotics; Mrs. Grace Morrison Poole, president of General Federation of Women's Clubs; Mrs. Ida B. Wise Smith, president of Woman's Christian Temperance Union.

"Mr. Hayne Davis, vice president of the World Narcotic Defense Association,"

Mr. Hayne Davis, vice president of the Narcotic Association."

Mr. Hayne Davis, vice president of the Narcotic Association,

said:
"The former Vice President of the United States, Hon. Charles Curtis, of Kansas, was presiding over the Senate when the nar-cotic treaty of 1931 was ratified in March 1932. He is so well known to the American people it would not do to say, as the custom is, 'I now introduce him', but I do take pleasure in saying that the former Vice President will now address you. Mr. Curtis."

## ADDRESS OF HON, CHARLES CURTIS

Fellow citizens, on March 4, 1932, the following message was sent to the Senate of the United States by the then President.

sent to the Senate of the United States by the then President.

"I transmit herewith a convention for limiting the manufacture and regulating the distribution of narcotic drugs, dated July 13, 1931, and signed by the Representatives of the United States of America and 43 other countries represented at the conference for the limitation of the manufacture of narcotic drugs. In view of the benefit which would accrue to the United States from the ratification of the convention as set forth in the accompanying report of the Secretary of State, and the report of the delegates of the United States to the conference, to both of which the attention of the Senate is invited, and because of the deep interest taken in the United States in the humanitarian aspect of

the provisions of the document, I strongly commend the convention to the favorable consideration of the Senate and request their advice and consent to ratification of the convention.

"(Signed) HERBERT HOOVER."

The report of the then Secretary of State, Mr. Stimson, referred to in this message from the President, said among other things:
"The principal problem of narcotic-law enforcement in the "The principal problem of narcotic-iaw enforcement in the United States is that of preventing the unlawful introduction of narcotic drugs. It is foreign overproduction which supplies the illicit international traffic. The domestic manufacture of the drugs in the United States is limited so closely to the medical needs of the country that diversion of the home-manufactured product is comparatively negligible and the illicit traffic finds its source of supply in drugs which are smuggled in from abroad. Recent enforcement activities of the newly created Federal Narcotic Bureau, in conjunction with other governmental agencies, have produced gratifying results in curbing the unlawful introduction of narcotics into the country, but it needs no argument to establish the advantage to the United States which would follow from the control of the traffic at the source through the elimination of overproduction. This the convention under discussion is designed to accomplish. If it is made effective and enforced by the high contracting parties, it may confidently be expected to reduce to the amounts needed for medical and scientific purposes the quantities of these dangerous substances manufactured.

"It is in view of these advantages that the delegation strangle."

amounts needed for medical and scientific purposes the quantities of these dangerous substances manufactured.

"It is in view of these advantages that the delegation strongly recommends that the treaty be ratified. Ratification by this Government will no doubt have a strongly persuasive effect in bringing about ratification on the part of countries which, for some reason, may doubt whether the treaty will eventually become effective. Ratification by the United States will add the weight of this country's cooperation toward insuring the effectiveness of the convention. The extent to which the convention is adopted as an obligation by the powers of the world will be the measure of the benefit which may be confidently expected to accrue to the United States through the resultant restriction of the flow of contraband drugs which is an inevitable result of overproduction. overproduction.

"(Signed) HENRY L. STIMSON."

On the 30th day of March 1932, the Senate Committee on On the 30th day of March 1932, the Senate Committee on Foreign Relations made a report to the Senate recommending the ratification of this treaty, and it was ratified on the following day. Senator Borah, of Idaho, was chairman of the committee which recommended ratification. The vote on the resolution was unanimous. So that in March 1932 there was no difference of opinion among the constituted authorities of the Nation on this important question. And there is no difference of opinion among us now on this question. We are all agreed that this treaty is for the best interests of all our people in every State of the Union. Union.

I shall repeat, in order to properly emphasize it, one part of the report made to the President in March 1932 by the then Secretary of State, Mr. Stimson: "Ratification by this Government will no doubt have a strongly

persuasive effect in bringing about ratification on the part of countries which, for some reason, may doubt whether the treaty will eventually become effective."

"The extent to which the convention is adopted as an obliga-tion by the powers of the world will be the measure of the benefit which may be confidently expected to accrue to the United States through the resultant restriction of the flow of contraband drugs, which is an inevitable result of overproduction."

The early action on this treaty by the United States—only 2

weeks after its ratification by Nicaragua, the first of all countries to ratify—did in fact have influence in securing favorable action by the requisite number of nations on or before the day fixed, and the number has now risen to 52. Only a dozen nations have

and the number has now risen to 52. Only a dozen nations have not taken action so far.

The benefits expected to accrue to the United States were stated by the United States delegates to the narcotic conference and by Secretary of State Stimson, to be in proportion to the extent to which the treaty would be adopted as an obligation by the nations. The benefits are therefore great, according to this forecast. They have been found very great in actual experience. For nearly all the nations have now ratified and are effectively carrying out the terms of this treaty. As an instance, consider what was stated by Secretary Hull in a broadcast, similar to this one, in July of last year:

was stated by Secretary Hull in a broadcast, similar to this one, in July of last year:

"Furthermore, it is a pleasure to express the appreciation of the American Government for the energetic and effective steps which the Turkish Government has taken to suppress the illicit traffic in morphine from Turkey, which only a few years ago had assumed such alarming proportions. The United States was the principal victim of this traffic, and the action taken by the Turkish Government temperature of the greatest assistance. ernment to put an end to it has been of the greatest assistance to the American Government in its efforts to combat the evil of

narcotic-drug addiction.

"Turning from the steps which Turkey has taken to make the opium and drug conventions effective in her territories, I venture to call your attention to the fact that certain further steps remain to be taken here in the United States to carry out the requirements

of these conventions.

"In meeting the obligations of the United States under the opium and drug conventions the Federal Government is obliged to look to the various States of the Union for help, as under our

Constitution certain of the legislation needed to implement these treaties can be enacted only by the State legislatures. The proposed uniform State narcotic-drug act was drafted by the conference of commissioners on uniform State laws and has received the approval of the American Bar Association and has been recomthe approval of the American Bar Association and has been recommended for passage by the house of delegates of the American Medical Association. Various provisions have been embodied in this proposed uniform State statute on narcotics, with a view of carrying out obligations of the United States, under the Hague opium convention of 1912 and the narcotics limitation convention of 1931. This act is expected to come before a number of State legislatures for consideration at their coming sessions, and it is hoped that the importance of these provisions will not be overlooked.

"(Signed) CORDELL HULL.

" JULY 9, 1934."

Secretary Stimson was right in 1932 in his forecast of the bene fits to accrue to this country through general acceptance of the treaty of 1931. These benefits are great. Secretary Hull is right

row.

To get the full benefit for the American people from ratification of this treaty by our country, and by nearly all other countries, the States must adopt the proposed uniform narcotic-drug act, or its equivalent. Nine States have already done so. Through adoption of this act by all the 35 State legislatures now in session another great advance will be made in the crusade against the narcotic-drug evil. Needed protection for the people of each State will be supplied here at home. The hands of the National Government will be properly upheld by the States in its fulfillment of its proper part in combating this evil in its international aspect.

As presiding officer of the Senate at the time this narcotic treaty was ratified, I am glad to take part in the campaign to secure adoption of the uniform narcotic-drug act by the several States. This is clearly for the good of the people of each and every State and for the good of the United States in its cooperation with other nations in the international concert for the general welfare of all people, and I hope the several States will enact the necessary legislation.

people, and legislation.

(Signed) CHARLES CURTIS.

Mr. Hayne Davis, vice president of the Narcotic Association,

said:
"The Chairman of the Foreign Relations Committee of the Sen-"The Chairman of the Foreign Relations Committee of the Senate, Hon. Key Pittman, like the former Vice President, is too well known to be introduced to an American audience, but it is appropriate for me to say that he was in the Senate in March 1932 and voted for ratification of the treaty of 1931. He can speak, therefore, for his sixty-odd colleagues who voted with him for that treaty and who still represent their respective States in the United States Senate; and besides that, Nevada is Senator Pittman's State and Nevada was the first of all our States to adopt the uniform narcotic-drug act, March 1933.

"It is altogether fitting, therefore, that Senator Pittman should unite today with the former Vice President of the United States in sounding a clarion call to the 35 States whose legislatures are now in session to rally around 9 States which have already adopted this act, and so to achieve interstate accord on narcotics as international accord has been achieved through ratification of the narcotic treaty of 1931 by more than 50 political subdivisions of the world. Mr. Pittman."

# ADDRESS OF HON. KEY PITTMAN

My friends, I have had the pleasure of listening to a part of the address of my friend, the ex-Vice President of the United States. He has covered very largely this subject. What I may say must be largely extemporaneous. I know, however, that you will agree with me that there is no subject, there is no problem, more vital than this. In these times, when there is poverty and distress, when there is crime, when murder is a business, we must think. The narcotic problem has been with us for years. Patriotic men have given their lives to it. The ex-Vice President and myself have been students of the subject for years, but not as long as others have. We are trying to meet it; we are going to meet it. I think that it will be admitted that most of the crime in this country comes from those who are abnormal, those who have de-

I think that it will be admitted that most of the crime in this country comes from those who are abnormal, those who have degenerated by reason of narcotics. We speak of Dillinger and crimes of that type—they are not natural to our country; they didn't exist once. We do not have to go into the effects of narcotics—that has been talked for years gone by.

What do we want? We want action. We are entitled to action. There are 35 legislatures in session or about to be convened in session. Their action is necessary; it is the duty of the Governors to call to the attention of these legislatures the act that has been already passed by a number of States.

Now may I briefly give you the history so far as we have gone?

Now, may I briefly give you the history so far as we have gone? Now, may I briefly give you the history so far as we have gone? It has been given largely by Mr. Curtis, the ex-Vice President, with whom I had the honor to serve in the Senate. On July 9, 1934, at the celebration of the first anniversary of the going into operation of the Narcotic Limitations Treaty of 1931, the Turkish Ambassador and the Secretary of State of the United States made statements in striking contrast, substantially as follows. After reading the remarkable message sent by President Kemal, of Turkey, for broadcasting at that celebration the Ambassador, Mehmet Munir Bey, said that legal measures are now in operation in Turkey in perfect accord with the treaty obligations assumed by that nation.

Secretary Hull of the United States, on the other hand, said in substance that such legal measures are not in operation in our country and cannot be until the several States enact legislation needed to accomplish this purpose, and that under our Constitution only the States are empowered to enact such legislation. May I say to you that Turkey, which supplied most of the opium of the world, whose people made a living out of it, under the leadership of their great President Mustafa Kemal, stopped producing the opium poppy and hemp! The difference between the legal situation in Turkey and the United States is all the more striking when it is remembered that the United States took the initiative in 1909 for securing international accord on narcotics by proposing the first International Narcotic Conference ever held. This fact was graciously referred to by the Turkish Ambassador at the very outset, and it was just in July of last year that President Kemal, at the celebration on that day, referred to the American initiative. My friends, we have had international action on this matter. We have Turkey, which was the chief supplier of narcotics that intoxicated and dissipated the mentality of the world, to really take the first step and stop the production of narcotics.

We have a treaty among nations to limit its production to medical needs, to limit its export, to limit its import, to limit its sale. We are now calling on the States of our Union to pass the laws which seem essential to entire protection in this matter. It has been a wonderful victory, a remarkable victory, a victory in the sense that people who made their living off of this unfortunate misuse of narcotics were practically the first to stop its production. We who understand its ravages, we who understand that it is unfortunately too often the foundation for crime, crime among the young, we who understand these things are participating in this campaign to secure needed narcotic legislation. Our National Government has participating today, we are calling

on you as legislators, to act.

I am proud, I am proud to say that my State—Nevada—was the first to enact the general statute agreed upon by the Commissioners on Uniform State Laws for protection against the misuse of narcotics.

These are the States which have already adopted this act: Nevada, March 1933; Florida, May 1933; New York, May 1933; New Jersey, June 1933; Virginia, March 1934; Rhode Island, April 1934; South Carolina, April 1934; Kentucky, June 1934; Louisiana, Decem-

Where are the other 35 States? They will act in the next 60 days, and we have every confidence how they will act.

In concluding the broadcast Mr. Davis said:

"Every citizen of the United States who is listening to this broadcast is represented in the legislature of his State by two persons—a member of the senate and a member of the lower house.

"You can call upon your representatives in the State legislature to enact the proposed uniform narcotic-drug act. This act, or its equivalent, should be enacted at the present session of the legislatures of 35 States. You can assist in bringing to pass this 'consummation devoutly to be wished.' Grasp this opportunity.

"You can also write to Narcotic Association, 578 Madison Avenue, New York City, or in care of station to which you are listening. Enclose a stamped envelop (any size), addressed to yourself, and you will receive interesting and useful literature on narcotics, which will enable you to participate continuously in a small or large way, according to your circumstances, in this world-wide crusade against one of the worst enemies of mankind."

## THE NEW DEAL-ARTICLE BY DONALD R. RICHBERG

Mr. ROBINSON. Mr. President, I ask that a brief article, entitled "The Challenge of Tomorrow," published in the magazine Real Life, from the pen of Mr. Donald R. Richberg, may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

The challenge of tomorrow is essentially the challenge to face facts—not as they were, or as they might have been, but as they

of course, this is easily said; and many people honestly and sincerely believe they are facing facts as they are when they are only facing facts as they once were. Without laying claim to any special knowledge or insight, I have sought in the past, and I am seeking now, to see things free from illusions and prejudice, and to keep in mind that what is true today may not be true tomorrow. What are the objectives of the new deal? There is no secret or mystery about this. Broadly speaking, the new deal is trying to end the chaos in American industrial and agricultural life. That is not a hard definition to understand.

For example, the new deal is seeking to restore a sound banking system; it is seeking to coordinate and balance industry and agriculture to the end that they may stand on their own feet; and, above and beyond all, it is seeking to restore economic security to those millions of Americans who are today without it.

Is that an ambitious program? Perhaps. But as the President of the United States has said, "We are on our way." There can be no turning back

What is the alternative? Shall we return to the economic jungle of the past? Are we going to junk all those instrumentalities that have been built up through the past to correct disorder and injustice in the economic world? Or shall we continue

to improve them?

There are those who complain about Government interference in business. One would assume that these people must believe in a philosophy of everybody for himself and the devil take the hindmost

As a matter of fact, they do not. They believe in some Government interference in business. If they are small business men and farmers, they believe that the Government ought to regulate the railroads. This was begun in 1887. Business men, big or small, would not like to see that regulation taken away. Many of these same business men and farmers believe in Government spon-

why? Because they want lower freight rates, and so they are willing to put the Government in that business.

Others wish to see the Government in the shipping business, building a merchant marine; others want more Government canals and highways; others advocate more and more regulation of banking. Almost everyone is willing to have the Government interfere to destroy an evil from which he is suffering, or to give him a lift.

It was, indeed, an excessive faith in so-called "rugged individualism" (in this modern age when a life of rugged individualism had become impossible for the great mass of people) which produced the chaos in which we floundered until the leadership of President Roosevelt brought about a new deal.

of President Roosevelt brought about a new deal.

The old theory essentially was that those who were willing to work would always eat. It assumed that those who starved, or who lived on little or nothing, suffered because they were lazy or incompetent. Some people even believe that today. They take no account of those who want to work, who want to support themselves and their families, but can find no means of doing so.

And so the Federal Government has mobilized our national provides to end this condition. These wars not more words. This

And so the Federal Government has mobilized our national energies to end this condition. These are not mere words. This has been done. The improved prices of agricultural products, the rising business turnover, and the millions of workers who have been reemployed are facts. And the future holds the promise that the progress already achieved will continue.

Great progress has been made toward eliminating child labor; slum elimination has at least been started; agriculture has been generally organized for self-help; the banking system has been restored to public health and confidence; we have ceased foolish efforts to support foreign debtors by loaning them more money; the financial pressure on millions of citizens and private concerns has been relieved; and business men, farmers, and workers are being organized for self-help and to insure fair competition.

In these first 2 years of reconstruction, the foundations have

being organized for self-help and to insure fair competition. In these first 2 years of reconstruction, the foundations have been laid for a political-economic system wherein private enterprise can compete for individual profit and at the same time cooperate to maintain a proper balance between the interests of agriculture, trade, industry, management, labor, and consumer. If the private managers of our financial and industrial institutions are ready and willing to build a new industrial structure on these foundations, now is their opportunity.

Let us look at these opportunities.

We have, for example, a vast need in this country for better housing. Millions of new homes can be built with the ample material and labor available. There is plenty of credit which could be employed to finance this construction. And there is plenty of man power.

plenty of man power.

Further, there are millions of workers who are now able, or would be able, to lease or buy these homes. Production—whether

it is of automobiles, radios, moving pictures, whatnot—enriches the lives and fortunes of all the people.

I believe profoundly that the rebuilding of the homes of America will make for a far greater advance of our civilization than any other one development.

any other one development.

But is this all of the picture?

Decidedly not. There are other ways of employing man power and reviving the economic resources of all the people. Millions of workers and billions of dollars could be profitably employed in the next 10 years replacing obsolete machinery and improving the mechanisms of production and transportation. By these methods, more necessities and greater comforts could be distributed to more people than ever before.

That is the way our civilization advances.

There are those today who say that private initiative is too weak, and private capital too timid, to carry us forward. We are solemnly told that management and labor will not cooperate, that both lack the necessary vision.

that both lack the necessary vision.

I do not believe that the courage and energies of American business men and financiers have been exhausted in the last few years. For example, in the growth and development of the N. R. A. we witnessed day after day, week after week, month after month, the vigor with which all the elements of our industrial life responded to an opportunity for self-service combined with public service.

The choice before us is here and now:

We must bring about the employment of four or five million workers in the near future, either through a private expansion of private enterprise, or through further governmental activities. To every home and fireside in America this problem is a real one.

The President is attacking the unemployment problem all along the line, and the Nation is determined to help him win this

fight.

It is cruel and short-sighted to argue that the Government ought to cut down its relief expenditures to the smallest dole that will possibly keep alive the idle workers and their families. That cannot be the program of those of us who want to fulfill our obligations to our fellowmen.

our obligations to our fellowmen.

Said a stiff-necked friend to me the other day: "I never thought it was the business of government to provide a man with a job."

This attitude rises out of the economics of a bygone age. I reminded my friend that when we deprive a fellow citizen of an opportunity to work, from whatever cause, we are in all essential respects depriving him of his liberty.

The Constitution of the United States is an instrument primarily designed to protect and advance human liberty in these United States. That is its fundamental purpose.

The guaranties of liberty in the Constitution must be trans-

United States. That is its fundamental purpose.

The guaranties of liberty in the Constitution must be translated by any government under that Constitution into guaranties of an opportunity to earn a living by honest, respectable labor, if they are to be effective guaranties of human freedom.

There is nothing startling about this.

The freedom of those of us who live in the cities today, as well as most of those who live on the farms, depends on our ability to exchange the things which we make for the many products of our fellow men. This freedom, which we all crave, must then be guaranteed today—not by letting people alone, but by making sure that they are so organized for cooperative action that the continuous interchange of necessary products and services will not break down and leave hosts of people theoretically free but practically deprived of freedom to earn a living.

This is the challenge of tomorrow and the essential meaning of

This is the challenge of tomorrow and the essential meaning of the new deal, as I understand it. We are all bound together in one common fabric, and the unemployment from which we are suffering today is primarily a social problem. It cannot be relieved by individual effort. It calls for collective planning and concerted action.

I am not a state socialist. I believe that state control of industry means the death of individual liberty. I am one of those who believe that the willing workers of our industrial and commercial world should be able to rely on private enterprise for their continuous support. Most of us recognize the dangers that lie in even a temporary assumption of part of this responsibility by the Government.

But when private enterprise fails to maintain this fundamental guarantee of liberty for millions of our fellow citizens, the Govern-

ment cannot shirk its ultimate responsibility.

Let us realize that in less than 2 years, under the masterly leadership of President Roosevelt, the Government has fulfilled its first and second obligations:

It has provided relief. And it has mobilized private business and strengthened the foundations of private enterprise. But either private enterprise must now reemploy the idle or the Government must meet its final obligation to see to it that all its able-bodied citizens have the opportunity to earn a living.

citizens have the opportunity to earn a living.

Critics of the N. R. A. have made much out of the difficulty of establishing satisfactory standards of fair competition.

I confess that, despite 7 years of university training and a lifelong study of economic questions, I cannot speak with the assurance of those who advise us just how human affairs could be wisely managed if human beings would stop acting like human beings. Having practiced law for over 30 years in behalf of business men, labor organizations, and public bodies, and having had 17 months' experience in the N. R. A., I hope, however, I can qualify as a graduate of the school of hard knocks.

In this capacity I would assert that no process of lawmaking or codification should be expected to establish immediately a fair competitive system.

competitive system.

But it can do this—and that is what I regard as profoundly important—it can provide the basis for a gradual improvement in the conditions under which business men compete with each other and employers and employees struggle to reap separate benefits from common gains.

It is this educational process that has made the N. R. A. a mile-stone in human progress.

Of course, there have been tremendous difficulties.

The greatest of these, perhaps, was the attempt to accomplish too much in too short a time.

Since June 1933 many theories of business regulation were tried out. Many of these were heartly opposed by academic advisers who had both brains and common sense.

Some of these experiments in certain lines of business proved successful. Some were not. But they were all educational.

The choice must ultimately be presented to industry. It will be forced to choose between a competitive system and a system of controls which may in the long run destroy that competitive

Managers and labor leaders who believe devoutly in freedom of Managers and labor leaders who believe devoutly in freedom of contract, collective bargaining, and fair competition should hesitate long before devising legislative controls of their affairs. They may find too late that they have put their own necks into a noose that will strangle them.

In the same way, rigid rules of business practice may appear to be wise to those upon whom they rest lightly, but they may impose unjustified hardship on others. The question of the justice or injustice of the alleged hardship is the issue at stake.

Most business men may approve in principle of fixing minimum wages and maximum hours. But what should be minimum wages and maximum hours is not an academic question; it is a practical one.

one.

The rules adopted should be flexible enough to fit actual conditions. They should not be regarded as the last word on the subject. They should be left subject to improvement by collective bargaining. They should protect the interests of employers and employees and the general public.

Of one thing we may feel certain: So long as the Government confines its efforts in the regulation of business to the preservation of fair competition, the rewards of industry will flow with reasonable steadiness to those who perform social services of corresponding value. But it is equally clear that we cannot establish theoretical standards of what are fair wages or prices or property values. All history teaches us, and every political economist knows, that there are no reliable measuring rods available for such a judgment. judgment

judgment.
You might, for example, make a good guess as to what is relatively a fair wage for one worker or a fair price for one article. But if you undertook, as a Government official, to fix fair wages for all workers and fair prices for all goods and services you would find it necessary to plan and control the economic destiny and development of the Nation in accordance with some arbitrary theory of the purpose and direction of all human progress.

We cannot undertake to end all inequalities of fortune and to establish unvarying economic and social justice. We can only establish rules of fair play that can be changed from time to time as new occasions teach new duties.

as new occasions teach new duties.

Our industrial civilization is only 50 years old. In that space of time, organized groups have devoted themselves persistently to obtaining special advantages through the use of political

They have used property laws, patent laws, tariff acts, regulatory laws, and even the control of natural resources as aids in a competitive struggle dominated far too often by unscrupulous, greedy, and cruel men, who set the rules of a game which high-minded and generous men have been forced to play, or lose their all.

These conditions were the background of the National Industrial Resources and the second set of the person and the person

These conditions were the background of the National Industrial Recovery Act.

Long before 1929 it became obvious that the old system must be transformed—that, in fact, the rules of industrial competition must be rewritten and made a part of the law of the land so that honest, humane, and fair business practices could be established as the basis of a new economic era.

But for 3 years after 1929 we waited in vain for an enlightened, aggressive leadership. During those 3 years I attended many a conference of ownership and management and labor. Out of each conference came the same conclusion: The President himself must take command of a national movement or it could not be successful. successful.

successful.

Finally, in the spring of 1933 there came into office a President who was willing to assume the responsibility, and whose inaugural address of courage and confidence electrified the Nation.

For the privilege of serving under such leadership I am profoundly grateful. Of course, any constructive program invites criticism, and personal attacks on public officials are the easiest and most useless form of criticism.

For example, I don't see any good served by a newspaper cartoon which shows me carrying a red flag and describes me as a Socialist, when I have a consistent record of having all my life bitterly opposed the theories and programs of state socialism. But I have learned that only a small part of the misrepresentation of public officials is deliberate and malicious. Most of it simply springs from an honest misunderstanding or difference of opinion as to the best method of accomplishing a common purpose.

the best method of accomplishing a common purpose.

It is hard not to be impatient with unfair criticisms and misrepresentations of the policies and purposes of the national administration. But I have tried also to realize that many men, confused and uncertain as to what was actually being done, or what were the objects of the Government, were honestly in fear of the destruction of liberty by public officials who were in fact just as honestly doing all in their power to preserve our constitutional liberties.

tional liberties.

If, however, we are going to seek a better understanding, we must not lose sight of the driving necessity which has forced our Government, first, into sweeping measures of emergency relief, and second, into their continuance, until we are able to work out some measures of permanent reconstruction in our political and economic system so that our free institutions and our individual freedom and security may be safeguarded against a return to economic chaos.

In this day when there are still millions of uncompleted when

economic chaos.

In this day, when there are still millions of unemployed, when it would be all too easy for us to lose our forward momentum and to start another national slide downhill, no program could be more suicidal than to abandon our new mechanisms of cooperation and to let nature take its ruthless course. It is a time for sober analysis of the gains and losses and the strength and weakness of our cooperative efforts. We must continue them, and we must improve them. There is no patent medicine that will cure our economic tils. economic ills.

Now we are in the period of a definite business recovery. The time is ripe for a permanent advance in business conditions and labor relations. Skeptics will hesitate, stubborn partisans of class interest will hold back, and racketeers will sabotage efforts to promote harmony. But if the forward-looking leaders of industry and labor will cooperate with the efforts of their Government to bring about industrial recovery and industrial peace, they will

render a great service to all who follow them and to the general

render a great service to an who lond the welfare.

We have heard much lately about the need for certainty as to public policy and the need for assurances that would inspire confidence. Yet a veteran and impartial newspaperman remarked to me the other day that he had never known a President who had spoken as frankly and fully concerning the policies of his administration as has President Roosevelt.

It can be fairly said that today the chief disturbers of confidence,

of his administration as has President Roosevelt.

It can be fairly said that today the chief disturbers of confidence, those who most impede our progress, are those who, out of the confusion of their own minds, or in order to serve selfish interests, continually raise false issues.

We have an administration of the Federal Government dedicated heart and soul to the preservation of our ancient liberties and to the maintenance of a political economic system of competitive individualism, civilized by a social conscience.

That administration is entitled to the support of the vast majority of American citizens who wish to see maintained in Washington a government faithful to American traditions and ideals, which will preserve for them the advantages and opportunities of living under constitutional safeguards of individual freedom.

The challenge of tomorrow is a challenge to the common sense and political judgment of the masses of the American people, not merely a challenge to their Government.

I believe the people and their Government will meet that challenge.

REMARKS BY MR. JUSTICE M'REYNOLDS IN GOLD-CLAUSE CASES

Mr. McNARY. Mr. President, in the absence of the junior Senator from Delaware [Mr. Townsend], I ask unanimous consent to have printed in the RECORD the very interesting and illuminating remarks of Mr. Justice McReynolds in the recent gold-clause cases as printed in the Wall Street Journal.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal of Saturday, Feb. 23, 1935] JUSTICE MCREYNOLDS' REMARKS ON GOLD CASE DECISION

From the Wall Street Journal, Washington Bureau

Washington.—A more nearly complete version of Justice Mc-Reynolds' powerful remarks made in the Supreme Court prior to the rendering of the minority opinion in the gold-clause cases is

Washington.—A more nearly complete version of Justice Mc-Reynolds' powerful remarks made in the Supreme Court prior to the rendering of the minority opinion in the gold-clause cases is presented herewith. No official stenographic report of the justice's observations was made. They have hitherto been reported only fragmentarily, and it was feared that they were lost to posterity. However, the Wall Street Journal is enabled to present the following which it believes to be substantially the text of what Justice McReynolds said:

"Mr. Justice Van Devanter, Mr. Justice Sutherland, Mr. Justice Butler, and I do not accept the conclusion which has been announced by the Court. To us the record reveals a clear purpose to bring about confiscation of private rights and the repudiation of national obligations. To us these things are powerful, and we cannot believe that the wise men who framed the Constitution intended that they should find shelter within it. But, on the contrary, they wrote there in words that ought not to be mistaken strictly their inhibitions against it.

"We have written down our views, they will be open for your observation. We assume that those of you who have interest enough in the matter to wish to comprehend it will find it possible to read it, therefore I shall not read it in extenso. It may be well, however, in order that you may hear now exactly what results from the conclusions which have been reached, that I should take a few minutes to rehearse to you just what this situation is, not minimizing it, not covering it in a thousand words, but in a plain, simple tale that you may understand without difficulty.

"It is impossible almost to overestimate the result of what has

"It is impossible almost to overestimate the result of what has been done here this day. The Constitution as many of us have understood it, the Constitution that has meant so much to us, has gone. The guaranties which men and women heretofore have supposed protected them against arbitrary action have been swept supposed protected them against aroltrary action have been swept away. The powers of Congress have been enlarged to such an extent no man can foresee their limitations, and we stand as a people today stripped of the very fundamental guaranties which we have heretofore supposed stood between us and arbitrary action. "That statement is made to you with deliberation. It is not overdrawn and in the days to come perhaps as you see this panorama unfold you too will accept the truth.

## THREE CLASSES OF CASES

"Now, let us inquire into this particular situation; there are three classes of cases which the court has decided; one class involves the case of private obligations, the other class embraces the solemn promise of the Government, the third class perhaps a still more solemn promise. In harmony with a policy which had been sanctioned by this Government for many, many years, these private individuals entered into contracts which they expected would protect them against a fluctuating currency, a depressed currency, if you will. Depressed currencies are nothing new. They had been known for 1,000 years, 2,000 years. Nero undertook to exercise the power when he was at Rome. Six centuries ago in France it was claimed as a prerogative of the sovereign. Now men who have entered into contracts which were perfectly legitimate have undertaken to protect themselves against it—the lender against a depreciated currency, the borrower against an appreciated currency. And so on the strength of these obligations hundreds of millions of dollars were loaned, and the great corporations of this country have been constructed, and your railroads, your canals, your buildings, almost all the great enterprises of this country have been built up on that. These bonds were sold to men and women and children throughout the world, and with them went the solemn promise that the takers would receive their money in the coin which they had furnished. Now Congress can sweep it away with a word and in face of the facts declare it is against public policy.

away with a word and in face of the facts declare it is against public policy.

"Your Government bonds: Congress in 1900 enacted a solemn statute declaring that the basic money value should be the gold dollar, with 25.8 grains of gold. Congress later directed that in every Government bond there should be inserted a contract to

every Government bond there should be inserted a contract to pay in gold, and millions, billions of dollars were issued by this Government with that solemn contract in every one of them.

"During the World War men stood on the street corners and proclaimed the advantage of these bonds; they said 'We are offering you the finest investment the world has ever known, the solemn promise of the United States to pay you in gold dollars. Your country is in danger, your freedom is at stake, we need your assistance, and we beseech you to come and buy these things in order that we may prevail against the enemy', and billions of them were issued on that statement.

"Not only is that true, but on the 2d of May 1933, after the Government commandeered all of the gold of the United States, it issued and sold to the people of this United States five hundred million of these same bonds, with this same solemn promise.

#### GOLD CERTIFICATES ISSUED

"In 1900 the Government introduced the policy, which had been followed before, of receiving on deposit from citizens gold dollars and issuing to them certificates; the man took his money to the Treasury of the United States and deposited there in gold coin, and he received from that Treasurer a certificate acknowledging the receipt of it and promising to return it to him upon de-mand. Hundreds of millions of those certificates were outstanding,

mand. Hundreds of millions of those certificates were outstanding, every one of them bearing the solemn assurance that upon demand the holder could get his gold.

"Now, what happened? That is the situation in April 1933; but under threat of heavy penalties they set out that every dollar of gold, all of the gold within the United States, should come into the Treasury, and directed that the Treasurer should issue for that any form of money that the Government chooses to pay. Millions, hundreds of millions came. We had gone off the gold standard, we had refused to recognize our obligations, or say that we could not. Our currency had depreciated, and for every dollar of bullion that we had received we issued a paper currency to the holder. But that was not enough. Notwithstanding dollar of bullion that we had received we issued a paper currency to the holder. But that was not enough. Notwithstanding on the 2d day of May, five hundred million of gold bonds had been sold to the public, on the 12th of May Congress passed a resolution in which it said it is our duty to raise the price of agricultural commodities and to lower the value of securities. It declared that every dollar issued by the United States, whatever form it took, should be equal to every dollar and gave the President the right to depreciate the gold content of the dollar 50 percent. Now, if the President, in that state of affairs, had reduced the dollar 50 percent, the holders of these gold securities, Government bonds, private bonds, gold certificates, would have Government bonds, private bonds, gold certificates, would have been entitled, under the contract which they held, to be paid the value of the thing which they had contracted for in the currency of the country. That would not have served the purpose, apparently, and so it seemed to be necessary for Congress to pass an act in which it undertook, by direct action, to destroy every one of these contracts for the payment of gold, not only the private ones but its own contracts.

ones but its own contracts.

"Later the President did depreciate the dollar to about 60 cents.

Then all the world was told that for these Government obligations, these private obligations, all other obligations, you must take 60 percent of what you contracted to receive.

# NOT AGREEABLE SITUATION

"Now that is the state to which our Government has come, and that is the state of affairs out of which these suits arise. It is not an agreeable situation, it is not a thing which I like to talk about, and God knows I wish I did not have to; but there are some responsibilities which attach to a position upon this bench which men may not ignore, and it seems to be our duty to reveal to the bar, perhaps to the country, in all its nakedness, just what has been accomplished.

"Now a man with one of these private bonds demands payment."

"Now a man with one of these private bonds demands payment. His debtor says, 'I have no gold with which to pay you, and I am prohibited by act of Congress from carrying out the contract which I made with you; here is a paper dollar you must take'; and you are at the end of your road. This Court has held that Congress may do that very thing.

"The holder of a Government bond, which promises to pay in gold, presents it, and the Treasurer says 'here is a paper dollar which you must take for your contract with the Government; we are prohibited from paying out any gold; and if you were paid in gold, you are prohibited from accepting it.' You insist, 'but my contract—you said that I would be paid in gold, or its equivalent.' The Treasurer of a great Nation replies, 'Take this paper dollar.' He comes to this Court, and this Court has held; in one breath it said that Congress has no power to repudiate Government obligations, that the Constitution gives it the right to contract itself and bind the Government for the payment of its bonds in any coin, in any way it chooses to do. any coin, in any way it chooses to do.

#### CONGRESS REPUDIATES DEST

"In the next breath it says, it is not that; true it is, you have but 60 cents when you have a promise to pay a dollar, but Congress, without authority to repudiate its debts, has made it unlawful for you to accept what it is under obligation to pay, and since it is unlawful for you to accept what you contracted for, it follows that you are not damaged.

"This man doesn't go far on the strength of that reply in which he sees that logic. It seems to us that to reason like that is to give with one hand and take away with the other.

"Now the gold certificates: a man comes in with a hundred."

give with one hand and take away with the other.

"Now, the gold certificates; a man comes in with a hundred thousand dollars of gold certificates, and they recite upon their face that there has been deposited in the Treasury of the United States 100,000 gold dollars, 'which we promise to pay upon presentation of this certificate.' He presents that certificate; what is he told? That we will give you 60 cents for each dollar, 'We offer you 60 cents, you must take it.' 'But', he says, 'you have in the Treasury of the United States my money, \$100,000 of it, which I placed with you upon the solemn promise to return it to me upon demand.' The Treasurer says: 'Congress has made it unlawful for us to pay out gold, it has made it unlawful for you to receive or to have gold in your possession', and the conclusion is that, therefore, you are not hurt. 'It is true we have paid you but \$60,000 of the kind of money which you left with me, but I have handed you a promise to pay something in the indefinite future and that is the full value now.' To us to reason like that, it seems not to reason at all. It is to To us to reason like that, it seems not to reason at all. It is to state the conclusion wihout regard to the difficulties which one encounters in reasoning.

#### THE POWERS OF CONGRESS

"Now, we are told that all this is possible because under the provisions of the Constitution giving to Congress power to coin money and regulate its value, Congress may adopt a monetary system, and then it may put that monetary system into effect and sweep out of court everything that interferes with its consum-

"In the discussion of this matter it is well to observe what the

"In the discussion of this matter it is well to observe what the point at issue is, and not merely by covering up generalities with a multitude of words distract the mind from the point.

"No one denies the power of Congress to adopt the monetary system, but it does not follow that because Congress may adopt the monetary system that it may adopt any monetary system. When it adopts the system, it must adopt a reasonable and a proper one to carry out the purposes for which the power was given to it.

"What was that purpose? It was to fix standards, to permit Congress to provide a circulating medium to the public. It was not intended to enable Congress under the guise of law to repudiate. It was intended to give Congress the power to meet its honest obligations, and what was the effort in the Legal Tender cases. But here we have a monetary system—the intent, I almost said the here we have a monetary system—the intent, I almost said the wickedness, of which is almost beyond comprehension—what is it? This monetary system that supports the country.

"First, we will give to the President power to depreciate the dollar to 50 cents, afterward limited to 60 cents. Next, we will destroy all these private obligations by a statute entitled 'A Statute to Regulate the Currency of the United States.' And we not only destroy these private obligations, but we will destroy the Government's obligations as well, the same language, the same section that covers the one covers the other.

"And so having put out five hundred millions of gold-clause bonds in May, Congress in June says all of these promises to pay in gold are illegal and are contrary to public policy, the policy which has been strictly observed for many, many years, and has been approved by all courts where this exact question has been heaves. before them.

## THE 60-CENT DOLLAR

"Having undertaken to destroy these gold clauses, the dollar is depreciated to 60 cents, and the prices of commodities will now be estimated in these deflated dollars and for all parties and all commodities instead of having a dollar we have 60 cents. All commodities instead of having a dollar we have 60 cents. All mortgages upon all railroads, all mortgages upon all buildings, all bank deposits, all insurance funds, everything that a thrifty man has accumulated for his old age is subjected to this depreciation, and we have the unholy question that I speak about.

"We, perhaps, are venturesome enough to say that no such power was ever granted by the framers of our Constitution. It was not there then. And it was not there yesterday; it is not there today. We are confronted with the vision of a dollar which may be reduced to 60 cents today, to 20 cents tomorrow, to 10 cents the next day, and to 1 cent the day following.

"That is the thing which we above and we have tried to

"That is the thing which we abhor, and we have tried to prevent its entrance into our legal system, but we have tried in We are told that the Government has made out of these vain. We are told that the Government has made out of these series of transactions the royal sum of \$2,800,000,000, and that that amount of gold now reposes in the Treasury, of gold dollars which may be used to pay public obligations, but 60-cent dollars against \$2,800,000,000. On the same basis, if you could depreciate the dollar to 10 cents and in the case of some to five-cent dollars, it will give you abundant capital to pay all the Government debts and discharge most of the private obligations which our citizens have contracted. have contracted.

"We protest. That never was the law, it never ought to be the law, and the shame and humiliation of it all no one of us can foresee."

REPORT OF POLICY COMMITTEE OF NATIONAL PUBLIC HOUSING CONFERENCE

Mr. CLARK. Mr. President, I ask unanimous consent to insert in the RECORD a very brief Report of the Policy Committee of the National Public Housing Conference.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

APPROVAL BY THE WASHINGTON CONFERENCE OF THE REPORT ON SLUM CLEARANCE AND REHOUSING, JANUARY 20, 1935

CLEARANCE AND REHOUSING, JANUARY 20, 1935

The clear statement of purpose in the matter of slum clearance, included in the President's recent message to Congress, makes him the Nation's leader in this important field of social pioneering. To those assembled at the Second Washington Conference on Slum Clearance and Rehousing, the President's espousal of public housing, for the promotion of which this organization exists, is welcome indeed. His recognition of the great social evil of the slum gives us cause to hope that the program now directed toward its abolition may be continued and enlarged until the sought-for goal is attained. In a previous message to the National Housing Conference the President has stated that the beginnings made by the Housing Division of the Public Works Administration is slum clearance "may be regarded as no more than the first steps in a great and permanent campaign against those appalling slum conditions in which a third of our population is now forced to exist." To cope with a problem of such magnitude—involving, as it is estimated 5,000,000 families—this conference recommends that the following steps be taken with the greatest possible dispatch:

First, that the \$880,000,000 balance unexpended by the Public Works Administration and not otherwise allocated be made available immediately to the Housing Division to permit further con-

able immediately to the Housing Division to permit further construction of rehousing projects and for the imperatively necessary extension of the work of the Housing Division; also, that a major portion of the \$4,000,000,000 fund for public works be appropriated for public housing and that current Government activity in the field of public housing be expanded as rapidly as is compatible

field of public housing be expanded as rapidly as is compatible with efficiency. We recommend this action to accelerate the reemployment both of men and materials.

Second, that the program of the Housing Division be decentralized as rapidly as possible to allow an increasing latitude to local authorities which shall be subject only to conformity with standards and methods established by the Housing Division. We believe that this local responsibility, coupled with the weight of Presidential and congressional approval, will act as a spur to those cities still without power to initiate their own programs to secure such power from State legislative bodies.

Third, that Federal legislation be enacted to convert the Housing

such power from State legislative bodies.

Third, that Federal legislation be enacted to convert the Housing Division into a permanent and integral part of the Government structure. Recognizing the slum as a continuing problem, overshadowing the future and deeply rooted in the past, we appeal for extension of the Housing Division, so that (a) its work may no longer be limited by purposes of relief, recovery, or by other emergency factors; (b) its procedures may be more expeditious and more clearly defined; and (c) the present financial policy may be strengthened by providing loans at the same rate of interest the Government pays for its money, by the extension of the amortization period, and by a guaranty that the present subsidy of 30 percent of the cost of labor and materials will be continued.

POLITICAL SITUATION IN WASHINGTON-ARTICLE BY FRANK R.

Mr. BARBOUR. Mr. President, I ask that an article by Frank R. Kent, published in the Baltimore Sun of February 25, 1935, relative to the political situation in Washington, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Baltimore Sun of Feb. 25, 1935]

THE GREAT GAME OF POLITICS By Frank R. Kent

FACTS

Washington, February 25.

Perhaps Mr. Roosevelt, so often described as the "master politician of his time", by some shrewd, bold move may miraculously straighten out the situation that has developed in Washington.

It may be that he can center behind him a public sentiment that will send opposing Senators scurrying for cover. Or, by turning on the full strength of his "personal charm" he may persuade them to "be good." These have so consistently prevailed against the sober judgment of the country in the past 2 years that it is not yet safe to say they may not prove effective. However, it is noe exaggeration to say that as things stand now they are in a mess. For the sake of reality and to preserve a sense of proportion, it seems worth while to look the facts about Mr. Roosevelt in the face. There are signs now that some of them are beginning to sink in. For example, there are the basic facts that after 2 years Mr. Roosevelt has increased the national debt from twenty-two to thirty-three billions; that the accumulated deficit, two billion

thirty-three billions; that the accumulated deficit, two billion when he came in, is now nearer eleven; that 20,000,000 people are now living on relief; that there are more men out of work than a year ago; that the strain of the Federal relief and public-works

policies has brought most of the cities and States to the verge of

policies has brought most of the cities and States to the verge of bankruptcy.

Those are not controversial or partisan statements. They are admitted facts, too obvious to be argued. They are desperately real, but they would not be so appalling if the recovery schemes launched by Mr. Roosevelt were in healthy shape, with promise to pull us out eventually and justify their enormous cost. But they are not. No one contends they are. There is not one—literally not one—of the major experiments which is not sick—so sick that even the average voter could recognize the fact were his attention not diverted by the new and yet more dazzling scheme with which it is proposed to replace them.

Take a look at them—the A. A. A. seething with friction and split by factional strife, with its head, Mr. Wallace, obviously distressed and disheartened, forced to go in a direction he has publicly proclaimed as dangerous. After 2 years of A. A. A. the country for the first time is importing food instead of exporting; the cost of living has mounted for everybody; the farmer still cries for more; and the consumer is just beginning to feel the pinch. Take the N. R. A., a failure, so branded by its originators and sponsors, in a condition of incredible confusion, without a sense of direction, as unenforceable as the Volstead Act, and with neither public nor political support, the chief reason for its continuance being the 7,000 job holders who have established therein a vested interest.

The P. W. A. has been indicted by friends of the new deal as

public nor political support, the chief reason for its continuance being the 7,000 job holders who have established therein a vested interest.

The P. W. A. has been indicted by friends of the new deal as "worse than a failure", while Mr. Roosevelt and Mr. Hopkins alike have declared the Federal relief scheme under which we have been operating is no longer tolerable. The Federal Housing Commission, which was to revive the heavy industries and insure recovery, is in a state of inertia, despite the employment of 17 men in its "public relations" bureau, at a total salary of \$79,000, and 12 in its publicity section, with total salaries of \$45,900.

Only those who, for some reason, will not face the facts, or who, for some reason, are incapable of taking an unprejudiced view, will deny the above statements. They are true, and every clear-headed man in Washington knows them to be true. Actually, the 1935 program itself is the best evidence of their truth. In it Mr. Roosevelt proposes to continue N. R. A. and A. A. A., despite the condition of both, but to supersede the rest of the new deal by a vast new works-relief program involving \$5,000,-000,000, and social-security legislation which will impose on the States various forms of old-age pensions, child pensions, and unemployment insurance—practically all of which are disguised relief plans which will put millions more on the Federal pay rolls.

Both are now hung up in Congress. Before the session began, there was scarcely anyone who did not believe Mr. Roosevelt would get anything he wanted at this session. So far he has gotten nothing. Beaten on the World Court, his works-relief bill has been changed so as to scuttle his plans, his social securities plans have aroused real antagonism, and his N. R. A. appeal is disregarded for an investigation. Somehow or other, Mr. Roosevelt must get through his works-relief bill, if he is to have any program this year. Without it, he is thrown back on measures he has already indicated as inadequate. Probably a way to save this bi

even for an anesthetized public, both as to power and as to money. In brief, as one Senator described it, "The people are beginning to realize that if we don't stop somewhere this man will pull us all over the brink."

## ESTABLISHMENT OF RURAL FREE-DELIVERY SERVICE

Mr. RUSSELL. Mr. President, I ask to have printed in the RECORD a most interesting article from the Greensboro (N. C.) Daily News, written by W. W. Brewton, of Atlanta, Ga., concerning the authorship of the first measure providing for the free rural delivery of mails. The author of the article presents many facts to establish that the first legislation for this purpose ever adopted was sponsored by Hon. Thomas E. Watson, of Georgia, formerly a distinguished Member of this body, during the time he was serving in the House of Representatives.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Greensboro (N. C.) Daily News, Feb. 20, 1935] TOM WATSON AND RURAL FREE DELIVERY

Editor of the Daily News:

I address you this communication respecting the article on the American rural free delivery appearing in your issue for Sunday, January 13, 1935, the caption of which sets forth that Hon. John S. Henderson, of North Carolina, had been termed the father of

The article gives prominent mention also of Thomas E. Watson and John Wanamaker. In view of the great step in human progress instituted by this innovation, I was very glad indeed to see your paper give space to its discussion. It was one of the greatest reforms this country has ever known. With respect to its origin, however, there is no doubt whatever. Many men had for years advocated the free delivery of mail in rural sections,

Thomas E. Watson among the number. Wanamaker, as Postmaster General, had promoted the star-route system, but he did not inaugurate rural free delivery for the simple reason that it required a law to do so. As you, of course, know, the star-route system was the free delivery of mail to small towns and villages off the railroads. That was not rural free delivery, as the author of your article recognizes, nor was it recognized as such by the law, or by Mr. Henderson, of North Carolina, who, as Chairman of the Committee on the Post Office and Post Roads for the House in 1893, was in charge of the post-office appropriation bill for that 1893, was in charge of the post-office appropriation bill for that

year The American rural free delivery was created by law. There was no other way to create it. It began, consequently, with the first law providing for it. That first law was naturally the first law that

The American rural free delivery was created by law. There was no other way to create it. It began, consequently, with the first law providing for it. That first law was naturally the first law that appropriated money for it, as there could have been no such thing as creating the system without money. The very first law ever enacted in the history of the United States for rural free delivery of mail was on Pebruary 17, 1893. On that date the House of Representatives of the United States Congress passed an amendment. Introduced by Thomas E. Watson, providing that the sum of \$10,000 be taken from the money appropriated for the Post Office Department and used by the Postmaster General in starting rural free delivery of mail; that is to say, free delivery to trural inhigh the country to themse the late named above, you will see that Mn. All the see not living in cities, towns will visces, but see constructed the country to themse the late named above, you will see that Mn. All cellvery by virtue of being in charge of the bill for the Department to be passed) that if the House adopted Mr. Watson's amendment it would be the first time money had been appropriated for rural delivery, delivery outside cities, towns, and villages. On the date named, the House, sitting as a Committee of the Whole House, agreed to the Watson amendment, which incorporated it in the bill. Now the post-office and post roads for the year, was passed on March \$, 1883. The Watson amendment thus became law on that date. The amendment was adopted on Pebruary 17, which merely incorporated it in the bill; but when the bill with all its amendments was passed on March \$, 1893. In the date of the birth of the American rural free delivery. The advocacy of rural free delivery by watson, House in the proper side of the country of course, following in due course as the record of laws passed shows. So February 17, 1893, is the date of the birth of the American rural free delivery. The advocacy of rural free delivery by Watson, House in the proper side of th

ATLANTA, GA.

AN AMERICAN FIRESIDE—RADIO BROADCAST BY SENATOR WHEELER AND OTHERS

Mr. WHEELER. Mr. President, I ask unanimous consent to have printed in the RECORD a radiobroadcast by Norman Hapgood, Roy Thurman, and myself, delivered on the 3d instant, on the subject of An American Fireside.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

AN AMERICAN FIRESIDE OPENING ANNOUNCEMENT

An American Fireside! Tonight our fireside host, Norman Hap-good, has invited as his guest Senator Burron K. Wheeler, the distinguished United States Senator from Montana and Chairman

of the Senate Interstate Commerce Committee.

Mr. Hapgood has just greeted Senator WHEELER and they are seated at the fireside with Roy Thurman, of the National Home Library Foundation. Mr. Hapgood is speaking:

Mr. Hapgood. Senator WHEELER, we are especially glad to have you with us this evening because in past weeks we have devoted a number of our fireside hours to a discussion of democracy and those principles which make for a country that is freezed and those principles which make for a country that is free and pro-

Mr. Thurman. Senator, I imagine you and Mr. Hapgood are accustomed to having some pretty hot discussions together.

Senator Wheeler. Yes. We started arguing as soon as we met, in Berlin, some 13 years ago, and we have been at it, off and on, ever since.

Mr. Hargoon. The Senator was headed for Russia, Thurman, when we met in Germany, with the same energy that has marked everything he has ever done; and the same fearlessness. Things

everything he has ever done; and the same fearlessness. Things have changed in those two countries, Burt.

Senator Wheeler Yes; they have their tremendous problems, just as we have ours.

Mr. Thurman. You must have been pretty close, Mr. Hapgood, to some of the Senator's activities right here in Washington, also.

Senator Wheeler. Norman and I have been in at least two fights on the same side; and lively fights at that.

Mr. Hapgood. Yes; you know, of course, that Senator Wheeler was a candidate for Vice President on the ticket with the elder La Foliette in 1924; and I ardently supported that ticket. The other fight to which the Senator refers was the great oil scandals, in which he did superb work. At one time we formed a committee, of which I was chairman, to arouse public opinion against the persecution to which Wheeler was subjected by the Department of persecution to which Wheeler was subjected by the Department of

Mr. Thurman. Those must have been lively days for both of you. You speak of arousing public opinion. How did the newspapers behave, Senator? Did they help educate the people to what was behind Fall and Daugherty?

Senator Wheeler. Did they? Not they. At one time Senator Tom Walsh and I were treated by most of the respectable newspapers as if we were public enemies no. 1 and no. 2. Cleaning up a situation where big interests are involved is not usually popular at the beginning. at the beginning.

Mr. HAPGOOD. But now it is recognized that the Senate has no function more useful than the function of investigation. You are You are now chairman of the important Committee on Interstate Com-merce, Burt, and I should like very much to hear you on the Senate as an institution. Don't leave out the sensitive point that

Senator Wheeler. That charge has, of course, been repeated many times. The Senate, however, is really an institution greater than any of its Members, and I might almost say greater than the sum of all its Members.

Mr. Thurman. What exactly do you mean, Senator? I should think that most institutions are greater than their individual

Senator WHEELER. Yes; but the Senate is the only legislative body of its kind in the world. Never are more than one-third of its number newly elected. Two-thirds of its total number remain a body of some continuity. It has had an uninterrupted existence since 1789, almost 150 years.

Mr. Thurman. There is a quotation in an article in Fortune magazine this month which says of the Senate that it is the greatest deliberative body in the world and preserves a power which neither the senate of Rome nor the senate of the Venetians enjoyed.

Senator Wheeler. That's very true. It not only passes laws and confirms appointments and ratifies treaties, but above all, as Hapgood has just hinted, it is the only body that acts as complainant,

good has just hinted, it is the only body that acts as complainant, prosecutor, judge, and jury. It has the power to indict, to impeach, and, above all, to investigate.

Mr. Hargood. The Senate's power to investigate is, in my opinion, highly beneficial to popular government. It serves notice to those in high places in Government that their acts are reviewable, and it has also enabled the public time after time to uncover gross inclusions and over my contractions and over the provider of t violations and even crimes on the part of men in positions of

Senator Wheeler, Right you are, Norman. Take away the power of investigation from the Senate, and you deprive the people of a valuable instrument which has in the past, as now in the present, been responsible for legislation remedying abuses and ills in the body politic as well as preventing the recurrence of further injustice

tices.

Mr. Thurman. What outstanding investigations would you name, Senator, which through the publicity given them, educated the public and produced a popular demand for beneficial legislation. Senator Wheeler. There have been too many to mention, but the outstanding investigations of the past that come to mind are the Pujo, the Teapot Dome, the Daugherty, and the banking and currency investigations.

Mr. Hapgood. I am glad you included the Pujo investigation. That inquiry was one of the first great steps toward making the country understand that the old trustee conception of banking

was dying and that great bankers were becoming mixed up in the kind of business that is a frenzied chase after quick wealth. What you have been doing more recently is part of the same movement. Senator Wheeler. The banking and currency investigation will go down as one of the most beneficial chapters of public service ever performed in the Senate's whole history. Its exposure of how the bankers use other people's money; how they fleeced depositors and investors, ruined industries, and contributed in no small measure to the panic of 1929, led Congress to enact legislation that everybody agrees is of the highest value to the financial health of the Nation.

Mr. Harcoop, I am speaking for myself right now. Burt. and

health of the Nation.

Mr. Hapgood. I am speaking for myself right now, Burt, and not for you or anybody else, when I say that what your investigations have uncovered go much further than individual short-comings; further even than the fault of a whole group of powerful men to live up to their traditional responsibilities. They lead to the great question of how much size—which means how much power—can safely pass over to a few big corporations.

Senator Wheeler, I was just about coming to that point.

Mr. Hapgood. Raymond Moley, in his weekly magazine, Today, has coined a pretty expression for this concentration of power. I am going to ask Professor Moley to talk about this subject next Sunday at this fireside. This concentration of power, Moley calls private socialism, and he goes on to say that all the arguments made by big business against state socialism can be turned into arguments against the same vast concentration of power in private hands.

Senator Wheeler. I noticed Moley's issue of February 2 and

WHEELER. I noticed Moley's issue of February 2 and Senator

hope he will keep hammering along that line.

Mr. Hapgood. I suppose most of us are disappointed in what regulation has done to check abuses in big business. The difficulty is that regulation must depend on the people in power. When you realize that two Presidents have endeavored to get Eastman off the Interstate Commerce Commission because they thought him too radical, we see how easily the clock may be set

Senator Wheeler. However, they failed to get him off.
Mr. Hargood. Yes; but only through the intervention of a
powerful individual from Massachusetts, both times.
Mr. Thurman. Who was the individual, and who were the two

Presidents?

Mr. Hapgood. Oh, come now, Roy, that is indiscreet. I will tell you secretly. I will say now only that one of the Presidents ought to have known better, and one of them did not know much of anything. However, to get back on the track, if regulation is so insecure a weapon, Burt, how about the taxing power as a sure-

insecure a weapon, Burt, now about the taxing power as a surefire method of controlling this private socialism?

Senator Wheeler, More discussion ought to be given to the
recent decision of the Supreme Court of the United States, in
which the Court, speaking through Mr. Justice Cardozo, upholds
the right to tax for the purpose of controlling size.

Mr. Thurman. That case bears on the taxation of chain stores,
does it not, Senator?

Senator Wheeler. It does; but there is nothing to prevent the

does it not, Senator?

Senator Wheeler. It does; but there is nothing to prevent the application of the same principle over a wider field.

Mr. Hargood. In fact, if my sources of information are correct, something along that line will happen this very week.

Senator Wheeler. So you know my bill to tax size is to be introduced in a day or two?

Mr. Hargood. I do; and I look upon the step as a landmark in history. I wish you would explain to Thurman here, who is a good young progressive, just what is in the bill.

Senator Wheeler. With the proper safeguards and exceptions it puts a tax, sharply rising with size, on gross assets of corporations. For example, if the assets are over \$1,000,000 and under \$5,000,000, the tax is \$1 per thousand; then up to \$10,000,000 it is \$2; and so on up to a size between \$200,000,000 and \$300,000,000, when it is \$10. In the last case, you see, at \$10 per thousand, 1 percent of the capital would be taken away in a year.

Mr. Hargood. Another method would be to tax the turnover, instead of the volume of assets. However, I think your plan is better. In the future there will be valuable debating on that and other points, but the main point is that we are now started.

Senator Wheeler. Yes; that is the point, and the purpose is made clearer in the last section, which reads thus:

"Sec. 6. The Federal Trade Commission is authorized and directed to make a study and investigation of the relation, in the various types of business enterprises, of the total resources of a corporation to its efficiency, with a view to determining differences in the desirable maximum size of corporations according to differences in classes of business. The Federal Trade Commission shall report to the Congress on or before January —, 1937, the results of its investigation and study, together with its recommendations."

Mr. Hargood. Gee, that is hot material, Burt. It puts you once more right out in the vanguard of progress. And no matter what

Mr. Hargood. Gee, that is hot material, Burt. It puts you once more right out in the vanguard of progress. And no matter what else is decided to be a necessary part of a new deal, or, on the contrary, a mere experiment to be dropped, this wrestling with the Basic Curse of Bigness (to take the title of the latest book collecting the views of Justice Brandeis) must be kept up.

Senator Wheeler, I do not pretend to know how much support the move will have

the move will have.

the move will have.

Mr. Hapgood. If you have in mind the President—

Senator Wheeler. I did not say so.

Mr. Hapgood. I know you didn't. The responsibility is mine.

I am sure the President is 100 percent behind this principle.

What he may be able to do at any moment depends largely on what else is put up to him. If the 57 varieties of wild infla-

tionists get really busy, his whole strength may have to be given to cracking nuts; but if the liberal elements in Congress, and the sensible radicals—I mean those who are radical in purpose but rational in method and timing—if those elements keep the loose

sensible radicals—I mean those who are radical in purpose but rational in method and timing—if those elements keep the loose and inexperienced theorists from using up all his strength, I am confident he will have his heart in this purpose of yours. Anybody of sense, whether in his political circle or not, knows he, like Wilson before him, wishes to bring about great democratic changes by expert methods. One of my mottoes is that hell is paved with good intentions.

Senator Wheeler All right, Norman, that is your speech. If you have finished, I will go on telling why it is necessary, for the sake of freedom, to follow up this war on bigness. We are all familiar with the argument that bigness brings about economy and efficiency. This is true only up to a certain point in size, differing in different businesses, which is one reason for section 6 of my bill, calling for an investigation by the Federal Trade Commission. On the basis of that report we ought to be able to adjust size in various lines to social aims. The most general truth about very big combinations is that after controlling a market they proceed to kill off the little fellow, and after they have done that they go on to all kinds of devices, such as extrastock dividends and holding companies, to make the public pay enough to give a profit on a mass of securities that represent no money invested but merely a trick to cover up avecestica profit. enough to give a profit on a mass of securities that represent no money invested but merely a trick to cover up excessive profit. One other thing should never be left anywhere except in the foreground of discussion, and that is the control of opinion—in newspapers in schools in colleges, that the sweller business units papers, in schools, in colleges—that the swollen business units set out to secure. We have a good way of testing what I have said about the inefficiency of big units. When we begin to tax size, the very efficient big units can pay the tax; the inefficient ones will not and will have to break into smaller ones.

ones will not and will have to break into smaller ones.

Mr. Hapgood. Some of the more efficient ones may see the writing on the wall and act before they have to. For instance, I notice that one of the most successful grocery chains is cutting down the number of stores it owns right now, with an explanation of the advantages of independent smaller units. Now I don't want to spring too many big news stories in one talk, but I notice this: One of the reservations in your bill for taxing size applies to business already under regulation, like the railroads. Of course, the railroad has been a great issue, especially in your part of the country, for about 60 years.

Senator Wherefer I have been preparing a bill for Government.

Senator Wheeler. I have been preparing a bill for Government ownership of all the railroads in the country. When I first came to the Senate I thought that a solution to the perplexing railroad situation was Government ownership. I have learned that Government ownership does not necessarily improve matters, but after an intensive study of the pros and cons, I am convinced today that the Government ownership of railroads is the only way out of the perplexing difficulties facing private ownership and management of this most important of public utilities.

Mr. Thurman. Senator, I can appreciate your cogent arguments for Government ownership and operation of railroads. But wouldn't unification of the railroads with the attendant elimination of duplication that you mentioned as an evil imply the dismissal of thousands of railroad employees—thus adding to our unemployment problems?

Senator Wheeler. Possibly, but only temporarily, if at all. we unified the roads and improved and modernized the service and cut out the huge waste, the result of a debt-ridden carrier system, the railroads of the country would be used more, rates could be lowered, traffic would tend to increase, and steady employment be assured. The situation now facing both skilled and traffic would realroad worker is a well in tracellite to the structure. unskilled railroad workers is awful in instability and insecurity alone. Let me not neglect to add that the return of a normal or increased traffic, which would inevitably follow the governmental operation, would provide a needed stimulus to the Nation's basic industries.

Mr. Hapgood. No doubt you have read Coordinator Eastman's latest report?

Senator WHEELER. Yes.

Mr. Hapgood. It is long, but some general views stand out. He thinks it is absurd to manage railroads separately from other methods of transportation, such as water, busses, and air. Short of that big unification he favors consolidation of the railroads themselves

Senator Wheeler. I agree, of course, with much, or most, of what Mr. Eastman says. As to the busses, I do not wish them handicapped, merely to help the railroads, and I do not believe he does. They represent progress, and the public should have the benefit of that progress. Another point is that I do not think the reforms suggested by Eastman, such as the needed amount of the reforms suggested by Eastman, such as the needed amount of the reforms suggested by Eastman, such as the needed amount of the reforms suggested by Eastman, such as the needed amount of the reforms suggested by Eastman, such as the needed amount of the reforms suggested by Eastman, such as the needed amount of the reforms suggested by Eastman, such as the needed amount of the reforms are referred out under private ownership, here unification, will ever be carried out under private ownership, be-cause the vested interests, in the railroad officials themselves, and in the financial manipulators, will be strong enough to prevent the reforms.

Mr. Hargood. Many people suspect that Eastman agrees with you. And I am glad you put weight on the other evil we may run into; the evil of putting more and more power into the hands of whatever groups of men happen to be running the Government at the moment. Every time you turn over to the Government a new function you put into its hands a new weapon of influence, or coercion, through the use of what we politely call patronage, and Grover Cleveland might have called plunder. Of course, just now, with people uncomfortable, and mortgaging the future, through the National Government's going into debt, there

is more desire to dump everything on the central Government, than there will be when we begin to feel the taxes.

Senator Wheeler I appreciate all that. The law, or the system, is often less important than the administration of the law or the system.

Mr. HAPGOOD. Exactly, as Pope has it:

"For forms of law let fools contest. Whate'er is best administered is best."

Whate'er is best administered is best."

Senator Wheeler. That does express the principle, and, of course, a poet has the right to exaggerate. It is true that when we turn the railroads, or any other big utility, over to the Government we are up against the question of administration without a sufficiently expert and independent civil-service system.

Mr. Hapgood. Of Government ownership, Eastman says it offers the greatest advantages, and also the greatest dangers. He believes so great a change ought not to be taken without submission to the public, and many of us do not believe the public yet favors it. Senator Wheeler. I agree that it should first meet with definite public expression of approval. Also I agree that today the public

Senator Wheeler. I agree that it should first meet with definite public expression of approval. Also I agree that today the public would not approve; I think it will approve as soon as it fully understands what has been done to the railroads by the manipulators. For example, since the panic of 1929 it has been necessary for the Federal Government to lend huge sums of money to the railroads in order that they might continue to pay interest on their bonds and to maintain their service. It is my belief that much of these huge sums will never be recovered by the Government. I further believe that the present plight of the railroads has not been caused so much by mismanagement of executives and managers as by the manipulation of railroad funds and securities owned by bankers and stock promoters. I believe also that if private ownership of railroads is allowed to continue many roads will collapse and bring down with them insurance companies and other institutions which have heavy investments in them. them.

Mr. Hapgood. Certainly the attitude of the public will be determined by how fully it is informed. When the whole story is understood the control of opinion by big units will be more easily seen and stopped. Since the railroads have been regulated their control of opinion has been lessened. They are not today in the same category as other utilities that do control or attempt to control public opinion. control public opinion.

control public opinion.

Senator Wheeler. That is true. Take the approaching fight over holding companies. That is imminent. And how simple it is, when you come down to it. In the whole fight against size there is nothing so simple. Because—and note this—to tax holding companies, what do you do? You do nothing whatever except take away an exemption. That ought to be pounded in, over and over, in reply to any propaganda that goes out on the other side.

Mr. Hapgood. The big propaganda will be what it always is—the innocent purchasers, widows and orphans. I must look it up, because I am trusting my memory, but I am pretty sure that once, while he was at Albany, Al Smith made a statement to the effect that you cannot have progress without casualties. I may add on my own account that they are usually casualties of past evils. What bothers me more is what you said a minute ago about government at Washington and our lack of preparation. That, forernment at Washington and our lack of preparation. That, for-tunately, does not apply to taxation of size, but it does apply to

tunately, does not apply to taxation of size, but it does apply to a large part of the reforms that lie ahead of us.

Senator WHEELER. As a Nation we can progress only insofar as we develop an enlightened and informed citizenry. On my last trip to England I found that the average London policeman knew more about public affairs and government and the international situation than the average business man or lawyer in America. You know, Norman, while I am sometimes accused of blaming all of our economic ills upon the rich, that is not correct. I have repeatedly told the people of my State that they get, and the people of this Nation get, exactly the kind of government they deserve—no better and no worse. We are all very apt to blame the rich and those in high places for all the ills which the human flesh is heir to, as well as all of our economic ills, for the drought in Montana and for the halitosis among the Negroes in the South.

the listeners, the thousands who are coming to look to us for guidance, how they can go along preparing themselves for grappling with the future. Have you learned most of your lessons from life-experience, Burt, like Al Smith, or have you been a good

pling with the transfer from life-experience, Burt, like Al Smith, or have you been a good deal of a reader?

Senator Wheeler. It has been mostly experience with me, Norman, and thinking about experience; and, of course, reading what goes with law, a vast field, and whatever I could get to help me in the fields of finance, economics, and industry. But you know, old man, I have six children, and, of course, with their varied tastes, other lines of books are buzzing about in the family.

Mr. Hargood. Sure enough, my children are giving me a lot of education, too. We must get after that subject some time. For my part, I am a violent enthusiast on the rising generation. Thanks for your help, Burt. And the best of luck to you in the crusades ahead of you. The banner of freedom, as Byron said, is torn and bleeding, but streaming ever against the wind. You don't mind that. Thanks again.

### INTEREST-BEARING DEBTS

Mr. REYNOLDS. Mr. President, I present a radio address delivered by the Senator from Montana [Mr. Wheeler] over a national broadcasting network on Saturday afternoon, February 16, which I ask may be published in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I am going to talk to you today, not about the price of wheat or corn or cotton or the allotment plan, but about a matter which vitally affects every American, and particularly the farmer. The fundamental sore spot in this depression is the burden of debt which is crushing down all our efforts to increase the national wealth and the flow of commerce. As long as there is a charge of from 5 to 10 percent interest on every issuance of credit, we can no more stabilize prosperous times than we can raise ourselves by

our bootstraps.

One of the causes of this burden of debt and interest is overcapitalization of our big industries. How does this affect the farmer? Let me show you. We will say that there are 10 shoe factories, each one of which has been built from scratch by one man factories, each one of which has been built from scratch by one man over a period of a number of years. Each one has a reputation for workmanship and quality and has an established market, each making money. Along comes Mr. Promoter. He sees 10 fairly prosperous small shoe factories, and an idea is born. If the 10 factories can make money separately, think of the profits that could be gouged if they could be combined into one. The idea soon becomes a corporation. The 10 factories are bought up for a million dollars by the promoter with the bankers' money and are sold to the new corporation for \$2,000,000. The added million dollars is explained as being the value of one combined management for the 10 factories, and it goes to the promoter and the banker for the idea. Thus the new merger has to earn profits on \$2,000,000 when, as a matter of fact, it is only worth one million. It has to have a president at \$50,000 or more a year, and about six vice presidents at \$10,000 a year. The men who pay for it all are the producers of raw materials and the consumer. He has to give enough for his shoes to pay interest and dividends on stock which is half water. When the corporation starts to go broke it issues gilt-edged double shoes to pay interest and dividends on stock which is half water. When the corporation starts to go broke it issues gilt-edged double A bonds or sells new issues of stocks calling for still further interest burdens on the consumer. It will keep on issuing stocks and bonds until it cannot find another widow or orphan to buy them. It is the story of the power companies and all the holding companies. There are countless receivership records and bankruptcy cases which will bear me out. Of the 35 most notable mergers effected before 1903, 23 of them failed to make as much for the 10 years after merger as did their constituent companies before the merger. The main reason was the incurrence of heavier interest and dividend burdens through watered stock.

and dividend burdens through watered stock.

In order to maintain their rotted financial structures they must deserve—no better and no worse. We are all very apt to blame the rich and those in high places for all the ills which the human flesh is heir to, as well as all of our economic ills, for the drought in Montana and for the haltosis among the Negroes in the South. But that Isn't fair. Every man and woman in the United States has some responsibility for the economic condition, for the panic of 1929, and for the conditions in which we find ourselves today. It do blame the rich and powerful and those in high places, however, because they were in a position where they should have led, and they did not do so. Instead, they unloaded upon the people of this country the watered stocks and bonds. They urged and encouraged the gambling, and the big bankers unloaded upon the little bankers their European and their South American worthless bonds. If this country is to be saved from the fate of every other civilization, they must use the intelligence which the good Lord has endowed them with.

Mr. Harcood. We need that lesson, and a lot of my virtuous friends were trading on margins in 1929. But what about that policeman in London who knew so much?

Senator Wherelers. England, as a country, of course, has always elegended for its very life on foreign trade, and this fact has led to the necessity, felt by all her citizens, of intensively studying public questions. People understand what they have to understand. Our people, it is hardly necessary to say, are not less intelligent than the British. The point is, they have had a virgin continent to develop, and have given their thought to the marvelous possibilities of that development. When it is necessary to understand a question they will understand it.

Mr. Hargood. Good! That is the sound democratic faith. Every week, at this fireside, we try not to stop before we have told.

States in this amount because they issue money for the Government. Yet the Constitution of the United States expressly guards the people against this very thing when it provides that the Congress shall issue money and regulate the value thereof. In the face of this express provision we see the Government borrowing money which the bankers have created out of nothing, and paying the bankers dividends in the form of interest besides. The bankers lend money to the Government, and our so-called "financial leaders" beam with approval. But when there is a whisper of protest and a suggestion that the Government exercise its power in the Constitution and issue its own money, there is a flood of propaganda and long, loud walls of "baloney" dollars, flat money, greenbacks, printing-press money, and other catchwords.

But wait, where did this thirty billion lent to the Government come from? Was it cash? Certainly not, there is nowhere near that amount of cash in circulation today. There are only between five and six billion dollars of actual currency in circulation. Of that amount a billion dollars is carried around in the pockets of the people. The bankers cannot lend this to the Government. A billion of it is in the cash registers and tills of merchants. The bankers cannot lend this to the Government. A billion of it is in the banks, but must be used in over-the-counter transactions, and cannot be lent out. This leaves only between two and three billions in circulation. Where, then, did all this banker money come from to finance 30 billions of Government bond issues? It is credit money, and can be inflated and blown up like a balloon. It is the kind of money the bankers claimed for deposits in 1929, nearly 60 billions of it, created out of watered stocks and bonds and false values. There is your "baloney" dollar, your flat money, and this is what the people pay \$7 a head for every year in interest. Sixty billions of credit inflation, the greatest inflation this country had ever known. This was cheap money. The other day the House of Representatives passed a measure calling for expenditure of \$4,830,000,000 for the coming year for public works. If the bill passes the Senate and is signed by the President, the money will be raised by selling bonds. It will cost the people of the United States over a hundred million dollars a year to use this banker-made money. I have introduced an amendment to this bill which will provide for the issuance of non-interest-bearing United States notes instead of bonds, with provision for retiring them from circulation at the rate of 4 percent a year. If this amendment is adopted, it will save the people a hundred million dollars annually and will be no more flat money than that which we would get from the bankers. There would be the same thing back of both the bonds and the notes—that is, the c

becomes purchasing power. When the banks inflate credit, the profit never steps down into the hands of the people, but rather goes to swell incomes in the higher brackets.

The alarmists will point to Germany's mark, Russia's ruble, the French franc, but there is no parallel. The bankers could throw us into the same situation that faced these Governments if this Government did not issue another dollar. The bankers inflated their credit from nothing to ten billion, to twenty, then on to fifty, and to nearly sixty billion dollars in 1929—then when deflation was the order of the day this ephemeral bankers' counterfeit money dropped by ten millions, then twenty, then finally down to \$28,000,000,000. I say to you that no one group of private citizens, motivated solely by a desire for profits, should be able to so completely control the destinies of a hundred and twenty million American sovereigns. There is only one possible cure for it, and that is for the Government to control its own credit and place it in the hands of the people in the form of purchasing power. If that policy is not embarked upon now voluntarily, it will be forced upon us later, and the process of forcing it upon us is liable to be attended by many hardships and much suffering. A few days ago an issue was raised in the United States Senate which bore upon this problem. I introduced an amendment to the Farm Loan Act calling for a reduction in the interest rate on loans through the Farm Credit Administration from 4½ percent to 3½ percent. There was strong opposition to the amendment, and the debate lasted several days. We were finally able to pass the amendment by a vote of 43 to 39, and I am in hopes that it will be adopted in the House of Representatives and signed by the President. If it is, it will mean a saving on an average of \$63 a year to 395,000 farm families who have borrowed from the Farm Credit Administration.

This is just a start. Figures have been published showing that

This is just a start. Figures have been published showing that at the present time there are outstanding \$281,000,000,000 of long-term, interest-bearing debt in this country. The interest on this

staggering sum—interest which must be paid—amounts to more than double the income of all the farmers. This is the rent we pay the money lenders, and it is a rent which we must abolish if we are ever to build a permanent prosperity.

PERMISSION TO COMMITTEE ON APPROPRIATIONS TO FILE REPORTS

Mr. ROBINSON. Mr. President, I ask unanimous consent that the Committee on Appropriations be given leave to submit reports during the recess or adjournment of the Senate.

The VICE PRESIDENT. Is there objection?

Mr. McNARY. Mr. President, I may not have any objection, but I do not understand the purport of the request.

Mr. ROBINSON. I shall make a further statement in explanation of the request.

There is practically no business on the Calendar of the Senate, as the Senator from Oregon understands. Just a day or two ago we proceeded with the calendar, both for the consideration of unobjected bills and for the consideration of bills under rule VIII. It is probable that at the conclusion of today's business I shall ask that the Senate adjourn or recess until next Monday, in order that the committees of the Senate, practically all of which are very busy, may have an opportunity to carry on their labors.

I am informed that the Committee on Appropriations probably will report a general appropriation bill tomorrow. I did not deem it necessary to have a session of the Senate for that purpose, and thought that by the arrangement which has been asked the committee could submit its report during the recess or adjournment of the Senate.

Mr. McNARY. Mr. President, is the proposal now made by the Senator limited to appropriation bills?

Mr. ROBINSON. It was not so limited; no.

Mr. McNARY. What I had particularly in mind was that, as everyone realizes, in a way this proposal abrogates a standing rule of the Senate; namely, that when the report of a committee is made it must lie over until the succeeding day.

I have no objection to the proposed agreement if it appertains to appropriation bills only, but assuming that the relief joint resolution should come in under the proposed unanimous-consent agreement, on the very day we reconvene, whether it be on Friday or Saturday or Monday, that measure would come up automatically, whereas I should want it to lie over in order that Senators might have an opportunity to read the hearings and discuss the problem fully among themselves and with those who are interested in the matter.

Mr. ROBINSON. I may say to the Senator that I have no information that the Committee on Appropriations will be ready to report the work-relief joint resolution prior to the end of the present week. If it should do so, however, and the joint resolution should be reached by the Senate for consideration, I should not insist upon taking it up on the first day of next week. I should be very glad to concede that the joint resolution should go over at least for a day if the Senator from Oregon or any other Senator should request that such course be taken.

Mr. FLETCHER. Mr. President, I understand that the request of the Senator from Arkansas has reference to the War Department appropriation bill.

Mr. McNARY. That was the question I was asking.

Mr. ROBINSON. I had in mind a general appropriation bill.

Mr. McNARY. I think the matter can be simplified by having the agreement apply only to general supply bills. I desire to see expedition employed in the disposal of the relief measure, but I still insist that we should have an opportunity to consider it before we are forced to its discussion or to a vote upon it. So if the Senator will modify his request, and limit it to supply bills, I shall have no objection.

Mr. ROBINSON. Mr. President, I ask unanimous consent that the Committee on Appropriations have leave to report, during the recess or adjournment of the Senate, any general appropriation bill.

Mr. LA FOLLETTE. Mr. President, will the Senator from Arkansas yield?

Mr. ROBINSON. I yield to the Senator.

Mr. LA FOLLETTE. Would it accomplish the Senator's purpose if he should confine his unanimous-consent request to the particular recess to be taken today, rather than making it a general rule for the whole session?

Mr. ROBINSON. Yes.

Mr. McNARY. That is what I understood.

Mr. ROBINSON. That was my intention.

Mr. McNARY. I understood that it applied only to the particular week-end recess which I understand is to be taken today.

Mr. ROBINSON. That is my understanding.

The VICE PRESIDENT. Is there objection to the request for unanimous-consent agreement submitted by the Senator from Arkansas? The Chair hears none, and it is so ordered.

The morning business is closed.

ADMINISTRATION OF CODES UNDER THE N. R. A.

Mr. HARRISON. Mr. President-

The VICE PRESIDENT. A few moments ago the Senator from North Carolina [Mr. REYNOLDS] desisted, at the request of the Senator from Arkansas [Mr. Robinson], from making a statement concerning an amendment proposed by him. The Chair feels, therefore, that he should recognize the Senator from North Carolina.

Mr. REYNOLDS obtained the floor.

Mr. LA FOLLETTE. Mr. President, will the Senator from North Carolina yield to me for just a moment?

Mr. REYNOLDS. I yield to the Senator.

Mr. LA FOLLETTE. I understand that the resolution which the Senator from Mississippi has in mind relates to the proposed investigation of the N. R. A.

Mr. HARRISON. I may say to the Senator that it is my intention to ask the Senator from North Carolina if he will yield to me so that I may make a motion on that subject.

The VICE PRESIDENT. It has been suggested that if the

Senator from North Carolina is willing to permit the resolution to which the Senator from Mississippi refers to be brought before the Senate in a formal way, the Senator from North Carolina may then address the Senate on whatever subject he desires.

Mr. HARRISON. I inquire of the Senator if it would be agreeable to him to permit a motion for that purpose to be made, and then proceed with his speech.

Mr. REYNOLDS. I have no objection.

Mr. HARRISON. I move that the Senate proceed to the consideration of Senate Resolution 79.

The motion was agreed to; and the Senate proceeded to consider the resolution, Senate Resolution 79, submitted by Mr. Nye and Mr. McCarran on the 14th instant, for an investigation of certain charges concerning the administration of industrial codes by the National Recovery Administration, which had been reported from the Committee on Finance and the Committee to Audit and Control the Contingent Expenses of the Senate with amendments.

Mr. HARRISON. Mr. President, I desire to ask for the adoption of an amendment unanimously recommended by the Finance Committee. On page 5, lines 6 and 7, I move that the words "or any subcommittee thereof" be stricken from the resolution, so that the whole Committee on Finance will make the investigation.

The VICE PRESIDENT. Is there objection to the amendment? The Chair hears none, and the amendment is agreed to.

Mr. LA FOLLETTE. Mr. President, will the Senator vield?

Mr. HARRISON. I yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. I inquire of the Senator what is intended to be done concerning the suggestion which was made in the committee of the possibility of combining the resolution which is now pending and the one offered by the Senator from Utah [Mr. King]?

Mr. HARRISON. Under the parliamentary status, the only way in which that could be done would be by an amendment which might be offered embodying the two propositions. which I did not intend to propose. I was anxious to get this part of the resolution out of the way.

Mr. LA FOLLETTE. Mr. President, with the permission of the Senator from North Carolina, I should like to say that it seems to me a very unusual procedure for the Senate to authorize two investigations into the same subject, to be conducted simultaneously-

Mr. ROBINSON. By different committees.

Mr. LA FOLLETTE. By different committees, and that it will inevitably lead to confusion. I should like to suggest that the same objectives may be achieved by simply authorizing or directing the Finance Committee to inquire into the same subject matter whch is covered by the resolution of the Senator from Utah

I make that suggestion for the reason that, as all Senators know, the Finance Committee must give consideration during this session to legislation intended to extend, and perhaps to amend, the original N. I. R. A. It seems to me that the logical procedure would be to have one investigation, to have it conducted by the committee which will have jurisdiction over the legislation, and thus to avoid the confusion which I believe inevitably will result from having two committees conducting investigations into the same subject.

I should like also to suggest that the Senator from Utah [Mr. King] is a member of the Finance Committee; and I do not think I am violating any confidence of the meeting of the Finance Committee when I say that the Senator from Mississippi [Mr. Harrison], the chairman of the committee. suggested that if the procedure I have indicated should be adopted, he would be very glad to invite the Senators who are particularly interested in the subject but who are not members of the Finance Committee to sit in with the committee in the conduct of the investigation.

Mr. BORAH. Mr. President, will the Senator yield to me for just a moment?

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Idaho?

Mr. HARRISON. I do.

Mr. BORAH. Manifestly, we cannot dispose of this matter hastily. It seems to me the Senator from North Carolina [Mr. REYNOLDS] ought to be permitted to proceed, and then we may discuss this matter.

Mr. LA FOLLETTE. Very well: that is satisfactory to me.

## WORK-RELIEF PROGRAM

Mr. REYNOLDS. Mr. President, as I undertook to state a moment ago, I am thoroughly of the opinion that every single Member of this great body is desirous of maintaining the standard of living of the workers of the United States of America. I make that statement unhesitatingly, knowing that while those who sit beyond the center aisle are members of an opposing political party, they are human and they are interested in the great producers, the workers of this country, as are we on this side of the aisle.

No country ever had a leader who was more humane or more thoroughly interested in the toilers of his country than our own beloved President, Franklin D. Roosevelt. Knowing that not only our great leader but every man affiliated with the present administration is interested in the solution of the problems of this trying time, I take this opportunity to give expression to my thoughts in reference to the subject which has been brought to the attention of every Member of this body by way of the McCarran amendment to the publicworks joint resolution.

Mr. CONNALLY. Mr. President, will the Senator from North Carolina yield?

Mr. REYNOLDS. I yield. Mr. CONNALLY. I have been very much interested in hearing the Senator's proposed amendment read to the Senate. From a parliamentary standpoint, however, I do not see how the Senator's amendment can possibly be considered until the action of the Senate in adopting the McCarran amendment shall be reconsidered. The Senator is not prepared to move for a reconsideration of the vote now, is he?

Mr. REYNOLDS. No; I am not. Mr. CONNALLY. How is the Senator to get his amendment before the Senate? How can we consider it, unless the action of the Senate with regard to the adoption of the McCarran amendment shall be reconsidered?

of the joint resolution to the Committee on Appropriations automatically undo whatever the Senate did with respect to the McCarran amendment?

Mr. CONNALLY. I am not so sure about that. I consulted a parliamentary authority here this morning, and he took the view that when the joint resolution went back to the committee it went back in the form in which it existed at the time. Of course, the committee could report back a recommendation that the McCarran amendment be rejected. I am not a parliamentary authority, and I am not prepared

Mr. BARKLEY. I know that a few days ago we sent back to the Committee on Banking and Currency a bill to which an amendment had been attached, and when the bill came back into the Senate it was considered de novo and as if it had not been previously reported.

Mr. CONNALLY. I hope that is the practice.

Mr. ROBINSON. Mr. President, I think undoubtedly that is the rule, and I think that has been the unbroken precedent of the Senate. Of course, the joint resolution is not before the Senate. I do not understand that the Senator from North Carolina is offering an amendment. He has had the proposed amendment read as the basis for some remarks he is making.

Mr. REYNOLDS. The Senator from Arkansas is entirely correct.

Mr. CONNALLY. I thank the Senator from North Carolina for giving me opportunity to interrupt him. I quite agree with the Senator that the matter ought to be thoroughly considered, and I was wondering how we can attain the end of voting on the Senator's amendment unless we have an opportunity here in the Senate to again consider the whole subject.

Mr. REYNOLDS. Mr. President, the McCarran amendment to the public-works joint resolution makes it mandatory upon the Government to pay to the workers who are taken from the relief rolls, and who are given employment upon public-works projects in this country, opportunity to enjoy the wage scales prevailing in the various and sundry sections of this country.

The chief argument offered against the McCarran amendment, for which amendment I voted, for which I have no apologies to make, and for which amendment I would unhesitatingly vote again were it to come before us in the same form, is that the payment of the prevailing wage scale throughout this country would, it is said, unquestionably interfere with industry.

Mr. President, I am not in accord with that argument. Were I in accord with the argument, and the presentations made by various and sundry men in this body, my attitude no doubt would have been different, because I, like other Members of this body, am desirous of aiding industry, as we all know that good times will not return, that prosperity will not come back, until the opportunity is found to place at work, to give remunerative employment to, the toilers, the workers, the builders of America.

In making that remark I wish to say that I, and all other fair-minded individuals, recognize the fact that labor is just as dependent upon industry as industry is dependent upon labor. We all know that we cannot possibly have a return of the good days of the past until industry has been given a helping hand and lifted to the level of former days.

None of us is desirous of hampering industry. None of us is desirous of doing one single thing that may be construed as a hindrance to the advance of industry and, therefore, the return of prosperity.

Mr. President, I stand here saying to the Members of this body that, in my humble opinion, the McCarran amendment will not in any sense hamper industry in this country. But those who are not in accord with the views we have expressed on this floor, by word of mouth, and likewise by vote, say that paying the prevailing wage in the various sections throughout the United States will hamper industry through the Government giving employment to the laborers

Mr. BARKLEY. Mr. President, does not the recommittal of the land who otherwise would be absorbed by industry. Let us see about that.

I have had read a provision which I hope will be considered by the committee to which it should be referred. That provision meets every single argument that has been presented by anyone upon this floor in the particular to which I have referred. It is said that if the toilers, the laborers of this land, are paid the prevailing wage, the great masses of the country who are unemployed will flock to Government work and thereby hinder and hamper and delay the return of recovery, because they will work for the Government rather than work for private industry.

Very well. Granting, for the time being, for the sake of the argument, that that assertion and that those statements be true, I bring now to the attention of Senators the proposed amendment to the McCarran amendment, calling for the payment of the prevailing wage initially throughout the country, but with the proviso that if at any time it should be found that paying the prevailing wage scale is hampering, injuring, interfering with, or delaying the recovery of industry, all that our great leader has to do is to give notification to the effect that it is hampering and injuring industry and recovery, and in that community or in those communities the prevailing wage scale need not be paid.

Mr. President, it has been said that labor is unreasonable. Some have gone so far as to say that the laborers, the toilers of this country, are overpaid. I stand here unblushingly and unhesitatingly state to this body that I do not believe the laborers, the workers of this country, have ever been overpaid, and I thank our great Heavenly Father above that the toilers, the laborers, the workers of this country, who are the producers of all our wealth, in the social life of this world stand many stages above, many stages removed from the unfortunate laborers of the rest of the world.

Mr. President, I voted for the McCarran amendment because I felt that I was voting for a living wage for the workers of this country. I voted for the McCarran amendment because I believed that requiring the prevailing wage scale to be paid to the toilers and the workers of America would not be detrimental to the recovery of industry. However, if, as is said, the adoption of the McCarran amendment will hamper the return of prosperity because it will result in delaying the recovery of industry, my amendment to the McCarran amendment, if it shall be accepted, will unquestionably meet every single argument advanced by those who have opposed us by speech and by vote.

Mr. WHEELER. Mr. President, will the Senator yield? Mr. REYNOLDS. I yield to the Senator from Montana.

Mr. WHEELER. Reference has been made to the high level of wages in this country. I wish to ask the Senator if it is not his experience, and if it is not the experience of those who have investigated the matter, that labor in the United States is more efficient than in any other country in the world, and that, as a matter of fact, the laborers of this country turn out goods in almost every industry at a lower cost per unit than they do in any other country of the world?

Mr. REYNOLDS. Mr. President, I have the impression that what the Senator has said by way of the inquiry he has directed to me is unquestionably true and correct. Pursuing that thought, I say to the able Senator from Montana that the laborers, the workers of America, are without peer in any corner of this hemisphere. I believe that a living wage should

be given to the producers of this country.

Mr. President, while I have the opportunity, I desire to state, so that none may be in doubt as to my position, that I have always felt that labor heretofore has not received its fair portion of the wealth produced by it in this country; and I am fortunate to be able to look upon a noble leader from the great State of Alabama [Mr. Black], who for years upon years has given expression to the same thought and made the same statement, not only within this Chamber but likewise in every section of the country and in every single one of the sixty-odd counties of the great Commonwealth which he

Mr. President, judging from some of the letters and telegrams I have received from my State of North Carolina, I

am thoroughly convinced of the fact that the McCarran! amendment is grossly misunderstood. A great many people are of the belief and are of the impression that should the McCarran amendment be adopted, laborers and mechanics will make hundreds upon hundreds of dollars per month. Such is not my understanding of the amendment, Mr. President. My understanding is that a certain amount has been calculated upon, an average has been taken, which has been set at \$50 a month, an amount which it has been considered would be sufficient to feed a man and his wife and his children. This average of \$50 a month has been struck. It is my understanding, Mr. President, that if the McCarran amendment should be finally adopted, a man making \$5 a day would be given approximately 10 days' work in the month, making a total of \$50, the average which has been approximated and struck. Then thereafter during the remainder of the month, if he so pleased, he might seek employment with private industry.

Mr. President, so misunderstood is the McCarran amendment that some of its opponents are going to such lengths as to say that if it should be finally adopted, it would result in killing all the public-works projects in the United States. I wish to say, Mr. President, that if all the public-works projects in the United States are killed, they will not be killed by any vote of mine. I stand here now saying to the Members of this great body that I am 100 percent in accord with the President's idea to create, by way of appropriation, a great public-works fund; and I say now that I shall-and with pleasure—support the measure offered by the President of the United States calling for an appropriation of \$4,880,-000.000. I do not think the amount is too small. I think the President's ideas about it are exactly right. If it comes to the point where we need more money to bring about a return of prosperity in this country, Mr. President, I shall vote for \$2,000,000,000 more on top of the \$4,000,000,000.

Mr. President, why not accept the amendment which I propose to the McCarran amendment? It will meet every argument, it will answer every censure made by those who oppose the McCarran amendment, because in that opposition one of the prime things asserted is that if we make it mandatory upon the Government to pay the laborers, the toilers of the country, the wage scale prevalent in every section and subdivision of the United States it will be detrimental to industry because of taking the laborers from industry and giving them to the Government. Granting that to be true, as I said a moment ago, that argument is met by the amendment I propose to the McCarran amendment. None of us wants to hamper or halt, none of us wants to discourage industry, because we know that labor is dependent upon industry; and labor knows it because labor is reasonable.

Mr. President, let us accept my amendment; and if those in authority ascertain that the payment of the prevailing wage scale in any section of the United States is detrimental to industry by way of the Government absorbing labor, all the President will have to do is to give notice to the effect that such prevailing wage scale is detrimental.

For those who did not hear my proposed amendment read, I desire to read it again:

Provided, however, That the President is hereby authorized to examine the facts and determine whether the payment of such prevailing wage in any locality is subversive of the maintenance or recovery of private industry or otherwise detrimental thereto; and in the event that the President finds that the payment of and in the event that the President finds that the payment of such prevailing wage is so subversive or detrimental, and shall issue a proclamation so declaring, then within 10 days thereafter he shall be and is authorized to direct the payment of such scale of wages in such locality as he shall determine.

Mr. McKELLAR. Mr. President, I believe the publicworks bill will pass the Senate in substantially the same form as it was originally reported to the Senate; that is to say, it will not contain the McCarran amendment.

I have been in the two Houses of Congress 24 years, 6 in the House and 18 in the Senate. During that time the Congress has passed scores, indeed, if my recollection is correct, more than a hundred important labor bills. Most of these measures for the advancement of labor I have ap-

proved, I have worked for, and supported. I have supported labor when it only had a few friends. I have supported it when it had many friends.

Mr. REYNOLDS. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield. Mr. REYNOLDS. I desire respectfully to suggest that the measure be reported back to the Senate with my provision contained in it. I merely wish to make that statement.

Mr. McKELLAR. Will the Senator interrupt me a little later and have the interruption come at the end of my remarks? I will be obliged to him if he will do that.

Almost uniformly during that entire period I have supported labor legislation, because I honestly believe in protecting the rights of the man who toils and labors. I take great pride in the record I have made concerning labor, and I believe that labor in America has accomplished more, has developed and advanced more during those 24 years than during all its previous history.

Now, coming to the so-called "McCarran amendment" let me say that, if the McCarran amendment were adopted, I believe it would have a tendency in my State and in all other States to cause perhaps hundreds of thousands of men and women who labor in private industry to leave those places in private industry and secure Government employment under House Joint Resolution 117. Such a condition would not be good for the country and it would not be good for labor.

What the administration is undertaking by the joint resolution is to do away with the dole and give men and women who are now on the dole, as well as other unemployed, employment on public projects. To fix the rate of pay so high and make it so attractive as to cause people who now have employment to seek places on the Government pay roll would be destructive of the purposes of the measure.

Mr. WHEELER. Mr. President, will the Senator yield? Mr. McKELLAR. If the Senator will permit me, I will yield to him in a few moments.

Mr. WHEELER. Very well. Mr. McKELLAR. Of course, we all knew when we provided for it that the dole was a temporary expedient and was adopted only as a last resort. No government can see its citizens, men, women, and children, starve; but every thoughtful person agrees that we must get rid of the dole at the earliest possible moment, and that is what the workrelief measure undertakes to do. If we can do away with the dole and put men and women to work where they will be self-respecting citizens again and not dependents on relief, it will add tremendously to their own well-being and happiness and to the economic recovery of the entire country.

The measure as it was reported to the Senate contained the following direction to the President:

Sec. 6. The President is authorized to fix the rates of wages of all persons compensated out of the funds appropriated by this joint resolution and may fix different rates for various types of work, which rates need not be uniform throughout the United States

In the event the President, or such official or agency of Government as he may select, shall determine after an investigation that the rate of wages paid is affecting adversely or is likely to decrease the prevailing rates of wages paid for any work of a similar nature in any city, town, village, or other civil division of the State in which the work is located, or in the District of Columbia, the President, or the official or agency designated by him, shall-

The provision is not merely permissive; it says the President shall-

immediately fix the rate of wages at an amount not less than the prevailing rate of wages paid for work of a similar nature in such locality.

As a friend of labor, I should greatly prefer this amendment reported by the committee to the so-called "McCarran amendment." If the administration of the measure were to amendment." be reposed in the hands of a President opposed to labor, there might be something in the contention of the proponents of the McCarran amendment; but such is not the case.

From my own personal knowledge, President Roosevelt is vastly more favorable to labor than have been any of his predecessors, and he has done more for labor than probably

all his predecessors combined. That is the record of our President with regard to labor.

Mr. President, as indicative of how sympathetic the present administration has been with the cause of labor, I submit a list of measures passed by Congress during the last session with reference to labor, all of which, I understand, had the cordial support of the administration and a majority of the Congress.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Wagner National Employment System Act. The Roads Employment Act. Insurance Company Loan Act. The Kick-Back Racket Act.
Labor Disputes Joint Resolution. Dill-Crosser Rallway Labor Act. Emergency Rallroad Transportation Act of 1933. Railroad Retirement Act.

National Industrial Recovery Act.

Civil Works-Emergency Relief Act.

Wagner-Lewis \$500,000,000 Emergency Relief Act.

Civilian Conservation Corps Reforestation Relief Act.

Mr. McKELLAR. Mr. President, under these circumstances, it is incomprehensible to me how labor can oppose leaving in the hands of the President the administration of the joint resolution under the terms of the provision just quoted. The President is directed by the measure itself, and it becomes mandatory upon him, to pay the prevailing wage if it be found that the rate of pay provided is affecting adversely the prevailing wage scale. After all that President Roosevelt has done for the cause of labor during the 2 years he has been in office, if the laboring man cannot trust him to administer properly the proposed law, then it cannot trust anyone. This measure, in my judgment, means 10, nay, 50 times as much to the laboring people of this country as it means to all the rest of our citizenship combined. From the standpoint of labor it is the most important measure that has been proposed since I have been a Member of the Congress. There are still 8,000,000, or thereabouts, out of employment. The enactment of the joint resolution would furnish work to 3,500,000 of that number, and in times such as these nothing could be more important to that class of our citizens than to get as many of them back to work as possible. So, in my judgment, it is most essential to the laboring interests of this country that the measure be passed at the earliest practicable moment and for some of their number and some of their friends to attempt to thwart the passage of a great piece of legislation such as this, which is almost entirely in their interest, seems to me to be an impediment which ought not to be thrown in its way.

Ah, Senators, let us not be deceived. This measure is in the interest of labor; it is in the interest of the unemployed; it is in the interest of good citizenship; it is in the interest of doing away with the depression. Let none of us deceive ourselves; do not let us put any further obstacle in the way of the joint resolution, but let it be passed as recommended by the committee; for it means, I repeat, more for the laboring men in this country than any other measure that has ever been brought before the Congress.

I wish to urge my laboring friends who need the work so badly to protest to those who are thwarting the passage of the measure not further to oppose it. I know that this measure is in the interest of the laboring people of my State, and I believe it is in the interest of the laboring people of every other State, and I hope they will speak out in their own best interest.

Mr. REYNOLDS. Mr. President, will the Senator yield? Mr. McKELLAR. In just a moment I will be through, and I will then yield to the Senator.

I call especially the attention of Senators who are proposing to present another amendment; I call the attention of my handsome and distinguished friend from Nevada [Mr. McCarran], the author of the McCarran amendment, to what I am now going to say. As a matter of fact, the provision of the joint resolution as reported is directly in line with the practices of labor in their own organizations. When they have to go on strike, as they sometimes do, the organi-

zation affords relief to the men on strike, but it does not pay the unfortunate strikers the full amount of the prevailing wage in the locality. I digress long enough to ask any Senator from any State did he ever hear, when such a crisis has arisen, of a labor organization paying the prevailing wage?

Mr. WHEELER. Mr. President, will the Senator let me answer the question?

Mr. McKELLAR. I will in a moment. Did the Senator from Montana or any other Senator ever hear under such circumstances of paying the prevailing wage so as to keep the men on strike unemployed?

Mr. WHEELER. Will the Senator let me answer?

Mr. McKELLAR. I will.

Mr. WHEELER. Of course, the labor organizations never pay the prevailing wage except when they furnish work, but when they furnish work every labor organization in the United States has paid the prevailing wage. When it puts members on a dole, that is not true. We are not asking that when put on a dole they shall be given the prevailing wage. All we are asking is that when it comes to erecting buildings and other structures, when the relief workers are put in competition with private industry, that they be paid the prevailing wage.

Mr. McKELLAR. Will the Senator name where a single labor organization in this country has ever paid the prevailing wage to strikers engaged on other work?

Mr. WHEELER. Of course, I cannot.
Mr. McKELLAR. I should like to have the Senator do it.
Mr. WHEELER. But I can tell the Senator that when they put men on their pay roll to do certain things in the coal strike, when those men were working they were paid the prevailing wage. In Montana when they put men to work, differentiating from when they were giving them a dole, they paid the prevailing wage.

Mr. McKELLAR. If that has ever been done in this country I have never heard of it, and I do not know of it. I do not believe it ever occurred, and I challenge the Senator to give the names of the people and the occasion when it was done.

Mr. WHEELER. The Senator asked me to answer a question and will not permit me to answer it. I am saying to the Senator that by going to the files of the United Mine Workers he will find that when work was given to members of the United Mine Workers, when they were put on the pay roll to do certain work, they were paid the prevailing wage. He can find the same thing with reference to the mines in the Northwest. When they put the men to work, differentiating from when they actually gave them a dole, they paid the prevailing wage.

Mr. McKELLAR. I should be very happy if the Senator would furnish the facts and figures about the assertion he

Mr. WHEELER. I am simply saying it, and if the Senator wants to get the facts and figures, all he has to do is to ask John L. Lewis, president of the United Mine Workers, or the American Federation of Labor, or any of the other labor organizations.

Mr. McKELLAR. Give us the facts.

Mr. WHEELER. I am giving the facts. Mr. McKELLAR. I do not think so.

Mr. President, here is what happens. The labor organization pays enough to keep its members, men and women, free from want, and that is right and proper, and I honor and respect them for it. In doing this, they are entirely within their rights. It is precisely what is being attempted to be done in this crisis in our country. That is exactly what the joint resolution is undertaking to do-to tide over those who are so unfortunate as to be without employment in this unusual depression, until private industry may take up the slack. The measure as reported to the Senate is directly in line with the precedent set by labor itself.

Mr. President, I make these remarks as a friend of labor. I challenge anyone interested in the matter to examine my record of 24 years on the subject of labor. Someone had that record prepared not long ago, and I know whereof I speak. I am not one who is merely at times for them; I have uniformly been for labor, and I say here and now that in voting for the joint resolution as reported by the committee, I never in my life acted more sincerely in the interests of labor.

I honestly believe, Mr. President, that some of our labor friends are standing in the way of the enactment of a law which would benefit labor more than any other measure ever passed by the Congress. I urge my thoughtful friends on the other side not to stand in the way of this splendid labor measure, because I believe, indeed I know, it is a labor measure. Do not be deceived by the thought that it is not a labor measure. The joint resolution is going to give labor employment where they now have none. I do not believe we are justified in opposing the measure on the ground of the McCarran amendment when the measure is so beneficial to the cause of labor.

Mr. REYNOLDS. Mr. President, will the Senator yield? The PRESIDENT pro tempore. Does the Senator from Tennessee yield to the Senator from North Carolina?

Mr. McKELLAR. I yield. Mr. REYNOLOS. I wish to say to my good friend the Senator from Tennessee, for whom I have great admiration and a great deal of affection, that I am not opposing the joint resolution. I am for it.

Mr. McKELLAR. The trouble is the Senator voted to send it back to the committee.

Mr. REYNOLDS. I am going to vote for it. I will tell the people of America that I am for all the public works that are necessary. I know that in Great Britain they are coming out of the depression, and how? They went off the gold standard and then poured billions upon billions of dollars into their public-works program. I know England is coming out of the depression, because they have over there federal housing acts similar to ours which helped the heavy industries and started things on the upgrade. That is what we have to have in this country.

I am not opposing the joint resolution. I am going to vote for the \$4,000,000,000 appropriation and for the \$4,880,-000,000. If the President of the United States, our great leader, who is a friend of the people, wants \$6,000,000,000, I shall vote for \$6,000,000,000, if it will help. If that shall not be sufficient, I will vote for another billion. However, the impression has gone out over the country that those of us on this side and on the other side of the Chamber who voted for the McCarran amendment are trying to kill the measure and that we do not trust the President. That is all poppycock.

Mr. McKELLAR. If it is all poppycock, let us get together and vote for the joint resolution as the committee originally reported it.

Mr. REYNOLDS. That is what I shall do with this exception. If the Senate will adopt my amendment to the McCarran amendment, it will be found that it meets the provisions of the bill. Let us see what the joint resolution provides.

Mr. McKELLAR. I regret the Senator has a proviso attached to his proposal.

Mr. REYNOLDS. It would help us. It is such a proviso as will satisfy everybody. No one could then be criticized. Those who voted for the McCarran amendment are being criticized. Those who voted against it are being criticized. I am being criticized and my good friend the Senator from Tennessee is being criticized because he voted the other way. We do not want any criticism. [Laughter.]

We are not going to straddle any fence. I hate a straddler. I hate a man who stands so that the people cannot tell where he stands. We should stand on one side of the fence or the other, or else take the fence away, and then the people cannot tell where we are standing! [Laughter.] If the Senator will vote for my proviso, he will find that it will take Senators out of the hole, and everybody will be sitting on top of the ground. [Laughter.]

Let us see what the joint resolution provides.

Mr. McKELLAR. I am going to yield the floor if the Senator is going to insist on taking that attitude.

Mr. REYNOLDS. I yield to the Senator from Tennessee. [Laughter.]

The PRESIDENT pro tempore. The Senator from Tennessee has the floor.

Mr. McKELLAR. Will the Senator from North Carolina let me in my own time ask him a question? Does the Senator really think we should adopt his amendment after the committee have considered and worked over the matter for weeks; indeed, I believe for more than a month, as they had spent much time on it when I returned from the Philippines? After the committee has gone into it so carefully and has brought out a provision directing the President, if the prevailing wage is about to be interfered with in the slightest, to pay the prevailing wage, does not the Senator think he ought to have enough confidence in our President, who is being held up to us by the Senator as our great leader, to leave the matter in the hands of the President?

Mr. REYNOLDS. Mr. President, will the Senator yield? Mr. McKELLAR. Does not the Senator think he ought to

have enough confidence in the President to stand by the joint resolution as reported by the committee?

Mr. REYNOLDS. I will say to my good friend from Tennessee that it is not a question of having confidence or not having confidence in the President. We all have confidence in our great leader. We all have the greatest confidence in

Mr. LOGAN. Mr. President, will the Senator from Tennessee yield so that I may ask the Senator from North Carolina a question?

Mr. McKELLAR. I am glad to yield for that purpose.

Mr. LOGAN. The Senator from North Carolina is resenting the statements which are going about the country that he and his associates who voted for the McCarran amendment are opposing the passage of the joint resolution, or rather preventing it becoming effective. I should like to ask the Senator if he did not know when he voted for that amendment that he was voting for that which would bring about a veto from the great President whom the Senator admires so greatly? Must be not assume the responsibility and can he escape the responsibility for having voted for the McCarran amendment when he knew that by so doing he was deferring the possibility of the joint resolution being enacted into law and made it impossible for it to operate because the President had said he would veto it in that form?

Mr. REYNOLDS. I answer the Senator from Kentucky by saying no!

Mr. McKELLAR. Mr. President, in conclusion, I wish merely to say that I believe the measure is going to pass substantially as reported by the committee, and I believe it ought to pass substantially in that form. I am for the speedy enactment of the measure. I oppose the McCarran amendment as being wholly unnecessary, and say that, in my judgment, that amendment is the only thing in the way of the speedy passage of the joint resolution.

Mr. BANKHEAD obtained the floor.

Mr. REYNOLDS. Mr. President, I yield to the Senator from Alabama.

The PRESIDENT pro tempore. The Senator from North Carolina rose to ask a question of the Senator from Tennes-The Senator from Tennessee then yielded the floor, see. and the Chair has now recognized the Senator from Ala-

Mr. REYNOLDS. I ask for recognition.

The PRESIDENT pro tempore. The Senator from Alabama has been recognized.

Mr. REYNOLDS. Will the Senator from Alabama yield to me?

Mr. BANKHEAD. For how long a time does the Senator wish me to yield to him?

Mr. REYNOLDS. Oh, for about 5 minutes.

Mr. BANKHEAD. Very well; I yield to the Senator from North Carolina.

Mr. REYNOLDS. Mr. President, my amendment provides that if the prevailing wage paid in the respective political subdivisions of the country shall be found to be detrimental to the workers and the laborers, then the President shall

have the right to issue a proclamation setting aside and wiping out and destroying the prevailing-wage provision in

Mr. McKELLAR. Mr. President— Mr. REYNOLDS. I yield to my good friend from Tennessee.

Mr. McKELLAR. I want to correct a statement the Senator made. He said he was receiving a great deal of criticism from the people of North Carolina about his vote and that I was receiving a great deal of criticism, he had no doubt, from my State about my vote. The Senator is entirely mistaken. Up to this time I have not received a word of criticism from anyone in my State for the vote I cast. I have received approval so far as is indicated by letters and telegrams which have come up to this day. I don't believe I will receive any unless some one from Washington suggests they be sent. I did receive a single letter of disapproval from a gentleman in Pennsylvania, and I wrote him a letter in line with what I have stated here on the floor of the Senate this morning. This is the only criticism I have

The Senator from North Carolina must not include me among those who received criticism because of their votes. I did not make my speech because of any criticism, because I have not received any. Really the letter from Pennsylvania which I just mentioned is the only letter of criticism I have received.

Mr. REYNOLDS. I understood the Senator to say that the letter he received from Pennsylvania was a letter of criticism. I assume that all of us have received such letters.

Mr. President, let us look at this joint resolution for just a moment:

Resolved, etc., That in order to protect and to promote the general welfare, by (1) providing relief from the hardships attributable to widespread unemployment and conditions resulting therefrom, (2) alleviating distress, and (3)-

This measure has been drafted and designed, and it is intended and proposed, to do what? It is proposed for the purpose of-

improving living and working conditions.

I ask you, Mr. President, if paying wages such as are proposed by the proponents of this measure as reported from the committee is improving living conditions or wage conditions? It is not.

My good friend from Tennessee [Mr. McKellar] has said something about the dole. I desire here and now to make clear my position upon that subject. I am against the dole. I think that giving people a dole, as we have been doing, creates indolence, and does not do any good to anybody or anything, anywhere. Therefore, I am for the public-works joint resolution. I am going to vote for \$4,000,000,000, or. if we need it, I will vote for six or seven billion dollars.

My amendment is right in line with the measure itself. I desire to read it.

On page 7, the second paragraph of section 6 is as follows:

In the event the President, or such official or agency of government as he may select, shall determine after an investigation that the rate of wages paid is affecting adversely or is likely to decrease the prevailing rates of wages paid for any work of a similar nature in any city, town, village, or other civil division of the State in which the work is located, or in the District of Columbia, the President, or the official or agency designated by

Shall do what?-

shall immediately fix the rate of wages at an amount not less than the prevailing rate of wages paid for work of a similar nature in such locality.

Mr. BANKHEAD. Mr. President— Mr. REYNOLDS. I surrender the floor to the Senator. The Senator was good enough to yield to me. I surrender the floor to the Senator, and in so doing I desire to assure him that I am very grateful and appreciative of his kindness.

Mr. BANKHEAD. Mr. President, one question involved in

understood by Members of the Senate. A correct understanding on that point is highly important, as the subject has been emphasized by various Senators in speeches in the Senate. The question is whether the administration of the McCarran amendment would or would not increase the cost to the Government of carrying out the work-relief program and require an additional appropriation to provide a year's relief work

It has been positively stated by Senators that the McCarran amendment would not increase the cost and that the same results would be obtained by paying the prevailing wage for fewer hours of work. It has been just as positively stated by Senators that the McCarran amendment would greatly increase the cost and much more money would be required to operate for 1 year and there would be much less permanent assets resulting from the expenditure.

While the solution of that question may not be decisive with any Senator in the matter of his action upon the McCarran amendment, nevertheless, it is of great importance that the controversy should be further developed on account of the emphasis given to it by Senators who have voted for and against the McCarran amendment.

Supporters of the McCarran amendment have asserted that the only difference in the two plans-prevailing wage and security wage—is the number of hours a worker may be required to work. They insist that by paying the prevailing wage scale a sufficient number of hours to afford the relief worker the monthly security wage-estimated to average \$50—the two plans will be completely harmonized.

They have further asserted that as a result of the combining of the two plans no more money will be needed, and that the cost of the Government will be the same.

Mr. WHEELER. Mr. President, will the Senator yield

The PRESIDING OFFICER (Mr. MINTON in the chair). Does the Senator from Alabama yield to the Senator from

Mr. BANKHEAD. Let me finish my statement first. Then I shall be glad to yield.

Mr. WHEELER. I wish to correct a statement made by the Senator.

Mr. BANKHEAD. No; I do not yield now. After I finish will yield to any question the Senator desires to propound.

Mr. President, it is evidently true that if three and onehalf million men are paid the same amount of money for working 65 hours a month that they would be paid for working 130 hours a month, the amount paid as wages would be the same. The question then recurs, Would there be additional cost to the Government, in carrying out the various work projects, from letting the work stand idle all the time except approximately 10 days in the month during which the workers would be paid the prevailing wage scale and earn a month's security wages? It seems clear to me that such a work program would necessarily involve large additional cost. It is contemplated that, wherever practical, the work projects shall be done under contract. It is therefore necessary to look at the problem from the standpoint of the contractors who will bid on the projects.

Under the prevailing wage scale the work hours could be broken down either into a fixed number of hours per week or per month. If the weekly unit were used, the work could proceed 3 hours a day for 5 days, or 6 hours a day for 21/2 days. If the monthly unit were used, the work would proceed for 10 days of 6 hours in the month. These calculations are made upon the assumption that the average prevailing-wage scale will cost per hour about twice as much as the average security-wage scale would cost per hour. That assumption is supported by a statement and calculation furnished the Committee on Appropriation by a representative of the Federal Relief Administration.

When a contractor made his estimates upon a given project he would necessarily take into consideration the fact that his machinery and equipment would not be in use except for 15 hours in a week, or for 101/2 days of 6 hours in a month. the McCarran amendment seems to be very differently He would also have to take into consideration the fact that

his superintendent and foreman and his office force and other necessary personnel in his organization were working on the project for only a total of 101/2 days of 6 hours in each month. In short, his personnel organization and his equipment and machinery must be used for an entire year while actually employed only about 60 hours in each month

While it is practically impossible for one not thoroughly acquainted with the cost of construction to make any accurate figures, the fact stands without any serious dispute that every contractor would be obliged to include in his bid a very substantial amount to cover his stand-by relations to the project for probably more than twice the time that would be required under normal contract construction conditions. Adverse weather conditions would be an important factor when a project would require a year for completion which under normal conditions would be completed in less than 6 months. This is particularly true in highway, flood control, and erosion work.

The same conditions would apply to work done on force account by the Government or municipalities. While it is difficult to estimate in dollars and cents the additional cost that would necessarily accrue under the McCarran amendment, it is clear, at least to me, that it would involve a very large additional expenditure, and that fact would exhaust the appropriation more quickly and would of necessity result in the elimination of projects which otherwise would be

provided for.

It is well to take into consideration the relative average efficiency of those on the relief rolls as compared with the average efficiency of those being paid the prevailing wage scale in private industry. It is undoubtedly true that many on the relief rolls are as efficient as the best workers now normally employed. It is also generally recognized that when private industry finds it necessary to reduce the number of employees relative efficiency is a large factor in selecting the workers to be separated from the service. The application of that rule has been specially hurtful to those who have grown old.

It is hoped, in the interest of the financial status of the Government and of the lightening of the load upon the taxpayers, that many of the projects will be to a large extent self-liquidating, either through the repayment of the amount expended by the Government or in the construction of public works, such as roads, rivers and harbors, and flood control, which are of a permanent nature, and which, at some time in the future, would otherwise call for appropriations. Surely we do not want to put into operation a needless and wasteful program. The McCarran amendment would inevitably have that result. The volume of construction would be greatly reduced without taking into account the increase in cost for the projects actually completed.

It has been suggested in debate that the Government surely does not expect to get overtime from the relief workers, and the intimation has been made that it would be unfair and unjust to those upon the relief rolls to expect from them, on mere security wages, the same quality and quantity of work rendered by workers in private industry under the prevailing wage scale. The fact that full equivalent of performance, as compared with the workers in private industry under the prevailing wage scale, is not contemplated is shown by the estimate furnished the committee indicating that work would be limited to 6 hours a day and 5 days a

week.

We should not lose sight of the fact that the work-relief bill is intended to provide made work for the benefit primarily of those upon the relief rolls. I am one of those who believe that relief workers will come nearer having a restored morale if they believe that they are earning the money paid them by the Government and earning it in the way of results from their labor. It seems to me that a program under which these relief workers are employed only about 15 hours during the week, or for about 10 days during the month, will more definitely impress upon them that they are being dealt with from a standpoint of Government charity than would appear if they were occupied on the work in a more normal way and for a longer time. The fact must not | sible evils to workers engaged in private industry must be

be overlooked that the additional time given to work is not earning time lost to these people. In short, they are on the relief rolls because they cannot get any sort of paid work.

It has been frequently stated in the discussions here that one amendment should not lead to the defeat of the bill. The trouble with that one amendment under consideration is that it amounted to a substitute for the real purpose of the bill as declared by the President in his address to Congress. The McCarran amendment changed in a vital way the entire philosophy of the original bill. It had been definitely stated on the floor of the Senate that with the Mc-Carran amendment adopted the President would veto the bill. After that amendment I could see no good purpose in proceeding for many days with a bill which we all knew could not become a law. Every Member of the Senate knew that the bill could not be passed over the President's veto. We had no right to assume that the House of Representatives would insist upon the elimination of the McCarran amendment, and we had no right to assume that any Member of this body who voted for the McCarran amendment would change his vote. The responsibility at that time rested upon the Senate. It took deliberate action, well knowing that the action taken, in the viewpoint of the President, worked a complete change in the administration's announced program.

By the recommittal of the bill to the Appropriations Committee time has been secured for reconsideration of all the problems involved and for the application of the best judgment of the Members of the Senate in working out a satisfactory adjustment of the controversy which has endangered the bill.

Personally I very greatly regret the harsh criticisms, from certain sources, of my colleagues whose sense of duty led them to support the McCarran amendment. I feel sure that some Senators who are opposed to the entire workrelief program were not governed in their vote on the Mc-Carran amendment because of their anxiety over the effect on the prevailing wage scale. At the same time, I am absolutely confident that many Senators who voted for the McCarran amendment did so under the abiding conviction that it was better to have no work-relief bill than to jeopardize the prevailing wage scale. Those who voted from that viewpoint are to be commended for standing by their convictions. If I had been convinced that the President's plan, if left unamended, would have lowered the prevailing wage scale, I am free to say that I should have voted for the adoption of the McCarran amendment. Being firmly convinced, however, with all the factors considered, and knowing full well the extremes to which the President would go to prevent impairment of the prevailing wage scale, I cast my vote against the McCarran amendment.

I sincerely hope that, without further indulging in charges and countercharges, and without further insistence that some Senators cast their votes as a result of the pressure of organized labor, and without further charges on the part of organized labor that those who did not vote for the McCarran amendment are at heart unfriendly to labor, some formula may be worked out and agreed upon that will save the President's work-relief program and at the same time will give satisfactory assurance to the representatives of organized labor that the prevailing wage scale will not be in any way adversely affected under the program.

I have full confidence in the wisdom and patriotism of the leaders on both sides of the controversy. The results are too important to justify pride of opinion, enthusiasm of victory, or sting of defeat; too important to justify real statesmen and true representatives of their people, whether in Congress or in industry, or in the fields of organized labor, in permitting the breaking down and abandonment of a program which holds out such strong hope for better conditions to millions of American distressed people.

The leaders on both sides of this controversy are in full agreement that the work-relief plan must not be admin-istered in a way to jeopardize the prevailing wage scale. Surely, when two great groups are in full accord on the objectives of the measure and are also in full accord that posthe desired results.

I have believed that the Russell amendment, under a sympathetic administration, should be a satisfactory assurance to those who are apprehensive that the President's plan for security wage on Government-made work will destroy the prevailing wage scale in private industry.

## WILLIAM P. M'CRACKEN, JR.

Mr. AUSTIN. Mr. President, this morning the Senate learned, by the report of the Senate Sergeant at Arms, Chesley W. Jurney, that William P. MacCracken, Jr., had been committed on February 26, 1935, to the District of Columbia Jail for the period of 10 days prescribed in Senate Resolution 185, agreed to on February 14, 1934.

After the report of the Sergeant at Arms, I asked leave to have printed in the RECORD following the report a statement by Mr. MacCracken referring to his situation. As I promised to do, I now read that statement:

After careful consideration I have concluded not to petition the

After careful consideration I have concluded not to petition the Supreme Court for a rehearing of my case, and in accordance with the stipulation I entered into with the Sergeant at Arms of the Senate I am surrendering to serve my sentence. This I do conscious of the fact that I have done no wrongful act.

In this connection I desire to explain my position in connection with this controversy. Since 1929 I have been practicing law in Washington. Last February the Senate Air Mall Committee issued a subpena calling on me to deliver to that committee all correspondence and other documents in my possession relating to airmall contracts. My understanding of the legal and moral duty of a lawyer to his clients was and is that he cannot disclose their communications to him, written or oral, without their consent. I a lawyer to his chems was and is that he cannot discuss their communications to him, written or oral, without their consent. I immediately made available to the Senate committee every document in my possession excepting those which I believed could not be released without the consent of my clients, and at the committee's request I at once asked their instructions. As fast as my clients consented to the production before the Senate committee of their communications to me I instantly made them available. Before I heard from all of my clients the Senate issued a warrant for my arrest for not delivering over my client's papers. Before the service of the warrant all of my clients had waived their privi-

the service of the warrant all of my clients had waived their privi-lege and all papers then in my possession were delivered to the Sergeant at Arms of the Senate.

There has been a great deal in the public press about the destruction of papers in this case. The only papers involved in this controversy that were destroyed were those delivered by my partner without my prior knowledge or consent to a representa-tive of one of our clients, and those my partner believed were of a personal nature and not covered by the subpena. There was not one scintilla of evidence before the Senate that in any way connected me personally with the destruction of any papers what-soever. I cannot make this too strong.

The papers that were removed from my office with my consent

soever. I cannot make this too strong.

The papers that were removed from my office with my consent were, after my request, all turned over to the Senate committee before the contempt proceedings were instituted. The clients involved in this latter transaction were cited for contempt and acquitted by the Senate.

After the Senate's citation to show cause why I should not be punished for contempt was served upon me and they had adopted rules for the trial which made that body grand jury, prosecutor, trial jury, and judge, I concluded that the Senate under these circumstances, in attempting to try and punish a private citizen, was violating the Constitution of the United States. I took the case to the courts to test the jurisdiction of the Senate.

The United States Court of Appeals for the District of Columbia

case to the courts to test the jurisdiction of the Senate.

The United States Court of Appeals for the District of Columbia sustained me in this view. The Supreme Court held adversely to my contention. In sustaining the power of the Senate, the Court declined to consider the facts other than to ascertain whether the charges made by the Senate were within its jurisdiction. In effect, the Supreme Court holds that, if the Senate is engaged in a legislative matter and charges a private citizen with an act which, if proven, would constitute an obstruction to the exercise of that function, then the question of guilt or innocence of the party charged and the punishment to be inflicted are questions solely for the determination of the legislative body, notwithstanding the fact that it is a political as contradistinguished from a judicial body.

body.

I believe that some situation will arise in the future which will cause the Court to modify this holding. However, as far as I am concerned, nothing remains but to accept the punishment which the Senate inflicted. This I propose to do.

That is the end of Mr. MacCracken's statement.

Mr. President, in view of what occurred this morning when I asked unanimous consent to have this statement follow the report of the Sergeant at Arms of the Senate-in view particularly of the allegation made here, and which has now become a public record, that there are statements contained in Mr. MacCracken's paper which are untrue-I

avoided, some formula can be agreed upon to accomplish | summon as evidence to the Senate and to the great public of America the Supreme Court of the United States, as the best witness available, that every statement contained in that paper is true. Let me read from the opinion in Jurney against MacCracken, handed down by the Supreme Court at the October term, 1934, on February 4, 1935-Mr. Justice Brandeis delivering the opinion of the Court-the following facts; and I ask the Senate's attention to them with reference to whether they parallel the statement made by Mr. MacCracken. I am now reading from that opinion:

> MacCracken had been served, on January 31, 1934, with a sub-pena duces tecum to appear "instanter" before the committee and to bring all books of account and papers "relating to air mail and to bring all books of account and papers "relating to air mail and ocean mail contracts." The witness appeared on that day; stated that he is a lawyer, member of the firm of MacCracken & Lee, with offices in the District; that he was ready to produce all papers which he lawfully could; but that many of those in his possession were privileged communications between himself and corporations or individuals for whom he had acted as attorney; that he could not lawfully produce such papers without the client first having waived the privilege; and that, unless he secured such a waiver, he must exercise his own judgment as to what papers were within the privilege. He gave, however, to the committee the names of these clients; stated the character of services rendered for each; and, at the suggestion of the committee, telegraphed to each asking whether consent to disclose confidential communications would be given. From some of the clients he secured immediately unconditional consent; and on February 1, produced all the papers relating to the business of the clients who produced all the papers relating to the business of the clients who had so consented.

> on February 2, before the committee had decided whether the production of all the papers should be compelled despite the claims of privilege, MacCracken again appeared and testified as follows: On February 1 he personally permitted Givren, a representative of Western Air Express, to examine, without supervision, the files containing papers concerning that company; and authorized him to take therefrom papers which did not relate to airmail contracts. Givren, in fact, took some papers which did relate to air mail contracts. On the same day, Brittin, vice president of Northwest Airways, Inc., without MacCracken's knowledge, requested, and received from his partner, Lee, permission to examine the files relating to that company's business and to remove therefrom some papers stated by Brittin to have been dictated by him in Lee's office and to be wholly personal and unrelated to matters under investigation by the committee. Brittin removed from the files some papers; took them to his office; and, with a view to destroying them, tore them into pieces and threw the pieces into a waste-paper basket.
>
> Upon the conclusion of MacCracken's testimony on February 2,

Upon the conclusion of MacCracken's testimony on February 2, the committee decided that none of the papers in his possession could be withheld under the claim of privilege. Later that day MacCracken received from the rest of his clients waivers of their privilege; and thereupon promptly made available to the committee all the papers then remaining in the files. On February 3 (after a request therefor by MacCracken), Givven restored to the files what he stated were all the papers taken by him. The petition does not allege that any of the papers taken by Brittin were later produced. It avers that, prior to the adoption of the citation for contempt under Resolution 172, MacCracken had produced and delivered to the Senate of the United States, "to the best of his ability, knowledge, and belief, every paper of every kind and description in his possession or under his control, relating in any way to air mail and ocean mail contracts; [and that] on February 5, 1934, \* \* \* all of said papers were turned over and delivered to said Senate committee and since that date they have been, and they now are, in the possession of said committee." Upon the conclusion of MacCracken's testimony on February 2,

That is the end of the part of the opinion which I am quoting. I now turn back to page 2 of the opinion, and take this extract from it. This is the Court speaking, through Mr. Justice Brandeis:

The claim of privilege hereinafter referred to is no longer an issue. MacCracken's sole contention is that the Senate was without power to arrest him with a view to punishing him, because the act complained of—the alleged destruction and removal of the papers after service of the subpena—was "the past commission of a completed act which prior to the arrest and the proceedings to punish had reached such a stage of finality that it could not longer affect the proceedings of the Senate or any committee thereof, and which, and the effects of which, had been undone long before the arrest."

Thus it is seen that the statement by Mr. MacCracken of what the issue was is entirely, precisely, exactly according to fact as stated by the Supreme Court. The issue was not the question tried by the Senate of the United States of whether MacCracken was guilty or not guilty of a contempt. The question was not whether MacCracken had destroyed any papers or had not done so. The question was not whether MacCracken had delivered or not delivered all the

papers he was called upon to deliver. The statement of | to the power of the Senate to try him for contempt and to fact, however, shows that the Court had before it the com- | reach a conclusion imposing a penalty. plete and entire innocence of this man of the facts alleged against him, namely, that he had not interfered with the processes of justice, he had not interfered with the proceedings of the Senate in the manner alleged in the complaint, but, on the contrary, had delivered or had caused to be delivered all the papers which were then within his reach.

So the whole question passed upon by the Supreme Court was that which the Supreme Court itself declared, namely, the constitutional question of the power or lack of power of the Senate to punish a citizen of the United States for an act that is so far completed in the past that it cannot and it does not interfere with the processes of legislation.

Now I turn to another part of the Supreme Court's opinion to support this statement in the paper of Mr. MacCracken which I have read, as follows-quoting from page 2:

In sustaining the power of the Senate, the Court declined to consider the facts other than to ascertain whether the charges made by the Senate were within its jurisdiction.

Now let us summon the Supreme Court on that question and see whether or not the statement of Mr. MacCracken is according to the facts. I now read from the opinion on page 7, paragraph third, as follows:

Third. MacCracken contends that he is not punishable for con-Third. MacCracken contends that he is not punishable for contempt, because the obstruction, if any, which he caused to legislative processes, had been entirely removed and its evil effects undone before the contempt proceedings were instituted. He points to the allegations in the petition for habeas corpus that he had surrendered all papers in his possession; that he was ready and willing to give any additional testimony which the committee might require; that he had secured the return of the papers taken the files had been write his properties. from the files by Givven, with his permission; and that he was in no way responsible for the removal and destruction of the papers by Brittin. This contention goes to the question of the papers by Brittin. This contention goes to the question of guilt, not to that of the jurisdiction of the Senate. The contempt with which MacCracken is charged is "the destruction and removal of certain papers." Whether he is guilty, and whether he has so far purged himself of contempt that he does not now deserve punishment, are the questions which the Senate proposes to try. The respondent to the position did not by demurring trensfer to the court the the questions which the Senate proposes to try. The respondent to the petition did not, by demurring, transfer to the court the decision of those questions. The sole function of the writ of habeas corpus is to have the court decide whether the Senate has jurisdiction to make the determination which it proposes.

And the Court decided it against MacCracken's claim and

The judgment of the court of appeals should be reversed, and that of the Supreme Court of the District should be affirmed.

Mr. President, I had no intention to make any remarks about this remarkable condition of public affairs, for nothing that has occurred in years compares with this particular situation to throw light upon what today is taking place in our country. Here is a citizen whose rights-inviolable rights-have been taken from him by vote of the United States Senate. Here is a citizen of the United States serving a sentence of the Senate of the United States upon facts which one of those who voted for his sentence this morning declared showed him to be an innocent man.

I consider that the opinion of the Supreme Court and the statement of William P. MacCracken, Jr., should be placed in the RECORD for the sake of citizens of the United States of America, and if it will awaken them to the conditions that exist today, or if it will help to arouse them to a defense of human rights, then I will have done more, Mr. President, than I had contemplated.

Moreover, Mr. President, that statement of William P. MacCracken, Jr., when published in the RECORD of the United States Senate will ever be to the son of that man a sanctuary against the finger of accusation that might be pointed to his father's record in some time of emotional uprising, political or otherwise.

Mr. ROBINSON. Mr. President, it is not my thought that the case of Mr. MacCracken should be reviewed by the Senate at this time; nor do I believe that the statement made by the Senator from Vermont [Mr. Austin], who has just taken his seat, is just to the Senate.

It will be recalled, as is stated by the Supreme Court in the opinion to which the Senator from Vermont referred, that the primary contention of Mr. MacCracken did not relate to the question of his guilt or innocence; it related solely reach a conclusion imposing a penalty.

In the proceeding which was instituted by the respondent, Mr. MacCracken, the theory alone was relied upon that the Senate was acting outside its constitutional power. A statement of facts, which I believe to be accurate, is incorporated in the Supreme Court's decision.

Referring to the contention of Mr. MacCracken and his counsel, the Supreme Court says:

The argument is that the power may be used by the legislative body merely as a means of removing an existing obstruction to the performance of its duties; that the power to punish ceases as soon as the obstruction has been removed, or its removal has be-

There was evidence to show that action on the part of Mr. MacCracken had rendered it impossible for him to submit all the papers for which the subpena duces tecum of the Senate called. He had summoned certain clients and, without exhibiting the papers to the Senate and giving the Senate the opportunity to pass judgment on the relevancy of those papers, had permitted certain clients to withdraw papers which they thought were of a private nature and not related to the subject matter of inquiry.

It is true that he sought to shield himself behind the privilege which attaches to an attorney acting in a professional capacity; but the circumstances did not prove or tend to prove that the task which Mr. MacCracken was performing was a professional task. On the contrary they tended to show and did show that his services were those of a legislative representative frequently called lobbyist.

The Supreme Court did not and could not, under the proceeding which the respondent instituted, pass upon the question of guilt or innocence. That was the province of the Senate. On the 14th of February, 1934, the Senate, by a vote of 62 to 22, adjudged Mr. MacCracken guilty of contempt, and by another vote of 56 to 26 directed that a penalty of 10 days' imprisonment be imposed upon him.

The sole issue in the proceeding which was finally passed upon by the Supreme Court was whether the Senate had power or authority to render the judgment which it did render. It may be recalled that the same issues which the Senator from Vermont raises here now were raised during the trial of Mr. MacCracken. It will be recalled that the contention was made in the trial that if it had passed beyond the power of the respondent, by actions of his own or actions to which he had consented, to comply with the order of the Senate he should be held to have purged himself of contempt and that the Senate would have no authority for further process against him. Now, after the case has gone to the Supreme Court and the Supreme Court has said that from the very beginning of the Government the power which the respondent controverted and denied has existed in the two branches of the Congress to try and punish for contempt, the Senator from Vermont places in the RECORD a statement which reflects upon the integrity of the proceeding of the Senate and which impeaches the correctness of the proceedings of the Supreme Court of the United States.

I sympathize with anyone who is so unfortunate as to find himself under the necessity of suffering a penalty imposed in accordance with law, but it ill becomes the respondent, after he has had a trial in a proceeding which he instituted, limiting the authority of the tribunal according to his own pleasure and according to his right, still to insist that the decision of the Supreme Court was wrong. It ill becomes any Senator, in my judgment, to assert and insist that the respondent has been oppressed or treated unjustly.

The Supreme Court said in its opinion:

The power to punish a private citizen for a past and completed act was exerted by Congress as early as 1795; and since then it has been exercised on several occasions.

The question raised was whether the Congress has the power to punish a private citizen for a past and completed act as in the nature of contempt.

Continuing, the Supreme Court said:

It was asserted before the Revolution, by the colonial assemblies, in imitation of the British House of Commons, and afterward by the Continental Congress and by State legislative bodies. In Anderson v. Dunn (6 Wheat. 204), decided in 1821, it was held that the House had power to punish a private citizen for an attempt to bribe a Member. No case has been found in which an exertion of the power to punish for contempt has been successfully challenged on the ground that, before punishment, the offending act had been consummated or that the obstruction suffered was irremediable. The statements and opinion in Marshall v. Gordon, supra, upon which Mr. MacCracken relies, must be read in the light of the particular facts. light of the particular facts.

I omit a part of the decision and continue reading:

Here we are concerned, not with an extension of congressional privilege but with vindication of the established and essential privilege of requiring the production of evidence. For this purpose the power to punish for a past contempt is an appropriate

The Senate was ridiculed in the trial for its alleged violation of the constitutional rights of the respondent, for seeking to hold him liable for a past and completed act in violation of its process. The Supreme Court having passed upon the subject and sustained the authority of the Senate, we hear again the very same arguments that were made during the progress of the trial. We are told that the conclusion of the Senate in imposing a penalty was unjust; that it constituted a violation of the rights of a citizen.

What right? Of what right has the respondent been deprived? Upon what ground is the Senate now to be told by him, while he is suffering the penalty imposed upon him, that he was treated unjustly, that he was oppressed? Upon what grounds are the findings and the conclusions of the Supreme Court assailed and, by implication, charged to be unjust?

The importance of this case was recognized by the country at large. It involved questions which related to the constitutional power of the Congress to obtain evidence in connection with the performance of legislative duties. The statement of facts contained in the Supreme Court opinion, correctly reviewing the evidence, does not justify an attack on the Senate, or on the integrity and justice of its proceedings.

Mr. COSTIGAN. Mr. President, will the Senator yield? Mr. ROBINSON. Certainly.

Mr. COSTIGAN. In support of what the able Senator from Arkansas has just said, is it not true that the Supreme Court passed on two questions-first, the jurisdiction of the United States Senate; second, the determination of guilt of Mr. MacCracken-deciding as to the first that the Senate had jurisdiction, and in regard to the second that the Senate had tried, or was planning to try, Mr. MacCracken with a view to a finding of guilt? If that be true, is it not to be assumed that the Supreme Court impliedly found that there had been no denial to Mr. MacCracken of any constitutional rights?

May I also ask the Senator if, in his judgment, the sentence imposed by the Senate, and sustained by the Supreme Court, was not an extremely moderate one under all the circumstances?

Mr. ROBINSON. Mr. President, answering the Senator from Colorado, I do not understand that the Supreme Court passed upon the questions of fact involved in the trial of Mr. MacCracken by the Senate. My understanding is that the one point which was relied upon by Mr. MacCracken was that the Senate had no power to try him at all, had no jurisdiction to impose any penalty upon him. I do not understand that the Court could have passed, under the proceedings which Mr. MacCracken elected to pursue, upon the direct question of his guilt or innocence.

Mr. COSTIGAN. If the Senator will permit me, the Supreme Court did, however, hold, did it not, that the Senate had undertaken to determine the question of guilt?

Mr. ROBINSON. Certainly.

Mr. COSTIGAN. And by implication I was suggesting that it thereby held that no constitutional rights had so far been infringed.

Mr. ROBINSON. Yes.

Mr. BORAH. Mr. President-

Mr. ROBINSON. I yield to the Senator from Idaho.

Mr. BORAH. I have not read the official report of the opinion; but, as reported in the newspapers, I understood preme Court; but I will say that had I been on the bench

the Court to say that it did not assume to pass upon the question of guilt or innocence.

Mr. ROBINSON. Yes; that is what I have said.

Mr. BORAH. It was simply passing upon the question of the jurisdiction of the Senate.

Mr. ROBINSON. In the habeas corpus proceeding which was chosen by Mr. MacCracken as his remedy, the Court, as I understand their decision and as I understand the general principle of the law applicable, could not pass directly upon the question of guilt or innocence. The Court, in its opinion, states, among other things, referring to a contention raised by counsel for the respondent:

This contention goes to the question of guilt, not to that of the jurisdiction of the Senate. The contempt with which Mac-Cracken is charged is "the destruction and removal of certain papers." Whether he is guilty, and whether he has \* \* \* purged himself \* \* \* are the questions which the Senate

It is a well-defined rule of law that in proceedings like that which Mr. MacCracken instituted, the appellate court does not pass upon the weight of the evidence or the credibility of the witnesses. Mr. MacCracken relied upon the contention that the Senate was acting without authority; that it was violating his personal rights in trying him at all and imposing any penalty upon him. When the court held that from the beginning of the Government, and even prior to the adoption of the Constitution, that power and authority existed, it has some relationship, in my opinion, to the contempt itself, and to the manner in which the authority of the Senate was defied and ridiculed in the press of the Nation by the defendant and his counsel.

The significant thing in Mr. MacCracken's present statement is that after he has had recourse to every court in the land, in a proceeding which he himself has instituted and chosen, he comes back with the declaration, incorporated in the Congressional Record, to the effect that in spite of the decision of the Senate, and the decision of the Supreme Court sustaining it, he is still guiltless, and is still being oppressed

I do not wish, and I would deem it improper, to retry the case of Mr. MacCracken here; but it does not seem to me that the Senate and the Supreme Court should be put in the wrong after every technicality which the law recognizes and permits, and after every constitutional right which the respondent claims or can claim, has been asserted in legal proceedings.

Mr. AUSTIN. Mr. President, I am very grateful for the corroboration of my own brief remarks which the Senator from Arkansas [Mr. Robinson] has given. I see that he agrees with me almost completely about the interpretation of the decision of the Supreme Court. If he regards the introduction into the RECORD of the Senate of extracts from that decision, and the statement of Mr. MacCracken-which happens to agree with it almost in haec verbae-as a reflection upon the Supreme Court and upon the Senate, he will have to have the entire benefit of it. All that can be deduced from such an insertion he may have, and make the most of it.

No one who heard my remarks will charge me with having said that the decision of the Supreme Court was erroneous, or with having made any reflection upon the judgment of the Supreme Court in the MacCracken case. My remarks could be interpreted, probably, as claiming that the judgment of the Senate was wrong, and also as claiming that the decision of the Supreme Court did not affirm, in any way or in any degree, the finding of guilty by the Senate. On the contrary, thereof, the Supreme Court passed by that question.

Mr. ROBINSON. Mr. President, will the Senator yield? Mr. AUSTIN. Certainly.

Mr. ROBINSON. There is an implication in that statement that the Court should have, or could have, passed upon the question of guilt or innocence of the respondent. Does the Senator maintain that to be so?

Mr. AUSTIN. Mr. President, I was about to say that I would not set up my opinion against the opinion of the Suof the Supreme Court I certainly would have considered the question, and if I had found that the facts were as stated in the opinion of the Supreme Court that man would have been delivered free on the habeas corpus.

To go into this matter more particularly than I had any intention of doing, I call attention to what the Court itself noticed about that question. When I say the Court passed by the issue of guilt, my statement is founded upon what the Court itself says in the opinion. Hear this, a quotation from the opinion:

MacCracken contends that he is not punishable for contempt, because the obstruction, if any, which he caused to legislative processes, had been entirely removed and its evil effects undone before the contempt proceedings were instituted.

Was the question raised? Yes. Now, what did the Court say about it? Did they pass upon it? No; they passed it by, in the following language:

He points to the allegations in the petition for habeas corpus that he had surrendered all papers in his possession; that he was ready and willing to give any additional testimony which the committee might require; that he had secured the return of the papers taken from the files by Givven, with his permission; and that he was in no way responsible for the removal and destruction of the papers by Brittin. This contention goes to the question of guilt, not to that of the jurisdiction of the Senate.

Of course, it does; and that is the question this man was trying to raise there.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.

Mr. BLACK. I am sure the Senator must not have read the transcript showing from what the appeal was taken. I desire to call the Senator's attention to exactly how the appeal originated.

Before the Senate tried Mr. MacCracken a writ of habeas corpus was sued out. The evidence had not been heard, and no judgment of the Senate had been rendered. The court sustained a demurrer to the original petition for habeas corpus.

Then, after the Senate did try Mr. MacCracken and did convict him, the attorney for Mr. MacCracken chose to appeal, not from a proceeding in habeas corpus in which the evidence had been presented, but he chose to appeal from a decision on the original writ of habeas corpus. So that it was wholly and completely impossible on the appeal which Mr. MacCracken, through his attorney, filed for the evidence to be considered by the court.

I desire to make an additional statement. The Senator has read from the statement of the Court as to the evidence. That is really not the evidence which the Senate heard. That is the statement which was presented by Mr. Mac-Cracken's writ of habeas corpus, to which the demurrer was sustained. Therefore, when the Senator reads from the statement of the Supreme Court as to the evidence, he is reading the evidence as quoted in the petition for habeas corpus, and it is not the evidence upon which Mr. Mac-Cracken was convicted. So that I am sure the Senator will agree, when he looks into the record, that it was wholly and completely impossible for the Supreme Court on that appeal to have considered the evidence, but it could have done so if the appeal had not been taken from the ruling on the demurrer to the petition.

Mr. AUSTIN. Not at all, Mr. President; I do not assent to a word of that. I am surprised, indeed, to find as good a lawyer as the Senator from Alabama making such a claim here. Any lawyer who has had a practice in a common-law court knows that when the Government sees fit to demur to a petition for habeas corpus, it admits, and it must admit, all the facts that are properly pleaded therein. The United States appeared in the Supreme Court upon a demurrer by which it admitted those facts; otherwise the Supreme Court could not have accepted them, and written them down in this imperishable opinion here as they have done. I take them right on the same ground, and according to my recollection, those are the facts, indeed, from beginning to end. It happens, according to the records of the United States Senate, that they agree precisely with the records in all places where this issue has been up for trial.

Therefore, when the Supreme Court of the United States stated, from the point at which I was interrupted, the following, I say the Supreme Court passed over that question of guilt or innocence. Now let us have the rest of it.

This contention-

What contention? A contention raised by Mr. Mac-Cracken in the Supreme Court of the United States.

This contention goes to the question of guilt, not to that of the jurisdiction of the Senate. The contempt with which Mac-Cracken is charged is "the destruction and removal of certain papers." Whether he is guilty, and whether he has so far purged himself of contempt that he does not now deserve punishment, are the questions which the Senate proposes to try. The respondent to the petition did not, by demurring transfer to the Court the decision of these questions.

When, I ask, did that become the rule? I had no intention of raising that question in this body. It was raised by the remarks of the Senator from Arkansas [Mr. Robinson], and I feel forced to speak of them. The Supreme Court passed solely on the question of jurisdiction of the Senate.

The question was asked, What rights have been disregarded? What human rights have been overridden by this transaction, taken in its entirety, with all that it imports? I reply, rights so ancient, Mr. President, that no man knows when first they were put into writing. They go back down the ages even to a time before Runnymede and Magna Carta. They are the oaken beams that support the entire superstructure of the common law, which is the law of old England and the law of the American States, save in a few States; that law which was the expanding medium; that law which enabled the courts of England and the courts of America to adapt justice to the changing complexities of our civilization; that law which enabled the United States in particular to give vitality and life and practicality to the Constitution of the United States—the rights of property, of liberty, and of life.

A citizen of the United States for all time in the past, a citizen of England for at least 500 years, has possessed the inviolable right of having his confidences to his counsel protected in every court and jurisdiction in the land. Why? Because by experience it had been found, before that right was established, that without its protection injustice and tyranny could be wrought; because it was in conflict with the policy by which a man was presumed to be innocent until he was proven guilty; because it was consistent, and the only possible thing consistent, with the right of a man accused not to take the witness stand if he chose not to do so.

For centuries all tribunals have respected and safeguarded the right of the citizen to protection from seizure by violence and against his will of knowledge which is his, his private knowledge, and which remains his by virtue of this great fundamental right, although the knowledge is possessed by his counsel. So this is not the right of the counsel, and never has been the right of the counsel. The counsel never has any choice whether he will assert it or not. He is bound by law to assert it. He cannot refuse to assert it, and, no matter what subpena comes down upon him, the lawyer, in obedience to the law, in obedience to the ethics of his profession, is bound to refuse to divulge the confidence of a client until that privilege which belongs not to him but to his client is waived by the client and permission of the client is granted.

Does that impede, in fact, does it hinder the administration of justice? Not at all. In this matter the Senate could and did subpena the principals, the clients themselves, and when it had them there, also under a charge of contempt, did it find them guilty? Oh, no; Hanshue and Givvin were acquitted. But the man who had the honor and the honesty and the integrity, in law and morals, to stand up and face a committee of the United States Senate and say, "I am ready and willing to deliver every paper I have as soon as my clients waive their privilege, but I cannot do so until they do waive it "—he, among all these, must go to jail.

What happened to his partner, Lee, the only man who, according to the evidence, turned over papers which were destroyed? His name was stricken out of the resolution of complaint on the floor of the Senate. Many of us on this side of the Chamber, at the time we voted for that resolution,

supposed his name was in it; but he goes scot free, although he is the only person through whose means and knowledge a client possessed himself of his papers and ripped them up. It was always a matter of remarkable peculiarity to me that nothing was done with that man. He had been a legislative clerk. The papers with which he was connected did not relate to the previous administration, but related to the Democratic administration and to then incumbents of the Post Office Department; and it has always seemed to me remarkable that the Senate's action should have resulted in nothing being done with Mr. Lee, but Mr. MacCracken should go to jail.

So, Mr. President, when I am asked what rights have been overridden, I say the client's rights to confidence, to safety of his property, of his person, of his liberty, of his life, to say nothing about the rights of the attorney himself, who becomes the martyr in the cause.

## WORK-RELIEF PROGRAM

Mr. HASTINGS. Mr. President, I have another very brief statement with respect to the McCarran amendment, which it will take me only a few moments to submit.

On Wednesday the newspapers carried the report that, if the work-relief bill shall be passed, Mr. Fechner hopes to bring the enlistment in the C. C. C. up to 640,000, at a cost of slightly more than \$1,000 a man, making his budget reach a grand total of \$660,000,000. It is estimated that 33,555 civilians will be put to work, at from \$100 to \$200 a month. It will thus be seen that in the \$5,000,000,000 appropriation bill it is proposed to add great numbers to the C. C. C. at an annual cost of something like \$1,030 per person, while the President insists that the three and one-half million people on the relief rolls shall be put to work on an average of \$600 per year, or \$50 per month.

But let us pass that by for the present and turn again to the McCarran amendment and to the statement made by the Senator from Arkansas [Mr. Robinson] that, if the McCarran amendment were made a part of the bill, the cost

would be approximately \$2,340,000,000 more.

Under the President's program it is supposed that \$2,100,000,000 will be spent for labor, or 52½ percent, and \$1,900,000,000 for materials, or 47½ percent. The figures of the Senator from Arkansas are arrived at by placing the labor cost at 70 percent and the material cost at 30 percent.

I call attention, however, to the purpose of the publicworks program, namely, to furnish labor for three and onehalf million people now on the relief rolls. Certainly, from the President's positive statement in his annual address, we get the distinct impression that this is the chief object, and that the effort to improve industry by furnishing materials is a mere incident to the program.

I desire, however, to emphasize the fact that, if the President will operate under the McCarran amendment and stagger the employment so that it will average only \$50 per month, it will take an appropriation of only \$3,000,000,000 to accomplish his purpose. In other words, 70 percent of \$3,000,000,000 gives to labor the \$2,100,000,000 which the President would give it under his program. Therefore, instead of its being necessary to increase the appropriation by \$2,340,000,000, we can, as a matter of fact, reduce it by a billion dollars and accomplish what the President wishes to accomplish; or, putting it in another way, instead of taking care of 3,500,000 persons, we can appropriate \$4,000,000,000 and take care of 4,666,666 persons.

I know that the distinguished Senator from South Carolina [Mr. Byrnes] looks with some disgust at these figures, but I challenge him to correct them if he can.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. HASTINGS. I yield to the Senator from South Carolina.

Mr. BYRNES. I was not looking with disgust. I had come to the conclusion that the Senator from Delaware was a greater mathematician than is Dr. Townsend.

Mr. HASTINGS. That is exactly what I thought the Senator had in his mind.

Of course, if the purpose of the public-works program is to boost the industries which will furnish the material, this argument is not applicable. Neither is it applicable if we admit that we are willing to increase the "wealth of the Nation" by building public projects at the least cost by forcing men now unemployed to work for any wage the Government may fix. It has, of course, been pointed out many times by many Senators that the employment of a man for 2 or 3 days a week at full wage does not destroy the incentive to get a full-time job with full wage with industry.

It was contended before the committee by Mr. Gill, Mr. Hopkins' assistant, that upon the completion of this relief program the assets of the Federal Government would be less by a billion dollars if we should adopt the McCarran amendment. I am wondering, however, what the thinking members of the chamber of commerce, which association has but recently condemned the McCarran amendment, would say if we should propound these inquiries:

Shall we borrow and appropriate \$3,000,000,000, pay the prevailing wage, and increase the wealth of the Nation \$3,000,000,000 by building various forms of public proj-

ects? or

Shall we increase the amount that we borrow and appropriate by \$1,000,000,000—that is, from three billion to four billion—with the hope and expectation that by so doing we can increase the total wealth of the Nation by more than \$4,000,000,000 by compelling labor to accept whatever wage the Federal Government chooses to pay?

In other words, shall we put the additional strain of a billion dollars upon the Federal Treasury merely because we have the opportunity to exploit the labor of men on the relief rolls, and thereby increase the wealth of the Nation to the extent of that exploitation by building projects which we do not now need, and which, in most instances, can be of service to the country only in generations to come?

Should we not be doing a better service by keeping the appropriations down to the minimum and leaving some of

The mere fact that the American Raders

The mere fact that the American Federation of Labor is back of this amendment is no good reason why the chamber of commerce should be opposed to it.

The more we think about the condition of the Treasury, and the less we think about the fear that we may be charged with being controlled by labor, the sooner we will meet this

question and pass upon its merits.

Mr. President, if anyone can point out any mistakes in these figures I should like to have it done. It is undoubtedly true, according to the testimony before the committee, assuming that testimony to be accurate, that if we pay the prevailing wage we shift the payment to labor from 52½ percent to 70 percent; and it is as clear as it can be that if we appropriate only \$3,000,000,000, and take 70 percent of it for labor, we will have accomplished exactly what the President proposed to accomplish when he asked for \$4,000,000,000 for the same purpose.

I should like to know why we are not on the safe course if we take the lower amount, \$3,000,000,000, and apply the McCarran amendment to it, taking care of three and a half million men, and not undertake to increase the wealth of the Nation at the expense of the people on the relief rolls.

ADMINISTRATION OF CODES UNDER THE N. R. A.

Mr. BORAH. Mr. President, may I ask what is before the Senate?

The VICE PRESIDENT. The business before the Senate is Senate Resolution 79.

The Senate resumed the consideration of the resolution (S. Res. 79) submitted by Mr. NYE and Mr. McCarran on the 14th instant, and reported from the Committee on Finance and the Committee to Audit and Control the Contingent Expenses of the Senate with amendments.

The VICE PRESIDENT. The question is on agreeing to the first amendment reported by the committee.

Mr. BORAH. Mr. President, I should like to address myself briefly to the pending resolution.

The VICE PRESIDENT. The clerk will state the first | amendment

The CHIEF CLERK. On page 5, in line 2, after the words "Senate Committee on", it is proposed to strike out the word "Commerce" and to insert in lieu thereof the word " Finance."

Mr. BORAH. Mr. President, there are two resolutions pending before the Senate which really have the same objective; that is, to inquire into the effect of the N. R. A. upon small business, and as to its fostering monopoly or monopolistic practices.

I myself have no desire to encourage two investigations. I see no justification for two investigations running along practically the same lines. I happen to be a member of the subcommittee of one of the contemplated investigating committees; but I am quite willing to forego the labor connected with that committee, or the honor which may be attached to it, if we can accomplish what we all undoubtedly desire to accomplish, which is to obtain the actual facts. We should have a thorough investigation. If we have such an investigation, it will be most informative.

I wish only to say that I sincerely hope the Finance Committee will give sufficient weight to the importance of inquiring into the question of monopoly and the monopolistic effect of some of the N. R. A. codes. In my opinion, they have had a much greater effect in that direction than was anticipated by some, although some of us did anticipate such a result from the beginning. At least 137 of these codes which I have examined seem to me to be distinctly combinations or conspiracies in restraint of trade, combinations for the fostering of monopoly, for the fixing of exorbitant and unjust prices. They have resulted in price fixing and in establishing a price list which is one of the forces retarding recovery in this country. They are extorting unconscionable prices from the people, and they stand in the way of recovery.

Unless we shall have a thorough investigation of that question we will enter upon the consideration of the N. R. A. bill without the information which it is necessary to have in order to formulate a measure which will protect the interests of the people of the United States.

So I say that, while I myself have no desire to urge two investigations, I do urge the Finance Committee to make a thorough investigation of the monopolistic trend which prevails at this time.

Mr. HARRISON. Mr. President, I may say to the Senator from Idaho that that was the desire of the Finance Committee, as evidenced when we had a very well-attended meeting on yesterday; and if the resolution shall direct the Finance Committee to make the investigation we will employ every effort to make an aggressive and thorough investigation in order to ascertain the facts.

Mr. BORAH. It should be remembered also, Mr. President, that the President in his message spoke specifically against monopoly and monopolistic practices and expressed the desire to have enacted a measure which would prevent them.

Mr. HARRISON. I may say further to the Senator that it is the hope of the committee, if this resolution shall be adopted, that we may have the full cooperation of the distinguished Senator from Idaho and other members of the Judiciary Committee, and also of the authors of the resolution, the Senator from North Dakota [Mr. NyE] and the Senator from Nevada [Mr. McCarran].

The VICE PRESIDENT. The question is on agreeing to the first amendment to the resolution.

The amendment was agreed to.

The VICE PRESIDENT. The next amendment to the resolution will be stated.

The next amendment was, on page 6, line 1, after the word "and", to strike out "to make such expenditures" and to insert "to employ such clerical assistants"; and in line 5, after the word "exceed", to strike out "\$25,000" and insert "\$5,000", so as to make the clause read:

For the purposes of this resolution the committee or any sub-

or otherwise the attendance of such witnesses and the production of such books, papers, and documents to administer such eaths. of such books, papers, and documents, to administer such eaths, to take such testimony, and to employ such clerical assistants as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed \$5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

The amendment was agreed to.

The resolution as amended was agreed to.

The preamble was agreed to.

The VICE PRESIDENT. Does the Senator from Arkansas desire that any disposition shall be made of the other resolution, being Senate Resolution 35?

Mr. ROBINSON. I think not, at this time.

# WORK-RELIEF PROGRAM

Mr. STEIWER. Mr. President, I shall detain the Senate only briefly, and am only moved to speak at all by reason of certain observations submitted a few moments ago by the Senator from Delaware [Mr. Hastings]. In his presentation he referred to a calculation which he had made and which appeared to show that the so-called "McCarran amendment", with its prevailing-wage provision, need not of necessity add to the expense of administering House Joint Resolution No. 117. He made the point, as I understood his remarks, that the increased wages on the prevailing-wage basis could be had by the mere expedient of decreasing the number of days, leaving the total wage on the basis contemplated by the President but cutting down the amount of public works attained and therefore the amount of materials necessary for public works, and, of course, reducing the amount expended for such materials. According to his calculation, instead of an increased cost from the McCarran amendment, there would be an actual saving to the Treasury, and the total cost of the work-relief projects would be a little over \$3,000,000,000 instead of \$4,000,000,000 calculated as necessary in carrying out the projects under the theory of the security wage.

I rise, Mr. President, first to express my concurrence in the calculation made by the Senator from Delaware, and, second, to do a thing which I think may be of service to some Senators, namely, to call attention to the fact that in the hearings there is a memorandum which was prepared in the office of the Administrator of the Emergency Relief organization which was presented to the Committee on Appropriations by Mr. Gill, the Assistant Administrator. In this memorandum, prepared on behalf of the administrative agency, we find substantial support for the comment which the Senator from Delaware made. I read briefly from the statement submitted in the memorandum by Mr. Gill, as follows:

Assuming the 3,500,000 persons would be paid at the local prevailing wage rate (80 cents an hour average), but that they would work only enough hours to provide them with a monthly earning of \$50 (average), the wage bill would total \$175,000,000 a month.

I interrupt the reading at this point to say that, on the calculation which has been made for the payment of an average security wage of \$50 a month, the monthly wage payment was taken at exactly the same figure, namely, \$175,000,000.

I now proceed to the reading:

Inasmuch as the hours of work would be decreased to 621/2 hours Inasmuch as the hours of work would be decreased to 62½ hours a month (\$50 a month average wage payment divided by 80 cents an hour average prevailing wage rate), the amount of work performed, assuming the same efficiency, would be cut in half and therefore the cost of materials would be reduced from \$160,000,000 to \$80,000,000 a month, making a total cost of \$255,000,000 a month, or \$3,060,000,000 a year. Thus for \$3,060,000,000 the Government would receive but 50 percent of the benefit that it would receive from the \$4,000,000,000 program, and with the inevitable loss of efficiency, working men half time, it is safe to say that this loss would be considerably in excess of 50 percent.

This statement, Mr. President, makes but little comment necessary. It is obvious upon its face that the accredited officer of the Relief Administration, who was presenting the administration's viewpoint with respect to this particular amendment and the subject which is referred to in House committee thereof is authorized to hold hearings, to sit and act at such times and places during the sessions and recesses of the Congress until the final report is submitted, to require by subpena to be accomplished by which the labor bill may be maintained at exactly the same figure contemplated in the President's program, and that, if resort is had to the decreased hours and fewer projects, the material bill will be smaller, and that the total program, instead of costing \$4,000,000,000 per year, will cost but little over \$3,000,000,000 per year.

I insist that Senators who are sincerely interested in this subject should pay heed to the contention made by Mr. Gill in this memorandum, because, instead of it being justification for the claim that it would cost \$2,000,000,000 more, it clearly demonstrates that the program would cost \$1,000,000,000 less.

Therefore, when from various quarters we hear it iterated and reiterated that the McCarran amendment will bring an undue cost to the Treasury, we are justified in calling attention as emphatically as we can to the fact that that statement is based upon a false assumption as to what may be done: it is in violation of the theory contained in Mr. Gill's memoranda; it is an inaccurate statement; it misleads the country into the belief that something which may cost \$1,000,000,000 less will, in fact, cost \$2,000,000,000 more.

There is no justification for the claim that the McCarran amendment will cost the Treasury more money unless insistence shall be made upon a monthly working average of 130 hours. If, of course, the hours are held up to that level, and wages are increased, the total cost will be augmented, but if the hours are cut down, as the wage increase goes up, then, the labor bill, in its total amount, will be identically the same as was contemplated by the President; and there is not any reason at all for anybody to impute to the President a resolute and indefensible desire to increase the cost of this program \$2,000,000,000 above his first estimate.

I may add that the prepared memorandum which was used as the basis for argument against the McCarran amendment, when it is reduced to its final analysis contains just one definite suggestion-not that the cost would be increased, but that the amount of public works secured by the prevailing-wage program would be less and of less value to the Government than the works which would be obtained if we pay the security, or starvation wage. So the question is not one of cost. The question is, are we to permit our Government to take advantage of the distressed labor market to obtain the services of labor at less than the value of that labor in order that the Government may obtain more for its money? And related to that question is the other, whether it is justifiable to risk tearing down the wage structure in order to drive a hard bargain with labor and thus profit from the helpless and destitute poor.

Mr. BYRNES. Mr. President, I wish to add only a word with reference to the arguments of the Senator from Delaware [Mr. Hastings] and the Senator from Oregon [Mr. STEIWER]. The figures to which the Senator referred coming from Mr. Gill, of the Emergency Administration, simply showed that if the hours were reduced from 130 to 621/2, less material would be used in one-half the time and, consequently, less money would be spent. It follows that if we should reduce the number to 30 hours per week and pay the same wage, the employees working only 30 hours, still less material would be used and less money spent. If we should give them the money and should not ask them to work at all, there would be still further reduction, because no money would be needed at all for the purchase of material.

Mr. HASTINGS. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. HASTINGS. I should like to inquire of the Senator from South Carolina whether my assumption is correct that the purpose of the appropriation is to take care of the unemployed? Does the Senator from South Carolina understand that to be its purpose?

Mr. BYRNES. Undoubtedly the Senator from Delaware has been absent from the Chamber, because the subject has been discussed within the last few days. The purpose of the joint resolution is to give jobs to three and one-half million people who are now on the relief rolls receiving a dole, and to give them a chance to render service for what they

receive from the Government instead of receiving grocery orders.

When the Senator from Delaware joined the Senator from Oregon, who has just concluded his statement, in which he referred to the security wage as a starvation wage, he overlooked the fact that the people in whose interest this program is proposed are today receiving a pittance, and that they are hunting jobs and an opportunity for work instead of receiving grocery orders. The program was intended to give them a chance to work instead of continuing as beneficiaries of the dole. The Senator from Delaware prefers the dole. The people of America do not prefer a continuance of the dole.

Mr. HASTINGS. Will the Senator answer another question? If it be true, as he says it is, that it is for the purpose of taking care of three and one-half million people, and if it be true, as we contend, that if we adopt the McCarran amendment we can take care of them just as well with \$3,000,000,000, is there any reason why we should not do that, instead of straining the credit of the Government to the extent of another billion dollars?

Mr. BYRNES. If it is a question of straining the credit of the Government, we can do it by simply appropriating \$1,000,000,000 to continue the dole system. This program is to enter upon public works solely as an opportunity to give jobs to people now upon the relief roll. The Senator from Delaware is opposed to it. The Senator from Delaware wants to continue the dole system, does he not?

Mr. HASTINGS. Oh, no!

Mr. BYRNES. Is the Senator from Delaware in favor of continuing the dole system or in favor of giving these people work?

Mr. HASTINGS. If the Senator will be good enough to answer my question, I want to know if it be true that the purpose is to take care of the unemployed and give them what the President says they would get under his plan, namely, \$2,100,000,000; and if we accept the McCarran amendment, would not labor get just as much that way with \$3,000,000,000 as the other way with \$4,000,000,000?

Mr. BYRNES. If we should give \$4,000,000,000 to men working 621/2 hours a month, we would spend just as much money as if we should pay \$4,000,000,000 to men working 130 hours a month. Even the Senator from Delaware, great mathematician as he is, should recognize that. I say that if we should reduce the working hours to 30 and still give \$4,000,000,00 it would cost just the same amount, but we would not provide much work. The object of this program, as the President of the United States said to the Congress. is to give to these people jobs upon useful projects and to make them feel that they are earning something instead of continuing as beneficiaries of a dole system.

Mr. CONNALLY. Mr. President, is it not of great importance to keep in mind that the materials which would be bought will keep those in private industry employed, and if we use twice as many materials, we keep busy twice as many men who are normally employed? The Senator from Del-

aware ignores that consideration entirely.

Mr. BYRNES. In answer to the Senator from Texas let me say that I did not intend to make a statement on the subject at this time, but if there is anything that is apparent it is the correctness of the statement of the Senator from Texas. When orders are given for material, industry immediately receives a stimulus. As industry is stimulated the officials in charge of industry must seek employees. When they seek employees, three and one-half million men who are now hunting jobs will be removed from the labor market, and when the labor market is depleted by three and one-half million, the result will be an increase in the opportunity for labor. The Senator from Texas is correct in his statement, for it follows that as the result of orders for materials the workingmen of the United States now employed and men who are unemployed will receive employment in private industry; but as long as three and one-half million men without jobs are knocking at the door seeking jobs, men who are in jobs and those who are unemployed and upon the relief roll cannot hope for any improvement in their condition.

Mr. STEIWER. Mr. President, I merely want to submit two observations, and then I shall conclude so far as today's discussion may be concerned.

The first is that this is not a matter of choice between the dole and work relief, because the record discloses that of the three and one-half million concerning whom we are all very much interested, 2,225,000 are now on work relief, and most of them are receiving the prevailing rate of wages. That testimony is in the Record.

In my own State there are counties in which, of the entire relief roll, 96 percent are cared for by work relief rather than by dole. I have no doubt that in many places in the United States the percentage is as favorable as that.

Mr. BANKHEAD. Mr. President-

The PRESIDING OFFICER (Mr. Walsh in the chair). Does the Senator from Oregon yield to the Senator from Alabama?

Mr. STEIWER. I yield.

Mr. BANKHEAD. How long does the Senator believe that program can continue if the pending joint resolution is killed or left in the committee?

Mr. STEIWER. It cannot continue without appropriation, of course, but it can continue on the present basis of cost, which is now running about \$150,000,000 per month.

Mr. BANKHEAD. Will the Senator be generous enough to tell us what these men are earning per month on the average among those who are now on work relief?

Mr. STEIWER. I speak only from memory, but I took the trouble to wire some of the county administrators and I find that for common labor they are paying an average of 50 cents per hour and for skilled labor they are paying an average of 90 cents per hour.

Mr. BANKHEAD. I invite the Senator's attention to the fact that that does not in any way show what their average earning is.

Mr. STEIWER. I appreciate that.

Mr. BANKHEAD. I ask the Senator further-

Mr. STEIWER. Let me answer the Senator's question. The Senator intrudes so rapidly that I cannot finish the answer I was making.

The evidence discloses, moreover, from the same source of information, that the rural average per week or per month is lower than that in the towns; that in some parts of the county the average earnings of farmers who were working on relief at odd times was as low as \$19 per month. The all-over average in the county was approximately \$25 per month, but the requirement for labor in most cases did not exceed 3 days per week, and in no case did it exceed 4 days per week; and, according to the information which I have, very many of these people had some other sources of revenue with which they maintained themselves.

Mr. BANKHEAD. Now will the Senator permit a question?

Mr. STEIWER. Certainly.

Mr. BANKHEAD. Is the Senator referring to that program in approval or disapproval?

Mr. STEIWER. Not in entire approval, Mr. President.

Mr. BANKHEAD. What is the point of the Senator's argument?

Mr. STEIWER. I have said that the destitute are not all on dole. I am referring to it to distinguish that kind of work relief from what is intended when Senators speak so contemptuously of the dole system, and to say to the Senate and to the Senator from Alabama that in those counties where the money is not wasted our people are not as badly situated as some of us have been led to believe, and the counties in which there is a desperate and deplorable condition in the main will be found to be counties in which there is a tremendous waste of the public money.

I did not rise to discuss that subject, however, at this moment. I shall do so at some future time. I found, from information from a number of these counties, that waste was rampant and inexcusable and that the people on relief were suffering by reason of the failure to utilize the money wisely.

Mr. BANKHEAD. The Senator in his argument referred to the prevailing conditions where work relief is now being given; and, as I recall Mr. Hopkins' testimony, he said the average earnings were \$25 a month. I had understood that the Senator's statement was in approval of that and in opposition to the President's program, and that he was illustrating what was now being done in opposition to the security-wage program.

Mr. STEIWER. Nothing that I said indicated that I approved the kind of situation which I have described. I merely wanted to point out, as the Senator, I think, now knows, that it is not true, it is not accurate, to say that all this great body of unfortunate people are on dole.

Mr. BANKHEAD. I have made no such statement.

Mr. STEIWER. Others make the statement; possibly I misunderstood the Senator.

Mr. BANKHEAD. The Senator certainly did. Let me call his attention to Mr. Gill's testimony on page 9 of the supplemental hearings before the Senate committee, where he uses the expression:

With the average payment to each worker amounting to only \$25 a month.

I desire to ask the Senator if he is satisfied with that? Mr. STEIWER. Oh, no! I am a supporter of the prevailing rate of wage.

Mr. BANKHEAD. Or if he is in favor of the program which contemplates at least doubling that wage on the security-wage program?

Mr. STEIWER. If resort is had to work relief, I favor doubling the amount but would not force a security wage on any laborer. Let me see if I cannot calm the Senator's fears just a little by calling attention to the map at page 5, also a part of the record in this matter. I do so in order to call attention to the average hourly wage in the State of Alabama, shown on the map to be between 10 and 19 cents per hour, and the average of other parts of the country. In my own State it is 50 cents an hour and up. The \$25-per-month average that Mr. Hopkins is talking about is occasioned almost entirely by the low wage in those parts of the country, like Alabama, where they pay only between 10 and 20 cents per hour on the average for common labor; and there would be no such average figure as \$25 if those parts of the country were excluded from the calculation.

Mr. President, I desire to make one other observation, not in answer to my friend from Alabama, but in answer to the proposal suggested here a minute ago by the Senator from South Carolina [Mr. Byrnes]. He made the argument in effect that although the wage total could be kept the same on a prevailing wage as it could upon a security wage without any additional cost to the country, there would be a loss in that there would not be so much work done, and therefore there would not be so great a market for the materials.

That, I think, is a fair argument, or would be a fair argument, except that it comes with but little force at this day and time, when we are advised that our Government has just concluded a tariff-bargaining treaty with Belgium lowering the protective tariff on cement and other building materials, because it means, in plain words, that the acquisition of materials under this joint resolution will not be a program for the distressed material man of America, but will be in part an effort to bring about a great cooperative, benevolent system of commerce with the world, and that the Belgians and other foreign producers will in part enjoy the benefits of the fourth and unnecessary billion dollars to be expended from the money appropriated by this resolution.

## EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

## EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. Walsh in the chair) laid before the Senate messages from the President of the

United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

#### EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. HARRISON, from the Committee on Finance, reported favorably the nominations of Oscar Mikkelsen and Mark E. Bowers, assistant dental surgeons, to be passed assistant dental surgeons in the Public Health Service, to rank as such from February 5, 1935.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

## NELLIE DOUGHERTY

Mr. McKELLAR. Mr. President, I desire the attention of the junior Senator from North Dakota [Mr. Nye].

The Post Office Department has taken up with me the the case of Nellie Dougherty, nominated to be postmaster at Minot, N. Dak., in place of B. E. Stewart, whose commission expired in March 1931. It appears that objection was made by the two Senators from North Dakota because of Mrs. Dougherty being a Democratic national committeewoman. She is not any longer a committeewoman, and I desire to know if the Senator from North Dakota has any objection to the nomination.

Mr. NYE. Mr. President, I have signified during the day my intention of waiving any objection which has been mine; but I hope the Senator has consulted my colleague [Mr. Frazier].

Mr. McKELLAR. I have not done so. He is a member of the committee. May I have this nomination put on the calendar?

Mr. NYE. I have no objection to its being put on the calendar.

Mr. McKELLAR. I will report it, and let it go to the calendar, and confer with the senior Senator from North Dakota [Mr. Frazier].

The PRESIDING OFFICER. The report will be received and placed on the calendar. If there be no further reports of committees, the clerk will state the first nomination in order.

## IN THE MARINE CORPS

The legislative clerk read the nomination of Richard P. Williams to be brigadier general in the Marine Corps.

Mr. KING. Let that nomination go over.

Mr. TRAMMELL. Mr. President, the nomination of Richard P. Williams to be brigadier general in the Marine Corps has been pending in the Senate since February 6. The nomination of Gen. John H. Russell for promotion has been pending since February 18. The consideration of these nominations has been delayed more or less at the request of the Senator from Alabama [Mr. Black], who brought to the attention of the Senate committee some alleged information into which we made inquiry; and after doing so, the committee were impressed that these nominations should be favorably reported and confirmed by the Senate.

The printed testimony was not delivered to the Senate until today. It was ordered some days ago, but was delayed somewhat; and in discussing the matter with the Senator from Alabama [Mr. Black] I find that he does not desire to have the nominations considered today, as I understand. Is that the desire of the Senator?

Mr. BLACK. Mr. President, from what other Senators have said to me, I am sure it would be exceedingly difficult to finish the consideration of the nominations today if we should begin them today, and I know there are other Senators who desire that they go over. I may state that the evidence taken before the committee was distributed only today, and it is not all the evidence we should have liked to present before the committee. I think the Senator from Utah [Mr. King] probably was interested and would be interested in having more evidence given before the committee. I certainly should not be ready to take up the nominations

today; and I should particularly like to have the committee summon the two officers whose names I gave, who stated that General Russell was using property the use of which was prohibited by law.

Mr. TRAMMELL. Mr. President, that particular question came to the attention of the Committee on Naval Affairs, and the committee did make inquiry. However, they did not subpena the particular witnesses to whom reference is made, but made inquiry through the Department, and the committee was furnished information from the official records to the effect that the property in question, which was held at first at the Marine Barracks and later at the headquarters of General Russell, was obtained some 30 or 60 days prior to the enactment of a law providing that funds should not be used out of the particular appropriation in question for the purchase of articles of that character. That, I think, is the undisputed record. So the committee did not feel that it was necessary to subpena officers from Quantico to testify to that point.

I did not understand that the officers said that the property was being purchased in violation of law, but some person who wrote to the Senator from Alabama [Mr. Black] made the statement, and the statement was made on the premise that the law had been enacted prior to the time the property had been acquired. The law was enacted some 60 days afterwards. So the committee was impressed with the fact that there was no guilt whatever on the part of General Russell in that particular.

I do not know how the officers could furnish any different evidence. The evidence I refer to is the evidence of the record which we thought was the best evidence on that particular point.

Mr. BLACK. Did not that record come from General Russell?

Mr. TRAMMELL. It came from the Department here.

Mr. BLACK. May I ask if the matter was not referred to Assistant Secretary Roosevelt, and if he did not refer it to General Russell for answer, and if General Russell did not answer, and if that is not the only answer that has been sent?

Mr. TRAMMELL. I think that is correct; but he answered from the records as to the facts. Of course, I and other members of the committee have desired to be very fair and courteous in carrying on the investigation, but almost invariably the insinuations and the rumors against General Russell, and also General Williams, upon inquiry have developed into merely suspicions or rumors, with no facts to sustain them. I never heard of quite so many rumors and suspicions being circulated against a person, which, when we go into the facts, we find vanish into thin air, for there are really no facts to support the contentions. The committee has endeavored to investigate all these things.

Mr. McNARY. Mr. President, will the Senator yield? Mr. TRAMMELL. I yield.

Mr. McNARY. I sought on two occasions to have consideration of these nominations, but it does not appear that we can secure their consideration this afternoon, so I was just about to suggest that we have an agreement to take them up Monday afternoon.

Mr. TRAMMELL. I had in mind to suggest that we set an hour, say Monday or Tuesday at 3 o'clock in the afternoon, if we can so arrange, to take up the nominations and dispose of them one way or the other.

Mr. BLACK. Mr. President, if the Senator will yield, I desire to say, with reference to the statement that rumors have been traced down, that I intend to move to recommit these nominations, and I can give the committee a list of many witnesses from the Marine Corps from whom they can obtain the facts as to these promotions.

I desire to say in connection with the statement made that there has been sworn evidence before the committee that at one time General Russell was engaged in the command of troops, and that he surrendered or was about to surrender his battalion to one Mexican with a white flag. That evidence has been sworn to before the committee. I had understood, until I read the letter from General Lejeune,

who, it has been testified, was present on that occasion, that I he had denied it. I have read his letter carefully, and he does not deny it. I wrote him a letter 4 days ago and asked him the question again. I received a reply from him, and he neither denied the statement nor affirmed it.

I have taken the matter up with the Navy Department in order to find out about the alleged battle of "Russell's Run." Marine Corps headquarters told me they did not have the facts and that I should take it up with the War Department. I took it up with the War Department, and I cannot get a statement there.

I think that before we consider these nominations, with the sworn evidence so contradictory as between two witnesses, General Russell and the other man, there ought to be some investigation. I am not making complaint about the committee; I want that understood. But I do think that before we take up the question, whether it is Monday or Tuesday, there ought to be some way of ascertaining just exactly what did happen at El Tejar, Mexico.

Mr. BARKLEY. Mr. President, is it possible that the battle was so unimportant that only two people can testify about it?

Mr. BLACK. General Russell, as I recall, testified that there were between five and six hundred Mexicans there. General Butler testified there was one Mexican. I took the position that if there had been between five and six hundred Mexicans there would be something about it in the Department. I have had all the records traced, and I have gone to every place I could think of, and I cannot find a single trace of this incident, when an entire battalion was brought up to aid General Russell.

Mr. BARKLEY. In what war was this?

Mr. BLACK. This was the war of Veracruz.

Mr. TRAMMELL. Mr. President, this involves a question of some evidence on a matter which I do not think is of any very great consequence. General Butler did come before the committee and complain, and among the things he mentioned was the battle of-

Mr. BLACK. The battle of "Russell's Run." [Laughter.]

Mr. ROBINSON. Which way did he run?

Mr. TRAMMELL. Of course, General Russell says that there were a large number of troops there, and the evidence will show for itself on that point. The facts are controverted. General Butler, when asked about General Lejeune, said that he was one of the two outstanding soldiers in America. He placed only one other in the class with General Lejeune, who has written a letter here voluntarily commending General Russell, commending him upon his service in Haiti when he was there. He has the endorsement, I would say the absolute endorsement, of General Lejeune, as to his service in the Marine Corps.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. TRAMMELL. I yield.

Mr. CLARK. It was during General Russell's service in Haiti that he arrogated to himself the right to arrest a United States Senator going to Haiti, was it not?

Mr. TRAMMELL. That is water that has passed the mill. That matter was before us when we considered General Russell's nomination, when the President sent the nomination in a year and a half ago. Of course, there are two sides to that question. I do not want to take the time now, unless we are going to consider the matter this afternoon, to discuss that phase of it.

As a matter of fact, General Russell says he was not the instigator of the move to keep the Senator out, but that he advised with others with whom he was consulting, and that he found it would be proper to let him come in, but the matter was taken up with the State Department, and the State Department directed him to follow out the orders issued by the Governor of Haiti, and that he was only acting under orders. So that is that.

I think that if we are to have the matter taken up next week there is no use going into a discussion of all the details this afternoon.

Mr. BLACK. Before we make an agreement-

Mr. JOHNSON. Mr. President, let us be clear as to

or whether we are to proceed with it on some other occasion. I suggest, with all due deference to the Senators—and I have no desire, of course, to determine any discussion between them-that if we are not to take this matter up this afternoon, let us ascertain that fact. If we are to take it up at a definite date, let us fix the date, and let us go about all these things in an orderly way.

Mr. TRAMMELL. I should like to have a date set for the consideration of the nominations.

Mr. BLACK. Before entering into an agreement I wish to say a few words with reference to what the Senator from Florida has stated.

There is evidence under oath from General Butler that he ran for miles with a battalion to rescue General Russell when General Russell was supposed to be under attack by Mexicans; that when he arrived he found no Mexicans, except that one man had come out from the woods with a white flag and gone to General Russell and told him that he had him surrounded with troops and intended to capture him; that General Russell then called by radio for reinforcements and a battalion rushed up, after running for miles, to rescue General Russell. That is under oath. General Russell denies the statement. He says there were five or six hundred Mexicans. I say that before the Senate is called on to vote upon this matter the committee ought to find out from some source whether there were five or six hundred Mexicans or whether there were none.

Mr. JOHNSON. Mr. President, will the Senator yield? Mr. BLACK. I have not the floor.

Mr. JOHNSON. I move that the Senate proceed to consider these nominations. If we are to have the debate upon them at the present time let us proceed with them and dispose of them.

The PRESIDING OFFICER. Does the Senator from Florida yield for the purpose of permitting the Senator from California to make the motion he has proposed?

Mr. TRAMMELL. Mr. President, that is agreeable to me, although under the circumstances I had thought that probably we would save time by setting an hour, either Monday or Tuesday.

Mr. JOHNSON. Mr. President, I am perfectly willing, if the Senator will pardon me, to fix a time that is convenient to everybody for the presentation of the matters hereafter. but I am not willing to sit here and listen to a discussion upon a matter, which, to my mind, whether to anybody else's or not, was adequately explained before the Committee on Naval Affairs.

Mr. BLACK. Mr. President-

The PRESIDING OFFICER. The Chair is prepared to entertain a motion by the Senator from Florida, or to entertain a request for unanimous consent.

Mr. TRAMMELL. I move that on Monday next at 3 o'clock the Senate proceed to consider the two nominations in question.

Mr. BLACK. Mr. President, before the question is put, I desire to make a request. In view of the fact that General Russell has made one statement and General Butler another-and I venture the assertion that if the statement of General Butler were proved to be true there would not be 10 votes in the Senate for General Russell-I think we have a right to request that efforts be made to ascertain which statement is correct. I have exhausted every resource I have in trying to find out where the records are. I wrote General Lejeune, and I have written him since the other letter was written, but he has not replied to my statement about this matter. I have no objection to taking the nominations up on Monday. I intend to make a motion to recommit all these nominations at the time they come up.

Mr. President, I desire to propound a parliamentary inquiry. As I understand, even though a motion to consider these nominations on Monday should be adopted, we would still have the right to move to recommit the nominations?

The PRESIDING OFFICER. There is no question about

Mr. BLACK. I shall not object to the motion, Mr. Presiwhether we are to proceed with this matter this afternoon dent; but I do desire to request that in the meantime the committee endeavor to ascertain whether or not there is any record of this incident at El Teiar, in order that it may be presented on that occasion.

The PRESIDING OFFICER. The motion before the Senate is that further consideration of these nominations be postponed until 3 o'clock on Monday.

Mr. JOHNSON. Mr. President, I understand the motion to be that at 3 o'clock on Monday the Senate proceed with the nominations.

The PRESIDING OFFICER. The present occupant of the chair is informed by the clerk that such action would have to be agreed to by unanimous consent, but that a motion to postpone the present deliberations would be in order.

Mr. McNARY. Mr. President, it is the privilege of any Senator to move the adoption of a special order for a definite time. I understood the motion to be that on Monday at 3 o'clock the Senate proceed with the consideration of these nominations in executive session.

Mr. TRAMMELL. Mr. President, what I had in contemplation was that a special order should be adopted that at 3 o'clock on Monday next the Senate should proceed to the consideration of these nominations.

The PRESIDING OFFICER. The motion requires a twothirds vote to be adopted. [Putting the question.] The motion appears to be unanimously agreed to.

## IN THE NAVY

The legislative clerk proceeded to read sundry nominations in the Navy.

Mr. BLACK I ask that those nominations go over also.

The PRESIDING OFFICER. The nominations in the Navy will go over until Monday at 3 o'clock, at the request of the Senator from Alabama.

Mr. BLACK. I think it would be proper to take up all of them together.

## IN THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

Mr. BLACK. Mr. President, I ask that those nominations also go over in the same manner as the other nominations.

The PRESIDING OFFICER. At the request of the Senator from Alabama the nominations in the Marine Corps are also postponed until Monday at 3 o'clock.

The Senate resumed legislative session.

# DESCENT AND DISTRIBUTION IN THE DISTRICT

Mr. KING. Mr. President, I call attention to Senate bill 409, which was passed by the Senate on Monday last. On the same day a similar measure-indeed, one identical in terms-passed the House of Representatives, and has been messaged to the Senate. I ask that the House measure be now laid before the Senate.

The PRESIDING OFFICER laid before the Senate the bill (H. R. 3464) to amend certain sections of the code of law for the District of Columbia, approved March 3, 1901, as amended, relating to descent and distribution, which was read twice by its title.

Mr. KING. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of the bill the title of which has just been read.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 380 of the act entitled "An act to establish a code of law for the District of Columbia", approved March 3, 1901, as amended (D. C. Code, title 29, sec. 288), is amended to read as follows:

"Sec. 380. If there be no child, or descendant, the whole shall go to the father and mother in equal shares or to the survivor of them."

SEC. 2. Section 384 of such act, as amended (D. C. Code, title 29, sec. 292), is amended to read as follows:

"SEC. 384. If there be no collaterals, the grandfathers and grandmothers, or such of them as survive, shall take alike."

SEC. 3. (a) Section 940 of such act, as amended (D. C. Code, title 25, sec. 231), is amended to read as follows:

"SEC. 240. Course of descendents generally. On the deeth of any

"SEC. 940. Course of descendants generally: On the death of any person seized of an estate in fee simple in lands, tenements, or hereditaments in the District of Columbia, and intestate thereof,

the same shall descend in fee simple to such person's kindred in "First. To his child or children and their descendants, if any,

equally.

"Second. If there be no child or descendant of a child, then equally to the father and mother of the intestate, or the whole

"Third. If there be no father or mother, then to the brothers and sisters of the intestate, and their descendants equally.

"Fourth. If there be no brother or sister, or descendant from a brother or sister, then the whole shall go to the widow or widower of the intestate.

of the intestate.

"Fifth. If none such, then one moiety of the estate shall go to the paternal, the other to the maternal kindred of the intestate in the following order:

"Sixth. First to the grandfather and grandmother equally, but if one be dead the entire moiety to the sole surviving grandparent.

"Seventh. If none, then to the uncles and aunts of the intestate, and their descendants equally.

"Eighth. If none such, then to the great-grandfathers and great-grandmothers, in the same manner prescribed for grandfather and grandmother in subdivision 6.

"Ninth. If none, then to the brothers and sisters of the grandfathers and grandmothers, and their descendants equally.

"Tenth. And so on in other cases, without end, passing to the nearest lineal ancestors and the descendants of such ancestors.

"Eleventh. If there be no paternal kindred, the whole shall go to the maternal kindred; and if there be no maternal kindred, the whole shall go to the paternal kindred. If there be neither maternal or paternal kindred, the whole shall go to the kindred of the husband or wife had died entitled to the estate; and if the intestate has had more husbands or wives than one, and all have died before mater intertate the research. intestate has had more husbands or wives than one, and all have died before such intestate, then the estate shall be equally divided among the kindred of the several husbands or wives in equal

degree equally."

(B) Sections 941 to 951, inclusive, of such act, as amended (D. C. Code, title 25, secs. 232 to 242, inclusive), are hereby repealed.

SEC. 4. Section 954 of such act, as amended (D. C. Code, title 25, sec. 245), is amended to read as follows:

"SEC. 954. In no case shall there be any distinction between the kindred of the whole- and the half-blood."

SEC. 5. Section 955 of such act, as amended (D. C. Code, title 25, sec. 246), is amended to read as follows:

"SEC. 955. Whenever those entitled to share in the estate in fee simple in lands, tenements, or hereditaments in the District of Columbia, of an intestate, are all in the same degree of kindred to the intestate, they shall take per capita or by persons; and, where a part of them are dead and a part living, the issue of those dead shall take per stirpes or by stocks the shares of their deceased parents."

# ADJOURNMENT TO MONDAY

Mr. ROBINSON. I move that the Senate adjourn until Monday next at 12 o'clock meridian.

The motion was agreed to; and (at 3 o'clock and 52 minutes p. m.) the Senate adjourned until Monday, March 4, 1935, at 12 o'clock meridian.

# NOMINATIONS

Executive nominations received by the Senate February 28. 1935

# DIPLOMATIC AND CONSULAR SERVICE

John J. Muccio, of Rhode Island, now a Foreign Service officer of class 6 and a consul, to be also a secretary in the Diplomatic Service of the United States of America.

William P. Cochran, Jr., of Pennsylvania, now a Foreign Service officer, unclassified, and a vice consul of career, to be also a secretary in the Diplomatic Service of the United States of America.

## POSTMASTERS

## ALABAMA

Robert E. Bowdon, Jr., to be postmaster at Calera, Ala., in place of E. K. Wood, removed.

Clarence C. Calhoun to be postmaster at Jackson, Ala., in place of Joseph Loranz. Incumbent's commission expired January 22, 1934.

Henry G. Sockwell to be postmaster at Tuscumbia, Ala., in place of J. S. Henderson. Incumbent's commission expired December 11, 1933.

Edgar A. Tatum to be postmaster at Valley Head, Ala., in place of P. M. Ellis. Incumbent's commission expired March 22, 1934.

Alma Cardwell to be postmaster at Vredenburgh, Ala., in place of Emma Rippetoe, resigned.

#### ARKANSAS

Olice F. Huson to be postmaster at Heber Springs, Ark., in place of Ida Burns. Incumbent's commission expired May 2, 1934.

## CALIFORNIA

Clayborne L. Boren to be postmaster at Bell, Calif., in place of C. C. McGonegal. Incumbent's commission expired May 7, 1934.

Gay E. Shamel to be postmaster at Cambria, Calif., in place of Earl Van Gorden. Incumbent's commission expired December 18, 1933.

Walter A. Oxford to be postmaster at Orosi, Calif., in place of D. I. Roth. Incumbent's commission expired December 18, 1933.

Wilkin B. Sheldon to be postmaster at San Martin, Calif., in place of J. C. Gallant, removed.

George H. Gischel to be postmaster at Tracy, Calif., in place of G. H. Gischel. Incumbent's commission expired February 21, 1935.

John J. Madigan to be postmaster at Vallejo, Calif., in place of H. F. Stahl, removed.

#### FLORIDA

James L. Crayden to be postmaster at Eustis, Fla., in place of C. P. Bishop. Incumbent's commission expired May 7, 1934.

#### GEORGIA

Herman E. Malaier to be postmaster at Chattahoochee, Ga., in place of H. E. Malaier. Incumbent's commission expired February 25, 1935.

E. Stelle Barrett to be postmaster at Union City, Ga., in place of E. S. Barrett. Incumbent's commission expired February 25, 1935.

#### IDAHO

Parley Rigby to be postmaster at Idaho Falls, Idaho, in place of Joseph Morley. Incumbent's commission expired April 16, 1934.

# ILLINOIS

Chrystal W. Beckett to be postmaster at Golden, Ill., in place of H. F. Selby. Incumbent's commission expired May 29, 1934.

Clem Wiser to be postmaster at Martinsville, Ill., in place of W. K. McDaniel, removed.

Cora G. Rutherford to be postmaster at Medora, Ill., in place of F. E. Whitfield, resigned.

Milton O. Harriss to be postmaster at Pinckneyville, Ill., in place of J. N. Taffee, resigned.

Alfred H. Barrow to be postmaster at Roodhouse, Ill., in place of W. C. Roodhouse, deceased.

## INDIANA

Floyd B. Faulkerson to be postmaster at Angola, Ind., in place of G. J. Shaughniss, transferred.

Thomas R. Teegardin to be postmaster at Hamilton, Ind., in place of B. F. Smith. Incumbent's commission expired May 7, 1934.

Charles D. Manaugh to be postmaster at Hanover, Ind., in place of J. T. Nighbert. Incumbent's commission expired May 20, 1934.

Linda M. Peine to be postmaster at Oldenburg, Ind., in place of Henry Suhre. Incumbent's commission expired May 29, 1934.

James C. Rice to be postmaster at Spencer, Ind., in place of H. P. Willoughby, removed.

## TOWA

Arthur G. Buchanan to be postmaster at Lime Spring, Iowa, in place of J. A. Ruesink. Incumbent's commission expired April 28, 1934.

Isaac Hoeven to be postmaster at Sioux Center, Iowa, in place of Allen Muilenburg. Incumbent's commission expired December 18, 1933.

## KANSAS

William L. Brumbaugh to be postmaster at Portis, Kans., in place of K. L. Lee. Incumbent's commission expired April 8, 1934.

## KENTUCKY

Clifford O. Ducker to be postmaster at Butler, Ky., in place of W. C. Huddleston, removed.

Dennis L. Sullivan to be postmaster at Corinth, Ky., in place of Bennie Robinson. Incumbent's commission expired December 16, 1933.

Homer J. Northcutt to be postmaster at Covington, Ky., in place of H. M. Ricketts. Incumbent's commission expired March 18, 1934.

Marshall Norton to be postmaster at Hardinsburg, Ky., in place of A. T. Beard. Incumbent's commission expired July 1, 1934.

Marie M. LeBray to be postmaster at Nazareth, Ky., in place of M. M. LeBray. Incumbent's commission expired February 25, 1935.

Mary Virginia Garvey to be postmaster at Sanders, Ky., in place of A. C. Devore, resigned.

#### MAINI

Walter E. Hurd to be postmaster at Berwick, Maine, in place of R. R. Mathews. Incumbent's commission expired April 28, 1934.

Mollie M. Armstrong to be postmaster at Cape Cottage, Maine, in place of H. M. Armstrong. Incumbent's commission expired March 18, 1934.

John H. Gilbert to be postmaster at Monson, Maine, in place of Edward Johnson. Incumbent's commission expired April 28, 1934.

Grover Cheney to be postmaster at Wells, Maine, in place of R. B. Parker. Incumbent's commission expired April 28, 1934.

## MASSACHUSETTS

Patrick F. Shea to be postmaster at Fitchburg, Mass., in place of J. G. Faxon. Incumbent's commission expired February 25, 1935.

Josephine E. Dempsey to be postmaster at South Ashburnham, Mass., in place of J. E. Dempsey. Incumbent's commission expired February 27, 1935.

## MINNESOTA

Nettie Layng to be postmaster at Bruno, Minn., in place of Nettie Layng. Incumbent's commission expired February 25, 1935.

Alvah G. Swindlehurst to be postmaster at Cass Lake, Minn., in place of M. N. Koll, deceased.

Otto H. J. Zorn to be postmaster at Danube, Minn., in place of E. A. Voelz, removed.

Dennis E. Murphy to be postmaster at Dassel, Minn., in place of O. E. Linquist. Incumbent's commission expired February 28, 1933.

Gunstein D. Aakhus to be postmaster at Erskine, Minn., in place of G. D. Aakhus. Incumbent's commission expired February 25, 1935.

Donald B. Brower to be postmaster at Kimball, Minn., in place of F. G. Brower. Incumbent's commission expired April 2, 1934.

Robert B. Forrest to be postmaster at Lake Wilson, Minn., in place of R. B. Forrest. Incumbent's commission expired February 20, 1935.

Clarence H. Cook to be postmaster at Newfolden, Minn., in place of Martha Kleppe. Incumbent's commission expired December 18, 1933.

Herman E. Kent to be postmaster at Sanborn, Minn., in place of H. E. Kent. Incumbent's commission expired February 27, 1935.

Benjamin F. DuBois to be postmaster at Sauk Center, Minn., in place of W. M. Parker. Incumbent's commission expired June 17, 1934.

Arthur C. Jensen to be postmaster at Winger, Minn., in place of John Jensen. Incumbent's commission expired January 31, 1934.

## MISSISSIPPI

Ira I. Massey to be postmaster at Ethel, Miss., in place of C. M. Breazeale, resigned.

Martha B. Lowe to be postmaster at Glendora, Miss., in place of M. B. Lowe. Incumbent's commission expired February 4, 1935.

Henry E. Wamsley to be postmaster at State College, Miss., in place of H. E. Wamsley. Incumbent's commission expired February 25, 1935.

Laura E. Turnage to be postmaster at Tchula, Miss., in place of L. E. Turnage. Incumbent's commission expired February 25, 1935.

George O. Robinson to be postmaster at Tunica, Miss., in place of G. O. Robinson. Incumbent's commission expired February 25, 1935.

#### MISSOURI

Robert L. Ellis to be postmaster at Ava, Mo., in place of L. H. Pettit, removed.

Raymond K. Elliott to be postmaster at Bunceton, Mo., in place of J. D. Scott, removed.

C. Leslie Parks to be postmaster at Cole Camp, Mo., in place of E. H. Intelmann. Incumbent's commission expired December 18, 1933.

Elmer E. Sagehorn to be postmaster at Concordia, Mo., in place of H. E. Martens. Incumbent's commission expired December 18, 1933.

William O. Morris to be postmaster at Eugene, Mo., in place of W. T. Thompson, removed.

Ivan Nile Knowles to be postmaster at Green Castle, Mo., in place of Glenn Vaughn, removed.

Charles Gentry to be postmaster at Houston, Mo., in place of W. E. Duff, removed.

William G. Warner to be postmaster at Lamar, Mo., in place of T. W. Box, removed.

Sadie E. Burnett to be postmaster at Norwood, Mo., in place of F. E. Hart, transferred.

Youree Douglas Adair to be postmaster at Odessa, Mo., in place of S. S. Rutan, removed.

Mary T. Barnes to be postmaster at Pilot Grove, Mo., in place of L. B. Jones. Incumbent's commission expired April 30, 1934.

Harry F. Allen to be postmaster at Powersville, Mo., in place of R. D. Eaton. Incumbent's commission expired January 28, 1934.

Eva G. Allen to be postmaster at Rutledge, Mo., in place of G. R. Hendricks. Incumbent's commission expired December 17, 1932.

Earl A. Seay to be postmaster at Salem, Mo., in place of C. R. Hayes. Incumbent's commission expired February 28, 1933.

Edward J. Dempsey to be postmaster at Shelbina, Mo., in place of W. D. Barker. Incumbent's commission expired December 18, 1933.

Abe Paul to be postmaster at South West City, Mo., in place of C. B. Robinson, transferred.

Edward J. Fry to be postmaster at Stover, Mo., in place of C. F. Hamrick, removed.

Clinton O. Brockman to be postmaster at Tuscumbia, Mo., in place of J. Z. Spearman. Incumbent's commission expired February 6, 1934.

Victor V. Long to be postmaster at Waynesville, Mo., in place of O. M. Anderson, removed.

Louis H. Barker to be postmaster at Willow Springs, Mo., in place of B. J. Drymon. Incumbent's commission expired February 6, 1934.

J. Talmage Loyd to be postmaster at Winona, Mo., in place of R. O. Foster, removed.

Mabel Smulling to be postmaster at Wyaconda, Mo., in place of H. E. Sherwood. Incumbent's commission expired January 19, 1933.

# MONTANA

Mary A. Fetterman to be postmaster at Saco, Mont., in place of T. E. Didier. Incumbent's commission expired September 30, 1933.

# NEBRASKA

Robert L. Isham to be postmaster at Chadron, Nebr., in place of O. J. Schwieger, removed.

## NEVADA

Elva I. Hermansen to be postmaster at East Ely, Nev., in place of J. M. Fay. Incumbent's commission expired February 20, 1934.

Cyrus E. Hutton to be postmaster at Ruth, Nev., in place of A. C. Lewis. Incumbent's commission expired June 20, 1934

#### NEW HAMPSHIRE

Frank J. Young to be postmaster at Hinsdale, N. H., in place of F. W. Colton. Incumbent's commission expired March 18, 1934.

## NEW JERSEY

Frank J. Baker to be postmaster at Carlton Hill, N. J., in place of D. A. DeVries, removed.

James K. Grimes to be postmaster at Clifton, N. J., in place of F. E. Gersie, transferred.

Elizabeth MacBrair to be postmaster at Essex Fells, N. J., in place of Elizabeth MacBrair. Incumbent's commission expired December 16, 1934.

Irma M. Adams to be postmaster at Hammonton, N. J., in place of R. L. Buck, removed.

## NEW MEXICO

Virginia M. Cason to be postmaster at Mosquero, N. Mex., in place of W. N. Brock, deceased.

Felix D. Valdes to be postmaster at Taos, N. Mex., in place of J. B. Martinez. Incumbent's commission expired February 28, 1932.

## NEW YORK

Fuller F. Cornwall to be postmaster at Alexandria Bay, N. Y., in place of Henry Leonhardt. Incumbent's commission expired June 20, 1934.

Mary F. Villamil to be postmaster at Florida, N. Y., in place of L. E. Murray. Incumbent's commission expired March 18, 1930.

William J. Hartnett to be postmaster at Fulton, N. Y., in place of W. E. Gayer, resigned.

Howard R. Stevens to be postmaster at Hopewell Junction, N. Y., in place of H. V. Mulford, resigned.

Edward A. Laundree to be postmaster at Keeseville, N. Y., in place of H. W. Boisseau, deceased.

William McNeal to be postmaster at Montgomery, N. Y., in place of William McNeal. Incumbent's commission expired February 24, 1931.

Gordon E. DeVille to be postmaster at Ontario, N. Y., in place of R. A. Fisher. Incumbent's commission expired December 16, 1933.

Frederick J. Clum to be postmaster at Pawling, N. Y., in place of H. M. Wright. Incumbent's commission expired September 19, 1933.

Robert P. Dumas to be postmaster at Plattsburg, N. Y., in place of Dennis Lamarche, removed.

Mary E. Gainor to be postmaster at Salem, N. Y., in place of Frank Wright. Incumbent's commission expired February 6, 1934.

Edward Fennell to be postmaster at Savannah, N. Y., in place of V. E. Bowler. Incumbent's commission expired June 20, 1934.

# NORTH CAROLINA

Mortimer H. Mitchell to be postmaster at Aulander, N. C., in place of M. H. Mitchell. Incumbent's commission expired February 14, 1935.

Robert Lee Bridger to be postmaster at Bladenboro, N. C., in place of L. G. Hales, deceased.

Tasker T. Hawks to be postmaster at Norlina, N. C., in place of W. B. White. Incumbent's commission expired April 30, 1934.

Elias Carr Speight to be postmaster at Rocky Mount, N. C., in place of G. T. Matthews. Incumbent's commission expired April 28, 1934.

G. Glenn Nichols to be postmaster at Sparta, N. C., in place of L. M. Choate. Incumbent's commission expired December 20, 1934.

## NORTH DAKOTA

Nellie Dougherty to be postmaster at Minot, N. Dak., in place of B. E. Stewart. Incumbent's commission expired March 1, 1931.

Peter Meier to be postmaster at Napoleon, N. Dak., in place of F. F. Davenport. Incumbent's commission expired March 22, 1934.

Julius C. Pfeifer to be postmaster at Richardton, N. Dak., in place of J. V. Kuhn, resigned.

Emma Kittelson to be postmaster at San Haven, N. Dak., in place of T. H. Tharalson, resigned.

#### OHIO

Howard M. Whitehead to be postmaster at Alexandria, Ohio, in place of B. M. Harrison. Incumbent's commission expired January 31, 1934.

Raymond E. Fissel to be postmaster at Galena, Ohio, in place of W. H. Campbell, deceased.

Ray H. Strouse to be postmaster at McComb, Ohio, in place of F. M. Fletcher, removed.

Harold F. Sweeney to be postmaster at Russells Point, Ohio, in place of M. B. Craig. Incumbent's commission expired January 9, 1934.

Paul F. Dye to be postmaster at Urbana, Ohio, in place of J. H. Siegle. Incumbent's commission expired April 28, 1934.

Thomas B. Gephart to be postmaster at Williamsport, Ohio, in place of B. H. Moore, removed.

#### OKLAHOMA

Marvin A. Peacock to be postmaster at Fletcher, Okla., in place of J. W. Hinson, Incumbent's commission expired March 22, 1934.

Benjamin M. Luton, Jr., to be postmaster at Lindsay, Okla., in place of C. L. Bell. Incumbent's commission expired March 18, 1934.

Samuel H. Freeman to be postmaster at Stratford, Okla., in place of J. S. Goodwin, removed.

#### OREGON

Harold R. White to be postmaster at Wasco, Oreg., in place of W. E. Tate. Incumbent's commission expired March 8, 1934.

## PENNSYLVANIA

Samuel U. Marbarger to be postmaster at Auburn, Pa., in place of E. A. Raush. Incumbent's commission expired June 20, 1934.

Leo F. Matthews to be postmaster at Brackenridge, Pa., in place of Benard Peters, resigned.

William C. Storer to be postmaster at Brownsville, Pa., in place of W. B. Edmiston. Incumbent's commission expired January 18, 1932.

Edward W. Coley to be postmaster at Cochranton, Pa., in place of E. J. Fleming. Incumbent's commission expired January 5, 1933.

Tilghman S. Cooper to be postmaster at Coopersburg, Pa., in place of J. H. Fetzer. Incumbent's commission expired June 11, 1933.

Harry C. Beck to be postmaster at Cressona, Pa., in place of R. L. Wagner. Incumbent's commission expired June 20, 1934.

Robert C. Laird to be postmaster at Downingtown, Pa., in place of T. V. Miller, removed.

Raymond D. Kehrer to be postmaster at Eagles Mere, Pa., in place of J. W. Aumiller. Incumbent's commission expired April 22, 1934.

Walter M. Bauscher to be postmaster at Fleetwood, Pa., in place of E. S. Rothermel. Incumbent's commission expired June 28, 1934.

Michael J. Glenn to be postmaster at Ford City, Pa., in place of Jennie Larkins. Incumbent's commission expired June 16, 1934.

Charles A. O'Donnell to be postmaster at Frackville, Pa., in place of E. J. Monroe, deceased.

Jennie D. Seltz to be postmaster at Galeton, Pa., in place of C. F. Rugaber, removed.

Patrick H. Kearney to be postmaster at Hawley, Pa., in place of G. W. Murphy, removed.

Albert C. Beard to be postmaster at High Spire, Pa., in place of R. V. Parthemore. Incumbent's commission expired June 20, 1934.

Charles M. Howell to be postmaster at Lancaster, Pa., in place of C. H. Stormfeltz, removed.

Daniel E. Walter to be postmaster at Lebanon, Pa., in place of F. D. Heilman, retired.

James W. Byers to be postmaster at Mercer, Pa., in place of D. H. Cummings. Incumbent's commission expired April 28, 1934.

Kate H. Hayden to be postmaster at Midland, Pa., in place of J. L. Porter. Incumbent's commission expired March 18, 1934.

William B. Johnston to be postmaster at Philipsburg, Pa., in place of S. H. Wigton. Incumbent's commission expired January 13, 1932.

Joseph M. Hathaway to be postmaster at Rices Landing, Pa., in place of J. M. Hathaway. Incumbent's commission expired June 10, 1934.

E. Belle Luce to be postmaster at Saegerstown, Pa., in place of A. E. Pettis, resigned.

John N. Zimmerman to be postmaster at Sunbury, Pa., in place of W. H. Deppen, removed.

Maurice J. McGee to be postmaster at Troy, Pa., in place of D. F. Pomeroy. Incumbent's commission expired February 25, 1933.

#### PUERTO RICO

Rafael P. Robert to be postmaster at Fajardo, P. R., in place of R. P. Robert. Incumbent's commission expired February 20, 1935.

## SOUTH CAROLINA

Paul M. Davis to be postmaster at Donalds, S. C., in place of P. M. Davis. Incumbent's commission expired January 11, 1934.

John H. Payne to be postmaster at Johnston, S. C., in place of J. H. Payne. Incumbent's commission expired February 25, 1935.

Helen Dupre Moseley to be postmaster at Spartanburg, S. C., in place of J. A. Wood. Incumbent's commission expired March 18, 1934.

## SOUTH DAKOTA

Louis E. Smith to be postmaster at Alpena, S. Dak., in place of N. B. Hammer. Incumbent's commission expired January 29, 1933.

Ian H. Maxwell to be postmaster at Delmont, S. Dak., in place of John Schafer, deceased.

Regina Trinen to be postmaster at Letcher, S. Dak., in place of Harold French. Incumbent's commission expired April 28, 1934.

James R. Crowe to be postmaster at Yankton, S. Dak., in place of J. F. Whittemore, deceased.

## TENNESSEE

A. Klasen Broyles to be postmaster at Limestone, Tenn., in place of O. M. Hartsell. Incumbent's commission expired March 21, 1932.

Robert T. Lee to be postmaster at Madisonville, Tenn., in place of M. S. Luther, resigned.

## TEXAS

Robert Rowntree to be postmaster at Bartlett, Tex., in place of J. D. Bell, removed.

Otto Hicks to be postmaster at Blum, Tex., in place of J. M. Stratton. Incumbent's commission expired December 18, 1932.

Earl B. Hopkins to be postmaster at Brazoria, Tex., in place of L. D. Campbell, resigned.

Theodore A. Low, Jr., to be postmaster at Brenham, Tex., in place of Henrietta Fricke, resigned.

Stanley F. Labus to be postmaster at Falls City, Tex., in place of S. F. Labus. Incumbent's commission expired February 4, 1935.

Wallace J. Bludworth to be postmaster at Flatonia, Tex., in place of F. W. Dusek. Incumbent's commission expired March 22, 1934.

James F. Atkinson to be postmaster at Florence, Tex., in place of J. F. Atkinson. Incumbent's commission expired February 4, 1935.

Robbie G. Ellis to be postmaster at Fort Davis, Tex., in place of R. G. Ellis. Incumbent's commission expired February 20, 1935.

Leonadis E. Eubanks to be postmaster at Groesbeck, Tex., in place of L. B. Richardson, resigned.

Sam H. Amsler to be postmaster at McGregor, Tex., in place of D. B. Gilmore, removed.

E. Otho Driskell to be postmaster at Mansfield, Tex., in place of E. O. Driskell. Incumbent's commission expired February 14, 1935.

Richard J. Bradford to be postmaster at Pettus, Tex., in place of R. J. Bradford. Incumbent's commission expired February 20, 1935.

Willis C. Giffin to be postmaster at Sabinal, Tex., in place of A. J. Durham, Jr. Incumbent's commission expired January 22, 1934.

A. Judson Pryor to be postmaster at Texarkana, Ark.-Tex., in place of E. E. Hudspeth, retired.

#### TITAH

Jesse M. French to be postmaster at Greenriver, Utah, in place of J. M. French. Incumbent's commission expired February 20, 1935.

John M. Bernhisel to be postmaster at Lewiston, Utah, in place of C. C. McGee. Incumbent's commission expired May 13, 1934.

Andrew J. Judd to be postmaster at Manti, Utah, in place of G. A. Jensen, removed.

#### VIRGINIA

Rosalie H. Mahone to be postmaster at Amherst, Va., in place of R. H. Mahone. Incumbent's commission expired June 4, 1934.

E. LeRoy Smith to be postmaster at Appomattox, Va., in place of J. E. Dinwiddie, removed.

Lavone A. Baker to be postmaster at Cartersville, Va., in place of M. P. Moon. Incumbent's commission expired May 20, 1934.

Dewey Arrington to be postmaster at Cleveland, Va., in place of S. B. Jessee, removed.

Robert B. Spencer to be postmaster at Dillwyn, Va., in place of W. R. Connor. Incumbent's commission expired June 20, 1934.

James F. Walker to be postmaster at Fort Defiance, Va., in place of J. F. Walker. Incumbent's commission expired April 28, 1934.

# WASHINGTON

Marie L. Wenberg to be postmaster at East Stanwood, Wash., in place of C. J. Gunderson. Incumbent's commission expired May 7, 1934.

Gladys E. Gillmore to be postmaster at Medical Lake, Wash., in place of Theo Hall. Incumbent's commission expired March 8, 1934.

Tolaver T. Richardson to be postmaster at Northport, Wash., in place of T. T. Richardson. Incumbent's commission expired February 25, 1935.

Andrew J. Cosser to be postmaster at Port Angeles, Wash., in place of A. J. Cosser. Incumbent's commission expired February 25, 1935.

Clifford L. Thomas to be postmaster at Sumas, Wash., in place of M. V. Garrison. Incumbent's commission expired April 16, 1934.

M. Berta Start to be postmaster at Winslow, Wash., in place of M. B. Start. Incumbent's commission expired November 12, 1933.

## WEST VIRGINIA

Wade H. Brown to be postmaster at Jane Lew, W. Va., in place of Ila Lawson. Incumbent's commission expired April 15, 1934.

## WISCONSIN

Dey E. Clemons to be postmaster at Brule, Wis., in place of H. E. Webster. Incumbent's commission expired December 19, 1933.

James W. Harkin to be postmaster at Shullsburg, Wis., in place of W. S. Wurm. Incumbent's commission expired June 20, 1934.

Blanche Delany to be postmaster at Sininawa, Wis., in place of Blanche Delany. Incumbent's commission expired February 20, 1935.

Alice M. Clinton to be postmaster at Sullivan, Wis., in place of A. M. Clinton. Incumbent's commission expired February 4, 1935.

#### WYOMING

George J. Snyder to be postmaster at Glendo, Wyo., in place of G. J. Snyder. Incumbent's commission expired February 21, 1935.

# HOUSE OF REPRESENTATIVES

THURSDAY, FEBRUARY 28, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, we wait for the blessed issues which are felt in the prayer of confession. Eternal Love, pity us in our limitation and minister unto our immortal souls. Do Thou forgive and encourage us. Keep us worthy of life's "well done" and inspire us with the promise of the rainbowed throne. Enrobe us with moral earnestness and endue us with that rich, vital power that melts discord into harmony. We thank Thee that behind all energy, every blush of beauty, and every throb of human life standeth God within the shadows keeping watch above His own. Send us forth today not shallow-hearted but with morning zeal to fulfill Thy purpose. Merciful Father, move upon the souls of man to feed hunger-bitten lips and clothe windswept bodies. Arouse us with the majestic words which are set forth in the splendor of a truly good life: "Inasmuch as ye have done unto one of the least of these, ye did it unto Me." In our Savior's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

## PERMISSION TO ADDRESS THE HOUSE

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. TREADWAY. Mr. Speaker, according to this morning's press, yesterday a solar plexus blow was struck against American industry, American prosperity, and American rights. It is very humiliating and embarrassing for a member of the Ways and Means Committee to be obliged to get his information as to tariff matters from the morning press. It has always seemed to me that that was one of the prerogatives of the Ways and Means Committee, but it appears no longer to be so, and tariff measures are now written in star-chamber proceedings behind closed doors, with the representatives of foreign governments participating therein.

I wish there might come home in full measure to the American people the manner in which their rights have been taken away from them under the guise of a trade agreement. Now, Mr. Speaker, every one of these trade agreements carries with it the favored-nation clause. The favored-nation clause is a treaty provision; therefore, it is a subterfuge when a tariff measure is written by representatives of foreign governments under the guise of a trade agreement. Any agreement which involves the favored-nation clause assumes the nature of a treaty and should be ratified by the Senate.

In this morning's paper we are told how gratified the representative of the Belgian Government is at this trade agreement, falsely called, but an actual treaty, that this is a "first step in a new deal of liberally conceived exchange of goods and commodities." Why should he not be pleased when tariff rates on Belgian products coming to this country are reduced by the trade agreement or treaty by 50 percent in some instances? The Acting Secretary of State in signing it also said: "More trade, more production, and more employment of labor in both countries." He should have said: "In one country, namely, Belgium." How will there

be more employment of labor in our country when tariff protection as applied to competition from Belgium is reduced in large measure? Where will those thrown out of employment by this change of rates, illegally and unconstitutionally made by representatives of foreign governments, secure other work in order to avoid the necessity of resorting to welfare aid? I have no actual authority for saying that this agreement has been entered into, but I assume it has in view of the great pleasure that it has given the representatives of Belgium.

Mr. Speaker, the American people should be aroused to the fact that their interests are not being properly guarded.

Mrs. ROGERS of Massachussetts. Will the gentleman yield?

Mr. TREADWAY. For a brief question.

Mrs. ROGERS of Massachusetts. I want to know if the gentleman has knowledge of the commodities affected?

Mr. TREADWAY. Only from the press account. According to the morning papers the tariff is reduced 25 percent on cement, asbestos shingles, waterproof cloth, cordage, certain woven fabrics, and photographic paper; 50 percent on prayer books, shotguns, and silica sand; 33½ percent on various types of plate glass; and between 15 and 25 percent on various steel items.

I do not know how extensive that prayer-book proposition is, but shotguns are very extensively manufactured in this country and especially in Massachusetts.

Mr. EKWALL. Will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman from Oregon.
Mr. EKWALL. Does not the gentleman think we will need
a lot of prayer books if this thing continues to go on?

Mr. TREADWAY. Yes. We will need more prayer books, and we will need more effective prayers for American industry.

[Here the gavel fell.]

Mr. LEE of Oklahoma. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. LEE of Oklahoma. Mr. Speaker, I have received a telegram from Purcell, Okla., as follows:

Have voted our limit. All McClain County schools, including Purcell, close Friday. Can you do anything about this terrible situation? Faculty will continue to teach if we can get any assurance pay will come later. Advise me immediately if you can consistently, otherwise our schools close Friday, March 1.

Mr. Speaker, I have received many messages of a similar nature from Oklahoma. The situation in our State is the same as it is in 26 other States in which I have made a survey. I have answers here from 36 States expressing distress in our school situation at this time.

There have been a number of bills introduced authorizing money for this situation through the Federal relief agency, ranging from \$30,000,000 to \$100,000,000. The Chairman of our Committee on Education has kindly promised to give us a hearing on the situation in order to outline a program or to give an authorization to the Federal relief agency for enough money to continue these schools.

I thought you would be interested in this matter since your States, through your State education departments have notified me of this need, and the members of the Committee on Education with whom I have talked would be pleased to have your reaction and your feeling about this matter in the next few days in the belief that education is necessary if democracy is to continue.

We spend Federal money to build roads. They go everywhere. A boy grows up in one community. If he is left ignorant, he may move into another community and live in that community in his adult life, therefore education should have a universal appeal, particularly in this distressed period. Then, too, since money is being used for different kinds of aid, especially roads and buildings, I believe it should also be used in an educational way. Educa-

tion means peace and democracy—ignorance means chaos and tyranny. Let us keep the school bells ringing in America. [Applause.]

Mr. CELLER. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, I rise to call the attention of the House again to the very grave situation that exists in Mexico today relative to Catholic persecutions.

The other day I put in the Record quite a number of precedents where the United States Government during various stages of its history intervened in foreign countries to protect religious minorities and persons persecuted for their religion. I shall again put in the Record the result of additional research in the State Department archives. I find, in addition to those precedents (see my remarks in Record of Friday, Feb. 1), there have been many more instances where the United States Government intervened in foreign lands to protect, not necessarily persecuted Americans who may have been of a persuasion in opposition to that which prevailed in such country, but where the United States intervened in the case of natives of those particular lands, who were harassed and molested because of their faith.

In 1853 we intervened for the protection of Christian missionaries in Greece. In 1893 we interceded for the protection of missionary work in Turkish Kurdistan. This was in the administration of Grover Cleveland, the same Cleveland, it must be remembered, who sent a sharp note to Emperor Franz Joseph of the Austro-Hungarian Empire when that Emperor refused to accept as our Minister Keiley, because he had married a Jewess; and we can see Cleveland pounding the desk with great vehemence and proclaiming that the Emperor would accept Keiley with his Jewish wife and he would send no other Minister. In 1895 Secretary of State Olney dispatched the U.S.S. Marblehead to the Gulf of Alexandrette as a protest against the threatened massacre of Christians at Aleppo and other Turkish cities. The Marblehead was joined by two other ships subsequently, and there was cessation of the difficulties. In 1896 we interceded on behalf of American minorities in the Society Islands. In 1895 acting Secretary of State Adee authorized our American Ambassador to France to petition that Government to intercede on behalf of American Mormons who were being persecuted in Tahiti and other islands of the Society Island group. But most important of all, in 1870 we made direct remonstrance to Japan to prevent the persecution and banishment of native Christians in Japan. Below are set forth the details of this intervention. I believe it is one of the strongest arguments I know of whereby we can base immediate intercession in Mexico on behalf of its Catholic population. It is quite certain that the constitution in Mexico is a travesty and a joke as far as Mexican Catholics are concerned. They have no rights under it. There is a veritable avalanche of secret Catholic arrests. More than 5,000 have forfeited their lives. Priests, nuns, and bishops dare not appear anywhere for fear of arrest, banishment, or decapitation.

I particularly call your attention to these precedents because of the dreadful persecutions of Catholics in Mexico, to the end that some remonstrance be made by our Government. Convents and monasteries in Mexico are still the subject of plunder and brigandage, and those who do this nefarious work are unmolested by the Government; in fact, these acts of depredation are with the connivance of Government officials, and nothing belonging to a Catholic is sacrosanct in Mexico, and Catholics, indeed, today are being hunted down like mad dogs. Surely we cannot, should not, remain silent in face of such rapine, plunder, and cruelties to Catholics.

Mr. MICHENER. Mr. Speaker, will the gentleman yield? Mr. CELLER. I yield.

Mr. MICHENER. Would the gentleman advocate an ultimatum on the part of our Government, or what kind of intervention would the gentleman suggest?

Mr. CELLER. Just as we did on January 10, 1870, in the case of the molestation and persecution of Christians in

I would say that if the Secretary of State, in a very kindly, unoffensive way, would send forth publicly some mild remonstrance couched in perfectly diplomatic language, it would have a very much desired effect. Any pronouncement, be it ever so bland, would be helpful. Any hearing upon any of the many bills before the Foreign Affairs Committee would also help, but the committee disdains to aid.

I may say to the gentleman from Michigan, you cannot wound the sentiments and the sensibilities of 40,000,000 Catholics in this country by allowing these dreadful things to go on in Mexico without some word from our Government. Catholics comprise more than one-third of the population, and in power and influence the proportion is greater. They are entitled to some consideration, just as my people are entitled to consideration with reference to what is going on in Germany today.

Mr. MICHENER. Yes; but does not the gentleman understand that our foreign policy is controlled by the Executive, and this body has nothing to do with it. Might it not be well to take this up with the President, with a view to having it taken up with our representative there?

Mr. CELLER. I agree with the gentleman on that, and I may assure him that numerous Members of Congress have petitioned the State Department and the Executive to take some suitable action in the way I have indicated; that is, in the nature of a gentle remonstrance. However, I am informed no such action has been taken, and this is the forum in which to criticize failure of such action. [Applause.]

[Here the gavel fell.]

Mr. CELLER. The precedents mentioned, which were dug up for me by Carl L. W. Meyer, of the Library of Congress, are as follows:

## PROTECTION OF CHRISTIAN MISSIONARIES IN GREECE

In 1853 the trial and sentence of banishment of the Reverend Dr. Jonas King, of Massachusetts, in Greece, who had been accused of offenses against the established religion of the State, resulted in instructions by the Secretary of State of the United States to the American Minister in Turkey to the effect that missionaries sent American Minister in Turkey¹ to the effect that missionaries sent out by religious denominations in the United States to Mohammedan or pagan countries "are entitled to all the protection which the law of nations allows this Government to extend to citizens who reside in foreign countries in the pursuit of their lawful avocations." At the same time the American Minister was directed to say to the Government of Greece in behalf of Mr. King that the President of the United States expected that a formal remission of the sentence of banishment should be granted. To this request the Greek Government declined directly to accede; as a matter of fact, however, the judgment against the missionary was never enforced." was never enforced.3

## PERSECUTION OF NATIVE CHRISTIANS IN JAPAN

On January 10, 1870, the Minister Resident of the United States in Japan received from the American consul at Nagasaki a copy of a joint protest of the consuls of the treaty powers at that port against the contemplated deportation of 700 Japanese Christians "to parts unknown." The tenor of this joint protest was as

NAGASAKI, Sunday, January 2, 1870.

Sm: We, the undersigned, consuls of the treaty powers, resident at Nagasaki, have the honor to address you on the subject of the native Christians living at Urakami.

It has been reported to us that 700 of these Christians are on the point of being compelled to embark on board of two steamers and banished to a distant part of Japan, thereby separating them from their homes and families, and from no other motive than because they are Christians. We do not address to you this letter with any wish to interfere with the jurisdiction which you possess

<sup>1</sup> The Minister accredited to the Sublime Porte at that time was also in charge of affairs in Greece. The several instances of intercession cited here are in addition to those given in my report of Dec. 8, 1934, published by the Honorable EMANUEL CELLER, Representative of New York, in the Congressional Record of Feb. 1, 1935,

sentative of New York, in the Congressional Record of Feb. 1, 1935, vol. 79, pp. 1362-1368.

<sup>2</sup> Mr. Everett, Secretary of State of the United States, to Mr. Marsh, American Minister to Turkey; no. 24, Feb. 5, 1853, S. Ex. Doc. 9, 33d Cong., 2d sess., p. 5; Moore, John Bassett, Digest of International Law, vol. 6, p. 333.

<sup>3</sup> Ibid.; see also Moore, op. cit., vol. 6, pp. 262-264.

<sup>4</sup> U. S. Department of State, Foreign Relations of the United States, 1870, Washington, Government Printing Office, 1870, p. 456.

over your people, but simply, in the name of humanity, to beg you not to adopt any measures of persecution toward the people at Urakami for the sole reason that they are Christians, for we can assure you that such inhuman measures will be regarded with indignation by the civilized world.

With compliments,

ALL THE CONSULS.

Upon the receipt of the joint note sent out above, the American Minister Resident addressed the following letter concerning this subject to the Japanese Ministers for Foreign Affairs, calling their attention to the disastrous influence which the persecution of Christians would exercise on their relations with the United States and other treaty powers: <sup>5</sup>

LEGATION OF THE UNITED STATES IN JAPAN, Yokohama, January 10, 1870.

I have the honor to acknowledge the receipt of your excellencies letter of the 30th of the 11th month, and of the 6th of this your 12th month (7th Jan.), the latter on yesterday, both relating to the treatment of native Christians in Japan.

12th month (7th Jan.), the latter on yesterday, both relating to the treatment of native Christians in Japan.

In this contention I beg to tender you late intelligence from Nagasaki by enclosing copy of a joint letter dated on Sunday, the 2d instant, addressed by the consuls of the treaty powers to the governor of that port. According to 2 days' later intelligence (namely the 4th instant), her Britannic Majesty's minister then at Nagasaki requested the Governor to delay for 15 days the deportation of no less than the 700 of those unfortunate people (referred to in enclosure), but in reply was informed by the Governor that these orders were peremptory, and that he had no alternative but to send them in steamers to distant parts of Japan. I cannot find terms sufficiently expressive of my profound regret at this occurrence and can only believe that you are imperfectly aware of the disastrous influence which this measure, if carried out, will not fall to exercise on the relation between Japan and all the treaty powers.

From the introduction of foreign science and of useful improvements for the benefit of the people, modern civilization is now deeply interested in witnessing the effects of Japan under the government of His Majesty the Tenno to take rank among the foremost powers of the world, and painful will be the impression abroad, and subversive of all feeling of good will now being created, when it becomes known that Japanese are being punished by deportation or banishment, or in any manner whatever, for professing, or pretending to profess, religious opinions in no respect interfering with the duties as citizens or subjects.

The absolute freedom in all matters of religious belief has been, and still is, a leading element of the ever-increasing power and

The absolute freedom in all matters of religious belief has been, and still is, a leading element of the ever-increasing power and prosperity of the United States, and nations may be said to prosper in proportion as their governments abstain from interference in matters of conscience.

There can be no friendship without respect; and if the Government of Japan now forfeits the latter by inconsiderate steps, its relations with other powers will be considered unsound and untrustworthy. The punishment or coercion of Japanese for religious belief will be deemed to furnish the measure of Japanese civilization. tion and will be so regarded by all the nations in treaty with Japan.

The loss of respect, I need not to point out to Your Excellencies, will necessarily involve a loss of confidence. It will turn the friendship that now exists into suspicion of the ulterior designs of your Government, and may, in the opinion of foreign governments, suggest the expediency of being prepared to guard against contingencies in future dealings with Japan.

while thus submitting in general terms the effects which any ill-considered action of your Government in this important matter will produce, I may be permitted to express the hope that the Japanese Government will take it into reconsideration, and thus enable my colleagues and myself to officially contradict the impressions which the knowledge of the contemplated treatment of native Christians, as thus far announced, will not fail to create.

With respect and esteem,

C. E. De Long.

C. E. DE LONG, Minister Resident of the United States in Japan.

Their Excellencies

Sawa Jusaunei Kiyowara Nobu Yoski and Teraschima Juskii Fiyiwara Munenori,

Ministers for Foreign Affairs.

As a result of the representations by the American and other envoys to Japan, a conference was held at the Japanese Foreign Office on January 19, 1870, on the subject of the persecution of the native Christians by the Japanese authorities, in which the representatives of the United States, Great Britain, France, the North German Confederation, and Japan participated. At the conclusion of the conference, Mr. Ewankura, former Prime Minister of Japan, expressed his pleasure with the "frank and open expression of your opinion" and voiced the hope that Japan and the powers would be able "to come to some understanding, which will save the necessity of further deportation."

On April 18, 1870, Mr. Hamilton Fish, Secretary of State of the United States, addressed a letter to Mr. De Long, the American Minister to Japan, saying, in part, that "the individual and co-

<sup>&</sup>lt;sup>5</sup> Ibid., pp. 456-457. <sup>6</sup> The protocol of the proceedings of the said conference is published in U. S. Department of State, Foreign Relations of the United States, 1870, p. 462-468.

operative efforts you have made to prevent persecution of this people are cordially approved by the Department."  $^{7}$ 

## INTERCESSION FOR THE PROTECTION OF MISSIONARY WORK IN TURKISH KURDISTAN

During 1893 the Department of State of the United States re ceived complaints concerning maltreatment of an American mis-sionary in the Turkish Province of Kurdistan. Having reference sionary in the Turkish Province of Kurdistan. Having reference to this incident, President Grover Cleveland, in his annual message of December 4, 1893, said that "information received of maltreatment suffered by an inoffensive American woman engaged in missionary work in Turkish Kurdistan was followed by such representations to the Porte as resulted in the issuance of orders for the punishment of her assailants, the removal of a delinquent official, and the adoption of measures for the protection of our citizens engaged in mission and other lawful work in that quar-

## MASSACRE OF CHRISTIANS AT ALEPPO AND NUMEROUS OTHER TURKISH CITIES

In a letter dated October 8, 1895, Mr. A. W. Terrell, American Minister to Turkey, to Secretary of State Olney said that "for the last 2 days over a thousand Armenians have remained shut up in their churches in Pera and Stamboul, and nearly all their business houses remain closed. \* \* The attitude of the Armenians in persisting in their refuge at their churches tends to exasperate in persisting in their refuge at their churches tends to exasperate the populace among the Turks, who pretend to see in it a demonstration to arouse sympathy among Christian nations." In another letter of the same date Mr. Terrell pointed out that "the danger now seems so serious in the Vilayets of Aleppo and Adana that I would advise the removal of missionaries to the seacoast and ask refuge on the war vessel of some friendly power whose boats are near, but believe that now the danger would be greater for our people while in transitu than if they remained calmly at their posts." Two days later Mr. Terrell telegraphed Mr. Olpey to the effect

Two days later Mr. Terrell telegraphed Mr. Olney to the effect Two days later Mr. Terrell telegraphed Mr. Olney to the effect that there was apprehension of a massacre of missionaries at Aleppo, Hadjin, Mersine, and Marash, and that orders had been issued for all Provinces to protect Armenians. Shortly after this telegram had been received by the Department of State the U.S.S. Marblehead was ordered to proceed to the Gulf of Alexandretta. In reply to a note from the Turkish Government, Secretary of State Olney, on October 15, 1895, said: "The visit of the Marblehead to Turkish waters at this juncture is in pursuance of a long-established usage of this Government to

is in pursuance of a long-established usage of this Government to send its vessels, in its discretion, to the ports of any country which send its vessels, in its discretion, to the ports of any country which may for the time being suffer perturbation of public order and where its countrymen are known to possess interests. This course is very general with all other governments, and the circumstance that a transient occasion for such visits may exist does not detract from their essentially friendly character."

The Marblehead was subsequently joined by the San Francisco and Minneapolis, since the situation had become very serious. On October 24, 1895, Mr. Terrell wrote a letter to Secretary of State Olney, saying in part that "Language and transcription of transcription of the Porte that an era of transcription will now

"I am assured by the Porte that an era of tranquillity will now be restored everywhere \* \* \*.

"While the present truce between opposing forces endures, it would seem prudent for our Government to secure, if possible, a treaty regarding naturalization, and thereby lessen the danger of being involved in the future conflict."

# INTERCESSION BY THE UNITED STATES IN BEHALF OF AMERICAN MISSION-ARIES IN THE SOCIETY ISLANDS

Since the treaties existing between the United States and France did not contain any provisions regulating the liberty of doctrinal teaching by American citizens in the French colonies, Mr. Rockhill, Acting Secretary of State of the United States, instructed Mr. Burton on August 6, 1896, that the intervention by this Government in behalf of certain American missionaries in the Society Islands "was necessarily confined to equitable representations that citizens of the United States in the French dependencies, who tranquilly obey the laws and regulations in force, should enjoy all privileges and immunities permitted to any other foreigners." <sup>18</sup>

<sup>10</sup> Ibid., p. 1322. <sup>11</sup> Ibid., p. 1323. <sup>12</sup> Ibid., p. 1323.

<sup>13</sup> Ibid., p. 1324.

<sup>14</sup> For a list of the places affected, the number of houses burned, and persons killed, see U. S. For. Rel., 1895, pt. 2, pp. 1453–1454.

<sup>15</sup> Ibid., p. 1327.

<sup>16</sup> Ibid., p. 1327.

<sup>16</sup> Moore, John Bassett, Digest of International Law, vol. 6, p. 347.

For other instances of intercession by the United States in behalf of American missionaries, see my report on Intercession by the United States in Behalf of Oppressed Racial and Religious Minorities (of Dec. 8, 1934), published in the Congressional Record of Feb. 1, 1935, vol. 79, pp. 1362–1368.

INTERFERENCE BY FRENCH AUTHORITIES OF TAHITI WITH RELIGIOUS SERVICES OF MORMONS

In June 1895 the Department of State of the United States was informed by the American consul at Tahiti that certain American citizens, who were members of the Mormon Church (also known as the "Church of the Latter Day Saints"), and who worked as missionaries in the Society Islands, "had been forbidden to conduct their religious services without a special license from the President of the Republic of France. of the Republic of France.

of the Republic of France.

On July 29, 1895, Mr. Adee, then Acting Secretary of State of the United States, instructed Mr. Eustis, the American Ambassador to France, to intercede in behalf of the Mormons referred to above.

"I presume", said Secretary Adee, " that they have made their application in the proper quarter for such license. So long as polygamy was maintained as a doctrine and practiced as a fact by the Mormon Society, this Government refused to intervene in any way to protect them against hostile regulations or legislation of countries where they might be located. But it is asserted that they have now entirely abandoned polygamy. They profess to inculcate doctrines of the highest morality and promotive of good citizenship and loyalty to established government. The doctrine of entire freedom of religious belief and practice, prevailing both in the United States and in France, should, in the opinion of the Department, entitle these people to the same rights as any other religious society, provided they have actually renounced their polygamous tenets, and do in fact practice and promote principles of morality tenets, and do in fact practice and promote principles of morality and virtue. Assuming this to be true of them, it is hoped that the license desired by them may be granted by the French authorities."

## PROCESSING TAXES IN PUERTO RICO

Mr. IGLESIAS. Mr. Speaker, I ask unanimous consent to extend my remarks, and in connection therewith to refer to and include several bills which I have introduced in the Congress.

The SPEAKER. Is there objection to the request of the Commissioner from Puerto Rico?

There was no objection.

Mr. IGLESIAS. Mr. Speaker, under leave to extend my remarks in the RECORD I include a request from the Legislature of Puerto Rico and several economic institutions to introduce in Congress two measures intended to give compensation for the results of the Agricultural Adjustment Act, which are as follows:

Whereas in the organic act of Puerto Rico, approved by the Congress of the United States on March 2, 1917, there is a specific provision to the effect that the internal-revenue taxes levied on tobacco and other articles, as well as customhouse receipts, are reimbursed to the people of Puerto Rico for the general attentions of the Puerto Rican community, and form part of the budget of receipts and expenditures of the government of Puerto Rico: Now, therefore, be it

therefore, be it

Resolved, etc., That section 19 (a) of the Agricultural Adjustment Act, as amended, is amended as follows: Strike out the period at the end of paragraph (a), section 19, insert a colon, and add:

"Provided, however, That in the case of processing and fioor taxes collected under this title on flour and cotton processed in continental United States and shipped for consumption in Puerto Rico, a fund representing said taxes collected on said commodities shall set aside as a separate fund and paid into the Treasury of Puerto Rico in accordance with the twenty-third paragraph outlined under section 2 of the Organic Act of Puerto Rico approved by the Congress of the United States March 2, 1917."

Another measure pertinent to the same subject is as

Be it enacted, etc., That section 15 of the Agricultural Adjustment Act, as amended, is amended by adding at the end thereof the following new subsection:

the following new subsection:

"(g) Upon the giving of bond satisfactory to the Secretary of
the Treasury for the faithful observance of the provisions of this
title requiring the payment of taxes, and under such rules and
regulations as the Secretary shall prescribe to protect the revenue,
any person may, after the date when this subsection takes effect
and without payment of any tax imposed under this title, (1)
process in Puerto Rico for consumption therein any wheat, cotton,
or commodity competing, within the meaning of subsection (d),
with wheat or cotton, or (2) hold in Puerto Rico for consumption
therein any wheat, cotton, or commodity so competing, which has
been processed therein." been processed therein."

I also present herewith the reasons given by the Chamber of Commerce of Puerto Rico, in general assembly, for the necessity for such legislation:

In inviting these organizations to send delegates to the conference in question, the president of the Chamber of Commerce of Puerto Rico expressed the situation in the following terms:

<sup>&</sup>lt;sup>7</sup>U. S., For. Rel., 1870, p. 462-468. Mr. Fish at the same time pointed out that these "deplorable acts" had been committed "in the exercise of the internal authority which that (Japanese) Government claims to possess over its subjects." After some correspondence with the powers concerned, the matter was finally permitted to rest; see ibid., p. 486.

<sup>8</sup>U. S., For. Rel., 1893, p. X.

<sup>9</sup>U. S., For. Rel., 1895, pt. 2, p. 1320-1321.

<sup>10</sup>Ibid. p. 1322

<sup>&</sup>quot;Tahiti and Moorea are the most important of the Society Islands, which are dependencies of France.

18 The italics are the compiler's.

<sup>&</sup>lt;sup>10</sup> U. S. Department of State, MS. Inst. France, XXIII, p. 139; Moore, J. B., Digest of International Law, vol. 2, pp. 177-178.

"The belated, unconnected, and vacillating manner in which the national administration has been acting with regard to the economic problem of Puerto Rico plainly establishes the fact of the great confusion which obtains in Washington concerning the subject. This evident confusion has created here a state of uncertainty, bewilderment, and doubt which has adversely affected all business activities in the island, adding to the difficulties of a situation in itself dangerous and highly prejudicial to the general interest of the community. interest of the community.

interest of the community.

"The present situation makes evident more forcibly than ever the pressing need for joint, quick, and persistent effort to bring pressure to bear upon the national authorities to secure a rapid and definite solution of our problem.

"The national recovery legislation has been in operation in Puerto Rico for over a year, and despite our repeated demands for compensation, so far we have been allowed to share practically only in the oppressive aspect of that legislation.

"The present moment is one of extreme gravity, that imposes upon us a grave responsibility which a fundamental sense of self-defense should prompt us to face with determination and energy."

Acting on the strength of the above invitation, which the assembly unanimously voted to declare, expresses the present situation very aptly, a committee was appointed and directed to prepare and submit to the national authorities in Washington, through the office of the Governor of Puerto Rico, a memorandum setting forth office of the Governor of Puerto Rico, a memorandum setting forth the great difficulties created here through the lack of prompt and adequate action on the part of the administration and to suggest the remedial measures necessary to quickly relieve the situation.

In accordance with the above, we hereby beg to submit the

following:

The present situation has been brought about by two distinct causes. The first has to do with the application of the national recovery legislation and its effects on the economic structure of Puerto Rico. The second arises from the operation locally of the Costigan-Jones Sugar Act

OPPRESSIVE BURDEN IMPOSED BY THE NATIONAL RECOVERY LEGISLATION

The Agricultural Adjustment Act has taxed the people of Puerto Rico to the extent of over \$3,000,000 per annum, in the form of floor and processing taxes on staples that it does not produce but which it consumes.

which it consumes.

The general advance in prices of American-made or produced commodities, brought about by the National Industrial Recovery Act has further indirectly taxed the people of the island—who buy over 90 percent of what they consume in the United States—to the extent of \$18,000,000 per annum. According to a study made by the Chamber of Commerce of Puerto Rico, the island has paid \$17,735,829.54 during the 10 months comprised from July 1933 to April 1934, over and above what it paid for the same commodities bought from the States during the corresponding period of July 1932 to April 1934.

In other words, the island has been called upon to contribute over \$21,000,000 per annum to the economic recovery of the mainland and so far has received no adequate compensation for this grievious sacrifice. To gage the real significance of this tremendous burden it will suffice to remember that according to the survey of the Brookings Institution, as far back as the year 1927, before the two disastrous and devastating hurricanes of San Felipe and San Ciprián, Puerto Rico was facing an annual deficit of \$10,000,000.

\$10,000,000.

This increased cost of the commodities that we consume has

This increased cost of the commodities that we consume has increased by over 30 percent the cost of living in Puerto Rico, and since such legislation has not affected in a favorable manner the prices of what the island produces, the result has been that, contrary to the spirit and purpose of that legislation, it is exacting a great sacrifice from the people of the island for which they are receiving no adequate compensation.

We cannot conceive for a second that it ever was the intention of the Congress of the United States to work out the economic salvation of the Nation at the expense of its fellow citizens of Puerto Rico, a community facing starvation, which has for a long time been struggling under the great handicap of an increasing unemployment problem. Confronted by such stern realities and seeing that after one whole year the national administration has falled to proceed with equal promptness to establish here the agencies designed by that very legislation to offset the sacrifice imposed by it, no one could justly blame the people of Puerto Rico for the feeling that it has been utterly neglected by Washington. As regards the second, the Costigan-Jones Sugar Act, the lack of diligence or neglect on the part of national authorities has been equally glaring.

SUGAR CONTROL ACT THREATENS ECONOMIC COLLAPSE

SUGAR CONTROL ACT THREATENS ECONOMIC COLLAPSE

This act has ruthlessly reduced at the stroke of the pen the income of the island by 20 percent and that of the insular government by \$2,000,000, but no provision was made beforehand to offset or compensate such reduction.

In spite of the fact that this law had a retroactive effect so far as Puerto Rico is concerned, which was bound to create serious and complex problems, the administration failed to anticipate them, although its attention was earnestly and repeatedly brought to them at the time of the passage of the act. The result has been the virtual paralyzation of the whole sugar industry, which has thrown 20,000 additional men out of work, bringing the total unemployed to over 100,000 people, according to the estimate of the commissioner of labor. The paralyzation of the island's main industry has been instantly reflected in the general activities of the community which depends to such a large extent on that industry. industry.

Owing to the sentiment as expressed by business, industrial, and agricultural organizations, the insular legislature passed the following resolution:

> House of Representatives of Puerto Rico, San Juan, P. R., February 27, 1935.

Hon. SANTIAGO IGLESIAS,

Resident Commissioner of Puerto Rico,

United States House of Representatives, Washington, D. C.

Sir: By resolution of the House of Representatives of Puerto Rico, and in accordance with the provisions of H. Con. Res. 3, approved this day, I have the honor to forward a certified copy thereof, for proper action.

Respectfully,

ANTONIO ARROYO,
Secretary House of Representatives of Puerto Rico.

Concurrent resolution to petition the Congress of the United States to provide by law, as a measure of emergency relief and to promote the economic and social rehabilitation of the Island of Puerto Rico, that the taxes fixed and levied by H. R. 3835, approved May 12, 1933, to relieve the prevailing national economic emergency by increasing the agricultural purchasing power, be levied, collected, and covered into the Treasury by the customs authorities of Puerto Rico, in the same form and manner as provided by the Organic Act establishing a civil government in Puerto Rico, approved March 2, 1917, to form a special fund in the insular treasury, which fund shall only be expended by the legislature to meet urgent needs and to promote the general welfare of the Puerto Rican community, and for other purposes.

Whereas in the economic crisis from which it is suffering Puerto.

Whereas in the economic crisis from which it is suffering, Puerto Rico lacks the financial means to provide relief for the hardships caused by unemployment and the conditions arising therefrom, to overcome economic difficulties, to alleviate disasters, and to improve living and labor conditions;

Whereas on May 12, 1933, the Congress of the United States passed H. R. 3835, entitled "An act to relieve the existing national economic emergency by increasing agricultural purchasing power, to raise revenue for extraordinary expenses incurred by reason of such emergency, to provide emergency relief with respect to agricultural indebtedness, to provide for the orderly liquidation of joint-stock land banks, and for other purposes";

Whereas section 9 of said Resolution No. 3835 provides that, for the purpose of obtaining revenues to cover the extraordinary expenses incurred by reason of the national economic emergency, processing taxes be levied on basic agricultural products, including wheat, cotton, field corn, pork products, rice, tobacco, milk, and its products, and any regional or market classification, type, or grade thereof;

grade thereof;

Whereas Puerto Rico is a Territory, organized but not incorporated, governed by a special organic act promulgated by the Congress of the United States, and is also a heavy consumer of such basic agricultural products, that pays said taxes that are not only a heavy burden on Puerto Rican citizens but are the principal cause of the rise in the cost of living by more than 100 percent, which taxes are covered into the Federal Treasury, and which, if they were reimbursed to insular funds, would provide the means for establishing a special fund for remedying economic difficulties and would be the basis for promoting the general welfare:

Welfare;
Whereas Puerto Rico is oppressed by the weight of an unprecedented economic crisis that has brought about unemployment that involves more than 400,000 persons; its borrowing capacity is exhausted by an insular and municipal public debt amounting to more than \$49,000,000; the sources of taxes are limited; and some works of collective utility and aggrandizement are paralyzed, and others are being developed slowly, all of which makes it necessary for the legislature to petition the Congress of the United States for an urgent and necessary remedy: Now, therefore, be it

Resolved by the House of Representatives (the Senate of Puerto Rico concurring)—

Section 1. To petition the Congress of the United States to

SECTION 1. To petition the Congress of the United States to provide by law, as a measure of emergency relief and to promote the economic and social rehabilitation of the island of Puerto Rico, the economic and social rehabilitation of the island of Puerto Rico, that the taxes fixed and levied by H. R. 3835, approved May 12, 1933, to relieve the prevailing national economic emergency by increasing the agricultural purchasing power, be levied, collected, and covered into the treasury by the customs authorities of Puerto Rico at the time such products are imported, in the same form and manner as provided by the organic act establishing a civil government in Puerto Rico, approved March 2, 1917, to form a special fund in the insular treasury, which fund shall only be expended by the legislature for the following purposes:

1. To increase the fund for the construction of municipal roads necessary for the transportation of agricultural products to local

necessary for the transportation of agricultural products to local and outside markets. For this fund there is a tax of 7 cents a gallon on gasoline imported into, or produced or sold in, Puerto Rico, which amounts annually to the sum of \$1,400,000, covering a plan for 1,500 kilometers out of a total of 7,000 kilometers of municipal roads in the island of Puerto Rico.

2. To finish the plan of insular roads, amounting to 45, and to maintain them. More than \$20,000,000 of the public debt of Puerto Rico, represented by bond issues for which the good faith of the people of Puerto Rico is pledged, have been expended on this means of communication.

3. For attentions of the insular and municipal public debt amounting to more than \$49,000,000, which hinders all progress and aggrandizement of the Puerto Rican community.

4. To furnish funds to the homestead division of the Department of Labor, and to further the plans prescribed by the Legislature of Puerto Rico for the establishment of workmen's settlements and agricultural farms and which plans are arrested by the economic crisis that oppresses us, a work that is the most important for social and human aggrandizement undertaken since important for social and human aggrandizement undertaken since

1919 by the people of Puerto Rico.

5. To rehabilitate all agricultural districts, principally the coffee areas, which, due to low prices, loss of markets, and disasters from which Puerto Rico has suffered in these latter years, have had to be exempted by the insular legislature from the payment of taxes, which has not only affected its budgets, but has also forced it to dispose of surpluses and special funds to aid the affected municipalities which have been rendered unable to attend

to their public services.

to their public services.

6. To continue the plan for the utilization of water resources, for the establishment of irrigation districts and the generation of power and light, as a basis also for the industrialization of the island, since, as Puerto Rico has no coal mines, electricity is the white coal on which rests the future progress and aggrandizement of the Puerto Rican community. The insular government, by legislative action, has devoted large sums to this work, represented by issues of bonds that affect the good faith of the people of Puerto Rico, since, by amendments passed by the Congress of the United States, such issues affect the borrowing capacity of the island.

7. To promote measures to improve the municipal situation, health, and public education, to afford means of livelihood and work, and to meet urgent needs for the welfare of all the people

of Puerto Rico.

8. To attend to the services of insular sanitation and charity. SEC. 2. That after this resolution is passed, copies hereof, certified by the President of the Senate and the Speaker of the House of Representatives, be sent to the following persons: The Honorable President of the United States;

The Speaker of the House of Representatives and the President of the Senate of the United States;
The Chairman of the Committee on Territories and Insular

Affairs of the Senate of the United States;
The Chairman of the Committee on Insular Affairs of the House of Representatives of the United States;

The Resident Commissioner of Puerto Rico in Washington;

The Resident Commissioner of Puerto Rico in Washington;
The Secretary of the Interior and the Secretary of Agriculture
of the United States.

SEC. 3. This resolution shall take effect immediately after it is
passed by both houses of the Legislature of the people of Puerto

MIGUEL A. GARCIA MENDEZ, Speaker House of Representatives, R. MARTINEZ NADAL, President of the Senate.

## INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 6223) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1936, and for other purposes. Pending that, I ask that all general debate, which shall be confined to the bill, be limited to 2

The SPEAKER. The gentleman from Colorado moves that the House resolve itself into the Committee of the Whole House on the state of the Union, and pending that, asks unanimous consent that general debate, which shall be limited to the bill be limited to 2 hours. Is there objection?

There was no objection.

The motion of Mr. Taylor of Colorado was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. MEAD in the chair.

The Clerk read the title of the bill.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield to myself such time as I may desire to occupy. Members of the House, before presenting the Interior Department appropriation bill for 1936 to the House, I ask your indulgence for a few minutes to refer to a historical matter on this date.

# THE CREATION OF THE TERRITORY OF COLORADO

On the 28th day of February 1861, 74 years ago today, President Buchanan signed the bill creating the Territory of Colorado. The Territory was formed out of a part of a greater number of geographical divisions than any other State. It is a part of what had theretofore been a vast Indian country. Parts of it had at some time belonged to Spain, New Spain, France, Mexico, the Republic of Texas, and the Territories of Missouri, Nebraska, California, New Mexico, Utah, and Kansas, and part of it was once called the "Territory of Jefferson."

Colorado was a Territory for 15 years and 5 months when she was admitted to the Union on August 1, 1876, as "the Centennial State."

## THE NAMING OF COLORADO

When the bill providing for the original creation of the Territory of Colorado was before the Thirty-sixth Congress, it passed the House providing for the naming of our present State "The Territory of Idaho." But in the debate in the Senate, the Senate amended the bill and struck out the name "Idaho" and inserted the name "Colorado", and officially christened our present State "The Territory of Colorado", as they then expressly stated:

For the reason that the Colorado River arose in its mountains, and there was a peculiar fitness in the name-

And also because-

the name "Colorado" is more appropriate and more harmonious and is the handsomest name that could be given to any Territory or State.

Those statements were made on the floor of the United States Senate on February 4, 1861, and every loyal son and daughter of Colorado has heartily approved of that sentiment from that day to this.

## THE NAMING OF THE COLORADO RIVER

The lower part of the Colorado River was referred to by several early explorers by various names. But history seems to agree that it was definitely named the Rio Colorado—Red River-of the West on August 26, 1540, by the Spanish explorer Alarcón.

The river extended from the Gulf of California in Old Mexico about a thousand miles up to the southern part of what is now Utah. At that point the river forked, and the name Colorado ended. The north fork came about 450 miles from what is now northwestern Wyoming and was many years afterward called the Green River. The south and much larger fork came about 350 miles from what is now the north-central part of Colorado, and was many years afterward named the Grand River.

Those two rivers bore these two names for over 200 years. However, the Colorado River never actually reached nearer than about 80 miles to the western border of the State that was named after it until 381 years thereafter, from August 26, 1540, until July 25, 1921, when President Harding signed my bill changing the name of the Grand River to the Colorado River. The President presented me the pen he used, and it is now in the State historical museum in Denver.

The United States Geological Survey shows that Colorado is the highest part of the United States. The highest part of the main range of the Rocky Mountains, the backbone of the country, runs north and south through the central part of Colorado. The eastern half slopes toward the Atlantic and the western half slopes toward the Pacific Ocean. Colorado is preeminently the mountain State of the Union.

Throughout the entire United States there are 64 mountain peaks over 14,000 feet high. One is in the State of Washington-Mount Ranier-13 are in the State of California, and 50 of them are in the State of Colorado; and 45 of these 50 mountain peaks are in my congressional district. So I represent "the top of the world." [Laughter and applause.] I have the proud distinction of representing the very crest of this continent. I do not represent as many people as many of you do, but I represent more mountain scenery than any man on earth.

There are some 300 mountain peaks running across our State north and south from Wyoming to New Mexico-a gorgeous crystal chain 300 miles long in my district. When you gentlemen want to visit the mountains, after viewing the foothills in other States, come to my district and see some real mountains. [Applause.] There are over a million people visit our State every summer. In the evening, when the sun commences setting in the valleys, it shines for a long time on the western slopes of that brilliant mountain chain, and as the last rays of the sun gradually reach the top of those peaks we actually think that the sun sets reluctantly as it bids good night to that most sublime scene on this planet.

Mr. CELLER. And what does the word "Colorado"

Mr. TAYLOR of Colorado. It is a Spanish word meaning "red." It was called the "Red River" by the early Spanish explorers.

Mr. BOYLAN. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR of Colorado. Yes.

Mr. BOYLAN. Does this conclude the gentleman's remarks about Colorado?

Mr. TAYLOR of Colorado. Yes, sir.

Mr. BOYLAN. Then I rise to say that I am glad Congress erected the State of Colorado, particularly when the election in that State resulted in giving to the Nation such an able and distinguished statesman and sturdy Democrat in the person of Edward T. Taylor. His life and works have been in true consonance with the lofty peaks of the mountains of his beloved State.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR of Colorado. Yes.

Mr. RICH. And I can hardly understand how such a good gentleman as our colleague Mr. Taylor could be a Democrat.

Mr. TAYLOR of Colorado. I thank the House for its courteous attention. Now, Mr. Chairman, I want now to take up the presentation of the Interior Department appropriation bill. This is the annual supply bill for all the thousands of activities of the Interior Department for the fiscal year of 1936. The Department of the Interior, as you all know, covers a wide field of activities, extending from the Arctic Circle to the Equator.

It seems as if whenever the President or Congress does not know what to do with some new activity they put it into the Interior Department. The President has added 14 new activities to this Department in the past year and added several more during the year before, so that at the present time the bill that is before you today carries an appropriation of some \$11,000,000 more than it did last year. This bill, for the first time, carries the Bureau of Mines, and also the Geographic Division, formerly the Geographic Board. It carries the Division of Territories and the Division of Island Possessions.

That is one reason the bill is larger this year than it was last year. The bill carries \$58,755,656, but at the same time it is \$3,297,409 under the Budget estimates. We have cut under the amount recommended by the Budget by various economies, but it is still above last year's bill, as I said before. That amount of money is reflected largely in this way: There is the restoration of salaries from 90 percent to 100 percent of all of the Government employees, beginning the first of April next, but we figured here on its beginning the first of July next. That accounts for \$2,091,726. Then we have a new grazing-control law that accounts for \$250,000. The Wheeler-Howard bill that we passed in the last Congress, pertaining to the hundred tribes of Indians on Indian reservations and Indian agencies throughout the United States, accounts for \$3,275,000.

We have cut a little more than that below the Budget. The Budget asked for \$1,000,000 for the purchase of land, \$5,000,000 for a revolving fund, \$250,000 for organization, and \$175,000 for education under the Wheeler-Howard Act, and we have cut that down to a total of \$3,275,000. We have allowed an increase of \$408,556 for the survey of public lands, exclusive of the 10-percent salary restoration.

Mr. MARTIN of Colorado. Mr. Chairman, how much was that last year?

Mr. TAYLOR of Colorado. I shall give that later on. I shall insert the definite figures. Our report and the hearings are very complete. The hearings cover 1,180 printed pages. The report is full, and if the gentleman will take the report he will find in the last part of it all these very elaborately tabulated, so that I shall not take the time to read the figures. It is a full report and a unanimous report from the committee.

Mr. MARTIN of Colorado. If my colleague will pardon the interruption, it strikes me that when the Appropriations Committee cuts underneath the Budget experts it is contracting a very bad habit.

Mr. TAYLOR of Colorado. I do not know whether the House will sustain the committee or not. That is up to the House when we reach these various items, and I hope the House will give attention to it, because it does cover so many human activities throughout the entire country.

I could go into detail as to the way these increases and reductions are made, but I will first take up the departments in order.

The office of the Secretary of the Interior is the first one we took up. It will be observed from the hearings that we have made some additions because of the additional activities that are heaped upon the Department of the Interior. I may say, however, that we have given to the Secretary's office what they asked and what the Budget gave them.

In the General Land Office we show an increase over 1935, because last year there was a large unexpended balance which they did not have this year and which is not reflected in the 1935 appropriation. There is an increase of \$100,000 over the current appropriation for the Oregon-California land grants, which was provided for under permanent law last year.

The largest and most complicated item in the whole bill pertains to the Indians, the Bureau of Indian Affairs. The committee has recommended an appropriation of \$26,627,260. That is \$6,358,695 more than the 1935 appropriation, and it is \$2,997,675 less than the Budget estimate. In addition, the expenditure of tribal funds in the sum of \$1,312,280 is recommended in this bill.

The Indian Bureau is divided into a great many activities. Industrial assistance to Indians has been provided with \$3,720,490. For irrigation and drainage of Indian lands \$950,000 is recommended by the committee. When we come to the education of the Indians we will have a controversial matter on the floor of this House. The policy of the present Commissioner of Indian Affairs is to curtail and reduce and to eliminate to a certain extent Indian boarding schools off the reservation—that is, nonreservation boarding schools.

He feels that those schools ought to be established on the reservations, and that there would be a great saving to the Government if those schools off the reservation were discontinued. We have not agreed with him in that case. A year ago we did submit to quite a reduction in those nonreservation boarding schools. They are principally the wonderful school at Riverside, Calif., Sherman Institute; the one at Phoenix, Ariz.; the Chemawa School in Oregon; the Albuquerque School in New Mexico; Haskell Institute; and various other nonreservation Indian schools. We feel they have been built up in the last 50 years and that we have spent many millions of dollars upon them, and we feel that a further reduction should not be made at this time unless and until it has been practically demonstrated that ample provision can be made for the Indians on the reservation, so that they may have the facilities for acquiring an education.

So I say we have run counter to the Bureau of Indian Affairs on that matter. When we reach it we will go more into detail. The Bureau of Indian Affairs recommended absolutely the discontinuance as nonreservation schools of the Indian school at Carter Seminary; at Uchee, Eufala, Jones Academy, Wheelock Academy, and Chemawa, Oreg.; and also a reduction at Phoenix, Ariz., and Albuquerque, and at Ignacio, Colo., and other places. The Chemawa School was to have been closed completely. We have declined to follow the recommendation of the Budget and the Bureau of Indian Affairs and the Interior Department in that matter, and we have restored in this bill an appropriation for the education of the same number of children at those schools during the coming fiscal year that were authorized during the last year. Last year some of them were cut quite a great deal.

On the item of general support for the Indians we have been quite liberal, and we have been liberal in connection with education. Concerning the Bureau of Reclamation, we have simply authorized the maintenance and carrying on of those projects and of that Bureau substantially as at present. There is no new construction authorized in this bill. I may say that there is an increase in the operation and maintenance. An increase of \$25,000 over the Budget estimate is caused by the elimination of a similar amount for the same purpose from the general fund and its consolidation with the Yuma project. The increase, then, over the 1935 appropriation, other than the salary restoration, is due to increased repair and maintenance work, which has become necessary by allowing certain Indian activities, schools, and one thing or another, and irrigation enterprises to run down. We think they are justified and necessary.

Concerning the Geological Survey, we practically gave them what the Budget asked for. As I recall it, we made one reduction there of \$13,000 under the item for gaging streams. However, in the main, we followed the Budget recommendations,

The Bureau of Mines is an entirely new division, transferred from the Department of Commerce to the Interior Department, and we now must provide for the carrying on of that activity. The amount recommended is \$1,417,311.

Mr. ARNOLD. Will the gentleman yield? Mr. TAYLOR of Colorado. Certainly.

Mr. ARNOLD. Does the gentleman feel that his subcommittee has given due consideration to the necessary amount of money that should be carried in this bill for the safety work in the mines? I understand that at a great many of these places the equipment has become obsolete. In a great many places it has become absolutely useless, and it seems to me that, as important as this mine rescue work is, Congress should be very generous in appropriating money along that line. I understand further that it is the desire of those who are interested in this work that this appropriation be increased, especially as it applies to mine rescue work, and that the Bureau of the Budget is now considering the matter of recommending to this committee an additional amount for this activity. I should like the gentleman to discuss that a little, because it is a very important subject and a matter that should be given careful consideration.

Mr. TAYLOR of Colorado. I may say to the gentleman from Illinois [Mr. ARNOLD] that always after a committee has held exhaustive hearings and reported a bill there are a great many people who suddenly discover that they need an additional appropriation, and they come to me or some other member of the committee and try to get us to ignore the recommendations of the Budget and the departments and inject into the bill new appropriations without a hearing, without any consideration. Invariably I have declined to do so. I am fully aware of the matter to which the gentleman refers, and I feel there is a great deal of merit in it; but I have advised those gentlemen to present the matter to the Bureau of the Budget and to the Interior Department and get their recommendation. If they get that recommendation and send to the committee an official estimate, we shall gladly consider it.

If they do not get that in this bill, there is nothing under the sun that will prevent them from putting it into the deficiency bill when we come to take it up. If, however, we were to open the door now to a large appropriation for something that has not even been presented at the present time, we are setting a precedent that would destroy the orderly consideration of our large annual supply bills. That is the way we feel about it. We did give them some increase over what they had last year.

Mr. ARNOLD. I hardly think this would be a proper matter to be put into a deficiency bill. The matter should be taken up in the general appropriation bill, because it is not in the nature of a deficiency. I am wondering however, if the gentleman has made any investigation to ascertain whether or not the Bureau of the Budget allowed this service what it asked for, or whether the Bureau made a cut on this particular item.

Mr. TAYLOR of Colorado. I do not remember the action of the Bureau of the Budget on this particular item. I do

know that the Bureau of the Budget does cut down a great many requests, and they probably have cut that down. If they have presented it to the Bureau of the Budget and the Bureau of the Budget has rejected it, then it would be unbecoming, it seems to me, for us to try to put it in over them; and if they have not presented it to the Bureau of the Budget, they have been derelict in their duty; they ought to do so. I cannot see any reason why, if it is a proper appropriation to go in this bill or any other bill, it should not be added to the deficiency bill when we take it up. We have given them in excess of \$30,000 over and above what they had last year.

Mr. ARNOLD. I fully agree with the gentleman that we should not force anything into the bill that has no merit; but if actually it has merit, perhaps the Bureau of the Budget was a little in error in making their recommendation as to the specific amount they recommended. That is my object in taking this matter up with the gentleman.

Mr. TAYLOR of Colorado. The gentleman from Illinois himself is chairman of one of the subcommittees of the Committee on Appropriations. Let me ask the gentleman if he believes in the principle of putting things in the bill handled by his committee that have not been considered by the Bureau of the Budget?

Mr. ARNOLD. We always try to give consideration to matters on their merit.

Mr. TAYLOR of Colorado. That is not the question; does the gentleman's committee give them the money?

Mr. ARNOLD. We do not always give them the money because we feel sometimes they have not made out a justifiable case; but where they have made out a justifiable case I feel that they are entitled to it and that the Appropriations Committee should go along in an effort to do full and complete justice.

Mr. TAYLOR of Colorado. I am chairman of this subcommittee. They have never presented the matter to me up to the present minute. We are very sympathetic with the Bureau of Mines, as far as that is concerned, and we have authorized one entirely new activity in that Department.

Now I come to the national parks. We recommend \$15,-713,890 for the national parks. This is more than the amount allowed last year by \$4,394,250, but it is \$44,640 less than the Budget estimate. The reason for this enormous increase is because the operation and maintenance of nearly all the Federal buildings in the city of Washington and many throughout the United States that were under the War Department and under various other departments for years and years have all been put under the Interior Department.

The Battlefields at Gettysburg, Antietam, and a great many other activities of this kind have also been put under the Interior Department. Whether this is wise or otherwise remains for the House to determine.

The Bureau of Education we have treated quite liberally. It is not a very large bureau. We recommended \$4,781,220. This is a trifle under what it was last year, but at the same time we feel that it has been taken care of amply and sufficiently.

The Territory of Alaska we have tried to treat liberally. The sum we have recommended is \$1,148,185, and this is in excess of the amount that was allowed last year.

The Alaskan Railroad is an item I wish particularly to call attention to. For a great many years the Alaskan Railroad was coming before Congress and getting an appropriation of over \$1,000,000 a year, and as high as \$1,500,000 a year, over and above its receipts for the operation of that railroad from Seward to Fairbanks, nearly 500 miles in length

A great many years ago we built this railroad at the cost of \$57,000,000, and at the time we passed that bill we promised that it would be self-supporting. It never has been self-supporting; but, on the other hand, we feel that if we take away that railroad the population would feel like moving out of Alaska. It is a great highway for traffic and it is a wonderful thing for the Territory. In area, Alaska is nearly one-fifth as large as the United States. It is an enormous Territory. There used to be probably 100,000 white people—or something like that number—there, but

today there are only 15,000 or 18,000, and they are having a

pretty hard struggle.

The first year I became chairman of this subcommittee we cut the appropriation for the Alaskan Railroad to \$500,-000. The next year we cut it to \$250,000, and last year we cut off the rest of it and gave them nothing but their receipts.

That has proved too deep a cut; so for the next fiscal year we are recommending \$250,000, the same amount we gave

them year before last.

Mr. MICHENER. Mr. Chairman, will the gentleman yield? Mr. TAYLOR of Colorado. I yield.

Mr. MICHENER. What do the receipts of the railroad

Mr. TAYLOR of Colorado. That is set forth in the report. Mr. MICHENER. Can the gentleman give me the approximate figure?

Mr. TAYLOR of Colorado. Not without looking it up.

Mr. MICHENER. Is this money to be used for operating expenses or for repairs?

Mr. TAYLOR of Colorado. Some of it is for operating expenses and some for replacement. A lot of the bridges we built there originally were wooden bridges, and they are rotting down. They are rotting out.

Mr. MICHENER. Are we going to build new bridges where all of the temporary bridges are located?

Mr. TAYLOR of Colorado. I did not understand the gen-

Mr. MICHENER. Is it going to be the policy of the committee to replace those bridges with more permanent ma-

Mr. TAYLOR of Colorado. Oh, yes; and the equipment and things of that kind will be renewed from time to time. We are trying to get the best there is.

Mr. MICHENER. How about the highways?

Mr. TAYLOR of Colorado. The Richardson Highway runs from Fairbanks to the coast. It is about as long as the railroad. Both the railroad and the highway run from Fairbanks to the ocean, you might say.

The Richardson Highway is an automobile highway and has been very expensive, but nevertheless we feel it is necessary to the development of that country. In our appropriation for roads, trails, and dog-team trails, and so forth, we are taking care of that situation as well as the care of the Richardson Highway. As the gentleman knows, the Richardson Highway has been under the War Department until about a year ago.

Mr. MICHENER. Now both functions have been put to-

Mr. TAYLOR of Colorado. Yes.

Mr. MICHENER. As a matter of fact, there are not 10,000 people living within 200 miles of the railroad?

Mr. TAYLOR of Colorado. I expect that is true.

Mr. MICHENER. There is no traffic excepting the little bit of stuff which is hauled in to keep the people in Fairbanks or in that general territory up there?

Mr. TAYLOR of Colorado. That is not quite right. Fairbanks is the outfitting post for all of that northern country, including the Klondike, the Yukon, and clear up into Canada; and the Canadian people have to bring their products to Fairbanks and ship it out over our railroad.

Mr. MICHENER. It either goes by dog team or highway?

Mr. TAYLOR of Colorado. Yes.

Mr. MICHENER. And two or three freight cars a year would haul about all the freight there is up there?

Mr. TAYLOR of Colorado. No. I think if we put the matter of the development and the maintenance of the Territory of Alaska purely on a financial basis we might as well move them out, because we cannot keep them up in that country where the thermometer is 50 below zero and snow 50 feet deep, with 6 months night and 6 months day. When we were up there we were able to read the newspapers just as easily at 12 o'clock at night as at 12 o'clock in the daytime by the natural light.

Mr. MICHENER. And fight the mosquitos just the same?

Mr. TAYLOR of Colorado. Yes. The future problem of Alaska, I may say, is a serious one. We have a lot of redblooded American citizens who have gone up there and tried to develop that marvelous country, but they are having a pretty hard time.

Mr. MICHENER. The gentleman has been there and knows all about the matter. His judgment is good. But does not the gentleman feel that there is no development in Alaska worth while during at least the present generation?

Mr. TAYLOR of Colorado. Permit me to give you the picture of Alaska, as I see it, in answer to the gentleman from Michigan. There are three great resources. One is the gold and silver and copper.

The Kennecott Copper Mining Co. is one big concern doing dredging operations. They dredge out the gold. Then there is the salmon and halibut fishing. There is the fur industry. Those three things have produced enormous amounts; I would say pretty well toward a billion dollars. We paid \$7,200,000 to Russia for all of Alaska. We have taken out of there pretty nearly a billion dollars, as I recollect.

There is this that sticks in my mind, however: Take salmon fishing. That is done by people who come from Los Angeles, San Francisco, Seattle, Portland, and San Diego. They go up there on ships with contract labor. The season is short for the catching of salmon. Some of the canning of salmon is done on the boats. They take from the waters adjoining that country all of the salmon and carry it out, and do not pay the people of Alaska a thing.

I visited the largest cannery in Alaska the last time I was up there, situated at Cordova. I did not see but one white man in the whole plant. His name was Williams, he was the superintendent, and lived in Seattle. The rest of them did not talk the language of the United States. They came up there; they work awhile and go away. It is also true that they can enough salmon to give every man, woman, and child in the United States two cans of salmon every year. The thing I do not like is the fact they do not leave anything in Alaska. They do not contribute anything to the Federal Treasury, and they do not do anything toward building up Alaska, although they take Alaska's great resources and go away with them. The same situation exists very largely with respect to the minerals. The Guggenheim concern controls their own railroad, their own commissary, and they run their own mines. They ship their products out of there. While it is true that has added to the wealth of our country in a way, yet the people of Alaska who are trying conscientiously to build up the Territory of Alaska do not get anything. They do not get their share of the great wealth which is taken out of there.

The same thing is true with furs. Those poor fellows go out with their dog teams and trap when winter begins to come on, and stay out a year. They come in with their catch. Many of them fall into crevices, many of them are frozen to death, and some are killed by wild animals. They take their lives in their hands all the time. They bring their furs into Nenana and other places. I went into one fur house up there nearly as big as this Chamber, and there were tens of thousands of furs in there. I may say that the poor fellows who catch the furs get very little out of it, but the buyers take them to St. Louis, the great fur center of the world, and there they are made into these fur coats and other things for which women pay fabulous prices.

I may cite as an illustration that my wife was with me in Alaska and we went into one of these large fur establishments and they had some of these beautiful ermine skins, white with a black tip on the tail. When they are made up into ladies' wraps, they cost enormous figures. My wife bought, I think, 40 of these ermine skins for 50 cents apiece and brought them home. Actually, this is almost robbery of the poor fellow who goes out and gets them; and I may say that the stock of fur-bearing animals of Alaska is being depleted.

This is the only criticism I have in my mind about our handling of Alaska, and, frankly, I do not know what the future of Alaska is.

Mr. MICHENER. In the development of any of the industries the gentleman has mentioned the railroad has no bearing, except possibly on placer mining, because, so far as the fisheries are concerned, the railroad is not near the fisheries.

Mr. TAYLOR of Colorado. No.

Mr. MICHENER. And so far as the Kennecott mines are concerned, the railroad is not near them.

Mr. TAYLOR of Colorado. That company owns its own railroad.

Mr. MICHENER. Yes; and we hear about the coal up there being developed. I think I was up there once with the gentleman from Colorado when we found that after they mine the coal up there they cannot use it on the very trains that haul it out, because it is lignite and, as I recall, they had a laundry to which they took this coal and washed it before they could use it. This is not going to pay, and why we should continue to invest millions upon millions in a railroad of this kind when we are investing money in a highway and the highway will serve every purpose that the railroad serves? There are very few people employed on the railroad, and no one rides on it.

Mr. TAYLOR of Colorado. The highway is not opened all the year.

Mr. MICHENER. Neither is the railroad.

Mr. STUBBS. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR of Colorado. I yield to the gentleman from

Mr. STUBBS. I have been informed, I do not know how reliable the information has been, that no American citizen can get a job on our Alaskan Railroad and that practically 100 percent of the employees are foreigners. I was wondering if the gentleman could enlighten us along this line, and state whether or not this statement is true.

Mr. TAYLOR of Colorado. I think that information is wrong. I know Colonel Olsen, who runs the railroad as the superintendent, very well. He is of Swedish descent and comes from northern Minnesota. He is doing a wonderful work. I think the reason people cannot get jobs on the railroad is because they have had to cut down. They have reduced their employees to the very limit. So far as I observed the personnel of the railroad, there is no foreign element there. I do not think there is anything of that kind involved.

Mr. DIMOND. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR of Colorado. Yes.

Mr. DIMOND. From the questions that have been asked the gentleman from Colorado, it is evident that many Members of the House have an idea about Alaska and about the railroad that is just 100 percent erroneous, and I would like to have an opportunity to tell the Members of the House something about the railroad and supplement what the gentleman has so well said about the wealth of Alaska, only the gentleman has understated it about 50 percent.

Mr. TAYLOR of Colorado. Let me remark here that I hope the House will very patiently listen to the Delegate from Alaska [Mr. DIMOND], when he presents Alaska to this body. I hope you will give him ample time and opportunity to present the situation because he knows it thoroughly. He has been up there a great many years and is thoroughly capable of explaining it. There are many, many equities in favor of Alaska, and I do feel that we cannot think of abolishing the railroad, no matter what it costs, and we cannot discard Alaska.

Alaska is really a great asset to our country. I stated on this floor a year or so ago that I believed we ought to take the Matanuska district north of Seward and open that to homestead settlers and we ought to pick homestead settlers that come either directly or indirectly from the Arctic Circle of Norway and Sweden. The people who have lived there for 1,000 years, under practically the same conditions we have in Alaska, have been prosperous and contented and happy. Alaska, I may say, is 40 times as large as Sweden, and Sweden, as I recall, has a population of about 15,000,000, while Alaska has something like 15,000 white people. I believe we should settle that Territory with people who are accustomed to living in these dark winters and short summers and having terrific cold to contend with—and I may

say with respect to Sweden that they ship butter into New York and sell it there. Those people are prosperous and happy, and they are accustomed to farming in a climate of this kind; and they make a success of it. If we could have people of this kind go up there and settle on this land and have them produce what the country consumes, the situation would be quite different. I may say that in about 15 towns, when I was up there, I asked them what percentage of the produce they consumed was raised in Alaska, or what percentage of it was imported.

In every place they said 100 percent was imported. They do not produce what they consume.

Mr. MICHENER. Will the gentleman yield?

Mr. TAYLOR of Colorado. I yield.

Mr. MICHENER. They have a growing season there of 120 days at the limit, and although millions has been expended experimenting in agriculture and all kinds of grades of stock the growing season is too short. It is different in Sweden. There they have a longer growing season. The Department of Agriculture found that they could get more than 90 days' growing season in a year.

Mr. TAYLOR of Colorado. I will permit the Delegate from Alaska to answer that. As a matter of fact, they have 24 hours of sunshine in a day, and crops develop marvelously in that time. They can grow more in 90 days in that country than we can in 4 months in this country. They could raise enough potatoes and vegetables to supply that country.

At the present time transportation is a monopoly, and the prices are so high because it is difficult and expensive to ship things in there.

Mr. WELCH. Will the gentleman yield?

Mr. TAYLOR of Colorado. I yield.

Mr. WELCH. The gentleman has referred to contract labor in Alaskan fisheries brought in from San Francisco and other places. May I state to the gentleman that these men belong to the Fishermen's Union, which is affiliated with the American Federation of Labor. I know the gentleman does not intend to convey misleading information as to what is generally called contract labor.

Mr. TAYLOR of Colorado. Is it not true that they pay them after they get back rather than to pay them up there and let them spend the money in that country?

Mr. WELCH. No; I would not say that.

Mr. TAYLOR of Colorado. They tell me that that is true. Mr. WELCH. The representative of these men who appeared in Washington before the Committee on the Merchant Marine and Fisheries, of which I am a member, said they were absolutely satisfied with existing conditions.

Mr. TAYLOR of Colorado. There is no question whatever but that the people who are exploiting Alaska are satisfied with the conditions.

Mr. WELCH. I do not think Alaska is exploited by organized labor.

Mr. SIROVICH. Will the gentleman yield?

Mr. TAYLOR of Colorado. I yield.

Mr. SIROVICH. I happen to be a member of the committee, and I think the chairman is right in saying that the people of Alaska are exploited in that Filipinos, Mexicans, and Chinese are brought up there under the guise of American labor.

Mr. TAYLOR of Colorado. Alaska and its people get very little help out of that work.

Now, as to the Territory of Hawaii, we have provided for the Governor and secretary contingent expenses.

St. Elizabeths Hospital and the Columbia Institute for the Deaf, as well as the Howard University and Freedmen's Hospital and other activities under the jurisdiction of the Interior Department, we feel have been provided for as well as they could reasonably expect. In most cases we have hewed almost exactly to the line of the Budget. We have undercut in the aggregate, as we say, over \$3,200,000 under the Budget, but we have allocated somewhat, making some shiftings and exercising our own judgment. We have four members of that committee at the present time from the West and we are pretty well acquainted with the activities for which we are endeavoring to legislate.

Mr. RICH. Mr. Chairman, will the gentleman yield? Mr. TAYLOR of Colorado. Yes.

Mr. RICH. A year ago when the Department of the Interior took over some million acres of ground for grazing, it was stated by the gentleman from Colorado [Mr. Taylor], as well as by the Chairman of the Public Lands Committee [Mr. DeRouen], also by Secretary Wallace and by Secretary Ickes, that arrangements were being made whereby they would segregate the grazing lands of this country into one department. Has that been accomplished up to this time?

Mr. TAYLOR of Colorado. Not vet.

Mr. RICH. Does the gentleman figure that the Secretary of Agriculture and Secretary of the Interior, with the assistance of the President, are going to consummate that proposal as they said they would do a year ago?

Mr. TAYLOR of Colorado. I think they are trying to work that out now. We have not appropriated any money for them yet. They have not had a dollar. That bill of mine which was passed and signed on the 29th of last June has not had a dollar appropriated for it to carry out the provisions of the law, so they have not got it working effectively yet. They are working on it. They have held meetings in all of the Western States. They have 90 grazing districts under a process of being organized right now.

Mr. RICH. I think this is a subject well worth while spending a moment upon, and I think the gentleman is interested. I am interested not because I want to see it go to the Department of the Interior or to the Department of Agriculture. I am interested in putting the grazing on public lands into one department so that it can be handled efficiently

and economically.

Mr. TAYLOR of Colorado. The gentleman is interested as I am in having an orderly use and conservation and development of our public domain rather than in having it exploited and destroyed.

Mr. RICH. Exactly so. I am interested because Secretary Wallace said that he would not object to it, and Secretary Ickes made the same statement, and with the chairman of the subcommittee of the Committee on Appropriations in charge of the bill, and the Chairman of the Public Lands Committee in accord, I hope the gentleman from Colorado will use every influence he possibly can to see that that orderly procedure is arranged for.

Mr. TAYLOR of Colorado. I am doing the best that I can, but as all gentlemen know, there is more or less jeal-ousy between between departments and between bureaus, and they all want to hold onto what they have jurisdiction over. It is pretty hard to get them to consolidate.

Mr. RICH. That is the point that I am trying to bring out, and I am glad the gentleman spoke of it first. Because of those jealousies, and because of the unethical procedure of doing things in not a good business way, we Members of the House should use our influence to see that those particular things are consummated, because the taxpayers back home must pay the bill of department extravagance. I see here that we have contributed for grazing under the Department of the Interior the sum of \$365,080.

Mr. TAYLOR of Colorado. Oh, no.

Mr. RICH. That is for division of grazing control, \$111,080.

Mr. TAYLOR of Colorado. Oh, no.

Mr. RICH. And for the expenses of a man here in the District \$5,000, and for automobiles \$250,000. A year ago we were told we were not going to expend any great sums for this particular activity in the Interior Department. If we are going to spend \$365,080 in the Interior Department for grazing, goodness knows the amount we are spending in the Agricultural Department is much greater, and we are adding to these expenses, and each year they will increase, and I do hope that the gentleman will try to bring his influence to bear on segregating grazing in the Department of the Interior and the Agricultural Department, because the heads of these Departments say they are now in accord, and if we ever allow it to get out of this administration, God knows we will never have it accomplished.

Mr. TAYLOR of Colorado. I sympathize with the gentleman, but the gentleman is wrong in his figures. The total amount authorized in this bill for the first time is \$250,000.

Mr. RICH. I am reading from page 4 of the bill. We are appropriating \$111,080 for division of grazing control, and for personal services in the District of Columbia \$5,000, and there is \$250,000 for automobiles. I take these figures from page 4 of the bill under the division of grazing control.

Mr. TAYLOR of Colorado. If the gentleman will read the report and see the set-up and the total amount that is chargeable to the grazing division proper, he will see that the total is \$250,000, which includes not to exceed \$111,080 for personal services in the District of Columbia and not to exceed \$5,000 for the purchase and maintenance of automobiles.

Mr. RICH. That is in the report on page 16, but on page 4 of the bill we contribute \$365,080.

Mr. TAYLOR of Colorado. The gentleman is mistaken about that, the total appropriation is \$250,000.

Mr. RICH. I want to ask the gentleman one other question. The gentleman says that we have reduced the amount of this bill over \$3,000,000 under that requested by the Department.

Mr. TAYLOR of Colorado. Yes.

Mr. RICH. A year ago we said that we decreased the Interior Department \$17,000,000.

Mr. TAYLOR of Colorado. Yes.

Mr. RICH. But then we have spent in the Interior Department through other organizations or agencies like the P. W. A., the C. C. C., and so forth, over \$34,000,000 more; yet we claim a saving for the Department, and what are we doing this year so far as the Interior Department is concerned in the expenditure of funds from those other agencies?

Mr. TAYLOR of Colorado. When Congress passes a bill, awarding a lump sum for relief work and the relief of unemployment and turns it over to the executive department of the Government to allocate and apply, we are not responsible for what they do.

I need not tell the gentleman that. Now, it is true the Secretary of the Interior is the head of the Public Works Administration. That Public Works Administration has allocated enormous sums of money, but that is not a part of the current running expenses of the Department itself. This bill does not provide for anything in the way of construction except a few roads and one other minor item which I have forgotten, but there is practically no construction in this entire bill.

Mr. RICH. The gentleman does not know what these alphabetical organizations are going to spend and what for?

Mr. TAYLOR of Colorado. No. If we pass that \$4,000,-000,000 I apprehend the Interior Department will get a large amount of it and it will be appropriated to Indians, to the national parks, reclamation, roads, Geological Survey, and a dozen other activities. There are 25 activities in the Interior Department, but this committee has nothing to do with that.

Mr. RICH. I appreciate that, and I remember that a year ago, when we discussed this particular phase, the gentleman felt that the money that was expended on these public works and various organizations should be expended through the Interior Department. With the knowledge which the gentleman has as chairman of this committee, the gentleman is better able to allocate those funds in his department than if they were being expended by someone who has not given the proper time and attention to it.

Mr. TAYLOR of Colorado. The trouble is that we do not have that authority. I admit what the gentleman says.

Mr. RICH. That is the point I want to make. I think that money ought to be expended through the recommendations of the gentleman's committee and not by someone appointed by Executive order or someone at the head of the P. W. A. who would not spend the money in orderly procedure. I claim that is the wrong way for us to spend these funds and that they should go through the gentleman's committee. Men who have had experience, as the gentle-

man has, and who know conditions in the Interior Department, should have charge of the spending of this money. I hope the administration will allocate these funds to the Department of the Interior to be spent by the committee appointed by Congress to look after these things, rather than by selecting some individual, regardless of who he may be, to spend the money as he sees fit.

Mr. TAYLOR of Colorado. The trouble about it is the law provides otherwise, and we have nothing to do with it.

Mr. RICH. We should change the law so that orderly procedure would be followed out. We should have never passed the bill giving the President \$4,880,000,000 to spend without designating what it should be used for.

Mr. MILLARD. Will the gentleman yield for a question? Mr. TAYLOR of Colorado. Just for a question; yes.

Mr. MILLARD. I listened to the colloquy between the gentleman from Colorado and the gentleman from New York [Mr. Culkin] on yesterday with reference to the percentage repaid of the amounts due. I look at page 105 of the hearings, which is "Status of construction account repayment", and it says, "balance repayment contract deferred, \$152,-009,000." How much of that was the moratorium granted by Congress?

Mr. TAYLOR of Colorado. There was a moratorium granted on the whole thing last year. There was one general, omnibus, horizontal moratorium for a year.

Mr. MILLARD. Was there not a moratorium in 1931, also?

Mr. TAYLOR of Colorado. Yes; there was. But let me call attention to the fact that on the page to which the gentleman refers there are 24 Government reclamation projects. Ten of those 24 are paid 100 percent; 8 more are paid over 99 percent. The total average of all payments on all reclamation projects to the United States at the present time is 98.6 percent.

Mr. MILLARD. But the gentleman has not yet told me what has been deferred by the moratorium.

Mr. TAYLOR of Colorado. The gentleman will find a full statement of the matter on page 104 of the hearings.

Mr. ZIONCHECK. Will the gentleman yield?

Mr. TAYLOR of Colorado. I yield.

Mr. ZIONCHECK. Is it not true that after 4 years' payments for construction costs the amount deferred by way of moratorium must be paid, and there is an interest charge upon the actual moratorium amount?

Mr. TAYLOR of Colorado. Certainly.

The CHAIRMAN. The time of the gentleman from Colorado [Mr. Taylor] has expired.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield the balance of the time for general debate to the ranking member of the minority [Mr. LAMBERTSON].

Mr. LAMBERTSON. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I do not feel that I need say very much about this bill, as it has been so very capably covered by the chairman of the committee. It has been a delight for us on the minority to have served under the chairmanship of this man who personifies, to my mind, courtesy, courage, and rounded legislative experience. He is here for his four-teenth term. As the gentleman started out to tell you, he represented the peak of America; may I say that we have some pride in our district, as the gentleman finished high school in Leavenworth, Kans., the district I represent, while his father was the first legislator elected from Rooks County, in my State. On his route to the heights of Colorado, we helped him along the way. [Applause.]

I have enjoyed the companionship and association and expert assistance of Governor Scrugham, who is an engineer and who knows all about mines and mining and reclamation projects; also the fine enthusiasm of the gentleman from Washington, Mr. Zioncheck, of Seattle, who is close to the parks and close to Alaska, as close as he can be and be here; and Mr. Jacobsen, of the majority, who is very patient and constant in his work; Mr. Johnson of Oklahoma, who is majoring on Indian affairs, since he comes from the State

where one-third of them reside. He is a worthy successor on this committee to Mr. Hastings. And to my distinguished colleague, Mr. Wigglesworth, of Massachusetts, because he is an accountant aside from his other splendid qualifications.

So I will mention only two or three things. If any of the majority members of the committee desire part of the time, we may give you some, as there will only be my colleague, myself, and one other to speak on this side.

There have been general raises in the amounts in this bill all along the line. That is what I want to emphasize. They were held down a year ago because of depressed conditions and the economic wave, but now we have loosened up a little all along the line generally. That is where the largest part of this increase of \$11,000,000 appears.

One of the first things we had to face was the proposition of providing an Under Secretary. Now, that is a big thing sometimes; but here is the question that has come before us: They are having Under Secretaries in other departments. We do not know what they do or what the excuse is for their being established, but it is not for us to say that this Department cannot have an Under Secretary if the others are going to have one. Anyway, it is demoralizing to stand up and fight one new man on the pay roll when thousands are being put on without any legislative sanction whatever.

The half of this total appropriation is for the care of the Indians and the operation of the Wheeler-Howard bill that was finally agreed to on the last day of the session. It has been my observation that when a thing is agreed to on the last day of any session it may be looked upon with some suspicion as not having been fully considered; but it is the law of the land and we must accept it as such. I shall not discuss it at this time, but probably before this bill passes the Senate the Committee on Indian Affairs will repass upon the question of a policy to be pursued in the care of the Indians. Some provisions of the Wheeler-Howard Act are fine; they were idealistic. Some other provisions were not so well received by the sound judgment of sober men. It seems an iridescent dream and backward that they should return to tribal ownership, but that is only the final objective. As I say, our big increase outside of the general level has been for the administration of Indian affairs under the Wheeler-Howard bill, and we allowed only about half what the Budget agreed on; but the whole policy is a matter that must be decided again by the House and the Senate before the session ends.

The big item in the Indian affairs was the school proposition. This was debated at great length, particularly the nonreservation boarding schools. We accept the proposition; and we urge in all sincerity, of course, the need of maintaining these boarding schools as they now are. In some instances they were curtailed too far; but, after all, it is more or less a local commercial urge that is emphasizing their maintenance. I have seen the growth of the public schools about the reservations in Kansas; I have seen the great improvement that has come about in the rural schools. elementary and secondary, within the last 10 or 20 years, and this affords a fair excuse for reducing these nonreservation boarding schools. It is the policy of neither the committee nor of the Bureau to reduce them further at this time. The reason for their curtailment was partly in the interest of economy. In all fairness it should be said that this policy was not inaugurated by this administration but was instituted by Commissioner Rhoads under the other national administration, and Commissioner Collier is in accord with and carrying out the policy.

Big expenditures have been made for roads on Indian reservations. It has been my observation that none of the money spent during the last 2 years has proved more satisfactory in its results than the money spent for roads in the Central West and the West. So when we spend money for improving roads in Indian reservations we are spending it about as well as it can be spent for them outside of increasing their educational facilities and improving the public health. We have done these three things on the reservations.

As I say, we have emphasized the advantage of spending money for roads, and the appropriation for this purpose has been increased materially. I think this is about as fine a thing as we could do in the national parks. The national park system is attracting the attention of the country. Good roads allow people to reach these parks by automobile, for the parks are not on the main-line railroads, and all of them cannot be reached easily; but with the facility of good roads the people will come more and more to use the parks, and we will wean them away from going to Europe for their vacations and teach them the wonders and beauty of our own land.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. I yield.

Mr. SHORT. Has the subcommittee appropriated any money for additional parks?

Mr. LAMBERTSON. No.

Mr. SHORT. That work is being done under the public-

works program.

Mr. LAMBERTSON. We have not appropriated anything for any new parks. There is an appropriation for national monuments that has been set aside. It is very small. There are about 67 different national monuments that are outstanding scenic spots that are not big enough to be called parks.

Mr. SHORT. Does the subcommittee determine where the money shall be spent or is it spent on the recommendation

of the Committee on Military Affairs?

Mr. LAMBERTSON. No; we act on our own initiative in all things pertaining to the Interior Department, I assure the

Several institutions in the District of Columbia have been placed under the Interior Department, among them St. Elizabeths Hospital, which takes care of the insane of the District and Indians from the reservations. There is a feeling, however, that the facilities of this institution are being abused by people of Maryland and Virginia; that they impose on the District of Columbia. I wish there were some way a real investigation could be made to determine the residence of many of the patients. It would be found that many of them come from Maryland and Virginia.

We have also taken care of Howard University, the great colored university of America, Freedmen's Hospital, and the Columbia Institute for the Blind.

In closing I want to emphasize two things: I served temporarily on the committee conducting the hearings on the independent offices bill in December. The two things which I stressed then I emphasize again. They have impressed me as being very important. I do not suppose my suggestions will be absorbed any more than water on the back of a duck. but, if I keep at it long enough and somebody else agrees with me, we may get somewhere eventually.

First of all, we ought to have a representative of the Appropriations Committee sit in on the Budget hearings. It is the President's Budget, of course, but, after all, it is only a recommendation to us. There are no printed hearings of the President's Budget. They say thus and so and we do not know why it was thus and so. We have not had a member sit in and listen to the proceedings. I therefore believe there ought to be a representative from each subcommittee sit in with the Budget and at least know why they reached certain conclusions. I think that could be arranged if we were interested enough in doing so. There ought to be some liaison between these two recommending groups.

My other recommendation is this: There are in the Appropriations Committee high-class, well-paid men, who serve regardless of changes of administration. They are in there and are kept because of their usefulness and their service. These men ought to be allowed to go into these various bureaus, in my opinion, between sessions, and investigate them, just like the Members would, although these men could do it better than we can because they know the situation. They know the institutions that come under their direction, and I think it ought to be arranged so that they could visit these institutions and bureaus and bring back to seen in the past, construction authorized even in the face of

us first-hand information on what ought to be done. I submit those two recommendations and believe they would help materially the matter of appropriating wisely. [Applause.]

Mr. LAMBERTSON. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. Wigglesworth].

Mr. WIGGLESWORTH. Mr. Chairman, I, too, am glad to express my appreciation of the consideration which the minority members of this subcommittee have received from the majority members. I am indebted in this connection to the distinguished gentleman from Colorado, the acting majority leader of this House, Mr. TAYLOR, and to each and every member of the majority side on the subcommittee.

This bill, as you appreciate, is very wide in its scope. Its scope has been added to this year as a result of legislation already referred to, providing for grazing control, for the construction of roads, for action under the Wheeler-Howard Act in the field of Indian affairs, and by the transfer of additional activities.

The bill, as the report indicates, carries a total sum of about \$59,000,000-\$58,775,656-which is in excess of the sum carried in the bill last year by about \$12,000,000-\$11,910,790.62-but less than the sum recommended by the Bureau of the Budget by more than \$3,000,000-\$3,279,409.

The principal items of increases will be found on page 2 of the committee report. There are about eight items there, aggregating some \$12,500,000. If you will subtract from that total two nonrecurrent items, amounting to about \$882,000. and a further item of \$1,500,000 carried in the bill a year ago for the petroleum administration but omitted this year because of the fact that the applicable legislation has been found by the Supreme Court to be unconstitutional, you will find that the \$12,000,000 increase has been accounted for except for about \$1,700,000. The balance is distributed through the many items in this bill, being in part reflected in additional activities transferred to the Department of the Interior, such, for example, as the Bureau of Mines.

Mr. Chairman, I am not going into these increases in detail. The distinguished chairman of the subcommittee, Mr. TAYLOR, has covered the situation thoroughly, and there will be ample opportunity under the 5-minute rule to go into any details which are not fully understood. I want to make just three or four general observations.

The members of the committee who were here during the last Congress will recall the action taken in respect to the so-called "permanent appropriations", automatic annual appropriations amounting to hundreds of millions of dollars. Action was taken with a view to bringing these appropriations insofar as possible, under the annual supervision of Congress. Action was also taken with a view to realizing substantial savings in the total appropriations. In this bill the committee will find a large number of these appropriations which appear here for the first time. They aggregate something like \$2,000,000. They have been brought under the annual control of this House and some savings have resulted. I am confident that as we go on, further and substantial savings will prove possible in the national interest. May I express the hope at this time that the members of this committee will cooperate with the members of the Appropriations Committee in combating the tendency which always manifests itself to create additional appropriations of permanent character.

Mr. Chairman, it has been pointed out that there is no new construction provided for in this bill except such as is represented in the items for road construction. The reason for this under existing policy is, of course, clear. I think, however, that we should also recognize its significance. It means, of course, that any items for construction which should properly be carried in the Interior Department bill will not be reflected in its total. It means that any Member of this House who desires to obtain construction within this field of the Government must obtain that construction by petition to executive officials in charge of emergency funds rather than through legislative action. It means that the Congress has no control whatsoever over construction items for the Interior Department. It means that we may see, as we have

definite disapproval by one body in this Congress or the other. It means that to the extent that emergency funds are placed under Executive control, we are continuing a system of two-fold appropriation, executive officials having the power to negative action taken by the House and Senate.

Mr. Chairman, I ask unanimous consent to insert in the RECORD at this point certain tables showing the total emergency funds which have been made available to the Interior Department.

The CHAIRMAN (Mr. HEALEY). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Statement of public-works funds allocated for Interior Department activities as of Feb. 21, 1935

Bureau or office	Allotted by Public Works Administra- tion	Impounded reserve	Transfer not com- pleted	Available for obli- gation	
Office of the Secretary:					
Service Division	\$28, 735		\$4,000	\$24, 735	
Petroleum Administration	824, 000			824,000	
Subsistence Homesteads	50, 000, 000	\$35,000,000		15, 000, 000	
Soil Erosion Service Perry's Victory Memorial Com-	20, 000, 000	6,000,000		14, 000, 000	
mission	25, 025		and the second	25, 025	
General Land Office	1, 168, 000			1, 168, 000	
Bureau of Indian Affairs.	19, 278, 050	2, 500, 000		16, 778, 050	
Bureau of Reclamation	105, 476, 000	14, 000, 000	330,000	92, 146, 000	
Geological Survey	5, 154, 664			5, 154, 664	
Bureau of Mines	477, 750	Table of the second	Street & Labor.	477, 750	
National Park Service Territories and island posses-	36, 310, 740	6,000,000		30, 310, 740	
sions:	THE PROPERTY !	STATE OF THE PARTY OF	LETTER BUILD	and the same of th	
Alaska	175, 500			175, 500	
Alaska Road Commission	1, 596, 000			1, 596, 000	
Alaska R. R.	210,008			210,008	
Virgin Islands	1, 481, 330		145, 646	1, 335, 684	
Puerto Rico	759, 000		759,000		
Institutions:	Common .	0000000 EU20	January 1		
St. Elizabeths Hospital	930,000			930,000	
Columbia Institution for the	THE PERSON NAMED IN	CONTROL OF THE PARTY OF THE PAR	A 21 18 12 15 12 13	12 12 11	
Deaf	10,000			10,000	
Howard University	2, 294, 811	500,000		1, 794, 811	
Freedmen's Hospital	85, 000			85, 000	
Total	246, 284, 613	63, 000, 000	1, 238, 646	182, 045, 967	

Statement of expenditures and employment under allocations of civil-works funds for Interior Department activities

	Allocations from State allotments		Direct allocation for administration	
Bureau or office	Men	Estimated expenditures	Amount	Expendi- tures
Office of the Secretary: Soil Erosion Service Subsistence Homesteads General Land Office Bureau of Indian Affairs Bureau of Reclamation Geological Survey Bureau of Mines National Park Service	2, 300 250 231 4, 423 60 245 422 6, 430	\$207, 000 120, 522 239, 200 1, 900, 000 13, 000 226, 795 107, 700 2, 405, 793	\$3, 800 22, 912 12, 000 37, 100 146, 150 725 223, 720	\$3, 800 18, 849 7, 160 22, 270 137, 146 614 84, 943
Office of Education	3, 326 4, 000 1, 300 229	526, 513 850, 000 371, 479 38, 703	17, 898	8, 258
Total	23, 542	7, 059, 705	464, 305	283, 040

Note.—Employment and expenditures indicated for allocations from State allotments are in most instances estimated amounts. Expenditures from these allocations were not under the control of the Interior Department.

Statement of expenditures under emergency conservation funds allocated to the Interior Department, fiscal years 1934 and 1935

	Para San San San San San San San San San Sa	Expenditures	
Bureau or office	Allocations to Nov. 30	Fiscal year 1934	Fiscal year 1935
Funds under Interior Department control: Bureau of Indian Affairs. National Park Service.	\$19, 875, 200 2, 325, 000	\$9, 573, 753 1, 029, 437	\$10, 292, 603 1, 295, 563
Total.	22, 200, 200	10, 603, 190	11, 588, 166
Funds under War Department control al- located for Interior activities: Soil Erosion Service	2, 330, 584 46, 430 236, 150	179, 250 16, 341	2, 151, 334 30, 089 236, 150

Statement of expenditures-Continued

Bureau or office	Allocations to Nov. 30	Expenditures	
		Fiscal year 1934	Fiscal year 1935
Funds under War Department control a located for Interior activities—Continued.  National Park Service: National Parks. Hawaii National Park State parks. Office of Education Territories and island possessions: Hawaii Virgin Islands.	\$7, 008, 108 225, 947 21, 957, 170 32, 229 533, 885 55, 038	\$3, 573, 172 79, 013 7, 914, 327 8, 539 185, 922	\$4, 199, 497 177, 319 14, 045, 739 17, 000 764, 246 72, 000
Total	32, 425, 541	11, 956, 564	21, 693, 374
Grand total	54, 625, 741	22, 559, 754	33, 281, 540

Note.—The above statement does not include amounts for War Department C. C. C. enrollees assigned to Interior Department activities.

Mr. WIGGLESWORTH. The Committee will note that the total includes \$246,284,613 from the Public Works Administration funds, \$7,524,010 from the Civil Works Administration funds, and \$54,625,741 from the Emergency Conservation fund, a total of \$310,434,364.

I ask permission also, Mr. Chairman, to insert in the RECORD at this point tables showing expenditures under the Agricultural Adjustment Administration.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

## EXHIBIT A

Summary of expenditures of Agricultural Adjustment Administration, U. S. Department of Agriculture, office of the comptroller, through Sept. 30, 1934, analyzed by State and character

Sand Tarralolusis	m	Character of expenditures			
State	Total expendi- tures	General administrative	Rental and benefit	Removal of surplus	
Washington, D. C	\$13, 545, 708, 16	\$11, 686, 577, 05		\$1, 859, 131, 11	
Canada	105. 61	105. 61			
Europe	10, 840. 10	10, 840. 10			
China and Japan		5, 335. 08			
Alabama	14, 687, 616. 15	1, 013, 548. 73	\$13, 674, 067. 42		
Arizona	620, 186. 68	34, 580. 20	585, 606, 48		
Arkansas	16, 102, 101. 40	733, 330. 37	15, 368, 771. 03 2, 403, 959. 73		
California	5, 929, 562. 66	236, 821. 00	2, 403, 959. 73	3, 288, 781. 93	
Colorado	1, 883, 644. 28	128, 760. 45	1, 700, 729. 83	54, 154, 00	
Connecticut	355, 527, 25 109, 288, 19	46, 823. 96	308, 703. 29		
Delaware Florida	782, 495. 74	17, 583, 80 104, 176, 85	91, 704. 39 678, 318. 89		
Georgia	14, 169, 453, 14	868, 969, 32	13, 219, 364, 82	01 110 00	
Hawaii	10, 869, 69	10, 869, 69	10, 219, 001. 02	81, 119. 00	
Idaho	2, 569, 193. 25	96, 000. 06	2, 473, 193, 19		
Illinois	43, 689, 381. 02	363, 446. 59	8, 847, 124, 95	34, 478, 809. 48	
Indiana	10, 590, 002, 81	204, 785. 11	10, 385, 217. 70	01, 110, 009. 10	
lowa	28, 429, 430, 50	316, 904, 97	28, 112, 525, 53		
Kansas	25, 119, 647, 10	295, 374, 46	24, 824, 272, 64		
Kentucky	3, 184, 425, 44	189, 120, 89	2, 995, 304. 55		
Louisiana	7, 774, 982. 79	458, 950. 06	7, 316, 032, 73		
Maine	17, 780, 93	17, 780. 96			
Maryland	984, 955. 91	109, 462, 34	875, 493. 57	And the second	
Massachusetts	359, 022, 86	82, 734. 05	276, 288. 81		
Michigan	1, 243, 206. 49 48, 215, 268. 59	138, 075, 93	1, 105, 130. 56		
Minnesota	48, 215, 268. 59	289, 997. 57	8, 866, 097. 64	39, 059, 173. 38	
Mississippi	15, 595, 803. 39	850, 419. 28	14, 745, 384. 11		
Missouri	47, 139, 950. 64	389, 240. 65	13, 980, 032. 34	32, 770, 677. 65	
Montana	4, 878, 257, 96 30, 542, 540, 75	127, 322, 43 313, 784, 65	4, 750, 935. 53 14, 746, 387. 87	15 400 000 00	
Nebraska Nevada	78, 090. 82	29, 779. 92	19, 740, 007. 01	15, 482, 368. 23	
New Hampshire	28, 306. 37	16, 419, 92	48, 310, 90 11, 886, 45		
New Jersey	97, 076, 38	88, 061, 60	9, 014. 78		
New Mexico	1, 148, 002, 93	87 573 08	1 060 420 85		
New York	428, 677. 33	87, 573. 08 342, 332. 58	1, 060, 429. 85 86, 344. 75		
North Carolina	11, 331, 448. 63	724, 724, 52	10, 606, 724, 11		
North Dakota	11, 180, 429. 02	221, 816, 62	10, 958, 612, 40		
Ohio	10, 048, 919. 36	328, 664, 68	9, 134, 524. 81	585, 729. 87	
Oklahoma	21, 219, 188. 00	658, 875. 84	20, 560, 312, 16		
Oregon	7, 630, 672. 69	90, 265. 77	1, 898, 972, 78	5, 641, 434. 14	
Pennsylvania	971, 375. 38	192, 200. 19	779, 175. 19		
Puerto Rico	1, 158, 051. 50 14, 732. 58		1, 158, 051. 50		
Rhode Island	14, 732, 58	14, 695, 74	36.84		
South Carolina	9, 826, 766. 92	691, 604. 80	9, 135, 162. 12		
South Dakota	9, 164, 771. 96	266, 936. 22	8, 897, 835. 74		
Pennessee	6, 557, 290. 66 63, 377, 798. 99	410, 679. 55	6, 146, 611, 11		
rexas		1, 759, 192, 13	61, 618, 606. 86		
Utah	621, 639, 82 31, 017, 76	59, 533. 25	562, 106. 57		
Vermont	2, 213, 174, 52	24, 348, 15	6, 669. 61 1, 976, 900. 63		
Washington	4, 468, 597. 90	236, 273. 89 79, 778. 76	4, 388, 819. 14		
West Virginia	248, 837. 07	77, 315. 39	171, 521. 68		
Visconsin	3, 921, 893, 84	212, 621, 66	3, 709, 272, 18	173	
Wyoming	401, 141. 51	64, 204, 67	336, 936, 84		
			The state of the s	Sample Control of the last	
Total	504, 714, 486. 53	25, 819, 621. 14	345, 593, 486. 60	133, 301, 378, 79	

EXHIBIT B

Rental and benefit payments of Agricultural Adjustment Administration, U. S. Department of Agriculture, Office of the Comptroller, through Sept. 30, 1934, analyzed by State and commodity

Arizona       3         Arkansas       4       15         California       5       2         Colorado       6       1         Connecticut       7       Delaware         Florida       9       6         Georgia       10       13         Idaho       11       2         Illinois       12       8         Indiana       13       10         Iowa       14       28         Kansas       15       24         Kentucky       16       2         Louisiana       17       7         Maryland       18       18         Massachusetts       19       18         Minimesota       21       8         Mississippi       22       14         Missouri       23       13         Montana       24       4         Nevada       25       14         Nevada       25       14 <t< th=""><th></th><th>\$13, 483, 119. 13 553, 105. 53 14, 949, 959. 56 625, 014. 54 365, 502. 91 11, 682, 589. 27</th><th>\$15, 332. 95 1, 945. 00 990, 918. 57 1, 545, 747. 92 78, 262. 39 5, 786. 57</th><th>\$1, 566. 00 180. 00 206, 525. 54 189. 162. 58</th><th>788, 026. 6 154, 981. 9</th></t<>		\$13, 483, 119. 13 553, 105. 53 14, 949, 959. 56 625, 014. 54 365, 502. 91 11, 682, 589. 27	\$15, 332. 95 1, 945. 00 990, 918. 57 1, 545, 747. 92 78, 262. 39 5, 786. 57	\$1, 566. 00 180. 00 206, 525. 54 189. 162. 58	788, 026. 6 154, 981. 9
Arizona 3 Arkanisas 4 Arkanisas 4 Arkanisas 5 Colorado 6 Connecticut 7 Delaware 8 Florida 9 Georgia 10 13, Idaho 11 2, Illinois 12 8, Indiana 13 10, Iowa 14 28, Kansas 15 24, Kentucky 16 2, Louisiana 17 7, Maryland 18 Massachusetts 19 Michigan 20 1, Missouri 21 8, Mississippi 22 14, Missouri 21 8, Missouri 22 18, Missouri 22 14, Missouri 23 13, Montana 24 4, Nebraska 25 14, New Hampshire 27 New Hersey 28 New Hampshire 27 New Hersey 28 New Hampshire 37 New Hersey 28 New Hampshire 37 New Hersey 38 New Hork 30 North Dakota 31 North Dakota 32 North Carolina 31 North Dakota 32 New Hork 30 North Carolina 31 North Dakota 32 New Hork 30 North Dakota 32 New Hork 30 North Dakota 32 North Dakota 33 North Carolina 35 North Carolina 36 North Carolina 37 North Dakota 37 New Jersey 38 North Carolina 37 North Dakota 39 North Carolina 39 North Dakota 40 Nor	368, 771, 03 403, 959, 73 700, 729, 83 308, 703, 29 91, 704, 39 678, 318, 89 219, 364, 82 473, 193, 19 847, 124, 95 385, 217, 70 112, 525, 53	14, 949, 959. 56 625, 014. 54 	1, 945. 00 990, 918. 57 1, 545, 747. 92 78, 262. 39 5, 786. 57	296, 525. 54	416, 686. 4 788, 026. 6 154, 981. 9
Arkansas	403, 959, 73 700, 729, 83 308, 703, 29 91, 704, 39 678, 318, 89 219, 364, 82 473, 193, 19 847, 124, 95 385, 217, 70 112, 525, 53	625, 014. 54 385, 502. 91 11, 682, 589. 27	990, 918. 57 1, 545, 747. 92 78, 262. 39 5, 786. 57	296, 525. 54	416, 686, 4 788, 026, 6 154, 981, 9
California       5       2         Colorado       6       1         Connecticut       7         Delaware       8         Florida       9         Georgia       10       13         Idaho       11       2         Illinois       12       8         Indiana       13       10         Iowa       14       28         Kansas       15       24         Kentucky       16       2         Louisiana       17       7         Maryland       18       18         Massachusetts       19       18         Michigan       20       1         Mississippi       21       8         Mississippi       22       14         Missouri       23       13         Mohtana       24       4         Nebraska       25       14         New Jersey       28         New Hampshire       27         New Jersey       28         New Jersey       28         New Jersey       28         New Jersey       29         New Jersey       30     <	403, 959, 73 700, 729, 83 308, 703, 29 91, 704, 39 678, 318, 89 219, 364, 82 473, 193, 19 847, 124, 95 385, 217, 70 112, 525, 53	625, 014. 54 385, 502. 91 11, 682, 589. 27	990, 918. 57 1, 545, 747. 92 78, 262. 39 5, 786. 57		788, 026. 6: 154, 981. 9
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Mr. WIGGLESWORTH. I have placed these tables in the Record in the light of the discussion on the floor yesterday resulting from the statement by the very able Representative, the gentleman from New York [Mr. Culkin]. The Members will notice that the tables indicate that there had been expended as of September 30 last, by the Agricultural Adjustment Administration for the purpose of rentals and benefits, for the removal of surplus and for administration expenses in this connection, the sum of \$504,714,486.53. The money was, of course, spent under the general policy of the Department of Agriculture with a view to reducing surplus in the hope of increasing the purchasing power of the farmer.

In contrast with this policy the evidence before the committee indicates that the total value of crops grown on reclamation projects in this country since 1906 has amounted to approximately \$2,000,000,000. It further indicates that the Public Works Administration has made available for reclamation work and similar purposes through the Indian Service to the extent of \$6,139,000 and through the Reclamation Service in respect of 41 projects to the extent of \$105,-390,000, or a total of \$111,529,000.

I may add that if I am correctly advised, there has been no congressional consideration or approval of 18 of the 41 projects referred to.

Mr. CHRISTIANSON. Mr. Chairman, will the gentleman vield?

Mr. WIGGLESWORTH. I am glad to yield to the distinguished gentleman from Minnesota.

Mr. CHRISTIANSON. The gentleman referred a moment ago to the fact that a great deal of the construction work that has been conducted by the Department of the Interior has been made from funds not appropriated directly for that purpose by this Congress. It is true, is it not, that there is to be constructed shortly a new building for the Department of the Interior, which is also to be financed out of these so-called "emergency appropriations?"

Mr. WIGGLESWORTH. I assume that if the building is constructed it will be financed out of such funds as may be made available under the \$4,800,000,000 bill now under consideration by the Senate or such other legislation of emergency character as may be enacted into law.

Mr. CHRISTIANSON. Is it not also a fact that the Members of the Congress have had no opportunity to determine where such buildings should be placed or to determine whether their intended location is in the right place according to the plans that have been formulated in the past for the general arrangement of buildings in Washington?

Mr. WIGGLESWORTH. Under existing policy that seems to be taken entirely out of the hands of Congress.

Mr. CHRISTIANSON. Does not the gentleman think that Congress should have the power to determine the location of these new buildings in order to carry out, consistently, the general plan for the development of the Capital City?

Mr. WIGGLESWORTH. I think the Congress should have that power, just as I think it should have power in respect to the expenditure involved in the construction of such buildings.

Mr. CHRISTIANSON. We have expended millions of dollars for the development of the so-called "Triangle project", assuming it would bear a certain relationship to the development of the city in the future; and now, as I understand it, the Secretary of the Interior, without any specific authority from Congress, utilizing emergency funds, is to construct a Department building which bears no relationship at all to the general plan that it was intended the city should follow in its future growth.

Mr. WIGGLESWORTH. Mr. Chairman, I have inserted certain figures in the Record for the purpose of emphasizing the fact, as I see it, that two of the great departments of this Government are moving in inconsistent, if not opposite, directions; also for the purpose of emphasizing the

further fact that the people of this country have been called upon for over \$504,000,000 for the purpose of reducing surplus, while at the same time they have been called upon for over \$111,000,000 for the purpose, among others, of increasing that surplus. I emphasize also the fact that Congress has, in large measure, tied its own hands in respect of both policies, delegating its normal powers to the executive branch of the Government.

[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. PIERCE. Mr. Chairman, will the gentleman yield?
Mr. WIGGLESWORTH. I am glad to yield to the gentleman from Oregon.

Mr. PIERCE. I am just wondering if the gentleman realizes that we lost our foreign market largely through putting up the tariff walls after the World War for the benefit of the eastern manufacturers and that this \$111,000,000, which the gentleman so deeply regrets we are spending for irrigation works, is a permanent investment that will be of use in the years to come, and is not wasted.

Mr. WIGGLESWORTH. Without attempting to discuss the causes contributing to the loss of our foreign markets, I may say to my colleague that I am not endeavoring either to criticize or to approve the reclamation policy to which he refers. At one time or another I have been in every State of the Union. I have a great regard for the gentleman's State. I am, of course, anxious to see his State and every other State prosper. The point which I make is that one great department appears to be pursuing one policy while another great department pursues a contrary or inconsistent policy. It is difficult to reach the conclusion that both of these policies can be right.

Mr. Chairman, there is one other fact to which brief reference may be made. The evidence submitted to the committee demonstrates clearly that an increase in the cost of living is in process and that a further increase is anticipated during the next fiscal year. I shall not go into detail. The committee will find in the hearings estimated increases in the price of fuel to the extent of 22 percent, of food to the extent of from 15 to 20 percent, of paper to the extent of 16 percent—of a substantial increase in the general cost of living. A substantial part of the increase carried in this bill is explained in this way. The Government is no exception to the rule that all must meet the burden resulting from the general increase in the cost of living which is in prospect.

One other word, Mr. Chairman, in closing: The distinguished gentleman from Virginia [Mr. Woodrum] suggested some time ago the advisability of closer cooperation, more especially when Congress is not in session, between the appropriations subcommittees and the various units, the expenditures of which it is their duty to supervise and control.

The suggestion is one which, in my judgment, merits the serious consideration of the leadership of this House and the House as a whole.

If Members will study the bill under consideration closely, they will find some of the difficulties by which a subcommittee is confronted. They will find included not only ordinary funds but emergency funds, cooperative funds from the several State private funds, and funds under appropriations heretofore of permanent character. They will find lack of uniformity in reports as between different units requesting funds. They will find 12 pages of closely written transfers which play their part in the figures in this bill. In these times, when so many questions of vital importance are before the Congress, it is particularly difficult for the Appropriations Committee to exercise effective control.

I believe that if proper arrangement could be made for cooperation between representatives of the subcommittees and the various units which they regulate, especially during the periods when Congress is not in session, we should all of us be surprised at the substantial savings which would be realized in the interest of the taxpayers of this Nation. [Applause.]

Mr. LAMBERTSON. Mr. Chairman, I yield 15 minutes to the gentleman from Michigan [Mr. Crawford].

Mr. CRAWFORD. Mr. Chairman, yesterday afternoon some remarks were made which, I think, should be corrected in the discussion of this bill. I wish to point out to our distinguished chairman and other members of the committee that I have been a resident of Colorado. I know something about what takes place on the frontier. I know what that piece of Scripture meant when it said that the young men returned to the wells of their fathers and cleaned them out to the end that their livestock might have water. I know what water is in a desert country. I know what water means to those hidden valleys in the Rocky Mountains which I have learned to love. At the same time I have in mind the great sacrifices of those great spirits who have developed the West, and who are out there today with their increasing families, more intensely farming the limited acres they have to the end that there may be homes for an increasing population, and I cannot overlook the great forces which have been set in motion in this country during the last 2 or 3 years insofar as the acres of land and the production of food and processing taxes and N. R. A., and the trouble with railroads and our waterways and trucks and overland transportation are concerned.

In looking through this report I find, as has been stated, some \$105,000,000 devoted to providing water for hungry acres through the P. W. A. Certain products are being produced in those irrigated valleys which are highly competitive with the crops being grown in Ohio, Michigan, Indiana, and other States east of the Mississippi. I have the greatest respect anyone could have for the distinguished gentleman from Colorado [Mr. Taylor]. He made the statement yesterday afternoon:

Our principal crops compete scarcely at all with the farm crops of any other parts of our country. Our range cattle and sheep and our sugar beets and alfalfa do not at all affect the farmers of the rest of the country any more than the cotton and tobacco of the South affect us.

The remarks which I intend to make have to do with something that Colorado perhaps is interested in more than in any other crop grown there, and that is the production of sugar. In the Western States there are something like 8 to 12 million bags of sugar produced for which there is no home market in the territory where the sugar is consumed. That sugar moves into Michigan, Ohio, Indiana, New York, Pennsylvania, West Virginia, Kentucky, and Tennessee, to the great detriment of the beet growers in the Western States and of the growers in Michigan, Ohio, and Indiana, and to the people of this country who now pay processing taxes in order to provide for parity payments. That excess sugar is largely dumped into the eastern territory on a special rebate basis to the tune of millions and millions and millions of dollars' worth, and is tending to crucify not only the beet growers in these western valleys where this money is used to provide water, but to do likewise to the growers in the Eastern States.

If it were not for the farmers and the Government and the triple A and the consumers interested in processing taxes and benefit payments and parity payments, these remarks would not be in order. However, this money is appropriated to provide water to increase production per acre. At Toledo, Ohio, there are 2,000 farmers begging for the privilege of growing 20,000 acres of beets on farms that have been highly developed and that require P. W. A. funds or general appropriations to provide water. At Owosso, Mich., there are 2,000 farmers who are asking for 20,000 acres possibly. At Croswell, Mich., are another thousand who are begging for another 10,000 acres of beets. Those farmers are being denied the right to grow those acres of beets and provide sugar that would move in markets 50 to 100 miles from the point of production, while here we spent \$105,000,000 in western valleys to provide water for increased production so that sugar from that production may move into eastern territory to be distributed largely through the two big chain stores, and on a secret rebate and specialprice basis which helps to crucify the little independent retail stores who feed the people when they are not able to pay cash for the time being, which the chain stores will not do.

This question of providing more water so that more crops can be produced is related to the restriction of acres and production of food products, and is related to the fact that millions of box cars flow from East to West loaded and must come back, and those very box cars seek tons of freight moving east at a rate entirely out of line with rates charged in eastern territory, and that forces the farmers and the shippers in the eastern territory to pay a freight rate unreasonably high when compared to the low freight cost on the long-haul concentrated farm products moving eastward from far-away western fields. If the rails make an unreasonably low rate eastward and thereby incur a loss on the haul, the eastern farmers' rates are raised to help make up the loss of the railroads on the long haul from the West. There is no consistency in such a program. It is unfair to the farmers in the East and unfair to the farmers in the West. These new artificial forces which have been put to work by the A. A. A. and the P. W. A. and the N. R. A. with increasing costs and retirement of acreage, and allocation of production, and consolidation of transportation agencies, makes it necessary for us to debate these matters to the end that we may think more clearly on the problem as a whole. The farmers of the West are as vitally interested as those of the East. It all has to do with production and control thereof. We have coming up in a few days the bill H. R.

It has to do with parity prices and payments of processing taxes. Mr. Chester Davis only yesterday morning submitted testimony which ties in to the very problem of further providing more water, not for more acres but for more production on the acres which are to be cultivated. For instance, when we refer to pages 107 and 110 of the report, we find Dr. Mead making statements like this:

The money for these reservoirs has been allotted. We are building three of them and have prepared plans for the fourth.

Our distinguished chairman said a few moments ago that he did not know what would happen under the works program, if it goes through. Suppose they take a hundred million dollars of the public-works money, or five hundred million, or eight hundred million, and go out there and build new reservoirs and impound more water and raise more crops. I know what it means when those mountains are without snow. I know what it means when those reservoirs are without water, and I know what it means when they approach the spring planting time. I know the discouragement that exists when snow is not on the mountains on the 1st of April and when the reservoirs have been emptied by the water having been used at the end of the previous year.

On the other hand, I know the joy that runs through the life of those people when the mountains are covered with snow and the reservoirs are full of water and when those wonderful crops are growing on the irrigated lands. It is a question of so-called "overproduction." I think it is underconsumption, but they call it "overproduction." It is a question of the Government stepping in and saying, "You cannot produce on your land the things that that land will produce." It is a question of handing over \$4,800,000,000 to be dished out under the pressure of this particular group or that particular group or some other group. It is a question of the East conflicting with the West, the West conflicting with the South. It is a question of railroads without proper revenue and without compensatory rates.

Dr. Mead, speaking further, said this:

Federal irrigation today is largely a rescue agency.

We have so many rescue agencies today that they are all in conflict. They are running at counter purposes. Certainly it is a rescue agency, but providing a crop that Michigan, Ohio, and Indiana farmers can raise is a rescue agency for the eastern farmer just the same as this money is a rescue agency in providing water for the western irrigationist. Dr. Mead thinks in terms of rescuing his irrigationists and I think in terms of my farmers first and the

whole country secondly. I am not speaking against the production of sugar in this country. We are producing only 26 percent in continental United States of what we consume. We are importing 74 percent, and the principal part of it comes from the Philippines, Puerto Rico, and from Hawaii. A great part comes from Cuba, but the farmers in Michigan, Indiana, and Ohio, where many mills now stand, want the privilege of growing sugar beets to the capacity of those mills, and they should not be denied that right. They want to grow them because those sugar beets are at the point of consumption. They are not 1,500 miles away from a consuming market. They do not need P. W. A. funds to provide water for the growing of the beets.

You cannot grow bulk crops in the mountain valleys and ship them East to points of consumption without a loss. Those shipments have to be concentrated products. What do I mean by "concentrated products"? I mean beef on the hoof. I mean sugar in the bag. Hay grown out there is consumed on the spot. The beet tops are consumed on the spot. The dried beet pulp or the wet pulp is consumed on the spot. It is not put into cars and shipped eastward; while in the East the beet tops and the sugar and the beef is consumed. You say, "Are you going to cut those people off from living?" No. The new forces would take those people bodily and drag them off to other points in the United States. We all know the "planned economy" program calls for great shifts of our population, for the retirement of marginal lands, for the breaking up of homes. It is all so very far-reaching that we should very seriously consider the whole plan before starting to pull up stakes.

Mr. PIERCE. Will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. PIERCE. What would you do now? Hay is being loaded in Oregon to feed you people back there right now.

Mr. CRAWFORD. If I had my way about it I would produce to the limit in farms and in factories. I would ship that surplus product to the rest of the world at any price at which the starving millions would buy it. I would produce all I could in western Colorado and in these other States, and I would produce it in the Eastern States. In other words, I believe in the economy of abundance and not in the economy of scarcity.

Mr. LEWIS of Colorado. Will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. LEWIS of Colorado. Where did the gentleman live in Colorado?

Mr. CRAWFORD. At Denver.

Mr. LEWIS of Colorado. How long did the gentleman live there?

Mr. CRAWFORD. For several months.

Mr. LEWIS of Colorado. Several months.

Mr. CRAWFORD. Yes.

Mr. LEWIS of Colorado. How long since the gentleman has been there?

Mr. CRAWFORD. It has been about 9 years.

Mr. LEWIS of Colorado. The gentleman's idea is that in order to relieve a condition in Michigan he would like to have the greatest industry in Colorado—namely, the sugarbeet industry—suspend operation? Do I understand the gentleman correctly?

Mr. CRAWFORD. No, sir; not at all. I call attention to H. R. 5585. If you will take that and analyze it, and if you will analyze the statements of Mr. Davis before the Committee on Agriculture made this very week, the gentleman will find exactly what I am driving at.

Mr. LEWIS of Colorado. Just what is the gentleman's suggestion?

Mr. CRAWFORD. My suggestion is that until this restriction program is over with, we discontinue appropriating funds for the purpose of the production of concentrated food products in the western territory while at the same time we are denying the eastern farmers the right to operate farms which they have operated down through the years and which have been developed for 50 years, and which do not require the appropriations of \$105,000,000 or more mil-

lions to give water to the end that more crops may be produced when acreage is being retired.

Mr. LEWIS of Colorado. Will the gentleman yield further? Mr. CRAWFORD. I yield.

Mr. LEWIS of Colorado. I would like to ask what appropriation for irrigation in Colorado the gentleman refers to? Mr. CRAWFORD. I am referring to the \$105,000,000.

Mr. LEWIS of Colorado. Where is the \$105,000,000 in

Mr. CRAWFORD. Let me clear the gentleman's mind on this, the products I am talking about are coming from Colorado, Utah, Montana, Wyoming, and California. They move down the coast, through the Panama Canal. They permeate this country through the Warrior and Mississippi Rivers. They go through the New York Barge Canal. They come in direct competition with the products produced in Michigan, Ohio, and those States contiguous.

If it is to be a planned economy, why not put those products where they will not crucify the other farmers of the United States?

Mr. LEWIS of Colorado. Mr. Chairman, if the gentleman will yield further, can he tell us how much according to his information has been granted for irrigation projects in Colorado?

Mr. CRAWFORD. It is not a question of localizing this to any little particular project.

Mr. LEWIS of Colorado. But the gentleman referred to

Mr. CRAWFORD. I referred to Colorado because the distinguished chairman of the subcommittee stated that none of their crops came into direct competition with crops of the East.

Mr. LEWIS of Colorado. Does not the gentleman know that the amount of sugar produced in the United States is far less than the amount consumed?

Mr. CRAWFORD. I so stated awhile ago.

Mr. LEWIS of Colorado. The gentleman has not yet answered my question as to how much money is spent for irrigation in Colorado, or how much is allocated for irrigation projects in Colorado under this bill or through any other governmental project.

Mr. CRAWFORD. I lived in Colorado once and even helped locate some of these irrigation projects.

Mr. LEWIS of Colorado. Did the gentleman spend more than 5 months in Colorado?

Mr. CRAWFORD. It does not matter how long a person spent in a State if he is informed. The damage is being done in the Eastern States where the western product is being sold under special and secret rebates, thus destroying independent merchants and price structures on farm products.

Mr. LEWIS of Colorado. The gentleman has not answered my question. He said he knew something about Colorado. He said he lived there several months about 9 years ago. Some of us have lived there 30 or 40 years continuously and think we know something about our State. Our Colorado farmers who are producing sugar beets are raising them on lands which also have been developed for 5, 10, 15, 20, and 50 years. All money now being spent for irrigation works in Colorado is to supplement existing water supply for lands now and for many years under cultivation and not to bring new acreage under cultivation.

[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I yield the balance of my time to the Delegate from Alaska [Mr. DIMOND].

Mr. DIMOND. Mr. Chairman, the remark I made a few minutes ago when the gentleman from Colorado was addressing the Committee to the effect that from the questions asked it was apparent that many Members of the House had an erroneous conception of Alaska, to the extent of about 100 percent, was not intended as a reflection on anyone, for a man may travel through Alaska under certain conditions and circumstances and when he comes out, although he has exercised ordinary intelligence while he was there, he would not know much more about Alaska than he did before he went in. The implication behind the

question seemed to have been that we would be better off if we gave Alaska back to Russia or turned it over to China or simply gave it its independence; that the country as a whole would be farther ahead if Alaska were not a part of the United States.

Mr. MARTIN of Colorado. Mr. Chairman, will the gentleman yield?

Mr. DIMOND. I yield.

Mr. MARTIN of Colorado. If the gentleman will permit an observation, he ought not to feel so very lonesome, because the inference from much of what has been said on the floor on the bill against reclamation seems to be that the entire western United States ought to be ceded back to France and Mexico, that it is not worth anything, that it is a national liability, and we ought to wish it off on the people we bought it from.

Mr. BOYLAN. Mr. Chairman, will the gentleman yield?

Mr. DIMOND. I yield. Mr. BOYLAN. The gentleman made the statement that a man could travel Alaska from one end to the other and not know anything about it. I do not quite understand it. Will the gentleman explain his statement?

Mr. DIMOND. My time, of course, is limited, but I may explain it this way: A man could go from the banquet of one chamber of commerce to the banquet of another in Alaska and really not know very much about the Territory; whereas another man, like the distinguished gentleman from Colorado [Mr. TAYLOR], would really see the country and understand what he saw not only of Alaska as Alaska but of Alaska as a part of the United States.

The statement was made a moment ago-and I want to correct it—that there are some 18,000 or 19,000 white people in Alaska. It is not quite as bad as that. The white population of Alaska is something in excess of 29,000. One very encouraging thing about the last report of the collector of customs for Alaska was that it showed an increase in the population of Alaska last year by 1,100 people, by immigration alone. This is the greatest increase in immigration in any one year we have had since the World War. We used to have plenty more people in Alaska, as the gentleman from Colorado [Mr. Taylor] said. We had 100,000 white people in Alaska at one time, but a number of circumstances dragged the number down. One was the conservation policy of the Government, and I am not saying anything against it, but it had a very direct bearing on population. In 1906 this Government entered upon a new policy with relation to its public lands and a necessary effect of that policy was to some extent to tend to a depopulation of the Territory. Another thing that had a serious effect was the World War. Alaska provided more soldiers for the Army and more men for the Navy during the war in proportion to population, both white and native, than any other part of the United States; and that is not at all strange, because a large part of the population of Alaska at that time was made up of young and adventurous men; and as soon as war was declared they did not stop and wait to be drafted; they did not enlist in Alaska because they were afraid the war would be over before they got into it, but these men went to the other States, and New York, Maryland, and other States got the credit for the enlistment of many of Alaska's men, young men who were the very lifeblood of that Territory and necessary for its economic expansion. After their experiences in the war they did not come back. We are now, however, on the upgrade.

It is said Alaska does not amount to anything economically? I have in my hand the report of the Commission to study the proposed highway to Alaska, acting under an act of Congress. In order to show the justification for this great project the Commission says this-and I hope it will be given such weight as it is entitled to:

The study of population alone does not give a true picture of the commercial and industrial importance of the Territory, especially during the intensive mechanization that has characterized gold-producing and fishing industries in recent years, resulting in the general use of machines to replace manpower. In normal years the average value of merchandise shipped to Alaska is from \$30,000,000 to \$40,000,000 and exports, including gold and silver, from \$50,000,000 to \$60,000,000, giving a substantial balance of trade in favor of the Territory. From these figures, taken from the Government reports, it is seen that there are produced each year and exported from Alaska commodities to the value of from \$800 to \$1,300 for every man, woman, and child permanently residing in the Territory. If the United States as a whole could produce at the same rate per capita, we would have the enormous exportable surplus of over \$100,000,000,000 per year.

Mr. Chairman, that is not millions of dollars: It is \$109,000,000,000 that would be produced by the United States if the United States, in proportion to population, produced as much as Alaska.

The most important products of Alaska, of course, are gold and copper and fish. You may ask, why is there not greater wealth in Alaska now, and why are there not more white people residing permanently in Alaska? I have said before on this floor and I repeat that the trouble with Alaska at the present time is what was formerly called in Europe "absentee landlordism." The people who own the greater part of the wealth of Alaska or who take to themselves the greater part of the wealth of Alaska, and they take it partly by reason of investment of capital and energy and partly by something not so commendable, live not in Alaska, but in the United States; so that all of the vast wealth produced in Alaska in the past and all of the vast wealth reserved for future years has gone and will go under the present set-up, not to residents of Alaska, but to people who live in the United States, and those people are spread all over the United States. We have a great copper mine in Alaska-

Mr. SIROVICH. Will the gentleman yield?

Mr. DIMOND. I yield to the gentleman from New York.
Mr. SIROVICH. Is it not a fact that four organizations
like the California Packers, the Alaska Packers, Libby, McNeil
& Libby, and the A. & P. Co. through traps which they have
in Alaska take away about 55 percent of the salmon caught
up there every year?

Mr. DIMOND. Mr. Chairman, I am not able to give the exact figures to the gentleman, but I believe his statement is substantially correct.

Mr. MICHENER. Will the gentleman yield?

Mr. DIMOND. I yield to the gentleman from Michigan. Mr. MICHENER. On the question of wealth produced, how much of it is fish?

Mr. DIMOND. Half of it or probably more than half.

Mr. MICHENER. The people who produce that do not live there. They go up there in boats, get what they want, and come away.

Mr. SIROVICH. And do not even employ the natives.

Mr. DIMOND. I am coming to fish by and by.

Mr. Chairman, the gentleman from Michigan referred to the Alaskan Railroad, and I want to touch upon that before I take up the fishing question. It has been intimated or suggested that outside of fishing we have not anything in the Territory. That is not correct. Alaska has produced in the past between \$400,000,000 and \$500,000,000 in gold alone, and judging by the present outlook—judging by the prospects we have and the knowledge of gold-bearing ground we have to some extent developed—Alaska will produce in the next 50 years at least \$500,000,000 more in gold.

We may leave out of consideration for the present the tin. nickel, copper, and the other minerals of Alaska. Its coal alone is almost exhaustless. Leaving all that out of consideration, the gold alone of Alaska has justified the expenditure of every dollar that has been spent there. Expenditures of the Government have been justified by the gold production in the past, and doubly so by what we know it is going to produce in gold in the future. Of course, the Territory lately has been aided by the gold policy of the administration in increasing the price of gold from \$20.67 to \$35 an ounce. This permits greater profit from known gold-bearing bodies. and it also permits the working of what we used to call the low-grade ground. As you may understand, we have vast areas that could not be mined when gold was \$20.67 per ounce, but may be mined at a substantial profit at \$35 an ounce. That is one of the reasons why our population has increased 1,100 through immigration in the past year. The my attention to it.

people are going into the gold regions. Now, I hope that 10,000 people will not go to Alaska expecting to find employment in the gold mines. A certain limited number can obtain work, as there is bound to be an increase in employment along this line, but not many.

[Here the gavel fell.]

The CHAIRMAN (Mr. MEAD in the chair). All time has expired.

Mr. TAYLOR of Colorado. Mr. Chairman, I ask unanimous consent that the gentleman may be permitted to continue for an additional 10 minutes.

The CHAIRMAN. The Chair will inform the gentleman from Colorado [Mr. Taylor] that the time for general debate has been fixed by the House. The Chair may suggest that the gentleman can move to strike out the last word when the first paragraph of the bill is read.

The Clerk read as follows:

Be it enacted, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of the Interior for the fiscal year ending June 30, 1936, namely:

Mr. DIMOND. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, some question has arisen about the Alaskan Railroad, and evidently it is thought that we should abandon the railroad in that it is economically a failure. May I say that as compared with the transcontinental railroads in the United States, the Alaskan Railroad even at this time is an outstanding success. Remember that when the transcontinental railroads were built thousands and thousands of acres of land lying along the rights-of-way of the railroads were given to the railroad companies, land that at the present time is worth probably in excess of a billion dollars. We must remember, too, that not one of these railroads has continued in life until the present time without a loss to the investors in each of them totaling hundreds of millions of dollars, through failures, bankruptcies, if bankruptcy applies to them, and receiverships and reorganizations. We had an example not long ago in the Chicago, Milwaukee & St. Paul Railroad, and I suppose it would not be an exaggeration to say that the losses to the stockholders and bondholders of actual money invested in that railroad would be in excess of \$100,000,000. It may be said that, after all, the Government was not involved in this, and that this money came out of the pockets of the investors or the people who bought stock in these corporations. This is true, but where does the Government get its money except from the taxes of the people?

Therefore, even though the Alaskan Railroad has cost \$71,000,000, and even though you are about to appropriate, I assume, \$250,000 to cover its deficit for the coming year, as compared with the other railroads, with all their reorganization and graft and receivership and losses of hundreds of millions of dollars to the people, I say again that the Alaska Railroad is the outstanding success in continental railroad building in these United States.

Let us also look to the future. Do not let us keep our eyes glued to just the square of ground ahead of us. Let us look to the future, and judging from what Alaska has done in the past, in the future it is going to be the most valuable asset of the United States, bar none.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. DIMOND. Yes; I yield gladly to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. I am sure every Member of the House present appreciates the gentleman's interesting and informative address. I am wondering if the gentleman would care to discuss the proposal to build a highway from the United States to Alaska, and state whether he thinks this would help the situation economically and otherwise in Alaska.

Mr. DIMOND. I shall be pleased to do that, Mr. Chairman, and I am glad the gentleman from Oklahoma has called my attention to it.

About twelve hundred miles intervene between the northernmost point of the road system of Canada and the road system of Alaska, the Richardson Highway, to which I am now pointing. If this could be connected up, and I am pointing now to about the place to which the road is built, at Hazleton, British Columbia, by going through British Columbia, through the Yukon Territory, and through the city of Dawson, and then west to the Richardson Highway, a little south of Fairbanks, Alaska would be really made accessible to the people of the United States to an extent which is not possible at the present time. After all, the old coveredwagon spirit has not entirely disappeared from our people here, except instead of traveling by horses and mules and oxen they now go by automobiles.

Mr. JOHNSON of Oklahoma. As I understand, the major part of the proposed highway would be in Canada, would it

not?

Mr. DIMOND. That is quite true, five-sixths of it.

Mr. JOHNSON of Oklahoma. Has the gentleman any information that he could give the Members as to whether or not the Canadian Government is sufficiently interested in the

proposal to build its share of this highway? Mr. DIMOND. In answer to the gentleman, Mr. Chairman, I may say that the Canadian Government has shown an interest in it in the past. Of course, the people of Canada and the governments of Canada, both Dominion and Provin-

cial, are like our own governments—they have not had any too much money in recent years. However, I believe this can

be taken care of.

On my way from Alaska to Washington last October I had quite an extended conversation with the Premier of British Columbia, Mr. Pattullo, on the subject, and he said, "We want the road, but what are we going to use for money at the present time? It is true we need this road, but we need other roads in British Columbia."

Of course, other roads are needed in Canada.

Mr. HOEPPEL. Mr. Chairman, will the gentleman yield? Mr. DIMOND. Yes; surely.

Mr. HOEPPEL. It is my opinion, after having lived in Alaska for 10 years, it would be more desirable that we develop Alaska itself and build roads throughout Alaska rather than build a road from Alaska through British territory to Seattle. What does the gentleman think about that?

Mr. DIMOND. No; I think the two ought to go hand in hand. It is true we need more roads in Alaska, and the Alaska Road Commission, which is the Government roadbuilding agency in Alaska, under the Department of the Interior, has set up a program for the expenditure in Alaska at various places, as an extension of its road system, of about \$6,000,000.

[Here the gavel fell.]

Mr. TAYLOR of Colorado. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 5 addi-

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. DIMOND. This includes \$2,000,000 called for to construct the Alaska end of what is known as the "International

Highway" or the "Pacific-Yukon Highway."

I must disagree with my distinguished friend from California. I think the most important thing in the development of Alaska would be the construction of this international highway, and I am happy to know that 3 or 4 days ago the Senate passed a bill calling for the construction of the highway, or looking toward the construction of the highway. which was introduced in the Senate by Senator McNary, of Oregon. I have a similar bill in the House. I hope this legislation will be enacted at the present session. It is worthy of the support of every Member.

Mr. DONDERO. Mr. Chairman, will the gentleman yield? Mr. DIMOND. I yield.

Mr. DONDERO. If I understand the gentleman correctly, what he means to tell the House is that what you need in Alaska is people rather than capital.

Mr. DIMOND. Precisely.

Mr. COLDEN. Mr. Chairman, will the gentleman yield?

Mr. DIMOND. Certainly.
Mr. COLDEN. May I ask the gentleman how many months this proposed highway would be open for travel?

Mr. DIMOND. It could be kept open the year round, but it would not be economically wise to do so at first. It can be kept open at very slight expense for 6 months of the year. My friend Slim Williams went over the route two or three winters ago and he said that on this route he never got above timber line and never encountered more than 20 inches of snow. If the road followed the coast, of course, it could not be kept open for anything like that length of time. but as planned it goes back of the Coast Range in the series of valleys that extend southward from Alaska down to Mexico, east of the Coast Range.

Mr. COLDEN. May I ask the gentleman to what extent the lands of Alaska are suitable for homesteading and farming and in what part of Alaska these lands are situated?

Mr. DIMOND. The total area of Alaska is about 350,-000,000 acres. A little over 1 percent is covered with ice. The agricultural land in Alaska, as classified by the Bureau of the Census, is 40,000,000 acres. It could easily support a population on the farming lands alone of two or three million, judging by what has been accomplished in Norway, Sweden, and Finland.

Mr. MICHENER. Will the gentleman yield?

Mr. DIMOND. I yield.

Mr. MICHENER. Judging by what has been accomplished in Alaska in the way of experimentation by the Department of Agriculture, how many would it support?

Mr. DIMOND. The same number. The gentleman has intimated—I forget his exact language—that Alaska is not suitable for the growth of any crops or produce, but as the gentleman from Colorado [Mr. Taylor] has said, when we have sunlight for 18 or 20 hours a day our growing season is extended that much longer. Between the 20th of May and the 20th of September we have more sunlight daily in Alaska than you have in Michigan or Oklahoma, and of course, if you have that much more sunlight and maintain the same warm temperature the growing season is that much longer. We grow some of the finest vegetables in the world in Alaska. Dr. Steffanson says that the finest celery in the world is grown at Dawson.

Mr. DUNN of Pennsylvania. Will the gentleman yield?

Mr. DIMOND. I yield.

Mr. DUNN of Pennsylvania. The gentleman says there are 300,000,000 acres of land in Alaska.

Mr. DIMOND. There are 350,000,000 acres of land in

Mr. DUNN of Pennsylvania. About how many square miles is that?

Mr. DIMOND. Five hundred and ninety thousand square miles. I have a pamphlet here which I think will interest you. It states that the area of Alaska exceeds that of the Thirteen Original States plus Vermont, Kentucky, Tennessee, Ohio, Indiana, and Illinois.

Of course, a good deal of it is tundra and only fit for the support of reindeer, but we have 40,000,000 acres of agricultural land.

Mr. DONDERO. Will the gentleman yield?

Mr. DIMOND. I yield.

Mr. DONDERO. About what is the mean temperature? Mr. DIMOND. The temperature of the water is about 41 degrees, as the Japan current runs along the whole coast of Alaska and moderates the temperature, just as the Gulf Stream does in Norway.

Now, gold is not the only mineral that is produced in The copper mines have produced \$200,000,000 worth of copper, but, owing to the fall in prices by the failure of industry to absorb the copper, the production has fallen off, and now all copper mines in Alaska are closed.

Now, the issue was raised this morning by a question to the gentleman from Colorado as to the importation of people into that Territory to be employed in the fishing industry. That is quite correct.

That is quite correct, and what Mr. TAYLOR said about that is correct. That is one of the troubles with Alaska. If you turn control of the fisheries over to the people of Alaska, to be administered by the Alaska Legislature, the Government here would save two or three hundred thousand dollars that it appropriates every year in order to supervise the fisheries, and we in Alaska would be infinitely better off. Thousands upon thousands of Filipinos and orientals of various kinds are brought into Alaska every year. They do very materially displace the local labor, including the natives, who, I think, ought to be given first call when it comes to employment. That arises from the fact that the fishing companies are largely owned in the United States. It is "absentee landlordism" again. These companies will not take the trouble-they will not make sufficient effort-to employ residents of Alaska, but give preference in employment to people in the United States. That lessens unemployment to that extent in the United States, but in the long run the coast States as well as Alaska will be better off if we had our residents fully employed in the industry and had local control of the fisheries. Just now we are not getting the benefits that we ought to have out of the fisheries.

Another thing this Congress may do, even if it did not give control of the fisheries to the people of Alaska, which would help us Alaskans very materially with respect to fisheries, would be to abolish all fish traps and give the man of small capital who can buy a small boat and a seine a chance to make a living out of the fisheries. As it is now, the big traps catch so much fish that the fishermen of Alaska have not a fair opportunity to make a living out of this industry.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. DIMOND. Yes; gladly.

Mr. MOTT. Is it by reason of the fact that Alaska is a Territory that it is not able to control the fisheries, with regard to employment?

Mr. DIMOND. Precisely. When the organic act was passed for Alaska, as first drafted it contained a provision whereby the Territory could control its fisheries. That provision was lost either in committee or in the House, and nobody has been able since to get any bill even out of committee looking to Territorial control of the fisheries.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield?

Mr. DIMOND. Yes.

Mr. SIROVICH. The gentleman knows how I sympathize with him personally regarding the three or four hundred traps operated by two or three men that catch 55 percent of the fish in Alaska. I introduced a bill before our committee to abolish the traps which would help the natives of Alaska, and still the Secretary of Commerce, Mr. Roper, is opposed to the bill. Can the gentleman tell me whether the Alaska people are in sympathy with the bill that I have introduced?

Mr. DIMOND. I can assure the gentleman that the people of Alaska, in my opinion, are 99 percent in sympathy with the object of the bill and with his exact bill. I have received I do not know how many dozen letters from Alaska since the bill was introduced, and in all but one there was no objection to the bill, and the hope was expressed that the bill would be enacted at this session of Congress.

Mr. SIROVICH. Why is the Secretary of Commerce opposed to the bill?

Mr. DIMOND. Of course, I cannot tell that.

Mr. SIROVICH. What is the gentleman's opinion? He represents a great Territory and has a right to express his opinion.

Mr. DIMOND. The packers say that if this bill passes they will be ruined. I know that they will not be ruined.

The CHAIRMAN. The time of the Delegate from Alaska has again expired.

Mr. LORD. Mr. Chairman, the gentleman has not commented yet about the coal fields of Alaska. I ask the gentleman be given 10 minutes more.

The CHAIRMAN. The gentleman from New York asks unanimous consent that the Delegate from Alaska be granted 10 minutes more. Is there objection?

There was no objection.

Mr. DIMOND. Mr. Chairman, to use a moving-picture term, I feel that I am "hogging the camera." I would not have brass enough myself to ask for any more time, but I do thank the gentleman from New York for making the request. Before I conclude with traps, let me say this: It is pretty hard to describe them unless I use technical terms, but they consist of piles driven into the ground or of nets suspended from framework on the water. When the salmon come to the traps they go in by the thousands, and sometimes by the hundreds of thousands. If these traps could be done away with, the fish could be caught by the local fishermen, and just as cheaply in the long run after they are organized for it, as they can be caught by the traps.

But there is an objection that has been made to me, but not published, I think, by the packers. They say, privately, at least, that if they had to depend upon the fishermen to catch the fish with seines or gill nets, they might be met with strikes in the middle of a season and thereby everyone would be ruined. Of course one can understand that result would be accomplished by a strike in midseason because the salmon run is just a few weeks; and if you stop fishing for a week or two in the middle of the season, the packers and the fishermen also are ruined. But I think there is a complete answer to that: In Bristol Bay we have the greatest red-salmon region in the world—and I may interpolate here to say that Alaska is the greatest salmon country in the world and produces five-eighths of all the salmon consumed in the world. In Bristol Bay we have not had a trap for a good many years, nor has there been a strike there, in or out of the season, for at least 30 years, so I believe that these packers who say they may be confronted with strikes are consumed by fears and there is no real ground for danger on

Mr. CROWE. Will the gentleman yield?

Mr. DIMOND. I yield.

Mr. CROWE. Does the gentleman know the tax that these fisheries pay to the Government of Alaska? Do they pay any substantial amount of taxes?

Mr. DIMOND. Mr. Chairman, to answer the gentleman from Indiana, the fisheries pay about 80 percent of the taxes that come into the treasury of the Territory of Alaska, and they are not overtaxed. The fisheries of Alaska do not pay as much taxes as they would if they were operated in any State of the Union, yet they pay 80 percent of the Territorial taxes, because the Territorial tax, after all, amounts to only about a million dollars a year; and since the fisheries produce from thirty to fifty million dollars a year, it is, of course, entirely proper that they should pay a substantial portion of the tax.

Mr. MOTT. Will the gentleman yield?

Mr. DIMOND. I yield.

Mr. MOTT. Does the Legislature of the Territory of Alaska have jurisdiction over taxation? May it fix the tax that the fish packer must pay?

Mr. DIMOND. That is quite true. The legislature, theoretically probably, could tax the fish companies out of existence, but the people of Alaska do not have any such idea. They do not want to ruin anybody or confiscate anybody's property, and they purposely have kept the taxes as low as they could be kept within reason and yet supply the Territorial needs. That is another argument supporting my claim that the entire control of the fisheries should be turned over to the people of Alaska. By past experience they have justified the confidence which they ask of Congress in them not to destroy anybody if they have control of the fisheries.

Mr. MOTT. Why is it that under the organic law the Legislature of Alaska can fix the tax to be charged the packers of fish and still they have no control over the regulation of the fisheries? Is that provided in the organic law?

Mr. DIMOND. Yes: it is provided in the organic law that ! the legislature can tax, but it has no control over the

Mr. MOTT. I think Alaska ought to have control over its own fisheries.

Mr. DIMOND. I apologize to the gentleman from New York [Mr. LORD] for not having taken up the coal matter, but I am so engrossed in fisheries that I sometimes forget

Alaska has, to my personal knowledge, since I was a prospector for a good many years, a vast body of coal scattered all over the Territory. I was a prospector for a great many years, and during that time I prospected on a river called the "Chityilahina", or, as the white man would say, "Chittystone River." There was a coal bed that I know of personally in the side of that mountain 20 feet thick that ran a distance of 10 miles and then showed up in another valley 10 miles away. We used some of the coal for black-smithing purposes. Up in the Matanuska Valley there are bodies of coal that are practically inexhaustible. It was said this morning that they have to manicure or launder the coal in order to use it. That is not a fact. Some of the coal is washed in order to make it better coal and more usable. Of course, the idea that they cannot use this coal on the Alaska Railroad to operate the engines is certainly not correct, because it is and has been used. Coal all along the railroad is used to operate it.

Mr. MICHENER. Will the gentleman yield?

Mr. DIMOND. Surely.

Mr. MICHENER. What I was referring to was that the coal that was shipped in on the engines could not be used because you could not use that coal with a draft. The disheartening thing about it was that the coal comes out of the side of the hill and then they had to haul it down on the railroad 4 or 5 miles to the river before they could bathe it. The coal and the water are not together. It cost \$14 a ton at that time when they got through laundering it.

Mr. DIMOND. In answer to the gentleman, the railroad now pays, as I recall, \$3.65 a ton for this coal, and the wages of miners now are something around \$8 a day. There is ample coal, washed and unwashed, to supply not only Alaska but, if it were considered economically justifiable, to supply all the people of the United States for the next three or four hundred years. There is plenty of coal in Alaska.

Mr. DUNN of Pennsylvania. Will the gentleman yield?

Mr. DIMOND. I yield. Mr. DUNN of Pennsylvania. Will the gentleman tell us

the variety of minerals that Alaska possesses?

Mr. DIMOND. Yes. The only minerals we have produced in any quantity are gold and copper. Tin has been found. It is not worked. Nickel has been found. It is not worked. Lead, of course, you cannot give away. There are whole mountains of hematite in some parts of Alaska where I have been, but nobody wants it. Ultimately it will be valuable. It will be particularly valuable to a nation, like Japan, that is without these minerals.

Mr. SIROVICH. Will the gentleman yield?

Mr. DIMOND. I yield.

Mr. SIROVICH. After listening to the interesting and instructing remarks made by the gentleman from Alaska referring to these natural resources, mineral resources, fishing, whaling, and sealing, what fortifications have we in Alaska to protect us from Japan's coming over to the Aleutian Islands and taking Alaska during a run of the salmon?

Mr. DIMOND. I wish to show to you on this map, which is the great circle of the North Pacific Ocean. First, I will answer the question of the gentleman from New York [Mr. SIROVICH] and say that we have about 150 infantrymen armed with rifles down in the southeastern part of Alaska at Fort William H. Seward, and no other defensive works whatsoever. We have 150 infantrymen there. In all this vast body of Alaska and the Aleutian Islands we have not a man or a gun or a cannon or a soldier or a marine or anything else. On this map I point to Tokyo and Yokohama. The short route to the United States is as I indicate on

this map. Even if Alaska were a desert, the people of the United States would be absolutely foolish not to fortify and defend it, because this is the short cut on which you will have to meet an attack if it ever comes across the Pacific to the continental United States.

Here are the Hawaiian Islands. What man would be dumb enough to go first to the Hawaiian Islands from Japan and then north to Alaska, when the direct route is so much

Mr. SIROVICH. A hop could be made from Japan to the Aleutian Islands in a day. The islands could be fortified; and airplanes starting at the Aleutian Islands could reach and bombard Washington, Oregon, or California within 6 hours. Is that right?

Mr. DIMOND. Of course; there is no question about it. Mr. SIROVICH. The Aleutian Islands could be used as a submarine base whence ships could go and destroy Panama and the Canal.

Mr. DIMOND. We ought to have a big naval base in the Aleutian Islands, but that cannot be established until December 31, 1936, without violating the provisions of the navallimitations treaty, because under this treaty, in the interest of peace, we gave away our right to fortify the Aleutians until December 31, 1936; but we can establish an air base in the interior of Alaska which would effectively control the water and protect our own Pacific coast. But do not be deceived into thinking an enemy bound for the Aleutian Islands would first go to the Hawaiian Islands, for it is 1,400 miles farther. [Applause.] Look at the map. That is all I ask. May I refer to my remarks which appear in the Congres-SIONAL RECORD of February 20?

Mr. SIROVICH. And there are only 115 soldiers to defend Alaska!

[Here the gavel fell.]

Mr. SNELL. Mr. Chairman, I move to strike out the last two words and ask unanimous consent to proceed out of order for 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SNELL. Mr. Chairman, I ask for this time to call the attention of the House to a resolution I am about to introduce and will immediately put in the basket providing and making available immediately \$880,000,000 the President says is absolutely necessary to take care of the emergencyrelief operations until the 1st of July.

The adoption of this resolution will accomplish two purposes; first, it will provide the emergency relief the people of the country are so deeply interested in at this time and which seems necessary should be provided; and, secondly, it will give ample time to both branches of Congress to fully, comprehensively, and knowingly discuss and take up the major part of the \$5,000,000,000 relief bill. At the time that bill was before the House the consideration was not satisfactory to the Members on either side. We did not have full and complete opportunity to understand and know what we were doing.

As far as I am concerned personally, and as far as my colleagues on this side of the aisle are concerned, we did not oppose anything that was absolutely necessary to take care of the emergency-relief situation. We did feel, however, and do feel yet that \$4,000,000,000 was more money than could be expended judiciously during the next 2 years on public works and that there was serious doubt whether it would accomplish the desired end in the relief of unemployment; and we also did seriously oppose the extraordinary powers granted to the President in the various provisions of that

I specially call the attention of the Members of the majority to this resolution. If they are really and honestly in earnest about meeting the relief situation, they should give this resolution immediate consideration. We are willing that it should be called up by unanimous consent, or even under suspension of the rules next Monday. Further, we will cooperate to that end. [Applause.]

The Clerk read as follows:

OFFICE OF THE SECRETARY
SALARIES

Salaries: For the Secretary of the Interior, Under Secretary (which position is hereby established in the Department of the Interior with compensation at the rate of \$10,000 per annum and with appointment thereto by the President, by and with the advice and consent of the Senate), two Assistant Secretaries, and other personal services in the District of Columbia, \$431,590: Provided, That in expending appropriations or portions of appropriations, contained in this act, for the payment for personal services in the District of Columbia in accordance with the Classification Act of 1923, as amended, with the exception of the Assistant Secretaries the average of the salaries of the total number of persons under any grade in any bureau, office, or other appropriation unit shall not at any time exceed the average of the compensation rates specified for the grade by such act, as amended, and in grades in which only one position is allocated the salary of such position shall not exceed the average of the compensation rates for the grade, except that in unusually meritorious cases of one position in a grade advances may be made to rates higher than the average of the compensation rates of the grade but not more often than once in any fiscal year and then only to the next higher rate: Provided, That this restriction shall not apply (1) to grades 1, 2, 3, and 4 of the clerical-mechanical service, or (2) to require the reduction in salary of any person whose compensation was fixed, as of July 1, 1924, in accordance with the rules of section 6 of such act, (3) to require the reduction in salary of any person who is transferred from one position to another position in the same or different grade in the same or a different bureau, office, or other appropriation unit, (4) to prevent the payment of a salary under any grade at a rate higher than the maximum rate of the grade when such higher rate is permitted by the Classification Act of 1923, as amended, and is specifically authorized by other law, or (5) to reduce the compensati

Mr. WIGGLESWORTH. Mr. Chairman, I make a point of order against the language appearing on page 2, lines 3 to 7, beginning with the words "Under Secretary" and including the language embodied in the brackets, on the ground that it is legislation on an appropriation bill and, therefore, not in order.

The CHAIRMAN. Does the gentleman from Colorado desire to be heard on the point of order?

Mr. TAYLOR of Colorado. Mr. Chairman, I think the gentleman's point of order is well taken. This language does constitute legislation. I may say that the reason it was put in the bill is because it was recommended by the Budget, and it is a matter that comes up to the House regularly; approved by the administration and requested by the Department.

The Department of Agriculture, the Treasury Department, and the State Department each have an Under Secretary; and with the vast number of new activities that have been added to the Interior Department in the last 2 years, this Department is more entitled to an Under Secretary than any one of the other three that now have one. We thought that the justice of the situation and the eminent necessity of the case warranted the granting of the recommendation by the Budget and its approval by this committee, but I acknowledge that it is legislation and is subject to a point of order, and I will not defend it against that charge.

The CHAIRMAN. Does the gentleman from Massachusetts insist upon his point of order?

Mr. WIGGLESWORTH. Mr. Chairman, I think the matter is of sufficient importance to come up in the regular way as a matter of legislation instead of being taken up in the course of the consideration of an appropriation bill. It involves not only the needs of this Department but a possible precedent for other departments.

The CHAIRMAN. The Chair is ready to rule. The language clearly is legislative in character. The Chair sustains the point of order.

Mr. WIGGLESWORTH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Wigglesworth: Page 2, line 9, strike out "\$431,590" and insert in lieu thereof "\$421,590."

Mr. WIGGLESWORTH. Mr. Chairman, I think the amendment explains itself. It merely takes out of the bill the \$10,000 which otherwise would be required for the salary of an Under Secretary if created at this time.

Mr. TAYLOR of Colorado. I think that is correct. If the office is not authorized, there is no need to make the appropriation for the salary.

The CHAIRMAN. The question is on the amendment of the gentleman from Massachusetts.

The amendment was agreed to.

The Clerk read as follows:

For the establishment of a revolving fund for the purpose of making loans to Indian-chartered corporations, in accordance with the act of June 18, 1934 (48 Stat., p. 986), to be immediately available, \$2,500,000, of which amount not to exceed \$50,000 shall be available for personal services in the District of Columbia and in the field, for purchase of equipment and supplies, and for other necessary expenses of administering such loans.

Mr. AYERS. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Avers: On page 24, line 1, strike out "\$2,500,000" and insert in lieu thereof "\$1,250,000."

Mr. AYERS. Mr. Chairman, this amendment reduces the appropriation of \$2,500,000 for a revolving fund under the Wheeler-Howard bill to \$1,500,000. The purpose of this fund is to make loans to Indian-chartered corporations in accordance with the Wheeler-Howard Act. It is a part of a 100-percent experimental program put forth on the part of the Commissioner of Indian Affairs. His whole program is to take the Indians of this country back 50 to 75 years and establish governments of every conceivable form and nature within the fundamental government of this Nation which the Indian has been taught to observe. The Commissioner's program is wheels within wheels and is not based on any theory of progress at all.

The Indian policy heretofore initiated by the Indian Department in this country sought to bring the Indian up to a standard of citizenship and responsibility whereby he would be self-sustaining by his own efforts. The first step in this direction was to educate him in the white schools with white children, so that he would have a complete opportunity to absorb white men's ways.

Under the act of 1932 the boarding schools and the day schools on the Indian reservations of this country were abandoned as far as possible. It is the policy now and has been the policy of the Indian Department since then to put these Indian children into State district schools, all of which have been built, equipped, supported, and maintained by taxation of property and lands owned and taxable within the school district.

Now, here is the trouble: These State schools have taken and enrolled the Indian children of parents owning only their pro rata share of Indian reservation land or Indian allotment lands, none of which are subject to any tax whatever, and in many instances more than 50 percent of the Indian children in these schools come from this nonassessible, nontaxable land, and at the same time the Government is not paying one single solitary penny for the school building, the equipment therein, or the upkeep thereof. One county in my district has 4 school districts affected this way, 2 of which also have high schools. All of the equipment in the high-school laboratories and all the manual-training equipment is furnished by the taxpayers of that district, and the Government does not pay a thing for its wards' use of these laboratories and equipment, and I may say that the Government wards in these schools equal more than 50 percent of the attendance. This condition applies not only to my State and my district but it applies in other States, such as North Dakota, South Dakota, Oregon, Washington, and the other Western States where Indians reside. These schools are overcrowded. The buildings were not built with the idea in mind that they were to take care of the Indian population; that has been handed to them since and by the Indian Bureau. The Commissioner of Indian Affairs a few days ago-I think the 12th of this month-testified before the Subcommittee on Appropriations that the Indian children were getting along fine in these schools; but he refused to go to the Bureau of the Budget and ask for a single solitary penny except to pay

a little tuition, the average of which he admitted to be about 40 cents a day, which includes bus transportation and a noonday meal in each instance to be furnished to these Indian children. This tuition, intended only for overhead, does not take care of the cost for which it is paid; it does not take care of the necessary extra teachers, janitors, bus expense, and noon meals, let alone additional buildings, equipment, and the maintenance of the buildings and equipment. And, mind you, the individual taxpayers of the districts are paying these bills.

It was reported to the committee, and I think this came from the Indian Bureau-at least it had the earmarks of having come from the Indian Bureau—that the annual average cost for each child taught in an Indian school was about \$290 per annum. The same report showed that in the State schools the average annual cost for Indian children was about \$70. The difference is made up by the individual taxpayers in these districts. Bear in mind there is not an acre of Indian land taxed to support these schools. There was not and there is not an assessment or a tax imposed upon the Indian land to build the school or to maintain them. In addition to all this the Indian Bureau is now trying to abandon, if you please, all the boarding schools in the various States. They are trying to abandon the Indian boarding schools and Indian day schools and put all the children on the individual taxpayers of these various States.

Mr. STEFAN. May I ask the gentleman if he has any abandoned schools in his district?

Mr. AYERS. Lots of them. They are all abandoned but

Mr. STEFAN. What has become of them? Mr. AYERS. They are putting the children in white schools.

[Here the gavel fell.]

Mr. AYERS. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mrs. GREENWAY. Will the gentleman yield?

Mr. AYERS. I yield to the lady from Arizona.

Mrs. GREENWAY. Has the gentleman this particular report in his hand?

Mr. AYERS. I have not.

Mrs. GREENWAY. The interesting part of the report, which comes from the Bureau, is that with 102,440 Indian children between the ages of 6 and 18, only 76,264 are in any known school. Practically one-fourth of the Indian children, after two or three generations of attempts to educate and care for the Indians, are still out of school.

Mr. AYERS. According to that report there are something over 26,000 Indian children of school age not in any school at all. Am I correct?

Mrs. GREENWAY. Yes.

Mr. AYERS. I thank the lady for the information.

Mr. HOEPPEL. Will the gentleman yield?

Mr. AYERS. I yield to the gentleman from California.

Mr. HOEPPEL. The gentleman stated he had fewer schools in his district now than heretofore. Has his district an increase in the number of saloons and booze joints like we have in other parts of the country?

Mr. AYERS. I will say to the gentleman that I am now directing attention to the proposed amendment which has to do with the educational status of Indian children.

My idea is to amend this particular paragraph and take from this proposed experimental revolving fund a million dollars and transfer it to educational purposes. The experimental revolving fund, which is to be administered by the bureaucratic theorists, is now fixed at \$2,500,000. I think we can well reduce that by a million, and that amount would go a long way toward Indian education and help to reduce some of the impositions the Indian Bureau is now placing on the public schools in the places affected.

Mr. WERNER. Mr. Chairman, will the gentleman yield? Mr. AYERS. I yield to the gentleman from South Dakota.

Mr. WERNER. Could not the entire amount be stricken from the bill and no one injured one iota?

Mr. AYERS. I would not cry if all the proposed appropriations having to do with the Wheeler-Howard bill were stricken. The attempted administration of that bill by the Indian Bureau has aborted the bill's purpose.

Mr. STEFAN. Does the gentleman's bill provide for the reopening of the schools that are now empty and deterio-

rating?

Mr. AYERS. No; I have no bill. My idea is to strike from this appropriation \$1,000,000 and give it to the Secretary of the Interior to help build additional school buildings and additions to present public-school buildings so that the Indian children who are now going to these public schools can continue to go there. It is not the policy of the people in the States having Indian children to segregate or put these Indian children out of the public schools, but we have got to do it, because it has now reached the point where the Indians have multiplied and increased to the extent that these districts do not have the building facilities or the educational equipment to take care of them, unless we get help from the Government.

Mr. STEFAN. Will the gentleman add something to his bill in order to provide for again using some of these buildings on which we spent thousands of dollars that are now deteriorating?

Mr. AYERS. I cannot add legislation to an appropriation bill. I am only asking for relief, in this appropriation meas-

ure, by making this transfer of funds.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield? Mr. AYERS. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. Would it not be advisable to have the Secretary of the Interior authorized to pay a larger amount for the support of the schools which the Indian children are now attending?

Mr. AYERS. No; I do not think that would bring about the desired results. I think we must build additional buildings in connection with these State schools to take care of the increased attendance by reason of transferring the Indian children to these schools. I think this is the best policy. According to what the Indian Bureau has stated, it wants to educate and build up the Indian children to the standard of the white children so they will be self-sustaining. This can be done by permitting them to go to these State schools; the experiment so far has been fine, but we cannot go further unless we get help in constructing additional buildings.

Mr. BOILEAU. Perhaps I misunderstood the gentleman. I understood him to say that many of the schools in his district were being closed.

Mr. AYERS. Yes; the Indian schools are closed and the Indian children are being put into State schools.

Mr. BOILEAU. Why not use those abandoned facilities for the education of these Indian children?

Mr. AYERS. We cannot do that in this bill, and it is not the policy of the Indian Bureau, and I do not believe it is the policy of Congress to do that. The policy of Congress, according to the bill of 1932, is to educate the Indian children in the lower grades, in the ordinary State schools wherever possible. Then when it comes to what we may call vocational training, they should be sent to such Indian schools as those that are located in the district of the gentleman from Oregon [Mr. Morr] and the gentleman from South Dakota [Mr. WERNER], where, in each instance, an attempt is now being made by the Bureau to close those schools.

Mr. BOILEAU. If we made an appropriation here for the Secretary of the Interior to build new schools, they would not be Indian schools?

Mr. AYERS. Absolutely not. This is to aid the State schools where the Indian children are now being educated. [Here the gavel fell.]

Mr. AYERS. Mr. Chairman, I ask unanimous consent to proceed for 2 more minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana?

There was no objection.

vield?

Mr. AYERS. I yield to the gentleman from Kansas.

Mr. LAMBERTSON. How does the gentleman's proposed amendment have anything to do with the matter he is now discussing?

Mr. AYERS. The proposal is that we take \$1,000,000 off of this revolving-fund appropriation on page 24 of the bill and put it over on page 39 in the item which provides for the education of Indian children, and authorize the Secretary of the Interior to use in cooperation with State schools. That would not bother the Budget in the least, nor would it disturb the footings of this bill one penny.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. AYERS. I yield to my friend from Oregon. Mr. MOTT. The gentleman understands that the committee has taken a long step in the right direction by recommending in its report that the closing of nonreservation Indian boarding schools be discontinued.

Mr. AYERS. Yes; I appreciate that.

Mr. MOTT. And I congratulate the subcommittee on tak-

Mr. AYERS. And I congratulate them, too; but that does not help these State schools which are now overloaded with Indian pupils.

If you will look at page 39 of the bill, at which place I intend to offer another amendment for the use of this million dollars which I now propose to take from this revolving fund, you will find that in that instance the Oklahoma Indians are taken care of in the State schools of that State and appropriation therefor is made in this bill. Why not take care of the Indians in the other States as well as those in Oklahoma? I am sure that is the purpose of all of us.

Mr. JOHNSON of Oklahoma. Wherein does this bill propose to take care of the Indians in Oklahoma better than in other States?

[Here the gavel fell.]

Mr. SCRUGHAM. Mr. Chairman, I rise in opposition to the amendment. I am entirely in sympathy with some of the gentleman's remarks about his amendment, but I desire to place in the RECORD the testimony of Dr. Ryan, which will be found on page 868 of the hearings, a statement regarding the cost for the boarding school and the day school for the Indians. He says:

The rate that we have for boarding schools is a very low rate for boarding-school education. It is between \$300 and \$350. That is entirely too low to operate a really effective institution, where all of the children board at school.

On the other hand, for from \$100 to \$125 per pupil, you can operate a remarkably good community school, with all of the

facilities that there are on a day basis.

That is the information on which this appropriation is based. The bill carries an appropriation of two and a half million dollars to carry out the terms of the Wheeler-Howard Act, approved June 18, 1934.

Let me read this from the report:

Wheeler-Howard Act: The act of June 18, 1934, generally known as the "Wheeler-Howard Act", was designed to eventually place the Indians, of which there are approximately 327,000, on a selfsupporting basis. This was to be accomplished by the making of

There was authorized by the Budget, \$5,000,000, and the committee cut it down to \$2,500,000.

Mr. WERNER. Will the gentleman yield?

Mr. SCRUGHAM. I yield.

Mr. WERNER. Do you not think that if this appropriation is cut to \$1,250,000 it would be sufficient to make the experiments that they wish to make?

Mr. SCRUGHAM. Personally, I do not think it is practicable to further cut the appropriation. The Wheeler-Howard Act is the law, and the Budget Bureau has authorized \$5,000,000. The committee has cut it to \$2,500,000, and we believe that any further emasculation will defeat the purposes of the act.

Mr. ROGERS of Oklahoma. Mr. Chairman, I rise to oppose the amendment. Mr. Chairman and gentlemen of the committee, I hesitate to make any statement concerning tinued were continued under the appropriation.

Mr. LAMBERTSON. Mr. Chairman, will the gentleman | any Member of the House or any member of my committee, but I want to call attention to the fact that the gentleman from Montana who offered the amendment is a member of the Indian Affairs Committee. He helped to write the Wheeler-Howard Act, worked for that act, voted for it, and the act passed almost unanimously.

> The gentleman called attention to the fact that he would like to reduce the amount from \$2,500,000 to \$1,250,000. I should like to restore the sum in the bill to the amount carried in the Budget, which, as the gentleman from Nevada

just said, is \$5,000,000.

The Indian reorganization act, known as the "Wheeler-Howard Act", authorized the establishment of a \$10,000,000 credit fund. This was reduced by the Budget to \$5,000,000. The only credit available to individual Indians or organization-group Indians is that provided by the Federal Government. Upon application of the organization it will be necessary to immediately provide financial aid in establishing industries from which Indians would derive income. This may be a tribal livestock organization, a tribal sawmill, or some other development operated by the tribe, or it may mean loans to individuals through the tribal-organization credit and by reason of the reorganization act. Five million dollars is little enough to be made available when we consider the large number of Indian tribes and individuals who will benefit through the use of this fund, but according to the bill we are making only \$2,500,000 available. Congress directed the fund to be established at \$10,000,000 and it was then felt the amount would not be adequate to meet all the needs.

The gentleman who offered this amendment acknowledged that he would like to strike out all of the appropriation to take care of the Wheeler-Howard Act. I am not defending that act, but I add to what the gentleman from Nevada [Mr. Scrugham] said, the Wheeler-Howard Act is now a law. If it is going to be operative, we have to have funds to make it effective. This reminds me of a few years ago when I was superintendent of schools. My board reelected me and asked me to recommend teachers. I came to one teacher I was uncertain about. I said, "Gentlemen, I am not going to recommend that you reemploy this teacher or that you discharge her. She has not cooperated very well. Perhaps it is partly my fault. You do as you please." They discussed the matter a while, and finally the president of the board said, "Gentlemen, I see no reason why we should hire Mr. Rogers to run this school and then hire teachers to make it impossible for him to do it."

I see no reason why Congress should pass a law, even though some gentlemen do not believe in that law, and then make it impossible to make the law effective by refusing to appropriate funds with which to make it effective. The gentleman said he wants to take \$1,250,000 from this item and add it to the school item. I spent 15 years teaching school. I am just as much interested in schools as any man in this Congress; and I call attention to the fact that the Committee on Appropriations increased the amount to take care of schools by \$217,000.

Mr. AYERS. Mr. Chairman, will the gentleman yield? Mr. ROGERS of Oklahoma. Not yet. I call attention to the fact that in this Interior appropriation bill the Committee on Appropriations of the House has cut the amount \$3,297,409, and of that amount \$3,150,000 is money that was approved by the Bureau of the Budget to put into effect the so-called "Wheeler-Howard Act." I hope that the amendment of the gentleman from Montana will not prevail.

Mr. AYERS. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Oklahoma. Yes. Mr. AYERS. Will the gentleman point out to this House what item in the educational appropriations of this bill provides for the Indian children, who are up into the thousands. attending public schools, other than the tuition of an average of 40 cents a day throughout the country, which provides for one meal?

Mr. ROGERS of Oklahoma. I call attention to the fact that a number of schools that were not intended to be con-

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. PIERCE. Mr. Chairman, I ask unanimous consent that the time of the gentleman be extended 1 minute so that I may ask him a question.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. PIERCE. Are the Oklahoma Indians exempted from the operations of the Wheeler-Howard bill?

Mr. ROGERS of Oklahoma. The Oklahoma Indians were exempted from the major provisions of that act.

Mr. PIERCE. Why?

Mr. ROGERS of Oklahoma. Yesterday I introduced in the House, and Senator Thomas of Oklahoma introduced in the Senate the day before, a bill known as the "Indian welfare bill" for the Indians of Oklahoma, and we hope to receive the benefits from the reorganization act by passing that hill.

Mr. PIERCE. I voted against the bill.

Mr. ROGERS of Oklahoma. There are provisions in that bill to which I am just as much opposed as the gentleman, and I shall cooperate with him in every way to correct the mistakes made when that bill was enacted, but since it is a law we are going to have to appropriate money to make it effective.

The CHAIRMAN. The time of the gentleman from Oklahoma has again expired.

Mr. ROGERS of Oklahoma. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by including a statement concerning the Indian boarding schools.

The CHAIRMAN. Is there objection?

There was no objection.

The statement referred to is as follows:

UNITED STATES DEPARTMENT OF THE INTERIOR, OFFICE OF INDIAN AFFAIRS, Washington, February 22, 1935.

Memorandum

Submitted herewith is certain comparative information relative to Indian education:

TABLE I.—Indian education appropriations

	1932	1933	1934	1935	1936
Appropriation	\$10, 185, 400	\$9, 771, 000 414, 400	\$9, 103, 230 667, 770		\$8, 771, 120 1 780, 555

1 Increase.

TABLE II .- School enrollment of Indian children

	1932	1933	1934
Nonresident boarding	14, 266	12, 594	9, 276
	9, 633	9, 632	8, 401
Total boarding.  Day school.  Mission.  Public school.	23, 899	22, 226	17, 677
	5, 063	6, 836	8, 063
	9, 675	7, 964	8, 103
	48, 834	52, 451	57, 839
Grand total all schools	87, 471	89, 477	91, 682

In table I it will be noted that a total of \$10,185,400 was appropriated in 1932 for Indian education purposes. During that year there was a total of 23,899 Indian children enrolled in boarding schools, and 53,897 children were enrolled in Federal day and public schools.

In 1934 the appropriation for Indian education had been decreased to \$9,103,230, or a decrease under 1932 of \$1,032,170. The enrollment in boarding schools for that year was reduced to 17,677. The enrollment in Federal day and public schools increased to 65,902.

Attention is called to the fact that while the reduction in boarding-school enrollment for 1934 under 1932 amounted to 6,222, we actually increased our enrollment in day and public schools by 12,005 thereby taking care of not only the boarding-school reduction but actually providing schooling for 5,783 additional children who had not previously been in school, and this was done on a decreased appropriation of \$1,082,170. If these 12,005 children had been taken care of on a boarding-school basis, it would have required an increase of \$3,901,625 over the actual appropriation of \$9,103,230 for 1934 instead of the decrease of \$1,082,170 from the 1932 figure. 1932 figure.

Boarding-school reports for 1935 indicate an enrollment of 13,-702 children at the middle of the year. This is a further reduction under 1934 of 3,875 children. Enrollment figures for Federal day and public schools are not as yet available but every effort

has been made to provide this type of school facilities for the 3,875 children mentioned above as being eliminated from the boarding schools this year. Continuing the comparisons between 1932 and 1934 to 1935 there is every indication that additional Indian children have been given educational opportunities this year and attention is also called to the fact that this is being done on a further reduction in appropriation in the amount of \$1,112,565 under the 1934 appropriation or a total reduction in appropriation from 1932 of \$2,194,835. It is clearly evident that the increased schooling facilities for Indian children could not have been provided with the decreased appropriation without the reduction in the costly boarding-school program.

It must be remembered that there are still some 12,000 to 15,000 Indian children for whom school facilities need to be provided.

Indian children for whom school facilities need to be provided. If all of these additional children were to be provided with boarding-school facilities approximately \$4,000,000 additional would be needed. If they were to be taken care of in Federal day and public schools \$1,500,000 would probably be sufficient.

The per-capita cost for various types of Indian schooling is shown below:

Boarding schools less than 200 enrollment\_\_\_\_ 200 to 499 enrollment\_\_\_\_\_

Public school tuition average of 40 cents a day or \$72 a year per

I have not attempted any discussion of the desirability of Federal day- and public-school attendance as opposed to the boarding-school attendance, but have considered it only from the financial aspect. In addition to the day-school and public-s hool facilities being much less expensive than the boarding school, considerable could be added as to the desirability of the former as opposed to the latter; both from the standpoint of the home and community and society in general.

Assistant Director of Education (Administrative).

Mr. TAYLOR of Colorado. I hope the amendment of the gentleman from Montana will not prevail. I feel that there is some sentiment throughout this country favorable to trying out the purposes of the Wheeler-Howard bill. It passed the House and Senate and it is intended to be a great humane step in the right direction in behalf of the Indians. The law authorizes \$19,000,000 for that purpose and the Budget cut it to \$5,000,000, and this subcommittee has cut it to \$2,500,-000, only leaving one-quarter of what was authorized by law to be expended for this very purpose, I feel it would be entirely wrong for us to prevent the administration from trying to work out what they believe is a great and just step in the right direction for the Indians. I think we should at least give them that opportunity to try out the objects of the law.

Mr. PIERCE. Will the gentleman yield?

Mr. TAYLOR of Colorado. I yield.

Mr. PIERCE. Will the gentleman tell me in a few words just what is the object of the Wheeler-Howard bill? What are we trying to get at?

Mr. TAYLOR of Colorado. Oh, that is too big a matter to discuss here. The Indian Affairs Committee put in nearly all of the Seventy-third Congress on it and were not satisfied with it then, and I understand that committee is considering repealing it now.

Mr. PIERCE. I think that is about as clear as it can be

The CHAIRMAN. The question is on the amendment offered by the gentleman from Montana [Mr. AYERS].

The amendment was rejected.

The Clerk read as follows:

Pipestone, Minn.: For 250 pupils, \$82,000; for pay of superintendent, drayage, and general repairs and improvements, \$15,000; in all, \$97,000.

Mr. STEFAN. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Stefan: On page 36, line 11, after "\$97,000" and the semicolon, insert a new paragraph, as follows: "Genoa, Nebr.: For 400 pupils, including not more than \$400 for printing and issuing school paper, \$122,000; for pay of superintendent, drayage, and general repairs and improvements, \$17,650; in all. \$139,650."

Mr. STEFAN. Mr. Chairman, this part of the original bill is taken out at this time, and refers to a school located at Genoa, Nebr., in the Third Congressional District of Nebraska, a very fine school with wonderful buildings, costing considerable money, thousands of dollars. It was abandoned a year ago. It accommodated 400 pupils. The gentleman a little while ago made the statement that there are 26,000 Indian children of school age looking for a place to go to school and the white taxpayers have no money to appropriate for that tuition. We have spent thousands of dollars for these schools. They are wonderful buildings. They are abandoned and they are deteriorating. I believe the amendment should be passed and this school reopened for those school children who are roaming the country looking for a place for an education.

Mr. JOHNSON of Oklahoma. Will the gentleman yield?

Mr. STEFAN. I yield.

Mr. JOHNSON of Oklahoma. The gentleman realizes that the committee has been in session for about 3 weeks considering this bill. Did the gentleman ask permission to come before the committee and present his views on this matter at any time?

Mr. STEFAN. I did not, because I was not apprised that this matter was coming up; but I predict that your committee will some time recommend that these wonderful buildings which are deteriorating will be put back to use.

Mr. JOHNSON of Oklahoma. But the gentleman did not appear before the committee in the interest of the school in question and did not ask that anything be done for his school during all these hearings.

Mr. STEFAN. No. I am a new Member of Congress, and I was not apprised that this question was coming up.

Mr. BOILEAU. Will the gentleman yield?

Mr. STEFAN. I yield.

Mr. BOILEAU. Was that appropriation in the bill last

Mr. STEFAN. It was in the bill last year.

Mr. BOILEAU. The gentleman had a perfect right to assume it would be carried in this appropriation bill. I wish to point out to the gentleman from Oklahoma [Mr. Johnson] that this bill has only been available for the last couple of days to Members of the House, and I assume that a Member has a right to believe that appropriations which have been in the bill year after year will be continued in the appropriation bill. So it is not the fault of the gentleman from Nebraska.

Mr. JOHNSON of Oklahoma. This item was not in the bill last year. I am a new member on the Appropriation Committee and I have no personal information on this item last year. As I understand, however, there was no appropriation made for this school last year and the school in question has been closed for more than a year.

Mr. STEFAN. I think the gentleman is right. The school has been closed for more than a year. I yield to the gentleman from Colorado.

Mr. TAYLOR of Colorado. Permit me to say to the gentleman that last year there were five of these schools closed. There was no appropriation for them. This is one of those schools. Apparently there was no opposition at that time to the closing of five schools. They have since been abandoned and the children have been sent to other places. There is no more reason why we should restore this school than that we should restore the other four.

We doubted the wisdom of reducing those schools a year ago, but the tenor of the House was to do so, and they cut these out completely, and they have reduced many more on an average of 50 pupils each. We decided at this time to call a halt on that reduction of these nonreservation boarding schools. We have in this bill restored five or six or more that have been recommended to be abandoned or cut down. We restored one that was recommended to be abandoned. We have not restored the others, because I understand they are not objecting. They think the children have been amply taken care of outside. So that we are allowing several to be abandoned at this time for that reason.

Mr. STEFAN. It is a crime that these wonderful buildings are to be abandoned.

Mr. TAYLOR of Colorado. I sympathize with these people. There is one Indian school in my district on which sure Congress will be glad to give it.

actually they have spent a million dollars for public buildings and they contemplate abandoning it. The Bureau may possibly be able to put some of those children in reservation day schools, but I doubt it. That school ought to be maintained.

While I sympathize with the gentleman, that is water gone over the wheel. We cannot go back now and reestablish all those schools that were abandoned a year ago. If we did, we would have to add to this bill hundreds of thousands and possibly millions of dollars. It is utterly impracticable now. All the equipment is removed and it could not be restored without enormous expense. These gentlemen had their day in court. The predecessor of the gentleman from Nebraska did not prevent that abandonment. All the Members of all the Western States have had an opportunity. I sent them all-Democrats and Republicans alike-a letter asking them to come before my committee in reference to any item of the bill in which any of them or their States were interested.

Mr. BOILEAU. May I say to the gentleman that my statement was based upon a misunderstanding on my part when I said that the item was carried in the bill last year?

Mr. WERNER. Mr. Chairman, if the gentleman will yield, I believe the gentleman from Colorado stated that these schools were abandoned last year without opposition on the part of the Members in whose districts the closed schools were located.

Mr. TAYLOR of Colorado. I do not remember that the gentleman from South Dakota appeared before my subcommittee on this matter.

Mr. WERNER. I made very strenuous objection to the closing of the schools, but the objection fell on deaf ears and we were flattened out as though we were flies in a road.

[Here the gavel fell.]

Mr. STEFAN. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. STEFAN. Mr. Chairman, I merely want to call the attention of the House to the fact that it is a shame, nothing short of a crime, to waste public funds by the abandonment of these wonderful buildings and allowing them to deteriorate at a time when children are without school facilities and are looking for places to go to school. It does not seem fair when there are 26,000 Indian children roaming the country looking for schools.

I hope the Members of the House will support this amendment and pass it so we can reopen these schools, which are needed, instead of letting the money invested in these wonderful buildings be wasted. [Applause.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the statement has been made repeatedly this afternoon to the effect that there are 26,000 Indian children in the United States without school facilities. That statement is contrary to a statement made recently by the Commissioner of Indian Affairs before the committee. I read the following from page 894 of the hearings:

Mr. Nichols of Oklahoma. Mr. Commissioner, you said that there are 17,000 out of the schools. I would like to ask you if it is not a fact that approximately the whole of that number have close to them public schools which they could attend.

Mr. Collie. No; they do not mostly have any public schools that they could attend.

that they could attend.

The 17,000 is the figure I gave for a year and a half ago. That has been cut to 14,000 now, and most of them are not accessible to any school. They are in the remote areas.

So there will be no misunderstanding about it, the record shows that 14,000, not 26,000, Indian children are out of school. I assume, of course, that the Commissioner of Indian Affairs knows what he is talking about. For my part I should like to see none of these children out of school.

This committee gave the Indian Office every cent it requested for educational purposes. If more is needed, I am

Mr. ROGERS of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield with pleasure to my colleague from Oklahoma, the distinguished Chairman of the Indian Affairs Committee.

Mr. ROGERS of Oklahoma. Is it not a fact, if the gentleman is not too modest to admit it, that the gentleman from Oklahoma himself played a great part in keeping these boarding schools in the bill this year?

Mr. JOHNSON of Oklahoma. I will just say this— Mr. ROGERS of Oklahoma. If the gentleman will not say "yes" to that, I will; that is the fact.

Mr. JOHNSON of Oklahoma. I thank the gentleman for that statement. It is true that I have not always agreed with the Indian Office with reference to its educational policy, as well as other policies. I did insist, as a member of the committee, that Indian boarding schools be kept open. To close them would work a hardship not only on the Indians but also on our public schools of our respective States.

I am very sympathetic with the gentleman from Nebraska in the closing of his schools. When I first came to Congress, an Indian Agency school was closed in my own district. It almost broke my heart. I speak of the Cantonement Agency near Canton in Blaine County, Okla. Since then I have insisted that the Indian Office do something with the buildings. So, as I said, I can sympathize with the gentleman. But, as the chairman stated, the gentleman had the opportunity of coming before the committee and presenting facts and figures. The gentleman did not do so, at least to discuss the closing of his school.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. STEFAN. I was never invited to come before the gentleman's committee.

Mr. JOHNSON of Oklahoma. Then evidently I have been misinformed. It was my understanding that Chairman TAYLOR had invited the gentleman to appear.

Mr. STEFAN. This is my first term in Congress; things are just nicely getting under way. I was never invited to come before this subcommittee.

Mr. TAYLOR of Colorado. Mr. Chairman, I would remind the gentleman that he had a letter from me inviting him to appear before the committee, as did every Member from Nebraska and all of the Western States.

Mr. STEFAN. When was that?

Mr. TAYLOR of Colorado. That was about a month ago. I invited the Members to come before my committee, advising them that I was going to open hearings, and I wanted to know if there was anything under the sun in the entire Interior Department in which they were interested, that if they were, to come before my committee and present the matter. I sent a copy of that letter to the gentleman from Nebraska, and he will probably find it in his files now.

Mr. ZIONCHECK. Mr. Chairman, if the gentleman will yield, the fact of the matter is that the gentleman from Nebraska did appear before the subcommittee on another

Mr. STEFAN. I appeared on another subject for the Governor of Nebraska.

Mr. TAYLOR of Colorado. And we gave the gentleman a hearing, did we not?

Mr. STEFAN. Yes; and I appreciate that very much.

Mr. TAYLOR of Colorado. The item was not carried in the bill last year, so naturally we did not carry it in the bill this year.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield? Mr. JOHNSON of Oklahoma. I yield.

Mr. BOILEAU. So far as the gentleman from Nebraska is concerned, he could not have appeared before the committee when this school was eliminated because he was not then a Member of Congress. I think the RECORD ought to show that he could not have appeared before the committee when the item was stricken out

[Here the gavel fell.]

Mr. SCRUGHAM. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment proposes to restore an Indian school that was closed more than a year ago. The amount proposed would probably be entirely inadequate to rehabilitate the institution.

It was represented that 26,000 Indian children did not have schools in which they could be educated. I have here a memorandum from the Commissioner of Indian Affairs under date of February 28, 1935, in which the following is stated:

The committee has done everything in its power to amply take care of the education of Indian children. The gentleman from South Dakota [Mr. Werner] appeared before the committee and presented a plea for the restoration of the school at Rapid City. The committee took the position that it was almost like unscrambling eggs to reopen these schools after they had been closed for a year or more. It would involve not only the matter of running expenses but also the restoration of the buildings to a condition where they may be used, the repurchase of equipment, and so forth, which would materially increase the expenditures over the amount proposed in the amendment.

Mr. Chairman, I ask the Committee not to pass the amendment. Your committee has given great attention in detail to the proposed appropriations, and they find no reason whatever at this time for restoring this particular school to the active list.

Mr. ZIONCHECK. Will the gentleman yield? Mr. SCRUGHAM. I yield to the gentleman from Wash-

Mr. ZIONCHECK. Is it not true it would cost as much as the original investment in many instances to rehabilitate these schools so that they would be in position to take on boarding students?

Mr. SCRUGHAM. That is the information we have. The schools which were closed were generally those in the worst condition and in the worst state of repair.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska.

The amendment was rejected.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I ask unanimous consent to extend my remarks just made on the floor, and to include a statement which I have just received from the Indian Office.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma.

There was no objection.

The Clerk read as follows:

In all, for above-named nonreservation boarding schools, not to exceed \$2,618,575: Provided, That 10 percent of the foregoing amounts shall be available interchangeably for expenditures for similar purposes in the various boarding schools named, but not more than 10 percent shall be added to the amount appropriated for any one of said boarding schools or for any particular item within any boarding school. Any such interchanges shall be reported to Congress in the annual Budget.

Mr. AYERS. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Avers: Page 39, line 6, after the word

budget", insert a paragraph, as follows:
"For aid to the district schools of the counties in the various "For aid to the district schools of the counties in the various States, where Indian children of parents residing on nontaxable Indian land are attending such district schools, the sum of \$1,000,000, asid aid to be confined entirely to the building of additional buildings and to the building of additions to present buildings, and to be expended in the discretion of the Secretary of the Interior and under rules and regulations to be prescribed by him."

Mr. AYERS. Mr. Chairman, in support of this amendment, which I referred to in my argument awhile ago, I shall state that this amendment is undoubtedly in accord with the present policy of the Indian Bureau. I shall prove this statement by statements of Dr. Ryan, of the Educational Division of the Indian Bureau, and by Commissioner Collier, of the Indian Bureau, made by them before the Appropriations Subcommittee on February 12 of this year. I quote from transcript of proceedings before that subcommittee.

This starts with a part of my statement before that subcommittee.

Mr. AYERS. We have either got to go back to the boarding-school system or the Indian day-school system, or find money to build additions to these public schools. Just one of the two things will have to be done. We have to do something, or otherwise the people who pay the taxes, through the school trustees of the districts, who are members of the taxpaying population of these communities, will make rules excluding the Indian children. That is something that is serious and worthy of a lot of thought. This condition that is serious and worthy of a lot of thought. dition must be corrected if the Indian children are to continue the privilege and benefit of these State schools.

Mr. TAYLOR. What is your reaction to that, Doctor? (Address-

ing Dr. Ryan of the Indian Bureau.)

Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. AYERS. I yield to the gentleman from Oklahoma.

Mr. NICHOLS. I want to ask the gentleman a question about Indian children who attend day schools. May I ask the gentleman if it is not a fact that in every instance of an Indian boy or girl attending public school there is not a per capita payment made to that school district of 40 cents a day on the average to take care of the Indian child?

Mr. AYERS. That is correct, and that includes a noon meal and bus transportation, if you please.

Mr. NICHOLS. Oh, no; not in every instance. May I ask the last gentleman if that does not amount to more at the end of the year than the per capita payment made to the district in the form of taxes for the attendance of white

Mr. AYERS. It does not.

Mr. Chairman, continuing my quotations, I read as follows:

Dr. RYAN (answering Mr. Taylor's question). I think that is empletely correct. We must assist these communities in the

completely correct. We must direction of school buildings.

Mr. TAYLOR. Are you figuring in this on meeting that situation?
Mr. COLLIER. Not in this Budget. There are two ways to meet
it. One is through the authorizing acts which passed the Senate
last year, which got out of the committee all right in the House,
but were blocked on the floor on the Consent Calendar. There
will be a renewed effort to pass them this year, probably through
grouping them into one bill, making it important enough, perhaps, to get a rule, and then it would pass

Now, Mr. Chairman, that is exactly what my amendment reaches. It is grouping all these cases into one bill, so to speak, and asking an appropriation of \$1,000,000 to take care of all of them, which is in accord with the policy of the Indian Bureau as expressed by Commissioner Collier and the necessity of which was admitted by Dr. Ryan of the educational section of the Indian Bureau.

Mr. Chairman, I insist on this amendment because it is right and just and because the Indian Bureau is for it, as I have shown you by the statements of Dr. Ryan and Commissioner Collier, notwithstanding the fact that the Commissioner refuses to ask the Budget for it. Here is a chance to take the Commissioner at his own word and not irritate the Bureau of the Budget nor change the footings of this appropriating bill a single penny and at the same time write the most humane paragraph of this bill.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I rise in opposition to the amendment.

The gentleman has made a very interesting speech, but I want to remind the members of the Committee there is not one dime in this bill for construction. Money for construction is being given by the Public Works in every instance. Should this Committee embark now on a construction program, we would run into millions of dollars and find ourselves duplicating or conflicting with the public-works

I also want to remind the Committee more than a dozen individual bills have been introduced to authorize appropriations for the very purpose the gentleman has in mind. Each one of these bills ought to be considered on its own merits. Certainly we are not going blindly to appropriate \$1,000,000 without knowing what it is for. The gentleman could have suggested two millions, five millions, or \$10,000,000 as easily as \$1,000,000. We are not appropriating money here for construction. This is not a construction measure. Personally, I am very sympathetic with any reasonable effort to assist the gentleman. But he must go to the Public Works Administration and get his money for construction.

Mr. ZIONCHECK. Mr. Chairman, will the gentleman vield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. ZIONCHECK. Is it not true that Commissioner Collier made the statement to the gentleman himself in the committee that if they obtained any funds from the Public Works Administration for construction purposes it would be allotted to their schools, and all the Indian schools are on the same basis he refers to.

Mr. JOHNSON of Oklahoma. That is true.

Mr. TAYLOR of Colorado. If the gentleman will permit, let me make this suggestion. The Bureau of Indian Affairs has already received from Public Works \$3,613,000 for school construction and they are going to apply for lots more. This is where the funds will come from, and it is not necessary to provide them in this bill; in fact, we have no construction whatever in this bill for anything, and we ought not to open it up now for something that is going to be taken care of by Public Works.

Mr. JOHNSON of Oklahoma. That is the point I have been trying to make. In my opinion \$1,000,000 would not begin to take care of the situation some of our friends have in mind.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. MARCANTONIO. The gentleman is a member of the committee, and I would like to address a question to him. I notice appropriations are being made for Indians in all parts of the country, but I also notice that no appropriation is being made for a very famous and historic tribe of Indians. I am referring to the Tammany Indians on Manhattan Island. Will the gentleman please explain the omission? [Laughter.]

Mr. JOHNSON of Oklahoma. I am not as familiar with those Indians as the gentleman appears to be.

Mr. ZIONCHECK. I am afraid it would take many billions to take care of those Indians.

Mr. MARCANTONIO. The gentleman means under the \$4,000,000,000 relief bill?

Mr. ZIONCHECK. It would take several billion dollars. [Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Montana.

The amendment was rejected.

The Clerk read as follows:

For aid to the common schools in the Cherokee, Creek, Choctaw, Chickasaw, and Seminole Nations and the Quapaw Agency in Oklahoma, \$398,000, to be expended in the discretion of the Sec-Oklahoma, \$398,000, to be expended in the discretion of the Secretary of the Interior and under rules and regulations to be prescribed by him: Provided, That this appropriation shall not be subject to the limitation in section 1 of the act of May 25, 1918 (U. S. C., title 25, sec. 297), limiting the expenditure of money to educate children of less than one-fourth Indian blood: Provided further, That of this appropriation not to exceed \$2,500 may be expended in the printing and issuance of a paper devoted to Indian education, which paper shall be printed at an Indian school; not to exceed \$10,000 may be expended under rules and regulations of the Secretary of the Interior, in part payment of truancy officers in any county or two or more contiguous counties where officers in any county or two or more contiguous counties where there are 500 or more Indian children eligible to attend school, and not the exceed \$10,000 may be expended in the discretion of the Secretary of the Interior for the payment of salaries of public-school teachers, employed by the State or county, in special Indian day schools in full-blood Indian communities where there are are not adequate white day schools available for their attendance.

Mrs. GREENWAY. Mr. Chairman, I move to strike out the last word.

Maybe the members of the Committee will be glad to hear I am not offering an amendment, but I am anxious to present the figures that I have been given from different departments as authentic, and I believe they will be of peculiar interest to everybody here. I must say that women are accused of inaccuracies in statistics, but I think it is very much less remarkable than the ability men have to juggle them. [Laughter.]

Some of my best friends have got up here today and said that the department gave them certain figures. They have very little relation to exactly the same figures the same department gave me on the same subject. So they will interest you. I am going to give you a few figures, and they are usually rather dry, but these will not be dry and they will be very short.

For one winter I served as a member of the Committee on Indian Affairs. We spent ninety-and-odd hours on a bill called the Wheeler-Howard bill. The attitude of the Committee on the Wheeler-Howard bill and its final passage in a very modified form at the eleventh hour is, I think, somewhat responsible for the embarrassment of the Appropriations Committee today, in that they themselves, I think, have been sufficiently confused by all of us. I, for one, did not appear, because I do not feel that the Wheeler-Howard bill is yet an established bill, and for these reasons:

In the year 1850 we had the largest number of recorded Indians in the United States than in any other year—exactly, according to the United States census, 400,764. We were spending at that time in the Indian Bureau to care for 400,764 Indians—our maximum of recorded Indians—\$1,665,802. I have no doubt we did not care for them properly.

The next figure of interest is that in 1900, the Bureau of Census shows our lowest number of Indians, 237,196. At that time we spent \$10,175,107 to care for them.

Now, here is the interesting part of this picture: Today our Indians, as recorded by the Bureau of Census, have increased since 1900 by approximately 90,000, and today we have 327,958, and we spent on them last year \$31,169,296.

We spent \$1,665,802 when we had 400,000 Indians, and today we have 327,958, and we are spending \$31,169,296.

I really dislike very much taking exception to anybody's figures. I do not. I just present this as given me from the Bureau. I shall not bore you with the complete details. Here are the Indian school children in every State in the Union, broken down as of June 30, 1934, into these headings:

The total number of school children between the ages of 6 and 18, 102,440.

In school, 76,264.

This is very interesting. Of the 76,264 in schools, there are 45,678 in local public schools and the rest are divided between the reservation, day; the reservation, boarding; off the reservation, boarding; the mission, private and State, day; and the mission, private and State, boarding; and sanatoriums.

[Here the gavel fell.]

Mr. NICHOLS. Mr. Chairman, I ask unanimous consent that the gentlewoman from Arizona may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mrs. GREENWAY. I welcome 5 more minutes, because I think the whole of this Congress is faced with one of the most interesting problems, and I hope that this Committee will encourage the initiative of the Committee on Indian Affairs.

I hope that this Congress will ask of them a detailed report of what is really happening to the Indian. I think that all of us feel that we owe the Indian something more than we owe ourselves, because of injustice done them.

When you think that our Indians are increasing at the rate of 90,000 in the last 34 years, and hope that they will increase at a greater rate, and when we are launching with misgivings on the program called the "Wheeler-Howard bill", isolating the Indians, putting them back on a land program, and spending today \$31,000,000, and still have, according to the records, over one-quarter of the children not receiving the education due them in the United States, it certainly is a grave problem and a challenge to every Member of Congress.

Mr. CULKIN. Can the gentlelady tell me what portion of the 327,000 Indians in the year 1935 are of full blood?

Mrs. GREENWAY. I cannot. Mr. ZIONCHECK. Practically 150,000.

Mr. CULKIN. And the remainder are treated under the governmental policy as Indians?

Mrs. GREENWAY. I am not able to answer accurately.

Mr. AYERS. Will the lady yield?

Mrs. GREENWAY. I yield.

Mr. AYERS. Can the lady tell us what percentage of the Indian population is self-sustaining?

Mrs. GREENWAY. I understand that almost half of them, and that is very encouraging. I will conclude by saying that as a member of the Indian Committee we are up against a grave situation, and we want to do the best we can.

Mr. AYERS. Can the lady from Arizona tell us, in percentage, the Indian Bureau man power engaged in administration of Indian affairs, as compared with the number of Indians in America?

Mrs. GREENWAY. According to the record given me by the Bureau—I have not checked it back—there are over 7,650 members of the administration—43 Indians to every one of the personnel in the administration.

Mr. ZIONCHECK. Can the lady tell us how many of those are Indians themselves?

Mrs. GREENWAY. Of the 7,650 personnel, 2,100 are Indians and 5,550 whites. There is one employee to every 43 Indians. I am not sure whether that includes those Indians.

Mr. PIERCE. Mr. Chairman, will the gentlewoman yield? Mrs. GREENWAY. Yes.

Mr. PIERCE. What is the real object of the Wheeler-Howard bill? The tribes in my district have rejected it. I want to know what they are trying to get at.

Mrs. GREENWAY. A wiser person than I am told the gentleman it was too big a subject to answer.

Mr. PIERCE. Why in the world did the gentlewoman recommend it? I voted against it.

Mrs. GREENWAY. I think it would be very illuminating and interesting if the Congress could know the reasons why many Members, in good faith, voted for it and now wonder if they were fair to the Indians in so doing.

The CHAIRMAN. The time of the gentlewoman from Arizona has expired.

Mr. MILLARD. Does the gentlewoman from Arizona desire more time?

Mrs. GREENWAY. I thank the gentleman; but I think I have probably said too much already. [Laughter and applause.]

The Clerk read as follows:

Natives in Alaska: To enable the Secretary of the Interior, in his discretion and under his direction, to provide for support and education of the Eskimos, Aleuts, Indians, and other natives of Alaska; including necessary traveling expenses of pupils to and from industrial boarding schools in Alaska; purchase, repair, and rental of school buildings, including purchase of necessary lands; textbooks and industrial apparatus; pay and necessary traveling expenses of superintendents, teachers, physicians, and other employees; repair, equipment, maintenance, and operation of vessels; and all other necessary miscellaneous expenses which are not included under the above special heads, including \$327,380 for salaries, \$17,500 for traveling expenses, \$190,120 for equipment, supplies, fuel, and light, \$25,000 for repairs of buildings, \$63,000 for freight and operation and repair of vessels, \$1,000 for rentals, and \$2,000 for telephone and telegraph; in all, \$626,000, to be immediately available: Provided, That not to exceed 10 percent of the amounts appropriated for the various items in this paragraph shall be available interchangeably for expenditures on the objects included in this paragraph, but not more than 10 percent shall be added to any one item of appropriation except in cases of extraordinary emergency and then only upon the written order of the Secretary of the Interior.

Mr DIMOND. Mr. Chairman, at this point I ask unani-

Mr. DIMOND. Mr. Chairman, at this point I ask unanimous consent to make some remarks concerning the Indians of Alaska.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DIMOND. Mr. Chairman, the bill now under consideration carries a number of items making appropriations for the operation of the Federal Government in Alaska. One term in Congress as Delegate from Alaska has convinced me that it is, humanly speaking, beyond my power to persuade either a committee or the House itself to enlarge appropriation items above the sums recommended by the Budget. Nevertheless, it is my duty to call the attention of the House to several items in the present bill which I think should be

materially enlarged. These are the items making appropriations for the education and for the medical relief of the Indians of Alaska. In this connection, by the word "Indian" I refer to the native races of Alaska, including the Eskimos.

The amounts carried by this bill for the purposes mentioned-namely, \$626,000 for educational work for the Indians of Alaska and \$295,000 for medical relief-are entirely insufficient to take care of the service that ought to be performed by the United States Government for the natives of

the Territory which I represent in Congress.

After all, the Indians and the Eskimos had the whole country to themselves, and under their laws and customs they owned it in their understanding of that term; they owned it, I venture to say, within the real meaning of the word, before the advent of the white man. The Russians largely disregarded all of the claims of the Indians to property rights in what is now the Territory of Alaska, and with the transfer of the Territory to the United States under the treaty of March 30, 1867, there was no change in this respect. The white people who went to Alaska after it became a part of the United States showed equal disregard for the claims of the Indians; and so, whereas in the ancient times we know that the Indian population of Alaska probably exceeded in number 150,000 people, and those people enjoyed, apart from tribal wars and other disturbances, a comparatively secure economic existence, the white men crowded the Indians, as one may say, out of the picture and absorbed to a greater and greater extent the natural resources of the country, so that the Indians were in many cases, in fact in most cases, reduced to a state of poverty. Considering this condition in connection with the history and tradition of the native races, their lack of making provision for the future, the fact that they are particularly susceptible to the diseases brought in by the white man, such as tuberculosis, measles, and other afflictions not known to them before, it is quite understandable that they have been decimated and demoralized, and this demoralization has been greatly aggravated by the introduction of alcoholic liquors among them.

This is no new and no strange tale. The thing that has happened in Alaska to the Indians has happened all over the United States, so that at the present time I cannot recall a single instance where the Indians, in one form or another, in one fashion or another, have not been deprived of their substantial rights.

We cannot go back now and do absolute justice to them. The world has moved on. It is impossible to restore to them everything to which they are reasonably entitled. This impossibility is a physical one. But we can make amends for some of the injustices that have been done to them. We can teach them the arts and sciences of civilization: we can afford them the facilities for a reasonable and profitable education; and we can furnish them with medical relief.

The appropriations carried in the current bill for education and medical relief in Alaska are entirely insufficient. If the amounts were doubled there would be none too much. Eventually I hope the Congress will be of a temper to render a greater degree of justice to our native peoples.

Many of the Indian communities of Alaska are entirely without educational facilities. While the Office of Indian Affairs is rendering a very commendable service with the funds at hand, those funds are entirely inadequate to do what ought to be done. The educational facilities should be greatly enlarged not only to include therein the rest of the natives of Alaska but also to furnish a better education, a more complete education, for the natives in the schools which have been established. By reason of the financial limitations the educational facilities now furnished may be called totally insufficient, although the teachers are generally well trained and devoted to their duties.

On the health side, the picture is even a darker one. Tuberculosis is wide-spread among the natives. A few years ago, when I was a member of the Alaska Territorial Legislature, in investigating this matter we were told that the percentage of tuberculosis among the native races was 16 times as great as among the white people of Alaska. Hundreds, if not thousands, of native children could be saved

from an early death by tuberculosis if they were given the proper care and attention in time. As you all know, after that disease is well fastened on a child, cure is very difficult.

The Office of Indian Affairs has a comprehensive plan for the construction and maintenance of eight hospitals for the natives in the Territory of Alaska, to be in part devoted to the relief of those afflicted with tuberculosis. These hospitals, according to the plan, would be situated in various parts of the Territory so as to afford the best possible service. I am still hopeful that they can be built during the coming year out of public-works funds, even if no other funds are available for such construction.

The Clerk read to line 2 on page 52.

Mr. AYERS. Mr. Chairman, I also ask unanimous consent to extend my remarks and place the same in the RECORD, including a statement I made before the Subcommittee on Appropriations with reference to the Bureau of Indian Affairs in the Interior Department appropriation bill.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. AYERS. Mr. Chairman, under leave to extend my remarks in the RECORD, I include a statement made by myself before the Appropriations Committee on February 12, 1935. with reference to the urgent need of Federal aid for the education of Indian children attending State schools. It is

Mr. Avers. Mr. Chairman, the building of additions Mr. Avers. Mr. Chairman, the building of additions to State schools by the Government is what I have in mind—additions to district schools, public schools, sufficient to take care of Indian children attending such schools. For my State (Montana) alone we had some 9 bills at the last session of Congress, and some 9 or 10 from other States. In each instance the Indians predominate in these public schools. In each district the land is mostly owned by Indians and not assessable, and in all instances the Government has not contributed anything—not a single penny to the buildings. The Indian Department simply pays a small tuition, which to some degree takes care of the overhead expense, but which in no way goes to the construction of additional build-

tuition, which to some degree takes care of the overhead expense, but which in no way goes to the construction of additional buildings made absolutely necessary by the increased attendance occasioned by the attendance of the Indian children.

We have either got to go back to the boarding-school system or the Indian day-school system, or find money to build additions to these public schools. Just one of the two things will have to be done. We have to do something, or otherwise the people who pay the taxes, through the school trustees of these districts who are members of the taxpaying population of these communities, will make rules excluding the Indian children. That is something that is serious and worthy of a lot of thought. This condition must be corrected if the Indian children are to continue the privilege and benefit of these State schools.

Mr. Taylor. What is your reaction to that. Doctor? (Addressing

benefit of these State schools.

Mr. TAYLOR. What is your reaction to that, Doctor? (Addressing Dr. Ryan, of the Indian Bureau.)

Dr. Ryan. I think that is completely correct. We must assist these communities in the direction of school buildings.

Mr. TAYLOR. Are you figuring in this on meeting that situation? Mr. COLLIER. Not in this Budget. There are two ways to meet it. One is through the authorizing acts which passed the Senate last year, which got out of the committee all right in the House but were blocked on the floor on the Consent Calendar. There will be a renewed effort to pass them this year, probably through grouping them into one bill, making it important enough, perhaps, to get a rule, and then it would pass.

Mr. Ayers. I had charge of that proposed legislation. I was chairman of the subcommittee of the Indian Affairs Committee that had charge of these some 18 or 20 bills last session and am familiar with the ax these bills had at that session.

Mr. Collier. The other way would be under this new relief grant, if the terms are broad enough, to simply get the money out of that, and go ahead and do it, and that is, I imagine, the place the money will come from.

Mr. TAYLOR. In other words, get it out of this \$4,000,000,000 pot.
Mr. AYERS. That is problematical. That was suggested last year.
We made applications for it and were turned down. We got the

ax at both ends—in the House and before Public Works.

Mr. Collier. They were turned down on the ground that this was private land. Under the new act, its terms may prove to be

was private land. Onder the new act, its terms may prove to be far more flexible and broad.

Mr. AYERS. The public-works program, Mr. Commissioner, that was talked about, was a loan and a grant on the 70-30 basis, that does not—it cannot—help us. Every one of these districts is now bonded up to the State constitutional limit.

Dr. RYAN. We have been securing funds for schools that are public schools that have not been on the 70-30 basis, wherever

public schools that have not been on the 70-30 basis, wherever there was Indian-owned land.

Mr. Taylor. Are you making any attempt toward meeting that situation in Montana?

Dr. Ryan. We have done it in all the cases we could. We have included these public-school situations in every instance where the investigation showed that a large number of Indians were involved and a large amount of untaxed Indian land.

Mr. Taylor. Do these become observable in your neck of the

Mr. Ayers. Not at all. We have not been able to get results, and in every instance in Montana Indian land is included in the district—it is mostly Indian land in many instances. In the instances of this condition in other States—North Dakota, South Dakota, Washington, and all other States—North Dakota, South Dakota, Washington, and all other States in this condition—the districts include Indian land, and none of them have gotten any building relief; yet the Indian children increase more rapidly than the white children. The Indians are "Bull Moosers"; they just keep multiplying and the children increase, but the building situation remains the same; no help in that respect from the Department.

Mr. Collier. The Budget last year would not agree with us. The Department endorsed the bills and asked the support of the Budget, and the Budget withheld its endorsement, and that was responsible for the withholding of unanimous consent by one of the objectors over on the House floor. I do not know whether we can change the Budget on that or not. I am inclined to look to the relief bill.

relief bill.

relief bill.

Mr. Taylor. Have you any suggestions, Mr. Ayers?

Mr. Ayers. I do not have much hope from that source. This public works will be administered by someone to be appointed by the President under the new bill. We will have to educate him to this need, and by that time another year goes by. If there were direct appropriations provided in this appropriation bill, the matter would be settled. It is certainly legitimate Indian expenditure and ought to be in the Indian Affairs budget and in this bill. My idea is to go at it direct and in the way it ought to be done. It has become a matter of "buck passing" with us Members from the States that have these schools. That is what our constituen's think, and justifiably so—that is what I think.

Mr. Taylor. Can you not get a supplemental estimate sent up here to us?

here to us?

Mr. Ayres. I think the Bureau could do that; yes.

Mr. Ayrrs, I think the Bureau could do that; yes.
Mr. Collier. We cannot. We know that. The Budget would
not approve it, anyhow. That was the trouble last year.
Mr. Ayrrs. Well, if we cannot get an estimate from the Bureau
of Indian Affairs, then I know we are victims of "buck pass-

ing"—
Mr. Collier (interposing). The estimate means they have agreed to it, and they would not agree to the authorizing act and would maintain it as new legislation. This would be the use of Federal money to build public-school buildings on land that the Federal Government does not own, and I am not aware that we have any authority for it in existing law.

Mr. Ayers. Then, we are not going to get the use of public-works funds for this same excuse. If it is just a matter of "buck passing" on this let this committee make an appropriation or go

ing" on this, let this committee make an appropriation or go back to the Indian day schools and Indian boarding schools. We have to have relief and the Indian children must be educated, that

have to have relief and the Indian children must be educated, that is all there is about it; hence it is necessary to make the appropriation or go back to the old plan.

Mr. Taylor. Have you got it in the Indian boarding schools now?
Mr. Ayers. In Montana, we have one or two small ones; they are just reservation small boarding schools.

Mr. Collie. Montana is practically 100 percent on a day-school basis now, and has been for a number of years.

Mr. Ayers. Yes; the Indians are practically 100 percent in State schools. The local taxpayers are supporting all these without a penny for maintenance of buildings, just a little tuition money. Eurely we are not supposed to go on under these conditions.

Mr. Taylor. They say these buildings are all on private lands.

Mr. Ayers. On school-district lands. It is private so far as the Government is concerned, because it is owned by each school district, but the major portion of the lands in the district is non-assessable Indian land. sable Indian land.

Mr. Lambertson. The maintenance is the big thing.
Dr. Ryan. The tuition runs about 40 cents a day.
Mr. Collier. Where possible we pay the full maintenance cost.
Mr. Avers. There is one reservation where half the land belongs to whites and half to Indians. The Indian land is not assessable. Four affected school districts are on this reservation, and three of them have high schools which are open to the Indian children. They are teaching in basements and renovated coal sheds and places of that kind, because of being overcrowded by Indian chil-

Dr. RYAN. Their treatment of the Indians is A1.

Mr. Taylor. There ought to be some means of remedying that. Mr. Collier. We have done what we have never been allowed to do before. We went to bat on this last year. We openly split with the Budget. We are willing now that these several bills be put together into one bill, and then it will be a big enough bill to make it possible to get a rule, and, in that event, the consent obstacle is removed.

Mr. TAYLOR. How much is involved there?

Mr. AYERS, Well, I do not recall. I have a brief on it which I used in arguing the bill on the floor last session. There were then 9 or 10 such schools in Montana—it has increased now by two or

Mr. COLLIER. If Congress would pass this relief bill in anything like the present form, the technical objections would be wiped out and the schools could be built out of the new relief money.

Mr. Taylor. What do you mean in anything like its present form?

Mr. Collier. The bill as now drawn gives the President a discretion so wide he could undoubtedly allot money.

Mr. Taylor. You mean this \$4,000,000,000?

Mr. Collier. Yes. It is far broader than the original bill, the original public-works bill. If it is kept in this form, the money can probably be had out of that, and I think it will not be difficult to get. The buildings could be started promptly and there will be plenty of local influence.

Mr. Taylor. I should think the two Senators and the Representatives could get it out of that \$4,000,000,000.

Mr. Collier. There were factors in the act which the appropriating power could not override.

Mr. Taylor. Have we still got those technical features?

Mr. Collier. Not in the relief bill as pending now. Of course, we do not know what they will do to it in the Senate.

Dr. Ryan. We have had relief for situations like this except that the land happened to be actually Indian or Government-owned land. It is a public-school situation and we are for it.

Mr. Taylor. Will you just advise me when that bill comes back from the Senate whether or not there is anything we can do to it to fix it up.

to fix it up.

Mr. Ayers. I appreciate the assistance that men like yourself

have given, men who understood the situation.

Mr. Taylor. That bill will come back to conference and the deficiency subcommittee will have charge of it.

Mr. Collier. In the State of Montana the public-school method is universal and satisfactory, except for the matter of congestion in buildings to the whites and to the Indians.

Mr. Ayers. There is no race trouble at all. The Indian children are welcome, but the Government must help on the building situation. We cannot go further.

Mr. Collier. Far from being an untried policy, as Mrs. Greenway says, it is a thing that goes back many years and has been perfectly tried and satisfactory, and the same can be said of Arizona.

Mr. Avers. It has been the policy since the act of 1932 to do away with the boarding schools and eliminate them and send the Indian children to the district schools of the State, which, as I said before, is not supported at all by the Indian patrons.

I just wanted to get this situation before you gentlemen and to impress upon you the seriousness of it. If something is not done, it will put Indian children out of school next year. We just cannot handle it under present conditions.

Mr. Zioncheck. The 40 cents a day; that is merely maintenance alone, is it not?

Mr. Avers. That simply goes for the additional teachers made necessary by the Indian attendance.

Mr. Zioncheck. That is the overhead in operation, but it does not take in anything by way of construction costs or depreciation?

Mr. Collier. It is plant investment; yes.
Mr. ZIONCHECK. But not the original investment?
Mr. Collier. It does not take in the capital investment.
Dr. Ryan. The Senate Indian Committee made a special study and recommended we pay up as far as we could to the actual running costs, and that is what we try to do.
Mr. Collier. Of course, if we had a firm congressional policy, there would be nothing to prevent us paying in tuition an additional sum large enough to carry a share of the bonded indebtedness. The difficulty there is you are going on year after year with expenses, and the bonded indebtedness has to be predicated on the ability to pay across a term of years. It ought to be met by the frank method of a Federal grant.
Mr. Ayers. Mr. Chairman, I thank you and your committee for this opportunity to appear before you.
Mr. Taylor. We are very glad to have had you come in.

Mr. TAYLOR of Colorado. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MEAD, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 6223) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1936, and for other purposes, had come to no resolution thereon.

## MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 3464. An act to amend certain sections of the Code of Law for the District of Columbia, approved March 3, 1901. as amended, relating to descent and distribution.

The message also announced that the Vice President had appointed Mr. Bulow and Mr. White members of the Joint Select Committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments", for the disposition of useless papers in the Civil Service department.

### PERMISSION TO ADDRESS THE HOUSE

Mr. HARLAN. Mr. Speaker, I ask unanimous consent that after the reading of the Journal and the conclusion of business on the Speaker's table I may be permitted to address the House tomorrow morning for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. HARLAN]?

Mr. LAMBERTSON. Reserving the right to object, it might be interesting to know upon what subject.

Mr. HARLAN. On the same subject upon which the gentleman from Massachusetts [Mr. TREADWAY] addressed the House this morning.

The SPEAKER. Is there objection? There was no objection.

### YOUNG PEOPLE IN GOVERNMENT

Mr. PETERSON of Florida. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a speech made by the Postmaster General to the Young Democrats at Tampa on a visit to my district.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. PETERSON of Florida. Mr. Speaker, under the leave to extend my remarks in the RECORD, I am submitting herewith the following address made by Hon. James A. Farley, chairman Democratic National Committee, before the convention of Young Democratic Clubs of Florida, at Tampa, Fla., on Friday, February 15, 1935:

I know it is customary on such occasions as this to tell the young men and women that the Nation is their inheritance and that it will devolve on them, before the passage of many years, to run this Government of ours and to charge themselves with the destiny of the country.

I would like to amend this rather trite declaration. It seems to me that now, and not merely the future, represents the opportunity of youth. It is a time of change—not a change in our system of government or a change in our Constitution—but a departure from old processes, a recasting of method consequent

departure from old processes, a recasting of method consequent to new situations and new problems.

There is, of course, a tradition—or perhaps a better term would be a superstition—that gray beards and wrinkles are requirements for positions of dignity and power.

Experience is, of course, a vast asset. But the only way to acquire experience at any game or any business is by getting into it. The idea that rashness is a necessary attribute of anybody less than 60 years old is a proven fallacy.

less than 60 years old is a proven fallacy.

The great parts in not only the national but the international drama have not infrequently been taken by young men. This is shown by our own history. The names of those to whom we refer as the founding fathers of our Government suggest to us the figures of historical old paintings. We get the idea that all of them were stern-faced old gentlemen, who wore stocks instead of collars, bell-crowned hats, and ruffled shirts.

The reason for this is that these pictures were made after the subjects had performed their great accomplishments, whereas the fact is that in the formative period of our country these men were in the full flush and fire of early adult years.

Even the immortal Washington was in his early fortles when it fell to him to command the military forces of the Nation being born.

You may be sure that he was not intrusted with this mighty responsibility without a scanning of his previous accomplishments. He was a major and adjutant general of a military district of Virginia when he was 19. He was only 21 when he was sent by his State to visit the French Army in the Ohio Valley, presumably to see if the war clouds then gathering could not be dissipated. Instead these clouds resulted in the storm of battle, and we find him see at these clotted restricted in the storm of battle, and we find him a lieutenant colonel when he was 22, and an aide to the British general in command when he was 23, and 2 years later he was selected as commander in chief of the colonial forces in the pre-revolutionary struggles between France and Great Britain. He was only 26 when he became a member of the Colonial House of

Take John Adams, who followed Washington into the Pre Take John Adams, who followed Washington into the Presidency. He was 3 years younger than Washington. And we find him a member of the General Court of Massachusetts when he was 33, and 6 years later he was in the Continental Congress, signed the Declaration of Independence, and nominated Washington for the generalship of the American Army.

Go on to the third President of the United States—Thomas Jefferson. He was 26 when they put him in the Colonial House of Burgesses. He was 33 when he drafted the Declaration of Independence, and at 36 he was the Governor of Virginia.

John Quincy Adams who followed Jefferson in the Presidence.

John Quincy Adams, who followed Jefferson in the Presidency, was in politics almost from the time he came of age and a member of the United States Senate about as early as the Constitution permitted. And his successor, James Monroe, entered the Revolutionary Army when he was 18, was a lieutenant colonel when

he was 22, and a member of the Continental Congress when he

It is not my purpose to recite to you the roster of our Presidents and what they did as young men, but merely to point out that the first five of our Chief Executives entered public service in what would be popularly called their "immature years", and made such reputations for themselves that the country turned to them, one after another, to sit in the position of highest authority in the young Nation

Not being a historian, I will not attempt to recite to you the criticisms which were heaped on these appointments and elections because of the youth of Washington, Adams, Jefferson, the younger Adams, and James Monroe. But I am willing to wager that there

were plenty.

I have no doubt that the ancients of that day stroked their quivering chins and raised their aged eyes to heaven as they contemplated the policy of intrusting mere boys with grave responsi-

Perhaps there were older men with more experience available, but the time called for virility, promptness of decision, and the courage of youth. So they did their parts, and the verdict of their contemporaries was justified and endorsed by the history of succeeding decades.

succeeding decades.

Incidentally, it was not only the young men of that period who did big things. It was before the days, of course, when alert young women sat at their employers' elbows with a flying pencil and an almost equally rapid typewriter, but the wives and daughters of a great number of the Members of the Continental Congress performed the clerical work, intensely important and intensely secret, of their husbands and fathers. And I have a sneaking suspicion that much of the clarity of expression and literary quality of some of the speeches was contributed by these unsung heroines of the most important legislative session ever held.

Then, of course, we had Betsy Ross, of debutante age, who made the first American flag almost before there was an Army to fly

the first American hag almost before there was an Almy to hy
that flag.

And that young New Englander, Molly Pitcher, who showed
General Israel Putnam's hastily enrolled farmers how to serve
the guns at the Battle of Monmouth.

And a little later on came Dolly Madison, who, when her husband was President, saved the precious records of the White House
as the British were advancing on it and carried them to security
with here.

with her.

Add to this list the thousands of girls who patched the uniforms of the Continentals and mitigated the winter suffering of the troops with their contributions of knitted socks, mittens, and comforters.

You may notice, if you read the outcries of our Republican op-You may notice, if you read the outcries of our Republican opponents, that no inconsiderable part of their criticism is directed toward the presence in the Government of men and women comparatively young. And, perhaps, you young Democrats may note the parallel of these times with the strenuous period at the birth of the Republic. One would think, if he listened to Republican statesmen, old in years and ancient in ideas, that our great President had gone into the highways and byways to dig out mere infants to aid him and advise him in the conduct of the Government through a period of great stress.

Fortunately, most of these contemporary figures, who are as out of date in their governmental theories as those represented in the oil paintings with their old-fashioned clothes and periwigs, have been retired by the people. Fess, of Ohio; Smoot, of Utah; Watson, of Indiana; Arthur Robinson, of the same State; Moses, of New Hampshire; and many others have been replaced by able, energetic Democrats who are in step with the spirit of the time.

Your organization, and hundreds of thousands of other young men and women not yet affiliated with it, though they are close kin to you in sentiment, played a great part in the retirement of these reactionaries who remained on the political stage so long beyond the period when their usefulness had ceased.

It was the youth of the country, with fresh ideas, with impatience at the old, helpless, drifting order that had dominated this country for a dozen years, who had the courage to face the economic wreck into which the country had been permitted to sag, and who made possible the election of Franklin D. Roosevelt, and last November gave his administration the most complete endorsement ever received by a President of the United States since the days of those great statesmen whom I cited to you as examples of the success of young men in our history.

Incidentally, your President is himself an example of the opportunity for young men in public service. He was elected to the New York S ponents, that no inconsiderable part of their criticism is directed toward the presence in the Government of men and women com-

stituted his preparatory school from which he stepped into the Presidency.

That young legislator and a colleague were named on a committee to take up the subject of social legislation, in which they were both ardently interested. These two enlisted as an aid a young women who had already made considerable reputation along these lines. Three people gained their first distinction in these sessions, a quarter of a century ago, and, you may say, they are still conferring along the same lines, for one is President, the other is Senator Robert F. Wagner, and the third is Secretary of Labor Perkins, the first woman ever to sit in a President's Cabinet.

Of course, I cannot promise all of you that you will be Presidents of the United States or even that you will parallel the

are attained

are attained.

It was not by ambition alone that the towering figures in Democratic politics reached their high goals. More important was the zeal to be of service to their country. Men do not gain the higher ranks of our Government simply because of the desire for power or a place in history.

Occasionally, of course, somebody gets there by accident, but in the course in a hundred they achieve these high places have

ninety-nine cases in a hundred they achieve these high places because what they have shown in capacity and in public interest has been so impressive that the people have been willing to accept what the record shows as a title to promotion.

Party politics of the most practical kind is a necessity in a

what the record shows as a title to promotion.

Party politics of the most practical kind is a necessity in a nation committed to the two-party system. Organization is the keystone to party success. But all the tricks of the politician, all the expedients of election strategy amount to little unless the candidate for whom they are performed is worthy of the job in which the party strives to place him.

Even party success does not add much to the historical total of accomplishment unless success in election is followed by success in administration. That success can only be achieved by real devotion to the public welfare. The people are as quick to punish as to reward when it comes to public office.

Unsuccessful politicians like to dwell on what they call the fickleness of the voters. It is not the people who are fickle. They put men in office to do the work of government—to do what is best for the country and most in accord with the national desire.

True, we have now and always have had vociferous minorities who have clamored for this or that radical measure. These have been very noisy at times, and the loudness of their clamor has given a false impression as to their number. But beneath the smoke raised by the advocates of economic and political nostroms, advertised to cure our troubles overnight, there is a great and controlling body of citizens whose votes take care of the Nation's destiny. It is a curious thing that while no business man would care to be told how to run his business by one without experience in such a business, in the case of the Government—the biggest business of all and concerning everybody—many a man with a loud voice and a theory feels he is more competent to administer business of all and concerning everybody—many a man with a loud voice and a theory feels he is more competent to administer Nation's affairs than one whose life has been spent in the

public service.

Organized minorities have not infrequently created a lot of

Organized minorities have not infrequently created a lot of commotion. When they have formed a solid bloc they have been able, by throwing their strength to whichever party was willing to accept their ideas, to control specific areas.

They have unfortunately managed in this way to get a representation in Congress far in excess of their numerical deserts. In the conspicuous instance of prohibition they even achieved a national success, temporary because the fallacy of their experiment brought the country to its senses. But while the eighteenth amendment was in effect it cost the country a lot, not only in revenue but in morale. Perhaps the most unfortunate consequence of their ill-starred victory was the example they set. Ever since the prohibitionists showed what could be done by a solid minority in the direction of political terrorism, many other groups have sought to impose their particular theories by the same method. same method.

same method.

I confess I have a good deal of sympathy for Congressmen and congressional candidates whose districts are plagued by the presence of such groups and who feel that their election involves support of a cause for which they have no sympathy. But there is only one honest course open to men so placed. They may survive for one term or so as candidates of a faction whose ideas of what constitutes public welfare are at variance with their own, but inevitably they are going to bear the brand forever. When the people are suffering under enactments in which such an office-holder joins, he is going to be one of the first victims of popular wrath and resentment. It all comes down to the principle I have already enunciated, that permanent success in public office can only come with adherence to a man's own devotion to public welfare.

welfare.

I think you will agree with me that our Republic is passing through a period of as great stress as it has ever experienced since the days when the young men stood to their guns barefooted, ragged, and hungry with Washington, making the struggle for our national independence. You may be sure that in that time there were not lacking voices of advisers who counseled them to admit failure and go back to foreign allegiance, pointing out that independence was an idealistic dream of immature minds engaged in a reckless experiment.

The mental processes of tories do not vary. They abhor any kind of change and never cease to cite each difficulty of an attempt to make things better as an evidence of the break-down of whatever is being undertaken. The tories of the days of Valley Forge talked and thought along the same lines as the tories of

Their doleful prophecies of disaster failed then, as they are failing now. But let us not forget that the Revolutionary War lasted much longer because of the shooting from the rear and the encouragement of the enemy by those who would not realize that destiny may be delayed but cannot be averted by such guerrilla

The favorite target of those who today would like to see the administration of President Roosevelt other than a success is the

career of Henry Clay, who achieved fame in his early twenties and who was elected to the United States Senate when he was 29.

But I do mean to say that the path blazed by these great men is open to any of you who has the ability, integrity, and industry to strive for responsibilities and to prove equal to them as they

These critics of the administration shudder at the thought of increased taxes in the future. I wonder how they would feel if, increased taxes in the future. I wonder how they would feel if, instead of a problematical prospect, they were paying today and had been paying for years such tax rates as Great Britain, for example, has had to impose upon the subjects of King George? Whatever the price of saving our millions of unemployed and their families from famine and cold, that price must be paid. Some military authority estimated in 1919 that another year of war would have brought our national debt to \$50,000,000,000. Does anybody suppose that our Nation would have faltered at that staggering debt if the alternative had been the loss of the war and the appalling consequences of a peace imposed on us? In comparison with such amounts, our contemplated expenditures for saving lives, instead of for killing people, seem anything but extravagant. Nor is the problem of reducing the resulting national debt going to be a task beyond the capacity of the Nation to perform. perform.

You will recall that during the days of our prosperity the national debt was steadily diminished and that taxes by which this was accomplished were by no means unendurable. We are a bigger, richer country than we were then.

The credit of the United States is at a high point here and abroad. Our dollar is the strongest of world currencies, as evidenced by the inflow of gold to this country. The billions spent in relief do not have to be valid in dorn where the property in the country.

relief do not have to be paid in a day or a year. And so, when our period of stress is over, you will find the national debt being paid gradually, almost painlessly; and by the time you young Democrats are running the businesses of this country the fears of today will seem in retrospect no more substantial than those that existed a dozen times during the life of our Nation. Those fears now live only in the pages of the history books and other volumes that are consulted by the schoolmen who are concerned with the age-long story of finance.

In any event we have got to go through with what we are doing. Nobody as yet has offered a serious alternative to President Roosevelt's recovery program. There is a lot of grumbling, naturally; some of it by those who can see no virtue in anything a Democratic administration does, some of it by those impatient ones who think that miracles are possible by which a disturbed world can be set aright overnight.

They have no intelligent substitute to offer for the course being followed by the President. But they have a delightful time construing every ripple on the sea of politics, every disagreement between a couple of minor Government officials, every error in the recovery processes to which attention is called when that error is corrected, as evidences of the failure of the program. That's all right, too.

I suppose that such things are unavoidable in a politically minded country, particularly as there are no real issues on which the administration can be challenged. The verdict of last November's election shows how little impression this sort of thing has on the public mind.

This is about as good a time as any to tell you that what has happened and is happening is no surprise, either to the President or the rest of the administration you put in power 2 years ago. Franklin D. Roosevelt had no delusions as to the magnitude of Franklin D. Roosevelt had no delusions as to the magnitude of the task that confronted him when he came to the White House. He knew then and has never lost sight of the difficulties that lay ahead of him. Fortunately, he is a man of infinite patience as well as capacity, courage, and industry. He has met each situation as it arose without panic, without discouragement, and without the slightest lessening of his faith in the ultimate outcome. Under such a leader the war against adversity is bound to result in victory. You placed him where he is. You put the burden of recovery upon his shoulders. And as a closing word I summon you now to give him the same loyalty, the same confidence that you exhibited in 1932 and in 1934, and I know that the call will be heeded by you and that you will celebrate with him a final victory more important to our beloved country than any victory we have won. have won.

### PERMISSION TO ADDRESS THE HOUSE

Mr. BINDERUP. Mr. Speaker, I ask unanimous consent that on Tuesday next after the disposition of matters on the Speaker's desk I be allowed to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

### EXTENSION OF REMARKS

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD to include a radio speech by Frank Belgrano, national commander of the American Legion, made last night.

Mr. KVALE. Reserving the right to object. Mr. ZIONCHECK. Mr. Speaker, I object.

Mr. KVALE. I understand the request is to be coupled | with a request by the gentleman from Texas [Mr. PATMAN] to include the two addresses together.

Mr. FISH. I have no objection to that. If the gentleman wants to put in the address he made I have no objec-

tion whatever.

Mr. KVALE. The gentleman from Texas [Mr. PATMAN] is on his feet. I suggest that the two gentlemen collaborate.

Mr. ZIONCHECK. I have no objection to the gentleman putting in his own remarks, but I do object to the remarks of any commander of any legion or any other organization.

The SPEAKER. Is there objection?

Mr. ZIONCHECK. Mr. Speaker, I object to the request as it is now made.

### PAYMENT OF THE ADJUSTED-SERVICE CERTIFICATES

Mr. McFARLANE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein a speech made by Hon. WILLIAM CONNERY and Hon. James E. Van Zandt, commander in chief of the Veterans of Foreign Wars, made at the "Hello America" program.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. MARTIN of Massachusetts. Reserving the right to object, why did the gentleman not include that with the other two and have the whole program consistent?

Mr. McFARLANE. It is a part of the same program.
Mr. ZIONCHECK. I reserve the right to object. Inasmuch as the question of the veterans' adjusted compensation has come up and one speech has gone in, I am not going to object to the speech of Mr. Van Zandt, commander in chief of the Veterans of Foreign Wars.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. McFARLANE. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following addresses delivered by Hon. William P. Connery, Jr., of Massachusetts, and James E. Van Zandt, commander in chief of the Veterans of Foreign Wars, at the Hello America program of the Veterans of Foreign Wars February 14.

REMARKS OF HON. WILLIAM CONNERY, CHAIRMAN OF THE LABOR COMMITTEE, HOUSE OF REPRESENTATIVES

Comrade Commander in Chief, Madame President, my comrades of the Veterans of Foreign Wars, it is a pleasure for me to join this Nation-wide gathering of overseas veterans to do honor to our commander in chief, Jimmy Van Zandt. He merits our esteem and affection. His driving dynamic work will live long in the hearts of America's service men.

The veterans of the World War are much concerned, and quite properly so, with the legislation now pending before the Congress, which has for its purpose the immediate cash payment of the adjusted-service certificates. Many do not realize that the service men who offered their lives on foreign soil to protect their country are the only ones who have not been paid. The bonus claimed by the munition, the shipping, and other profiteering groups amounting to thousands of millions of dollars have all been paid. It is sufficient for me to mention merely that after all the war contractors, the railroads, and other groups having claims on the Government following the war had been paid in cash, then the Congress decided to pay the veterans, who really won the war, a dollar a day for service in this country and a dollar and a quarter a day for service in this country and a dollar and a quarter a day for service in this country and a dollar and a quarter a day for the time spent overseas. This compensation to be paid in addition to the pitiful amount given them while they were serving under the colors, but 20 years after the law was passed.

Ever since the enactment of that law, which gave these certificates to the men who served their country during the World War, the Veterans of Foreign Wars have consistently fought to have this debt immediately paid instead of waiting until 1945 as the certificates provide shall be done. At the present time H. R. I, the Patman bill, for the immediate payment of these certificates, is before the Ways and Means Committee of the House of Representatives. The Veterans of Foreign Wars are supporting this bill, and I believe you should all realize the dee

The Patman bill provides that the Treasury of the United States shall issue money for the payment of these certificates. When I make this statement I immediately expect to hear the cry "unbridled inflation." It will absolutely and positively cause no such condition, because this United States money will be exactly the same kind of money which the Federal Reserve banks in this

country are privileged to issue. However, there will be one feature about it which will be quite different than the Federal Reserve money. As you know, the Federal Reserve banks place United States Government bonds with the Treasury and the Treasury in turn prints money for issuance by the Federal Reserve banks. While the Federal Reserve banks have the use of this money printed by the United States Government, they also get their regular annual interest on their bonds. Your national banks are in the same position. The national bank in your community sends to Washington a million dollars worth of bonds and the Government sends that bank \$950,000 worth of United States money, printed in the Bureau of Engraving and Printing, and the national bank has the use of that money to loan to its customers at 6- or 7-percent interest and at the same time the bank receives interest on the bonds deposited in Washington. Now, my comrades and friends, you can see why the great bankers of this country throw up their hands in horror when they realize that \$2,000,000,000 might be paid the veterans of the United States without allowing them, the bankers, to cut in on the payment in any way. With no bonds upon which they can obtain interest, they are greatly worried for fear the money racket they now enjoy may be injured.

Last year the bankers claimed that the payment of the bonus, calling for the issuance of \$2,000,000,000 in currency, would mean inflation. Last year the Government had a debt of twenty-five billion. This year, while we now owe thirty-five billion, we are not charged with having gone to inflation, although we owe ten additional billion of the two billion called for in the Patman bill. Apparently we do not go into inflation until we pass the bonus bill. In supporting the Patman bill, I believe the Veterans of Foreign Wars are doing a patriotic duty. They are asking for the payment of a long overdue debt which will reach into every nook and corner of the United States. It will bring happiness to homes that are now dark with despair. It will give a renewed courage to those comrades of yours and mine who have been victims of the greatest economic depression the Nation has ever known. It will kindle again the comradeship we found in the shell holes and trenches of France, and will offer at least a sense of temporary economic security to more than 3,000,000 of the boys who willingly

economic security to more than 3,000,000 of the boys who willingly served their Nation in 1917 and 1918.

My comrades of the World War, while we realize the payment of the adjusted-service certificates is a great and major problem now confronting the Congress, we must never forget the obligations of the few remaining veterons of the way reliable. now comforming the Congress, we must hever lorget the conga-tion we have for the few remaining veterans of the war which preserved the Union in 1861 to 1865. The care and love of a great nation must be given in full measure to these men and their dependents as long as a single one of them may remain

with us.

We must also remember the swamps and jungles with their ma-

with us.

We must also remember the swamps and jungles with their malaria and fever, where American boys fought to preserve the Nation's honor in 1898 during the War with Spain. This, the greatest volunteer Army ever raised in the United States must likewise have our deep consideration. I sincerely trust that we will never again witness a group of fine patriotic service men such as the Spanish War veterans having to suffer as they were forced to suffer after the passage of the economy law in 1933.

When we discuss the problems of the service men of the United States we must at the same time consider the problem of their dependents, and we should set up in this land a definite program for the care of dependents of all veterans so that they may never find their way to the "almshouses" anywhere in the country. The progress of our Nation is founded upon the loyalty of its citizens. In time of national emergency, the citizens must be imbued with a sense of their national obligations to the extent that they are willing to serve in the armed forces to protect the honor of our country. If we are to maintain this feeling in the United States it is going to be necessary to make sure before another war may come that the gouging of the war profiteers will not be permitted. We must enact legislation which will remove the profit element from war. Let us see our captains of industry and the heads of our great financial systems suffer at least the economic hazard of war the same as a soldier. If it is permissible to send human beings into the bloody theater of conflict it certainly should be equally as desirable to force those who bile up economic hazard of war the same as a soldier. If it is permissible to send human beings into the bloody theater of conflict it certainly should be equally as desirable to force those who pile up gigantic fortunes, because of the soldier's bravery, to endure and make some sacrifice during war time. I believe that we should draft capital and industry as well as man power in the event of a crisis which would call out our armed forces. It has been said that this will require a constitutional amendment. If that is necessary it should be done. Let us place at least as high a valuation on human rights in time of war as we do upon profiteers' rights and if we do I am confident much of the war talk all over the world will cease and international difficulties will be settled by arbitration and this as well as other nations will enjoy a lasting peace.

Congress reacts to the wishes of the American people.

Congress reacts to the wishes of the American people. The bankers and others who are opposed to the passage of the Patman bill, with millions to spend, flood Congress with all sorts of counterfeit arguments against the Patman bill. I ask those of you who favor the passage of the Patman bill to write your Senators and Congressmen asking their support of H. R. 1, the Patman bill

In closing, I want you to know that the history of this Nation clearly shows that it has been our national policy, as set forth by the immortal Lincoln in his second inaugural address, to care properly and adequately for those who served their country in

time of national emergency. As long as I live I will feel it my duty, and it will be a pleasure indeed to join with the Veterans of Foreign Wars and other patriotic organizations to perpetuate that sacred principle.

ADDRESS OF COMMANDER IN CHIEF JAMES E. VAN ZANDT, OF THE VETERANS OF FOREIGN WARS OF THE UNITED STATE

Hello America! Greetings and felicitations! On behalf of the Veterans of Foreign Wars of the United States, we hope that you are enjoying this unique radio hour as a source of entertainment, information, and inspiration. We are more than happy to have you participate with us in this Nation-wide meeting, this radio reunion of America's A. E. F.

There are two points I wish to cover before we take up the obliga-

tion ceremony that will tonight make overseas veterans full-fledged members of the Veterans of Foreign Wars of the United States. First, on behalf of our organization in every section of the country, I want to thank most sincerely the National Broadcasting Co. for the generous use of its facilities in the presentation of this pro-gram. We also appreciate the cooperation we are enjoying on this occasion from nearly 60 individual stations affiliated with the National Broadcasting Co.

National Broadcasting Co.

For the information of those radio listeners who may not be familiar with the aims and purposes of the Veterans of Foreign Wars of the United States, I want to tell you something about the nature of our organization and its objectives.

Our organization has a background of age and experience. We were founded in 1899, by a small group of veterans who had just come home from the Philippines in the War with Spain. These men conceived the idea of forming a veteran fraternity—one that would live for generations to come—an organization in which the overseas veterans of America's wars and campaigns would always find sanctuary. The Veterans of Foreign Wars of the United States is a distinctive veteran organization because it is made up exclusively of overseas veterans. This is one veteran organization that can never be used as a springboard to political fame or public prominence by the veteran who spent 30 days or less in an Army camp near his home or cruising the waters of Lake Michigan. Our members are not confined to the veterans of any one particular conflict. They represent service in practically every corner of the members are not confined to the veterans of any one particular conflict. They represent service in practically every corner of the globe, from Santa Domingo to Siberia, from France to the Philippines, from China to Chateau Thierry, from Nicaragua to the North Seas, and from Mindinao to the Marne. Our ranks will continue to be open to those who may be called upon to serve under the Stars and Stripes on foreign soil, or in dangerous waters, in the future.

Since 1899 the Veterans of Foreign Wars of the United States has devoted its efforts to three main objectives—the welfare of our disabled comrades, proper care and consideration for the widows and orphans of those veterans who are deceased, and the preservation of those institutions and principles which guarantee the safety and security of America as a world power.

the safety and security of America as a world power.

To date, as an organization, we have been instrumental in the enactment of legislative measures that have definitely contributed to the attainment of these three objectives. In pointing to the legislative benefits that have been created for the disabled veteran, and for the widows and orphans, we seek netther glory nor credit. We point to these achievements merely to demonstrate our usefulness as a veteran fraternity. As veterans, it is only natural that we should understand the problems of the veteran, and do everything that we can to assist him and his dependents. It would be unfair to both the veteran and the American people if those of us veterans who are able-bodied saw fit to leave this problem of veteran welfare in the hands of those who are nonveterans and incapable of giving this responsibility their sympathetic understanding. standing

incapable of giving this responsibility their sympathetic understanding.

In looking to the future, a greater membership has made it possible for us to increase our objectives. Today we are concentrating on a seven-point program. Quite logically, and as always, our first objective is the welfare of our disabled comrades. In our study of conditions among those who are suffering from physical handicaps, we have discovered that the truly deserving veteran—the overseas veteran—has been made the unfortunate victim of piecemeal legislation. In trying to keep down expenditures, with hard and fast rules demanding proof and evidence that is no longer available, Congress has overlooked the underlying principle of all veteran welfare legislation. That principle is based on the desire of the American people that adequate care and compensation be provided for the men who saw actual service.

To correct this situation, we are demanding the adoption of a uniform pension, or compensation, principle that will consider the merits of each claim in accordance with the length and type of service rendered by the veteran seeking compensation. There are thousands of disabled veterans in this country today who receive no help from the Federal Government, simply because legal proof of the source of their disabilities is lacking. These men were young and healthy when they went overseas. But they were not the same strong, vigorous men when they returned home. Even though they still had their arms and their legs, they were far from physically sound. Anxious to be home again, thousands of these veterans deliberately ignored or misrepresented their physical condition. They felt confident that the normal routine of civilian life would soon restore their health and vigor.

For the first few years many of these men have been able to carry on. Then suddenly, without warning, time begins to take its toll of battered nervous systems and weakened bodies. Today our World War comrades are dying at an alarming rate.

than 3 veterans are dying each hour out of every 24—a daily average of 80. By a year from tonight more than 30,000 World War veterans will have joined their comrades in the great beyond. These are Government statistics. They can neither be ignored nor denied. They stand as stark evidence that this country is guilty of rude neglect and base ingratitude if we fail to give the disabled veteran the sympathetic consideration he truly deserves.

nor defiled. They stand as stark evidence that this country is guilty of rude neglect and base ingratitude if we fail to give the disabled veteran the sympathetic consideration he truly deserves. The second point in our program demands an adequate pension for World War widows and orphans and for the dependent mothers of the deceased veteran who served his country with hanor. These women and children are the innocent victims of the ruthless machine of war. They are in no way responsible for their unfortunate circumstances. When we force them to accept public charity we are insulting the memory of the Unknown Soldier. We are forgetting the solemn promises we made as a Nation to those who volunteered their lives on the altar of patriotism.

Our third objective happens to be particularly prominent in the news of today. Among veteran fraternities the Veterans of Foreign Wars of the United States has been the militant pioneer in the demand for immediate cash payment of adjusted-service certificates. We feel that this demand is more than ever justified today because of existing economic conditions and the situation that confronts more than three and one-half million World War veterans. We know that unless these men receive the balance that is due them on these certificates they will be the victims of gross injustice. At least 85 percent of those veterans who hold these certificates have been forced to borrow 50 percent of the face value. For these loans the Government is charging compound interest. This interest is consuming the balance that is due. Instead of receiving \$500 in 1945 when these certificates are supposed to mature, the average veteran will receive approximately \$68. Even this paltry sum will be denied to more than 300,000 veterans who are destined to die within the next 10 years.

Let us go back to 1917 and 1918. We had two classes of patriotic citizens—those who marched away in uniforms and those who marched to the banks and bought bonds. Uncle Sam sold a total of \$22,000,000,000 worth of Liberty bonds

exchange for their patriotism are today branding the veteran as a "Treasury raider." But we hear no voice in protest against the cash bonus that is being paid by Uncle Sam each year to the holders of Liberty bonds. If economic conditions make it necessary to postpone payment, or repudiate our debt to the veteran, then we can also repudiate our debt to those who bought Liberty bonds. But let it be understood that we abhor and stand opposed to the repudiation of any debt that is made in good faith between Uncle Sam and his citizens. This country promised every man who entered the service a decent opportunity to rehabilitate himself upon his return. He was told he could give up his job and his career. We assured him of a hearty welcome and a generous helping hand upon his return.

I have discussed briefly the first three points of the seven-point

nis career. We assured him of a hearty welcome and a generous helping hand upon his return.

I have discussed briefly the first three points of the seven-point program of the Veterans of Foreign Wars of the United States. I call your attention to the fact that the next four points deal exclusively and unselfishly with the welfare of the Nation as a whole. We favor prosecution and the deportation of Communists and other individuals who advocate the overthrow of our Government by force and violence. As veterans, each of us has made a personal sacrifice toward the preservation of our form of government. We intend to see that those sacrifices were not made in vain. We cling to the conviction that there are no substitutes for the spirit of Americanism and the Constitution of the United States. We demand legislation that will rid this country of those aliens and agitators who merely come to our shores to provoke armed upheaval and the overthrow of the Republic.

If this country must participate in another war, point no. 5 of our program demands the conscription of capital and industry, without profit, upon the same basis as our armed forces. We rightfully believe that in time of war, every citizen—rich or poor—has an equal obligation to his country. If we can call upon the young men of America to sacrifice their lives, and their health, in defense of the United States against its enemies, we certainly have an equal right to call upon wealth and industry to fulfill that same obligation of loyalty.

In previous wars we have always called upon the veteran to bring

obligation of loyalty.

obligation of loyalty.

In previous wars we have always called upon the veteran to bring these wars to a close. Today the veteran is taking it upon himself to see that these wars never start. In other words, the overseas veterans of this country are sick and tired of bleeding and dying and suffering in wars that are promoted and instigated primarily for personal profit by individuals in high places, both here and abroad. We regard the present international traffic in arms as one of the main causes of war. We demand that the United States lead the way toward future world peace by immediately assuming full and complete control of the manufacture of arms and munitions within the boundaries of this country. When other nations are forced, by their own people, to adopt similar tactics, we sincerely believe that the threat of war on a huge scale will never again constitute a serious menace to civilization.

The actual experience of facing death in front of a machine gun, or on the high seas, will transform an idealist into a very practical person. Ideals are of little help when a torpedo hits your ship in mid-ocean, or a sniper aims for a bullseye as you bury your face in the mud. That is why the overseas veteran is able to regard

this question of world peace from a practical point of view. He has come to the conclusion that the practical people in the past have been promoting wars for a profit and using the idealists to fill up the trenches. Through the Veterans of Foreign Wars of the United States, the overseas veterans of this country call upon the Federal Government to eliminate the danger of future wars by eliminating the would-be profiteers.

In our seventh and final point we are still being practical when we demand an adequate national defense with an Army, Navy, and Marine Corps in accordance with the recommendations of the War Department. Being practical, we refuse to take world peace for granted. We insist that Uncle Sam must be properly armed in order to enforce his desires for world peace. Besides demanding an adequate national defense, we stand opposed to any foreign entanglements or international treaties that will involve the affairs of this country with the problems of Europe and other continents. We believe, with Thomas Jefferson, in the principle of "peace, commerce, and honest friendship with all nations, entangling alliances with none."

These seven points summarize the activities and the objectives of the Veterans of Foreign Wars of the United States. They cover a multitude of accomplishments to date. I regret that time does not permit me to give you a complete picture of the scope of our labors. In more than 3,000 local communities this organization is laboring for the betterment of the country as a whole. At Eaton Rapids, Mich., through our own efforts, we have a child-welfare project that is second to none, and where we are providing the orphans of our disabled comrades with the opportunity to become honest, patriotic, and loyal citizens of the United States. Throughout the land we are developing a program of junior activities that is designed to bring physical, cultural, and moral benefits to the youth of America. We are spreading the doctrines of Americanism and the principles of good citizenship in a sincere effort to combat the serious spread of crime. Within the Veterans of Foreign Wars of the United States the oath of allegiance that every overseas veteran assumed upon entering the service, that every overseas veteran assumed upon entering the service, continues to inspire him as a solemn obligation to be carried in his heart forever.

### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. LARRABEE, of Indiana, for 3 days, on account of illness.

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 38. An act for the relief of Winifred Meagher; to the

Committee on Claims.

S. 39. An act for the relief of the estate of William Bardel; to the Committee on Claims.

S. 41. An act for the relief of the Germania Catering Co., Inc.; to the Committee on Claims.

S. 42. An act for the relief of Emmett C. Noxon; to the Committee on Claims.

S. 84. An act to amend section 61 of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, relating to depositories for money of bankrupt estates; to the Committee on the Judiciary.

S. 239. An act for the relief of the Barlow-Moore Tobacco

Co.; to the Committee on Claims.

S. 246. An act for the relief of Elmer Blair; to the Committee on Military Affairs.

S. 271. An act for the relief of James Foy; to the Committee on Naval Affairs.

S. 281. An act for the relief of the Fred G. Clark Co.; to the Committee on War Claims.

S. 282. An act for the relief of William Kemper; to the Committee on Claims.

S. 314. An act for the relief of Vito Valentino; to the Committee on Claims.

S. 410. An act to provide fees to be charged by the recorder of deeds of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

S. 416. An act for the relief of Las Vegas Hospital Association, Las Vegas, Nev.; to the Committee on Claims.

S. 563. An act for the relief of the Jay Street Terminal, New York; to the Committee on Claims.

S. 581. An act for the relief of Harold E. Seavey; to the Committee on Claims.

S. 674. An act authorizing the President to order Maj. E. P. Duval before a retiring board for a hearing of his case. and upon the findings of such board determine whether or not he be placed on the retired list with the rank and pay

held by him at the time of his resignation; to the Committee on Military Affairs.

S. 694. An act for the payment of the claims of the Fidelity Trust Co. of Baltimore, Md., and others; to the Committee on Claims.

S. 742. An act for the relief of Charles A. Lewis; to the Committee on Claims.

S. 760. An act for the relief of Harry P. Hollidge; to the Committee on Claims.

S. 781. An act for the relief of the estate of George B. Spearin, deceased; to the Committee on Claims.

S. 876. An act for the relief of Edgar Joseph Casey; to the Committee on Naval Affairs.

S. 878. An act for the relief of Ray Funcannon; to the Committee on Naval Affairs.

S. 879. An act for the relief of Denis Healy; to the Committee on Naval Affairs.

S. 894. An act for the relief of Robert H. Wilder; to the Committee on Military Affairs.

S. 921. An act for the relief of C. J. Mast; to the Committee on Claims.

S. 927. An act to amend the act entitled "An act to give war-time rank to retired officers and former officers of the Army, Navy, Marine Corps, and/or Coast Guard of the United States", approved June 21, 1930, so as to give class B officers of the Army benefits of such act; to the Committee on Military Affairs.

S. 929. An act for the relief of the Southern Products Co.;

to the Committee on War Claims.

S. 1016. An act to empower the health officer of the District of Columbia to authorize the opening of graves and the disinterment and reinterment of dead bodies in cases where death has been caused by certain contagious diseases; to the Committee on the District of Columbia.

S. 1027. An act for the relief of Dr. R. N. Harwood; to the

Committee on Claims.

S. 1036. An act authorizing adjustment of the claim of Dr. George W. Ritchey; to the Committee on Claims.

S. 1039. An act authorizing adjustment of the claim of the West India Oil Co.; to the Committee on Claims.

S. 1053. An act authorizing adjustment of the claim of the Rio Grande Southern Railroad Co.; to the Committee on

S. 1054. An act authorizing adjustment of the claim of White Bros. & Co.; to the Committee on Claims.

S. 1057. An act authorizing adjustment of the claim of the Pennsylvania Railroad Co.; to the Committee on Claims.

S. 1059. An act authorizing adjustment of the claim of Francis B. Kennedy; to the Committee on Claims.

S. 1062. An act for the relief of James R. Young; to the Committee on Claims.

S. 1094. An act for the relief of Claude C. Martin; to the Committee on Military Affairs. S. 1110. An act for the relief of A. Randolph Holladay;

to the Committee on Claims.

S. 1121. An act for the relief of Isidor Greenspan; to the Committee on Claims.

S. 1298. An act for the relief of John Z. Lowe; to the Committee on Claims.

S. 1325. An act for the relief of Dino Carbonell; to the Committee on Claims.

S. 1328. An act for the relief of the Snare & Triest Co., now Frederick Snare Corporation; to the Committee on

S. 1347. An act for the relief of Robert J. Smith, alias William McClocklin; to the Committee on Military Affairs.

S. 1363. An act for the relief of John A. Jumer; to the Committee on War Claims.

S. 1390. An act for the relief of Harry L. Reaves; to the Committee on Military Affairs.

S. 1425. An act to amend section 80 of chapter 9 of an act to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898; to the Committee on the Judiciary.

S. 1427. An act for the relief of Lyman I. Collins; to the Committee on Military Affairs.

S. 1487. An act for the relief of Mick C. Cooper; to the Committee on Claims.

S. 1585. An act for the relief of Stefano Talanco and Edith Talanco; to the Committee on Claims.

S. 1616. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory and supplementary thereto; to the Committee on the Judiciary.

S. 1712. An act to amend section 4878 of the United States Revised Statutes, as amended, relating to burials in national cemeteries; to the Committee on Military Affairs.

S. 1781. An act for the relief of George Voeltz; to the Committee on Claims.

S. 1803. An act to authorize the Secretary of War to pay certain expenses incident to the training, attendance, and participation of the equestrian and modern pentathlon teams in the Eleventh Olympic Games; to the Committee on Military Affairs.

S. 1846. An act for the relief of the estate of Anton W. Fischer: to the Committee on Claims.

S. J. Res. 43. Joint resolution for the establishment of a commission for the construction of a Washington-Lincoln Memorial Gettysburg Boulevard connecting the present Lincoln Memorial, in the city of Washington, with the Battlefield of Gettysburg, in the State of Pennsylvania; to the Committee on Roads.

### ENROLLED JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 140. Joint resolution to provide for the completion of the publication of the writings of George Washington.

### BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H. R. 330. An act for the relief of Sophie de Sota;

H. R. 529. An act granting compensation to George S. Conway, Jr.;

H. R. 3373. An act for the relief of Anna S. Carrigan;

H. R. 3982. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River between Rockport, Ind., and Owensboro, Ky.;

H. R. 5701. An act granting the consent of Congress to the State of Indiana to construct, maintain, and operate a free highway bridge across the Wabash River at or near La Fayette, Ind.;

H. J. Res. 94. Joint resolution providing for the participation of the United States in the California-Pacific International Exposition, to be held at San Diego, Calif., in 1935 and 1936, authorizing an appropriation therefor, and for other purposes; and

H. J. Res. 140. Joint resolution to provide for the completion of the publication of the writings of George Washington.

# ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 55 minutes p. m.) the House adjourned until tomorrow, Friday, March 1, 1935, at 12 o'clock noon.

# COMMITTEE HEARING

(Friday, Mar. 1)

COMMITTEE ON THE POST OFFICE AND POST ROADS

Hearing at room 213, House Office Building, tomorrow,

March 1, on bills pertaining to star mail route service.

# EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

238. A letter from the Chief Examiner of the United States Civil Service Commission, transmitting a schedule of papers which are not needed in the transaction of public business and which are of no permanent value or historical interest; to the Committee on Disposition of Useless Papers in the Executive Departments.

239. A letter from the Acting Secretary of the Treasury, transmitting draft of a proposed bill to authorize the acquisition, by purchase, condemnation, or otherwise, of certain land for the extension and remodeling of the post-office building at Jonesboro, Ark.; to the Committee on Public Buildings and Grounds.

# REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII.

Mr. DARDEN: Committee on Naval Affairs. H. R. 5576. A bill to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes; without amendment (Rept. No. 261). Referred to the Committee of the Whole House on the state of the Union.

Mr. RYAN: Committee on Indian Affairs. H. R. 2045. A bill to set aside certain lands for the Leech Lake Band of Chippewa Indians in the State of Minnesota; without amendment (Rept. No. 262). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. House Resolution 117. Resolution to suitably inscribe the bust of former Speaker Joseph G. Cannon; without amendment (Rept. No. 264). Referred to the House Calendar.

Mr. KELLER: Committee on the Library. House Joint Resolution 156. Joint resolution to make available to Congress the services and data of the Interstate Reference Bureau; without amendment (Rept. No. 265). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. H. R. 5732. A bill to authorize an increase in the annual appropriation for books for the adult blind; with amendment (Rept. No. 266). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER. Committee on the Library. House Joint Resolution 147. Joint resolution authorizing the erection of a monument to Grover Cleveland, in Washington, D. C.; without amendment (Rept. No. 268). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. H. R. 5263. A bill to purchase and erect in the city of Washington the group of statuary known as the "Indian Buffalo Hunt"; without amendment (Rept. No. 269). Referred to the Committee of the Whole House on the state of the Union.

Mr. MEAD: Committee on the Post Office and Post Roads. House Report 270. A report on the investigation of the Post Office Department pursuant to House Resolution 226 (72d Cong.), House Resolution 59 (73d Cong.), and House Resolution 33 (74th Cong.). Referred to the Committee of the Whole House on the state of the Union.

Mr. MEAD: Committee on the Post Office and Post Roads. House Report 271. A report on the investigation of the Post Office Department pursuant to House Resolution 226 (72d Cong.), House Resolution 59 (73d Cong.), and House Resolution 33 (74th Cong.). Referred to the Committee of the Whole House on the state of the Union.

Mr. MEAD: Committee on the Post Office and Post Roads. House Report 272. A supplement report on investigation of Federal building materials, payment of architects, bonds, postal leases, vacant bank buildings, pursuant to House Resolution 226 (72d Cong.), House Resolution 59 (73d Cong.), and House Resolution 33 (74th Cong.). Referred to the Committee of the Whole House on the state of the Union.

Mr. MEAD: Committee on the Post Office and Post Roads. House Report 273. A report on the investigation of the Post Office Department, pursuant to House Resolution 226 (72d Cong.), House Resolution 59 (73d Cong.), and House Resolution 33 (74th Cong.). Referred to the Committee of the Whole House on the state of the Union.

# REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. HARTER: Committee on Military Affairs. H. R. 594. A bill for the relief of Roy Beck; without amendment (Rept. No. 260). Referred to the Committee of the Whole House.

Mr. THOMASON: Committee on Military Affairs. H. R. 3800. A bill to authorize the Secretary of War and the Secretary of the Navy to lend Army and Navy equipment for use at the national jamboree of the Boy Scouts of America; without amendment (Rept. No. 263). Referred to the Committee of the Whole House.

Mr. KELLER: Committee on the Library. H. R. 5762. A bill authorizing the President to present, in the name of Congress, a Medal of Honor to Dr. George E. Holtzapple; without amendment (Rept. No. 267). Referred to the Committee of the Whole House.

### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BRUNNER: A bill (H. R. 6278) consolidating the post offices in the County of Queens, N. Y.; to the Committee on the Post Office and Post Roads.

By Mr. ELLENBOGEN: A bill (H. R. 6279) to amend section 2 of the act approved June 30, 1879, so as to permit women to serve on juries in the courts of the United States; to the Committee on the Judiciary.

By Mr. McSWAIN: A bill (H. R. 6280) to encourage home ownership, to revive the building trades, and to relieve unemployment; to the Committee on Banking and Currency.

Also, a bill (H. R. 6281) to create the Farm Homes Corporation, to promote more secure occupancy of farms and farm homes, to correct the economic instability resulting from some present forms of farm tenancy, and for other purposes; to the Committee on Agriculture.

By Mr. ROGERS of Oklahoma (by departmental request): A bill (H. R. 6282) to reduce the area of the Fort Peck irrigation project in the State of Montana, and for other purposes; to the Committee on Indian Affairs.

By Mr. BLAND: A bill (H. R. 6283) to provide for the measurement of vessels using the Panama Canal, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. RANKIN: A bill (H. R. 6284) to amend an act entitled "An act to improve the navigability and to provide for the flood control of the Tennessee River; to provide for reforestation and the proper use of marginal lands in the Tennessee Valley; to provide for the agricultural and industrial development of said valley; to provide for the national defense by the creation of a corporation for the operation of Government properties at and near Muscle Shoals in the State of Alabama, and for other purposes", approved May 18, 1933; to the Committee on Military Affairs.

By Mr. COLE of Maryland: A bill (H. R. 6285) to extend the times for commencing and completing the construction of a bridge across the Chesapeake Bay between Baltimore and Kent Counties, Md.; to the Committee on Interstate and Foreign Commerce.

By Mr. KNUTSON: A bill (H. R. 6286) to authorize the conveyance by the United States to the State of Minnesota of certain lands in Morrison County, Minn.; to the Committee on the Public Lands.

By Mr. SHORT: A bill (H. R. 6287) authorizing and directing the Secretary of the Interior to enroll on the tribal rolls of the Choctaw and Chickasaw Nations all Choctaw and Chickasaw claimants whose names appear in the citizenship cases hereinafter mentioned and who were duly and legally enrolled by the Federal court, and the heirs now living of all such claimants, born prior to the closing of said

tribal rolls by an act of Congress; to the Committee on Indian Affairs.

By Mr. CONNERY: A bill (H. R. 6288) to promote equality of bargaining power between employers and employees, to diminish the causes of labor disputes, to create a National Labor Relations Board, and for other purposes; to the Committee on Labor.

By Mr. DEMPSEY: A bill (H. R. 6289) to grant certain public lands to the State of New Mexico; to the Committee on the Public Lands.

By Mr. DRIVER: A bill (H. R. 6290) to authorize acquisition of land to provide appropriate means of access to the post-office building at Jonesboro, Ark.; to the Committee on Public Buildings and Grounds.

By Mr. ANDREWS of New York: A bill (H. R. 6291) to provide for the payment of veterans' adjusted-service certificates in negotiable bonds of the United States; to the Committee on Ways and Means.

By Mr. KELLER: A bill (H. R. 6292) to provide for the reappointment of Frederic A. Delano as a member of the Board of Regents of the Smithsonian Institution; to the Committee on the Library.

By Mr. BACON: A bill (H. R. 6293) to assure to persons within the jurisdiction of every State the equal protection of the laws by discouraging, preventing, and punishing the crime of lynching; to the Committee on the Judiciary.

By Mr. VINSON of Georgia: Resolution (H. Res. 136) for the consideration of H. R. 4016; to the Committee on Rules.

Also, resolution (H. Res. 137) for the consideration of H. R. 5576; to the Committee on Rules.

Also, resolution (H. Res. 138) for the consideration of H. R. 5577; to the Committee on Rules.

Also, resolution (H. Res. 139) for the consideration of H. R. 5599; to the Committee on Rules.

By Mr. RANKIN: Joint resolution (H. J. Res. 191) to extend the period of suspension of the limitation governing the filing of suit under section 19, World War Veterans' Act, 1924, as amended; to the Committee on World War Veterans' Legislation.

By Mr. SNELL: Joint resolution (H. J. Res. 192) making available appropriations for relief purposes; to the Committee on Appropriations.

# PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CARTER: A bill (H. R. 6294) for the relief of Fred Harker; to the Committee on Military Affairs.

By Mr. DORSEY: A bill (H. R. 6295) for the relief of Edna Broome; to the Committee on Claims.

By Mr. GEHRMANN: A bill (H. R. 6296) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Mary Sero Johnson (nee Mary Sero); to the Committee on Indian Affairs.

By Mr. HOFFMAN: A bill (H. R. 6297) for the relief of Leon Frederick Ruggles; to the Committee on Claims.

By Mr. JENKINS of Ohio: A bill (H. R. 6298) granting an increase of pension to Agnes Bentley; to the Committee on Invalid Pensions.

By Mr. McFARLANE: A bill (H. R. 6299) granting an increase of pension to D. H. Waide; to the Committee on Pensions.

By Mr. MEEKS: A bill (H. R. 6300) granting a pension to James M. Wilson; to the Committee on Pensions.

By Mr. NELSON: A bill (H. R. 6301) granting a pension to Sadie Saunders; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6302) granting a pension to Emma J. Rose; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6303) granting an increase of pension to Dora Reynolds; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6304) granting a pension to Margaret Scofield; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6305) granting an increase of pension to Sarah I. Tomlin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6306) granting an increase of pension to Mary E. Van Treese; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6307) granting an increase of pension to Eliza J. Kennedy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6308) granting an increase of pension to Martha Ann Parsley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6309) granting an increase of pension to Mary F. Hudgens; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6310) granting an increase of pension to Martha E. Humphreys; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6311) granting an increase of pension to Anna Laird; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6312) granting an increase of pension to Analiza Robb; to the Committee on Invalid Pensions.

By Mr. REECE: A bill (H. R. 6313) granting a pension to James A. Holley; to the Committee on Pensions.

By Mr. ZIONCHECK: A bill (H. R. 6314) for the relief of Ludwig Rose; to the Committee on Claims.

### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2187. By Mr. ANDREW of Massachusetts: Petition of the General Court of Massachusetts, favoring adoption by the Senate of the United States of a resolution now pending before it relating to religious persecution in Mexico; to the Committee on Foreign Affairs.

2188. By Mr. BOYLAN: Letter from the LaManna, Azema & Farnam Co., Inc., New York City, protesting against the passage of the Bland bill (H. R. 70); to the Committee on Ways and Means.

2189. Also, petition signed by W. L. Husband and other residents of New York City, opposing the passage of the Wheeler-Rayburn public-utility bill; to the Committee on Interstate and Foreign Commerce.

2190. By Mr. BUCKLER of Minnesota: Petition of W. W. Adams, secretary, and O. A. Mittelstadt and other members of the resolution committee of the Fergus Falls (Minn.) Townsend Plan Club, praying for immediate consideration and passage into law of the Townsend old-age-pension plan; to the Committee on Ways and Means.

2191. Also, petition of R. H. McFarlin, adjutant, and members of the Nels T. Wold Post, No. 20, of the American Legion, Department of Minnesota, of Crookston and vicinity in Minnesota, favoring the Vinson bill (H. R. 3896) to make the immediate cash payment of the soldiers' adjusted-service certificates; to the Committee on Ways and Means.

2192. By Mr. CITRON: Petition of the Common Council of the City of New Britain, Conn., approving a General Pulaski Memorial Day; to the Committee on the Judiciary.

2193. By Mr. DELANEY: Petition of Gen. John R. Brooke Camp, No. 28, National Indian War Veterans, United States Army, of New York, urging the passage of House bill 2857; to the Committee on Ways and Means.

2194. By Mr. DIETRICH: Petition of Group No. 1372 of the Polish National Alliance of the United States of North America, Forest City, Pa., urging favorable action by Congress on House Joint Resolution 81 and Senate Joint Resolution 11, directing the President of the United States to proclaim October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

2195. Also, 25 petitions signed by many residents of the Fifteenth Congressional District of Pennsylvania, urging the defeat of Senate bill 1725 and House bill 5423, known as the "Public Utility Act of 1935"; to the Committee on Interstate and Foreign Commerce.

2196. By Mr. FORD of California: Resolution of the City Council of Los Angeles, expressing approval of the President's plan of relief by the construction of worth-while projects in order to provide employment to those needing it, and urging the Representatives from the city of Los Angeles and the California Senators to support the President's plan of relief to the fullest of their ability; to the Committee on Appropriations.

2197. By Mr. GOODWIN: Petition of Walter Barber and other citizens of Monticello, Sullivan County, N. Y., protesting against the enactment of the public-utility bills (S. 1725 and H. R. 5423); to the Committee on Interstate and Foreign Commerce.

2198. Also, petition of citizens of Maplecrest, Hensonville, Ashland, and Windham, Greene County, N. Y., protesting against the enactment of the public-utility bills (S. 1725 and H. R. 5423); to the Committee on Interstate and Foreign Commerce.

2199. Also, petition of 136 residents of the town of Liberty, Sullivan County, N. Y., protesting against the enactment of the public-utility bills (S. 1725 and H. R. 5423); to the Committee on Interstate and Foreign Commerce.

2200. Also, petition of 176 residents of Sullivan County, N. Y., protesting against the enactment of the public-utility bills (S. 1725 and H. R. 5423); to the Committee on Interstate and Foreign Commerce.

2201. By Mr. HAINES: Petitions signed by approximately 924 residents of the Twenty-second Congressional District of Pennsylvania, protesting against the enactment the publicutility bill (H. R. 5423); to the Committee on Interstate and Foreign Commerce.

2202. By Mr. HART: Memorial of the Board of Commissioners of the City of Newark, memorializing the Congress of the United States to pass the General Pulaski's Memorial Day resolution; to the Committee on the Judiciary.

2203. By Mr. HULL: Petition of Dr. F. K. Laramy, of Chippewa Falls, Wis., and 216 others, memorializing Congress to enact into law the Townsend revolving old-age pension plan; to the Committee on Ways and Means.

2204. Also, resolution of the Wisconsin State Legislature, memorializing Congress to pass uniform laws regulating motor vehicles in interstate service; to the Committee on Interstate and Foreign Commerce.

2205. Also, resolution of Group No. 646 of the Polish National Alliance of the United States of America, Thorp, Wis., memorializing Congress to enact House Joint Resolution 81 and Senate Joint Resolution 11, directing the President of the United States to proclaim October 11 of each year as General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

2206. Also, petition of William R. Hudson and 32 others, of Unity, Wis., regarding the immediate payment of the soldiers' bonus; to the Committee on Ways and Means.

2207. Also, memorial of the Wisconsin State Legislature, memorializing Congress to amend the Constitution of the United States to provide for a referendum of the people before war can be declared; to the Committee on the Judiciary.

2208. Also, joint resolution of the Wisconsin State Legislature, memorializing Congress to make the manufacture and sale of munitions of war a monopoly of the Federal Government to take the profit out of war; to the Committee on Military Affairs.

2209. Also, joint resolution of the Wisconsin State Legislature, memorializing the Congress to provide for public-power development and especially rural electrification in the upper Mississippi Valley as proposed in pending bills in Congress; to the Committee on Military Affairs.

2210. By Mr. JENKINS of Ohio: Petition signed by 21 furloughed railroad men, asking for legislation to regulate mileage basis of 26 days a month instead of 38 days as is now in force; to the Committee on Interstate and Foreign Commerce.

2211. By Mr. KENNEY: Resolution memoralizing the Congress of the United States to pass, and the President of the United States to approve if passed, the General Pulaski's Memorial Day resolution now pending in Congress; to the Committee on the Judiciary.

2212. Also, joint resolution adopted by the State of New Jersey, memorializing the Congress of the United States to adopt measures directed against mob violence and lynching; to the Committee on the Judiciary.

2213. By Mr. MEAD: Petition of Metal Polishers Union, of Buffalo, N. Y., favoring the Connery 30-hour-week bill; to the Committee on Labor.

2214. By Mr. MERRITT of New York: Petition of Matthew J. Fischer and other citizens of Brewster, N. Y., urging Congress to defeat the public-utility bills (S. 1725 and H. R. 5423); to the Committee on Interstate and Foreign Commerce.

2215. By Mr. MERRITT of Connecticut: Petition of employees of the Bullard Co., Bridgeport, Conn., protesting against the passage of the Black-Connery 30-hour-week bill; to the Committee on Labor.

2216. By Mr. MILLARD: Petition signed by residents in Westchester County, N. Y., opposing enactment of the holding-company bill; to the Committee on Interstate and Foreign Commerce.

2217. Also, petition signed by residents of Rockland County, N. Y., opposing enactment of the holding-company bill; to the Committee on Interstate and Foreign Commerce.

2218. By Mr. NELSON: Petition of citizens of Eldon, Mo., asking for changes in law relating to star routes; to the Committee on the Post Office and Post Roads.

2219. By Mr. O'CONNELL: Resolution memorializing the Congress of the United States to pass, and the President of the United States to approve, if passed, the General Pulaski's Memorial Day resolution now pending in Congress; to the Committee on the Judiciary.

2220. By Mr. PETERSON of Georgia: Petition of the City Council of the City of Savannah, requesting Congress to approve the General Pulaski's Memorial Day resolution; to the Committee on the Judiciary.

2221. By Mr. PFEIFER: Petition of the Permatex Co., Inc., Sheepshead Bay, N. Y., concerning the 30-hour-week bill; to the Committee on Labor.

2222. Also, petition of the Falcon Packing Co., Inc., New York City, favoring reenactment of 4-cent excise tax on copper imports in the new revenue bill; to the Committee on Ways and Means.

2223. Also, petition of the National Guage Corporation, Brooklyn, N. Y., opposing the Connery bill (H. R. 2746); to the Committee on Labor.

2224. Also, resolution of the Women's International League for Peace and Freedom, New York City, protesting against the \$1,000,000,000 defense program; to the Committee on Military Affairs.

2225. By Mr. PITTENGER: Petitions from Harry Wing, H. G. Seaman, Joseph Schley, Irene Johnson, and others, relating to old-age pensions; to the Committee on Ways and Means.

2226. By Mr. ROGERS of Oklahoma: Petitions of citizens of the State of New Mexico, residents of the county of San Miguel, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, the Pope plan for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2227. Also, petitions of citizens of the State of Kentucky, residents of Jefferson, Marshall, and Monroe Counties, all numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, the Pope plan for direct, Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2228. Also, petitions of citizens of the State of Illinois, residents of the county of Cook, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, the Pope plan for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2229. Also, petitions of citizens of the State of North Carolina, residents of Mecklenburg, Spray, and Wilson Counties, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, the Pope plan for direct Nation-wide impartial system of small, reasonable

pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2230. Also, petitions of citizens of the State of Missouri, in the county of Howell, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, the Pope plan for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2231. Also, petitions of citizens of the State of Oklahoma, residents of Camanche, Dewey, Le Flore, and Love Counties, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, the Pope plan for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2232. Also, petitions of citizens of the State of Ohio, residents of the county of Stark, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, the Pope plan for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2233. Also, petitions of citizens of the State of Louisiana, residents of Evangeline, Morehouse, and Vernon Parishes, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, the Pope plan for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2234. Also, petition of citizens of the State of Alabama, residents of the county of Greene, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, the Pope plan for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2235. Also, petition of citizens of the State of Arkansas, residents of Bradley, Cross, Jefferson, and Sevier Counties, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, the Pope plan for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation, or State interference; to the Committee on Ways and Means.

2236. Also, petitions of citizens of the State of Georgia, residents of Habersham and Richmond Counties, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, the Pope plan for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation, or State interference; to the Committee on Ways and Means.

2237. Also, petitions of citizens of the State of Mississippi, residents of Holmes, Leake, Leflore, Sunflower, and Webster Counties, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, the Pope plan for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation, or State interference; to the Committee on Ways and Means.

2238. Also, petitions of citizens of the State of Tennessee, residents of Dyer, Madison, McMinn, and Shelby Counties, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, the Pope plan for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation, or State interference; to the Committee on Ways and Means.

2239. Also, petitions of citizens of the State of Texas, residents of Falls, Houston, Hamilton, Montague, McCulloch, Madison, Navarro, San Saba, Victoria, Waller, Wharton, and Williamson Counties, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, the Pope plan for direct Nation-wide impartial system of small reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2240. Also, petitions of citizens of the State of Virginia, residents of Grayson, Tazewell, Washington, Wythe, and Wise Counties, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, the Pope plan for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2241. Also, petition of citizens of the State of South Carolina, residents of the county of Pickens, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, the Pope plan for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2242. By Mr. ROGERS of New Hampshire: Petition of the Alfred Gooding Guild, of Portsmouth, N. H., by John W. Anderson, president, and Ernestine L. Cleary, secretary, urging the adoption by Congress of antilynching legislation; to the Committee on the Judiciary.

2243. Also, petition of the common council of the city of Portsmouth, N. H., by Robert W. Marvin, mayor, and Peter J. Hickey, city clerk, recommending the designation of October 11 of each year as General Pulaski's memorial day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

2244. Also, petition of Group No. 2745 of the Polish National Alliance of the United States, Manchester, N. H., recommending the designation of October 11 of each year as General Pulaski's memorial day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

2245. By Mrs. ROGERS of Massachusetts: Memorial of the Massachusetts Senate and House of Representatives, favoring the adoption by the Senate of the United States of a resolution relative to religious persecution in Mexico; to the Committee on Foreign Affairs.

2246. By Mr. RUDD: Petition of Evelyn Copeland, Brooklyn, N. Y., concerning the public-utility bill (H. R. 5423); to the Committee on Interstate and Foreign Commerce.

2247. Also, memorial of the assembly, legislature of the State of New York, favoring the Rudd bill (H. R. 6) authorizing the Postmaster General to construct underground pneumatic tubes for the transmission of mail between the general post office in Brooklyn and the Floyd Bennett Field, Barron Island, Brooklyn, N. Y.; to the Committee on the Post Offices and Post Roads.

2248. By Mr. TAYLOR of Colorado: Petition of Jessie Caviness and 103 other citizens of Montezuma and San Juan Counties, Colo., urging passage of House bill 2856, the Pope plan for direct Federal old-age pensions of \$30 per month; to the Committee on Ways and Means.

2249. By Mr. SANDERS of Texas: Petition of certain citizens resident of Canton, county of Van Zandt, State of Texas, numerously signed, urging enactment of House bill 2856, by Representative WILL ROGERS, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

2250. Also, petition of citizens of Smith County, Tex., urging passage of an old-age pension bill as sponsored by Hon. Will Rogers, of Oklahoma; to the Committee on Ways and Means.

2251. Also, petition of citizens of Mineola, in the State of Texas, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2252. Also, petition of citizens of Longview, in the State of Texas, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2253. Also, petition of citizens of Tyler, in the State of Texas, numerously signed, urging the passage of House bill 2856, by Congressman Will Rocers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2254. Also, petition of citizens of Bullard, Smith County, Tex., urging passage of old-age pension legislation; to the Committee on Ways and Means.

2255. By Mr. SMITH of Connecticut: Petition of the Connecticut Farmers Cooperative Auction Association, signed by Philip J. Wadhams, auction master, favoring passage of House bill 5802; to the Committee on Ways and Means.

2256. By Mr. TARVER: Petition of Rev. N. R. Hogan and 46 other citizens of Murray County, Ga., favoring oldage pensions; to the Committee on Ways and Means.

2257. By Mr. TRUAX: Petition of Stenographers, Typists, Bookkeepers, and Assistants Federal Labor Union, Toledo, Ohio, by their recording secretary, Elizabeth Connors, favoring Senate Resolution No. 69, introduced in the Senate by Senator Lewis B. Schwellenbach, of the State of Washington, thinking that a thorough congressional investigation of the entire automobile industry will convey to Congress and to the public generally of the intolerable conditions existing in the automobile industry; to the Committee on Labor.

2258. Also, petition of Painters, Decorators, and Paper-hangers of America, Union No. 7, Toledo, Ohio, by their recording secretary, C. E. Thomas, urging support of Senate Resolution 69, introduced by Hon. Lewis B. Schwellenbach, of Washington; to the Committee on Labor.

2259. Also, petition of Westminster Foundation and Memorial Presbyterian Church, by Eliot Porter, urging church pension amendment to the economic-security bill; to the Committee on Ways and Means.

2260. Also, petition of the Colored Men's Council, Springfield, Ohio, by their secretary, Roy H. Howard, respectfully requesting their Congressmen to support the Wagner-Costigan bill, or any similar act directed against lynching; to the Committee on the Judiciary.

2261. Also, petition of Fremont Post, No. 2947, Veterans of Foreign Wars, Fremont, Ohio, by their commander, Carl R. Stine, requesting support of House bill 1, introduced by Representative WRIGHT PATMAN, of Texas, which calls for the immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

2262. Also, petition of Stenographers, Typists, Bookkeepers, and Assistants Federal Labor Union, No. 19708, of Toledo, Ohio, by their recording secretary, Elizabeth Connors, favoring the adoption of the McCarran amendment to the Public Works relief measure; to the Committee on Labor.

2263. By Mr. TURNER: Petition of citizens of Iron City and Cypress Inn, in the State of Tennessee, numerously signed, urging the passage of House bill 2856, by Congressman Will Rocks, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2264. Also, petition of citizens of Hohenwald, in the State of Tennessee, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2265. Also, petition of citizens of Prospect, in the State of Tennessee, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, of Oklahoma, for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2266. By the SPEAKER: Petition of the Common Council of the City of Portsmouth, N. H.; to the Committee on the Judiciary.

2267. Also, petition of the Common Council of the City of Stamford, Conn.; to the Committee on the Judiciary.

2268. Also, petition of the City Council of the City of San Diego, Calif.; to the Committee on Ways and Means.

2269. Also, petition of the Junker-Ball Post, No. 1865, Veterans of Foreign Wars; to the Committee on Ways and Means.

2270. Also, petition of the Board of Commissioners of the City of Newark, N. J.; to the Committee on the Judiciary. 2271. Also, petition of the City Council of the City of Worcester, Mass.; to the Committee on the Judiciary.

2272. Also, petition of the Common Council of the City of

Quincy, Ill.; to the Committee on the Judiciary.

2273. Also, petition of the Board of Supervisors of the County of Alameda, Calif.; to the Committee on Ways and Means.

2274. Also, petition from the City of Savannah, Ga.; to the Committee on the Judiciary.

2275. Also, petition of the Rotary Club, of Greeneville,

Tenn; to the Committee on the Public Lands.
2276. Also, petition of the Common Council of the City of

Poughkeepsie, N. Y.; to the Committee on the Judiciary. 2277. Also, petition of the Board of Commissioners of the City of Salt Lake, Utah; to the Committee on the Judiciary.

2278. Also, petition of the Alfred Gooding Guild, Young People's Religious Union of the South Church; to the Committee on the Judiciary.

2279. Also, petition of the Board of Representatives of the City of Tampa, Fla.; to the Committee on the Judiciary.

2280. Also, petition of Group No. 56 of the Polish National Alliance; to the Committee on the Judiciary.

2281. Also, petition of the Common Council of the City of Springfield, Ill.; to the Committee on the Judiciary.

2282. Also, petition of the Shreveport Chamber of Commerce, Shreveport, La.; to the Committee on Ways and Means.

# HOUSE OF REPRESENTATIVES

FRIDAY, MARCH 1, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Merciful God, we swing the incense of praise and thanksgiving before the altar of the Lord. Here we would dedicate
the things we love and the manifold spiritual gifts of our
God; O breathe upon them like the light that falls upon the
hills of earth. The injunction of Thy holy Word is with us:
"Commit Thy way unto the Lord." Any purpose in any
worthy ambition, any way we are called to tread, Heavenly
Father, fortify us with Thy unerring guidance. By faith
may we take Thy assuring promise about the circuit of our
lives, keeping ourselves unchilled by the blasts of sin.
Throughout our country, bless all unifying forces which are
enriching brotherhood and creating mutual bonds of loving
and reverent attachment. Through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

### COMMITTEE ON AGRICULTURE

Mr. JONES. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may be privileged to meet this afternoon during the session of the House.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

### BATTLE MONUMENTS

Mr. HILL of Alabama. Mr. Speaker, by direction of the Committee on Military Affairs, I ask unanimous consent that House Joint Resolution 178, directing the American Battle Monuments Commission or its successor to restore the inscriptions obliterated from the Three Hundred and Sixteenth Infantry Memorial erected by a French organization on property of that organization at Sillon-Fontaine (Cote 378), Territoire de Sivry-sur-Meuse, be recommitted to the Committee on Military Affairs.

Mr. SNELL. Mr. Speaker, reserving the right to object, and I shall not object, what is the nature of the resolution?

Mr. HILL of Alabama. It is a joint resolution directing the American Battle Monuments Commission to restore certain inscriptions on monuments erected abroad.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

### PERMISSION TO ADDRESS THE HOUSE

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. COCHRAN. Several years ago the Congress authorized at considerable cost that there be prepared an annotation of the act to regulate commerce. That work was performed; six volumes were issued, bound, and every Member of the House received three or four bound sets through the folding room. There has just been issued three additional volumes. No provision has been made for binding. The Members of the House are entitled to one copy from the document room; but, I repeat, no provisions have been made to print and bind additional copies and send them through the folding room so that Members can have a complete set.

I should like to ask the gentleman from North Carolina [Mr. Lambeth], a member of the Joint Committee on Printing, if he will take this up with the Joint Committee on Printing and see what arrangements can be made for the binding of the three additional volumes and their distribution to the Members through the folding room.

Mr. MICHENER. Are they in the folding room at the present time?

Mr. COCHRAN. No. But they should be printed and bound and sent through the folding room. As I said, there is in the document room a set of the three new volumes for every Member, but they are not bound.

Mr. LAMBETH. Mr. Speaker, replying to the gentleman from Missouri, the matter the gentleman calls to the attention of the House is entirely new to me. The gentleman might take it up with the Joint Committee on Printing.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that I may be permitted to address the House for 10 minutes after the disposition of business on the Speaker's table and the special orders for today.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER. Under the special order of the House the gentleman from Ohio [Mr. Harlan] is recognized for 10 minutes.

Mr. HARLAN. Mr. Speaker, the remarks of the gentleman from Massachusetts [Mr. Treadway] yesterday morning, concerning the Belgian Reciprocity Treaty, was but a repetition of the old argument that has been so often repeated here. "The treaty was produced by star-chamber methods and by this proceeding we had given away the inalienable rights of American farmers and laborers to make their own living by permitting Belgian imports to come into the United States." He was most scrupulous not to include in his remarks any of the concessions that Belgium had made to our exporters.

This has been the constant policy of all speakers arguing against these reciprocity treaties, and it brings to light the real and only issue that there is in the whole question. That is: Shall we continue to conduct our whole national life for the benefit of those manufacturers who produce exclusively for the home market and cut the throat of all producers who gain their livelihood out of manufacturing in the United States and exporting abroad? We may take the records of imports and exports back through the years and we will find that imports of goods plus imports of services, which includes money paid out to foreign investors for interest, carriage charges, and money spent by our tourists abroad, will equal our exports. Prior to the World War, because of extensive tourist travel, large foreign investments in the United States, and the fact that we had little or no merchant marine to

carry our goods, allowed us to bask in the pleasure of a very satisfactory, so-called "balance of trade." But it is obvious that there is no real favorable balance of trade. Exports and imports must balance. They always have and they always will. Occasionally there is a slight difference in balance from year to year, or from one country to another, made up by some triangular method of balancing the trade accounts through three or more countries; but in the long run exports equal imports and every import duty that we impose prevents our exporters from just that same amount of business that the import duty shuts out from our home market.

Prior to the depression our production for exports amounted to about 10 percent of our total production. This meant that between two and three million families of the United States were living off manufacture or agriculture intended for export. Prior to the institution of our tariff policy, this ratio was very much increased; but gradually, through the imposition of import duties, we have reduced our export business, and it is hard to see by what right any country can tell one class of people that they may work and tell another that they must not.

Under our tariff policy it has in the past been very unfortunate that exporters had no way of protecting themselves. Take the cotton producers, whom the gentleman from Georgia [Mr. Castellowl discussed in a humorous way the other day; they produce very largely for export. They sell on a world market, and they are victimized by our tariff policy in two ways. First, they have to buy on a protected market; and, second, every import duty imposed in the interest of the domestic producer automatically shuts off the possibility of the cotton grower and other exporters to sell on the world market. Countries that buy cotton insist on buying cotton where they can sell their own goods in exchange. The result is that we are gradually losing this business. Russia, India, Africa, and Asia Minor are all producing cotton and increasing their production as we gradually retire from the world market.

The only request our exporters make is to be given a fair opportunity to function. They can and do pay our wage scale. In fact, it is largely due to these industries that we have the high wage scale that we have. These industries ask no favors on the world market. They have been built up by the biggest free-trade market in the world, 48 sovereign States that have no trade barriers between them; and, built upon that foundation, they are ready to battle the world for business. It is because of their invincibility that foreign countries have placed high tariff walls against all of our products.

The ludicrous situation of the United States placing tariff walls against cheap foreign labor and foreign countries placing the same tariff walls against American productive efficiency ought to be apparent to everyone. One example might be interesting. A few years ago our electric industry raised a cry against Japanese light bulbs, claiming that our market was being destroyed by cheap Japanese labor; and now the General Electric Co., as the result of that stimulating competition, has produced a 10-cent incandescent bulb of better quality than the imported one, and has not lowered wages in the process.

These reciprocity treaties now being negotiated are designed to allow our exporters at least a little leeway in the world market and at the same time cause no injury to the domestic market. The gentleman from Massachusetts says that the Belgian treaty was negotiated by "star chamber" methods. The records show that the Tariff Commission sent out notices through every recognized publicity channel on September 4 whereby everyone who manufactured any commodity that we export to Belgium, or who produced any commodity that Belgium sends to us, could be heard as to the condition of their respective businesses. Briefs were to be filed on October 22. Oral hearings were set for October 29. I have before me a picture of the bound volumes of those hearings. They consist of 15 large volumes of testimony taken for this treaty with one nation

alone—an accomplishment which no committee of this Congress ever attempted to duplicate in times past.

In addition to that, the Department of State had the benefit of all the information accumulated by our commercial and diplomatic agents abroad and by our Department of Commerce at home. Every available instrumentality was at hand to construct a scientific tariff treaty as opposed to the logrolling, vote-getting, wholly unscientific methods that we have used in the past.

The gentleman complains that the authority which the Congress granted to the President to negotiate these treaties is unconstitutional. That has been argued so many times that further words are useless. It just simply is not borne out by the facts. A peculiar incident to this particular treaty is that the Belgium representative, the Honorable Pierre Forthomme, was operating under a Belgian law identical with our own, which did not require parliamentary confirmation for the treaty. Belgium, like many commercial nations, has been operating under such a law for a number of years, while this country, under that alleged able Republican leadership so frequently eulogized on this floor, was inactive and asleep, sitting beyond a tariff wall with no adequate means to protect our trade either at home or abroad. With our antiquated method of tariff protection, we had just as much chance in competition with foreign countries as a Missouri mule would have in a race with an Equipoise.

In discussing the Cuban Reciprocity Treaty we showed how through the years foreign nations had gradually taken this market away from us. The same is true of Belgium. In 1926 we were third in supplying Belgium with imports. In 1933 we dropped to fifth. Our own imports from Belgium in the meantime had dropped exactly 50 percent. To anyone who argues that imports are an evil and that if we would just shut them off and develop our own markets we would be in prosperity at once, it is hard to conceive why this great reduction in imports did not contribute a little to our prosperity.

The simple fact is that this treaty probably gives a greater protection to American producers than did the old treaty of 1875, because we are now able to terminate the treaty within 30 days in the event of unfavorable monetary fluctuations. Under the old law we were helpless. We are now able, if some other country under the most-favored-nation clause takes advantage of the Belgian treaty and floods our market, to cancel the Belgian treaty on that particular commodity. Under the old treaty we were almost defenseless.

Further than that, under this treaty we are protected against an upward revision of import duties by Belgium on a number of commodities, even though Belgium does increase these duties against other countries. The Washington Post for yesterday contained a very good summary of the provision of the treaty:

### BELGIAN REDUCTIONS LISTED

Belgium, in exchange, reduced its tariffs by 15 percent on assembled automobiles, 64 to 80 percent on 11 classifications of automobile parts, which, if applied to all automobile parts, would be an average reduction of 50 percent; approximately 50 percent on grapefruit, dried peaches, and fresh pears; 15 to 20 percent on radios and radio parts, on canned pilchards or California sardines, and prupes

The Belgians agreed to bind or freeze the existing quota on apples, leaving the rates unchanged at about 20 percent ad valorem. The quota on American lard, on the free list, was raised to 3,207,000 kilos, while the quota on pork products was raised to 1,044,000 kilos. In each of these cases the new quota represents the annual average imported from the United States in the 1929–33 period. In 1933, however, Belgium bought only about 28,000 kilos of American pork meat.

The quota on women's silk hosiery was raised from 1,400 kilos to 6,000 kilos, and on clothing for women from 3,500 kilos to 6,000 kilos. The quota on collars and cuffs was increased from 350 kilos to 1,000 kilos. In the case of dictating machines and cylinders for them, a 9-percent luxury tax was suppressed.

Pertinent to this discussion, a few additional remarks might be made in answer to some of the arguments that have been brought up as to the Cuban Reciprocity Treaty. The gentleman from Maine [Mr. Brewster] prophesied that the lowering of duty on Cuban potatoes would wreck the American market. In the month of September following the adoption of the reciprocity treaty our exports of potatoes to Cuba trebled as compared to those of the same month the year before. In the following month we shipped to Cuba over 284,000 bushels of potatoes, and in the same month we sent them 1,083 tons of lumber. Two of the principal industries of Maine are lumber and potatoes.

The attitude of the people of Maine toward this Cuban Reciprocity Treaty as distinguished from that of one of their illustrious congressional representatives [Mr. Brewster] is set out in an Associated Press dispatch from Houlton, Maine, dated October 17. No one, so far as I know, has ever accused the Associated Press of being Democratic in sentiment or particularly prejudiced in favor of the present administration. The dispatch reads:

HOULTON, MAINE, October 16.—An unprecedented demand from Cuba for Maine potatoes brought encouragement today to the distressed planters in Aroostook County, Maine's vast potato

empire.
With their product bringing only 50 cents a barrel, less than the cost of raising, and 15 percent of the crop snowed under by last Friday's storm, the outlook heretofore this season has been

gloomy indeed.

But the central potato-inspection office announced today that a Cuban tariff on Canadian potatoes and a prospective duty on American exports to become effective November 1 has resulted in a sudden demand for 80,000 sacks of Maine "spuds."

Sixty-two carloads are now being loaded on board a vessel at Searsport, and buyers now in the county have orders for 100 car-

loads more

The rush of export business prompted Commissioner of Agriculture Frank P. Washburn to increase the size of the inspection staff here. Washburn said the demand was the outstanding export business for Aroostook County in the past few years, and expressed the hope that it might be retained under the new tariff arrange-

ments.

Last year Cuba bought most of its potatoes in Canada. While the temporary advantage which American producers now enjoy as a result of the tariff on Canadian exports will be reduced after November 1, the duty on shipments from the United States is expected to be less than that on exports from the Dominion.

In 1929 Maine exported commodities to the amount of \$9 for every man, woman, and child in the State. By 1933 this had fallen to about \$2 per capita, and yet the gentleman from Maine [Mr. Brewster] advocates that we discontinue all efforts of the Government to bring back this condition to

On two or three occasions when reciprocity treaties were being discussed it has been brought to the attention of the House that one of our Ohio colleagues on the Democratic side has endeavored to create a bloc to sabotage the President's program and defeat his efforts to restore agriculture and industry in this country through reciprocity treaties. A letter has been read into the RECORD on two different occasions, purporting to be signed by one of my Ohio Democratic colleagues, calling such a meeting. I may say that I never attended such a meeting, and from the fact that no action was taken, I doubt if any such meeting was held; but if it were, I suppose the Members on the Democratic side are as susceptible to lobbying influence as other human beings.

The fact of the matter is that for anyone desiring to keep himself in Congress there is no inducement to vote for anything but a high-tariff schedule, because the ones interested in tariff protection are pouring in thousands of letters. Those who are injured by tariff protection have no way of knowing when they are going to be injured, or at least did not have until these reciprocity hearings were held, and have been perfectly indifferent to the matter. A manufacturer of cotton goods or shoes, for example, who ships to Switzerland does not know that the tariff on Swiss cheese or watches would preclude him from this market. The watch manufacturers and the cheese manufacturers are storming Congress for a tariff, but there is no one to speak for the exporter. The result is that unless a Congressman happens to be somewhat interested in the general welfare of the country, there is no inducement for him to vote other than in favor of protection. It is this situation that has placed us in our present deplorable situation.

For the benefit of my Ohio colleagues may I say that in 1929 the 1,500,000 Ohio families received an average of \$130 per month out of Ohio exports. In 1932 this was reduced

to \$30 per family, a clear loss of \$150,000,000 to Ohio. Yet some insignificant pottery concern or glass manufacturer will ask that all of this loss be sustained by the people generally so that he can expand his already inefficient

Until we succeed in getting rid of a great many of these irritating, unscientific, foolish tariff walls, any talk of disarmament or world peace is the merest twaddle. Tariff wars make military wars inevitable. Furthermore, unless the United States, through lowering of tariff walls, is able to expand its trade, any discontinuance of our uneconomic agricultural policy of limiting the acreage and paying people not to produce crops is utterly impossible. How it is mentally possible for a gentleman on the Republican side to argue against our processing tax and at the same time argue in favor of high tariffs is an unsolved riddle. As long as by the tariff we shut out our agriculture from exporting abroad we will have to supply for it a substitute for the tariff which we give to industry, and that substitute is the processing tax. To argue for the tariff and against the processing tax is the quintessence of hypocrisy.

To those on my own side of the House who may be persuaded to yield to the pressure of the lobbies, I wish to read a letter which I received from one of my Republican constituents yesterday:

DAYTON, OHIO, February 25, 1935.

Hon. Byron B. HARLAN,

Member of Congress, House of Representatives

Washington, D. C. My Dear Byron: It seems very strange to me, indeed, that so many people elected to Congress and the Senate in the great Democratic landslide have gotten the idea that they were "it", when the fact of the matter is that if it had not been for a Democratic landslide which put them into office they would have been snowed under. Of course, now that they are Members of Congress or the Senate, they think they can lead the way for the President, who has really given a lot of thought to the difficulties in which the country has been, and from which he is rapidly drawing us out. drawing us out.

drawing us out.

You fellows in Congress should just sit down and reason out a little bit and think of the many things that the President has done and is trying to do, when for 4 years prior to his taking office we simply sat in the mud and hollered for help and received none.

I am sending a copy of this to Senator —, and this coming as you know from an old-time Republican, I want you to distinctly understand that my views are with the one real man with brains in Washington today who is doing any thinking and that is the President, Franklin D. Roosevelt; and it seems to me that he has enough opposition outside without being lambasted within his own party by so-called "Congressmen" who slid in on a land-slide and did not know what happened to them until they woke up and found themselves elected to Congress.

I am enclosing herewith an article taken from today's issue of

I am enclosing herewith an article taken from today's issue of the Dayton Journal, which as you know is a Republican sheet, and it serves to show the Members of Congress and the Senate just what the people are thinking of them and the President. My idea is that all of you better get behind the President and back him, because there were not enough brains nor original thoughts in Congress or the Senate for 4 years to do anything to help us out

of the hole. Very sincerely,

The SPEAKER. Under the special order, the gentleman from Mississippi [Mr. RANKIN] is recognized for 10 minutes.

THE HAND OF ESAU AND THE VOICE OF JACOB

Mr. RANKIN. Mr. Speaker, this Congress is being flooded with inspired, prepared propaganda in the interest of the Power Trust, and especially the holding companies, in their desperate efforts to defeat pending legislation, particularly the Wheeler-Rayburn bill. It is another case of "the hand of Esau and the voice of Jacob." They are using their victims, the people whom they have plundered through the sale of watered stocks, to fight their battles by inducing them to write to their Congressmen in the interest of these utility companies, or to send Congressmen letters which they have written and sent their stockholders for that purpose.

The way they have plundered these innocent purchasers of watered stock and are now trying to organize their deluded victims, and are organizing them and misleading them into defending their marauders, reminds me of those other racketeers who do not even pretend to be respectable, who murder a man, rob his home, and then seize his widow and orphans and use them as a shield for their escape. It is one of the most inhuman systems of legalized thievery that has ever come to the notice of the American Congress.

I have before me some samples of their letters, wherein they write their stockholders to either write or wire immediately to their Representative in Congress in their behalf. With this letter is enclosed an appeal issued by representatives of some of these large holding companies, with the names of the officials, usually the president of the company or chairman of the board, as the ones who are sponsoring the appeal.

I am going to call your attention to some facts connected with these names. In the first place, I want to remind you of the fact that the companies represented here are among the ones whose stocks have gone down to almost nothing. I am going to take them as I come to them, and if you will bear with me, I will read the entire list into the RECORD.

I read to you the other day where President Roosevelt denounced their practices as "theft within the law." In my opinion, as I said then, there has not been such a saturnalia of legalized thievery practiced upon an unsuspecting public since organized governments began.

We will take the first one-the American Gas & Electric Co. In 1928 the president of that company, whose name is attached to this appeal, Mr. George N. Tidd, drew a salary of \$45,000 from the holding company and \$92,740 from the small subsidiary companies he was supposed to represent, making a total of \$137,740. In 1929 his salary with the holding company had been raised to \$65,000 and to \$109,705 from the subsidiaries, making a total of \$174,705. In 1930 his salary with the holding company had been raised to \$75,000 and was \$103,170 from the subsidiaries, making a total of \$183,170-at a time when we were in the very pit of the depression and when bread lines were stretching down the streets of every city in America. His salary was \$75,000 in 1931, \$75,000 in 1932, and \$75,000 in 1933, which is the last year for which these salaries are given.

Let us see what his stocks went to. In 1929, which was a prosperous year-the peak of Hoover prosperity on the stock exchange—the preferred stock in this company was selling at 111. That year he was drawing \$45,000 salary from this company and \$92,740 from the subsidiary companies; but by 1930 that stock had dropped to 104, and his salary with the company had gone from \$45,000 to \$75,000; and from the subsidiaries it had climbed to \$108,170. As his salary increased the stock in the company declined until the company's preferred stock sank to 50 and below.

In 1928 the common stock in this holding company was selling for 195, and for 254% in 1929. In 1932 it had dropped to 141/2, and yet his salary had gone from \$45,000 in 1928 to \$75,000 in 1932, and was \$75,000 in 1933 when the common stock in that concern was just about as worthless as it is today, when it is quoted on the New York Curb Exchange at 17%.

Now, let us take Mr. Hobart H. Porter, president of the American Waterworks & Electric Co., whose name is also on this propaganda they are sending out appealing to you to save the widows and orphans on whom they unloaded these watered stocks when they knew, or ought to have known, that they were practically worthless.

Mr. MICHENER. Mr. Speaker, will the gentleman yield? Mr. RANKIN. For a question; yes.

Mr. MICHENER. I ask this as a question. The gentleman said this stock was sold by these people. What has that to do with the widow who bought the stock and who is now suffering? We cannot punish those men for that now.

Mr. RANKIN. It was practically worthless when it was sold, and everybody on the inside knew it.

Mr. MICHENER. Are we going to be a party to that robbery or are we going to try to get at the root of the evil and take care of the men who brought about the robbery?

Mr. RANKIN. No; we are not going to be a party to it. They were robbed when they bought it.

Mr. MICHENER. The gentleman is talking about water that has gone over the wheel.

Mr. RANKIN. No; it has not gone over the wheel. I am talking about water in these stocks.

Let us see what Mr. Porter's salary was during these years. In 1928 it was \$50,000; in 1929, \$75,000; in 1930, \$75,000; in 1931, \$75,000; in 1932, \$71,250; and in 1933, \$67,500; although we were in the midst of the greatest depression of all times. Let us see what the stock in this company was worth at that time, and what they are worth now. In 1929 the first preferred was selling at 104, but in 1932, when his salary had gone up to \$75,000, it had dropped to 26, and the common stock which was selling at 199 in 1929 had dropped to 231/2, and yet his salary was raised in the meantime from \$50,000 in 1928 to \$75,000 in 1931. It was \$71,250 in 1932, although the common stock was down to 11.

Let us take next Mr. Philip G. Gossler, of the Columbia Gas & Electric Co. His name is also on this propaganda. We find he was drawing a salary of \$99,999 in 1928, and \$150,867 from the small companies they were bleeding, making a total of \$150,867. But, as the depression increased, things changed, and in 1929 his salary was still \$99,999, and the other rake-offs from these small companies they were supposed to represent as their subsidiaries amounted to \$151,355, making a total of \$251,335. In 1930 his salary with the company was \$99,999 and from the subsidiaries \$133,-383, making a total of \$233,383. In 1931 they were \$99,999 and \$79,739, making a total of \$179,738. He drew a salary of \$94,939 in 1932 and one of \$90,000 in 1933. While the 6-percent preferred stock dropped from 109 in 1929 to 50 in 1933, and the common stock fell from 140 in 1929 to 9 in 1933. It is now down to 41/2, and was before the Wheeler-Rayburn bill was ever introduced.

T. W. Martin was formerly president of the Commonwealth & Southern. It was organized in 1929 and he became its first president. He started in with a salary of \$43,790 in 1929. The panic came on and they raised his salary to \$75,000 in 1930. The panic continued and the next year, 1931, it was \$72,500. The panic grew worse and in 1932 they paid him a salary of \$130,000-more than twice the salary of the President of the United States after he returned his cut.

Now let us see what their stock was worth. In 1930 the 6-percent preferred was 10434; in 1932, the year the president's salary reached \$130,000, they had dropped to 27%, and the common stock had dropped from 32 in 1929 to 1% in 1932: and the values of the stocks of their subsidiaries had virtually disappeared—long before the Wheeler-Rayburn bill was ever introduced. But they tell you they have been paying dividends. If so, they have been paying them out of the capital stock, and they were bound to cease.

Now, coming to the Electric Bond & Share Co., Mr. C. E. Grosbeck, president of that concern, received a salary in 1928 of \$84,000 and from the subsidiaries \$101,420, or a total of

The panic broke the next year, and in 1929 he received a salary of \$106,000 from the company and \$121,780 from the subsidiaries. The panic continued and grew worse, and in 1931 he was drawing a salary of \$120,000. In 1932 he drew a salary of \$102,000, and in 1933 his salary was \$90,000.

Now, let us see about the stock in this Electric Bond & Share Co.

Mr. TRUAX. Will the gentleman yield? Mr. RANKIN. For a brief question.

Mr. TRUAX. Does the gentleman know what is the salary paid to the lobbyist now in Washington trying to defeat the bill-lobbyist from Cleveland and other cities, drawing \$125,000?

Mr. RANKIN. I am not surprised.

In 1929, the 6-percent preferred stock was 109, and in 1932 it had dropped to 19. The common stock was 187 in 1929, and in 1932, when the president's salary was \$102,000, it had dropped to 5%.

The values of all the stocks in all of these holding companies fell consistently from 1929 to the present day, although the officials raised their high salaries higher as conditions grew worse. The dividends paid during these years were evidently paid out of the capital of the company, and the same thing might be said of these salaries.

This money paid out by the Commonwealth & Southern was wrung from the overburdened people of Mississippi, Alabama, and other States through unreasonable light and power rates, or taken from the unsuspecting purchasers of their watered stocks.

People now complain about losing their money they have invested in these stocks. The fact is, they lost it when they invested it. Those stocks were practically worthless when they bought them.

Here we have Mr. John J. O'Brien, president of the Standard Gas & Electric Co. In 1928 he received a salary of \$50,000; in 1931 he received \$75,000; and the salary in 1933 was \$63,750, although their preferred stock fell from 115 in 1928 down to 16 in 1933 and the common stock dropped from 243 in 1929 to 51/8 in 1933.

Here is another man connected with the Electric Bond & Share Co., Mr. Harvey C. Couch, president of the Arkansas Light & Power Co. and president of the Louisiana Light & Power Co. and president of the Mississippi Light & Power Co. In 1928 he was drawing a salary of \$50,000; in 1929 it was \$59,000; in 1930 the salary was \$64,500; in 1931 it was \$63,330; during which time he also drew a salary of \$10,000 a year as a member of the R. F. C. In 1932 his salary with this company was \$67,603 and in 1933, \$66,500, yet during that time the stock in his company went down and down and down to where it was practically worthless. The 6-percent preferred stock dropped from 109 in 1929 to 25 in 1933, and the common stock from 189 in 1929 to 5% in 1932. It is now down to 11/8.

Mr. COLDEN. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Yes.

Mr. COLDEN. Are not these gentlemen who have received these high salaries the ones who are so solicitous about the widow and the orphan?

Mr. RANKIN. Oh, yes; they are continually talking about the widows and the orphans—the innocent purchaser—when, as a matter of fact, they knew these stocks were practically worthless when they sold them to these innocent purchasers. These holding companies owned practically no tangible assets at the time these stocks were issued, and they own practically none now.

Nine out of ten of them would never pay another dollar of dividends, even if we passed no legislation at all, unless they paid them out of their capital, as some of them have evidently been doing; and as I said, that would soon exhaust the capital and leave the stock absolutely worthless.

The stocks in the operating companies would be worth more if these holding companies were abolished entirely.

Mr. WEARIN. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Yes, Mr. WEARIN. The gentleman has probably recognized that the letters he is receiving in many cases are almost exact in wording; in my case even to the misspelling of my name on one consignment.

Mr. RANKIN. Yes.

Mr. WEARIN. Has the gentleman made any check-up of the names assigned to these letters? I have, and I have found through reports of various postmasters in the District that many are fictitious.

Mr. RANKIN. That is true.

But these stockholders are asking what recourse they have for getting back the money which they have invested. They are not without their remedy. I discussed this proposition recently with one of the ablest lawyers connected with this Government, and he agreed with the statement that I made in a recent speech here in the House, to the effect that these people who own preferred stocks have a right to go into court, bring suit, and recover against the company issuing them, in case the dividends provided in those preferred stocks are not paid.

The holders of the common stock, as well as the preferred stockholders, have a right to go into court and demand an accounting of these officials who have paid themselves these unreasonable salaries out of the company's assets-not only the excessive salaries, but for money otherwise wrongfully spent. The officials of these companies are aware of these rights on the part of the stockholders and are therefore

throwing out this propaganda as a smokescreen in order to try to delude their unfortunate victims into wreaking their vengeance on the Congress that is trying to protect them, instead of bringing to justice the ones who have exploited them.

The preferred stockholders in one of these companies brought suit in a court of equity in my own State, and obtained a judgment for the amount invested-just as will be done in every State where these suits are brought.

The distinguished lawyer to whom I referred gave it also as his candid opinion that the people who have been paying the unreasonable light and power rates which these holding companies have compelled their subsidiaries to impose, or which their subsidiaries have imposed without being compelled, could go into a court of equity, bring suit, and demand an accounting and force a redistribution of the overcharges.

I thank the House for this opportunity of speaking for a short time on this vital subject, to show you just what practices are being resorted to in order to mislead Members of Congress into opposing one of the most salutary measures that has been offered here since I have been a Member of Congress. [Applause.]

### PERMISSION TO ADDRESS THE HOUSE

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent that on Monday next, after the reading of the Journal and the conclusion of any business on the Speaker's desk, I may be allowed to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

#### EXTENSION OF REMARKS

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a radio speech made by the national commander of the American Legion. Objection was made last night that the speech of the gentleman from Texas [Mr. PATMAN] and the speech of the national commander should both be incorporated. In view of the fact that it will take some time to get that address of the national commander, I am asking this request now. Those who made the objection last night have withdrawn their objection.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. PATMAN. Reserving the right to object, I received permission to insert that address, and I expect to insert it along with my own. It is more in the nature of a debate. The address has been promised to me either today or early tomorrow morning, and I expect to insert it in the RECORD when it is received. I hope, under the circumstances, the gentleman will not insist upon his unanimous-consent request. I cannot understand why the gentleman wants the same speech inserted in the Congressional Record more than one time.

Mr. ZIONCHECK. Will the gentleman yield?

Mr. PATMAN. I yield.

Mr. ZIONCHECK. Will the gentleman state whether it is the intention to wait and put in his own remarks until the time these remarks are received?

Mr. PATMAN. I expect to do that; yes. I am holding up my own speech until the Belgrano speech is received.

The SPEAKER. Is there objection?

Mr. PATMAN. I hope the gentleman from New York will withdraw his request at this time.

Mr. FISH. I will put it in with the gentleman's address. Let my request go through. I will put it in with the gentleman's remarks.

Mr. PATMAN. I object under the circumstances, Mr. Speaker.

# INTERIOR DEPARTMENT APPROPRIATION BILL, 1936

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 6223) making appropriations for the Departand for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 6223, the Interior Department appropriation bill, with Mr. MEAD in the chair.

The Clerk read the title of the bill.

The Clerk read as follows:

Salaries: For the Commissioner of Reclamation and other personal services in the District of Columbia, \$96,500; for office expenses in the District of Columbia, \$15,000; in all, \$111,500.

Mr. MARTIN of Colorado. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, when the able Delegate from Alaska [Mr. DIMOND] addressed the Committee yesterday he stated that, judging from the expressions and attitude of some gentlemen, they felt that Alaska should be given back to Russia. I interjected to say to the gentleman that he did not need to feel lonely; that, judging from the expression and attitude of some gentlemen on this floor, they felt that the entire western United States was a national liability and that it ought to be given back to Mexico and France, whence it came.

It is related that Daniel Webster once on the floor of the United States Senate, referring to some proposed activity on the part of the Federal Government in the West as it then existed, referred to that great area between the Missouri River and the Pacific Ocean as not only an uninhabited wilderness of mountains and deserts but, further, that it probably never would be inhabited, and the United States would probably never have any occasion to undertake to develop that country. Sometimes it sounds to me, especially when we have the Interior Department appropriation bill before us, that there are some gentlemen who feel that if Daniel Webster was not right he ought to have been right, and that this great section of the country is only a continuing liability to the Federal Government. This is especially true when anything is involved including reclamation or

I wish to say to you gentlemen, honestly, that I shrink from the appearance of the Interior Department bill on the floor of this House. If it carries an appropriation for publicdomain roads, I expect to hear some gentlemen jump up here with a motion to cut it in half and deliver himself of a brainstorm against wasting Federal funds on the roads and highways of the West. I expect to see him doing the same thing with regard to reclamation. I see a gentleman sitting here who the other day referred to what he called the "fatal policy of reclamation." I believe there was some gentleman on the floor yesterday who even objected to the competition which the sugar beets of the West gave to sugar beets in his State, and for some reason like that, some pusillanimous reason like that, he felt that Federal aid should be withdrawn from that section of the country. I say to you, gentlemen, that that is certainly spelling sectionalism with a small "s."

It has been pointed out that the agricultural output of the reclamation projects of this country does not amount to more than 1 percent of the total agricultural output of the entire country. It has also been pointed out that those are in the main noncompetitive crops. We do not compete with the South because we do not raise any cotton and we do not raise any tobacco. We compete very little with the great Wheat and Corn Belts because corn and wheat are negligible products of the irrigated West. They are what we call mostly "special crops" particularly adapted to the soil and climate of that section of the country-products which cannot be produced in like quality elsewhere in the country-and which compete little elsewhere.

Speaking of western crops coming into competition with other crops-and I do not admit that such an argument is valid for a moment, even if true, but take the matter of pinto beans, which is a considerable agricultural crop in just two States-New Mexico and Colorado. Those beans

ment of the Interior for the fiscal year ending June 30, 1936, Idaho, with the New York or California products. They are a peculiar variety and they build up their own market, and they can actually exist alongside of these other crops in other sections of the country without affecting the demand for them or the market price of them.

[Here the gavel fell.]

Mr. MARTIN of Colorado. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MARTIN of Colorado. I want to leave that all out of the picture and direct your attention for the next 2 or 3 minutes to a common United States map gotten out by the Department of the Interior. I want to direct your attention to the right side of this map, the section of the map which looks like Joseph's coat of many colors. This map condition very properly causes our section of the country to be called the "public-land States", and making the West a Federal dependency without corresponding benefits growing out of the relationship. All those green patches on that map represent Federal forest reserves; the yellow ones represent Indian reservations; the purple ones represent national parks. Others of these colors represent other Federal reservations on the public lands of the West. All of our forests and these altered colored sections have been taken out of circulation. The man who runs our forests is not the Governor of Colorado out yonder in the State capitol at Denver. He is a gentleman by the name of Wallace down here in the Department of Agriculture. Mr. Ickes runs our national parks; Mr. Somebody else runs our Indian reservations; and so forth, and so forth. So, through the medium of these reservations all these natural resources of the West have been taken away from us and taken out of circulation. But the colored portions of the map do not tell the whole story.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Colorado. I yield.

Mr. MOTT. I would call the gentleman's attention to the fact that only a part of the public domain is represented by the colored patches on the map. None of the appropriated public domain is shown on that map.

Mr. MARTIN of Colorado. That is just what I was going to say. The colored patches on this map represent far less than half of it, because a goodly part of all the rest is public domain; and all of the mineral resources on the public domain were withdrawn and reserved by the Federal Government 30 years ago. All this uncolored portion of the map in here is under that handicap. If you go out and take a homestead, all you get is a grass-roots right; the minerals, the oil, the gold, the silver, the coal, any mineral value whatever has been withdrawn and reserved by the Federal Government; and all the purchaser gets is a surface right. In short, the Federal Government owns about one-third of the area of the publicland States and all their mineral and timber resources.

Mr. STUBBS. Mr. Chairman, will the gentleman yield? Mr. MARTIN of Colorado. I yield.

Mr. STUBBS. For fear the Members of the House may get the idea that we have only Indian reservations and such things out in the far West, I would like to make the observation that one of the counties in my district in California is the fourth largest agricultural county in the United States, and its adjoining county raises more cotton per acre than any county in the United States, or in the world.

Mr. MARTIN of Colorado. Let us contrast that condition of our natural resources with the condition that exists in the rest of the country. Here is the great empire State of Texas. Texas owns every foot of soil in that State, and everything under the soil and from the center of the earth to the top limits of the sky. The same applies to all the Eastern and Southern States. If you have a piece of land in Illinois or Pennsylvania or Virginia, and there is an oil deposit under it, or a gold deposit or coal or any other valuable deposit, it is yours. In our country it does not belong to the owner of the surface of the land; it belongs to the Government. In the Eastern and Southern States when you buy a piece of land it is yours, upward and downward; nobody can come in compete very little with the Michigan product, with the on it and prospect for oil or other mineral. If you own a

piece of land in the West, anybody can come in and prospect on it for oil or other mineral; and if he finds it, it is his, not yours. So our situation is entirely different. The things that would have made the West independent, the things that would have freed the West from the necessity of reliance on the Federal Government have all been withdrawn and taken away from it by the Federal Government and held by it for the benefit of all the country, and it is a great benefit. I think the statement was made yesterday by the gentleman from Wyoming that the Federal Government had collected \$55,000,000 in royalties from the oil wells of the State of Wyoming.

Now, Mr. Chairman, I think we can make this proposition, and I want the Members to keep this in mind when you hear talk about raiding the Treasury for reclamation and irrigation projects.

[Here the gavel fell.]

Mr. MARTIN of Colorado. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. MARTIN of Colorado. I want to make this proposition, and I believe I can speak for the entire West when I say that if the Federal Government will return to the Western States the resources on top of and under their soils, turn it over to us in fee simple, we will withdraw all claims for aid against the Federal Government and finance ourselves.

I do not represent a reclamation project; there is not one in my district. I represent two of the greatest farming valleys in the State of Colorado—the Arkansas and San Luis Valleys—and the Federal Government never put a dollar into the construction of an irrigation project there. All irrigation projects there have been built by private enterprise, and if the Federal Government has refinanced any of them by lending any money it has been secured by first mortgages on those enterprises, including lands and water rights. [Applause.]

[Here the gavel fell.]

Mr. RICH. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, as a Member from the State of Pennsylvania I am not at all concerned about these pusillanimous sectionalisms; and if I had the power to turn these lands over to the gentlemen's States in the West I would give them the land from the mountain tops to the center of the earth.

Mr. MARTIN of Colorado. Mr. Chairman, if the gentleman will yield, I should like to have the gentleman go down to the departments and put that proposition up to them for us and see what kind of an answer he would get. The answer they would give him would show what value they think the West is to the rest of the country.

Mr. RICH. I went to the Public Lands Committee and asked the members of the committee if they would not try to have these public lands returned to the States wherein they were located; and last year 176,000 acres of the public land were opened to grazing.

Mr. MARTIN of Colorado. Yes; but that is just to the grass roots; they did not give us anything that was under the 176,000 acres; and what is under the surface may be worth 1,000 times more than what is on the surface.

Mr. RICH. If the Federal Government would turn the public lands over to each State that are within their boundaries, I feel it would be a forward step for our country.

I want to speak in reference to the grazing lands that we turned over to the Department of the Interior last year, at which time we suggested that the grazing lands should be segregated under the Taylor bill, which is an elegant bill for the western people outside of the fact that it gives dual control to the Department of the Interior and Department of Agriculture to the grazing of this country. At the time we had the hearings in reference to this matter Secretary Ickes made the statement it would not set up a new bureau and would not cost additional funds; but in

this bill we are considering today the Federal Government is asked to give \$250,000, and Secretary Ickes at the present time is setting up in his Department a division of grazing control. This is the information we just got in the Committee on the Public Lands not over an hour ago. We are to have a division of grazing control in the Department of the Interior. We are going to have a division of grazing under the Forest Service of the Agricultural Department. It is only another bureau, and Secretary Ickes last year gave our committee assurances that there would be no new department set up.

I should like to inquire from the Members of Congress what kind of a promise that is. Can we believe the Secretary hereafter? At the present time they are figuring on setting up 50 districts in the United States and to employ 140 people besides the individuals who will be connected with the Department here in Washington.

Mr. Chairman, I want to make an observation to the Members of Congress that right now under the Department of the Interior we are going to establish this new bureau of grazing control in the Department of the Interior. I call attention also to the statements that were made by Secretary Ickes that he was willing that this be under the control of one department. Secretary Wallace came to the Public Lands Committee last year and said that he and the Secretary of the Interior were going to figure out, with the aid and assistance of the President of the United States, a scheme whereby this work could be segregated. They are not doing what they promised to do, and I say that we are only creating a new bureau which is going to cost the taxpayers of this country annually large sums of money, which will require increased taxation in order to carry on this work. When the Committee on the Public Lands tries to get information in reference to the conduct of certain legislation that they would like to know about, they must write to the Secretary of Agriculture and to the Secretary of the Interior, because the committee cannot get an answer from any one department because their interests conflict.

When it comes to voting on this bill, I hope the Members will ask that the bill be reconsidered and that we may turn back to page 4 of the bill, under division of grazing control, and eliminate the \$250,000 which Mr. Ickes asked for, because it is not right, and it is not in accordance with the promises that he made to the Committee on the Public Lands last year. It is not right to the taxpayers of this country.

Mr. KNUTSON. Will the gentleman yield?

Mr. RICH. I yield to the gentleman from Minnesota.

Mr. KNUTSON. Why cannot the General Land Office handle all this?

Mr. RICH. I suppose it could. I am not particularly interested in what department handles the matter. I am only interested in trying to eliminate dual control and eliminate expenditures, if it is possible to do so. If it should be under the control of the Department of Agriculture, all right. If it should be under the Department of the Interior, that is satisfactory. But it should be under one department that will have absolute control.

[Here the gavel fell.]

Mr. PIERCE. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, may I say that the gentleman from Pennsylvania [Mr. Rich] certainly displays a lack of knowledge in reference to the West and western conditions. There is no attempt on the part of anybody to inflict further taxes by reason of the Taylor bill or by reason of legislation covering grazing on the public domain. However, it must be put into operation. How can it be put into operation without an appropriation? The men who are about to use the millions of acres of public domain are going to pay for it eventually, but they must have some chance to get the organization together. This appropriation is only temporary.

As far as the statements made about putting these bureaus together are concerned, that is much wind about nothing. What does it matter? They are altogether two different propositions, involving the forests, on one hand, and the public domain, most of which can never be homesteaded, on

the other hand. This public domain is of most value for I live pleasantly and profitably on a few of these projects winter grazing; therefore, as I stated, they are altogether different propositions.

Mr. RICH. Will the gentleman yield?

Mr. PIERCE. I yield to the gentleman from Pennsylvania. Mr. RICH. There is requested in this bill for the division of grazing control the sum of \$250,000 in order to administer this grazing matter.

Mr. PIERCE. Yes.

Mr. RICH. Does the gentleman say it is not going to cost anything?

Mr. PIERCE. Surely.

Mr. RICH. Are we not asking the Federal Treasury to spend this money?

Mr. PIERCE. Yes; to start the operation of the law. How is the man with cattle or sheep going to know what he has to pay until the law is put into operation?

Mr. RICH. Each year we will have additional expenditures, because we have never yet seen a bureau that, once it got started, it did not increase in personnel and expense.

Mr. PIERCE. The Forest Bureau has brought in money every year. They have brought money to the Federal Treasury. We are not losing on the Forest Service. It is bringing in money all the time. Money comes into the Public Treasury from reclamation projects, and that money all comes out of western lands. The people of Pennsylvania never contributed anything to the reclamation projects, until recently, since the days of the P. W. A.

Mr. RICH. Money is being spent out there for a great many of these projects and it all comes out of the Federal Treasury. The gentleman says we in Pennsylvania do not pay it, but may I remind the gentleman that Pennsylvania is responsible for one-tenth of the Federal income which goes into the Public Treasury.

Mr. PIERCE. I say to the gentleman that he has not contributed a cent, until these recent projects were allotted money by the Public Works Administration last year, and I am proud of the fact that the President did that. Of course, it will take years to develop those projects, such as the Grand Coulee, or any of those that money is being spent on today. For instance, it will take years to build reservoirs, then more years to put the land into condition where crops can be successfully grown.

Mr. Chairman, this irrigated country of the West is the location of the future subsistence homesteads of America. That is where the people will have to go. Most valuable, indeed, will be the irrigation projects of the West to safeguard the future food supply of our Nation.

Mr. CULKIN. Mr. Chairman, will the gentleman yield for a question?

Mr. PIERCE. I yield. Mr. CULKIN. I simply wanted to ask the gentleman how much Grand Coulee will cost.

Mr. PIERCE. I have looked up the records since I talked with the gentleman in the lobby yesterday, and I find the figures vary from \$176,000,000 to \$240,000,000 and \$320,000,-000 for the completed work. Grand Coulee takes in about 1,000,000 acres of irrigable land.

Mr. CULKIN. One dam will cost \$125,000,000.
Mr. PIERCE. My figures mean the completed irrigation works, with all the ditches and the drainage; also they mean with electricity fully installed. One-third-about \$80,000,-000-is for electric power. Grand Coulee will be a great garden spot in the years to come.

Mr. ZIONCHECK. Mr. Chairman, will the gentleman vield?

Mr. PIERCE. I yield.

Mr. ZIONCHECK. Grand Coulee will take in and serve territory not only in the State of Washington, but will take in territory in Idaho and parts of Oregon and western Montana, will it not?

Mr. PIERCE. It is a great, big project in Washington, most valuable to the entire Nation, especially to the States named. When you consider the money that has gone into western irrigation, you should realize that more people can

where Government money has developed them than could live on agriculture in the entire State of Pennsylvania.

[Here the gavel fell.]

Mr. ZIONCHECK. Mr. Chairman, I ask unanimous consent that the gentleman from Oregon may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. PIERCE. I will be pleased to instruct the gentleman from Pennsylvania.

Mr. RICH. My whole thought and purpose is with respect to dual control of grazing which is now under the Department of Agriculture, while at the same time we are setting up a bureau under the Department of the Interior to handle grazing on public lands. As a business proposition, it seems to me what we ought to do is to put grazing under one department. It does not make any difference to me which department it is, whether Agriculture or Interior Department. I am not talking about these dams. The projects you have out in the West may be all right, but I think that so far as the control and operation of the grazing lands in this country are concerned, that ought to be under one department, whether it be the Secretary of Agriculture or the Secretary of the Interior. I am not talking about the development of these various dams and irrigation projects.

Mr. PIERCE. Had I been in power, the public domain would have been placed under the Forest Service. I should not like to see the Forest Service, which has been built up after strenuous work through so many years, decapitated and turned over to the Interior Department. There are trained officials in that Service who have won their way into high esteem by fair treatment of the men who have allotments for grazing sheep and cattle on the forests. The Forest Service has ingratiated itself into the good will of practically all the West. I think the public domain should have been put under their control.

Mr. RICH. I may say to the gentleman that he knows more about this than I do-

Mr. PIERCE. I surely do.

Mr. RICH. And I will go along with the gentleman from Oregon in putting it under the Department of Agriculture instead of setting up this new bureau in the Department of the Interior.

Mr. PIERCE. Just think how our people feel about this in Oregon. Over half of our State not on the tax rolls. Just recently there has been an Executive order issued to take \$675,000 to buy a ranch in one county in Oregon to turn over to the birds. This takes one-tenth of the assessment roll of that county. Western people deeply resent these things.

I am introducing a bill providing that where an Executive order takes land off the tax roll, purchased for a bird refuge or for other public purposes, an appropriation shall be made in lieu of taxes that would have been collected. The half of our land not on the tax roll includes valuable forests worth millions upon millions of dollars, and then to have a few men from the East eternally talking about diverting some of our money makes our people in the West very resentful. They cannot understand your position here in the

Money from P. W. A. has been earmarked for many dif-ferent projects. The administration in allotting P. W. A. money for irrigation projects is looking forward to real subsistence homesteads, 8, 10, or 15 years from now. The Grand Coulee project that you hear so much about, which is just across the line in Washington, will give homes to many thousands of people.

Mr. ZIONCHECK. Mr. Chairman, will the gentleman yield?

Mr. PIERCE. I yield.

Mr. ZIONCHECK. Do not the gentlemen on this side forget that Mr. Greeley admonished all the young men to "Go West, young man, go West", and now they are West and they want to make orphans out of them. [Laughter.]

Mr. GILCHRIST. Mr. Chairman, will the gentleman vield?

Mr. PIERCE. I yield to the gentleman from Iowa.

Mr. GILCHRIST. The distinguished Governor from Oregon knows how much I value his views, and I would like to have him tell me for my own purposes how he reconciles his known opinions about crop control with the purposes of the administration with respect to reclamation?

Mr. PIERCE. The reclamation projects for which P. W. A. money is being allotted, like the Grand Coulee project, are long-time projects. It will take 10 or 15 years to bring them into crop production. The administration is looking forward to these projects as subsistence homesteads.

Mr. GILCHRIST. Nevertheless, does not the gentleman feel this is a bad time to bring more land into cultivation?

Mr. PIERCE. They are not going to compete now.

[Here the gavel fell.]

Mr. KNUTE HILL. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman and gentlemen of the Committee, day before yesterday we had our perennial tirade against reclamation. It was so vicious and so hot that it could not be printed yesterday, and I imagine that the Government had to use asbestos paper to have it printed in the Record. There was not only an attack on reclamation but also an attack on Dr. Mead, on Secretary Ickes, and on President Roosevelt.

Now, I do not hold any brief for these three gentlemen; they can well take care of themselves. I want to say that Dr. Mead has been a friend of reclamation. Since 1902 he has had a new problem to meet; mistakes have been made, but he can well be proud of what he has accomplished.

As to Secretary Ickes, I will say that I have the highest respect for that gentleman. [Applause.] He has held tightly the purse strings of the \$3,000,000,000 that we appropriated over a year ago, and he has not been frightened by any threats nor cajoled by any flattery; he has gone on his way regardless of praise or criticism.

With reference to President Roosevelt, may I say that, although he comes from New York, he is broad-minded enough to consider the welfare of the whole United States.

When he came out West last summer he came to Bonneville and the Coulee Dam, and to paraphrase what is said of Caesar, "He came, he saw, and was convinced that if the Columbia Valley was developed it would redound to the benefit of all of the people of the United States."

May I say that the Coulee Dam was visited? The Coulee Dam happens to be—a part of it—in my district. The north part is in the district of Sam B. Hill and the southern part is in my district. It possibly may be called a bridge between the two hills of eastern Washington. [Laughter.]

The President came out there and he was convinced that when completed it will be a benefit to the whole Nation. It is not a county project; it is not a State project; it is for the whole Nation; and I prophesy that 7 years hence when it is completed it will be a monument to Franklin D. Roosevelt.

Perhaps it is not as beautiful as the shaft that is raised down here to General Washington, or as stately as the memorial to Lincoln, but it will be a splendid memorial to the foresight, the wisdom, and the courage of Franklin D. Roosevelt and of lasting benefit to the people of the United States. I am glad that it is in my district.

Mr. CULKIN. Will the gentleman yield?

Mr. KNUTE HILL. No; the gentleman has his own time. It has been suggested by some of the opposition that this is money taken out of the Treasury. I want to emphasize for the Record and the people of the United States that this fund was raised out West; it is our fund. [Applause.]

It does not belong to the people of the United States. It is our special fund; a reclamation fund for reclamation purposes. If the gentleman from New York will read pages 105 and 106 of the hearings of the subcommittee, he will find that we have paid back up to 1934, with the exception of two small districts, from 98 percent to 100 percent. Again I emphasize it: We have paid back into our own reclamation fund!

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. ZIONCHECK. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for an additional 10 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. KNUTE HILL. Mr. Chairman, it has also been said that there is competition. It has been emphasized here that only 1 percent of the products of irrigation comes into competition, if you so call it, with the products from other parts of the United States. I call attention to the fact that in Iowa alone there is more than we have in all the irrigation districts combined. It is only a drop in the bucket as far as competition is concerned. The gentleman has spoken of overproduction. Is there any man in the United States who will say that there is overproduction when there are millions today starving and millions today that are in want of clothing and other necessities? There is no overproduction: it is only underconsumption and maldistribution. If we will bring back the purchasing power of the laboring group and the unemployed by giving them shorter hours and decent wages, there will be no surplus in the United States. [Applause.] If we will give a square deal to the farmers throughout the United States by giving them, until they can get on their feet. a reasonable rate of interest under the Frazier-Lemke bill, if we will give them the price of production and bring back their purchasing power, there will be no overproduction.

If these men who are so concerned about irrigation in the West will spend some of their time in seeing that some of the big racketeers in the United States shall forever be stopped from reaping all the profits and controlling most of the wealth of the United States, possibly then we will have money to buy up all the food and all the cotton in the whole United States. Right here may I say that in 1929, to show what has resulted from the economic policies advocated by this man who talked to us yesterday and talked to us the other day, 504 men in the United States received a net income equal to the gross income of 2,300,000 cotton and wheat farmers in the United States. No wonder the farmers are broke. No wonder they have no purchasing power. Why does not the gentleman use his talents and energies and correct that economic problem instead of striking at our irrigation in the West.

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. KNUTE HILL. If the gentleman will leave his provincial New York and come out West, if he will take a trip through the West, he will find, for example, the city of Denver, built up by irrigation. In Idaho he will find Twin Falls and Boise. In Utah he will find Salt Lake City and Ogden built by the sunlight and water and the patience of those Mormon pioneers. In California he will find also the great city of Los Angeles, with more than a million and a half people, and the great Imperial Valley. Then he may come up to Washington and Idaho and find Lewiston and Clarkston and our great Yakima Valley and the Wenatchee Valley. I have here some pictures to show to this gentleman and the rest of you that the men who have come upon the reclamation projects out there are not ruined.

He will find photos of some corn 15 feet tall, some fine alfalfa fields and potato fields, and some fine herds of cattle and flocks of sheep and some splendid farm homes—all in the irrigated Yakima Valley. He will see what has been done throughout the whole West. In coming to the Yakima Valley he may see what has been accomplished by irrigation there—and now may I talk for a while about Yakima County? It is one of the 12 counties in my district. In 1900 it was mostly a sagebrush waste, just as you see there in that pic-There was about 13,000 population. The valuation was about \$25,000,000. We spent \$33,000,000 of our own western reclamation fund money in that Yakima Valley and today the population is 77,000 and the valuation something more than \$233,000,000. That was accomplished after spending only \$33,000,000 in irrigation. The products of the Yakima Valley were worth \$35,000,000 last year. Why this reclamation? It was said that Greeley told the young men | to go West. "Westward the course of empire takes its way."

But we have gone as far West as we can, and now there is only one way in which to find homes for these people in the Midwest, and throughout the drought-stricken territory, and that is by reclaiming the land. I may tell the gentleman that in 6 months of 1934, 4,000 families came into Washington seeking homes. If these dust storms continue that we have been reading about the last day or two, we expect 20,000 more families coming and asking for homes, and we are going to give those people homes in the West. Let the gentleman come out and see what we have in the West. We invite all to come out and visit the West. We have an exhilarating climate, wonderful scenery rivaling the Alps, virgin soil, sparkling streams, hospitable people, and limitless natural resources. It is a land of great possibilities and opportunities. It is called the "land of the setting sun." It is rather the land of the rising sun of peace and plenty and progress. We have distress, it is true, the same as all other sections, due to the depression. It will eventually be the home of millions of contented farmers who voluntarily come from submarginal lands and drought-stricken areas. We invite you, my friends, to come there. Here are some of the mountain scenes. This is Mount Rainier, in the Cascades, whence we get water for our irrigation. All of these photos show what irrigation will do. Here is a blossom scene in the Yakima Valley, and here is the result in the fall-red Winesaps on the tree. That shows what is done by irrigation. The gentleman spoke about the vitamins in vegetables and fruit, claiming that there are more vitamins in the eastern apples. I think before the gentleman gets through he will realize that we have vitamins in our vegetables and our fruit, as shown by these apples which I got 2 or 3 days ago from a young 14-year-old friend of mine in Yakima, Miss Betty Anne Wilkins, daughter of the postmaster there. I think the gentleman will find that the vitamins of our fruit and apples will give us of the western country enough fight to meet him at any place at any time to protect our reclamation in the West. [Applause.]

We take great pride in our great State of Washingtonnamed after our first President. My home paper, the Prosser Record Bulletin, expresses my sentiments in that respect fully. I quote:

#### REASONS FOR PRIDE

Those of us who live in Washington should have more than sentimental reasons for our pride and loyalty to this State. These are fine of themselves but there are also many practical reasons justifying an enthusiasm for this State.

Do you who love Washington know:

That there is more of nature's beauty packed into Washington than in any other State?

That Washington leads the Nation in the lumber industry and that the largest stand of merchantable timber in the world is on the Olympic Peninsula?

That we have 5,000 industrial plants whose output exceeds a billion dollars per year, employing 400,000 workers?

That Washington ranks first in the United States for volume

of food-fish products? That the pulp and paper output amounted to \$42,000,000 in 1933, and will exceed that figure for 1934?

That one-third of the Nation's apple crop is grown in Wash-

That one-twelfth of the Nation's wheat is produced here?
That the relatively new oyster industry last year represented one-twelfth of the Nation's supply?
That it is estimated the coal deposits of Washington, at the

present rate of consumption, would last 5,000 years?

That 19 percent of the Nation's hydropower is developed here, far exceeding that of any other State?

That dairying is a major activity and no spot in the world can meet dairy records established here, in quality and production? That Washington eggs and poultry command a premium on the

That washington eggs and pountry command a premium on the markets of the world?

That the largest airplane factory in the world is in Seattle?

That Washington's berry, bulb, and seed growth provides a splendid commercial enterprise with a promising future?

And so we could continue along the endless chain toward building this glorious State. If ever diversification of resources, of wealth, and of opportunity was glaringly evident, it lies within our borders. Can anyone question that American civilization will here reach its maximum objective—its greatest achievement? Living in the State of Washington is indeed a privilege.

My friend was very vociferous a few days ago in favor of preparedness, which leads to war. The gentleman was

willing to build Macons and Akrons at \$2,000,000 apiece to be sunk in a few minutes. The gentleman was willing to go to war and give \$12,000,000,000 to foreign nations-which we will never get back-to destroy. He is willing to give billions for destruction, but when we are asking for a few millions to build up, for construction in the United States, to make homes for men, women, and children who are asking that we do so, he holds up his hands and says, "You must not use the taxpayers' money. You must not raid the United States Treasury." [Applause.]

[Here the gavel fell.]

Mr. CULKIN. Mr. Chairman, I wish to acknowledge the noble gift of the gentleman from Washington [Mr. KNUTE HILL1.

Mr. ZIONCHECK. That was not a bribe. [Laughter.]

Mr. CULKIN. Mr. Chairman, I refuse to yield. I am fond of the gentleman from Washington [Mr. Zioncheck], but I refuse to yield to him.

I desire to gracefully acknowledge the apple from the State of Washington, but despite its handsome complexion I question its vitaminic quality as compared with those grown on land made and watered by God. May I mildly resent the vigorous pounding which the distinguished gentleman from Washington [Mr. KNUTE HILL] just gave me. I plead not guilty to the indictment, and I assure the House that that castigation was entirely undeserved. I am not going to attempt to go over the ground which I covered in my remarks the other day. That, of course, would be unfair to all concerned, but what I wish to impress upon the Members of the House is that I have never opposed and will not oppose a going project on which western community life depends. What I have opposed is the extension of this policy of reclamation, and the exploitation of good Americans.

I wish to say to the gentlemen here who represent reclamation areas and reclamation States that they had better watch their step, because the people who are already on these western projects are watching your action here. I will say to the vigorous and interesting gentleman from Washington, that the Grange of his own State was against the Grand Coulee.

Mr. KNUTE HILL. I beg the gentleman's pardon, but that is an error.

Mr. CULKIN. I refuse to yield. The gentleman would not yield to me.

Mr. KNUTE HILL. That is an error just the same.

Mr. CULKIN. The grange of the gentleman's State was against this proposition. Men who are on these reclamation farms in other parts of his State are against this Grand Coulee. There have been repeated protests filed before the proper committees of the House and before the resources committees of the United States by men from the State of Washington who are on these reclaimed lands, and who know that if this project is put into work they will be absolutely destroyed. I say to the gentleman from Washington that his constituents who are on these reclaimed areas are going to call him to account and shorten his political life, unless he mends his ways. They are not going to permit themselves to be put out of business by this performance.

Now, there has been a good deal of bitterness here today, a good deal of declamation, and a good deal of misstatement. What I stand for on this proposition is the suspension of all activities while the Government is spending \$500,000,000 to plow stuff under and to retire 36,000,000 acres of land. That is my proposition. We should go no further in this direction. I may say to the gentlemen who have spoken what I said the other day—that this money that comes from under the ground is just as much a part of the funds of the United States as the moneys collected at the port of the city of New York.

I may add that taking the money of the East for reclamation purposes, preparatory to moving all our population into the open spaces of the West, is a moral and civic larceny.

I do not intend to bore you with a further statement of my attitude on this question. But I trust you will bear with me just a moment while I discuss one phase of the debate the other day, when some statistics were placed in the RECORD by the gentleman from Washington IMr. ZION-CHECK]. There were certain statements put into the RECORD with reference to the financial condition of these projects which I now desire to declare to be fallacious, misleading, and the product of synthetic bookkeeping. The average Member of the House, reading those records, would imagine that those projects had been paying their way. Let me say to you, Mr. Chairman, that during the progress of this reclamation proposition, as far as it related to Government enterprises, 50 percent of the Government disbursements have been written off in 90 percent of the projects attempted.

Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

Mr. STUBBS. I will not object if the gentleman will permit me to make one observation.

Mr. CULKIN. Certainly.

Mr. STUBBS. I will say that the gentleman need have no fear about the political future of my distinguished colleague from Washington [Mr. KNUTE HILL] or the gentlemen from any other Western States who are fighting for water conservation, for the preservation of the lives and homes of some of the finest people in the world. [Applause.]

The CHAIRMAN. Is there objection to the request of the gentleman from New York [Mr. CULKIN]?

There was no objection.

Mr. CULKIN. I thank the gentleman from California [Mr. Stubbs] for his contribution, but I want him to bear in mind the people who are being brought in on these lands and who are being exploited. They will speak with their ballots when the time comes.

Mr. PIERCE. Will the gentleman yield?

Mr. CULKIN. In just a moment.

Mr. Chairman, I question most earnestly the veracity of these documents, which, of course, were not prepared by the gentleman from Washington.

Mr. ZIONCHECK. What foundation has the gentleman

upon which to question them?

Mr. CULKIN. Now, I am going to confine my discussion of that to several Wyoming projects and give you the specifications. I wonder if the gentleman from Wyoming is

Mr. ZIONCHECK. He is present.

Mr. PIERCE. Will the gentleman yield for a short question?

Mr. CULKIN. I yield. Mr. PIERCE. Would it not be fair to state that, where those projects have appeared not capable of paying off, it was a matter of mistaken engineering and putting the water where it should not have been put, and they should have known that, and they are not doing that today?

Mr. CULKIN. The Governor is a square man, and I will subscribe to almost anything he says; but they have all been written off 50 percent. I will say that 90 percent of them have been written off 50 percent.

Mr. PIERCE. But that was a mistake in engineering.

Mr. CULKIN. If the gentleman will examine the records, he will find that to be true.

Mr. ZIONCHECK. What is the gentleman's authority for the statement?

Mr. CULKIN. The history of the whole proceeding.

Mr. ZIONCHECK. Where does the gentleman get his

Mr. CULKIN. I will say to the gentleman from Washington that I am preparing a detailed statement on each of these projects. It will take some days to complete, but I will put it in the RECORD and I will go even further than that. I will mail a copy to the gentleman in advance and tell him when I am going to put it in the RECORD.

Mr. ZIONCHECK. I should appreciate it very much, I assure the gentleman.

Mr. CULKIN. I wish to call attention to several Wyoming projects. You remember the other day one of my main objections was to the Casper-Alcova project as being unnecessary; and in the course of the debate on that question the able gentleman from Wyoming stated that he knew and lived near the Shoshone project and that it was an excellent

project. The Shoshone project represents an approximate investment by the Government of \$5,000,000, and half of that has been written off. There has been a moratorium on that project for 15 years; not a cent has been paid. The Garland phase of it is excellent, as I understand, but the Wellwood and Frannie phases of it were sour land, like the Casper-Alcova land. There are 50,000 acres, as I am advised, 50,000 acres that are yet open to settlement. Yet in the face of that \$27,000,000 is allocated to Casper-Alcova in the same State, not out of your beloved revolving fund, but out of the Treasury of the United States.

The Riverton project in the bill carries absolute corroboration of what I am going to say. There are 32,000 acres there, of which 3,000 acres are in use and 29,000 acres are not settled, although they have water on them. That has had a moratorium for 5 years. The Government spends, as the pending measure shows, \$25,000 a year for pumping, and collects back \$3,000.

I want to say just a word, and I do it with a good deal of trepidation because I love the distinguished gentleman from Oregon, Governor PIERCE, about the Umatilla project in Oregon. There the Government disbursed \$2,000,000 and put water on 40,000 acres. Of this area 10,000 acres are in use and 30,000 are not in use. It is one of the many projects that has been abandoned by the Government, so far as collections are concerned.

In a recent article in Collier's Weekly the Vale and Owyhee projects were criticized by Secretary Ickes, the gentleman so eloquently eulogized by the grateful gentleman from Washington. In this article Secretary Ickes said these projects should never have been power projects.

[Here the gavel fell.]

Mr. PIERCE. Mr. Chairman, I ask unanimous consent that the gentleman from New York may proceed for 2 additional minutes in order that I may ask him a question.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. PIERCE. The Umatilla project, or what we call now Hermiston, is recognized by everybody in the country as having been an engineering mistake, and was so recognized when the water was turned on. If the water had been turned on the land at Stanhope, or Bitter Creek, or at the Buttes south of Echo, there would have been no failure; but on that project there was 300 feet of solid sand, and, of course, the water disappeared; yet other projects around there have been a success. That was purely an engineering mistake.

Mr. CULKIN. How about the Okanogan project?

Mr. PIERCE. I am not familiar with the Okanogan project.

Mr. CULKIN. It is in the gentleman's State.

Mr. PIERCE. I am familiar with the Yumatilla project.

Mr. CULKIN. On the Okanogan project they have written off \$950,000, and it cost the Government \$1,200,000.

Mr. PIERCE. It is recognized by everybody that the Umatilla project, or Hermiston, was a great big engineering

Mr. CULKIN. What I protest against, Mr. Chairman, is the extension of those projects which are destroying my farmers and destroying the farmers in your own districts. I speak just as strongly for the farmer of the West as I do for the farmer of the East; and I say to you in all earnestness, in all seriousness, if you go blindly into this further land development, watch your step if you wish to continue to adorn the classic Halls of Congress. [Applause.].

Mr. GREEVER. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. KNUTE HILL. Mr. Chairman, will the gentleman from Wyoming yield for me to make a statement in reply to the gentleman from New York?

Mr. GREEVER. I yield.

Mr. KNUTE HILL. Mr. Chairman, if the gentleman from New York does not know anything more about irrigation and reclamation than shown by the statements he has just made, he knows nothing. The gentleman said that our State grange in Washington is opposed to the Coulee Dam. I have

been a lecturer of the State Grange two terms. I know what the State Grange stands for. It stands for the development of the Coulee Dam. Mr. King, the master of the State Grange, is a member of the Coulee Dam Commission that is now handling the Coulee Dam development. Still the gentleman from New York says our State Grange is opposed to it. Our farmers are not opposed to irrigation. They do demand a just settlement of our marketing problem—our economic system—as stated before. The gentleman from New York says that Marshall Dana is opposed to it. Marshall Dana is an advocate of the Coulee Dam. He was here not more than a month ago and advocated both the High Coulee Dam and the Roza. The gentleman had better get straightened out on his facts. [Applause.]

Mr. CULKIN. Will the gentleman yield?

Mr. GREEVER. I yield to the gentleman from New York. Mr. CULKIN. Mr. Chairman, may I say in response to the dictinguished warrior from Washington [Mr. Hill] that he has unintentionally and inadvertently misstated the facts. Of course, that is the retort courteous or quip modest. There is another and much uglier word I might use that is not proper in parliamentary circles.

I did not say that Marshall Dana was opposed to the Grand Coulee project. What I stated was that Marshall Dana agreed with me that the time for the development of the Grand Coulee project had not yet arrived; that it was 25 years or more in the future. Mr. Dana regarded me as a battler against uneconomic reclamation. By inference he paid me that compliment, which was probably an overcompliment. Mr. Dana made an informal stipulation to the effect that the organization of which he was president, which represented the reclamation States of America, would oppose the proposition for a quarter of a century to come.

The gentleman from Washington stated that the Washington Grange did not oppose the Grand Coulee project. That is passing strange, to say the least. I have read that in print a half dozen times, that they were opposed. I had a conference with Mr. Taber, of the National Grange, and I think he is now national master, and he went to the White House to protest to the President against the Grand Coulee being put in work.

Mr. KNUTE HILL. The Washington Grange is the organization about which I spoke.

Mr. CULKIN. That was the attitude of the National Grange, and despite the gentleman's statement I am going to insist that that is the attitude of the National Grange now.

Mr. KNUTE HILL. But not the Washington Grange.

Mr. CULKIN. And the Washington Grange.

Mr. KNUTE HILL. Absolutely not.

Mr. CULKIN. We will find out. Mr. KNUTE HILL. But I know.

Mr. GREEVER. Mr. Chairman, I want to mention that a few things said by the gentleman from New York are highly inaccurate so far as Wyoming projects are concerned. The other day he made some very uncomplimentary remarks about the Casper-Alcova project. Now he has gone up into my own county and attacked one of the finest reclamation projects in the entire United States. I say with all due respect that he certainly shows a great degree of misinformation, because I happen to know nearly every foot of that land

personally.

The Shoshone project is composed of five parts. Three of those parts are constructed. One of them is the Garland project, and I have here for the gentleman's information some pictures which show most of that project and the crops raised thereon, as well as the homes. I want to say to the gentleman that there is not any land in the Garland division of the Shoshone project but what is under cultivation, and under productive cultivation, except a comparatively small amount that was eliminated on account of seepage under a reclassification of the lands.

[Here the gavel fell.]

Mr. CULKIN. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GREEVER. Mr. Chairman, with regard to the Wellwood division, which has been recently constructed in that project, it was settled just as fast as they could get the land ready for the settlers to come in. The gentleman talks about whether we from Wyoming and the other Western States will come back to the Congress of the United States. May I tell the gentleman right here and now that we are not half as much interested in whether we come back to the Congress of the United States as we are to do something of a progressive nature for the United States and for our country as a whole while we are here. [Applause.]

May I tell the gentleman something else? Upon those projects that have been instituted in the State of Wyoming and at other places they have provided the finest homes and the finest farms that may be found anywhere, and I have never heard a farmer upon a reclamation project in the State of Wyoming or anywhere else that made the statement that he did not want further reclamation developed, because those people out in our country are not that selfish, I may say to

the gentleman from New York.

I call the gentleman's attention also to the fact that up until the Public Works Administration was instituted reclamation had not cost the United States one cent. I have the figures before me which show the amount of money contributed. The Western States, from public-land funds and oil royalties, have contributed to the Reclamation Service a total amount of \$157,000,000. The sum of \$205,000,000 has been spent upon these projects. Today the figures show that 98.6 percent of the moneys that have become due have been paid, and I do not think that there is any other business on the face of the earth that can make a better showing.

The statement is made about taking people off of submarginal lands. They take them off of these poor lands in the Eastern States that have not been kept up properly. They want to put them on subsistence homesteads. The finest and most economical thing they could possibly do, not only from an economic standpoint but from the standpoint of health and from many other standpoints of a social character, is to put them upon these reclamation projects, because those units are self-sustaining. You will find those people are raising the food that they eat, and that each one of those farmers is an independent economic unit, and that is something you cannot say of some other agricultural communities.

The West has never asked that this be given to them. I may say that of the \$40,000,000 in oil royalties that has gone from the State of Wyoming as well as the contributions from the public lands—and I am only citing Wyoming as an instance, because the same thing happens in the States of California and Colorado and the other Western States—all of this money that has come from the depletion of the natural resources of these States, every cent of it that has been put into the reclamation fund, has been from this source. The only thing the West has done is to ask that in the great constructive policy the United States Government return to it a part of the resources which have been depleted and taken away from these States; and, for one, I believe this is a sound economic policy. [Applause.]

[Here the gavel fell.]

The Clerk read as follows:

Examination and inspection of projects: For examination of accounts and inspection of the works of various projects and divisions of projects operated and maintained by irrigation districts or water users' associations, and bookkeeping, accounting, clerical, legal, and other expenses incurred in accordance with contract provisions for the repayment of such expenses by the districts or associations, the unexpended balance of the appropriation for this purpose for the fiscal year 1935 is continued available for the same purpose for the fiscal year 1936.

Mr. CRAWFORD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, from the remarks that have been made this afternoon I can fully appreciate that what I attempted to show yesterday was entirely misunderstood. What I said, or attempted to say, was in the interest of those farmers residing and operating within the States of California, Utah, Idaho, Montana, Colorado, and Wyoming; and in support

say, I want to point this out.

Colorado, you will find, is the greatest producer of sugar beets and beet sugar in the United States, and I think you will find California ranks second, and probably Michigan ranks third, and I wish to repeat, in order to make it clear, that from the bill we have before us and the appropriations which are being made from the P. W. A. fund, and from Dr. Mead's testimony, it appears that something like \$105,-000,000 is involved for the purpose of building irrigation works and extending irrigation projects in the Western States mentioned, and all for the purpose of increasing the production of farm crops, which are at the same time being retired and reduced through Agricultural Adjustment control in the Eastern States. Dr. Mead refers to the need of more water "to grow sugar beets, and to put as much labor on 1 acre of land as they had formerly put on 10, to make 10 times as much money when they had good crops.'

This \$105,000,000 is being used to build irrigation projects and provide water for the production of sugar beets and beet sugar and other crops in the Western States at the very time the territory in Ohio, Michigan, and Indiana is being refused the right to grow sugar beets with which to supply sugar factories already built and now standing idle in the Eastern States because under the Jones Sugar Act the eastern growers and mill operators are not permitted to grow the sugar required for the nearby market within 100 miles of the factory and farms.

Mr. CUMMINGS. Mr. Chairman, will the gentleman yield for one question?

Mr. CRAWFORD. I hope the gentleman from Colorado will pardon me and allow me to proceed a few minutes.

Out in the Western States at present you have a great producing area, and in the Eastern States, where the population is, we find the requirement for sugar, and it is bad statesmanship and economics to spend these hundreds of millions of dollars in the West when the farmers in the East are begging for the right to grow the sugar in the East the people there must have for their local needs. Sugar beets are sold by the farmer to the processors on a participating basis wherein sugar beets are paid for at a price depending on the price received for sugar.

Colorado, Utah, Idaho, California, Montana, and Wyoming, hundreds of miles away from the sugar bowls of the eastern consumers, must pay transportation costs to the far-away market. Under the participating contracts and the A. A. A. rules and the processing taxes, the beet grower, the sugar consumer, and those who pay taxes to raise this great P. W. A. fund are all vitally concerned in the economics of the plan from a national standpoint. There is no need to bring in the question of sectionalism. Under the Administration's "planned economy" scheme, the use of these P. W. A. funds in the Western States for this purpose cannot be logically defended.

Mr. CUMMINGS. Mr. Chairman, will the gentleman yield for one question?

Mr. CRAWFORD. I decline to yield.

This is because the farmers in Michigan, Ohio, and Indiana grow their sugar beets under participating contracts very similar to those of the farmers in the other Western States which I have previously mentioned.

Now, the question before us is, Wherein is there consistency in appropriating public funds and expanding the western territory and production of sugar entirely beyond the consuming capacity of the Western States and the movement of that sugar directly into the eastern territory, such as Michigan, Ohio, and Indiana, on a special rebate and price-concession basis, which, because of these participating contracts, is highly destructive to the entire operations of all the growers of sugar beets throughout the United States?

I have no objection to the production of sugar in the United States. I contend that our sugar consumed in the entire United States should be produced by the citizens of the United States whether those citizens be in Puerto Rico or Hawaii or the Virgin Islands—not the Philippines—but I do contend that the farmers residing within continental

of what my friend the gentleman from New York had to United States should first have the right to produce that sugar which is consumed within continental United States. and then, if there is any excess required, let it come from the islands which are operating under the American flag, in preference to Cuba to the end that our own people may produce our own requirements of this great basic food product.

So what I pointed out yesterday, which I desire to repeat, is that there is no justice to the farmers in the Western States-Colorado, Utah, Montana, Idaho, and Californiain extending through P. W. A. funds their production twelve, fifteen, or twenty million bags beyond the consuming capacity of the western territory and dumping it into the eastern territory, such as Michigan, Ohio, and Indiana, where beet sugar is produced, at the very time the acreage in Michigan and Ohio is being restricted under the rules and regulations issued by the Agricultural Adjustment Administration under the Jones-Costigan Sugar Act, and, particularly, when the States of Michigan, Ohio, and Indiana do not require P. W. A. funds to provide water for the crops they desire to grow. Private investments in farms and in factories should be protected first before taking public funds in this hour of need and going out and building more irrigation projects to produce crops to compete with land and buildings held by private individuals who are not permitted to utilize this land because of governmental rules and regulations. Farmers desire to be free to switch their lands from one crop to another in order to preserve the fertility of the soil and take advantage of better prices. It is not true that the growing of beets was unprofitable until the passage of the Jones-Costigan Sugar Act. Sugar is a nonsurplus crop, and our necessity of import of this commodity creates a market for it which makes it profitable for our farmers to grow sugar beets. The Jones Act denies the right to the American farmer to grow the acres he desires. This is wrong in principle. Its introduction and operation closed mills in Michigan which operated in 1933. It is a violation of the right the American farmer takes for granted to be his. It is a doctrine which was concocted and wrapped up in a general plan to benefit the banks which largely control the sugar plantations of Cuba. It was a scheme to saddle on the American farmer, who wants to grow sugar beets, an alleged debt someone seems to think the American farmer owes to the large banks which invested their deposits in Cuban plantations

The operation of this law prevents the building of more mills in this country in which American workmen could engage themselves in processing the sugar beets Michigan, Ohio, and Indiana farmers desire to grow on farms which do not require P. W. A. funds to furnish them water. The operation of the Jones Sugar Act, together with the processing tax and benefit-payment feature, creates a parity price principle which when it disappears through the expiration of the act will leave the beet growers of this country in chaos. The parity-price feature makes it unnecessary for the processor to pay a just price to the grower of the beets, because the Federal Government guarantees in a way the farmer will receive parity, and this parity fund is created through the assessment of a tax against the consumer. Some may say all the sugar trouble is caused by the Philippine importations. That is not true at all. Sugar from the Philippine Islands is only a factor. A protected industry needs to keep its own house clean, because it benefits through the good will of the population which grants that protection. Sugar-beet growers and processors must watch their step while the sugar law is in effect, all to the end that bad practices and inconsistencies may be eliminated from this great and beneficial industry. [Applause.]

[Here the gavel fell:]

Mr. CUMMINGS. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, it is not often I presume to take the time of this House; but when a man gets up here and talks about something he does not know anything about or makes misstatements, then it is time for him to be corrected.

Mr. CRAWFORD. Mr. Chairman, will the gentleman

Mr. CUMMINGS. No; I have not time to yield.

I want to call your attention to the statement the gentleman made about all these factories out here that were denied the right to have sugar beets grown. The truth is those factories were built years ago and have been standing idle for years and did not want to grow beets during all the hard times, but now they want to grow them under the benefits of the Jones-Costigan Act. Beets are going to bring a fair price under this act, and they want to grow them, although the factories have been standing idle and had run down until they were not worth a continental.

When the gentleman talks about production of sugar beets in other States, I may say that Colorado grows more sugar beets than any State in the Union, and there is not a

Government project in the State.

If all this country and all of this irrigated territory that they propose to bring under irrigation were in cultivation, it would not conflict with the beets grown in Michigan one particle. Our sugar is not what is interfering with the beets of Michigan; it is the sugar grown in the tropical islands and shipped into New York and New Orleans and refined there and shipped out into this entire territory. There is room in the State of Michigan and in the other territories for more than we can grow, and the sugar from the West is not competing with it at all. The sugar that is competing is the sugar produced by cheap tropical labor.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. CUMMINGS. I yield.

Mr. KNUTSON. Under the reduction in beet production in this country ordered by the A. A. A., I do not believe we are going to produce enough beets in any State to affect the

Mr. CUMMINGS. You are not growing enough sugar beets to fill your quota, and they would not want to grow beets at all if it were not for the Jones-Costigan Act; and the sugar from Colorado is not interfering now, and never has interfered, and never will interfere with other sugar if they will make the tropical islands produce their sugar under similar conditions. The gentleman says they are under the American flag. I am willing for those people to grow all the sugar they want to grow, without any limitation whatever, if they will grow it under the same conditions we grow it in the United States. If they will let the labor work the same hours and pay the labor the same wages, they can produce sugar until the end of time and I will not say a word; but I do object when they produce sugar with labor that gets 15 or 20 cents a day when we are paying 40 cents an hour.

Mr. KNUTSON. How is the Cuban treaty, which increases the allotment of Cuban sugar to be shipped into this country by 300,000 tons, going to affect the beetsugar industry in this country?

Mr. CUMMINGS. It could not affect it at all as long as we have 1,550,000 tons production. We have the first right to the market for 1.550,000 tons.

Mr. KNUTSON. Suppose we produce 4,000,000 tons, how will that affect it?

Mr. CUMMINGS. An ordinary mill will grind about 15,000 acres production. An ordinary acre will produce about 2,000 pounds of sugar; in Michigan, 3,000 pounds.

Mr. KNUTSON. Someone suggests that that will mean 200 additional mills.

Mr. CUMMINGS. Oh, no.

Mr. DONDERO. Will the gentleman yield?

Mr. CUMMINGS. I yield. Mr. DONDERO. How does the gentleman justify the restriction on the growing of sugar in this country when we raise only about 26 percent of what we consume?

Mr. CUMMINGS. I do not justify it at all, but the sugar market is being ruined by the sugar from the Tropics produced by cheap labor. My grandmother was Scotch, and she used to say, "Laddie boy, it is not what you want in this world, but it is what you get." [Laughter.]

The Clerk read as follows:

Riverton project, Wyoming: For operation and maintenance, \$25,000: Provided, That not to exceed \$25,000 from the power revenues shall be available during the fiscal year 1936 for the operation and maintenance of the commercial system.

Mr. CULKIN. Mr. Chairman, I move to strike out the last word in order to ask the chairman a question. Can the chairman of the subcommittee tell the House what this item of \$25,000 is in the Riverton project for operation and maintenance?

Mr. TAYLOR of Colorado. This \$25,000 is for a power plant operated for commercial purposes.

Mr. CULKIN. My information is that the pumping station at that project is being maintained, and the maintenance does not come from the rentals. Is that correct?

Mr. TAYLOR of Colorado. I cannot carry all the figures of hundreds of items in my mind in detail. They put in a power plant, and my recollection is that this is for the purpose of the maintenance of that power plant.

Mr. CULKIN. Can the gentleman tell us how much the

Government is going to get back of that \$25,000?

Mr. TAYLOR of Colorado. The gentleman will find justification for this item on page 149 of the hearings. They say that although no appropriation is requested for the continuation of construction, it is proposed to operate the plant for delivery of power to the power company and such uses as may be required in connection with the operation and maintenance of the project.

I suggest the gentleman look at the hearings. They call this power plant the Pilot Butte power plant. It was built primarily to furnish power for construction work. The surplus power is sold under contract to the Mountain States Power Co. No appropriation is requested for the continuation of construction; it is proposed to operate the plant for the delivery of power to the power company and such uses as may be required in connection with the operation and maintenance of the project. For 1934, \$20,000 was made available from power revenues and for 1935, \$25,000 was authorized from the same source and for 1936, \$25,000 is requested.

Mr. CULKIN. I thank the gentleman. The gentleman is familiar with my attitude on this proposition of not handicapping any existing project, despite the vigorous attacks made on me today, rather unjustly, of course, although I enjoyed them. I understand that on this project there are 32,000 acres, and only 3,000 in use. Can the gentleman tell me anything about that?

Mr. TAYLOR of Colorado. I think the hearings fully explain this matter.

The Clerk read as follows:

No part of any appropriation in this act for the Bureau of Reclamation shall be used for investigations to determine the economic and/or financial feasibility of any new reclamation project.

Mr. ZIONCHECK. Mr. Chairman, I move to strike out the last word. I think a general aspect of the reclamation projects has been ignored entirely by the gentleman from New York [Mr. Culkin]. It seems that every depression that the United States has suffered heretofore has been gotten out of by building capital goods, going west, building railways, factories, towns, and exploiting new mineral deposits. The reason we are suffering in this present depression is that we can go no farther west without going into the Pacific Ocean. The frontier as such is gone. We will have to retrace our way a little bit, but at the same time build capital goods. The Public Works Administration is allotting something like \$105,000,000 for the construction of dams; building flumes and ditches on the 17 reclamation projects is really building capital goods. It is one way out of the depression, although it is not a complete remedy by far. I think that is one factor that the gentleman from New York [Mr. Culkin] entirely ignores. Were it not for the West, the depressions heretofore suffered by the eastern people would have been depressions like the present one; but as long as the people could go west and build railroads and towns and factories, they provided money for the farmer and the business men of the East and they have prospered because of this expansion heretofore. In view of the fact that the present reclamation and irrigation projects are self-sustaining and are paid by the people on the projects—the money is really theirs, though it must go to the Treasury and be appropriated—I think there can be no legitimate objection to it.

The argument has been made here that it is inconsistent for the Department of the Interior to spend the public money in reclaiming land, while the Department of Agriculture spends money to take land out of cultivation. I hold no brief for the triple A. Mr. Wallace doubtless has plenty to answer for. Possibly this criticism of reclamation may find some justification if it is limited to certain States where conditions of soil and climate are least conducive to fertility. But I do say with no uncertain emphasis that the criticism falls flat when applied to the Grand Coulee or any other of the projects on the marvelous soil of eastern Washington.

Here the chemistry of Nature has mixed a compound that needs only water to make it lush with verdure that would delight the soul of any farmer in America. That is the soil that has sent the fruits of Washington to the markets of the world. Wenatchee apples do not compete with American orchardists. They go through the canal and across the ocean in shiploads by the score. Furthermore, there can be no competition with something which is unique of its kind.

The Department of Agriculture is trying to take submarginal lands out of use. Well, it is true that there are large numbers of people on land so wretchedly poor that it is impossible to scratch out of it even a meager living.

Perhaps it would be a good thing for these people if the Department of Agriculture put them anywhere else except in the bread line. If they have to be put in the bread line, they would better have stayed on the land.

But if it is a question of a sound economic alternative, then there is no question at all that it is better business to turn back the lean and arid lands to the prairie and the forest, and put its half-starved habitants on land that will blossom under their hands. Lastly, let me remind you that this land reclaimed from the valleys and plains of Washington will stay there after you have reclaimed it. It will not float through the air and deposit itself over the surrounding States.

These reclamation projects fit into our President's rehabilitation program. As I understand it, he proposes to move many farmers from submarginal lands to reclaimed lands which will abundantly produce when water and labor are applied, and thus furnish a decent livelihood for those that till this productive soil. The argument of overproduction is unsound, for as my colleague [Mr. KNUTE HILL] has said, the problem today is a problem of underconsumption. May I end by saying that there is plenty for all if we work out a sane and sensible scheme of distribution.

The Clerk read as follows:

Helium production and investigations: The sums made available for the fiscal year 1936 in the acts making appropriations for the War and Navy Departments for the acquisition of helium from the Bureau of Mines shall be transferred to the Bureau of Mines on July 1, 1935, for operation and maintenance of the plants for the production of helium for military and/or naval purposes, including laboratory gloves, goggles, rubber boots and aprons, purchase, not to exceed \$2,500, and exchange as part payment for maintenance, operation, and repair of motor-propelled passenger-carrying vehicles for official use in field work, and all other necessary expenses, and including \$11,300 for personal services in the District of Columbia.

Mr. WEARIN. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman of the subcommittee a question. I am very much interested in the appropriations for helium gas as described on page 72 of the bill. Does the gentleman know whether or not the sums to be transferred from the War and Navy Departments mentioned in this paragraph constitute an increase over the amount appropriated last year?

Mr. TAYLOR of Colorado. They asked for \$110,000 this year, and they are asking for \$100,000 next year.

Mr. WEARIN. Is that more than was appropriated at the last session of Congress?

Mr. TAYLOR of Colorado. The amounts for these purposes are in the Army and Navy appropriation bills.

Mr. WEARIN. I understand that, but they are being transferred for the first time to the Department of the Interior. Or is that a general practice?

Mr. TAYLOR of Colorado. It has been done previously.

Mr. WEARIN. The gentleman does not know whether the sums in total amount to more than they did in the last session of Congress?

Mr. ZIONCHECK. Ten thousand dollars less. That is entirely up to the Army and the Navy. It is just a question of giving money to the Department of the Interior or the Bureau of Mines to get the helium.

Mr. WEARIN. Was there anything brought out that indicated a contemplation of an increase in the amount of helium produced?

Mr. ZIONCHECK. We have nothing whatever to do about that. The question of the dirigible coming down and a decrease in the supply of helium came up, but we have nothing to do with that. The Bureau of Mines gets the helium in Texas and brings it to the surface, puts it into tanks, and it goes to the Army and Navy as they need it.

The Clerk read as follows:

There is hereby transferred from the Department of Commerce, Bureau of Foreign and Domestic Commerce, to the Department of the Interior, Bureau of Mines, all those activities of the Minerals Division of the Bureau of Foreign and Domestic Commerce con-Division of the Bureau of Foreign and Domestic Commerce concerned with economic and statistical analyses of mineral commodities, domestic and foreign, together with all employees, records, files, equipment, publications, and funds pertaining thereto, effective immediately; and there is hereby transferred from the appropriation, "Export industries, Department of Commerce, 1936", to the appropriation, "Economics of mineral industries, Bureau of Mines, 1936", the sum of \$23,700;

Total, Bureau of Mines, \$1,417,311.

Mr. MURDOCK. Mr. Chairman, I move to strike out the last word.

In the past 200 years the material world has been virtually remade by man. Emerging from somnolent centuries of relative changelessness, man suddenly awoke to the boundless wealth and power that lay hidden in the earth-and took possession of them. By utilizing this wealth and power man has wellnigh mastered nature. Yesterday he shackled the earth with metal and made it his slave. Today, with metal, he is enslaving air, electricity, and light. The new culture envelops the earth and penetrates to every region, no matter how hitherto desolate and inaccessible. The new culture is a mineral culture. Modern civilization is based, almost entirely, on the use of metals and mineral fuels.

The English nation has ranked first among modern nations in wealth and power because it was the first to discover and exploit its mineral resources. The industrial revolution began in England and flourished on coal and iron; it has progressed throughout the world so fast as minerals have been discovered and utilized by other nations. The industrial revolution would have been impossible unless there had first occurred a revolution in the use of minerals; and without the industrial revolution there could have been no British Empire. Nor would there have been an American Republic with world-wide prestige.

#### THE MINING INDUSTRY IN THE UNITED STATES

That grand old American, Thomas Jefferson, conceived idvllic dreams of an agricultural America separated by an ocean from the turmoil of industry. But he dreamed without even guessing at the fabulous mineral wealth hidden in the American wilderness, and without foresight of the mechanical wonderland of today. How it would have alarmed him if some prophet had revealed to him that the United States and Great Britain, between them, would exploit 75 percent of the minerals of the world (V, 391). Not with agriculture, but with industry, our destiny has run, and industry would be still-born without minerals. "The minerals", says a recent writer, "are the essence of industrialism" (XI, 7).

The mineral wealth of the United States is more varied and abundant than that of any other region of the earth. Let us glance at a brief recapitulation of that wealth. The capital investment in the American mineral industry is estimated to be within twelve and fifteen billion dollars (XI, 5). With that investment, in 1929 the United States produced 35 percent of the world's coal, 67 percent of the world's petroleum, 37 percent of the world's iron ore, 47 percent of the world's copper, 36 percent of the world's lead, and 42 percent of the world's zinc (XIV, 25). Expressing these facts in different form, it can be shown that 40 percent of the value of the world's mineral production is produced within our borders; and if we add the minerals produced from sources under the commercial control of the United States, our percentage of the world's total mounts to 50 percent. By the exploitation of mineral fuels and water power, we produce nearly half of the mechanical energy produced in the entire world (V, 391). Statistics on the power and heat sources of the United States disclose that more than 53 percent of our power and heat are derived from coal, and more than 36 percent from oil and gas. In other words, the mining industry provides us with more than 89 percent of our heat and power, whereas less than 11 percent is derived from water power and other sources (compare VI, 13, and XI, 6).

American labor may be said to stand on a mineral foundation. In normal times, approximately 800,000 laborers work underground in the mines of America, and more than 1,700,000 are employed in all branches of the mineral industry. Coal mining alone furnishes more laborers with employment than any manufacturing industry (XI, 4). And it is not necessary to demonstrate the obvious fact that a vast majority of our industrial laborers are employed in the fabrication of minerals. Indeed, recent studies indicate that approximately 25,000,000 Americans, directly and indirectly, depend upon the mining industry for a livelihood (VI, 8).

Our transportation system has made the American Union possible. Railroads and steamships have bound the West to the East and the North to the South; they have brought the products of the hills, the plains, and the forests to the cities and returned the products of the cities to every corner of the continent. And it is not exaggeration to say that the mineral industry has made our transportation system possible, because 65 percent of the total freight carried by American carriers is furnished by the mineral industry and fabricated mineral products. Our mines are also making possible the rapid development of new forms of transportation, such as the airplane and lighter-than-air ships, whose efficient utilization still lies in the future.

The economic importance to the United States of the mineral industry is emphatically demonstrated by the fact that over the 10-year period beginning with 1923 the average annual value of mineral products was \$4,466,300,000 (VI, 9); that is, annually the mineral industry adds to the total wealth of the United States commodities valued at approximately four and one-half billion dollars. Thus it adds to cur national wealth twice as much as that industry which is engaged in the manufacture of food and kindred products, 1½ times as much as the transportation equipment manufacturing industry, and more than 10 times as much as the rubber industry. (See appendix A.)

The average annual product of the mineral industry is less than that of agriculture, which is, of course, still our primary industry. However, the mineral industry annually adds to the wealth of the United States approximately as much as the average annual value of all farm crops produced and practically as much as the total annual value of all livestock and derivative commodities. (See appendix B.) Pursuing these revealing statistics a little further, it is interesting to compare the average annual product of one branch of the mineral industry-namely, metal mining-with specific agricultural crops. In the Agricultural Adjustment Act of 1933 Congress established certain basic commodities, on which the agricultural structure of the Nation is indisputably based. No good purpose would be served by attempting foolishly to derogate the importance of these commodities. And yet the average annual production of the metal-mining industry, although slightly less than the average annual value of our corn crop, is approximately equal in value to that of our cotton crop, greater than our wheat crop, greater than our hogs, many times greater than our tobacco, and dwarfs to relative insignificance the average annual value of our rice crop. (See appendix C.)

Every State in the Union is engaged in the mining industry, and its direct influence is felt by every citizen. Accord-

in different form, it can be shown that 40 percent of the value of the world's mineral production is produced within our borders; and if we add the minerals produced from sources under the commercial control of the United States, and of these two-thirds, or 2,024 counties, produce commercial minerals. The population of the mineral-producing counties of the United States in 1930 was 40,278,459 (VI 11)

#### THE MINING INDUSTRY IN UTAH

Nevertheless, it is true, startlingly true, that the Nation's, as well as the world's, store of minerals is confined to comparatively small areas. To illustrate this fact, let me call attention to the fact that since 1864 the State of Utah, one district of which I have the honor to represent, has produced 7,000,309 fine ounces of gold, 593,106,470 fine ounces of silver, 4,855,654,109 pounds of copper, 7,196,590,720 pounds of lead, and 984,274,157 pounds of zinc. The total value of this one small State's vast mineral output has been \$1,814,314,105, of which the value of our gold production accounts for only \$144,709,230 (I, 261). During the years 1913 to 1932 Utah produced approximately 7 percent of the world's production of silver, 7 percent of the world's production of copper, 7 percent of the world's production of lead, and 2 percent of the world's production of zinc (XII, 3). According to figures furnished by the Bureau of Mines, the area embraced within a 600-mile circle, drawn with Salt Lake City as its center, produced in the last 20 years 79.87 percent of all the gold. 91.9 percent of all the silver, 53.61 percent of all the lead, 77.47 percent of all the copper, and 26.55 percent of all the zinc produced in the United States, including Alaska (VIII, 47).

Likewise, it is true that in those areas rich in minerals the relative economic importance of the mineral industry increases to an almost incredible extent. In 1930, out of Utah's population of slightly more than half a million, 239,605 people, or 47.17 percent, were dependent on the metal-mining industry (VII, 5). In our State the mineral industry—

Employs one-third of the total number of employees carried by the State industrial commission, produces about one-third of the new wealth annually created in the State, and supplies four-fifths of all the railroad freight tonnage of Utah (VIII, 9).

The annual output of the mineral industry of Utah averages about \$120,000,000. Eighty-five million dollars of this amount is immediately expended in the State for wages, freight, smelting, and supplies.

#### OUR STAKE IN MINING

Not only in Utah, but throughout the entire Rocky Mountain area, the mining industry is of paramount economic importance. The prosperity of the people of that area is almost wholly dependent upon the prosperity of the mining industry. No one has yet guessed at the incalculable wealth that is locked away in the mountains of our inland empire; but it is not too much to say that the future glory and greatness of our country will come largely from that area. America's stake in the mining industry is great beyond all measure. It is the duty of American political leaders to take cognizance of the importance of that industry. We cannot, we must not, lose our stake in mining. And the time has come when the Government must awaken to the needs of the mining industry and take steps to bring about a saner and more orderly utilization of our mineral wealth in the interests of the whole people.

During the years 1924 to 1928 the mining industry paid in Federal taxes almost six times as much as the agricultural industry. During those same years the Federal Government spent almost 50 times as much to protect agriculture as it spent to protect our mines. The mineral industry has stood on its own legs and has solved its own problems-sometimes wisely, sometimes unwisely. It does not ask for subsidies nor doles. It merely asks that the Government aid it with its technological problems and with those problems which involve the safety and welfare of mining labor. Only two Government agencies—the Bureau of Mines and the Geological Survey-are concerned principally with mining problems. In the past they have performed invaluable services, and they have ordered their work so that in the future they can render even greater service to the mines and the miners and to the country at large.

But previous Congresses have crippled their efforts by penny-wise dollar-foolish economies. It would be false economy, it would be blind leadership, to continue to imperil our stake in that industry, which produces half our wealth, by continuing these petty, unsubstantial, so-called "economies."

#### APPENDIX A

New wealth created annually by various American industries [In millions of dollars]

Sald History	Food and	Value add	led by man	Transporta-		
Year	kindred products	Textiles	Chemi- cals	Rubber	ment, land, air, and water	Mineral 2
1921 1923 1925 1927 1927 1929	2, 144 2, 583 2, 670 2, 902 3, 391 2, 721	3, 155 4, 068 3, 776 4, 028 4, 139 2, 829	873 1, 231 1, 381 1, 549 1, 788 1, 404	327 457 539 565 539 361	1, 215 1, 939 2, 063 1, 786 2, 364 1, 162	4, 139 5, 987 5, 678 5, 530 5, 887 3, 167

From Statistical Abstract of the United States, 1933, p. 696, table 729. Ibid. p. 650, table 656.

# APPENDIX B [In millions of dollars]

The second second	Total value of mineral	Estimated gross income from farm products in the United States <sup>2</sup>			
Year	products of the United States 1	Total	Crops	Livestock and products	
1920 1921 1922 1923 1924 1925 1925 1926 1927 1928 1929 1930 1930 1931	6, 961 4, 139 4, 647 5, 987 5, 306 5, 678 6, 214 5, 530 5, 385 5, 887 4, 765 3, 167 2, 443	13, 596 8, 927 9, 944 11, 041 11, 337 11, 968 11, 480 11, 741 11, 918 9, 414 6, 911 5, 143	6, 862 4, 488 5, 350 5, 969 6, 170 6, 147 5, 648 5, 817 5, 675 5, 421 3, 799 2, 714 2, 113	6, 704 4, 440 4, 594 5, 072 5, 167 5, 820 6, 012 5, 799 6, 066 6, 497 5, 615 4, 197 8, 030	

From Statistical Abstract of the United States—1933, p. 650, table 656.
 Ibid., p. 565, table 536.
 Figures for 1932 are preliminary.

NOTE.—Gross income is based on estimates of production for sale and for consumption in the farm home. Production fed to livestock or used for seed is not included.

APPENDIX C [In millions of dollars]

	Farm value of basic commodities as defined in Agri- cultural Adjustment Act (73d Cong., 1st sess.)					Total value of minerals	Metal	
Year	Wheat 1	Cotton <sup>2</sup>	Corn 3	Swine 4	Rice 6	Tobacco 4	produced in United States 7	only *
1920	1,540 843	1,069	1, 872 1, 545	1, 203 804	61 37	260 196	6, 981 4, 139	1, 762
1922	818	1,116	2, 037	633	39	286	4, 647	987
1923 1924	703 1,048	1,454	2, 401	852 686	37 45	288 237	5, 987 5, 306	1, 511
1925	962	1, 577	1,995	733	49	231	5, 678	1, 380
1926	1,015	1, 121	1,938	815	46	231	6, 214	1, 400
1927	1, 041	1,308	2, 274	954	40	250	5, 530	1, 21
928	911 850	1,302	2, 288	814 761	39	275 286	5, 385 5, 887	1, 28
930	596	659	1, 228	744	35	212	4, 765	98
931	364	484	831	618	22	132	3, 167	56
1932	282	424	925	365	17	107	2, 443	28

<sup>1</sup> Farm value, Dec. 1 price. Yearbook of Agriculture, 1934, p. 387, table 1.
<sup>2</sup> Ibid., p. 459, table 111.
<sup>3</sup> Ibid., p. 414, table 40.
<sup>4</sup> Total value of all swine, including pigs, in the United States on Jan. 1 of each year. Crops and Markets, vol. 9, no. 2, February 1932, p. 42.
<sup>4</sup> Farm value, Dec. 1 price, Yearbook of Agriculture, 1934, p. 451, table 95.
<sup>4</sup> Ibid., p. 484, table 153.
<sup>5</sup> From Statistical Abstract of the United States, 1933, p. 650, table 656.
<sup>8</sup> Total value of metals produced in United States.

#### APPENDIX D

#### LIST OF SOURCE MATERIAL

[Note.—In the text of the foregoing remarks references are made to the following sources. For convenience, each source has been designated in the text by a roman numeral; the page number by arabic numerals. Thus (VI, 9) refers to The Unseen Empire,

I. Mineral Year Book, 1934; United States Bureau of Mines.

II. Fifteenth Census of the United States Mines and Quarries—General Report; United States Bureau of the Census.

III. Statistical Abstract of the United States, 1933; Bureau of

Foreign and Domestic Commerce

IV. Abstract of the Fifteenth Census of the United States, 1930;

Bureau of the Census.

V. A Report on National Planning and Public Works in Relation to Natural Resources, and Including Land Use and Water Sources, with Findings and Recommendations; Part IV, Report of the Planning Committee for Mineral Policy; National Resources

VI. The Unseen Empire: the American Mining Congress, Wash-

ington, D. C., 1934.

VII. The Economic Dependence of the Population of Utah, by Rolland A. Vandegrift and associates; Salt Lake City, May 15,

VIII. What Mining Means to Utah; Chamber of Commerce, Salt

VIII. What Mining Means to Utah; Chamber of Commerce, Salt Lake City.

IX. Letter from W. A. Mendenhall, Director Geological Survey, to Abe Murdock, dated February 2, 1935. (See Appendix E.)

X. The Rehabilitation of a Mine, by W. Mont Ferry; Western Mineral Survey, Salt Lake City, January 25, 1935.

XI. Mineral Economics, lectures under the auspices of the Brookings Institution; edited by F. G. Tryon and E. C. Eckel; McGraw-Hill, 1932.

XII. Production and Price Data—Gold, Silver, Copper, Lead.

XII. Production and Price Data—Gold, Silver, Copper, Lead, and Zinc, by years, for the 20-year period 1913-32; Utah Chapter, American Mining Congress, March 1, 1934 (Ms.).

XIII. Year Book of Agriculture, 1934; United States Department

of Agriculture. XIV. Elements of a National Mineral Policy; prepared by the Mineral Inquiry, 1933.

#### APPENDIX E

#### United States Department of the Interior, GEOLOGICAL SURVEY. Washington, February 2, 1935.

Hon. Abe Murdock,

House of Representatives.

My Dear Mr. Murdock: In reply to your telephone request of January 29:

The economic importance of the mining industry in the United States may be most broadly inferred from the national standard of living as compared with standards prevailing in the western of living as compared with standards prevailing in the western European countries from whose stocks our people are derived. All economists are agreed that our industrial civilization and the power age are dependent fundamentally upon the mineral resources of the Nation. In this respect, therefore, the importance of our mineral industries in the national economy is far greater than the statistics would indicate, yet even the statistical position of the mining industry is impressive. The total national income in 1928 has been estimated at roughly \$90,000,000,000. Of this the mineral production, valued at \$4,707,309,000, formed over 5 percent, the agricultural production about \$11,816,000,000, or about 13 percent. Two-thirds of the railway tonnage is composed of the products of the mines. the mines.

Two-thirds of the rallway tonnage is composed of the products of the mines.

The long-time trend for several generations has been toward an increasing relative importance of the mineral industries and in the past generation this trend has become still more emphatic. For example, in the 30 years ending in 1929, the population of the United States increased 62 percent, the physical volume of agricultural production 48 percent, of manufactures 310 percent, of railroad freight 338 percent, and of mining products 386 percent. These figures are given in the article on Mineral and Power Resources by F. G. Tryon and M. H. Schoenfeld in Recent Social Trends, McGraw-Hill Book Co., New York, 1933.

In the State of Utah the relative importance of the mineral industry is far greater than in the United States as a whole. According to the Statistical Abstract of the Department of Commerce for 1930, the total value of farm products of the State, including both crop and animal products, was \$67,500,000 in 1928. In the same year the mineral production was valued at \$97,381,000, or 46 percent more. This comparison is, perhaps, still more striking if one notes that the entire sugar-beet crop of Utah was in that year worth only \$4,478,000 and, according to the Fifteenth Census, the total capital value (not output) of all farm lands and buildings in Salt Lake, Utah, and Weber Counties, the three most thickly settled agricultural counties of the State, was only about \$71,000,000. Thus the mineral output of the State for this one year was over 37 percent greater than the total value of the farms of its three most productive agricultural counties.

General information on the economic importance of the mineral industry is contained in Our Mineral Supplies, by H. D. McCaskey and E. F. Burchard; United States Geological Survey Bulletin 666, 1919, now out of print; and in the following publications:

Mineral Economics, American Institute of Mining and Metal-

lications:

Mineral Economics, American Institute of Mining and Metal-

Maneral Economics, American Institute of Mining and Metal-lurgical Engineers, 1933. Man and Metals, by T. A. Rickard, McGraw-Hill Book Co., New York City, 1932. Our Mineral Civilization, by T. T. Read, Williams & Wilkins Co.,

Elements of a National Mineral Policy, by the Mineral Inquiry, American Institute of Mining and Metallurgical Engineers, 1933. (New York City.)

References to several articles on the mineral resources and industry of Utah are given below:

The Mineral Industry of Utah, by R. S. Lewis: University of Utah Bulletin, volume 10, no. 11 (Utah Engineering Station, Department of Metallurgical Research, Bulletin 12), 201 pages, December 1919.

December 1919.

The Mineral Resources of Utah, by R. E. Head: Mining and Metallurgy, volume 6, pages 387–393, August 1925.

The Nonmetallic Mineral Resources of Utah, by R. A. Hart: Pit and Quarry, volume 24, no. 13, pages 29–34, September 21, 1932. Information as to the mineral industry of Utah is contained in reports of this survey, which are checked on the list accompanying the enclosed index map. Your attention is particularly called to Professional Paper 111, The Ore Deposits of Utah. Such of these reports as are available in the small reserve supplies in this office are being sent you under separate cover.

omce are being sent you under separate cover.

You have doubtless already made a similar inquiry of the Bureau of Mines. This Bureau will be able to furnish you detailed statistical information regarding the amount and value of mineral production in Utah and the United States as a whole.

If it would be of service to you in connection with your inquiry, I should be pleased to arrange for one of our staff who is familiar with the mining industry of Utah to confer with you at your convenience.

convenience.

Very cordially yours,

W. A. MENDENHALL, Director.

The Clerk read as follows:

For the establishment and maintenance of public schools, Territory of Alaska, \$4,000, together with the unexpended balance on June 30, 1935, for this purpose in the special fund, public schools, Alaska fund, to continue available until expended: *Provided*, That expenditures under such \$4,000 shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

Mr. DIMOND. Mr. Chairman, I move to strike out the last word. I do this, Mr. Chairman, to ask the chairman of the subcommittee a question with respect to the proviso. I really cannot understand the effect of this proviso on page 94, concerning the public schools, Territory of Alaska. I understand the first part makes an appropriation of \$4,000, plus the unexpended balance on June 30, 1935, of that part of the Alaska fund which has been collected, and which is on that date in the United States Treasury in a special fund; but then the proviso is that expenditures under such \$4,000 shall not exceed the aggregate receipts covered into the Treasury, in accordance with section 4 of the Permanent Appropriation Repeal Act of 1934. That would seem that no part of the \$4,000 could be used or that the \$4,000 is just put in there as some nominal sum. Then I am somewhat confused by the last part which does not state upon what date the receipts are to start. It may be entirely clear to the committee, but I do not quite understand it.

Mr. TAYLOR of Colorado. In the first place, there is an unexpended balance of \$56,000. This \$4,000 down below refers really to that \$4,000 up above and that is a direct appropriation, "for the establishment and maintenance of public schools, \$4,000", a straight appropriation, together with the unexpended balance of \$56,000. That makes \$60,000 plus. The gentleman will recall that after this appropriation repeal act of 1934, we took a large amount of permanent appropriations and relegated them back to the departments, whereby we have to specifically appropriate them if we desire to do so, each year. This is one of those items that came to us from the permanent appropriation. We are just carrying it on practically the same as it was before.

Mr. ZIONCHECK. Mr. Chairman, my recollection is that we purposely worked it out in this manner in order to save for Alaska \$56,000 in this fund. If we had not appropriated that \$56,000, it would have gone to the Treasury and would have been lost to Alaska. As it is, you are getting 25 percent of the occupational and trade tax for school purposes. This additional \$4,000 is more than you will require for the coming year, because in the last 2 years you have only been using \$50,000. From the 25 percent which you get from occupational and trade taxes, that money can be held in abeyance and we can appropriate it next year; and if you need more, we can give it to you. We took the position that if you needed \$100,000 it would be all right, but we purposely took this fund that would be impounded and lost to you, and appropriated in addition to that \$4,000, which is \$10,000 more than you have demonstrated you have required in the past.

Mr. DIMOND. We have required it, but we have not obtained it. In the hearings before the committee, at pages 476 and 477, Mr. Burlew testified it seemed to be his impression that the bill, instead of carrying \$4,000, should carry \$50,000, which was written in the bill then, and, in addition to that, we should have this language which now appears in the bill, "together with the unexpended balance."

Mr. ZIONCHECK. May I ask the gentleman this: Did Mr. Burlew state that we should appropriate \$50,000 in addition to the \$56,000? Is that in his testimony?

Mr. DIMOND. I understood that.

Mr. ZIONCHECK. At what page does that appear?

Mr. DIMOND. Page 476 of the hearings.

Mr. ZIONCHECK. If we take the position of appropriating \$50,000 from the general fund you would lose the \$56,000 which has accumulated.

Mr. DIMOND. Yes, of course.

Mr. ZIONCHECK. And that would have gone to the Treasury and would have been gone forever as far as the Alaska schools are concerned.

Mr. DIMOND. The language that now appears in the first part of that paragraph, which reads as follows: "To-gether with the unexpended balance on June 30, 1935, for this purpose in a special fund, public schools, Alaska fund ". is absolutely necessary. Otherwise we would have lost the

Mr. TAYLOR of Colorado. Does the gentleman not recognize that we are giving him \$10,000 more than the Budget authorized?

Mr. DIMOND. Well, I do not remember the figures of

the Budget estimate sufficiently to answer the question.

Mr. TAYLOR of Colorado. The Budget estimate was \$50,000, and we are making available to you \$60,000.

Mr. DIMOND. May I ask another question, then?

Mr. TAYLOR of Colorado. Certainly.

Mr. DIMOND. Under the language as printed, the money that has been collected from the tax in Alaska and put into this school fund will not be lost? None of it will be lost this year or next year?

Mr. TAYLOR of Colorado. Oh. no: not at all.

[Here the gavel fell.]

The Clerk concluded the reading of the bill.

Mr. TAYLOR of Colorado. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House. together with an amendment, with the recommendation that the amendment be agreed to and the bill, as amended, do

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MEAD, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 6223) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1936, and for other purposes, directed him to report the same back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended,

Mr. TAYLOR of Colorado. Mr. Speaker, I move the previous question on the bill and the amendment thereto to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time. and was read the third time.

The SPEAKER. The question is upon the passage of the

The bill was passed, and a motion to reconsider was laid on the table.

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that all Members who have spoken on the bill may have 5 legislative days within which to revise and extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. Schneider, for 4 days, on account of important business.

To Mr. Maloney, for 10 days, on account of official business.

#### ADJOURNMENT OVER

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

#### SENATE BILLS REFERRED

Bills, a joint resolution, and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 51. An act for the relief of Frank Kroegel, alias Francis Kroegel; to the Committee on Military Affairs.

S. 244. An act for the relief of Thomas Salleng; to the Committee on Military Affairs.

S. 285. An act to reimburse the estate of Mary Agnes Roden; to the Committee on Claims.

S. 312. An act for the relief of Lillian G. Frost; to the Committee on Claims.

S. 313. An act to confer jurisdiction on the Court of Claims to hear and determine the claim of A. C. Messler Co.; to the Committee on War Claims.

S. 447. An act conferring jurisdiction on the United States District Court for the District of Oregon to hear, determine, and render judgment upon the suit in equity of Rakha Singh Gherwal against the United States; to the Committee on Claims

S. 457. An act for the relief of John W. Beck; to the Committee on Military Affairs.

S. 475. An act for the relief of Mrs. George F. Freeman; to the Committee on Claims.

S. 481. An act authorizing the filling of vacancies in certain judgeships; to the Committee on the Judiciary.

S. 557. An act for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department; to the Committee on Claims.

S. 558. An act for the relief of certain disbursing officers of the Army of the United States and for the settlement of an individual claim approved by the War Department; to the Committee on Claims.

S. 559. An act to authorize settlement, allowance, and payment of certain claims; to the Committee on Claims.

S. 652. An act for the relief of Harold S. Shepardson; to the Committee on Military Affairs.

S. 788. An act for the relief of the International Mercantile Marine Co.; to the Committee on Claims.

S. 790. An act for the relief of the Compagnie Generale Transatlantique; to the Committee on Claims.

S. 799. An act for the relief of Yvonne Hale; to the Committee on Claims.

S. 905. An act for the relief of Edith N. Lindquist; to the Committee on Claims.

S. 941. An act for the relief of William J. Cocke; to the Committee on War Claims.

S. 978. An act authorizing the Secretary of War to convey to the University of Oregon certain lands forming a part of the Coos Head River and Harbor Reservation; to the Committee on Military Affairs.

S. 1008. An act for the relief of the Fairmont Creamery, of Omaha, Nebr.; to the Committee on Claims.

S. 1012. An act for the relief of Ed Symes and wife, Elizabeth Symes, and certain other citizens of the State of Texas; to the Committee on Claims.

S. 1082. An act for the reinstatement of John Carmichael Williams in the United States Navy; to the Committee on Naval Affairs.

S. 1136. An act to carry into effect the finding of the Court of Claims in the claim of Elizabeth B. Eddy; to the Committee on Claims.

S. 1374. An act authorizing the survey, location, and construction of a highway to connect the northwestern part of continental United States with British Columbia, Yukon Territory, and the Territory of Alaska; to the Committee on Roads.

S. 1474. An act for the relief of Paul H. Creswell; to the Committee on Claims.

S. 1605. An act authorizing the President to present Distinguished Flying Crosses to Air Marshal Italo Balbo and Gen. Aldo Pellegrini, of the Royal Italian Air Force; to the Committee on Military Affairs.

S. 1809. An act for the relief of Germaine M. Finley; to the Committee on Claims.

S. 1896. An act to provide for interest payments on American Embassy drafts; to the Committee on Claims.

S. J. Res. 9. Joint resolution authorizing the Federal Trade Commission to make an investigation with respect to agricultural income and the financial and economic condition of agricultural producers generally; to the Committee on Interstate and Foreign Commerce.

S. Con. Res. 5. Concurrent resolution to print and bind the proceedings in Congress and in the rotunda of the Capitol upon the acceptance in the Capitol of the statues of Caesar Rodney and John M. Clayton, presented by the State of Delaware; to the Committee on Printing.

#### ENROLLED BILL SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 3464. An act to amend certain sections of the Code of Law for the District of Columbia, approved March 3, 1901, as amended, relating to descent and distribution.

#### KEEP THE RECORD STRAIGHT

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. PATMAN. Mr. Speaker, January 14, 1935, House bill 3896 was introduced in the House of Representatives by Representative Vinson of Kentucky, at the request of Mr. Frank N. Belgrano, Jr., national commander of the American Legion. At that time there were pending before the House of Representatives only three bills providing for full and immediate cash payment, as follows:

H. R. 1, by Patman, of Texas, provides for full and immediate cash payment, the payment to be made in United States notes, with the privilege extended to the Secretary of the Treasury to retire Federal Reserve notes in the event of danger of inflation. No interest would be charged on loans after October 1, 1931.

H. R. 2750, by Deen, of Georgia, immediate and full payment provided in Federal Reserve notes in return for a deposit of the veterans' certificates.

H. R. 2829, by Lundeen, of Minnesota, full and immediate cash payment as provided in H. R. 1, without deducting interest and with refund of interest paid; method of payment same as H. R. 1, but not the same as to the method of contracting currency in the event of danger of inflation, but guarded against inflation.

In addition to these 3 bills, there were only 7 other bills pending in the House of Representatives which provided for partial payment or in any manner dealt with the payment of the adjusted-service certificates, which were introduced prior to January 14. They were as follows:

H. R. 9, by Celler, of New York, does not provide for immediate payment, but does provide for partial payment in full settlement.

the rate of \$50 per month to those in need.

H. R. 131, by Celler, of New York, a part-payment bill at the rate of \$30 per month to those in need.

H. R. 2019, by Griffin, of New York, a part-payment bill in full settlement.

H. R. 2860, by SEARS, of Florida, a part-payment bill in full settlement.

H. R. 2888, by Lea of California, a part-payment bill in full settlement.

H. R. 3267, by Fish, of New York, a part-payment bill in five equal installments, commencing July 1, 1935.

#### COMMANDER BELGRANO MISINFORMED

It will be noticed that there were only three full and immediate cash payment bills pending at the time H. R. 3896 was introduced-H. R. 1, H. R. 2829 (the Lundeen bill), and H. R. 2750 (the Deen bill) - and it will be noticed that the Lundeen bill is the same as H. R. 1, except the feature in regard to interest paid and a control for preventing inflation.

Evidently the one who obtained the information for Commander Belgrano did not give him the correct facts, as Commander Belgrano and his official family did, on January 14, and at different times thereafter, give as his reasons for causing to be introduced in the House of Representatives H. R. 3896 the following:

First. That more than 40 bills had been introduced in Congress providing for the immediate payment of the certificates; that practically every one offered some different method for raising the money.

Second. That some bills provided for payment in silver. Third. That some bills provided bonds with schemes of taxation to pay the bonds.

Fourth. That some bills provided that it be paid by infla-

Fifth. That the Senate is not in favor of the Patman bill, and a bill should be introduced and passed in the House that the Senate will favor.

Sixth. That the American Legion never recommended to Congress a particular method of payment.

#### REASONS FOR OPPOSING H. R. 1 ANSWERED

I have carefully checked these bills with the clerk of the document room to make absolutely sure that the statement in regard to these bills is absolutely accurate.

Therefore, the statement that there were so many bills introduced that the issue was beclouded and there were so many plans pending for the payment of the certificates that the success of the veterans' program was threatened was an incorrect statement; in view of these facts, that cannot be

I will answer Mr. Belgrano's reasons for causing H. R. 3896 to be introduced in the order in which they have been out-

First. There were only 3 bills providing for the immediate payment of the certificates and not 40.

Second. No bill was pending which provided for the payment in silver.

Third. No bill was pending which provided for bonds with a scheme of taxation to pay the bonds.

Fourth. No bill was pending that provided for the payment by inflation.

Fifth. The Senate has reversed itself since it defeated our bill on June 17, 1932, which provided for the payment as provided in H. R. 1. Since that time the Senate has on a number of occasions voted to let national banks and Federal Reserve banks obtain money in return for deposits of 1945 obligations in the same way that we propose in H. R. 1, and practically every Senator has voted for such proposals. Further, when the bill leaves the House it will go to a Senate committee; the House should be allowed to pass the bill that it has expressed a preference for by tremendous majorities heretofore. Any changes can be made in the Senate that will cause the bill to receive the most votes and carry out our purpose to get the certificates paid in full immediately. When this bill passes the Senate, a committee from each body, known as a "free conference committee", will

H. R. 39, by Martin of Colorado, a part-payment bill at | iron out the differences between the two Houses. The bill that is agreed upon by this free conference committee providing for full and immediate cash payment will meet with my approval and will receive my support.

Sixth. Probably the Legion has not heretofore recommended a particular method of payment. The Miami resolution, however, directs that the payment be made in a way that no additional debt will be created. Although H. R. 1 was not specifically endorsed at the convention of the American Legion at Miami, the bill does carry out the terms of the resolution. No one can contend that an additional debt will not be created if we pay a debt now with interest-bearing bonds that is not payable until 1945.

#### DIFFERENT METHODS USED ON TRIAL BALLOONS

In the beginning of the campaign for paying the adjustedservice certificates in 1929 and 1930 we tried different methods of payment in order to gain public approval. We were unsuccessful in our efforts to make headway in this direction until we proposed the method of payment provided in H. R. 1, which requires no bonds, no taxes, and will save the Government a billion and a half dollars. We would never have gained public attention and approval without a showing of this kind. The first question that would be asked when the payment of the certificates was mentioned was: "How can you justify the payment now, when they are not payable until 1945?" Our answer would be: "Yes; it is true the certificates are not payable until 1945; but the veterans were deprived of 7 years' interest, which, if given credit for along with a proper adjustment of interest on the \$1 and \$1.25 a day, the full amount was due October 1, 1931." Even this answer was not sufficient to get public approval without the further answer: "The debt can be paid in a way that it would not cost the Government anything, and the distribution of such a large sum of money into every nook and corner of the Nation would be helpful to the general welfare."

#### ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 58 minutes p. m.) the House, under its previous order, adjourned until Monday, March 4, 1935, at 12 o'clock noon.

## COMMITTEE HEARING

## COMMITTEE ON THE PUBLIC LANDS

Public hearing, room 328, House Office Building, tomorrow, Saturday, March 2, at 10:30 a. m., on bill (H. R. 3019) providing for certain amendments to the Public Domain Grazing

# EXECUTIVE COMMUNICATIONS, ETC.

240. Under clause 2 of rule XXIV, a letter from the Comptroller General of the United States, transmitting a report covering a survey, so far as it has progressed, of the inactive and permanent appropriations and funds on the books of the Government, and also funds in the custody of officers and employees of the United States in which the Government is financially concerned, for which no accounting is rendered to the General Accounting Office, and recommendations for such changes in existing law relating thereto (H. Doc. No. 115), was taken from the Speaker's table, referred to the Committee on Expenditures in the Executive Departments, and ordered to be printed.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. McSWAIN: Committee on Military Affairs. H. R. 6250. A bill to amend the National Defense Act; without amendment (Rept. No. 275). Referred to the Committee of the Whole House on the state of the Union.

Mr. DREWRY: Committee on Naval Affairs. H. R. 4759. A bill to amend section 1 of the act of February 14, 1927, entitled "An act authorizing the Secretary of the Navy to accept, on behalf of the United States, title in fee simple to a certain strip of land and the construction of a bridge across Archers Creek in South Carolina"; without amendment (Rept. No. 276). Referred to the Committee of the Whole House on the state of the Union.

Mr. KNIFFIN: Committee on Naval Affairs. H. R. 4764. A bill for the relief of the officers and men of the United States Naval and Marine Corps Reserves who performed flights in naval aircraft in connection with the search for victims and wreckage of the United States dirigible Akron; without amendment (Rept. No. 277). Referred to the Committee of the Whole House on the state of the Union.

Mr. LAMBETH: Committee on Foreign Affairs. House Joint Resolution 151. Joint resolution authorizing and requesting the President to invite the countries of the world to participate in the San Francisco Exposition of 1938 at San Francisco, Calif.; without amendment (Rept. No. 278). Referred to the House Calendar.

Mrs. O'DAY: Committee on Immigration and Naturalization. H. R. 4354. A bill to repatriate native-born women who have heretofore lost their citizenship by marriage to an alien, and for other purposes; without amendment (Rept. No. 279). Referred to the Committee of the Whole House on the state of the Union.

# REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. COLLINS: Committee on Military Affairs. H. R. 2566. A bill for the relief of Percy C. Wright; with amendment (Rept. No. 274). Referred to the Committee of the Whole House.

# CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 5892) granting a pension to Samuel G. Davis, and the same was referred to the Committee on Invalid Pensions.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AYERS: A bill (H. R. 6315) to provide funds for cooperation with the school board at Medicine Lake, Mont., in construction of a public-school building to be available to Indian children of the village of Medicine Lake, Sheridan County, Mont.; to the Committee on Indian Affairs.

By Mr. BRUNNER: A bill (H. R. 6316) to regulate commerce in firearms; to the Committee on Interstate and Foreign Commerce.

By Mr. BULWINKLE: A bill (H. R. 6317) to include service in the Quartermaster Department, in certain cases, in computing length of service for retirement, and in computing longevity pay; to the Committee on Military Affairs.

By Mr. MEAD: A bill (H. R. 6318) to amend the air mail laws and to authorize the extension of the Air Mail Service; to the Committee on the Post Office and Post Roads.

By Mr. NICHOLS: A bill (H. R. 6319) to create a separate division in the Department of Agriculture to be known as the "Soil Erosion Service"; to the Committee on Agriculture.

By Mr. SECREST: A bill (H. R. 6320) authorizing the erection of a memorial to Private John Gray near Caldwell, Ohio: to the Committee on the Library.

Also, a bill (H. R. 6321) authorizing the erection of a memorial to the survivors of the dirigible *Shenandoah*; to the Committee on the Library.

By Mr. MAY: A bill (H. R. 6322) to prohibit the entry, and provide for the deportation of certain classes of aliens, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. CELLER: A bill (H. R. 6323) to provide for the custody of Federal proclamations, orders, regulations, notices, and other documents, and for the prompt and uniform printing and distribution thereof; to the Committee on the Judiciary.

By Mr. TURNER: A bill (H. R. 6324) for relief of retired warrant officers of the Army who served honorably as commissioned officers during the World War; to the Committee on Military Affairs.

By Mr. McREYNOLDS: A bill (H. R. 6325) to provide additional funds for buildings for the use of the diplomatic and consular establishments of the United States; to the Committee on Foreign Affairs.

By Mr. DUFFEY of Ohio: A bill (H. R. 6326) to provide that the workmen's compensation law of any State may apply, within such State, to employments in interstate commerce; to the Committee on the Judiciary.

By Mr. McLEOD: A bill (H. R. 6327) to further amend the Revenue Act of 1932 by repeal of the manufacturers' excise taxes and substituting in lieu thereof a general manufacturers' sales excise tax; to the Committee on Ways and Means.

By Mr. WEST: A bill (H. R. 6328) to amend section 36 of the Emergency Farm Mortgage Act of 1933, as amended; to the Committee on Agriculture.

By Mr. FENERTY: Joint resolution (H. J. Res. 193) directing the President to proclaim July 9 of this year, 1935, Commodore John Barry Memorial Day, for the observance and commemoration of the one hundred and fiftieth anniversary of the completion of Commodore John Barry's service in the American Navy of the Revolution, and authorizing the Postmaster General to issue a special series of postage stamps; to the Committee on the Judiciary.

#### MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Arkansas regarding the importation of bauxite; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of New Jersey regarding antilynching legislation; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Arkansas regarding the General Pulaski resolution; to the Committee on the Judiciary.

Also, memorial of the Legislature of the Commonwealth of Kentucky supporting the President in his policies; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of North Dakota regarding the construction of a bridge across the Little Missouri River; to the Committee on Indian Affairs.

Also, memorial of the Legislature of the State of Tennessee supporting the bonus; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of North Dakota regarding the importation of grain duty free; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Pennsylvania, regarding the equalization of taxation between river and railroad transportation; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of Oregon, regarding an appropriation for the eradication of Bang's disease among cattle; to the Committee on Appropriations.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BULWINKLE: A bill (H. R. 6329) for the relief of Austin Wilson; to the Committee on Military Affairs.

Also, a bill (H. R. 6330) granting an increase of pension to McKinley Cook; to the Committee on Pensions.

Also, a bill (H. R. 6331) granting a pension to Frank Mc-Dougall; to the Committee on Pensions.

By Mr. CARY: A bill (H. R. 6332) for the relief of Chester Hay; to the Committee on Claims.

By Mr. COLLINS: A bill (H. R. 6333) for the relief of Sallie Van Buren McReynolds; to the Committee on Military Affairs.

By Mr. CROSBY: A bill (H. R. 6334) granting a pension to Lizzie Lawson; to the Committee on Invalid Pensions.

By Mr. ENGEL: A bill (H. R. 6335) for the relief of Sam Cable; to the Committee on Claims.

By Mr. FITZPATRICK: A bill (H. R. 6336) for the relief of Gustav A. Ringelman; to the Committee on Naval Affairs.

By Mr. KINZER: A bill (H. R. 6337) granting an increase of pension to Kate C. George; to the Committee on Invalid Pensions.

By Mr. LAMBETH: A bill (H. R. 6338) for the relief of Agnes Spaugh; to the Committee on Claims.

By Mr. McCORMACK: A bill (H. R. 6339) for the relief of Albert Calef Gardner; to the Committee on Naval Affairs.

Also, a bill (H. R. 6340) to extend the benefits of the Employees' Compensation Act of September 7, 1916, to Albert D. Drury; to the Committee on Claims.

Also, a bill (H. R. 6341) for the relief of William Robert Jackson; to the Committee on Naval Affairs.

Also, a bill (H. R. 6342) for the relief of Robert Emmett Norton; to the Committee on Naval Affairs.

By Mr. NELSON: A bill (H. R. 6343) granting a pension to Mattie Mayo; to the Committee on Invalid Pensions.

By Mr. PETERSON of Georgia: A bill (H. R. 6344) for the relief of the estate of John A. McGloin; to the Committee on Claims.

By Mr. PLUMLEY: A bill (H. R. 6345) granting a pension to Margaret J. Smith; to the Committee on Pensions.

Also, a bill (H. R. 6346) granting a pension to Elmira Harris; to the Committee on Pensions.

By Mr. POLK: A bill (H. R. 6347) granting a pension to Trilla Walker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6348) granting a pension to Elizabeth Davis: to the Committee on Pensions.

By Mr. ROBSION of Kentucky: A bill (H. R. 6349) granting a pension to John M. Morgan; to the Committee on Pensions.

Also, a bill (H. R. 6350) granting a pension to Bettie Hubbard; to the Committee on Pensions.

By Mr. SANDERS of Louisiana: A bill (H. R. 6351) for the relief of Shelby Gill; to the Committee on Military Affairs.

Also, a bill (H. R. 6352) for the relief of Henry S. White; to the Committee on Military Affairs.

Also, a bill (H. R. 6353) for the relief of Otis S. James; to the Committee on Military Affairs.

Also, a bill (H. R. 6354) for the relief of Loyd Harrison Wayland; to the Committee on Naval Affairs.

Also, a bill (H. R. 6355) for the relief of Harmon Clinton Hall; to the Committee on Military Affairs.

By Mr. SHORT: A bill (H. R. 6356) to carry out the findings of the Court of Claims in the case of Joseph G. Grissom; to the Committee on War Claims.

By Mr. WELCH: A bill (H. R. 6357) for the relief of William Bartlett Haegle; to the Committee on Naval Affairs.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2283. By Mr. BRUNNER: Resolution of the Polish National Alliance of the United States of America, New York, N. Y., memorializing Congress to enact House Joint Resolution 81 and Senate Joint Resolution 11, directing the President of the United States of America to proclaim October 11 of each year as General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

2284. Also, resolution of the Polish National Alliance of the United States of America, New York City, N. Y., memorializing Congress to enact House Joint Resolution 81 and Senate Joint Resolution 11, directing the President of the United States of America to proclaim October 11 of each year as General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

2285. By Mr. BUCKLER of Minnesota: Petition of Fred A. death of Zeller, president of the Village Council of Perham, Minn., and Judiciary.

W. R. McGrain, village recorder, urging immediate passage of the \$4,800,000,000 act for public-works reemployment and conservation activities; to the Committee on Appropriations.

2286. Also, petition of S. B. Tayler, of Crookston, Minn., adjutant of the Polk County (Minn.) Council of the American Legion, and members of the nine legion posts of the county, favoring the Vinson bill (H. R. 3896) to make the immediate cash payment of the soldiers' adjusted-service certificates; to the Committee on Ways and Means.

2287. By Mr. COSTELLO: Resolution of the Council of the City of Los Angeles, approving and urging the support of the President's plan for the relief of unemployment by means of a program of public works; to the Committee on Appropriations.

2288. Also, resolution of the Council of the City of Los Angeles, urging the members of Congress to support the continuance of protection for domestic producers of copper by retention of the present excise tax on copper; to the Committee on Ways and Means.

2289. By Mr. DRISCOLL: Petition of residents of Warren, Lickingville, Newmansville, and Tionesta, Pa., and patrons of star route no. 10175, favoring legislation providing for the elimination of competitive bidding on star routes and for rates of pay for star-route carriers that will correspond to the rates paid rural carriers; to the Committee on the Post Office and Post Roads.

2290. Also, petition of residents of Oil City and Fertigs, Pa., and patrons of star route no. 10219, favoring legislation providing for the elimination of competitive bidding on star routes and for rates of pay for star-route carriers that will correspond to the rates paid rural carriers; to the Committee on the Post Office and Post Roads.

2291. Also, petition of residents of Oil City, Venus, Fryburg, Shippenville, Knox, Kossuth, Van, and Cranberry, Pa., and patrons of star route no. 10246, favoring legislation providing for the elimination of competitive bidding on star routes and for rates of pay for star-route carriers that will correspond to the rates paid rural carriers; to the Committee on the Post Office and Post Roads.

2292. By Mr. FORD of California: Memorial of the Polish National Alliance of the United States, with headquarters in the city of Los Angeles, Calif., asking that the President of the United States authorize and direct a proclamation on officials of the Government to display the flag of the United States on all governmental buildings on October 11, of each year, and invite the people of the United States to observe the day appropriately in commemoration of the death of Gen. Casimir Pulaski; to the Committee on the Judiciary.

2293. By Mr. FULMER: Concurrent resolution of the Senate of the State of South Carolina (the house of representatives concurring), That the Congress of the United States be memorialized to give consideration to the question of tariff rates with a view to revising downward such tariffs as may be found to exist, and to promote, encourage, and foster our trade with foreign nations where the same may be done without in any manner impairing our economic safeguards: to the Committee on Ways and Means.

2294. By Mr. GILDEA: Resolution of Group No. 2114 of the Polish National Alliance of the United States of North America, of Shamokin, Pa., memorializing Congress to enact House Joint Resolution 81 and Senate Joint Resolution 11, directing the President of the United States of America to proclaim October 11 of each year as General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

2295. Also, resolution of Group No. 410 of the Polish National Alliance of the United States of North America, of Mahanoy City, Pa., memorializing Congress to enact House Joint Resolution 81 and Senate Joint Resolution 11, directing the President of the United States of America to proclaim October 11 of each year as General Pulaski's Memorial Day for the observance and commemoration of the death of Gen. Casimir Pulaski; to the Committee on the Judiciary

2296. Also, resolution of Group No. 336 of the Polish National Alliance of the United States of North America, of Shamokin, Pa., memorializing Congress to enact House Joint Resolution 81 and Senate Joint Resolution 11, directing the President of the United States of America to proclaim October 11 of each year as General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

2297. Also, petition of the Unemployed Council of Shamokin, Pa., requesting that union wages be paid on public-work projects, and the Members of Congress enact House bill 2827; to the Committee on Labor.

2298. Also, resolution of Lithuanian Citizens' Club of Coaldale, Pa., requesting the Members of Congress to enact House bill 2827; to the Committee on Labor.

2299. Also, petition of St. Patrick's Holy Name Society, Treverton, Pa., requesting Congress to prevent the enactment of Senate bill 600, the Hastings birth-control bill, and requesting enactment of Senate Resolution 70, Senator BORAH's bill to have the United States investigate church conditions in Mexico; to the Committee on the Judiciary.

2300. By Mr. GOODWIN: Petition of Francis M. Glynn and other voters of the village of Valatie, Columbia County, N. Y., urging support of the President's work-relief program in the form recommended by him; to the Committee on Appropriations.

2301. Also, petition of Andrew Van Alstyne and other residents of Chatham Center, N. Y., opposing the Wheeler-Rayburn bill; to the Committee on Interstate and Foreign Commerce.

2302. Also, petitions of residents of Liberty, Monticello, Hurleyville, Jeffersonville, and others in Sullivan County, N. Y., protesting against the enactment of public-utility bills (S. 1725 and H. R. 5423); to the Committee on Interstate and Foreign Commerce.

2303. By Mr. JOHNSON of Texas: Petition of J. W. Edens, mayor, and W. S. Shugart, Neil G. Holloway, Ira L. McMillan, and other citizens of Corsicana, Tex., opposing House bill 5423 and Senate bill 1725; to the Committee on Interstate and Foreign Commerce.

2304. Also, petition of A. L. Smith, president Hillsboro Cotton Mills, Hillsboro, Tex., protesting against the publication of income-tax returns; to the Committee on Ways and Means

2305. Also, memorial of the Legislature of Texas, urging legislation at this session of Congress for immediate cash payment of adjusted-service certificates of World War veterans; to the Committee on Ways and Means.

2306. By Mr. KENNEDY of Maryland: Petitions of 2,500 residents of Maryland and the District of Columbia, with signatures, approving a national old-age-pension system for the United States; to the Committee on Labor,

2307. By Mr. KENNEY: Petition of the Supreme Lodge of Independent Order Sons of Italy, Inc., 225 Lafayette Street, New York City, endorsing unanimously the national lottery bill; to the Committee on Ways and Means.

2308. Also, resolution adopted by the American League Against War and Fascism, opposing the enactment of any and all laws penalizing mere utterances in the absence of overt acts, increasing the powers of censorship over the mails exercised by the Post Office Department; to the Committee on the Post Office and Post Roads.

2309. By Mr. KVALE: Concurrent resolution of the Legislature of the State of Minnesota, urging enactment of the Farmers' Farm Relief Act, commonly called the "Frazier bill"; to the Committee on Agriculture.

2310. Also, concurrent resolution of the Legislature of the State of Minnesota, urging repeal of the long-and-short-haul clause of the fourth section of the Interstate Commerce Act; to the Committee on Interstate and Foreign Commerce.

2311. By Mr. LAMNECK: Petition of J. G. Fleming, adjutant, Veterans of Foreign Wars of the United States, Buckeye Post, No. 1598, Columbus, Ohio, urging the passing of the Patman bill (H. R. 1); to the Committee on Ways and Means.

2312. By Mr. McFARLANE: Petition of the Texas Legislature and the Governor, memorializing the United States Senators and Congressmen from Texas to support a plan for immediate cash payment of ex-service men's adjusted certificates during the present session of Congress; to the Committee on Ways and Means.

2313. By Mr. MARTIN of Massachusetts: Memorial of the General Court of Massachusetts, favoring adoption of a resolution relative to religious persecution in Mexico; to the Committee on Foreign Affairs.

2314. By Mr. MEAD: Petition of the Common Council of the City of North Tonawanda, N. Y., requesting Congress to proclaim October 11 of each year as General Pulaski Memorial Day; to the Committee on the Judiciary.

2315. Also, petition of the Union of Holy Name Societies of the Diocese of Buffalo, N. Y., requesting the President of the United States to protest against the denial of religious liberty of the people of Mexico; to the Committee on Foreign Affairs.

2316. By Mr. MERRITT of Connecticut: Petition of sundry citizens of Norwalk, Conn., urging the repeal of section 55 (b) of the Revenue Act of 1934; to the Committee on Ways and Means.

2317. Also, petition of sundry citizens of Bridgeport, Danbury, Darien, Fairfield, Glenbrook, New Canaan, Ridgefield, Southport, Stamford, Westport, and Wilton, State of Connecticut, protesting against the passage of House bill 5423 and Senate bill 1725, public-utility bills; to the Committee on Interstate and Foreign Commerce.

2318. By Mr. MILLER: Petition of V. S. Alexander and numerous other citizens of Shoffner, Fitzhugh, and Auvergne, Ark., favoring House bill 2856, by Congressman Will Rogers, of Oklahoma, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2319. Also, petition of L. N. Barnett and numerous other citizens of Batesville and Pfieffer, Ark., favoring House bill 2856, by Congressman WILL ROGERS, of Oklahoma, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2320. By Mr. PFEIFER: Petition of F. Weidner Printing & Publishing Co., Brooklyn, N. Y., concerning the Wagner-Lewis-Doughton bills; to the Committee on Ways and Means.

2321. Also, petitions of William H. Strang Warehouses, Inc., Brooklyn, N. Y., concerning the Wagner-Lewis-Doughton bills; to the Committee on Ways and Means.

2322. Also, petition of Mailers Union, No. 6, International Typographical Union, New York City, regarding the McCarran amendment in the public-works-relief bill; to the Committee on Appropriations.

2323. By Mr. RICH: Petition of citizens of Tioga County, Pa., protesting against House bill 5423 and Senate bill 1725; to the Committee on Interstate and Foreign Commerce.

2324. Also, petitions of citizens of Lock Haven, Pa., protesting against the passage of House bill 5423 and Senate bill 1725; to the Committee on Interstate and Foreign Commerce.

2325. Also, petitions of citizens of Renovo, Pa., protesting against House bill 5423 and Senate bill 1725; to the Committee on Interstate and Foreign Commerce.

2326. Also, petition of citizens of Salona, Pa., protesting against House bill 5423 and Senate bill 1725; to the Committee on Interstate and Foreign Commerce.

2327. Also, petitions of citizens of Tioga County, Pa., protesting against the passage of House bill 5423 and Senate bill 1725; to the Committee on Interstate and Foreign Commerce.

2328. By Mr. ROGERS of Oklahoma: Petition of T. M. Alfred and numerous other citizens of Pensacola, Fla., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2329. Also, petition of Lester L. Abel and numerous other citizens of Mattoon, Ill., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-

Ways and Means.

2330. Also, petition of Roy Cuddy and numerous other citizens of Saltville, Va., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2331. Also, petition of Amos Collins and numerous other citizens of Dryden, Va., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2332. Also, petition of Evan L. Hill and numerous other citizens of Pinckneyville, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2333. Also, petition of James Rankin and numerous other citizens of Zihlman, Borden Mines, and Frostburg, Md., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2334. Also, petition of Emanuel Roseby and numerous other citizens of Elwood, Kans., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2335. Also, petition of John Hammett and numerous other citizens of Pittsburgh, Pa., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and means.

2336. Also, petition of Walker McCall and numerous other citizens of Balsam Grove and Brevard, N. C., favoring House bill 2856, by Congressman WILL Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2337. Also, petition of A. V. Bowden and numerous other citizens of Maroa, Ill., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways

2338. Also, petition of W. F. Cofyde and numerous other citizens of Gary, Ind., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways

2339. Also, petition of Charles R. Izard and numerous other citizens of Forrest City, Ark., favoring House bill 2856 by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2340. Also, petition of J. L. McBride and numerous other citizens of Fayetteville, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2341. Also, petition of W. H. Judkins and numerous other citizens of Iron City, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2342. Also, petition of Edwin C. Sprague and numerous other citizens of Bainbridge, N. Y., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2343. Also, petition of Roosevelt Grant and numerous other citizens of Statesville, N. C., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2344. Also, petition of Willie Cannon and numerous other citizens of New Albany and Wallerville, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope

age pensions of \$30 to \$50 a month; to the Committee on | plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2345. Also, petition of J. N. Irmis and numerous other citizens of Supply, Okla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2346. Also, petition of M. E. Le Moine and numerous other citizens of Kilgore and Huntington, Tex., favoring House bill 2856, by Congressman WILL Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2347. Also, petition of Clarence Williams and numerous other citizens of Pine Bluff, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2348. Also, petition of A. W. McCollough and numerous other citizens of De Funiak Springs, Fla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2349. Also, petition of Elijah Miller and numerous other citizens of Columbus, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2350. Also, petition of Ernest Keigert and numerous other citizens of Owenton, Ky., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2351. Also, petition of W. B. Hunt and numerous other citizens of Grand Junction and Hickory, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2352. Also, petition of T. E. Selby and numerous other citizens of Monticello, Mo., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2353. Also, petition of Arthur McAnally and numerous other citizens of Rutledge, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2354. Also, petition of Joseph Booth and numerous other citizens of River Junction and Rock Bluff, Fla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2355. Also, petition of Wyatt Hill and numerous other citizens of Hickman and Fulton, Ky., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2356. Also, petition of Roy E. Jones and numerous other citizens of Harvey, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2357. Also, petition of C. Leigh Hunt and numerous other citizens of Grandview, Mo., favoring House bill 2856, by Congressman WILL Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2358. Also, petition of R. J. Gible and numerous other citizens of Headland, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2359. Also, petition of Dr. F. M. Kirby and numerous other citizens of La Grange and Hogansville, Ga., favoring House bill 2856, by Congressman WILL Rogers, the Pope plan for

the Committee on Ways and Means.

2360. Also, petition of Mack Weatherall and numerous other citizens of New Albany and Etter, Miss., favoring House bill 2856, by Congressman WILL Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2361. Also, petition of Rev. R. Wilcox and numerous other citizens of Laurel, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2362. Also, petition of Louie Glasscock and numerous other citizens of Culman and Vinemont, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2363. Also, petition of L. H. Dowdy and numerous other citizens of Eastover and Gadsden, S. C., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2364. Also, petition of William Dew and numerous other citizens of Baton Rouge and Maringouin, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2365. Also, petition of John L. Gibson and numerous other citizens of West Point, Ky., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2366. Also, petition of Robert Doak and numerous other citizens of Danville, Va., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2367. Also, petition of Fred E. Rueckert and numerous other citizens of Farmer City, Ill., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2368. Also, petition of J. E. Suttles and numerous other citizens of Elberton, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2369. Also, petitions of citizens of Bibb, Barbour, Colbert, Crenshaw, Jefferson, Lawrence, Lauderdale, Limestone, Marion, Marshall, Madison, Mobile, Pike, Russell, St. Clair, Tuscaloosa, Washington, and Walker, State of Alabama, numerously signed, urging the passage of House bill 2856, by Congressman WILL Rogers, the Pope plan for direct Nationwide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2370. Also, petitions of citizens of Caddo, Iberville, Livingston, Orleans, Pointe Coupee, St. John the Baptist, St. Charles, St. James, Tangipahoa, and Vernon, State of Louisiana, numerously signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2371. Also, petitions of citizens of Allen, Boyle, Butler, Christian, and Henderson, State of Kentucky, numerously signed, urging the passage of House bill 2856, by Congressman WILL ROGER:, the Pope plan for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2372. Also, petitions of citizens of Christian, Jefferson, Kankakee, and Livingston, State of Illinois, numerously signed, urging the passage of House bill 2856, by Congress-

direct Federal old-age pensions of \$30 to \$50 a month; to | man Will Rogers, the Pope plan for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

> 2373. Also, petitions of citizens of Abbeville, Dorchester, Lexington, and Union, State of South Carolina, numerously signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

> 2374. Also, petitions of citizens of Jackson, New Madrid, Pemiscot, Perry, and St. Louis, State of Missouri, numerously signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

> 2375. Also, petitions of citizens of Dickenson, Louisa, Lee, Scott, and Wise, State of Virginia, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, the Pope plan for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

> 2376. Also, petitions of citizens of Escambia, Franklin, Hillsborough, Jefferson, and Lake Counties, State of Florida, numerously signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

> 2377. Also, petitions of citizens of Calhoun, Coweta, Early, Franklin, Muscogee, Screven, Terrell, Walton, Wilcox, and Washington Counties, State of Georgia, numerously signed, urging the passage of House bill 2856, by Congressman WILL Rogers, the Pope plan for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

> 2378. Also, petitions of citizens of Crittenden, Jefferson, Mississippi, Ouachita, Phillips, Poinsett, Union, and Woodruff Counties, State of Arkansas, numerously signed, urging the passage of House bill 2856, by Congressman WILL Rogers, the Pope plan for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation of State interference; to the Committee on Ways and Means.

> 2379. Also, petitions of citizens of Adams, Clarke, Canton. Holmes, Jackson, Jefferson, Leflore, Lawrence, Lowndes, Monroe, Montgomery, Panola, Quitman, Simpson, Tallahatchie, Walthall, Wayne, Washington, and Yazoo, State of Mississippi, numerously signed, urging the passage of House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

> 2380. Also, petitions of citizens of Coalmont, Crockett, Decatur, De Kalb, Fentress, Grundy, Hamilton, Haywood, Henry, Jefferson, Knox, Lauderdale, Morgan, Madison, Smith, Sumner, Shelby, and Sequatchie, State of Tennessee, numerously signed, urging the passage of House bill 2856. by Congressman WILL ROGERS, the Pope plan for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

> 2381. Also, petitions of citizens of Bladen, Cherokee, and Pender, State of North Carolina, numerously signed, urging the passage of House bill 2856, by Congressman WILL Rogers, the Pope plan for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2382. Also, petitions of citizens of Angeline and Harris, State of Texas, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, the Pope plan for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference, to the Committee on Ways and Means.

2383. Also, petition of citizens of Lake County, State of Indiana, numerously signed, urging the passage of House bill 2856, by Congressman Will Rogers, the Pope plan for direct Nation-wide impartial system of small, reasonable pensions to persons over 55, free of State participation or State interference; to the Committee on Ways and Means.

2384. By Mr. RUDD: Petition of Dorothy Koehler and 20 other citizens of Brooklyn, N. Y., concerning the Rayburn-Wheeler bills (H. R. 5423 and S. 1725); to the Committee on Interstate and Foreign Commerce.

2385. By Mr. SADOWSKI: Petition of the Common Council of the City of Detroit, asking that October 11 of each year be set aside as General Pulaski's Memorial Day; to the Committee on the Judiciary.

2386. Also, petition of Detroit Council, No. 305, Knights of Columbus, protesting against the antireligious program in Mexico; to the Committee on Foreign Affairs.

2387. By Mr. SAUTHOFF: Joint resolution of the State of Wisconsin, memorializing the Congress of the United States to provide a relief program adequate to maintain a decent standard of living and to accomplish other purposes; to the Committee on Appropriations.

2388. Also, joint resolution of the State of Wisconsin, memorializing the Congress of the United States to provide jobs for persons who have secured loans from the Home Owners' Loan Corporation and from other sources and who because of unemployment are unable to meet the required payments; to the Committee on Banking and Currency.

2389. By Mr. SCHAEFER: Petition of the Alton (III.) Ministerial Association, representing the entire Protestant Church membership of that city, urging support of an amendment to the economic security bill which would exempt churches and ministers from its provisions; to the Committee on Ways and Means.

2390. By Mr. SNELL: Petitions of citizens of northern New York, protesting against House bill 5423; to the Committee on Interstate and Foreign Commerce.

2391. By Mr. TREADWAY: Resolution of Group No. 525, Polish National Alliance of the United States of North America, Holyoke, Mass., urging that October 11 of each year be designated as General Pulaski's Memorial Day; to the Committee on the Judiciary.

2392. By Mr. WOLCOTT: Petition of Richard Schley, of Croswell, and 298 other members of Farmers' Unions in Sanilac County, Mich., urging the prompt enactment of the Frazier-Lemke refinancing bill; to the Committee on Agriculture.

2393. Also, petition of Trueman Ackerman, of Unionville, and 209 other members of Farmers' Unions in Tuscola County, Mich., urging the prompt enactment of the Frazier-Lemke refinancing bill; to the Committee on Agriculture.

2394. Also, petition of F. E. Watson, of Avoca, and 55 other citizens and voters of Greenwood Township, St. Clair County, Mich., urging the prompt enactment of the Frazier-Lemke bill; to the Committee on Agriculture.

2395. Also, petition of Emory Schian, of Vassar, and 49 others of Tuscola County, Mich., urging the prompt enactment of the Frazier-Lemke refinancing bill; to the Committee on Agriculture

2396. Also, petition of Earl C. Henry, of Avoca, Mich., and 49 other supporters of the Farmers' Unions, urging the prompt enactment of the Frazier-Lemke refinancing bill; to the Committee on Agriculture.

2397. By the SPEAKER: Petition of the Common Council of the city of Youngstown, Ohio; to the Committee on the Judiciary.

2398. Also, petition of the board of directors of the city of Fairmont, W. Va.; to the Committee on the Judiciary.

## SENATE

# Monday, March 4, 1935

The Chaplain, Rev. Z@Barney T. Phillips, D. D., offered the following prayer:

Almighty God and Heavenly Father, who hast sent Thine only Son to bring peace on earth and good will to men, grant that the purpose of His wondrous coming may speedily be fulfilled among the nations of the world by raising the minds of men everywhere above the mists of hatred and suspicion into the pure light of mutual trust and understanding.

Vouchsafe, we beseech Thee, Thy blessing and guidance to all efforts made in Thy name for the alleviation of distress throughout the Nation; and to those who are blind to Thy goodness send Thy Holy Spirit to open their eyes and show them the way of life, that our country may be relieved of its great burden of suffering and sin. Help us to share our gladness and our gifts with others, to the righting of wrongs, the defense of the weak, and the comfort of the sorrowful; that we may follow Him who with divine compassion and tenderness of soul ever careth for us with a love that never faileth—Jesus Christ our Lord. Amen.

#### THE JOURNAL

On request of Mr. Robinson, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, February 28, 1935, was dispensed with, and the Journal was approved.

#### MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had passed a bill (H. R. 6223) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1936, and for other purposes, in which it requested the concurrence of the Senate.

#### ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 3464) to amend certain sections of the Code of Law for the District of Columbia, approved March 3, 1901, as amended, relating to descent and distribution, and it was signed by the Vice President.

#### CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.
The VICE PRESIDENT. The clerk will call the roll.
The legislative clerk called the roll, and the following
Senators answered to their names:

Adams	Costigan	King	Robinson
Ashurst	Couzens	La Follette	Russell
Austin	Cutting	Logan	Schall
Bachman	Dickinson	Lonergan	Schwellenbach
Bailey	Dieterich	Long	Sheppard
Bankhead	Donahey	McAdoo	Shipstead
Barbour	Duffy	McCarran	Smith
Bilbo	Fletcher	McGill	Steiwer
Black	Frazier	McKellar	Thomas, Okla.
Bone	George	McNary	Thomas, Utah
Borah	Gerry	Maloney	Townsend
Brown	Gibson	Minton	Trammell
Bulow	Glass	Moore	Truman
Burke	Gore	Murphy	Tydings
Byrd	Guffey	Murray	Vandenberg
Byrnes	Hale	Neely	Van Nuvs
Capper	Harrison	Norbeck	Wagner
Carey	Hastings	Norris	Wheeler
Clark	Hatch	Nye	White
Connally	Hayden	O'Mahoney	
Coolidge	Johnson	Radcliffe	
Concland	Kovoe	Pormolde	

Mr. DONAHEY. I desire to announce that my colleague the senior Senator from Ohio [Mr. Bulkley] is necessarily detained from the Senate.

Mr. ROBINSON. I announce that the junior Senator from Arkansas [Mrs. Caraway] and the junior Senator

from Louisiana [Mr. Overton] are absent from the Senate because of illness, and that the Senator from Idaho [Mr. POPE], the Senator from Massachusetts [Mr. Walsh], the Senator from Kentucky [Mr. BARKLEY], and the Senator from Nevada [Mr. PITTMAN] are necessarily detained.

Mr. DIETERICH. I desire to announce that my colleague the senior Senator from Illinois [Mr. Lewis] is necessarily detained from the Senate on official business.

Mr. AUSTIN. I wish to announce that the Senator from Pennsylvania [Mr. Davis] and the Senator from Rhode Island [Mr. Metcalf] are necessarily absent from the Senate.

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present.

PROPOSED AMENDMENT TO TREASURY AND POST OFFICE DEPART-MENTS APPROPRIATION BILL (S. DOC. NO. 26)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a proposed draft of amendment to the bill (H. R. 4442) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1936, and for other purposes, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

CLAIMS ON BEHALF OF FOREIGN GOVERNMENTS AND THEIR NATIONALS

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations:

To the Congress of the United States:

I transmit herewith a report by the Secretary of State recommending the enactment of legislation for the purposes described therein.

The recommendations of the Secretary of State have my approval, and I request the enactment of legislation for the purposes indicated in order that this Government may meet the obligations outlined in the report.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 4, 1935.

(Enclosure: Report of the Secretary of State.)

## PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following resolution of the House of Representatives of the State of Arkansas, which was referred to the Committee on Finance:

## House Resolution 40

Whereas the States of Arkansas, Mississippi, Alabama, and Georgia are producers of bauxite in large quantities and are capable of producing all the bauxite consumed in the United States; and Whereas the use of bauxite for the production of aluminum metal is a practical monopoly, there being only one company in the United States which the owners of the bauxite ore can sell to; and Whereas this monopoly purchases a large percentage of its ore in South America and imports same to the United States, because of the cheap labor conditions in South America; and

Whereas if the foreign ore was not permitted by tariff to enter this country there would be opened up in the States above mentioned many new mines and ore bodies that are now lying idle for lack of a market, and there is sufficient bauxite ore in the United States to take care of the demand for many years, and that if it were not for the competition of this foreign ore new mines would be opened up and labor created for a large number of men, estimated as high as 40,000, and that in addition to the direct employment of labor the railroads of the United States would benefit and railroad labor would benefit by the movement of this ore, which at the present time is moved by foreign ships from South America to the Atlantic seaboard ports and utilizing only a small proportion of the haul by American railroads: Now, therefore, be it

\*Resolved\*, That the Members of the House of Representatives and the Senators of the States of Arkansas, Mississippi, Alabama, and Georgia be asked to take such steps as may be necessary in Congress to prohibit the importation of foreign bauxite, and that this resolution be forwarded to the President of the United States; the Representatives in Congress of the States of Arkansas, Mississippi, Alabama, and Georgia; and to the legislatures of each of these States that may now be in session.

I hereby certify that the foregoing is a true and correct copy of House Resolution No. 40, by Christian, of Yell.

[SEAL]

H. P. SMITH,

\*Chief Clerk\*. Whereas if the foreign ore was not permitted by tariff to enter

H. P. SMITH, Chief Clerk.

The VICE PRESIDENT laid before the Senate the following concurrent memorial of the Legislature of the State of Arizona, which was referred to the Committee on Finance:

> Senate Concurrent Memorial 3 Praying for tariff on raw asbestos

To the President and the Congress of the United States:
Your memorialist, the Legislature of the State of Arizona, respectfully represents:

spectfully represents:

That through the united action of those people, corporations, and monopolists directly interested in manufacturing asbestos products, the asbestos mining industry in Arizona and the United States of America has been forced to discontinue operations and discharge thousands of people employed by said mining industry. That the asbestos manufacturing industry of the United States and those directly and indirectly interested therein have succeeded in securing a high import duty on all foreign manufactured products and have persistently and continuously opposed the protection of the asbestos mining industry in this country by their insistence upon retaining the raw asbestos product upon the free list of tariffs upon imports.

It, therefore, appears that the reason for this activity on the part of the asbestos manufacturing industry and those persons interested therein is to secure for such industry a low cost of raw product advantageous only to the manufacturing industry, even at

interested therein is to secure for such industry a low cost of raw product advantageous only to the manufacturing industry, even at the sacrifice of the asbestos mining industry of the United States, One of the principal purposes in having an import duty upon products imported into the United States is to promote, conserve, and protect the United States industry producing such product based upon this reason: The practice of protecting the asbestos manufacturing industry by levying a duty on the imports of the foreign product of this industry and not on the raw products of the foreign asbestos mining industry is manifestly unfair and destructive. destructive.

Raw asbestos can be mined and imported into this country much cheaper than it can be produced and mined here, principally because of the difference in the cost of labor in the United States

cause of the difference in the cost of labor in the United States and foreign countries.

If the asbestos mining industry could be given the same protection that the asbestos manufacturing industry is given, the mining industry would be in a position to resume operations and thereby reemploy thousands of people and assist in lightening the taxpayer's burden of supporting and caring for many people who are now on relief rolls.

Wherefore your memorialist press:

who are now on relief rolls.

Wherefore your memorialist prays:
That Congress, in order to correct the condition now existing in the United States in the asbestos mining industry, enact the necessary legislation to place an import duty on foreign raw asbestos in accordance with the following schedule, which shows the type of raw product and the amount of import duty thereon deemed necessary to protect the United States asbestos mining industry:

All crudes at ... \_ 20 cents per pound 

And your memorialist will ever pray. Adopted by the house February 19, 1935 Adopted by the senate February 18, 1935.

The VICE PRESIDENT also laid before the Senate the following concurrent memorial of the Legislature of the State of Arizona, which was referred to the Committee on Claims:

#### Senate Concurrent Memorial 2

Praying for the relief of certain property owners of Santa Cruz County

To the President and the Congress of the United States: Your memorialist, the Legislature of the State of Arizona, re-

Your memorialist, the Legislature of the United States:

Your memorialist, the Legislature of the State of Arizona, respectfully represents:

Through the establishment by the United States in 1898 of a 60-foot neutral strip of territory along the boundary between the United States and Mexico, the rights of persons owning property within said area were involved. Particularly were the rights of property owners within that portion of said neutral strip where the same passed through the territory now known as Santa Cruz County, Ariz., affected, inasmuch as the said strip at such location constituted a part of the city of Nogales, and later became what is now known as International Street in the said city of Nogales.

In the course of a determination of the rights of parties owning property within the said area, the Court of Claims of the United States on April 15, 1912, found that the following-named persons were entitled to compensation in the amounts set forth respectively, for the taking of their property within said neutral strip as it passed through Santa Cruz County: John T. Brickwood, \$3,750; Edward Gaynor, \$4,250; Theodore Gebler, \$1,200; Lee W. Mix, \$1.450; Arthur S. Peck, \$2,350; Thomas S. Casanega, \$500; Joseph D. Lusignan, \$3,250; Joseph P. Berger, \$1,800.

Despite the fact that said court found said persons entitled to compensation in the amounts above set forth, they have never been compensated for the loss of their property in accordance with the find of the court, or at all, a fallure which appears to constitute a clear violation of the provision of the Constitution of the

United States that private property may not be taken for public use without compensating the owner therefor. Wherefore your

memorialist prays:

That the Congress of the United States enact the necessary legis lation to pay the persons above named the amounts awarded to them by the United States Court of Claims as compensation for the land taken by the United States in the establishment of said neutral strip along the boundary between the United States and

And your memorialist will ever pray. Adopted by the house February 21, 1935. Adopted by the senate February 13, 1935.

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of the State of Arizona, which was referred to the Committee on Post Offices and Post Roads:

#### Senate Joint Memorial 2

On the construction of a highway to link reclamation projects on the Colorado River and connect with the proposed deep-sea channel to the Gulf of California

To the President and Congress of the United States of America: Your memorialist, the Legislature of the State of Arizona, respectfully represents:

Development of the vast resources of the Colorado River represents one of the outstanding opportunities for the conservation of the Nation's wealth, for providing employment, for creating farm

homes, and for developing recreational facilities for the nationals

homes, and for developing recreational facilities for the nationals of this and other countries.

Along the lower Colorado River are a number of established or potential reclamation projects of large importance, and several dams have been constructed or are under course of construction which impound waters where refuges for wild fowl may be established, and where national-park projects, which will afford magnificent recreational facilities, are contemplated.

The dredging of a deep-sea channel from the head of the Gulf of California, through cooperation with the Republic of Mexico, a project which has long been considered, and which would immeasurably increase the commerce of the Southwest and add to the wealth of the Nation, would be a fitting climax to the comprehensive development of the Colorado River's resources.

Adjacent to the Colorado River, within the confines of Arizona, lies an area rich in both agricultural and mineral resources, including the manganese fields of southern Mohave County, the agricultural area of the lower Bill Williams, the Colorado River Indian Reservation, the Parker-Gila Valley reclamation project, the gold, silver, and lead districts of western Yuma County, and the agricultural empire, embracing the Yuma project and the incomparable education of these various sites and districts, with their incentionals and county and sight seers are recommended.

The joining of these various sites and districts, with their inestimable advantages to pleasure seekers and sight-seers, prospectors, and home seekers, would complement the development of the river's resources, stimulate industry, and make accessible to travel one of the Nation's most interesting areas.

Wherefore your memorialist prays: Wherefore your memorialist prays:

1. That the United States Government, through any of its agencies possessing authority for the construction of highways, or through the cooperation of two or more of such agencies, the Bureau of Public Roads, the National Park Service, the Civilian Conservation Corps, the Indian Bureau, or other agencies, construct a highway from Boulder Dam, adjacent to the Colorado River and on the Arizona side thereof through the districts abovementioned to a junction with the Republic of Mexico at San Luis and with the site of the proposed deep-sea channel to the Gulf of California

2. That if additional legislation be required or desirable for the consummation of this constructive improvement, the Congress enact the same.

And your memorialist will ever pray. Adopted by the house February 19, 1935. Adopted by the senate January 30, 1935.

The VICE PRESIDENT also laid before the Senate the following resolution of the House of Representatives of the State of Georgia, which was referred to the Committee on Education and Labor:

## House Resolution 173

A resolution to memorialize Congress to continue Federal aid to school districts in financial distress

Whereas the Federal Government during the year of 1934 did grant to teachers employed by distressed school districts financial assistance by paying salaries to teachers, thus enabling many school children in the drought area to secure schooling who would

otherwise have been denied it; and
Whereas such aid now being furnished will expire January 31,
1935, or within 21 days; and

Whereas while recognizing the State's responsibility to provide assistance to such distressed school districts, we must acknowledge that in the ordinary course of legislative action any financial plan devised will be too late to be of assistance during the present term; and

Whereas the financial crisis of the entire public-school system is bound to grow more serious, and will, unless aid is forthcoming, result in the loss of school privileges to at least 25 percent of the school children living on farms and in small towns, villages, etc.: Therefore be it

Resolved, That the House of Representatives of Georgia respectfully and urgently memorialize the Congress of the United States to direct that the Federal Emergency Relief Administration continue the relief aid now being furnished to distressed school districts for the balance of this school term, or until such time as may be necessary to secure special State revenue for such purposes. In house, read and adopted February 26, 1935.

Andrew J. Kingery,

Clerk of the House.

The VICE PRESIDENT also laid before the Senate the following resolution of the House of Representatives of the State of Kentucky, which was referred to the Committee on Appropriations:

COMMONWEALTH OF KENTUCKY.

Whereas it appears that there is a growing disagreement between the President of the United States and the Congress of the United

States; and
Whereas when the President was inducted into office the people
of this country were in despair and the future appeared without
hope, and under the administration of Franklin Delano Roosevelt
despair has been dispelled and the future seems hopeful; and
Whereas the present impending rupture between the President

Whereas the present impending rupture between the President and Congress seems to have grown out of the problem of the dispensation of patronage; and

Whereas the machinations of prominent politicians, both within and without Congress, are seeking to embarrass the President and to further their own political interests: Now, it is the belief of the House of Representatives of the Commonwealth of Kentucky that the people of America are, like the people of Kentucky, solidly behind the President and his program, and they further believe that the welfare of the United States demands that all Democrats and all loyal citizens support the policy of the President: Therefore be it be it

Resolved, That this body request all Democrats in the National Congress, and particularly the Members of the body from Kentucky, to support the President of the United States in his program of recovery and economic reform, both for the success of the Democratic Party and the good of our common country.

The clerk of this house is directed to forward to the President and to the Clerk of the Senate and of the House of Representatives of the United States a copy of this resolution, to be communicated to each of said bodies, and to send to each Senator and Representato each of said bodies, and to send to each Senator and Representa-tive from the State of Kentucky a copy of this resolution. This resolution was adopted by the house of representatives.

J. ERWIN SANDERS Chief Clerk House of Representatives.

The VICE PRESIDENT also laid before the Senate the following resolutions of the General Court of the Commonwealth of Massachusetts, which were referred to the Committee on Foreign Relations:

Resolutions in favor of the adoption by the Senate of the United States of a resolution now pending before it relative to religious persecution in Mexico

persecution in Mexico

Resolved, That the General Court of Massachusetts urges upon the Senate of the United States to adopt and carry out the provisions of the Borah resolution, so-called, now pending before said Senate, protesting the antireligious practices of the present rulers of Mexico, condemning the crueities and brutalities that have accompanied the campaign of the present Mexican Government against the profession and practice of religious beliefs in said country and providing for the conduct of hearings by the Committee on Foreign Relations of the United States Senate and the receiving of such evidence by said committee as may be presented relating to religious persecution and antireligious compulsion and agitation in Mexico for the purpose of determining the policy of the United States with reference to this vital problem and in what way it may best serve the cause of tolerance and religious freedom; and be it further freedom; and be it further

Resolved, That the secretary of the Commonwealth forthwith forward copies of these resolutions to the President of the United States, to the presiding officers of both branches of Congress, and to the Members thereof from this Commonwealth.

In senate, adopted, February 15, 1935.
In house of representatives, adopted in concurrence, February

A true copy. Attest:

F. W. Cook, Secretary of the Commonwealth.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Maine, which was referred to the Committee on Public Buildings and Grounds:

Joint resolution memorializing Congress to use granite and natural stone in the construction of public buildings

Whereas the Federal Government is contemplating an extensive Public Works program, under which many public buildings will be erected throughout the United States; and

Whereas the granite industry is a great industry in the State; it is not now prosperous, due to the prolonged curtailment of building and construction; most of the granite workers of our State are now unemployed and many are on relief; and

Whereas the greater portion of the cost of finished granite and stone is incurred by labor; and
Whereas the quality and durability of granite and stone buildings unquestionably excels that of buildings constructed of inferior materials; and

ferior materials; and
Whereas from the standpoint of economy and prudent policy it
is advisable that lasting and durable materials be used in the construction of public buildings: Now, be it therefore
Resolved by the Senate of the State of Maine (the house of
representatives concurring), That Congress be respectfully urged
and petitioned to enact legislation or to otherwise take appropriate
action to require that granite and natural stone be used in the
construction of public buildings to be erected under the publicworks program: and that the secretary of state be instructed to works program; and that the secretary of state be instructed to send copies of this resolution to the President, Vice President, Secretary of the Treasury of the United States, and to the Members of Congress from the State of Maine.

In senate chamber February 21, 1935. Read and adopted, sent

down for concurrence.

ROYDEN V. BROWN, Secretary.

House of representatives, read and adopted in concurrence February 22, 1935.

HARVEY R. PEASE, Clerk.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of South Carolina, which was referred to the Committee on Finance:

A concurrent resolution to memorialize the Congress of the United States to lower the present tariff rates and to foster and en-courage international trade

Whereas it is the sense of this general assembly that the tariff rates on certain classes of goods are so high that they constitute barriers of trade between other nations and our own; that it would be to the advantage of our Nation, as well as to the nations with whom we trade, to increase the volume of our foreign trade, and thus create a market for products of our fields and factories; and we believe that no one factor would contribute more to this end than the reduction of the tariff rates on certain classes of goods;

Now, therefore,

Be it resolved by the senate (the house of representatives concurring). That the Congress of the United States be memorialized to give consideration to the question of tariff rates with a view to revising downward such tariffs as may be found to exist, and to promote, encourage, and foster our trade with foreign nations where the same may be done without in any manner impairing

our economic safeguards.

Resolved further, That a copy of this resolution be forwarded to each clerk of the two Houses of Congress, to each Senator from this State, and to each Member of the House of Representatives from this State.

Adopted February 7, 1935. House concurrence February 8, 1935.

A true copy.

JAMES H. FOWLES, Clerk of South Carolina Senate.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Texas, which was referred to the Committee on

#### Senate Concurrent Resolution 6

Whereas in Texas today there are several thousand men who, during the World War, gave up their time and a great sacrifice to their families, as well as themselves, to fight in a war to make this world safe for democracy; and

Whereas there are thousands of these ex-soldiers in Texas today who are facing starvation, poverty, and want because of the economic situation which is slowly adjusting itself throughout Texas and the United States; and

Whereas these ex-soldiers rendered to the State of Texas and the

nomic situation which is slowly adjusting itself throughout Texas and the United States; and

Whereas these ex-soldiers rendered to the State of Texas and the United States Government a service that cannot be valued; and

Whereas the United States Congress has appropriated millions of dollars to assist railroads, insurance companies, banks, and big business in the United States; and

Whereas the United States Government executed a loan to foreign nations of Europe to pay the debts of these foreign countries, both to their ex-soldiers and to others; and

Whereas the Federal Government, out of respect for and in honor of the great service rendered by the patriotic men of the United States, has adopted a policy providing for adjusted-service certificates for ex-service men: Therefore be it

Resolved by the Senate of Texas (the house of representatives concurring), That we memorialize the United States Senators and Congressmen from Texas to support a plan for the immediate cash payment of ex-service men's adjusted certificates during the present session of Congress; and be it further

Resolved, That a copy of this resolution be mailed to each Member of Congress from Texas.

Signed and approved February 23, 1935.

WALTER F. WOODUL,

President of the Senate.

President of the Senate. Coke Stevenson,
Speaker of the House of Representatives.
JAMES V. ALLRED,
Governor of Texas.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of Puerto Rico, which was referred to the Committee on Territories and Insular Affairs:

Concurrent resolution to petition the Congress of the United States to provide by law, as a measure of emergency relief and to promote the economic and social rehabilitation of the island of Puerto Rico, that the taxes filed and levied by H. R. 3835, approved May 12, 1933, to relieve the prevailing national economic emergency by increasing the agricultural purchasing power, be levied, collected, and covered into the Treasury by the customs authorities of Puerto Rico in the same form and manner as provided by the organic act establishing a civil government in Puerto Rico, approved March 2, 1917, to form a special fund in the insular treasury, which fund shall only be expended by the legislature to meet urgent needs and to promote the general welfare of the Puerto Rican community, and for other purposes

Whereas in the economic crisis from which it is suffering, Puerto Rico lacks the financial means to provide relief for the hardships caused by unemployment and the conditions arising therefrom, to overcome economic difficulties, to alleviate disasters, and to improve

overcome economic difficulties, to alleviate disasters, and to improve living and labor conditions;

Whereas on May 12, 1933, the Congress of the United States passed Resolution 3835, entitled "An act to relieve the existing national economic emergency by increasing agricultural purchasing power, to raise revenue for extraordinary expenses incurred by reason of such emergency, to provide emergency relief with respect to agricultural indebtedness, to provide for the orderly liquidation of joint-stock land banks, and for other purposes";

Whereas section 9 of said Resolution 3835 provides that, for the purpose of obtaining revenues to cover the extraordinary expenses incurred by reason of the national economic emergency, processing taxes be levied on basic agricultural products, including wheat, cotton, field corn, pork products, rice, tobacco, milk and its products, and any regional or market classification, type, or grade thereof;

whereas Puerto Rico is a Territory, organized but not incorporated, governed by a special organic act promulgated by the Congress of the United States, and is also a heavy consumer of such basic agricultural products, that pays said taxes that are not only a heavy burden on Puerto Rican citizens but are the principal cause of the rise in the cost of living, by more than 100 percent, which taxes are covered into the Federal Treasury, and which, if they were reimbursed to insular funds, would provide the means for establishing a special fund for remedying economic difficulties and would be the basis for promoting the general welfare;

Whereas Puerto Rico is oppressed by the weight of an unprecedented economic crisis that has brought about unemployment that involves more than 400,000 persons; its borrowing capacity is exhausted by an insular and municipal public debt amounting to more than \$49,000,000; the sources of taxes are limited; and some works of collective utility and aggrandizement are paralyzed and others are being developed slowly, all of which make it necessary for the legislature to petition the Congress of the United States for an urgent and necessary remedy: Now, therefore, be it

Resolved by the house of representatives (the Senate of Puerto Rico concurring)—

Rico concurring)

Rico concurring)—
SECTION 1. To petition the Congress of the United States to provide by law, as a measure of emergency relief and to promote the economic and social rehabilitation of the island of Puerto Rico, that the taxes fixed and levied by H. R. 3835, approved May 12, 1933, to relieve the prevailing national economic emergency by increasing the agricultural purchasing power, be levied, collected, and covered into the treasury by the customs authorities of Puerto Rico at the time such products are imported, in the same form and manner as provided by the organic act establishing a civil government in Puerto Rico, approved March 2, 1917, to form a special fund in the insular treasury, which fund shall only be expended by the legislature for the following purposes:

1. To increase the fund for the construction of municipal roads

1. To increase the fund for the construction of municipal roads necessary for the transportation of agricultural products to local and outside markets. For this fund there is a tax of 7 cents a gallon on gasoline imported into, or produced or sold in, Puerto Rico, which amounts annually to the sum of \$1,400,000, covering a plan for 1,500 kilometers out of a total of 7,000 kilometers of municipal roads in the island of Puerto Rico;

2. To finish the plan of insular roads, amounting to 45, and to maintain them. More than \$20,000,000 of the public debt of Puerto Rico, represented by bond issues for which the good faith of the people of Puerto Rico is pledged, have been expended on this means of communication;

3. For attentions of the insular and municipal public debt amounting to more than \$49,000,000, which hinders all progress and aggrandizement of the Puerto Rican community;

4. To furnish funds to the homestead division of the department of labor, and to further the plans prescribed by the Legislature of Puerto Rico for the establishment of workmen's settlements and agricultural farms, and which plans are arrested by the economic crisis that oppresses us, a work that is the most important for social and human aggrandizement undertaken since 1919 by the people of Puerto Rico;

5. To rehabilitate all agricultural districts, principally the coffee areas, which, due to low prices, loss of markets, and disasters from which Puerto Rico has suffered in these latter years, have had to be exempted by the insular legislation from the payment of taxes, which has not only affected its budgets but has also forced it to

dispose of surpluses and special funds to aid the affected municipalities which have been rendered unable to attend to their public

6. To continue the plan for the utilization of water resources, for the establishment of irrigation districts and the generation of power and light, as a basis also for the industrialization of the island, since, as Puerto Rico has no coal mines, electricity island, since, as Puerto Ricco has no coal mines, electricity is the white coal on which rests the future progress and aggrandizement of the Puerto Rican community. The insular government, by legislative action, has devoted large sums to this work, represented by issues of bonds that affect the good faith of the people of Puerto Rico, since, by amendments passed by the Congress of the United States, such issues affect the borrowing capacity of the

7. To promote measures to improve the municipal situation, health, and public education, to afford means of livelihood and work, and to meet urgent needs for the welfare of all the people

of Puerto Rico;

of Puerto Rico;
8. To attend to the services of insular sanitation and charity.
SEC. 2. That after this resolution is passed copies hereof, certified by the president of the senate and the speaker of the house of representatives, be sent to the following persons:
The honorable President of the United States;
The Speaker of the House of Representatives and the President of the Senate of the United States;
The Chairman of the Committee on Territories and Insular Possessions of the Senate of the United States;
The Chairman of the Committee on Lyncher Affairs of the House

The Chairman of the Committee on Insular Affairs of the House of Representatives of the United States;
The Resident Commissioner of Puerto Rico in Washington;

The Secretary of the Interior and the Secretary of Agriculture of the United States.

SEC. 3. This resolution shall take effect immediately after it is easied by both houses of the legislature of the people of Puerto

MIGUEL A. GARCIA MENDEZ, Speaker House of Representatives. R. MARTINEZ NADAL, President of the Senate.

The VICE PRESIDENT also laid before the Senate a joint resolution of the Legislature of the State of Wisconsin, favoring the enactment of legislation providing a relief program adequate to maintain a "decent standard of living" and to accomplish other purposes, which was referred to the Committee on Appropriations.

(See joint resolution printed in full when presented today

by Mr. DUFFY, p. 2817.)

The VICE PRESIDENT also laid before the Senate a joint resolution of the Legislature of the State of Wisconsin, favoring the enactment of legislation to provide work for persons who have secured loans from the Home Owners' Loan Corporation and from other sources and who, because of unemployment, are unable to meet the required payments, which was referred to the Committee on Banking and Currency.

(See joint resolution printed in full when presented today

by Mr. Duffy, p. 2817.)

The VICE PRESIDENT also presented a petition of sundry citizens of the State of Ohio, praying for the enactment of legislation prescribing penalties for those seeking or planning the overthrow of the Government of the United States by force or violence, which was referred to the Committee on the Judiciary.

He also laid before the Senate a resolution adopted by the Colored Men's Progressive Association of Sweetwater County, Wyo., favoring the enactment of legislation providing a national antilynching law, which was referred to the Com-

mittee on the Judiciary.

He also laid before the Senate resolutions adopted by the Boards of Commissioners of the cities of East Orange, Rahway, Nutley, and Perth Amboy, N. J.; the Board of Trustees of the village of Port Chester, N. Y.; the City Commission of Manistee, Mich.; the City Commission of Fort Lauderdale, Fla.; the Common Councils of the cities of Highland Park, Ill.; Michigan City, Mishawaka, and Anderson, Ind.; Northampton, Mass.; Ecorse Village and Hamtramck, Mich.; St. Cloud, Minn.; Oswego, N. Y.; Minneapolis, Minn.; Omaha, Nebr.; Wilkes-Barre, Pa.; Providence, R. I.; Mitchell, S. Dak.; and Kenosha, Wis.; Groups Nos. 850, 2350, 2712, 1792, 887, and 328, of Chicago, and Group No. 2681, of Dixmoor, in the State of Illinois; Groups Nos. 2195, of South Chester, and 452, of Harleton, and Group No. 924, in the State of Pennsylvania; and Groups No. 2163, of Yonkers, and No. 2387, of Manhasset, both in the State of New York, all of the Polish National Alliance of the United States of North

America, favoring the enactment of legislation proclaiming October 11 in each year as General Pulaski's Memorial Day. which were ordered to lie on the table.

He also presented the petitions of W. E. Miller, of Lovettsville, Va.; Gnat Blair, of Tibbe Station, Miss.; and Matteo Teresi, of Rochester, N. Y., praying for the enactment of old-age pension legislation, which were referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by the Utah State National Unemployment Council, favoring the enactment of legislation known as "the workers' unemploy-ment old-age and social insurance act", which was referred to the Committee on Finance.

He also laid before the Senate a telegram in the nature of a petition from the National Economy League, New York City, N. Y., praying that relief appropriations for the next fiscal year be confined to not over \$2,000,000,000, including public works already allocated, which was referred to the Committee on Appropriations.

He also laid before the Senate a letter in the nature of a petition from James K. Marvin, of Port Jefferson, N. Y., praying for support of the President in connection with his Public Works relief program, which was referred to the Committee on Appropriations.

He also laid before the Senate a letter in the nature of a petition from James Cole, of Johnson City, Tenn., praying for support of the President's plan to pay \$50 a month to relief workers on public works, which was referred to the Committee on Appropriations.

He also presented letters in the nature of petitions from Lewis A. Rubonsohn, of Philadelphia, Pa.; Frank Heilman, of Chicago, Ill.; Mr. and Mrs. B. F. Jameson, of Terre Haute. Ind.; and L. E. Werlein, of Houston, Tex., praying for the passage of the joint resolution providing \$4,880,000,000 for relief purposes in the form desired by the President, which were referred to the Committee on Appropriations.

He also presented a letter in the nature of a memorial from L. E. Brown, of Dayton, Ohio, remonstrating against the passage of the proposed public-works relief appropriation bill and praying for the passage of the so-called "bonus", which

was referred to the Committee on Appropriations.

Mr. ROBINSON presented letters from Rev. W. P. Witsell, rector of Christ Episcopal Church, and Rev. J. G. Taylor, minister of Grace Presbyterian Church, both of Little Rock; Rev. B. F. Ferguson, pastor of the First Baptist Church of Fort Smith, and Rev. A. C. Smith, pastor of the First Prebyterian Church of Ozark, all in the State of Arkansas, relative to the operation of tax or assessment provisions of pending old-age pension legislation, which were referred to the Committee on Finance.

Mr. CAPPER presented a resolution adopted by Pittsburg Division No. 93, Order of Benefit Association of Railway Employees, of Pittsburg, Kans., favoring the enactment of legislation to modify section 4 of the Interstate Commerce Act so as to permit railroads to compete with unregulated forms of transportation, which was referred to the Committee on Interstate Commerce.

Mr. KEYES presented a letter in the nature of a memorial from F. W. Johnston, president, and other officers and directors (and on behalf of clients of the bank), of the Claremont National Bank, of Claremont, N. H., remonstrating against the enactment of legislation inimical to the interests of investors in the securities of public-utility companies, which was referred to the Committee on Interstate Commerce.

Mr. COPELAND presented resolutions adopted by the board of supervisors of Suffolk County, N. Y., favoring the prompt passage of legislation appropriating funds for workrelief purposes, which were referred to the Committee on Appropriations.

He also presented a resolution adopted at a public meeting at Town Hall Club, sponsored by the Women's International League for Peace and Freedom, New York City, N. Y., protesting against the inauguration by the Government of a billion dollar defense program, which was referred to the Committee on Appropriations.

He also presented a resolution adopted by the Ivanhoe Democratic Club of Flushing, Queens County, N. Y., favoring the enactment of legislation creating an authority, similar to the Home Owners' Loan Corporation, provided with sufficient finances to complete the work of that corporation, which was referred to the Committee on Banking and Currency

He also presented a resolution adopted by the Boro Park and Bay Ridge Home Owners' Association, Brooklyn, N. Y., favoring the enactment of legislation resulting in the resumption of the operations of the Home Owners' Loan Corporation to the extent that a sum of not to exceed one and one-half billion dollars, in addition to the sums already authorized, be allotted to the H. O. L. C. to care for new applications for loans by distressed home owners, which was referred to the Committee on Banking and Currency.

He also presented a resolution adopted by the council of the city of Rochester, N. Y., favoring in principle the enactment of legislation establishing an adequate old-age-pension system, which was referred to the Committee on Finance.

He also presented resolutions adopted by the Parent-Teacher Association of Jeffersonville, N. Y., favoring the establishment of a national film institute to encourage the production, distribution, and exhibition of motion pictures for visual education and entertainment, etc., which was referred to the Committee on Interstate Commerce.

He also presented petitions, numerously signed, of sundry citizens of the State of New York, praying for the publication at Government expense of all testimony taken by the Federal Communications Commission, Broadcast Division, in relation to the broadcasting of programs of interest, convenience, and necessity, together with the report of the Commission, which were referred to the Committee on Interstate Commerce.

He also presented a resolution adopted by the directors of the Sheffield Producers Cooperative Association, Inc., protesting against enactment of legislation establishing a 30hour workweek if it shall apply to the dairy industry, which was referred to the Committee on the Judiciary.

He also presented a resolution adopted at a meeting held in Grace Baptist Church by the Mount Vernon (N. Y.) Branch of the National Association for the Advancement of Colored People, favoring the enactment of the so-called "Costigan-Wagner antilynching bill", which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by members of the Metco Stamp Club, of New York City, N. Y., favoring the enactment of legislation authorizing the issuance of a special commemorative stamp in honor of the one hundred and fiftieth anniversary of the termination of Commodore John Barry's service in the Navy, which was referred to the Committee on Naval Affairs.

He also presented resolutions adopted by the board of trustees of the village of Port Chester, the Common Councils of the Cities of Saratoga Springs and North Tonawanda, and Groups Nos. 2082 of Utica, 1947 of Schenectady, 114 and 1170, both of New York City, and 153 and 583, both of Buffalo, all of the Polish National Alliance of the United States of North America, in the State of New York, favoring the enactment of legislation proclaiming October 11 in each year as General Pulaski's Memorial Day, which were ordered to lie on the table.

Mr. DUFFY presented the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Appropriations:

Joint resolution memorializing the Congress of the United States

to provide a relief program adequate to maintain a decent standard of living and to accomplish other purposes

Resolved by the senate (the assembly concurring), That this legislature respectfully memorializes the Congress of the United States to provide a relief program which will—

1. Give those employed sufficient work and compensation to maintain a decent standard of living.

2. Give work to the unemployed who are not on relief but who

2. Give work to the unemployed who are not on relief but who require help to pay taxes and interest on their homes.

3. Provide sufficient work at Federal expense so that local units of government will not be obliged to add to their indebtedness or increase their already overburdensome taxes.

4. Reimburse the various counties and municipalities of the State the sum of \$6,000,000, the amount contributed by them during the year 1935 as their share of unemployment relief; be it further

Resolved, That properly attested copies of this resolution be sent to the President of the United States, Harry L. Hopkins, Administrator of the Federal Emergency Relief Administration, both Houses of Congress, and to each Wisconsin Member thereof.

ach Wisconsin Member thereof Thomas J. O'Malley, President of the Senate. Lawrence R. Larsen, Chief Clerk of the Senate. J. W. Carow, Speaker of the Assembly. Lester R. Johnson, Chief Clerk of the Assembly.

Mr. DUFFY also presented the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Banking and Currency:

Joint resolution memorializing the Congress of the United States to provide jobs for persons who have secured loans from the Home Owners' Loan Corporation and from other sources and who because of unemployment are unable to meet the required payments

Whereas a large number of home owners are now, and will be, unable to meet the required payments on loans made by the Home Owners' Loan Corporation and from other sources unless they secure employment: Now, therefore, be it Resolved by the senate (the assembly concurring), That this legislature memorializes the Congress of the United States to enact legislation providing work for those home owners who, because of unemployment, are unable to meet the required payments on the principal or interest or both: that such work he provided under principal or interest, or both; that such work be provided under public-work projects through either the local, State, or Federal Governments; be it further

Resolved, That duly attested copies of this resolution be sent to both Houses of the Congress and to the Wisconsin Members

Thomas J. O'Malley,
President of the Senate.
Lawrence R. Larsen,
Chief Clerk of the Senate.
J. W. Carow,
Speaker of the Assembly.
Lester R. Johnson,
Chief Clerk of the Assembly.

Mr. SHIPSTEAD presented the following concurrent resolution of the Legislature of the State of Minnesota, which was referred to the Committee on Agriculture and Forestry:

A concurrent resolution memorializing the President of the United States and the Congress of the United States that it is the sense of the members of the Minnesota Legislature that the Government of the United States should perform its solemn promise and duty and place American agriculture on the basis of equality with other industries by providing an adequate system of credit, and that adequate legislation to that end should be adopted at the earliest possible date

Whereas the farmers throughout the entire United States have whereas the farmers throughout the entire Officed States have lost and are losing their lands and chattels through inability to refinance loans on their property because of high interest rates and low prices of agricultural commodities; and

Whereas agriculture is the basic industry of this country and there can be no sound business prosperity unless the business of agriculture is placed on a sound basis and on an equal basis with other indutries; and

other indutries: and

other indutries; and
Whereas a bill has been introduced in the Senate of the United
States known as the "farmers' farm relief act", commonly called
the "Frazier bill"; and
A bill to liquidate and refinance agricultural indebtedness, and
to encourage and promote agriculture, commerce, and industry,
by establishing an efficient credit system, through which the unjust and unequal burdens placed upon agriculture during the
period of price fixing and deflation may be lightened, by providing for the liquidation and refinancing of farm mortgages and
farm indebtedness at a reduced rate of interest through the Federal farm-loan system, the Federal Reserve banking system, and
the Postal Savings depository system and creating a board of the Postal Savings depository system and creating a board of agriculture to supervise the same; and
Whereas this bill is a sound economic measure designed to rem-

edy the inequalities under which agriculture is now laboring: Now, therefore, it it

Resolved by the House of Representatives of the State of Minnesota (the senate concurring), That the Congress of the United States be, and it is hereby, urgently petitioned to enact the said bill into law, and that the President of the United States be urged to approve said measure after its passage; be it further Resolved, That the Minnesota Members of the United States Senate and the Representatives in Congress from the State of Minnesota hemotype the Congress from the State of

Minnesota be, and they are hereby, petitioned and most earnestly urged to use their best efforts to bring about a speedy enactment of said legislation; be it further

\*Resolved\*, That a duly authenticated copy of this resolution be presented to the President of the United States, to the presiding

officers of the Senate and of the House of Representatives of the Congress of the United States and to each of the Senators and Representatives from the State of Minnesota in the Congress of the United States.

Mr. SHIPSTEAD also presented the following concurrent resolution of the Legislature of the State of Minnesota, which was referred to the Committee on Interstate Commerce:

A concurrent resolution memorializing the Congress of the United States to eliminate the long-and-short-haul clause from the fourth section of the Interstate Commerce Act, or to modify the same so that railroads may be permitted to establish rates which will enable Middle West industries to meet the competition of Eastern manufacturers transporting their goods through the Panama Canal

Whereas the long-and-short-haul clause of the fourth section of the Interstate Commerce Act prohibits railroads from making a lesser charge for a longer than for a shorter distance over the same line in the same direction unless authorized to do so by the Inter-

whereas the higher rail rates from Minnesota and other States in the Middle West to the Pacific coast than water rates from the Atlantic seaboard to the Pacific coast through the Panama Canal has resulted in Middle West manufacturers losing all or a substantial part of their markets on the Pacific coast to the advantage of their competitors located in the East; and

Whereas the elimination of the long-and-short-haul clause from the fourth section of the Interstate Commerce Act would allow the railroads to establish reduced rates from the Middle West to the Pacific coast to meet this water competition without depressing below a reasonable level their rail rates to points inland from the Pacific coast where such water competition does not exist; and Whereas such a readjustment of rail rates will enable Middle West manufacturers to regain a substantial part of their Pacific

coast business, will result in increased employment in Middle West industries, will give added employment to labor in transporting such added rail traffic to the Pacific coast, and will enable the railroads to earn some additional net revenue to the advantage of farmers and residents generally of the Middle West and West who

farmers and residents generally of the Middle West and West who must employ the railroads to transport their products to market and furnish them with long-haul transportation; and

Whereas reduced rail rates from the Middle West to the Pacific coast will not result in eliminating Eastern manufacturers from the Pacific coast markets or the boat lines from carrying traffic through the Canal, but will simply afford Middle West manufacturers an opportunity to compete with Eastern manufacturers for a fair share of the Pacific coast business on a properly related basis of freight rates; and freight rates; and

Whereas the Middle West contributed by taxes to the construction of the Panama Canal and contributes to its maintenance and support and should be permitted to have a basis of rail rates which will prevent the Panama Canal from working an unjust discrimination against Middle West industries and employment: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That Congress be memorialized to eliminate the long-and-short-haul clause from the fourth section of the Interstate Commerce Act, or to modify the same so as to effectively permit railroads to establish rates to the Pacific coast from the Middle West which will enable Middle West industries to meet the competition of Eastern manufacturers using water transportation through the Panama Canal; be it further

Resolved, That copies of this resolution be sent to both houses of the Legislatures of North and South Dakota, Iowa, Wisconsin, and Illinois, to the Vice President of the United States, the Speaker of the National House of Representatives, and the Senators and Con-gressmen from the State of Minnesota.

Mr. ASHURST presented the following memorial of the House of Representatives of the State of Arizona, which was referred to the Committee on Commerce:

House Memorial 2

To the President and the Congress of the United States of America: Your me

memorialist, the Legislature of the State of Arizona, respectfully represents:

In Mohave County, Ariz., an interstate road connecting the towns of Fredonia in northern Arizona and St. George in southern Utah, which frequently in its winding course passes back and forth over the boundary between the two States, crosses the stream known as Short Creek.

Short Creek is a torrential, turbulent, and treacherous stream, whose quicksand bed has, during the past few years, claimed a large number of automobiles, and constitutes a distinct menace

The road which thus crosses this dangerous stream pos a direct interest to the Federal Government, by reason of the fact that it serves Indian reservations in both States, a large area of national grazing lands, and the Pipe Springs national

Local interest in the said highway is such that the county of Mohave is maintaining the same, over such portion of its course as lies in Arizona, as a county highway, and would be and is willing to defray one-half of the cost of constructing a bridge over Short Creek.

Wherefore your memorialist prays:

1. That an appropriate agency of the United States be directed to make an investigation of the matter hereby presented, and if it appear that the interest of the Federal Government in the maintenance of the service given by the said road justifies such participation, that steps be taken to enter into a cooperative agreement with the county of Mohave for the construction of the said bridge over Short Creek.

2. That in the event an appropriation, or other legislation, be necessary to the carrying out of the project referred to, such legislation be enacted.

And your memorialist will ever pray.

And your memorialist will ever pray. Adopted by house February 19, 1935.

THOS. D. TRUOG. Speaker of the House. LAMAH RUTH, Chief Clerk of the House.

Mr. ASHURST also presented the following memorial of the House of Representatives of the State of Arizona, which was referred to the Committee on Indian Affairs:

House Resolution 5

To the Honorable Harold L. Ickes,

Secretary of the Interior:

Whereas we have the finest Indian school in the country, edu-

cating the children from 26 tribes; and
Whereas the people of Arizona are deeply concerned as to the
future of the Phoenix Indian School; and

Whereas New Mexico has three Indian schools and Arizona only one, while their Indian population is only one-third of Arizona,

Whereas New Mexico has three Indian schools and Arizona only one, while their Indian population is only one-third of Arizona, which is 42,000; and

Whereas the lack of an adequate copper tariff has caused our mines to close and has crippled our great State to the extent that any reduction in appropriation for Arizona represents an added burden of unemployment to be carried by the citizens of this State and every dollar represents food kept from the mouths of Arizona workingmen's families; and

Whereas the appropriation for our school has been decreased from year to year so that the school can now serve only half the number it did 4 years ago; and

Whereas any proposal to remove these Indians to any reservation without the advantages of education is against all principles of justice, because it is by education only that we can ever hope to make it possible to absorb these people into our industries, arts, sciences, and everyday life, and make them a part of our people, as we have the people of other nations, and not keep them as they are now, a nation within a nation; and

Whereas the Indian problem is not a diminishing one in Arizona, since the increase in the white population in this State in 1934 was 30 percent, while the increase in the Indian population was 32 percent: Therefore be it

Resolved, That the House of Representatives of the State of Arizona respectfully urge you to consider the enormity of this economic problem, and in the interests of justice to these people, in the interests of the alleviation of the great distress of this State, may we hope that, through the ministration of your great office, you will increase the appropriation for this school so that it can return to its status of 4 years ago and broaden the scope of its great work.

Adopted by the house February 19, 1935.

Adopted by the house February 19, 1935.

THOS. D. TRUOG Speaker of the House.
LALLAH RUTH,
Chief Clerk of the House.

#### ADDITIONAL JUDGES IN CALIFORNIA

Mr. ASHURST presented a telegram from Ford W. Harris, Los Angeles, Calif., which was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

[Telegram]

Los Angeles, Calif., March 1, 1935.

Los Angeles, Calif., March 1, 1955.

Hon. Henry F. Ashurst,

Chairman Senate Judiciary Committee,

Senate Building, Washington, D. C.:

In spite of the fact that several of the judges of Circuit Court of Appeals for the Ninth Circuit have killed themselves with overwork in the last 10 years, and the judges now on the bench are all working arduously, the work of the court is steadily getting in arrears. Our district court here in Los Angeles is so far behind in its work that the United States statutes have ceased to be practically operative in this territory. Of what possible value is it for Congress to pass new laws when the old ones cannot be enforced due to an easily preventable collapse of our judicial machinery here? If we are to maintain any public respect for the Federal Government and any semblance of respect for the present administration or Congress, it is essential that we have prompt and complete relief. Bill for fifth circuit judge should be passed promptly.

FORD W. HARRIS.

## ELECTRIC RATES AND PUBLIC UTILITIES

Mr. ROBINSON. I present a communication relating to the electric rates of public utilities, the bill pertaining to holding companies, and so forth, and ask that it be printed

in the RECORD and referred to the Committee on Interstate |

There being no objection, the communication was referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

PINE BLUFF, ARK., February 17, 1935.

Hon. JOE T. ROBINSON, Washington, D. C.

MY DEAR SENATOR: I have been following the activities of our Government with relation to electric rates, the entrance of the Government in the electric-current production through the T. V. A., and desire to make some suggestions which, I trust, may be of benefit in working out an equitable solution of the

I am of the opinion that if these operating companies could make a decided reduction in rates, that the consumption of electric current would be increased to the extent that within a year or two the increase would offset the loss in revenue due to

tric current would be increased to the extent that within a year or two the increase would offset the loss in revenue due to reduced rates, and that the security holders would again be paid interest on their money, to which they are entitled.

As I see the situation, the companies must either change their capital structure or very materially increase the volume of business, or both, to get on a sound basis. There might be some saving effected by the abolishment of certain executive positions or the elimination of certain supervision costs. I am of the opinion that employees' wages are low enough.

I do not think it fair to holders of preferred stock of these companies to arbitrarily bring about a reduction in rates that would prove, in a way, confiscatory; and it is not thought that it is the intention of our Government to do so. Certainly it would mean a great loss to holders of securities to see the public come in competition with the power companies in the building of municipal distributing plants to be supplied by Governmentmanufactured current. In other words, to reduce the rates to such an extent that security holders would suffer any great loss would be an alinement of the majority of our citizenship using electric current against others of our citizens holding securities of operating companies. It will be remembered that those citizens who invested their money in preferred stock of these companies of operating companies. It will be remembered that those citizens who invested their money in preferred stock of these companies were told that their investment made the companies possible, giving to those other citizens a convenience which is now considered a necessity. The preferred-stock holders, of course, enjoy the same service; but I feel that inasmuch as I bought preferred stock direct from the companies in good faith, and to help build the State, I am entitled to a fair rate of interest on investment, and to know that the investment is not being jeopardized by Government activity.

Government activity.

It is my information that the taxes paid by one of these operating companies is equivalent to \$5.68 per share on outstanding preferred stock, or a total yearly tax cost of \$808,633.18. I know that taxes are high and that the tendency seems to be toward

an increased taxation.

an increased taxation.

If the Government-yardstick rates will meet the fixed charges, etc., I suggest that consumers of electric current be billed at those rates, adding to the bill the actual per kilowatt-hour cost for taxes. I, of course, do not know that the yardstick rates would afford sufficient earnings in each instance to meet fixed charges, etc.; however, that is a matter for the Federal Power Commission and the companies to determine. I understand that electric current can be produced cheaper in some localities than in others. I also understand that small-quantity consumers cannot consistently expect the same rate as large consumers, therefore a sliding scale of rates is necessary.

If the plan of basing the rates on the Government yardstick, and the consumers paying the companies' taxes should meet with

fore a sliding scale of rates is necessary.

If the plan of basing the rates on the Government yardstick, and the consumers paying the companies' taxes should meet with favor, the companies could make a quarterly settlement with the tax officials, and by so doing there would be some ready money at all times for the operation of schools, or to meet other current expense of State and city government. I would much prefer that taxes derived from electric-current consumption be used for schools, old-age pension, and relief of the poor.

I think that by the public paying the operating companies' taxes, that the companies would be taken out of politics, which in itself would be some relief. Further, the publicity cost could be eliminated, which is no small item.

I realize that our economic situation is not what we all very much desire, and I am willing to contribute my part toward a readjustment of electric-power structure that will bring about rates for electric current that will be fair to the public, the security holders, and the companies. If absolutely necessary to bring about such a situation and to keep the companies in a healthy condition, I suggest the following: First, that the rate of interest on bonds and all classes of preferred stock be reduced from the present rate of interest on bonds, or the dividend rate per share, to a guaranty of 2 percent on bonds, and \$2 per share on preferred stock (these rates to be based upon a consolidated earnings of the combined issues) and to pay whatever said securities earn, but not to exceed 5 percent on bonds and \$5 per share on preferred stock. Second, that in case of reorganization (receivership not permitted) the bonds and preferred stock be made one class of security. This, I think a better plan, and, should such a plan be worked out, the dividend or interest rate should be a guarantee of 2 percent or \$2 per share, to pay whatever company earns, but not to exceed 7 percent or \$7, as the case may be. Any earntee of 2 percent or \$2 per share, to pay whatever company earns, but not to exceed 7 percent or \$7, as the case may be. Any earnings above 7 percent or \$7 to go into a sinking fund for retirement of such securities, or for a further reduction in rates.

Third, and as a last resort, reduce the face value of bonds and preferred stock 10 or 15 percent. I think that either of the three plans, especially the last, would probably have to be endorsed by the bondholders and preferred-stock holders. These changes would seem to eliminate the common-stock issues. I do not fancy a process of repudiation, however, if necessary to bring about the desired results, I would take my loss without a murmur.

I understand that the companies now have a depreciation ac-

count, also a sinking fund for the retirement of bonds and, per-

haps, preferred stock.

If we in this locality could enjoy an electric rate of 4 cents per kilowatt-hour, including cost of taxes, for the first 100 kilowatt-hours, domestic purposes (no room charge), we would be able to use electricity for cooking, which, in our opinion, is the best cookuse electricity for cooking, which, in our opinion, is the best cooking fuel; operate washing machines, irons, radios, and various accessories; and not find ourselves running from one room to another turning off the lights. I would not consider unfair a minimum monthly charge of \$1. I would not, however, look with favor upon a schedule of rates setting up \$1 per month charge for a small number of kilowatt-hours. I do not consider unfair the deposit required before service is started.

In my discussion of this matter, I have given consideration only to domestic use of electricity, and have endeavored to be fair with security holders, the companies, and the public.

Respectfully submitted.

W. J. Williams.

W. J. WILLIAMS, 514 Walnut Street.

#### THE BANKING SYSTEM

Mr. FLETCHER. Mr. President, I present a very clear and interesting statement by Mr. F. A. Vanderlip on the subject of pending banking legislation and ask to have it printed in the RECORD and referred to the Committee on Banking and Currency.

There being no objection, the statement was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

52 WALL STREET, NEW YORK, February 19, 1935.

Senator FLETCHER.

ator Fletcher, Chairman Senate Committee on Banking and Currency, Washington, D. C.

The SENATE COMMITTEE ON BANKING AND CURRENCY,

Senator Fletcher, Chairman, Washington, D. C.

Dear Sir: The bill, S. 1715, now before the committee is, in my judgment, one of the most significant pieces of legislation that has been drafted during my lifetime. I am surprised at the silence of the leading bankers of the country regarding this measure. It is hardly possible that informed banking minds do not appreciate its import. Their silence certainly must be attributed to other reasons then acquiresone. reasons than acquiescence.

reasons than acquiescence.

It is hardly appropriate within the proper limits of a letter to engage in a complete discussion of the measure with all its implications, but there are some points regarding it which I profoundly feel should have the sober consideration of your committee.

I will pass over the first division of the bill, dealing with the insurance of bank deposits, although much that is important might be said concerning some of the features of that division. The second division of the bill, containing amendments to the Federal Reserve Act, is of such deep significance that I will confine what I have to say to that portion of the measure.

There is certainly a growing political demand, and one to which

There is certainly a growing political demand, and one to which many Members of the Congress now attach themselves, that the constitutional provision enjoining Congress to regulate the value of money creates an obligation which, even at this late date, Congress should fully assume. Heretofore, Congress in common with most of the world opinion, has believed that providing the redemption of currency in a given weight of gold fixed the value of the currency. the currency.

Students of the currency problem are beginning quite generally to recognize the fallacy of the assumption that a given number of grains of gold is a permanent and unvarying standard of value. Not until economists, in comparatively recent years, evolved the mechanism of the price index has there been a clear conception concerning the characteristics of a standard of currency value.

There have been economists who have recognized that the invention of the price index offered the possibility of creating a true standard of value by means of which the fluctuations in the value of any commodity, including gold, might be measured. There have been proposals, including one for a commodity dollar, by means of which the number of grains into which a dollar would be convertible should be varied, from time to time, and by that means it was believed that a currency could be obtained which might, throughout a generation, have an unvarying purchasing power in exchange for a cross section of all other commodities.

The practical banking mind has rightly rejected the theory that such a plan would give to the currency issued under it the de-

The practical banking mind has rightly rejected the theory that such a plan would give to the currency issued under it the desired stability of value. Price is a function of the total volume of the purchasing medium. The total volume of the purchasing medium, in a country with such a highly developed banking system as modern nations have, includes not only the volume of currency but the volume of banking credit turned into bank denotity.

deposits.

This principle is recognized in the bill, and an effective means for the control of the volume of bank credit is set up in section 209, which gives to a Federal open-market committee power to

change the requirements as to reserves to be maintained against bank deposits. This power, together with the other open-market operations which are conferred upon the Federal open-market committee, are adequate levers with which Congress through its designated agency may assume its constitutional prerogative to regulate the value of the currency.

In order so to regulate the value of the currency these powers are necessary and practical. They must be exercised by such a body as Congress designates, but I believe there is the gravest danger in conferring them upon a committee of the Federal Reserve bank, as is proposed by this measure, or upon any other body which might be created, unless Congress defines its objective in exercising the power to regulate the value of currency. The measure before you, in fact, provides for the establishment of a managed-currency system, but it should not leave the determination of the policy in the hands of any regulatory body. Congress should itself determine what the policy is to be, and I doubt if it has the constitutional power to shift that responsibility to a body which it creates.

doubt if it has the constitutional power to shift that responsibility to a body which it creates.

If this view is correct, it means, in effect, that Congress must itself designate the price level which it desires to establish and maintain. It would be most dangerous to attempt to transfer to any organization that Congress might create the power to determine and change this fundamental policy.

The use of the various levers of control (the open-market operations and the variation of the legal percentage of reserves which banks must hold against their deposits) must be placed in the hands of an executive regulatory body, but the decision as to the objective—that is to say, the price level which is to be reached and maintained—should be the responsibility of Congress and of Congress alone. Congress alone.

No caprice of judgment, no changing opinions of a small group No caprice of judgment, no changing opinions of a small group of men, no subordinate committee, subject to the pressures either of business, or of politics, should be endowed with that power. It seems to me logical and inescapable that in regulating the value of money Congress must itself assume the responsibility of stating clearly the objective, and that objective would be a declaration by Congress of the precise price level that is to be permanent and that can be changed by no one except by Congress itself.

The regulation of the value of currency is not properly a banking function. It has, in fact, far too long remained a banking prerogative. There should be clear differentiation between the business of granting bank credits and the fundamentally important policy of regulating the value of currency.

The implications that flow from these principles seem to me to

policy of regulating the value of currency.

The implications that flow from these principles seem to me to be that Congress should declare in the exercise of its power to regulate the value of currency that a dollar is henceforth to have a steady and unchanging purchasing power, as measured by a price index; that Congress should declare the point at which that price index should be maintained; and in conferring the openmarket operations and the power to regulate the percentage of reserves that a bank must hold against the total volume of bank credits, represented by deposits, it must direct the exercise of those powers so that any change in the value of currency above or below the price level set by Congress shall be corrected by the manner in which these open-market and reserve powers are exercised.

cised.

That is to say, that, whenever the price index indicates a price level below the point which Congress had declared as representing its policy in regard to the value of the currency, there should be no room for the free play of caprice or opinion in the minds of the small group of men upon whom are conferred the duties of using these regulatory open-market powers. They should be compelled automatically to inflate and raise prices, if the current price index is below the standard point that Congress has designated; and they should be under the same compulsion to deflate if prices rise above that standard level rise above that standard level.

The responsibility is on Congress to fix the standard level and the compulsion should be upon the men who operate the levers of

the compulsion should be upon the men who operate the levers of control automatically to work the levels of control so as to attain the objective which Congress has set up.

There is an analogy here to the powers of our Supreme Court. The nine members of the Supreme Court need have no opinion individually as to whether a law passed by Congress is good law or a bad one. Their individual opinions are not of moment.

There is much to be said about many features of the bill that you are considering. It is useless to enter into detailed discussion until the two cardinal points are grasped. The stabilization of the dollar by attaching it to a sound standard of value, the price index, is the first one. The second, an equally important point, is the creation of an executive body to carry out the will of Congress under a definite, controlling mandate.

Very truly yours,

F. A. VANDERLIP.

## REPORT OF ARMY APPROPRIATION RILL.

Mr. COPELAND. Mr. President, in order to keep the parliamentary history of the bill complete, I desire to state that, under authority of the order of the Senate of Thursday last, on behalf of the Committee on Appropriations I filed with the Secretary of the Senate on Friday, March 1, the bill (H. R. 5913) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1936, and for other purposes, with amendments, and an accompanying report (No. 230).

## REPORTS OF MILITARY AFFAIRS COMMITTEE

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (S. 935) to authorize the Secretary of War and the Secretary of the Navy to lend Army and Navy equipment for use at the national jamboree of the Boy Scouts of America, reported it with an amendment and submitted a report (No. 231) thereon.

He also, from the same committee, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 1940. A bill to fix the value of subsistence and rental allowance under the Pay Readjustment Act of June 10, 1922 (Rept. No. 232); and

S. 2105. A bill to provide for an additional number of cadets at the United States Military Academy (Rept. No.

Mr. SCHWELLENBACH, from the Committee on Military Affairs, to which were referred the following bills, reported them each without amendment and submitted reports there-

S. 724. A bill for the relief of James T. Moore (Rept. No. 234); and

H. R. 3266. A bill authorizing the maintenance and use of a banking house upon the United States military reservation at Fort Lewis, Wash. (Rept. No. 235).

Mr. CAREY, from the Committee on Military Affairs, to which was referred the bill (S. 1850) to amend an act entitled "An act to recognize the high public service rendered by Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever", approved February 28, 1929, as amended, by including Roger P. Ames among those honored by said act, reported it without amendment and submitted a report (No. 236) thereon.

Mr. DUFFY, from the Committee on Military Affairs, to which was referred the bill (S. 438) for the relief of Roy Chandler, reported it without amendment and submitted a report (No. 237) thereon.

#### ENROLLED BILLS PRESENTED

Mr. LONERGAN (for Mrs. Caraway), from the Committee on Enrolled Bills, reported that on February 28, 1935, that committee presented to the President of the United States the following enrolled bills:

S. 31. An act to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. Chester C. Groff; and

S. 402. An act to amend section 824 of the Code of Laws for the District of Columbia.

#### BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LONERGAN:

A bill (S. 2108) granting a pension to Ann M. Callery; to the Committee on Pensions.

By Mr. NEELY:

A bill (S. 2109) granting a pension to Hazel Chalk; and A bill (S. 2110) granting a pension to John S. Wilson; to the Committee on Pensions.

By Mr. BYRD:

A bill (S. 2111) for the relief of Raphael Levy; and

A bill (S. 2112) for the relief of Flora Jacobs, administratrix of the estate of A. L. Jacobs, deceased; to the Committee on Claims.

A bill (S. 2113) authorizing the appointment and retirement of Robert W. Moss as a lieutenant (junior grade), Dental Corps, United States Navy; to the Committee on Naval Affairs.

By Mr. HATCH:

A bill (S. 2114) for the relief of D. E. Woodward and Mrs. Murray A. Hintz; to the Committee on Claims.

By Mr. COSTIGAN:

A bill (S. 2115) for the relief of Horace M. Case; to the Committee on Naval Affairs.

A bill (S. 2116) granting an increase of pension to Thomas N. Pray; to the Committee on Pensions.

By Mr. BONE:

A bill (S. 2117) for the relief of Grant A. McNeal; to the Committee on Claims.

A bill (S. 2118) extending the provisions of the pension laws relating to Indian war veterans to Capt. H. M. Hodgis' company, and for other purposes; to the Committee on Pensions.

By Mr. WAGNER:

A bill (S. 2119) for the relief of Amos D. Carver, S. E. Turner, Clifford N. Carver, Scott Blanchard, P. B. Blanchard, James B. Parse, A. N. Blanchard, and W. A. Blanchard, and/or the widows of such of them as may be deceased; to the Committee on Claims.

A bill (S. 2120) to authorize the coinage of 50-cent pieces in commemoration of the one hundred and fiftieth anniversary of the founding of the city of Hudson, New York; to the Committee on Banking and Currency.

By Mr. ROBINSON:

A bill (S. 2121) relating to loans by the Home Owners' Loan Corporation; to the Committee on Banking and Currency.

By Mr. THOMAS of Oklahoma:

A bill (S. 2122) for the relief of Tony Woodick; to the Committee on Military Affairs.

By Mr. STEIWER:

A bill (S. 2123) granting a pension to William G. Madden (with accompanying papers); to the Committee on Pensions.

A bill (S. 2124) providing for the final enrollment of the Indians of the Klamath Indian Reservation in the State of Oregon; to the Committee on Indian Affairs.

By Mr. McKELLAR:

A bill (S. 2125) for the relief of Lawrence Hyder; to the Committee on Naval Affairs.

By Mr. COPELAND:

A bill (S. 2126) for the relief of Ralph Riesler; to the Committee on Claims.

A bill (S. 2127) to amend section 4471 of the Revised Statutes of the United States, as amended; to the Committee on Commerce

A bill (S. 2128) to regulate the hours of employment of women employed in the District of Columbia; to the Committee on the District of Columbia.

A bill (S. 2129) authorizing the retirement of Joseph F. Becker as a lieutenant commander, United States Navy; to the Committee on Naval Affairs.

A bill (S. 2130) granting a pension to Anna L. Sweeney; to the Committee on Pensions.

By Mr. SHEPPARD:

A bill (S. 2132) to correct the military record of Edward A. McGown: to the Committee on Military Affairs.

A bill (S. 2133) granting a pension to D. H. Waide; to the Committee on Pensions.

By Mr. NORRIS:

A bill (S. 2135) to amend an act entitled "An act to improve the navigability and to provide for the flood control of the Tennessee River; to provide for reforestation and the proper use of marginal lands in the Tennessee Valley; to provide for the agricultural and industrial development of said valley; to provide for the national defense by the creation of a corporation for the operation of Government properties at and near Muscle Shoals in the State of Alabama, and for other purposes", approved May 18, 1933; to the Committee on Agriculture and Forestry.

By Mr. GUFFEY:

A bill (S. 2136) to provide for the removal of the monument to Casimir Pulaski from the triangle at Pennsylvania Avenue, Thirteenth Street, and E Street NW., to the east end of the triangle formed by Pennsylvania Avenue, E Street, and Fifteenth Street, in the city of Washington, D. C., and to authorize the appropriation therefor; to the Committee on Public Buildings and Grounds.

By Mr. GORE:

A bill (S. 2137) to provide for the appointment of one additional district judge for the eastern, northern, and western districts of Oklahoma; to the Committee on the Judiciary.

(By request.) A bill (S. 2133) granting a pension to Lora Kizer Russell; and

(By request.) A bill (S. 2139) granting a pension to Susie Wichita Te-kits-kush; to the Committee on Pensions.

By Mr. BARBOUR and Mr. MOORE:

A bill (S. 2140) for the relief of certain purchasers of lands in the Borough of Brooklawn, State of New Jersey; to the Committee on Commerce.

By Mr. SMITH:

A bill (S. 2141) to provide for the payment of salaries to certain referees in bankruptcy; to the Committee on the Judiciary.

By Mr. JOHNSON:

A bill (S. 2142) for the relief of certain blind persons disabled in the military or naval service of the United States; to the Committee on Pensions.

By Mr. SHIPSTEAD:

A bill (S. 2143) for the relief of Asa J. Hunter; to the Committee on Claims.

By Mr. WHEELER:

A bill (S. 2144) extending the obligation of bonds of contractors for public buildings to include payment of compensation to injured employees; to the Committee on Education and Labor.

A bill (S. 2145) extending the time for repayment of the revolving fund for the benefit of the Crow Indians; and

A bill (S. 2146) for the relief of certain Indians of the Flathead Reservation killed or injured en route to dedication of ceremonies of the Going-to-the-Sun Highway, Glacier National Park; to the Committee on Indian Affairs.

By Mr. THOMAS of Oklahoma (by request):

A bill (S. 2147) to reduce the area of the Fort Peck irrigation project in the State of Montana, and for other purposes; and

A bill (S. 2148) to provide for the leasing of restricted Indian lands of Indians of the Five Civilized Tribes in Oklahoma; to the Committee on Indian Affairs.

By Mr. HAYDEN, Mr. COSTIGAN, and Mr. HATCH:

A bill (S. 2149) to provide for the protection of land resources against soil erosion, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. HARRISON:

A bill (S. 2150) for the relief of Edwin Dewitt T. Dobbs (with accompanying papers); to the Committee on Military Affairs.

By Mr. SHEPPARD:

A bill (S. 2151) for the relief of Mrs. Leonard T. Boice, widow of Leonard Theodore Boice; to the Committee on Claims

By Mr. COPELAND:

A bill (S. 2152) to amend title 1 of the act of May 12, 1933, as amended, known as the "Agricultural Adjustment Act", and for other purposes; to the Committee on Agriculture and Forestry.

A bill (S. 2153) to provide for the prevention of blindness in infants born in the District of Columbia; to the Committee on the District of Columbia.

A bill (S. 2154) granting a pension to John Hofmann; to the Committee on Pensions.

By Mr. CAPPER:

A joint resolution (S. J. Res. 72) authorizing and directing the Comptroller General of the United States to certify for payment certain claims of grain elevators and grain firms to cover insurance and interest on wheat during the years 1919 and 1920 as per a certain contract authorized by the President; to the Committee on Agriculture and Forestry.

By Mr. JOHNSON:

A joint resolution (S. J. Res. 73) authorizing a preliminary examination or survey of Redondo Beach Harbor, Calif.; and

A joint resolution (S. J. Res. 74) authorizing a preliminary examination or survey of Santa Monica Harbor, Calif.; to the Committee on Commerce.

By Mr. SHIPSTEAD:

A joint resolution (S. J. Res. 75) authorizing and directing the Comptroller General of the United States to certify

for payment certain claims of grain elevators and grain firms to cover insurance and interest on wheat during the years 1919 and 1920 as per a certain contract authorized by the President; to the Committee on Claims.

#### BIG BEND NATIONAL PARK, TEX.

Mr. SHEPPARD. On behalf of my colleague, Mr. Con-NALLY, and myself I introduce a bill providing for the establishment of the Big Bend National Park in Texas. I ask that the bill be printed in the RECORD at this point and that following the bill three letters be printed in the RECORD on the subject of this park, which is to be on the American side of the Rio Grande in Texas, and on the subject of negotiations with Mexico suggesting a Mexican national park on the Mexican side of the river adjoining the Texas park, in order that we may have what will eventually be an international park on the Rio Grande in the Big Bend section. The three letters are respectively from Secretary Howe to myself, from Acting Secretary of State Phillips to the President, and from Secretary Ickes to the President.

The VICE PRESIDENT. Without objection, it so ordered. The bill (S. 2131) to provide for the establishment of the Big Bend National Park, in the State of Texas, and for other purposes, was read twice by its title, referred to the Committee on Public Lands and Surveys, and ordered to be printed in the RECORD, as follows:

A bill to provide for the establishment of the Big Bend National Park, in the State of Texas, and for other purposes

Be it enacted, etc., That when title to such lands as may be determined by the Secretary of the Interior as necessary for recredetermined by the Secretary of the Interior as necessary for recreational park purposes within boundaries to be determined by him within the area of approximately 1,500,000 acres, in the counties of Brewster and Presidio, in the State of Texas, known as the "Big Bend area" shall have been vested in the United States, such lands shall be, and are hereby, established, dedicated, and set apart as a public park for the benefit and enjoyment of the people and shall be known as the "Big Bend National Park": Provided, That the United States shall not purchase by appropriation of public moneys any land within the aforesaid area, but such lands shall be secured by the United States only by public and private donations. and private donations.

SEC. 2. The Secretary of the Interior is hereby authorized in his discretion and upon submission of evidence of title satisfactory to him, to accept on behalf of the United States, title to the lands renim, to accept on behalf of the United States, title to the lands referred to in the previous section hereof as may be deemed by him necessary or desirable for national park purposes: Provided, That no land for said park shall be accepted until exclusive jurisdiction over the entire area, in form satisfactory to the Secretary of the Interior, shall have been ceded by the State of Texas to the United States.

Sec. 3. The administration, protection, and development of the aforesaid park shall be exercised under the direction of the Secretary of the Interior by the National Park Service, subject to the provisions of the act of August 25, 1916 (39 Stat. 535), entitled "An act to establish a National Park Service, and for other purposes", as amended: Provided, That the provisions of the act of June 10, 1920, known as the "Federal Water Power Act", shall not apply to this park.

The letters presented by Mr. Sheppard were ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE

Washington, March 1, 1935.
My Dear Senator Sheppard: Referring further to your letter of February 16, regarding the proposal for a national park in the Big Bend section of Texas on the Rio Grande River, the Presi-dent has asked me to send you the enclosed copies of letters which he has received from the Department of State and the In-terior Department, together with the report prepared by the National Parks Service of the Interior Department, relating to the Big Bend area

The President feels that this will give you such data as you may need in the preparation of any bill you may desire to present to the Senate.

Very sincerely yours,

Louis McH. Howe, Secretary to the President.

Hon. MORRIS SHEPPARD, United States Senate, Washington, D. C.

DEPARTMENT OF STATE,

DEPARTMENT OF STATE,

Washington, February 26, 1935.

My Dear Mr. President: I have received your memorandum of
February 19, 1935, addressed to the Secretary of State and the
the Secretary of the Interior, transmitting a copy of a letter dated
February 16, 1935, from the Honorable Morris Sheppard, United
States Senate, with reference to an international park project in
the Big Bend section of Texas and the adjoining section in Mexico, and suggesting that the matter be taken up with Mexico.

Prior to the receipt of your memorandum the Department had eccived a communication from Senator Sheppard in regard to this project. I informed the Senator under date of February 23, 1935, that the Department will be glad to take up the matter with the Mexican Government, through Ambassador Daniels, at such time as there is definite assurance that the park on the Texas

I am today sending copies of this letter, of your memorandum, and of its enclosure to the Secretary of the Interior for his con-

Faithfully yours,

WILLIAM PHILLIPS, Acting Secretary. THE PRESIDENT, The White House.

> THE SECRETARY OF THE INTERIOR, Washington, February 27, 1935.

THE PRESIDENT

The White House.

MY DEAR MR. PRESIDENT: I have received from the White House a copy of Senator Morris Sheppard's letter of February 16 to you, regarding the proposal to establish an international park along the Mexican border, and have noted your request for a report on this subject.

Under separate cover I am sending to you a field report pre-pared by the National Park Service regarding this matter. The proposal involves lands in the Big Bend area in Texas and in the adjoining Provinces of Chihuahua and Coahulla in Mexico. I recently approved the recommendation of the National Park Service that the area referred to in Texas be established as the Big Bend National Park. Proposed legislation to provide authority for this action is now being drafted for submission to the Congress.

The possibility of an international park in this region meets with my approval, and I recommend that, if legislation is passed by Congress authorizing the establishment of a national park on the United States' side of the international boundary line, the Mexican Government be invited to cooperate with the United States in the establishment of such an international park.

Sincerely yours,

HAROLD L. ICKES, Secretary of the Interior.

# INFLUENCING OF WORKERS' VOTES

Mr. VAN NUYS. I introduce a bill relative to influencing the votes of workers in national elections, which I ask may be printed in the RECORD and appropriately referred. I also ask that an accompanying paper be printed in the RECORD with the bill.

The VICE PRESIDENT. Without objection, it is so

The bill (S. 2134) to prohibit employers from influencing the vote of their employees in national elections was read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the Record, as follows:

Be it enacted, etc., That it is unlawful for any person or corporation to influence or attempt to influence, through fear or intimidation, the vote of any person employed by them, in connection with any election at which Presidential and Vice Presidential electors or a Senator or Representative in, or a Delegate or Resident Commissioner to, Congress are to be voted for.

SEC. 2. Any corporation violating any of the provisions of this Act shall be fined not more than \$5,000; and any officer, director, or agent of any such corporation who violates or consents to the violation of any of the provisions of this Act and any person, who is an employer as above described, who violates or consents to the violation of any of the provisions of this act shall be fined not more than \$1,000, or imprisoned not more than 1 year, or both

The accompanying paper was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

Legislation which guarantees to every worker the right to vote as he deems proper without the intimidation of "loss of job" is sought in a bill introduced today by Senator Frederick Van Nuys (Democrat, Indiana)

The Van Nuys bill is designed to halt the coercion and intimi-dation of employees by their employers in elections for national

It would make it unlawful for any "person or corporation to in-fluence or attempt to influence through fear or intimidation the vote of any person employed by them, in connection with a national election."

Senator Van Nuvs would fix the penalties for violation of this measure designed to safeguard the right of the ballot guaranteed under the Constitution as follows: a corporation found guilty of violation shall be fined not more than \$5,000 and any officer, director, or agent of such corporation shall be fined not more than \$1,000 or imprisoned not more than 1 year, or both.

This legislation comes as a result of a Nation-wide survey made by Senator Van Nuvs of the methods of vote coercion and intimidation which are used in industrial centers.

dation which are used in industrial centers.

"The bill which I am introducing is intended to correct the very reprehensible practice of certain employers in attempting to control the votes of their employees through fear and intimidation", Senator Van Nuvs said.

"I have visited factories during closely contested national elections and have seen huge placards displayed throughout the plants to the effect that 'If — is elected President this plant will close

within 30 days'

"I have had affidavits presented to me saying that the foreman and paymasters of certain institutions told their employees that unless they voted for certain candidates they need not report for

duty after election.

"I have known employees to lose their jobs by reason of the fact that they wore certain campaign buttons in the lapel of their

"These are only a few of the methods used in the past by certain unscrupulous employers to control the votes of their em-

ployees.

"It doesn't make any difference whether my party or opposing parties are the beneficiaries of this infamous practice. It is wrong and must be corrected", asserted Senator Van Nuys.

"The right of every American citizen to espouse the cause of and vote for the candidates of his own choice is a sacred privilege of American citizenship, which must be preserved.

"Upon the preservation of this sacred right depend the integrity and stability of our democracy.

"I shall vigorously press the passage of this measure at this session."

#### HOUSE BILL REFERRED

H. R. 6223. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1936, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

#### AMENDMENT TO WAR DEPARTMENT APPROPRIATION BILL

Mr. FRAZIER submitted an amendment providing that none of the funds appropriated in the War Department appropriation bill shall be used for or toward the support of any compulsory military course or military training in any civil school or college, etc., intended to be proposed by him to House bill 5913, the War Department appropriation bill, which was ordered to lie on the table and to be printed.

#### REFERENCE OF BILL TO AMEND INTERSTATE COMMERCE ACT

Mr. COPELAND. Mr. President, on the 4th of February the Senator from Montana [Mr. Wheeler] by request introduced a bill (S. 1632) to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by water carriers. The bill was referred to the Committee on Interstate Commerce. It would seem to me, since measures relating to commerce have been referred to the Committee on Commerce, that the particular bill referred to should likewise have gone to that

The Chairman of the Committee on Interstate Commerce, Mr. Wheeler, is not now present, and therefore I do not wish to propose anything except to make the record clear that it is the feeling of the Committee on Commerce that this bill should have gone to that committee rather than to the Interstate Commerce Committee, in order that it might be given the consideration by our committee to which it is entitled. I shall not press the matter this morning but shall confer with the Chairman of the Interstate Commerce Committee.

The VICE PRESIDENT. The Senator from New York undoubtedly understands there is no rule of the Senate with regard to the reference of Senate bills introduced. The Senator from New York may introduce a bill that properly should be referred to the Committee on Irrigation; but if he asks that it be referred to the Committee on Finance, it will go to the Committee on Finance. There is absolutely no rule of the Senate regarding the reference of bills except that all appropriation bills must be referred to the Committee on Appropriations.

Mr. COPELAND. Let it be understood that I am in no sense criticizing the Chair. He is always just and fair and generous in the extreme. I was speaking particularly to the point that the bill to which I referred was introduced by the Chairman of the Committee on Interstate Commerce with the request that it be referred to his committee. The protest I am entering now is that it should have been referred to the Committee on Commerce for consideration. The least we should be expected to submit to would be to have a joint hearing on the particular bill. However, I shall not

press the matter, but certainly I desire the Chair to understand there was no intention of reflecting upon him.

Mr. McNARY. Mr. President, the Chair is quite right in stating the situation with reference to the rule, but the practice has grown up in the Senate to refer all bills to committees having jurisdiction of the subject matter to which they relate.

The VICE PRESIDENT. The Senator's statement is correct insofar as Senators themselves permit the Chair to pursue that practice. The parliamentary clerk, under ordinary circumstances, refers all bills to the committees having jurisdiction, but where a Senator requests that a bill be sent to some particular committee it is the custom of the Senate, the Chair is informed, to refer the bill to such committee.

Mr. McNARY. I think that is a correct statement. I think the Senator introducing a bill should be entitled to have the bill referred to the committee which he believes has jurisdiction. I do not know but that correction should be made by the Chair in the case of an apparent erroneous reference of a bill. Certainly, as one Member of the Senate, I shall do my utmost to protect the Chair as best I can in the situation.

## ALLOCATION OF FUNDS UNDER N. I. R. A.

Mr. BYRD. I send to the desk a resolution which I ask to have read, and I further ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The resolution will be read. The Chief Clerk read the resolution (S. Res. 91), as follows:

Resolved, That the Secretary of the Treasury of the United States is requested to furnish immediately to the Senate an itemized statement of allocations made for projects out of the appropriation of \$3,300,000,000 authorized by an act entitled "An act to encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain useful public works, and for other purposes", and approved June 16, 1933; and shall furnish to the Senate the following information, to wit:

First. Total cash disbursed to March 1, 1935.

Second. Balance unexpended out of the amount appropriated.

Second. Balance unexpended out of the amount appropriated. Third. A list of projects both Federal and non-Federal and their locations on which disbursements have been made, the amount of such disbursements and an estimate of the cost of completing each project.

Fourth. A list of future allocations authorized, both Federal and non-Federal, which the Government of the United States is obligated to make and on which no expenditures have as yet been made.

Fifth. A list of projects to which allocations of money were made and the money subsequently impounded, and why impounded.

Sixth. A list of allocations of money for public works that have been diverted to pay ordinary or other expenses of the Government

Seventh. Copies of memoranda or agreements committing the United States Government to the building of public works upon which no expenditures have as yet been made.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. ROBINSON. I suggest that the resolution go over for the day.

The VICE PRESIDENT. The resolution will lie over under the rule.

CLAIMS FILED WITH UNITED STATES COMMISSIONERS TO TEXAS.

Mr. SHEPPARD submitted the following resolution (S. Res. 92), which was referred to the Committee on Foreign Relations:

Resolved, That the Committee on Foreign Relations is hereby requested, in connection with claims originally filed with the United States Commissioners to Texas in 1872 and 1873, or any claim or claims arising out of the same circumstances not then so filed with the Government of the United States but subsequently presented to or espoused by it, whether on account of property losses or the death or personal injury of any citizen of the United States, to secure from the Secretary of State information as to the basis upon which the United States contemplates under the protocol of April 24, 1934, or agrees thereunder, or has agreed previously thereto, to settle the said claims or to compromise, foreclose, abandon, or offset them against claims of Mexico admitted to be valid against the United States; and further

That the Committee on Foreign Relations is requested on receipt Resolved, That the Committee on Foreign Relations is hereby

That the Committee on Foreign Relations is requested on receipt of such information to examine the question of justice and sufficiency of the settlement or settlements contemplated or already

made in connection with said claims; as well as the question as to whether or not the losses upon which the claims aforesaid were founded, constitute valid grounds for recovery against the United States; and the further question whether the United States should be held responsible for the difference between the amounts realized or to be realized under the negotiations and dealings with Mexico and the just and sufficient amount found to be properly due the original claimants or their successors in interest; and to report its conclusions on the matters mentioned herein to the Senate.

INVESTIGATION OF "MORRO CASTLE" AND "MOHAWK" DISASTERS

Mr. COPELAND. Mr. Fresident, on the first day of the session my colleague [Mr. Wagner] submitted Senate Resolution 7, proposing an investigation of the Morro Castle disaster. Then, after the Mohawk disaster, he presented another resolution. Both resolutions were consolidated, approved, and reported, with amendments, by the Committee on Commerce, and then referred on February 8 to the Committee to Audit and Control the Contingent Expenses of the Senate. It is now about a month since that happened, and I should like to inquire from the chairman of the committee when we may expect action of this matter?

Mr. BYRNES. Mr. President, I can say to the Senator from New York that it is my hope that we may have a meeting of the committee within the next few days to act on the resolution referred to, and on several other resolutions which have been referred to the committee. The committee was not able to meet during the last week because of the holding of meetings by other committees to which the members of the Committee to Audit and Control the Contingent Expenses of the Senate belong.

Mr. COPELAND. I am gratified to hear the statement of the Senator from South Carolina, because there is a great deal of agitation in my section of the country regarding those disasters and anxiety to have some action taken.

Further than that, the Secretary of Commerce has sent to us a number of bills founded, we assume, upon those disasters, and before any satisfactory action can be taken by the Committee on Commerce it should have the authority proposed to be conferred by the resolution.

#### MONOPOLISTIC PRACTICES UNDER N. R. A.

Mr. BORAH. Mr. President, I wish to make a statement for the RECORD. I have before me a letter from the Secretary of the Central Board of Purchases of Milwaukee. This letter, and a second letter which I have, disclose how effectively some of the trusts of this country at this time are operating. The letter says:

Please note the attached press release. Since this release was issued, the N. L. Keuhn Co., of this city, who had courage to submit the bid 8 percent below the trust price strictly in accordance with the President's Order No. 6767, which permits the quoting of prices from 1 to 15 percent below prices filed with the code authority, and who, as a result, was awarded our contract, has informed us that when this contract was awarded to him, Mr. A. D. Kunze, secretary of the Rubber Manufacturers' Association of New York, wired every manufacturer of fire hose in this courty warning them not to accept or fill an order for fire hose from the Kuehn Co. for delivery to the city of Milwaukee.

You will also find a letter received from the BiLateral Fire Hose Co., Mr. Clay Baird, president, showing the manner in which he requires his agents to bid the trust price. I am also enclosing a copy of our complaint to the Federal Trade Commission.

I now read a paragraph from the statement of Mr. Baird, who had submitted the trust prices. He says:

If you find any deviation from these prices, report it to us at once. If you find that to secure business there has been any extra hose promised or furnished, any donations made in the way of supplies, or any discounts, give us this information promptly so we can stop the filling of the order.

## Again, the letter from which I first quoted says:

In a recent interview with a fire-hose manufacturer, he informed me that he had signed an agreement with the Rubber Manufacturers' Association at New York that he would not sell his hose below the price agreed upon by other fire-hose manufacturers, and that all the other manufacturers had signed the same agreement. He admitted that it was an illegal document, contrary to the anti-trust laws, and yet he felt morally obligated to abide by it. He also stated that the price would advance to 94 cents per foot very soon.

Mr. President, I will not read further, but I ask that these letters and the data which accompany them be referred to

the Committee on Finance, which is to investigate the question of trusts and monopolies in connection with the N. R. A. Here is a complete case on record showing the most defiant attitude upon the part of the Rubber Manufacturers' Trust toward the antitrust laws and claiming to be acting under the code. Indeed, they appear to look to the code for justification of their exploiting the people.

The VICE PRESIDENT. The papers presented by the Senator from Idaho will be referred to the Committee on Finance

#### PUBLICITY OF INCOME-TAX RETURNS

Mr. COPELAND. Mr. President, last week I appeared before the Committee on Finance relative to the question of the publicity of income-tax returns and the so-called "pink slips." As I understand the matter, after my personal statement to the committee a subcommittee of the Committee on Finance was appointed to meet with a House committee, and, according to newspaper reports, which are conflicting, there is some difficulty in the matter. May I inquire of the Senator from Utah [Mr. King], who is chairman of the subcommittee, what is the present status of the proposed "pink-slip" legislation?

Mr. KING. Mr. President, I think I am not disclosing any secret or conveying any information of which the public is not fully aware when I say that a subcommittee of six was appointed by the Chairman of the Finance Committee to confer with a committee which might be named by the House; that the two committees met, and, after a rather full conference, it was disclosed that there was a great deal of difference of opinion between Members of the House and Members of the Senate. I think the consensus of opinion is that legislation on the subject should originate in the other House and that the Senate might with patience await the action of the body at the other end of the Capitol. What action will be taken there, of course, I cannot say. I think the subcommittee of the Senate was unanimously of the opinion that the Senate should not do anything until the House shall have taken action.

Mr. COPELAND. I am obliged to the Senator for the statement he has made. It has been repeatedly stated that there is a feeling on the part of some Members of the House, including the Chairman of the Committee on Rules, that this particular matter might originate in the Senate. I sincerely hope there will be no delay because the 15th of March is approaching, and action should be taken, if possible, before that time. In the committee itself, I think I may say without divulging anything I ought not to divulge, that it appeared to me after my presentation, that it was the general understanding that we should return to the condition which prevailed in former years and which would be satisfactory. I hope there may be an early report.

WHAT ABOUT INDUSTRIAL RECOVERY—ARTICLE BY RT. REV. JOHN A. RYAN

Mr. LA FOLLETTE. Mr. President, in the magazine Catholic Action for March 1935 appears an article by Rt. Rev. John A. Ryan, D. D., from which I read:

Despite some favorable indications, the prospects of industrial recovery or even of a steady movement in that direction are still far from reassuring.

Mr. President, without taking the time to read the remainder of this article, I ask that the article be printed in the Record as a part of my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

# WHAT ABOUT INDUSTRIAL RECOVERY?

WHAT ABOUT INDUSTRIAL RECOVERY?

(In the opinion of Monsignor Ryan, director of the N. C. W. C. social action department, prospects for our immediate industrial recovery are far from reassuring. It is admitted on all sides that purchasing power in the hands of the present 10,000,000 unemployed is fundamental to any return to a normal economic condition. Answering the question "How can this purchasing power be supplied?" Monsignor Ryan states: "First, by providing at least \$5,000,000,000 a year for 3 years to carry on public works, thus enormously increasing employment, both directly on the public projects and indirectly in private industries; and, secondly, by gradually reducing the working week to 30 hours in order to increase the total volume of wage payments.")

(By Rt. Rev. John A. Ryan, D. D.)

Despite some favorable indications, the prospects of industrial recovery or even of a steady movement in that direction are still

far from reassuring.

Since the middle of last September the general level of business has risen at an average rate of 41/2 percent a month; nevertheless, it is still 11 percent lower than it was in July 1933. If the recent it is still 11 percent lower than it was in July 1933. If the recent rate of improvement should continue, the index of business activity would reach the 1929 figure about the middle of next October. Nevertheless, this result would not represent satisfactory conditions, for in 1929 there were upward of 3,000,000 workers unemployed. Since that year the productive capacity of our industries has increased between 10 and 25 percent. It is not improbable that business at the 1929 level would mean as many as 5,000,000 unemployed.

improbable that business at the 1929 level would mean as many as 5,000,000 unemployed.

Unfortunately, it is quite unlikely that business will continue to improve at the rate of 4½ percent a month during the coming spring and summer. Prophecy is a dangerous and thankless exercise, but conditions and trends seem to be the same now as they were at the end of last May, when I forecast a decline in business activity from then until the beginning of September. As a matter of fact, the declining process continued until the middle of that month. Now, as last May, the temporary increase in the demand for goods has become fully supplied and is about to be converted into a decrease. This condition seems to have already arrived in the steel industry, which suffered a falling off in operations in the week ending February 9.

Of course, the fundamental and enduring cause of our slow industrial recovery is the lack of purchasing power in the hands of millions of our people who would buy enormous quantities of goods if they had the money. The purchasing power of the 10,000,000 who are still unemployed is restricted to the meager sums of money which they receive by way of a dole, or of relief. Until the Government does something to multiply this purchasing power at least three times, business cannot greatly improve, for the simple reason that it cannot sell adequate quantities of goods.

According to present indications the Government that is the

According to present indications, the Government, that is, the Congress and the President, will not adopt the measures necessary to provide this amount of purchasing power. Therefore, the rise in the general level of business, which has been almost continuous since September 15, will in all probability soon be supplanted by a movement downward—unless the Supreme Court decision in the

gold-clause cases is followed by wide-spread inflation.

The disagreement between those of us who take this view of the industrial situation and those who think that improvement will The disagreement between those of us who take this view of the industrial situation and those who think that improvement will somehow continue is fundamental. No reconciliation or compromise is possible between these two views and viewpoints. The older theory, which is still accepted by the great majority of business men and has not been sufficiently discarded by the present administration, is that depressions and recovery come about automatically; that in order to attain and keep prosperity it is only necessary to produce goods and provide plenty of credit for production. The opposite theory holds that large production will not automatically bring about sufficient consumption, and that deliberate efforts must be made to put sufficient purchasing power into the hands of those who will use it in exchange for consumption goods. If the masters of industry have not the good sense to distribute sufficient purchasing power to the masses the deficiency must be supplied by governmental action.

Referring to these two theories in an article published in the New Republic, February 20, 1935, the distinguished British economist, John Maynard Keynes, writes: "The gulf between these two schools of thought is deeper, I believe, than most of those on either side of it realize." This judgment is even truer of economic thinking in the United States than in Great Britain. Mr. Hoover's administration accepted the older theory and strove to get the country out of the depression by providing easy credit in order to stimulate more production. As we know only too well, that attempt was a disastrous fallure.

Unfortunately, the same theory has been toyed with occasionally by the present administration. The condemnation of the bankers for not making loans easier to the industry, the endeavor to get business men to borrow from the E. F. C. and the Federal Reserve Board, the enormous ballyhoo carried on by the Federal Housing Corporation to facilitate and accelerate loans for house repairing and house building, the encouragement given to

the depression.

These attempts have all failed for one simple reason: Men do not want to borrow money to finance production for which there exists no adequate purchasing power; nor do they seek loans, even on easy terms, to improve or build houses when they have no good prospect of being able to repay the amounts borrowed. The concessions to the older theory by the present administration are in sharp conflict with its efforts to increase the purchasing power of the masses. We cannot travel in opposite directions at the same time.

What, then, should Congress do to put more purchasing power in the hands of those who would use it? Two things: provide at least \$5,000,000,000 a year for 3 years, if necessary, to carry on public works, thus enormously increasing employment both directly on the public projects and indirectly in private industries; and gradually reduce the working week to 30 hours, in order to increase the total volume of wage payments. So far as urban industries

are concerned, there are no other ways by which an increase in their activities can be profitably achieved or justified. It would seem to be an elementary proposition that production cannot and will not be long continued unless the products are sold. Equally elementary is the proposition that the products will not be sold unless sufficient purchasing power is put into the hands of those who desire to buy. These are mainly the 10,000,000 unemployed.

Precisely because I am afraid that these measures will not be adopted, I feel almost certain that the business improvement of the recent months will not be continued in the months immediately.

recent months will not be continued in the months immediately

ahead of us.

At the end of one of his most famous dissenting opinions some 3 years ago, Justice Brandeis wrote this sentence: "We must let our minds be bold." To enact the two measures that I have just sugminds be bold." To enact the two measures that I have just suggested would require courage on the part of our legislators; to support them would require not only courage but the abandonment of long-cherished theories on the part of business leaders. Several United States Senators desire to cut in two the \$4,000,000,000 appropriation for work relief recommended by the President. They fear the bad effect of so much borrowing upon Government credit, Apparently they are not so much concerned about forcing millions of their fellow citizens to subsist on an inadequate dole. The Chamber of Commerce of the United States also demands that the appropriation be reduced by two billions and for the same reason—fear of a prolonged Government deficit. fear of a prolonged Government deficit.

In passing it should be noted that Public Works have not yet received a fair trial. Only a little more than one-fourth of the \$3,300,000,000 appropriated in June 1933 had been actually ex-\$3,300,000,000 appropriated in June 1933 had been actually expended, paid out for labor and materials, at the end of September 1934. This was the record of more than 15 months. At the end of 1934 the total amount expended since June 1933 for public works of all sorts, through loans as well as outright grants, was only a little in excess of two and one-half billion dollars. This sum covered expenditures by the Civil Works Administration and the Civilian Conservation Corps, emergency housing, and loans to railroads, in addition to what are commonly known as "P. W. A. disbursements." In the years 1928 and 1929 the money spent for construction of various kinds by public authorities and by private persons and corporations aggregated at least three times two and one-half billion dollars. It is small wonder, then, that the public works actually executed since June 1933 have made a relatively feeble impression upon employment and business.

Legislators and business men alike seem to think that they are

works actually executed since June 1933 have made a relatively feeble impression upon employment and business.

Legislators and business men alike seem to think that they are suggesting an insuperable obstacle to adequate appropriations for public works when they ask, "Where are we going to get the money?" Here are three answers: The national income in 1929—that is, the value of the goods and services produced that year—amounted to almost \$90,000,000,000. The national income for the year 1934 has been authoritatively estimated at \$52,000,000,000. Here is a potential \$45,000,000,000, and this is many times the amount recommended for expenditure upon public works. Again, there are some \$30,000,000,000 on deposit at the present time in the national banks. This proves that even in hard times there exists a social surplus of which a small part would be sufficient to meet this horrendous governmental deficit. The final answer is heavier Federal taxes upon incomes, inheritances, and excess profits.

Whichever theory, the antiquated or the realistic, is adopted by the Government, the country will face great risks. But those attending the governmental provision of purchasing power to the masses are incomparably smaller than those which are involved in a policy of drift and hoping against hope that somehow recovery will be brought about automatically. If recovery should follow upon the adoption of an adequate public-works program and the 30-hour week, the problem of paying for the deficit would be easy and simple. If recovery should not result from these measures, the country would be in no worse position than will certainly result from reliance upon the automatic method. In other words, there

country would be in no worse position than will certainly result from reliance upon the automatic method. In other words, there is a good chance that the public works and the 30-hour method would be successful, while the failure of the opposite policy is about as certain as any future contingency in our complex industrial society. As between probable success and certain failure, it ought not to be difficult for any realistic person to make an intelligent to the second of the

GEORGE WASHINGTON-ADDRESS BY POSTMASTER GENERAL FARLEY

Mr. DIETERICH. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by the Honorable James A. Farley, chairman of the Democratic National Committee, at Peoria, Ill., on February 22 last.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

#### PROBLEMS OF THE PRESIDENCY

It is not exaggeration to say that Washington has been in every Federal administration since the founding of the Republic. If the influence of the first President has not been manifest otherwise you may be assured that those who attack the administration are certain to contend that the incumbent has abandoned the precepts of his first governmental ancestor.

We cannot make an exception even of the initial administra-tion, for Washington himself, when he sent in a treaty of amity, commerce, and navigation with Great Britain, was assailed for the alleged "selling out his country at the behest of the New York merchants." His famous utterance in his farewell address, referring to entangling alliances, was scouted, and it was gravely asserted in one diatribe that the reason he put that provision in

his valedictory was that "Washington had lately forced the United States into a treaty with Great Britain; that the treaty gave great privileges to England, and now, lest similar concessions be granted to France, he would have all political connections with Europe

closed."

President Washington had acknowledged a congratulatory message from the New York Chamber of Commerce.

"Did the common people mean to put themselves on a par with the merchants and traders", commented the New York Journal with heavy satire. Please do not forget, gentlemen of the Creve Coeur Club, that I am speaking of the year 1795. To resume the quotation, "Were 5,000 of the mass to weigh against 400 stockholders? Let the swinish creatures not approach the presidential sanctuary with their gruntings. Was he to be pessented. 400 stockholders? Let the swinish creatures not approach the presidential sanctuary with their gruntings. Was he to be pestered with their opinions and have his nerves unstrung with their advice? Was he not sovereign, infallible, immaculate, omniscient? Hardened and presumptuous wretches, they did not deserve so good a monarch!"

a monarch!"

It took some time for the Father of his Country to get used to this sort of bombardment. He had had plenty of experience even before he became President, for as commander of the Continental troops, in addition to the lack of resources, the embarrassment of disconnected colonies quarreling about their quotas of troops, the system of short-term enlistments, lack of supplies and equipment, he was bedeviled by cabals to suppliant him and was subject to constant faultfinding because he did not win victories in pitched battles and did not keep the British out of New York and Philadelphia.

When he came to the Presidency although he was idelized by

Philadelphia.

When he came to the Presidency, although he was idolized by the people, almost every move he made was denounced in the newspapers, and not infrequently in Congress, as paving the way to a dictatorship, if not to a crown. He was even arraigned because he rode in a carriage instead of going afoot or on horseback as became the Executive of a free democratic people. For a time he bore it all patiently and in silence. Once he broke out at a Cabinet meeting, declaring that he would rather be in his grave than in his present situation; rather be on his farm than be emperor of the world, and yet they were charging him with wanting to be a king. ing to be a king.

Later on his friends, over the signatures of classical Roman statesmen—which was the custom at the time—answered the attacks in the newspapers, and gradually the President ceased to pay any attention at all to them. He was not moved to comment even when his announcement that he would not serve a third term was declared to be because he knew he could not be elected and so was retiring to save himself from the shame of being supersected.

superseded.

And yet during all this period of defamation and abuse Wash-And yet during all this period of defamation and abuse Washington continued to be the people's hero. Apparently our fellow citizens of 144 years ago paid no more attention to the clamor of hostile politicians than they do today. Washington's Birthday was celebrated throughout the country even though Congress, after observing the anniversary for years, discontinued it to the accompaniment of comments that these celebrations were all part of the effort to accord George Washington kingly honors.

You today may be amused at the childish assaults under which our first President functioned while he was getting the country.

our first President functioned while he was getting the country into step for the long march of progress. In a general way all of the early Presidents had similar experiences. The hysterics of their critics have become mere historical curiosities, even though at the time the outcries were filling the air it might have seemed to a remote observer that the Nation was in convulsions and that the shipwreck of Government was imminent.

our politics always has been exciting. In the frenzy of campaigns and with a congressional election every 2 years and a Presidential election every 4 years it is difficult to say when a campaign begins. As a matter of fact, politics is never adjourned. Each election is a prelude to the next one, and nearly always it is the President who is the target of most of the firing. This is true even when the batteries are, for reasons of expediency, directed at the President's Cabinet or those others to whom are intrusted important duties under him.

As I suggested in the beginning, Washington is responsible for

As I suggested in the beginning, Washington is responsible for most of the customs of the White House. It is the precedent set by him that determines how much of state and how much of informality there is in the Presidential residence.

There is a general impression that Government publicity activities are of modern creation. We find a stately reference to this subject in Washington's Farewell Address when he said: "In proportion as the structure of a government gives force to public opinion it is essential that public opinion be enlightened." That does not sound very different from the utterance of President Franklin D. Roosevelt to this effect. He has said: "We need to have discussion of public questions in the cities, hamlets, and on the farms throughout the length and breadth of the land." I only give you these two quotations to illustrate that though every President had a new set of problems to solve, the philosophy of the great office remains essentially the same.

I have recited to you a few instances of the strange interpreta-tions put upon the acts of our first President. Hardly any of his successors escaped the same sort of partisan distortion. Jefferson was abused as a usurper of power when he effected the Louisiana Purchase, which his critics announced to be without the authority of the Constitution. New England threatened to secede when President Madison went into the War of 1812. Jackson was de-nounced as a Communist when he tackled the abuses of the bank-ing system. And so on down the line. ing system. And so on down the line.

I am not here, however, to give you a lesson in history. I merely wished to refresh your mind as to a particular phase of our political progress as a sort of background to a short discussion of present-day problems and present-day criticism.

day problems and present-day criticism.

President Roosevelt came to his office at the climax of a situation unparalleled in the life of the Republic. I need not tell you men how bad that situation was. On the 4th of March 1933 there was not a bank in the country that was at all sure from day to day if it could open its doors, and not one which was not besieged by constantly increasing crowds of panic-stricken depositors coming to take out their money. Nor was this panic unreasonable, for thousands of banks had failed and nobody knew whether there was safety anywhere. Business was almost at a standstill. About 15,000,000 people were out of work. Prohibition had given rise to gangs of enormous power, buttressed by enormous sums of illicit wealth.

The country looked to the new President to straighten things

illicit wealth.

The country looked to the new President to straighten things out. I do not think I need tell you with what courage, decision, and skill he set about his task. For a time he was unhindered and unhampered, because the Nation was in such a state that any course that promised even an effort to make things better was felt to be a blessed relief from the period of drifting and inaction. But in a short time politics came again into the picture and the 1934 congressional campaign was on. Timidly at first some obscure figures began finding fault with the emergency measures Congress had authorized the President to take. As the campaign grew hotter, Congress was denounced by more prominent spokesmen of the opposition as having abdicated its authority in granting the President these powers. dent these powers.

dent these powers.

Before we were well into that campaign Franklin D. Roosevelt was accused on one hand of setting up a dictatorship and on the other hand of inaugurating a regime of communism. What he really was doing was setting up the machinery which in his judgment was best calculated to restore our industrial structure, to correct as far as possible the unendurable unemployment situation, and to take over the burden of keeping alive those unfortunates who, through no fault of their own, were destitute. This was a burden that had overleaped the capacity of private charity. Government, and Government alone, was capable of dealing with it.

The President's critics keep insisting that this or that branch of emergency service has broken down. What the people generally think about it was indicated by last November's election, when practically every senatorial candidate who had supported the President's policies was reelected and practically every man who had taken an opposite tack was defeated. And the same is true in even greater measure as to the House of Representatives.

I am not very fond of statistics myself, but I should like to call

I am not very fond of statistics myself, but I should like to call your attention to some recent figures from the Internal Revenue Bureau. I note, for example, that the income-tax collections during the calendar year of 1934 summed up something over \$200,000,000 more than those of the previous year. Now, I know that the average citizen doesn't throw up his hat in celebration of having paid more taxes. So the tax receipts furnish an excellent index to the financial condition throughout the country. Now, I must ask you to do a little sum in arithmetic. The incometax returns furnished by the Treasury in July last, being the close of the fiscal year, showed an increase of about \$70,000,000 over those of the year before. In other words, we collected \$130,000,000 more during 1934 than the amount the taxpayers presented as their obligation for the fiscal year ending last July 1. Of course, the periods covered are not precisely the same, but the comparison is near enough to illustrate this point. The excess of payments, as the Treasury informs me, is due in large part to back taxes. Our income-receiving population, which was unable to meet tax payments when they fell due, had attained such a degree of prosperity that they were not only able to take care of their current obligations but to pay up what they were short the year before. I am not very fond of statistics myself, but I should like to call

their current obligations but to pay up what they were short the year before.

Let us take up the subject from another angle. One of the saddest indexes of the depression was the steadily diminishing amount of our exports. Well, our exports during 1934 went up approximately half a billion dollars over those of 1933. That means that in 1 year we gained 33 percent, where previous years showed a continuous drop.

showed a continuous drop.

If you want a further index, suppose you look at the banking side of the situation. The Federal Reserve Board recently issued a report showing that bank deposits increased in 1934 over the previous year \$5,700,000,000, and that during the year there were fewer bank failures than at any time since 1920. In 1932 the bank failures averaged 15 a day.

Now the bank-deposit figures must reflect two things: One, they reflect the natural consequence of the increased incomes, and the other, the rebirth of confidence in our financial institutions.

institutions.

Perhaps we should all be better satisfied if the heavier volume of deposits was out working in the form of investments, but everything cannot be done in a day. The first big step toward business recovery which, of course, involves amelioration of the business recovery which, of course, involves amelioration of the unemployment problem, was to cure people of their fear that their money was only safe under the mattress or hidden in an old sock. The bank deposits show that the era of this kind of hoarding is over. A banker told me recently that farmers were coming in with bundles of the old-time big currency that has been out of circulation generally for several years.

This indicates that the public's frame of mind is back pretty nearly to where it was before the terror of the depression came upon us and those big bills were hidden away. In the orderly course of things this money is going to seek investment. The

restless American business man is not going to let his capital remain idle much longer. In this connection I note a rather significant poll that was taken by the United Business Service of Boston. They asked for expressions of opinion from the presidents of 1,650 corporations as to the business prospects of the coming year. Eighty-seven percent of these answered "yes" to the inquiry, "Do you expect an increase in total business next year?" Sixty-four percent of them expressed their expectation of employing more workmen.

In citing these figures to you I merely want to show that the administration is on the right track; that, despite all the criticism, despite all the prophecies of doom and disaster, this country is getting along pretty well. Our dollar is the strongest of world currencies, as evidenced by the inflow of gold into this country. Our bonds are at a premium, and generally the credit of the United States is at a high point here and abroad.

The Supreme Court, in sustaining the Government's position in

The Supreme Court, in sustaining the Government's position in regard to contracts payable in gold, has confirmed this statement. It pointed out that the present dollar had approximately the same purchasing power as the old dollar, and that, therefore, the people who sought to get more than the face value of their bonds had no case.

One hy one the verticus factors in the new deal emergency.

One by one the various factors in the new-deal emergency measures come before the courts, and on every essential point so far their validity has been sustained. This is interesting, in view of the cries of the administration's opponents that the Constitu-

tion is being shot to pieces.

Thomas Jefferson more than a century ago might have been looking prophetically at our own day and age when he said:

"Some men look at constitutions with sanctimonious reverence and deem them like the ark of the covenant—too sacred to be touched. They ascribe to the men of the preceding age a wisdom more than human and suppose what they did to be beyond amendment. I knew that age well; I belonged to it and labored with it. It deserved well of its country. It was very like the present but without the experience of the present—I am certainly not an advocate of frequent and untried changes in laws and constitutions, but I know also that laws and institutions must go hand in hand with the progress of the human mind."

Just keep these facts in mind when some of our gloomy brethren begin moaning to you about the uncertainties of the future and express their shock and concern at the magnitude of the relief fund which Congress recently provided.

The expenditure of the fund is an absolutely necessary part of the recovery program. People cannot be left to starve in the richest country in the world. Nobody wants direct Government relief to continue a day longer than it has to continue. And after 2 years of experimentation, it has been demonstrated that the most practical form of relief is through public works. In no other way can the demonalization of a considerable portion of our population be avoided.

Every nation has learned that people once hardened to the dole in many cases here no ambition to change their status. So the "Some men look at constitutions with sanctimonious reverence

Every nation has learned that people once hardened to the dole in many cases have no ambition to change their status. So the work plan was substituted, on the theory that it not only preserves their self-respect but makes them eager to find another position where the wages will naturally be better.

position where the wages will naturally be better.

Next comes the question of how the debt incurred by the United States in these relief measures is to be discharged. Well, we had a huge debt at the close of the World War and the taxes, progressively reduced, took care of it without anybody experiencing any particular hardship. Why should anybody assume any different course of events in relation to this debt incurred in order to maintain our people until they can find work? And, incidentally what possible alternative is there?

A good many people have cited the example of Great Britain. Does any American believe that in this period of adversity the United States could impose such taxes as they pay in England? On the other hand when people are making money a tax burden is borne with ease, and in the years to come we may be sure that it will require no great length of time to bring the whole expenditures of Government within the Budget.

Another complaint you hear nowadays is that the new relief

Another complaint you hear nowadays is that the new relief funds are to be disbursed by the President, the point being made that he should be hedged about and told how the money is to that he should be hedged about and told how the money is to be distributed by congressional enactment. We know from experience what has happened in the past, with each Congressman eager to secure particular favors for his own district; with the "logrolling" and "pork barrel" departures inseparable from the pressure to which individual Congressmen are subjected. I do not mean by this to charge Congress either with inefficiency or rapacity. It is simply that a group aggregating 500 Members could not administer such a fund with the elasticity and care that it deserves. Moreover, if it required a separate act of Congress to determine each project to be financed the people would starve to death before the money was allotted, for each project would be debated and each section would insist on compensation for what some other section got. As well might Congress have undertaken to tell the Secretary of War where and how the war appropriations should be expended as that it should tell the President in this war against adversity how, when, and where this relief work should be done.

You are practical men. I do not have to tell you of the con-

You are practical men. I do not have to tell you of the contrast between now and when the depression was at its lowest depth. You have seen the President in action. You know that under his administration we have gained on the depression, and you certainly can trust Franklin D. Roosevelt not to let his

country down. His job is only half done. You can make completion of it easier or harder; speedier or slower by cooperating with him or by opposing him.

It isn't a question of politics except to the extent that the essence of politics is good government. When I tell you that political success over the long haul is dependent on good government, I am indulging in no campaign argument. True, political strategy and political tricks have occasionally won an election, but it is true in an even greater degree that no election amounts to much in the general history of things unless those elected are able to satisfy the people that their administration is honest, intelligent, and just.

It was not the Democratic party that put Franklin D. Roosevelt in the White House. It was the votes of that vast section of our people who are independent in thought and on whom the party label rests but lightly. These flocked to the Democratic standard, not because that standard bore the Democratic insignia but because its candidate promised certain things and his life in public service told them that the promises would be kept.

There is no easy, swift method of correcting such a situation as that in which the country found itself 2 years ago. It's a slow, arduous process to rebuild national prosperity. Our President works no miracles. What has been accomplished has been the result of the deepest thought and the utmost industry of which

It is this picture I wish to leave with you—that your Nation's affairs are in capable hands; that nobody has anything to fear from the future beyond the long, hard pull that lies between us and

contentment.

contentment.

Undoubtedly some are impatient. Undoubtedly some regard the new processes with apprehension. Undoubtedly the specially privileged shudder at the thought that these privileges should in any way be modified. It has been so at every stage in our history. Every step in our progress has frightened somebody. But, after all, what is there to be afraid of? All that is being done is what the Constitution permits, and all that is being done is being done under the direction of a stout-hearted, conscientious President, with no wild theories, such as taking the profit out of business, but a simple purpose to make this a better, happier country than it has been during the past few years.

# EXPORT OF AGRICULTURAL COMMODITIES—STATEMENT BY SECRETARY WALLACE

Mr. BANKHEAD. Mr. President, I request unanimous consent to have printed in the RECORD a statement made by Secretary of Agriculture Henry A. Wallace, before the Senate Committee on Agriculture and Forestry, Wednesday, January 30, 1935.

The statement deals with our exports, and particularly with exports of agricultural commodities. It deals with a subject that is receiving much attention and discussion at this time, and provides much valuable information.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

## EXTENT OF REDUCTION OF COTTON EXPORTS

In August 1934 the exports of cotton were 83 percent of the 10-year average (1923-33) exports for that month. Since August monthly exports have been running only between 50 and 60 percent of the 10-year averages for the corresponding months. In December, the last month for which we have figures, cotton exports were 62 percent of the corresponding monthly average. For the whole 5-month period from August to December cotton exports were 60 percent of the 10-year average, and 55 percent of the exports in the corresponding period in 1933.

Prestically all of our foreign markets have shared in the decline

Practically all of our foreign markets have shared in the decline in cotton exports, with the greatest reductions taking place in the shipments to the so-called "gold bloc" countries, including France, Belgium, Italy, and for this purpose also Germany. Japan is, in fact, the only important market that has maintained its purchases of our cotton on a scale comparable with the 10-year average.

REDUCTION OF EXPORTS NO GREATER IN COTTON THAN IN OTHER LINES

It is important to note, however, that the decline in exports has It is important to note, however, that the decline in exports has not been confined to cotton. Movements of all our other principal agricultural exports except tobacco, but including lard, cured pork, wheat, and apples, have been reduced even more than has cotton. The exports of lard, for example, have fallen from around 50 percent of the 10-year average in July to less than 25 percent in December. The exports of industrial goods—that is, finished and semifinished manufactures—likewise show almost as great reduction as do cotton exports. During the 5-month period—July through November of 1934—the volume of exports of industrial products amounted to 66 percent of the 10-year average, while the volume of all agricultural products were 52 percent and the volume of cotton exports 62 percent. On a value hasis the comparative of cotton exports 62 percent. On a value basis the comparative position is much the same. The value of the industrial exports was 56 percent of the 10-year average, while the value of agricultural exports as a whole was 45 percent and the value of cotton exports was 45 percent.

During the 1931 and 1932 seasons, it is true, the exports of cotton were far better maintained than were exports of most other commodities. That was the period when cotton was selling

at 5 and 6 cents a pound. Now that we are no longer offering cotton at such bargain prices, it is not being snapped up so quickly.

REDUCTION IN FOREIGN CONSUMPTION OF OUR COTTON NOT SO GREAT AS IN EXPORTS

Foreign consumption of American cotton for the season to date shows much less decline from consumption in previous years than do cotton exports. In the first 4 months of the current season, from August 1 to November 30, exports from the United States amounted to 1,894,000 bales as compared with 3,360,000 bales for the comparable period a year earlier. Estimates made by the New York Cotton Exchange place foreign consumption of American cotton for the 4 months this season at 2,239,000 bales as compared with 2,844,000 bales in 1933. Foreign consumption of American cotton thus fell only 605,000 bales, or 21 percent, while exports from the United States fell 1,466,000 bales, or 44 percent. Instead of importing, foreign mills have been eating into their stocks of American cotton. This tendency is confirmed by available figures showing stocks of American cotton in European ports. As reported by the Commercial and Financial Chronicle, stocks of American cotton in European ports totaled but 811,000 bales on January 18, 1935, as compared with 1,605,000 bales for the corresponding last year. It is, therefore, quite wrong to assume that foreign mills can or will shift from American to foreign cotton this year in anything like the degree to which American exports have Foreign consumption of American cotton for the season to date year in anything like the degree to which American exports have declined. Instead, after the stocks are used up, they will probably start buying from us in larger volume.

#### CAUSES OF THE DECLINE IN EXPORTS AND FOREIGN CONSUMPTION

As Dr. Tugwell will show in more detail the increase in world acreage and production has not been so significant as the public has been led to believe. Foreign acreage did increase 9 percent in 1933, it is true, just as our own cotton farmers increased their plantings 12 percent in the same year, before the plow-up campaign was put into effect. For the 1934-35 season, present reports indicate foreign production not more than 2 percent above 1933-34 season—world acreage estimates are not yet available. Outside of Russia and China, where production is dominantly for domestic use, the increases are even less marked. India and Egypt. our use, the increases are even less marked. India and Egypt, our principal competitors, show a continued acreage of 23.6 million in 1932, 25.6 in 1933, and 24.4 in 1934, compared with a previous record of 29.4 million in 1925. The widely heralded increases in Brazilian acreage are much more than offset by the recent declines in these two countries.

#### 1. Decreased supplies of American cotton

During recent years the abnormally large supplies of our cotton have kept its price unusually low in comparison with prices of poorer cottons, such as Indian. As supplies of American are reduced relative to supplies of other cottons, its price will tend to rise in comparison with the prices of these competing cottons. This shift in relative prices does tend to shift foreign consumption to some extent to foreign growths, just as in previous years changes in the relative supplies of American and foreign cottons have been reflected in corresponding changes in relative prices and consumpreflected in corresponding changes in relative prices and consumption. In 1923-24, when American cotton constituted 51 percent of tion. In 1923-24, when American cotton constituted 51 percent of the world supply of all cotton, only 39 percent of all cotton consumed abroad was American. In that year American Middling cotton in Liverpool averaged 8.6 cents per pound above no. 1 fine Indian Oomra. In 1926-27, when American cotton constituted 62 percent of the world supply of all cotton, 47 percent of all cotton consumed in foreign countries was American. In that year American Middling in Liverpool averaged only 2 cents per pound above Indian Oomra. In actual quantity the supply of American cotton increased from 13,444,000 bales in 1923-24 to 23,473,000 bales in 1926-27, while the consumption of American cotton in foreign countries rose from 5,747,000 bales in 1923-24 to 8,897,000 bales in 1926-27. In contrast with the increase of 3,150,000 bales in the foreign consumption of American cotton between 1923-24 and 1926-27, there was an increase of over 10,000,000 bales in the supply of American cotton, while the price received by American farmers of American cotton, while the price received by American farmers fell from 28.7 cents to 12.5 cents per pound. Although exports increased nearly five and one-half million bales, the farm value of the cotton exported in 1926-27 was over \$100,000,000 less than the farm value of cotton exported in 1923-24.

farm value of cotton exported in 1923-24.

There is some tendency for consumption and exports of American cotton to increase as the supply of American cotton increases relatively to the supply of all cotton and as prices of American cotton decline correspondingly, both actually and relatively to prices of foreign growths. The increase in actual consumption, however, tends to be less than in exports, for marked increases in exports go largely into increased stocks, and hence cannot continue very long. From the standpoint of supplies and prices of American cotton our problem is whether we wish to bring about such increases in foreign consumption and exports of American cotton as would result from increasing our supplies and reducing cotton as would result from increasing our supplies and reducing our prices again, or whether we wish to continue to restrict our supplies and see foreign consumers take only such quantities of our cotton as they will buy at prices more favorable to American producers.

# 2. Relatively high price of spot cotton

When prices of spot cotton are high relative to prices of futures, and when prices for near-month futures are high relative to prices for distant futures, merchants have difficulty in hedging their operations in the customary manner as the spread between nearmonth and distant-month futures does not provide for carrying costs. In such circumstances, consumers tend to purchase only current requirements, and merchants usually prefer to dispose of

stocks rather than to acquire stocks for holding. The high price of spot cotton as compared with near-month futures, and the high price of 1934-35 crop-year futures as compared with prices of 1935-36 crop-year futures have no doubt had some adverse effect on exports on American cotton for the season to date. This may explain in part the tendency of foreign mills to deplete stocks of American cotton this season.

In current discussions some have claimed that the 12-cent loan on cotton has caused the high basis this year and disrupted the export trade. Undoubtedly, the 12-cent loan did help strengthen the basis, since it offered farmers an opportunity to store cotton in their own names and still get enough money to meet current expenses. As a result, a large volume of cotton has been stored that would otherwise have been forced onto the market, and thereby have caused interior prices to weeken.

that would otherwise have been forced onto the market, and thereby have caused interior prices to weaken.

It should be observed, however, that other factors also tended to cause prices of near-month futures to be high relative to prices for distant futures. In 1934 the drought, along with the acreage-reduction program, caused a material reduction in the crops of Texas, Oklahoma, and Arkansas. According to the December crop estimate, the crop in Texas is 2,395,000 bales this year, compared with 4,500,000 bales in 1932; the crop in Oklahoma is 325,000 bales, compared with 1,084,000 bales in 1932; and the crop in Arkansas is 875,000 bales, compared with 1,317,000 bales in 1932. These reductions caused in part by the drought are reflected in the total United States crop, which is estimated at 9,731,000 bales, as compared with 13,001,000 bales in 1932. The short crops of 1921, 1922, and 1923, when there was no Government program in effect, were each associated with a high basis, and in each of these years were each associated with a high basis, and in each of these years the prices of futures for delivery within the crop year tended to exceed the prices of more distant futures. For example, in November 1921 the price of %-inch Middling cotton in the 10 spot markets averaged 17.43 cents per pound, whereas the prices of the various New York futures were as follows:

	pound
December	17.61
March July	_ 17.41 _ 16.76
October of the following crop year	15.94

In January 1923 the price of Middling %-inch cotton in the 10 spot markets averaged 27.39 cents per pound, whereas prices for York futures were as follows:

	pound
January	27.18
May July	27.66 27.36
October	25.50
December	25. 28

Not only is this tendency shown in cotton prices for previous years of small crops but it has existed in a pronounced degree in grain prices this year. Chicago corn futures on January 20, 1935, closed as follows:

	Cents per
	bushel
May	83 1/8 -83
July	78 %
September	761/8

This so-called "old crop" futures for grain are consistently This so-called "old crop" futures for grain are consistently higher than new-crop futures for wheat, corn, oats, and rye on the various markets in this country. In comparison the price of Middling %-inch cotton at the 10 spot markets averaged 12.54 cents on January 25, 1935, compared with 12.50 for the March future, 12.55 for the July future, 12.47 for the October future, and 12.52 for the December future. Clearly, therefore, the situation is much more pronounced in the grain markets than it is in cotton, and it has been more pronounced in the cotton market in previous years than it is this year.

# 3. Decreasing supply of dollar exchange available to exporters

3. Decreasing supply of dollar exchange available to exporters

I have frequently pointed out the significance of the change of the United States from a debtor to a creditor country. Before the war a large part of our agricultural exports served, in effect, as payments on our debts to foreign countries. Since the war we have been in exactly the opposite position with foreign countries owing us more than we owe them. We no longer found it necessary to export in order to make payments on our debts, but nevertheless our exports continued through the decade of the twenties to exceed greatly our imports of goods and services. This was made possible by large new lending to foreign countries. In effect, we were lending them the money to buy our goods. Since 1931 our long-term investments in foreign countries have been greatly diminished and our international ledger has been balanced by a large outflow of short-term funds. This brings us down to the year 1934. We do not as yet have figures on the balance of payments for the entire year, but the Department of Commerce has made estimates for the first 6 months, and that, together with certain additional information, provides us with a rough picture of the situation. In 1934 our exports of goods for the year as a whole showed a substantial increase over 1933, while our imports increased to a much smaller extent. In other words, instead of moving in the direction of balancing our international payments through greater imports of goods and services, we moved further away from that position. For the year as a whole we shipped abroad about \$500,000,000 more of merchandise than we imported. How was it possible for foreigners to pay for this large excess of merchandise exports? As I have said,

we do not have a complete picture for the year as a whole, but we do not need all the detailed figures to put our finger on the principal factor, namely, the tremendous importation, in excess of \$1,000,000,000, of gold. Part of this gold went to purchase American securities, it is true, but a large part went to balance the merchandise accounts.

This then is the resistant for most of the 16 ways of the content of the second of th

can securities, it is true, but a large part went to balance the merchandise accounts.

This, then, is the position: For most of the 10 years after the war our imports failed to balance our exports and the excess was made up by exports of long-term capital. In the years from 1931 to 1933 the difference was made up by the exports of short-term capital. And finally, in 1934, the difference was made up largely by the importation of gold. It does not seem likely that we can continue to import gold in large volume, partly because we have such a large part of the world's supply already and partly because such a course would probably mean new monetary chaos abroad, and from such chaos we would stand to lose more than we could gain. Foreigners might still further default or postpone their interest and dividend obligations to Americans and instead pay for our excess of exports. Or we could go ahead again with the temporary expedient of placing large amounts of short-term banking funds in European capital.

Should none of these adjustments take place, and none of them seem to be of the sort to be encouraged, it is to be expected that an adjustment will be brought about in the balance between our exports and imports of goods and services. This, of course, might occur either through an increase in imports or through a decrease in exports. We are approaching the end of the period when we can continue trade by stop-gag expedients. We now have to face either a contraction in our excess of exports, of which cotton makes up such an important part, or we must make up our minds to bring in larger imports in order to make possible a continued large export trade.

Possible Domestic Cotton Programs in Relation to world markets.

POSSIBLE DOMESTIC COTTON PROGRAMS IN RELATION TO WORLD MARKETS

As Mr. Cobb will explain more fully, our production-control program was not designed to create a shortage of American cotton. It was developed to meet a situation because drastic declines in prices had failed to stimulate consumption adequately to relieve our markets of excessive supplies. The world carry-over of American cotton had risen from approximately 4,500,000 bales on August 1, 1929, to 13,000,000 bales on August 1, 1932. The production-control programs and the drought in 1934 have reduced the surplus. But the world carry-over of American cotton on August 1, 1934, was But the world carry-over of American cotton on August 1, 1934, was at the high level of 10,634,000 bales, and it is indicated that the carry-over will still be well above normal at the end of the current

But the world carry-over of American cotton on August 1, 1934, was at the high level of 10,634,000 bales, and it is indicated that the carry-over will still be well above normal at the end of the current marketing year.

There would appear to be three general alternatives for the cotton programs for the future: (1) A continuation of the severe control program until the surplus of American cotton is eliminated; (2) a program of moderate restrictions, resulting probably in a somewhat lower price and calling for a corresponding increase in the rate of processing tax, but with no direct price supporting efforts or loan programs; (3) the domestic-allotment program with no control of production, but with benefit payments on the domestically consumed portion of the crop, and a processing tax sufficient to bring the price on domestically consumed cotton to a parity level.

The cotton-control program already announced for 1935 is in line with the programs that were in operation in 1933 and 1934, and aims at a further reduction in the surplus. With average yields and a continuation of moderate improvement in demand conditions, it is expected that the present programs should bring the world carry-over of American cotton down to about 7,500,000 bales by the end of the 1935-1936 marketing year. The carry-over would still be above average, but it would represent a material reduction from the carry-over existing on August 1, 1932, before these programs were undertaken.

In continuing a program in this direction until the surplus of American cotton is completely eliminated, it would be necessary to keep a constant watch on the trend of acreage and production in foreign countries. The facts as to foreign competition, which Mr. Tugwell will present, show that recently there has been much less increase in foreign acreage than has been generally assumed, and that the potentialities for further increase are definitely limited. We must be ready to adjust ourselves, however, if foreign production should become a greater menace to our

does not stimulate more increase in foreign acreages than has yet appeared, and if yields are not above average, it would seem that 1 or 2 years more of drastic control here might prove sufficient to bring world carry-overs completely down to normal levels.

A second possibility would be to shift to a program which in-volved continued but less drastic restriction of acreage and continued parity payments to farmers. Under such a program, further progress in reducing the excessive carry-overs would be spread over a much larger number of years, and cotton prices would not be increased toward parity so rapidly as under the other program.

Under such a program, it would probably be difficult to continue cotton loans at present levels, since there would be little assurance that cotton prices would soon recover to the parity level. If prices should decline materially under such a program, it would be necessary, of course, to increase the rate of the processing tax. By returning the proceeds of the tax to farmers it would be possible to assure producers of approximately parity prices for the cotton consumed in the United States. The restriction on acreage expansion would reduce the probability of excessive crops, such as that of 1926. Also, following years of unusually high yields per acre, such as those of 1931, it would be easy to revert to a program of more stringent production control. In general, however, such a moderate program would not be aimed at further drastic reductions in carry-over, but would be designed rather to reduce the probability of excessive production. Such a program could not be construed by foreign producing countries as an invitation for them to expand their production.

The third alternative would be along the lines originally outlined

them to expand their production.

The third alternative would be along the lines originally outlined in the domestic allotment plan. The essence of such a program would be to remove all restrictions from production, but to make benefit payments to farmers sufficient to equal the parity price for that portion of the crop entering domestic consumption, Farmers would be free to produce as much as they desired for sale at world-market prices. The rate of the processing tax and the amount of parity payments would depend upon how closely world demand held prices to parity levels. Under such program if prices were to decline severely the rate of tax would have to be increased, if the domestic mills did not rebel against such a high rate of tax. if the domestic mills did not rebel against such a high rate of tax. The net result to domestic consumers would not be altered materially; that is, the cost to consumers would remain at approximately

rially; that is, the cost to consumers would remain at approximately the parity price level.

Mr. Johnston will discuss in detail the probable results of such a program. At this point I will merely summarize the facts he will present by saying that there are strong grounds for believing that such a program would not only not increase the gross income of cotton producers, but would definitely reduce it. In fact, the studies we have made so far suggest that even after allowing for the increased business that would be done by ginners, railroads, and exporters, the South would actually receive less total income from an unrestricted production of cotton than it would receive from a moderate production in line with world demands

an unrestricted production of cotton than it would receive from a moderate production in line with world demands.

If this third program were put into effect this year it is probable that there would be a material increase in the cotton acreage. Unless business improves materially, it is probable that our cotton acreage under such a program would again reach the 45,000,000-acre level in existence in 1926, and in years of high yields we would again produce an 18,000,000-bale crop. The depressing effects of such large crops would be moderated, however, since farmers would at least get parity prices on that portion of the crop consumed domestically. Experience from 1929 to 1933 shows that low prices have a very moderate effect in reducing foreign production. It is improbable, therefore, that even under such a program we would force foreign producers out of cotton production at prices that would be acceptable to American farmers, and the net effect might be merely to force down world cotton prices without any significant beneficial result here or abroad.

The program for recapturing foreign trade by again offering our

The program for recapturing foreign trade by again offering our cotton for what it will bring appears, therefore, to have insuperable objections. For the future we must choose between the present program of drastic restriction and an intermediate program of production balanced to current consumption, while selling abroad only as much cotton as the world will take at reasonable prices to our producers. Instead of expanding exports by giving the cotton away, we must concentrate on helping the rest of the world to buy our cotton at prices at which we can afford to sell.

POSSIBILITIES OF EXPANDING FOREIGN BUYING POWER FOR COTTON

Possibilities of expanding foreign buying power we must take into account the fundamental problem of our balance of payments, which has already been mentioned. The United States is now, and will probably continue to be, a creditor Nation. Payments by foreigners of interest and dividends on American investments abroad will probably definitely exceed our payments of interest and dividends on foreign investments in this country. A considerable part of the purchasing power made available to foreigners through our purchases abroad will then have to be used to make these payments. This would seem to point definitely to a large increase in our imports of goods and services as the only hopeful basis for a substantial recovery in our exports. We must, therefore, explore every possibility of expanding imports, so as to give our foreign customers the dollar exchange needed to buy our cotton and other goods. We already bring in a considerable volume of imports free of duty, and an expansion in the quantity and value of these imports would depend largely upon improvement in our business conditions. Aside from the products now on the free list, our tariff and other policies tend greatly to restrict imports into the United States. At the present time this problem is being attacked chiefly through the reciprocal tradeagreements program which contemplates securing a reduction in trade between the foreign countries in accurate agreements for accurate of the products of the products of the products of the products of the product of the products of the product problem is being attacked chiefly through the reciprocal tradeagreements program which contemplates securing a reduction in
trade barriers in foreign countries in reciprocal exchange for concessions made by the United States. This is undoubtedly a step
in an effort toward import expansion, but, so far as the current
season is concerned, it does not seem likely that the trade-agreements program will result in any substantial increase in imports.
While the trade-agreements program should continue to be
pushed vigorously, other possible means of increasing imports
should also be considered. I should like to mention as one pos-

sible approach a change in our antidumping and countervailingduty legislation, which now seems to be having a very restrictive
effect upon imports, particularly from the countries still on the
gold standard. It appears that many exporters in the gold-standard countries are in a position to quote competitive world prices,
but importers in the United States in many cases refrain from
purchasing at such prices because of the penalties under our antidumping legislation. In its present form this legislation allows
little leeway for administrative action. It might be a good idea to
make a change in this legislation which would provide more flexibility. For instance, we know of several cases where more of our
cotton and other products might be sold in particular foreign
countries if we would accept larger imports from those countries
and where such increased imports are made difficult or impossible
by our antidumping laws. At the present time we consider it
dumping if a country exports at below its own internal level of
prices. Changing our law so as not to call it dumping, so long as
the goods offered by gold-standard countries were not offered below the world level of prices, might do much to break the export
congestion which now impedes sales by the gold-standard countries.

Excitors a meterial increase of imports in excess of exports it is

tries.

Falling a material increase of imports in excess of exports, it is obvious that we must continue, if the South is to have a fair price for its cotton, to engage in production control at least until the carry-over as of August 1 is down to 5,000,000 bales.

In summary, then, these facts stand out:

1. Cotton exports have declined slightly more than industrial products but less than most other agricultural products.

2. While cotton exports so far this season have declined nearly 45 percent from last year, consumption of American cotton abroad has declined only 22 percent. The sharp reduction in stocks abroad suggests that foreign purchases of our cotton would soon be resumed.

3. The unusual reduction in exports during the past 5 months is

due to several cause

due to several causes:

A. Spot cotton relatively high compared to distant futures, tending to cause dealers and foreign consumers to defer purchases. The drought conditions, the shorter supplies, and the withholding of loan cotton by farmers have combined to support this high basis.

B. Reduced dollar exchange available abroad. During the past season, foreign purchases were facilitated by our extraordinary imports of gold. These and other means of financing exports without taking corresponding imports are approaching their end.

4. It is not clear that it will pay cotton producers to recapture completely their foreign markets; the largest exports in the past have always meant reduced incomes to cotton producers. This conclusion would be invalidated in case the United States again became a debtor Nation or greatly increased her imports over exports.

exports.

5. The domestic cotton program for the future will necessarily have some effect upon exports. There are three possibilities:

A. Continued drastic restriction until excess world supplies are eliminated. This might take 1 or 2 years after 1935, and might mean restriction of consumption of our cotton abroad during such production. mean restriction of consumption of our extent abroad during such period. An international agreement to restrict production would increase the effectiveness of such a program.

B. An intermediate program of supply restricted to current needs, with exports free to move at world levels. This would mean no further rapid progress toward parity prices, but increased

mean no further rapid progress toward parity prices, but increased competition with foreign growths.

C. A domestic allotment program of benefit payments on domestic production and unrestricted production for export, at world levels. This would soon lower prices so severely that it would probably reduce cotton farmers' incomes from current levels, while not necessarily materially reducing foreign production duction.

duction.

6. The increasing inability of our foreign cotton customers to buy is the most serious factor. This can be corrected in a permanent way only by our taking imports in excess of exports, so as to provide foreigners the dollar exchange to pay the interest owing us and give them the ability to buy our exports at a fair price. Our reciprocal tariff bargaining program is working in this direction, but is too slow for much effect in 1935. To accelerate the program, it would be necessary to bring about:

A. Modification of our antidumping tariffs, as applied to gold-standard countries.

standard countries.

B. A general reduction in tariff rates.

If these steps cannot be brought about it will be necessary in fairness to the southern farmer to continue with cotton control at least until the carry-over is down to 5,000,000 bales.

GOLD AS A FACTOR IN INTERNATIONAL RELATIONS-ADDRESS BY SENATOR THOMAS OF OKLAHOMA

Mr. WHEELER. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by the senior Senator from Oklahoma [Mr. Thomas] on the subject "Gold as a Factor in International Relations" before the Foreign Policy Association at Boston, Mass., on last Satur-

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A few days ago, while listening to the reading of our first President's Farewell Address in the Senate of the United States, your very kind invitation to attend this luncheon was delivered to me, and in the spirit of the occasion and with the cryptic admonitions

of the Father of his Country finding reapproval in my consciousness, I made haste to accept.

My invitation stated that the subject for consideration and discussion would be Gold as a Factor in International Relations.

In approaching this most important and very far-reaching question we have a guiding lamp in that last address of General

Washington.

"A solicitude for your welfare", said Washington, "urges me to recommend to your frequent review some sentiments which are the result of much reflection, of no inconsiderable observation, and which appear to me all important to the permanency of your felicity as a people."

At the time those words were uttered General Washington was 64 years of age, and of those years 45 had been spent in the service of his country. Let me quote a few of the entreaties of Wash-

ington:

"Cherish public credit."
"To preserve credit use it sparingly."
"Avoid the accumulation of debt."

"To pay debts there must be revenue."
"To have revenues there must be taxes."

To the foregoing let me add:
To secure taxes there must be profits.
To have profits there must be business.

To have business, either domestic or international, we must have workable monetary system or we are forced to resort to barter. Extended international barter is impossible, and successful

domestic barter is impracticable.

The greatest economic necessity of any ambitious nation is a

workable and practical system of money and credits.

Every nation has its own domestic plan for the issuance and control of both money and credits.

One of the first acts of President Washington was to direct Alexander Hamilton, his Secretary of the Treasury, to formulate a financial system for the new Nation. Secretary Hamilton recommended that the Nation should use gold and silver at the natural ratio of approximately 16 to 1 with the dollar or unit to be of the value of a Spanish milled dollar and to contain 371½ grains of pure silver. This act was passed and approved on April 2, 1792. For almost 100 years the silver dollar was the standard of our system of money.

of money.

In 1873 the silver dollar was abandoned as our standard coin. In 1900 the gold dollar was made the standard, and save for a few months in 1933-34 the gold dollar has been and now is the standard of our American monetary system. Formerly the most ambitious and active nations were on some form of a gold standard. Today only a few remain, and they are only on a pseudogold

Today and for centuries past over one-half of the people of the world have been and are on a silver standard.

Today, because of conditions not necessary to mention, world exchange and national domestic money systems are chaotic.

Almost without exception the monetary units of the several nations are now undergoing change, adjustment, and regulation. Why have so many nations gone off gold? Has gold in the past, is gold today, and will gold in the future be a factor in international relations?

If you will tell me how to control the world value of gold, I will tell you how to keep the world at peace.

That may seem to be an extravagant statement, but let us look at the facts

The world value of gold controls the price level of every goldstandard nation. The price level in any country determines the standard of living of the people of that country. Their desire to maintain or to raise the standard of living causes them to erect tariffs and trade embargoes, which precipitate commercial warfare. Then follow diplomatic irritation and, too often, war at

No nation or group of nations has found a way to control the world value of gold. Great Britain perfected and for more than a century managed the international gold standard for the gold-using world. Until the World War caused violent dislocations, the value of gold remained relatively more stable than the value of many other commodities. Therefore gold continued to be accepted as a reasonably dependent measure of value. Man hadrit cepted as a reasonably dependable measure of value. Men hadn't invented anything better.

The World War brought a violent decline in the value of gold. Warring nations went off the gold standard and onto paper money, while they exported their gold reserves to neutral countries in exchange for food and munitions. A billion of dollars of gold poured into the United States. As gold became cheap, commodities became dear. In 1920 it required 10 ounces of gold to buy a bale of cotton. Other primary or basic commodities of worldwide use became correspondingly dear.

With the war over, nations returned to the gold standard. The

wide use became correspondingly dear.

With the war over, nations returned to the gold standard. The demand for gold to rebuild reserves behind paper currencies caused gold to rise in value. It required less and less gold to buy a bale of cotton or a cow or a bushel of wheat. France returned to the gold standard in 1928 and within a year a veritable panic of gold hoarding spread over the world. At the pit of the depression a bale of cotton could be bought for 1½ ounces of gold anywhere in the world, not counting trade barriers and transportation costs.

The value or buying power of gold, measured by the average.

The value or buying power of gold, measured by the average price of all the principal basic commodities, showed the following variations: If we take the buying power of gold in the year 1926 as 100, its pre-war buying power was 146. By 1920 it had fallen to 69. By 1933 it had risen to 250. Still many people

imagine that the way to get stability is to make all money equivalent to a fixed weight of this one unstable commodity—gold.

It was this great rise in the value of gold—not overproduction of other commodities—which caused the world-wide collapse of commodity prices. World trade almost stopped. Because people could not sell their goods they imagined there was overproduction, when there was, taking the world as a whole, only maldistribution and underconsumption. So people turned their attention in almost every country to controlling production.

As Walter Lippmann says in an illuminating article in the March issue of the American magazine:

"The easiest place to begin is with the goods and services of foreigners. So, in a depression, tariffs are raised to a point where they become embargoes. Tariffs are followed by measures to cut down the production of crops and raw materials. This may be done by burning them or by dumping them in the ocean or by paying men not to grow crops or by plowing crops under. Then there are too many men for the jobs. So the next step is to compel those who have the jobs to work fewer hours and if possible to produce less while they work. There are too many factories. So laws are passed forbidding new factories to open, forbidding old factories to install new machinery, forbidding manufacturers to sell below cost. Too much money had been invested. So laws are passed making it difficult to invest new money.

"Each step in this restriction seems perfectly reasonable to those who cannot sell their goods. Yet the thing as a whole is perfectly insane."

The price level in every country was thrown into a tailspin by the world rise in the value of gold. It meant deflation in every country that was on a gold standard, whether prices were quoted in paper dollars, paper pounds, francs, guilders, pesos, yen, or what not. All property, all securities, all bank credit money and all paper money are affected by the changes in the world value of gold so long as the currency of a country is kept equival

the devastating deflation of the last 5 years—so long as that country remained on a gold standard.

Unfortunately, people the world over understood very little about the processes of deflation. They did not understand how prices are controlled, and the way they rise and fall. Unfortunately, all prices do not fall the same distance or at the same rate. Farmers and other producers of primary or basic commodities learned the lesson first because their prices declined rapidly. On the other hand, taxes, wages, retail prices, cost of living, interest charges, and debts decline very slowly, if they decline at all. If the prices of all goods and services fell equally and at the same rate, it would be possible to go through deflation—that is, depression—with relatively little disturbance. It is possible to do business profitably on a low-price level or a high-price level. The trouble arises when the humpty-dumpty of prices is forced down from his high wall.

If an autocrat could decree that everyone should pay a dime

from his high wall.

If an autocrat could decree that everyone should pay a dime where he had previously paid a dollar, and if such decree could replace instantly all outstanding contracts, we could go from a high-price level to a low-price level without disaster. But we are tied by laws, constitutions, contracts, habits of thought, the moral indignation of those who believe that a contract payable in a pound of flesh or an ounce of gold must under any circumstances be enforced—we are bound by all these inhibitions. The gold standard was a rope around the neck of every people, with world forces pulling at both ends.

standard was a rope around the neck of every people, with world forces pulling at both ends.

The impossibility of deflating taxes, debts, and other inflexible charges down to the level of commodities forced one nation after another to abandon the gold standard in order that deflation might be checked. Thirty-three other nations did this before we saw the light and acted.

The gold-standard die-hards say this was the wrong thing to do.

The gold-standard die-hards say this was the wrong thing to do. They say that leaving the gold standard caused commodity prices to fall. What is their answer to the fact that prices in terms of gold fell steadily and uncontrollably not only before the United States went off the gold standard but before Great Britain took that step 18 months earlier? It was not abandonment of gold that broke world commodity prices. It was the inadequacy of the gold standard itself.

People of the few remaining Transports

that broke world commodity prices. It was the inadequacy of the gold standard itself.

People of the few remaining European gold-bloc countries are still struggling with this Gordian knot. Their prices are held down to the low level of world commodity prices measured in gold. So long as the purchasing power of gold remains high, the world value of basic commodities measured in gold must remain low.

Not battleships, nor airplanes, nor machine guns, nor marching men give dominating power to a nation. It is ability to master and manage economic forces in a modern world. The latest available comparison shows that, despite the world depression, Japan increased its industrial production, since 1928, from an index point of 100 to 149. In the same period, United States industrial production fell from 100 to a low point of 60, and rose only to 69.

A Japanese banker who visited Washington recently was asked by a friend of mine for the explanation. He tapped his forehead as he replied: "We have a Finance Minister who is very wise up here. He depreciated the yen enough to make much industrial activity and much work."

Japan raised its price of gold relatively higher than any other nation. It should be noted that the five nations with the highest index of industrial production as reported by the statisticians of the League of Nations last August had raised their price of gold higher than the nations with lower industrial activity.

Nevertheless, the economic brain of the largest bank in the United States sees no relationship between the price of gold—or the gold content of a currency—and the problems of recovery. This bank economist testified before the Senate Committee on Agriculture at a recent hearing in Washington. He admitted that the value of gold has become very high, and in his judgment would remain high for decades; but he recommended doing nothing; or, if anything at all, he would put more gold back into the dollar!

If his prediction is correct—that the value of gold will remain high for decades—what is the common-sense thing for us to do? Should we wait for decades for the world value of gold to fall, and during those decades endure more deflation, more depression? Or should we adjust our dollar price of gold in order to avoid lowering the prices of all goods and services and property whose value is measured in dollars?

That was the question that confronted every nation before it

That was the question that confronted every nation before it left the gold standard and raised its price of gold and went on a

That was the question that confronted every nation before it left the gold standard and raised its price of gold and went on a managed currency basis.

It seems to me that there was no sensible alternative. The best banking minds in England recognized that change was necessary and desirable. To avoid criticism, England went through the formality of paying out the last gold sovereign before formally discontinuing gold payments, but the British foresaw the situation and months in advance prepared for it.

We, on the other hand, blundered along for 18 months more, until we had 17,000,000 people unemployed and all our banks closed, and then we, too, cut loose from the gold incubus.

The official British price of gold formerly was 84 shillings 9½ pence an ounce. On yesterday the pound was worth 145 shillings 7 pence, and is changed every day, if necessary, to keep the sterling pound stable in purchasing power. If gold continues to increase in value, you may expect to see the British price of gold advanced much higher. The British are determined not to have their economy wrecked by adherence to gold, for they have learned that a fixed weight of gold, particularly under present world conditions, cannot be a stable measure of value. You should bear in mind that many of the raw materials and agriculture producing countries comprised in "sterling area" have a higher price for gold than the mother country—25 to 30 percent higher.

The reason for going off the gold standard and raising the dollar price of gold in the United States was so little understood by our people, particularly by our bankers, that some people still have chills at the very thought of any change whatsoever. Nevertheless, change was necessary, and it has been effective.

President Roosevelt saw the problem clearly. He started down the right road of monetary adjustment. He refused to let France dominate the London Economic Conference with its desire to rush the rest of the world back to a gold standard. Mr. Roosevelt

dominate the London Economic Conference with its desire to rush the rest of the world back to a gold standard. Mr. Roosevelt has resisted at home and abroad the pressure from internationalist banking interests who imagine that international-exchange stability is more important than stability in a nation's domestic price level.

price level.

I believe the President made a great mistake in not resisting bankers' demands still further. It was a mistake to return to a fixed gold price 13 months ago. Bankers said it was necessary to "stabilize"—to make the dollar equivalent to some fixed weight of gold. They said this would restore confidence at home and trade abroad. So the President gave in when he should have refused. He has now tried the bankers' old gold prescription for 13 months—and recovery has slackened: unemployment has 13 months—and recovery has slackened; unemployment has increased.

Why? Because the world value of gold, the purchasing power of gold, was and still is and will continue indefinitely to be far out of line with our \$35 price.

Thirty-five-dollar gold means continued low prices for our farm products and other basic commodities. Drought and crop destruction together have made some farm products temporarily high. But the world will not recover by destroying wealth. It needs more wealth. It needs to produce more and to sell more, at higher prices, at profitable prices.

In years gone by, with meager issues of money, with restricted extensions of credit and with a low debt structure the little cube of gold of some 31½ feet square was sufficient to form the keystones of the several monetary systems professing to operate on a gold standard.

Developments of recent years have changed national and inter-national economies throughout the world.

What has happened here has been duplicated almost every-

Today our National, State, county, city, and local public expenditures exceed \$15,000,000,000 annually. Our total private interest bill is another \$10,000,000,000 annual burden.

We have an estimated total massed public and private debt burden of over \$250,000,000,000.

To pay our taxes for 1 year would require three-fourths of all the monetary gold in the world.

To pay our annual interest bill would require one-half of all available world gold.

And to pay our accumulated debts would require 12½ cubes of gold the size of the only one in existence.

Not only is our own financial system out of gear, but likewise the systems of other nations are quivering in the balance. In the silver countries silver first fell and now is increasing in

value, causing the economies in such countries to change as the value of silver fluctuates.

In the so-called former and present "gold-bloc countries" gold is an itinerant, vacillating, and irresponsible globe-trotter. During the past few months over \$100,000,000 in gold have come to us each month. On Tuesday, 2 days ago, our monetary gold stock amount to \$8,524,000,000. World prices have been, and are today, computed in terms of gold. Gold is still used as the basis for the issuance of currencies and in settlement of international balances, hence when gold leaves any country, unless such country has a surplus of gold, that country's domestic economy must of necessity suffer. This stream of gold now coming to America is destroying the nations whence it comes, and upon reaching the States is again buried and hoarded. This shifting of gold is leaving a trail of destruction, havoc, and chaos in its wake, and instead of benefiting us, through the damage to and loss of buying power of our trading neighbors, we are being positively injured and damaged, if not internationally, economically destroyed.

Let me summarize:

Let me summarize:

For months past, and now, the demand throughout the world is universal for the stabilization of currencies. The future of our economic system, the stability of our form of government, and the fate of civilization itself depends, first, upon the proper adjustment of our financial system, and then, second, upon our cooperation with other nations in developing and stabilizing world

currencies and exchange.

To guide us in this necessary effort the following specific

things should be done.

things should be done.

This stream of gold coming to America should be checked, if not entirely stopped. We have adopted a policy of increasing our monetary silver stocks. To check the flood of gold coming to us we could agree to accept silver at a slight premium and thus increase our silver stocks and at the same time stop the threatened destruction of the monetary systems abroad.

By accepting and securing silver and then issuing certificates against such silver we could thereby expand the currency. Such a policy, if carried forward, would operate to remove some 26 cents of excess value from the domestic dollar. This accomplishment would tend to raise the general price level and with profitable prices our banks will begin to make loans again, thereby increasing and stimulating the activity of credit and deposit increasing and stimulating the activity of credit and deposit money

While all agree that stabilization is desirable and must come, yet it is disheartening to reflect that now no country save per-haps France and the nations dominated by France are ready for stabilization. England is not ready to even discuss the

Obviously the United States is not now ready to say that the present value of our dollar should be made permanent. Should there be division on this point I would ask of those who disagree, which dollar, the foreign gold-valued dollar or the domestic-valued dollar should be the basis for stabilization.

Our supreme duty as a nation and as a government is to adjust

and regulate our own domestic monetary unit not in the interest of either bondholders, silver-mine owners, debtors, or creditors, but in the interest of our domestic economy, and then we will

but in the interest of our domestic economy, and then we will be ready to discuss world stabilization of currencies in the interest of world progress, world prosperity, and world peace.

In conclusion let me say that it is time that the banks and the holders of securities stop, look, and listen.

The fight that I have made has been as much in the interest of the creditor as the debtor class. Heretofore the debtor has been in special need of a friend at court. Now it is the eleventh hour for the creditor class. They need all the support that can be brought to bear to maintain the validity of contracts and the collectibility of legitimate debt claims.

But the only way to make debt claims collectible is to make them honest, so that they will be supported by public conscience.

No claim is honest that is repayable in an excessively valued dollar.

Our present dollar calls for payment of 126 cents in value of products and services.

products and services.

Equity as well as self-interest demands that the creditor class shall help restore the dollar to honest value.

The Congress willed that property values should be restored. It placed in the hands of the President the monetary powers necessary to do this effectively.

It is now the creditors' turn to appeal to the President to use these powers decisively and at once.

OUR PLUNDERING GOVERNMENT-SPEECH BY SENATOR LONG

Mr. LONG. Mr. President, I ask unanimous consent to have printed in the RECORD a radio speech which I delivered over the National Broadcasting Co. system on Sunday, February 10, 1935.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

Ladies and gentlemen, the introduction which my friend has Ladies and gentlemen, the introduction which my friend has given me is not quite complete. I wanted it to be more or less complete—that I am still in the Democratic Party; so I am going to reintroduce myself to this audience, hoping that you will believe that I am even a better Democrat than I was here 3 or 4 years ago. In fact, I believe you already know that. I am HUEY P. LONG. I am now a United States Senator. I am also national Democratic committeeman from the State of Louisiana; I am also the chairman of the Louisiana State Democratic Committee, and I am also the head of the Louisiana Democratic Committee; and I am also the head of the Louisiana Democratic

majority organization, as well as being a member of the National Democratic Party councils. And I intend to make you a speech along the lines of democratic government for the few minutes that have been assigned me by the Columbia Broadcasting System.

This being a Sunday night, it would be better that I perhaps

stay within the confines of the Scriptures as much as I can, so I will read from Proverbs, chapter 30, verses 7 to 9, as follows:

"Two things have I required of Thee; deny me them not before

I die:

"Remove far from me vanity and lies; give me neither poverty nor riches; feed me with food convenient for me:

"Lest I be full, and deny Thee, and say, Who is the Lord? or lest I be poor, and steal, and take the name of my God in vain."

That ends the quotation from Proverbs, written by Solomon, the wisest of all men. I am not going to reread, but I want to restate for fear some may not have grasped the entire significance of that little phrase that I have read; I will restate the theory. "Give me neither riches nor poverty", says the Scriptures, "lest I be vain and say, Who is the Lord, or if I be poor, I become a thief."

The Bible takes it as axiomatic that one is as evil as the other; that is, that an extremely rich man is as evil as an extremely poor man, and the Bible takes it as axiomatic that the extremely rich man must by the nature of the thing be an evil man; and the poor

man, and the Bible takes it as axiomatic that the extremely profit man must by the nature of the thing be an evil man; and the poor man must by the nature of the thing be in the direction of a thief. Now, that is the Bible. Maybe you don't think so. Wait a minute; I will give you a little more: St. Matthew 19:23, 24:

"Then said Jesus unto His disciples, "Verily I say unto you that a rich man shall hardly enter into the Kingdom of Heaven.

"'And again I say unto you it is easier for a camel to go through the eye of a needle than for a rich man to enter into the Kingdom of God."

of God."

Of course, many people have been trying to tell you that that Biblical commandment meant something else; they have been trying to tell you that it didn't mean a needle but some hole in the wall; but when you go back up and read Proverbs and then read St. Matthew you have quite some little difficulty in saying anything except what the Bible said it means; that is, that it is practically impossible for a rich man to enter heaven; but if you have any doubt about it, let me read you something else. I read you from the Book of James, chapter 5. That is in the New Testament:

"Go to now, ye rich men, weep and howl for your miseries that shall come upon you."

shall come upon you."

That will be found in the fifth chapter of the Book of James. Following along those lines, it says:
"Ye have lived in pleasure on the earth;

"Ye have heaped treasure together for the last days.

"Your riches are corrupted, and your garments are moth-eaten.

"Your gold and silver is cankered; and the rust of them shall be a witness against you, and shall eat your flesh as it were fire."

So, then, ladies and gentlemen, while I am not presuming to preach you any sermon, I am only undertaking to establish (and I can, cite you a bundred other quotations can be a common to the control of the your services. I can cite you a hundred other quotations equally as cogent). I am only seeking to establish that extreme poverty is looked upon by the Bible as the substance to make a man a thief, and extreme riches is looked upon by the Bible to make a man just as bad. And so said Solomon, and so say the various other provisions

of the Scriptures. Riches or poverty make of a man just the exact opposite of Riches or poverty make of a man just the exact opposite of what is intended by the Bible, and by the Lord. You will find, my friends, that God knew, and that we ought to know, that no one can have very much more than he needs without depriving someone else of what he must have to live. But if very rich people we must have, then naturally we must have very poor people. To have very rich people, we have to have very poor people. The whole thing is a see-saw; when one set of our people go high up in the air, the common people must come way down, and if the side of the see-saw on which the rich people sit is pushed up too high, the other side must carry us down in the ground. So has America's see-saw worked, that the very rich have gone so high, that the very poor are going down into their graves.

graves.

But there could be a see-saw on a near an even level, where we could go up and down, but never so low as to wreck us. That is the kind of a see-saw we want. Not exactly a level for everybody, but don't have one man so high that he must of necessity crowd another man to his grave.

God said none too rich; none too poor. For, said the Lord, the rich will defy the Lord and the poor will become a thief.

"Feed all with food convenient to them."

I happened at one time to be Governor of the State of Louisiana—from 1928 to 1932. When I became Governor of that State we had 1,500 men in the penitentiary. During the depression times that I served as Governor, that 1,500 men grew to 3,000 men in the penitentiary—double the enrollment in the penitentiary in 4 years. Now, I don't think I had inculcated into the population that kind of a disposition, that there would be twice as many convicts in the penitentiary in those 2 or 3 years' time as prior to my time as Governor. So I undertook to look into the matter and find the reason. The days of the depression only tended to make people criminals, I found.

Now, my friends, I am going to skip just a little bit of what I had intended to say to wheth

people criminals, I found.

Now, my friends, I am going to skip just a little bit of what I had intended to say tonight, to get to the cold facts as to what is responsible for conditions, and the correctives which I am going to apply. Speaking over this broadcast tonight from coast to coast I notice I have a large number of eastern stations. I didn't know that when I came here, so therefore, some of the manuscript which I had prepared will be discarded, because I am particularly anxious that I may be permitted to reach into this eastern terri-

tory and to say some of the things I have often wanted to be heard by the people living in the Eastern States. I am going to read you from Theognis, one of the great Greeks. I am going to read you from him for this reason, that I am not unmindful that many people think the Scriptures is a worn-out book. It is not, but there are some people who don't accept the Bible and say some men are smarter than the Scriptures, and they particularly point to the philosophers of ancient Greece, and among those most often referred to are such men as Socrates, Plato, and Theognis.

I suppose Plato is looked upon as being probably the greatest—Theognis probably the next. I am going to read you from Theognis, one of the Greek philosophers, then I will read you from Plato. Said this great Greek philosopher in these words:

"Fullness (plenty) hath ere now destroyed far more men, look you, than famine, to wit, as many as were desirous of having more than their share."

than their share.'

than their share."

Also, a little later on, if you care to have me read, I will give you what Plato said along the same lines. Here is what Plato said:

"The citizen (of this ideal republic) must indeed be happy and good, and the legislator will seek to make him so; but very rich and very good at the same time he cannot be."

In other words, said Plato, long before the birth of Jesus Christ, it is impossible for a man to be very rich and very good at the same time. Now, you may think that it is a different proposition in America. Well, ladies and gentlemen, there never were fortunes made in any country through as many tactics of brigandages and through as many crimes and demeanors of men in his position as the American fortunes. I am not going to undertake to defame those men, but I can take you any fortune you wish to write me about and show you it has not been amassed by any tactics other than by force and crimes. I can take you the Morgan fortune, about and show you it has not been amassed by any tactics other than by force and crimes. I can take you the Morgan fortune, the Rockefeller fortune, or the Mellon fortune, or any fortune you wish to inquire about. The Rockefellers broke every railroad rate and every railroad law ever put on the books before they got them. They sent more men to their graves than all of the bandits in Chicago can kill if they lived to be 1,000 years old apiece.

The Morgan fortune was started by J. P. Morgan, Jr., who was the father of the J. P. Morgan of today, selling some refused carbines to Fremont's army. Many other things might be declared responsible for the Morgan fortune. The Bosco fiasco in South and Central America is sufficient to condemn the Mellon fortune, but just let us say they were all properly and well acquired. Leave it at that; however they were acquired you cannot get away from the Scriptures or the philosophers who say that it is impossible for a man to be very good and very rich at the same time.

for a man to be very good and very rich at the same time.

Now, maybe then you don't believe the Greek philosophers, or maybe then you don't believe the Scriptures either. Then I will not ask you to believe anything very difficult; I am not going to ask you to believe fractions. I will only ask you to believe the simple tables of arithmetic—and if you will concede the principles of the four elementary problems of arithmetic—addition, subtraction, multiplication, and division, I will have no fault with you tonight, but before going into that, let me give you another succinct proof as to whether or not this country was properly founded and whether or not it is still being steered on the course it was originally intended. originally intended.

I am going to read to you from the Covenant of the Pilgrims. You have talked about the Pilgrim Fathers, some of my wise critics, and you have said I am preaching a doctrine contrary to the doctrine of the Pilgrim Fathers on which the country was the doctrine of the Pilgrim Fathers on which the country was founded. Well, of course, you newspaper people who have written that—not all of you newspapers have written that—but you magazines who have written, and you would-be statesmen (and that is about as good as any of us ever get to be, is the class of a would-be statesman), but some of our great statesmen who said I am going so far as to say I am going counter to the Covenant of the Pilgrim Fathers—did you ever read the Covenant of the Pilgrim Fathers? I know you didn't, and I will read it to you. Here it is. I am now reading from the Bradford history presented by the New England Society in the city of New York to its members (pp. 56, 57, 58): its members (pp. 56, 57, 58):

its members (pp. 56, 57, 58):

"It will be meete I here inserte these conditions, which are as followeth: (This is the old Pilgrim Contract.) Year 1620, July 1st."

Now I am going to skip to no. 7, if you don't mind:

"7. He that shall carie his wife & children, or servants, shall be alowed for everie person now aged 16, years & upward, a single share in ye division, or if he provid them necessaries, a duble share, or if they be between 10, years old and 16, then 2, of them to be reconed for a person, both in transportation and devision."

Just before that, I read you no. 6:

"6 Whesever corneth to ye colonic hereafter, or putteth any

"6. Whosoever cometh to ye colonie hereafter, or putteth any into ye stock, shall at the ende of ye 7. years be alowed proportionably to ye time of his so doing."

Now I read you no. 5, because I am reading you in inverse order: "5. That at ye end of ye 7. years, we capital & profits, viz. the houses, lands, goods, and chatles, be equally devided betwixte ye adventurers, and planters; wch done, every man shall be free from other of them of any debt or detrimente concerning this adven-

In other words, the Pilgrim Fathers had a contract that they would keep the word of the Lord. The Bible commanded them that at the end of 7 years that they ought to remit all debts, and they ought to see that the wealth was redistributed, so none would have too much, and none would be too poor. And the Pilgrim Fathers who founded the country wrote it into the Covenant, not to do what Huey Long said, because I am not advocating an equal

division of the wealth every 7 years, but they said more than I ever said, in order that they would never have such a thing as concentration of wealth in the hands of the few, that every 7 years they would divide up the wealth among all of them equally, and at the end of every 7 years they would remit all debts. Now some of you wise men who have been talking about me not minding the faith of the Pilgrim Fathers, go off and read that and weep a little bit more and see what other faith is there that has been unminded by the proposition I have offered in the United States Senate.

been unminded by the proposition I have offered in the United States Senate.

My friends, today a young man attending Columbia University came to see me. I knew him in Louisiana, and his folks were always friends to me, and they voted for me for every office I ever ran for. He came along today and told me he could not keep up his course at college unless he could borrow \$250. He wanted me to loan him \$250. And I didn't have it to loan to him. And I thought how tragic it was that that young man had to go away and be turned away from Columbia University while undertaking to complete an ordinary course at college, which he had the mental capacity to absorb, while other people have the opportunity by reason of the wealthy condition of their parents, but don't have the mental capacity to do it.

So I said to this young man, "I am very sorry for you. But," I said, "before you leave I want to give you something." And I gave him the educational program of the Share Our Wealth Society. Let me tell you what that is. We propose, if we have the capacity to conscript soldiers and train them year after year, that we will do no conscripting, but that just the same we will train these people in other lines. We propose that education will be taken over as a function of the United States Government and that every girl and boy will be permitted to absorb an education not only through grammar school and high school but through colleges and vocational and professional training, and the living costs and school costs and other such costs will be absorbed as a matter of Government costs.

Now you say where are you going to get the money? Wait a moment. That is not all we propose. We say further we ought

matter of Government costs.

Now you say where are you going to get the money? Wait a moment. That is not all we propose. We say further we ought to guarantee through our share-our-wealth program that we will afford to every deserving family in this country, and by deserving we mean every family not in the penitentiary or insane asylum, or even those in the insane asylum for that matter—we say we will guarantee to every deserving family in this country a home and the comforts of a home, and included in such comforts would be such things as a radio and automobile, and such other conveniences and necessities of life.

We would guarantee up to not less than \$5,000, or an average

We would guarantee up to not less than \$5,000, or an average of one-third of the average wealth in this country—to every deserving family to begin with. Then we would reduce the hours of employment to 30 hours a week, maybe less, and 11 months to the year, maybe less. We would reduce employment to such a the year, maybe less. We would reduce employment to such a condition that we would share the work so that people would work only so long as it became necessary to produce the things needed by the people, and that we would reduce the hours so much as would be necessary to have everybody employed, rather than to have one employed too much of the time, and some employed none of the time.

to have one employed too much of the time, and some employed none of the time.

We would include in our program old-age pensions to those above 60 years of age of around \$30 to \$40 to the month. Also, ladies and gentlemen, we would undertake to discharge along with that, the bonus that we owe to the soldiers.

Now you want to know where are we going to get the money? We will levy a capital levy tax on all big fortunes in the United States. We will say to a millionaire: "We are not worried about your first million dollars. If you wish to be a millionaire, we will not worry about your first million dollars, and that is more than you can spend during your lifetime and your children's lifetime adequately and properly." But we will say if you wish to be a millionaire, we will not be concerned with that, but if you wish to be above a millionaire we will step in for the welfare of the country to a certain point. So we will say, keep your first million dollars. But after you have got more than one million, we charge you 1 percent on the second million, 2 percent on the fifth million, 4 percent on the sounth million, 8 percent on the fifth million, 64 percent on the sixth million, 32 percent on the seventh million, 64 percent on the eighth million, and 100 percent on the ninth million, which means that in time that there would be no man in this country that could own more than two and one-half to four million dollars. And that would be our limit upon the amount that any one man would be permitted to own in this country, and when we have done that, we will throw into the Treasury of the United States Government tomorrow \$165,000,000,000,000.

And with \$100,000,000,000 we can give to every family in this country a home and the comforts of a home, and with the balance of the money we can have an improvement program which will discharge every obligation this country owes to its citizens and continually supply the entire population of America through employment and other facilities that reducing these fortunes of the big men tunes of the big men would give the Government the means with which to do so.

Ladies and gentlemen, this is HUEY P. Long talking, for the enefit of those who have just tuned in, and for the benefit of those who yet remain.

Now, let us see here. We have organized Share Our Wealth Societies. Maybe some of you good people here in the East who are listening to me don't believe what I am saying. You don't believe it is possible to have that much money, do you? Well, there is a big financial writer here in this country called Roger W. Babson,

hired by Wall Street and the newspapers of Wall Street. Let's see what he says. Mr. Roger Babson says in 1934:

"With intensive production and proper distribution, every family in the country should receive an income of \$10,000 per year, with everybody from 20 to 50 years old working 8 months annually."

Now, Mr. Babson says that there is \$10,000 a year in earnings. Well, now, let's reduce this financial writer's figures by two and say there is \$5,000, and then let's say we will give \$3,000 of that to the multimillionaires to spread among their children, and things of that kind in years to come; that would still leave an income of not below \$2,000. That would be sufficient, after a man has a home and the comforts of a home, that all might live in respectability.

I am not going to read some other figures to support that, but I have them here and anybody who wants them can write and get them. Mr. Roosevelt has had two men who made this estimate. One of them estimated there would never be less than \$4,370 to the family, and the other estimated there would never be less than \$5,000 to the family. Take any set of figures you want, and it is two times as much as I contend to be necessary to carry the entire American population.

American population.

Why have this misery and this distress in America? why have this misery and this distress in America? Why have people naked for the want of clothes to wear? Why have our people homeless? Why have all these millions of unemployed? We have the food to feed the people. Why let it rot while people starve? We have the clothes and the cotton and wool to make more clothes and more than anyone will ever need to wear. Why have all of them fall to pieces and mold while people shiver for the lack of them? We have the houses to live in and the material and labor to build more houses to live in. Why have men, women, and children crying for a place to rest their heads, while the walls inside the houses fall to ruin lack of human habitation?

for lack of human habitation?

Why? Because Mr. Franklin D. Roosevelt has refused to carry out his promise to pull down the size of the big fortunes and to use the money thus taken to end all such things as poverty among the people. With all these many extra things which we have, with this surplus of food, clothes, and houses, to let our people go to ruin for the lack of them is a shame on the birth of manhood. The United States is like a fool carrying a loaf of bread under his arm and starving to death at the same time. We propose to share our wealth.

pose to share our wealth.

pose to share our wealth.

What are we going to do about these debts? We have \$252,-000,000,000 of debts, public and private debts. Two hundred and fifty-two billion dollars! That is \$2,000 to every man, woman, and child in the United States in debts. In the days before the war—in the old slave days in the South—a colored man could buy his freedom for \$1,500 or \$2,000; and yet today, ladies and gentlemen, all of the whites and all of the blacks come into this world with \$2,000 of debts as their inheritance. There used to be a time when we carried a silver spoon and a cup or a baby rattle to a baby at the time of his birth. We have changed that. Today we tie a \$2,000 debt around his neck, and many are never Today we tie a \$2,000 debt around his neck, and many are never able to pay it throughout their entire lifetime.

Europe owes us \$11,000,000,000 that we can't collect, and we

Europe owes us \$11,000,000,000 that we can't collect, and we had to excuse Europe. We gave Europe a moratorium of 1 year, and they take a moratorium after that; and we gave them a year and they take the balance of the time. Now, if Europe can't pay the \$11,000,000,000,—and that includes England, France, Russia, Czechoslovakia, Jugoslavia, Lithuania, and every other Slovakia they have got over there—if all of them put together can't pay \$11,000,000,000,000, then how are 125,000,000 people ever going to pay

\$252,000,000,000?

Now, if you will turn back to the law of the Lord, Deuteronomy, fifteenth chapter, the first verse, you will find where He commanded you have got to remit these debts every seventh year. Now, I have been condemned because I wrote a law in Louisiana that all persons burdened with debts which they could not pay would have the right to have these debts suspended on proper showing. They have defamed that law, but in Louisiana it has saved many a person, and I would rather have that.

Well, we have had other things to contend with. I see here is a little report from Kansas City, Mo. I read to you from the Kansas City (Mo.) Journal-Post of Monday, January 7, 1935.

[From the Kansas City (Mo.) Journal Post, Monday, Jan. 7, 1935] EVICTED WOMAN WISHES ROOSEVELT COULD SEE 'FULFILLMENT' OF

"Mrs. Kathleen McDonald sat on the edge of a bare bed Monday

"Mrs. Kathleen McDonald sat on the edge of a bare bed Monday morning and watched movers, under the watchful eyes of a deputy sheriff, carry the furniture from her home at 3743 Main Street.

"President Roosevelt', she said, 'told the Nation only a few months ago that no one would lose a home by foreclosure. I wish he could be here this morning to see these movers, backed by the circuit court and the sheriff, throw me out of my house.'

"A moving man entered the room.

"'I'm sorry, lady', he said, apologetically, 'but we have to have the bed now.'

"KICKED OUT. PENNILESS.

" KICKED OUT, PENNILESS

"Mrs. McDonald arose and walked to the window-stared out at the damp, foggy street scene. Her voice choked, tears streamed

down her cheeks.

"'Oh, God', she sobbed, 'why do they have to do this to us.
This home represents the life savings of myself and my sister—
\$20,000—and now we're being kicked out, penniless.

"'This house was not only our shelter but our livelihood, for we kept roomers. Now we're losing it, and we have no place to

We do not even know where we'll sleep. We'll have to hunt

jobs and begin all over.

"'I wired President Roosevelt Monday morning, but I don't suppose he'll answer. And just to think, he said that no home would be foreclosed."

would be foreclosed."

Oh, yes; my good friend Mr. Roosevelt rode in on the program that he was going to bring poverty to an absolute end. He was going to bring poverty to an absolute end! He promised to bring down these big fortunes. He promised to see there was no such thing as a man without a home and the comforts of a home. He promised there would be no such thing as an unemployed man or woman, and how many have you got unemployed today? Twenty-one million unemployed; and if you consider the fact that 54 percent of the farm labor is unemployed today and if you will Twenty-one million unemployed; and if you consider the fact that 54 percent of the farm labor is unemployed today, and if you will add these to the industrial statistics, you have got 21,000,000 unemployed; and if you doubt that go over and take the statistics of the E. R. A.—the relief organization—and you will find that today they have got 19½ million people on the relief dole today; going to show you there is probably more than 21,000,000 unemployed. Count 2½ to 3 people to every unemployed person, since 1 man usually earns the bread for 3, and you have half of the American people today unemployed; and that does not include the doctor, the lawyer, and the candlestick maker, or the professional man, because while he may give up his office he is still hoping somebody will come along and give him a little business.

Right in my mail today I received a letter from Kansas City signed by a little girl. It reads:

KANSAS CITY, KANS., January 19, 1935.

Dear Senator Long: I listened to your speech over the radio.

And you quoted verses from the Bible. I also read the Bible.

I do not believe Mr. Roosevelt has a Bible. And if he did have he could not read it. I am a poor little girl 12 years old, or I would buy him one. So if you will please buy Mr. Roosevelt a small Bible and mark the chapters of Deuteronomy, the eleventh

chapter to the twelfth, subject a blessing and a curse:

Fifteenth verse: "And I will send grass in thy fields for thy
cattle that thou may eat and be full."

Sixteenth verse: "Take heed to yourselves that your heart be
not deceived and aye turn aside and serve other gods and worship them '

Seventeenth verse: "And then the Lord's wrath be kindled against you. And He shut up the heavens that there be no rain and that the land yield not her fruit, and lest ye perish quickly from off the good land which the Lord giveth you."

I believe in God and I think God must have closed up the heavens last summer as a warning to some of the selfish ones on this certh.

this earth.

Yours truly.

DOROTHY MCKIENZIE, 1204 Bunker St.

Well, Mr. Roosevelt don't have to read the Bible; all he has to do is read his own promises and keep them. If Roosevelt will keep his promises to the American people, we won't have all of this trouble.

this trouble.

Ladies and gentlemen, the bank deposits show two-thirds of 1 percent own two-thirds of 100 percent of all the money in the banks. In other words, two-thirds of 1 percent own what two-thirds of 100 percent ought to own. That is the disproportionate balance that maintains today in regard to the bank balances. What is the correction? The only correction is, ladies and gentlemen, that we must return to the law of the Lord: None shall be too big; none shall be too little. We should go out and start immediately so that we will have the jubilee brought back to where it was intended. Maybe not so completely as the Bible intended, but in some respects, that the fortunes of the little will not be allowed to become less, and the fortunes of the big will not be allowed to become bigger. That being done, our problems are all solved.

Why have those uneducated? Why have people in misery?

problems are all solved.

Why have those uneducated? Why have people in misery? Why have people homeless? In this distress, the Lord has smiled upon this land, so I invite you, I beg you, I beseech you, come into the Share Our Wealth Society; organize in your community a Share Our Wealth Society—not on socialistic lines, not on communistic lines, not on the lines of fascism, not on the lines of bolshevism, but on the lines that we will say that when a man reaches up into the millions of dollars, he has enough, and when a man who is below the average of a home for his family, that he has not had enough. That program which says we will shorten the hours and take up the slack in labor. That program which guarantees to every boy and girl the right to be educated according to their mental capacity, and not according to the financial capacity of their parents.

ity of their parents.

I hope you will join our Share Our Wealth Society. This is HUEY P. Long, United States Senator, talking to you. I hope you will go into your neighborhood, and into the neighborhood next to you there, and get your friends to organize Share Our Wealth Societies.

If you want any information, write to me here in Washington, D. C., and I will give you any information which you may need without any charge whatever. I hope, ladies and gentlemen, that you may see fit to help in this work. I thank you.

UNERAL SERMON ON THE LATE SENATOR WALSH, OF MONTANA

Mr. WHEELER. Mr. President, I present and ask leave to have published in the RECORD the sermon delivered at the funeral of the late Senator Thomas J. Walsh, of Montana, in the Cathedral of St. Helena, on March 9, 1933, by the Right Reverend Victor Day.

There being no objection, the sermon was ordered to be printed in the RECORD, as follows:

"Thou hast loved justice and hated iniquity." (Heb. i:9.)

Back to the "hills of home" come the mortal remains of Montana's illustrious son. A sorrowing Nation has paid him due tribute. Today, his fellow citizens of Helena and other communities in this Treasure State, gather to assist at these solemn funeral rites and to accompany his lifeless body to its last earthly

munities in this Treasure State, gather to assist at these solemn funeral rites and to accompany his lifeless body to its last earthly resting place.

A national figure for many years, Thomas James Walsh achieved the success that comes from distinguished service. He was born at Two Rivers, Wis., June 12, 1859. His early education completed, he taught as principal of several high schools in Wisconsin, and, while so engaged, continued his studies with such marked success that he was awarded a life certificate on an examination covering all the branches of a college curriculum. He received the degree of bachelor of laws from the University of Wisconsin in 1884, and, associated with his brother Henry Comer Walsh, he took up the practice of law at Redfield, S. Dak. In 1890 T. J. Walsh moved to this city of Helena where he established his permanent home. His ability as a lawyer, while still a young man, soon won for him the wholesome respect of the members of his profession. This appreciation of his talent increased as time went on. A keen student of government, he entered the political field about 30 years ago, and crowned his devoted interest in the people of this community and State by 21 years of outstanding service in the Senate of the United States.

Thomas J. Walsh was gifted to a high degree with both mental and moral qualities. He combined high character with eminent talent. His brilliant intellect, his deep and extensive knowledge of national and international law, his logic in argument, his skill as a parliamentarian, all contributed to win for him the esteem and admiration of State and Nation.

"Thou hast loved justice and hated iniquity." We feel we are voicing the national opinion when we apply to Senator Walsh these words in which the royal psalmist, in prophetic vision, sang the love of justice in Christ. Public opinion will chisel these glorious words into the enduring granite of the Walsh tombstone. Generations yet unborn will remember him, above all, for his constant love of justice and his uncompr

there the memory of Thomas J. Walsh will be an inspiration.

For more than 40 years Senator Walsh was both a devout and devoted member of this Cathedral parish. Its growth has kept pace with the material development of the State. At the time of his coming eight priests, under saintly Bishop Brondel, ministered to the spiritual needs of the white people of all Montana. Catholic children in Helena attended school in a frame building constructed in the sixties. The Cathedral congregation worshiped in a small brick church which crowned the eminence still known as Catholic Hill. In the transformation accomplished through the intervening years, Senator Walsh played a conspicuous part. The vice chairman of the building committee that supervised the planning and erection of this magnificent Cathedral, he contributed liberally toward its completion, and left one of its stained glass windows as a memorial to his deceased wife. In the construction of St. Helena School and of Carroll College, he gave the benefit of his wise counsel and generous support. He was a leader in the movement that resulted in the establishment of Resurrection Cemetery, where soon his mortal remains will be laid to rest. During the many years of my incumbency as the pastor of this parish, he was ever ready to devote his time and talent to consider and to solve various problems referred to him.

His Christien plets, was as unostantations as it was anlichtened. lems referred to him.

His Christian piety was as unostentatious as it was enlightened

His Christian plety was as unostentatious as it was enlightened and sincere. Regular in the practice of his spiritual duties, he was truly exemplary in his private life.

So it is that church and state join today in paying a final tribute of respect to the memory of this great and good man. Fitting it is that this joint tribute be given to one whose life so well exemplified the perfect harmony of this twin allegiance.

We bow in humble submission to the providence of God that guides the destiny of men and nations. In his unscrutable designs, He sent His messenger, Death, to stay the hand stretched out to grasp the last rung on the ladder of success. The Faith that gave vision, strength, and courage to the illustrious deceased is also to us, on this occasion, a source of supreme consolation. "We have not here a lasting city, but we seek one that is to come" (Heb. xiii: 14).

"I am the resurrection and the life." Christ said. "he that

is to come "(Heb. xiii: 14).

"I am the resurrection and the life," Christ said, "he that believeth in Me, although he be dead, shall live" (John xi: 25). May this divine promise be eternally fulfilled for His faithful follower! May the light of the Sun of Justice shine upon him forever! May this assurance bring consolation to the bereaved members of his family and his friends! And may his noble soul, and souls of all the faithful departed, through the mercy of God, rest in peace!

SENATOR GORE'S REPLY TO OKLAHOMA CORRESPONDENTS

Mr. BAILEY. Mr. President, I ask unanimous consent to have published in the RECORD two editorials, one entitled "The Blind Senator Sees", from the Chicago Daily News, and the other entitled "A Proper Rebuke", from the Washington Post, both editorials relating to the junior Senator from Oklahoma [Mr. Gore].

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Chicago Daily News, Tuesday, Feb. 26, 1935] THE BLIND SENATOR SEES

The acme of the superfluous would be a gift of the Complete Letter Writer to Senator Gore. He is his own perfect edition of that work. Certain of his constituents in Oklahoma wired him that if he did not vote for the \$4,000,000,000 work-relief bill, he might

as well stay out of their county in his next senatorial race. The Senator will be due to run again next year.

Doubtless the Senator is familiar with Solomon's cagey advice that a "soft answer turneth away wrath." But there are certain sorts of wrath which it is more creditable to invite than to avert.

So the Senator wrote:

"This will acknowledge your exceedingly diplomatic and hospitable telegram. It shows how the dole spoils the soul. Your telegram intimates that your votes are for sale. Much as I value votes, I'm not in the market; I cannot consent to buy votes with

whose, I'm not in the market, I cannot consent to buy votes with the people's money.

"I owe a debt to the taxpayer as well as the unemployed. I shall discharge both. None but the bully resorts to threats, and none but the coward yields to them."

And now the folks back home know that their blind Senator can

e the difference between a public-works dole and a public-service duty.

## [From the Washington Post, Monday, Feb. 25, 1935] A PROPER REBUKE

Senator Gore's reply to the mayors of two Oklahoma towns who tried to intimidate him deserves inscription in a niche where all legislators may read it. In matters pertaining to his duty as a representative of the people, the blind Senator has unusually keen perception. And his courage in the face of political threats is not constituted to the people.

open to question.

The mayors of Halleyville and Hartshorne had ordered Senator Gore to vote for the \$4,880,000,000 public-works resolution "or stay out of this county in the next senatorial race." Apparently the Senator welcomed this impudent challenge to his integrity as an opportunity to express his resentment against political intimidation in general. He replied:

"Your telegram intimates that your votes are for sale. Much as I value votes, I am not in the market. I cannot consent to buy votes with the people's money. I owe a duty to the taxpayer as well as to the unemployed. I shall discharge both.

"None but the bully resorts to threats, and none but the coward yields to them."

Regardless of whether Senator Gore is for or against the public-

Regardless of whether Senator Gore is for or against the publicworks measure, the rebuke he has administered to politicians trying to control his vote is a remarkable precedent. It is a known fact that orders—most of them more tactfully couched than the mandate from Haileyville—are frequently sent to Members of Congress by political bosses. That Congressmen sometimes yield to these special interests is one of the most serious weaknesses in our governmental structure.

our governmental structure.

Only when groups seeking special privileges and political lobbyists are put in their place can legislation be lifted above the level
of the pork barrel. Senator Gore's declaration of independence
from influence of this sort is especially salutary at a time when
it is broadly hinted that political pressure will be applied from
the constituencies of dissenting Senators to revive discredited

## THE WORK-RELIEF BILL-ADDRESS BY SENATOR RUSSELL

Mr. DUFFY. Mr. President, I ask unanimous consent to have printed in the RECORD a very fine radio address delivered by the junior Senator from Georgia [Mr. Russell] on Saturday, March 2, 1935, on the work-relief bill.

There being no objection, the address was ordered to be

printed in the RECORD, as follows:

Address by Senator RICHARD B. RUSSELL, Jr., of Georgia, over the Dixie network of the Columbia Broadcasting System, Saturday, March 2, 1935:

The most important matter demanding the immediate atten-The most important matter demanding the immediate attention of the Congress is consideration of the \$4,880,000,000 work-relief bill. This measure passed the House of Representatives by an overwhelming vote in the early days of the session. It was thoroughly considered and discussed in the Senate Committee on Appropriations, of which I am a member, for more than 3 weeks, and after having been debated on the Floor of the Senate for several days finally encountered such difficulties that it was recommitted to the Committee on Appropriations, where it now rests. The immediate cause of this action was the adoption by the Senate, by a margin of one vote, of a proposal known as the McCarran amendment, which would compel the payment of the prevailing wage scale for all services performed.

It is the theory of the advocates of the McCarran amendment is the theory of the advocates of the McCarran amendment.

that the expenditure of public funds at wages less than the prevailing rate will have a tendency to pull down the prevailing

rate to lower levels.

rate to lower levels.

It appears to me that the advocates of this proposition overlook a number of compelling considerations, which make it most
unwise to write such a provision into the bill. Indeed, the Senate
was advised that the President would veto the measure if this
were included. No one wishes to destroy the prevailing wage
scale, least of all the President of the United States. He has at
all times shown the most genuine interest in the welfare of all
those who toil and has embarked the country upon a militant
program to better living and working conditions and to increase
the income of labor.

It must be borne in mind that this is not, strictly speaking, a public-works measure. It is primarily a relief measure. It is It must be borne in mind that this is not, strictly speaking, a public-works measure. It is primarily a relief measure. It is designed to aid farmers in distress, as well as the laborer out of work. It is a concentration of all of the great powers of Government and the resources of this Nation to strike one final, mighty blow at unemployment and to wipe out forever the dole system, under which three and a half millions of employable citizens and their families are being supported out of public funds. It is not deat unemployment and to wipe out forever the dole system, under which three and a half millions of employable citizens and their families are being supported out of public funds. It is not designed to come into conflict with labor now employed. Instead of injuring labor it is to aid labor and to fight distress and conditions which have made the dole necessary. As a matter of common sense it appeals to me that a man regularly employed at a security wage sufficient to maintain himself and family in a respectable manner, even though he receives less than the prevailing wage, is far less a menace to the jobs and wages of those now at work than the man who has no job at all, but who is living from hand to mouth on grocery orders or a weekly pittance. The great menace to the prevailing wage structure in this Nation today is not a work-relief program which will give regular employment to three and a half million citizens now idle. If the existing wage structure is destroyed and torn down, it will be by the three and a half million unemployed who are now on relief and whose circumstances are such that they will accept a job at any wage. If they are put to work this danger is removed.

We must not forget that, in addition to these three and a half million, there are approximately six and a half millions of other citizens who are out of employment and have no jobs, but who have not been forced onto relief rolls. If the program embodied in this measure can be carried out as the President desires, instead of injuring the prevailing wage structure, it will create a great demand for labor in every private field of endeavor. Approximately one-half of the fund provided will be expended for labor; the

demand for labor in every private field of endeavor. Approximately one-half of the fund provided will be expended for labor; the remainder will be expended for material. The purchase of such an enormous quantity of material will stimulate all lines of industry and will insure a continuance of employment of those who now have jobs. As business increases the employers will be compelled to turn to a labor market from which three and a half million workers have been removed. This in itself gives assurance that there will be no reduction in the existing scale and also holds a promise of a job to numbers of the unemployed who are not now on the

relief rolls.

relief rolls.

The people of the United States will not be deceived by the argument that this vast activity in every line of business brought about by the employment of three and a half million people who today have no jobs can in anywise injuriously affect the existing wage scale. Senators who voted against the McCarran amendment are just as jealous to preserve the existing wage, and if possible to increase it, as those who supported the proposal. Those who approve applying the existing wage theory to this program are seeking to leave the hands of the President untied so that he may take care of the greatest possible number of our unemployed and at the same time bring about public improvements of substantial value and benefit to the country, to be used long after this money shall have been spent.

shall have been spent.

The National Government cannot always provide large sums for The National Government cannot always provide large sums for public-works projects, and at the same time maintain the integrity of the Nation's credit. Every effort is being made to encourage the absorption of the unemployed by private business. A great deal has been accomplished in this direction. Payment of the prevailing rate of wages would doubtless chill this process, if it did not defeat it altogether. This was no doubt what the President had in mind when he said in his message to the Congress that "compensation on emergency public projects should be in the form of security payments which should be larger than the amount now received as a relief dole, but at the same time not so large as to encourage the rejection of opportunities for private employment or the leaving of private employment to engage in Government work."

It would be folly to undertake so huge an expenditure of public funds on any other basis.

To make assurance doubly sure that the wage structure should not be injured by payment of the security wage, I offered an amendment on the subject, which the committee adopted, which is in part as follows:

is, in part, as follows:

"In the event the President shall determine that the rate of wages paid is affecting adversely or is likely to decrease the prevalling rates of wages paid for any work of a similar nature in any city, town, village, or other civil division of the State in which the work is located, the President shall immediately fix the rate of

wages at an amount not less than the prevailing rate of wages paid for work of a similar nature in such locality."

This amendment affords complete protection to the existing wage structure throughout the United States. It is difficult to understand the position of those who are willing to entrust the President with expending the enormous sum of almost \$5,000,000,000 in almost any manner he sees fit and proper, and for almost any purpose which he may determine, and yet at the same time are unwilling to entrust him with the proper administration of this mandatory provision which safeguards the prevailing wage structure. structure

Especially is this true in view of the personal assurance of the President, in the form of a letter over his own signature, that he would assume personal responsibility for the protection of

he would assume personal responsibility for the protection of the existing wage scale.

Is there anything in the record of the President which would cause anyone to doubt that he will protect the interests of labor? The very measure which he proposes launches the Government upon the greatest effort for the relief and welfare of labor any nation has ever known. The bill is a labor bill from beginning to end, to provide for those who want to work and cannot find a job. I venture to say that the present President of the United States has done as much or more for labor than any man who has ever lived on this continent. He has sponsored and supported measure after measure to protect and better the conditions of those who toll. In view of this known disposition on the part of our President, it is incomprehensible to me that anyone can fear the result of leaving this matter in his hands.

It is unfortunate that there should be delay and uncertainty as to the enactment of this measure. It is more unfortunate that it should be jeopardized and threatened with strangulation

in the name of labor.

Not only is this a labor bill, providing funds to be administered by a true friend of labor, but it is a recovery measure, to stimulate private reemployment throughout the Nation. It is being supported in the interest of the unemployed, to provide work instead of dole, a sense of security instead of a spirit of despair, of self-respect and good citizenship to replace soul-destroying charity. ing charity.

It is essential that some action be taken on this measure at a very early date. The funds of the Relief Administration are almost exhausted. Unless something be done, in but a few days most exhausted. Unless something be done, in but a few days available funds will be gone, and we may hear cries of distress from hungry people. The Civilian Conservation Corps can only operate until March 31. Those who would oppose this work-relief bill must give consideration to this phase of the matter. We cannot afford to temporize with human misery. We cannot afford to longer tantalize human beings who are in poverty and who have long been out of work. We must not crush the hopes we have stirred that soon they will be enabled to again earn their livelihood in the sweat of their brows.

hood in the sweat of their brows.

I hope and trust that within the next few days it will be possible to bring this measure onto the floor of the Senate again, and that favorable action can be had. Only this action will afford protection to the existing wage structure of the Nation. Only this will justify the patient faith of those now on the relief rolls and in distress that their Government is determined to bring this depression to an end. Nothing else can give the final impetus to the great movement for the restoration of normal conditions of employment and a balanced functioning of business and industry throughout the country. throughout the country.

## THE AGRICULTURAL SITUATION

Mr. DICKINSON. Mr. President, I ask unanimous consent to have printed in the RECORD a letter on the farm situation from B. D. Dykstra, of Iowa, a farmer, scholar, editor, and economist.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ORANGE CITY, IOWA, February 1935.

Senator L. J. DICKINSON,

Washington, D. C.

Honorable Sir: Would say, first of all, that we much value the regular receipt of the Congressional Record through your kind mediation. One of the boys said last night, "Dickinson is still Republican." That has special significance in these latter days. I read with personal interest your reply to the editor of the National Teachers' Association. One may well doubt whether Mr. Myer, from his peculiar connection with the T. V. A., was an impartial reporter of matters carried on in the great southern valley. The various addresses on Lincoln's birthday have more than a The various addresses on Lincoln's birthday have more than a passing meaning. These men, such as PLUMLEY, of Vermont; Fish, of New York; KNUTSON, of Minnesota, have evidently breathed the spirit of Lincoln deeply to inspire the Republican Party of our time with the needed vigor for a resurrection in these days.

There is indeed much of interest and alarm in the present po-There is indeed much of interest and alarm in the present political situation. It may be in fact a necessary discipline for the Republicans to have the role of minority. Such minorities are like the Jews in Babylon; the best survives. Majority may rule; minority often saves. It has been in my mind for some time to communicate to our Senator from Iowa my observations and reflections upon the agricultural situation, especially as I find matters in northwestern Iowa, in South Dakota, and in Minnesota,

where these States touch us with conditions kindred to our own. I might not venture any authoritative opinion on banks or finances, except that in a general way of common honesty, I do not understand how all this borrowing and spending of public funds can come to any ultimate benefit for our Nation. But I am no banker. On the great American issue of farming, however, I consider myself well qualified to say somewhat.

My ancestry were farmers in Europe; I passed my life upon the farm in these parts of Iowa till the age of 30. As a student, educator, missionary, and journalist I have spent another 30 years among a distinctively rural population. Fact is that for some 26 years I lived in South Dakota. This may lead you to suspect that I have never been able to admit the surplus, so loudly proclaimed in these latter years; even in the last. I love the farm and the

in these latter years; even in the last. I love the farm and the farmer.

My peculiar circumstances during the last 6 months have intensified my general concern with the problems of agriculture in these parts. In connection with certain functions and activities it was my unusual fortune to enter upon some 1,200 farmsteads. I actually visited in these homes and barns, and with the eye of a practical expert I have taken note from observation and conversation. I have talked with farmers and their wives, often intimately, upon their affairs, as one may "over the tea cups" or over a cup of coffee. I have taken particular inventory of the stock of supplies in feed and fodder on these farms, and then in comparison with a year or two ago. The county of Sioux came under my most frequent observation. This year it is commonly understood to have been a fairly favored county in Iowa. But this one fact I would state most emphatically: There is no surplus in northwestern Iowa. I said this to a representative from the Iowa department of agriculture last fall. He was from Ames and surprised. It was a patent fact that most of southern Iowa had failed, but he imagined that in these northwestern counties there was enough and over. In my own township, average farmers could have fed their corn crop by Thanksgiving. In other parts of the county, farmers on 160 acres were buying corn at 85 cents a bushel before New Year; and that was just for their ordinary stock. Farm upon farm had not produced enough potatoes for own consumption. This was felt to be some hardship. When a Sioux County farmer must buy corn and potatoes, conditions are not normal.

When I questioned these men about the actuality of surplus, they usually admitted frankly that it did not exist: in fact, it

must buy corn and potatoes, conditions are not normal.

When I questioned these men about the actuality of surplus, they usually admitted frankly that it did not exist; in fact, it never had. Of course, I met a few enthusiasts for the new order of things. But a thoughtful young farmer, William Pennings, in favor of control and reduction, freely allowed that he could not afford to feed his poultry, though he had the grain on his place. Prices were too high. It took me a day to buy 2 bushels of oats in a section where oats is the leading crop after corn. As it is, I cannot secure feed for a small flock of poultry, except perhaps at prices even high above high market prices. All such should not be in a section famous for corn and grain. Many of these farmers have openly allowed to me that "they prefer 50 bushels of oats at 20 cents to 20 bushels at 50 cents." In the former proportion they would have 30 to feed and 20 to sell, whereas the 20-bushel production left no margin to market.

Now, Mr. Dickinson, I state these details because I am certain

Now, Mr. Dickinson, I state these details because I am certain Now, Mr. Dickinson, I state these details because I am certain that therein you have a cross section of actual conditions over an extensive area of our region. May say that I visited these farms on bicycle or afoot. Mr. Wallace might not note such minor matters as he passes over half a dozen States in half a day per airplane. Might say that I traveled 1,800 miles on the bicycle these latter months. And then one sees things. And, incidentally, I gathered some sadly amusing contradictions in the general agricultural management in our parts. I told this man from Ames about it. too. about it. too.

cultural management in our parts. I told this man from Ames about it, too.

In the northwestern part of our county, near Hawarden, Profesor Bakke has for some years conducted an experimental process of eradication of weeds. It is an expensive venture. There are various sorts of weeds, such as pigeon grass, Russian thisties, creeping jennies, and the like. I suggested to my friend from Ames that we had better cease to destroy pigeon grass. It is a prolific crop, requires no seed or seeding, resists drought, and was sold in our county at \$6 a ton and trainloads of it. Our farmers, after receiving pay for land left idle, reaped a handsome harvest of the aforesaid pigeon weed. Why destroy it? In passing, the sad fact of existing scarcity is evident when farmers buy and sell weeds for hay. In South Dakota, Russian thisties are stacked like alfalfa. Strange to say, I met a case among my farmer friends in South Dakota where a herd of Holstein cows was maintained in good state upon a pasture of creeping jennies. This is considered one of the most noxious weeds. I suggested to our man from Ames that we had better pause in our program of weed extinction. On my own place of 10 acres the boys have, during the drought last summer, daily gathered all the weeds they could find to maintain a few cows. Rather than crop reduction, we might add weed production.

All told, we find that weeds have actually been in demand to supplement forage. The curious contradiction of economic measures occurs that on the one hand we go to expense for eradicating weeds, while, on the other hand, the weed crop proved at the end of the season to be a marketable product at some \$6 per ton. In towns of Hospers and Sheldon I saw huge piles of baled pigeon grass for shipment into the Dakotas. The handling of that material was grossly abused. During the rainy season we had, much was baled in a wet condition. Large quantities came to the needy districts utterly worthless for feed,

We have been perplexed at all the makeshifts of the A. A. A. in managing these so-called "contracted acres." Constantly new and changed orders come from the center of power. Farmers actually had to wait for instructions from morning to morning. Sometime during the summer the decree came that fields might be planted to some kind of corn or cane; but this had to be so planned that no ears should be produced! Thousands of goodly acres might have yielded a moderate corn crop, which would have relieved the existing scarcity of real corn in all these western parts. Again and again I meet men who cannot feed their dairy stock as they should. We need butter and milk and cream. At present high prices the children of the urban population are underfed in these prime essentials of nourishment. prime essentials of nourishment.

Now, I think the administration of Mr. Wallace tacitly admits that a practical shortage exists. They have therefore proposed to reduce the production greatly; only 10 percent less corn, I understand, than the basis of 1932-33. On these contracted acres any crop practically may be produced. Only upon corn "the curse" still is left to lie. "Too much corn," warns Mr. Wallace. He is seeking by his farm papers to frighten the farmers with corn at 10 cents next fall. He supposes that Dakota might plant unusual acreage. Suppose they do. It would take three good crops to put that State in normal condition in the supply of corn. Years ago it was the policy of farmers there to conserve their extra corn of the previous year, or even two. I have seen 26 summers there. There will at best be off years. Mr. Wallace ought not to worry about a surplus of corn in South Dakota or in the Dakotas. I have seen years when 12,000 bushels were harvested on a single large farm. Last fall I saw no trace of a crib of corn in the area west of Tyndall in such counties as Douglas and Charles Mix.

Some have seen much merit in the sealing of corn. They say Now, I think the administration of Mr. Wallace tacitly admits

west of Tyndall in such counties as Douglas and Charles Mix.

Some have seen much merit in the sealing of corn. They say that large profit would have gone to the speculators. It is more likely that the big market would have been oversupplied and that the general price might have been reasonably lower. As it is, prices are too high by common admission, especially for the large areas which have to buy. At any rate the sealing of corn has no merit of its own. The high price has been caused by the unprecedented failure in production.

It wish indeed that an attitude might be cultivated in these

unprecedented failure in production.

I wish indeed that an attitude might be cultivated in these parts that we should seek to produce all we fairly can. There should be some rotation of crops, but that is another story. The Farm Bureau and similar agencies have always taught that. I have no doubt that Mr. Wallace and his co-laborers feel at heart that production ought to be stimulated. But they have this new deal in agriculture by the ears like the man who held a wolf. He feared to let go, lest the beast might bite. The present administration has staked its reputation upon a program of control and reduction. They wish at all hazards to maintain the principle of control somewhat like the British tax on tea in the Colonies. Just a nominal tax, and thus a mere nominal reduction.

My simple summary of the situation, as I sense it among the

My simple summary of the situation, as I sense it among the

Colonies. Just a nominal tax, and thus a mere nominal reduction. My simple summary of the situation, as I sense it among the rank and file of our farmers here and among the 1,200 which I met personally on their places, is that they would gladly have this entire cumbrous and bungling and corrupting system of control over with. They are still forced in line of the program by much propaganda and some temporary apparent gains in certain cash payments by Government. There is much unnatural restraint by landowners upon their renters. Everybody is in for some cash dole or other. But there is the fiddler to pay. The papers of Sioux County divided among them \$800 for boosting the corn-hog plan; there has been no end to conferences at large and locally. Directly or indirectly much time and money was wasted.

I have not entered upon the confusion, the undue advantage taken by many, the actual graft with it all. The time must be again when farmers shall do their own farming. They must not be allowed to degenerate still further under an arbitrary system of guardianship such as has been invoked over them. Let our real American farmer, of the type of men from Vermont, once again enter upon the glorious gambling with God and nature and their own inventive initiative. To the Republican Party we must henceforth look for a restoration of that precious personal freedom, as formerly the Jeffersons and the Jacksons defended it. The Democratic Party has betrayed that charge. I am indeed pleased to see that you and other staunch men see their mission ever more clearly even through the darkened glass which the present regime would have you use to the confounding of all things.

I am very sincerely.

I am very sincerely, Your constituent member,

B. D. DYKSTRA.

POSTMASTER GENERAL FARLEY-REPORT OF SECRETARY OF THE INTERIOR

The VICE PRESIDENT. There appear to be no resolutions coming over from a previous day.

## WHEN THE BALLOT BOX IS FOUND

Mr. LONG. Mr. President, as this is the last order of the day before we take up the calendar, I want to submit an inquiry. I only have newspaper reports to the effect that Mr. Ickes, Secretary of the Interior, said he was transmitting some papers to the Senate today. I inquire if those papers have reached the desk?

The VICE PRESIDENT. They have not reached the Chair. The Chair does not see them on his desk.

Mr. LONG. I shall have some further remarks to make later. I presume the Senate will be in session a little while longer today.

Mr. President, it has been an old custom back in my part of the country that when we send for a ballot box to investigate it and those having the ballot box in their possession take 2 or 3 weeks to send the ballot box, it is expected to come up straight. We asked for this information from Mr. Ickes 3 weeks ago. The thing does not look right to me. It rather looks like there is something up the tree when we have to wait around here so long. In other words, it looks like the ballot box is liable to come in all straight.

Mr. ROBINSON. Mr. President, that is a gratuitous statement, a wholly unwarranted reflection upon the Secretary of the Interior.

The Senator from Louisiana has been absent from the Senate for a week or 10 days, running the State of Louisiana. He necessarily is compelled to divide his time. He is unable constantly to give us the favor of his presence. So long as a state of martial law exists in Louisiana he finds it necessary to run down there and settle controversies. Every week he calls the Legislature of Louisiana into session and passes such statutes as seem to please him. He asks the legislature to O. K. his measures without consideration and then returns to give us the pleasure of his company here.

So far as the delay that has occurred in sending the report to the Senate is concerned, I wish to say to the Senator from Louisiana that the Secretary of the Interior advised me some days ago that he was ready to send his report. There was no business to be transacted by the Senate, and we were not in session. I understood that the Senator from Louisiana was returning today. I thought perhaps he would like to be here when the reply to his resolution was communicated to the Senate, and I suggested that it be sent in today.

There is not one circumstance upon which to justify the very foul insinuation that was carried in the words of the Senator from Louisiana.

The VICE PRESIDENT. Let the Chair say to the Senator from Louisiana and the Senator from Arkansas that he is advised by the Secretary that the report is here, and in the ordinary course of events it would be submitted to the Senate at the conclusion of the morning business. If the Senator desires to have it submitted at the present moment, of course it will be the pleasure of the Chair to do so.

Mr. LONG. Do I understand the Chair to say that the report is now here?

The VICE PRESIDENT. It is.

Mr. LONG. Oh! I beg the Chair's pardon. I had understood the Chair to say that it was not here.

The VICE PRESIDENT. No; the Chair said it had not been laid before him.

Mr. LONG. I beg the Chair's pardon.

In answer to my friend from Arkansas, he is a little bit concerned about Louisiana. The State of Louisiana unfortunately likes to have the attendance of all its citizens in legislative matters. Louisiana has a rather peculiar custom.

Mr. ROBINSON. I am prepared to agree with the Senator that it is unfortunate that his attendance is required. [Laughter.]

Mr. LONG. That is to be taken with an understanding of just exactly how it is to be looked upon, and where I might be all the time. I might be outside of Louisiana in the near future.

Mr. President, as I was saying, Louisiana has a custom of inviting all citizens to come before the committees considering legislation. No man in Louisiana is too high or too low but that the chairman of every committee says, "Is there anyone here who would like to be heard on this bill?" and it is the custom in Louisiana that no one will be denied a hearing, and as long as he desires, before a legislative committee. Beginning in 1916, I began to go before those legislative committees; and year by year, as time passed on, they began to see the wisdom of what I was advocating before those committees.

Mr. ROBINSON. Particularly when the Senator put the State under martial law.

Mr. LONG. No; the State is not under martial law, Mr. President. That is not true, and the Senator from Arkansas ought to know better than that.

Mr. ROBINSON. Oh, no, no, no! I had understood that martial law had been put into effect and that it still prevails in the State. I do not understand that it is Statewide.

Mr. LONG. Only in the Standard Oil domicile. That may be all of the State that the Senator from Arkansas knows about.

Mr. ROBINSON. Oh, no; Standard Oil nothing! The capital city.

Mr. LONG. That is the Standard Oil domicile.

Mr. ROBINSON. Is not the capital city of Louisiana under martial law?

Mr. LONG. The Standard Oil domicile.

Mr. ROBINSON. The Senator from Louisiana has a way of blaming everything on Standard Oil—Standard Oil!

Mr. LONG. Oh, no; the Senator from Arkansas is wrong about that. That is where the Senator is always saying things that he later on is sorry for. [Laughter in the galleries.]

The VICE PRESIDENT. Let there be order in the galleries. The occupants of the galleries will kindly refrain from audible expressions.

Mr. O'MAHONEY. Mr. President-

The VICE PRESIDENT. Does the Senator from Louisiana yield to the Senator from Wyoming?

Mr. LONG. Yes, sir; I yield.

Mr. O'MAHONEY. I desire to see if I correctly understood the Senator. Am I to understand, from what he says, that the capital of Louisiana is the domicile of Standard Oil?

Mr. LONG. Yes, sir. We have been trying to change that.

Mr. O'MAHONEY. And has not the Senator succeeded? Mr. LONG. Near about, at this time. In other words, Mr. President, when some four or five hundred armed men announced that they were going to take the capital of Louisiana, some sixty men said they would not; and that condition has abated in the capital city. In other words, Louisiana is a State of law and order, and proposes to remain so.

For the benefit of the Senator from Arkansas let me say that Louisiana has been passing some legislation. Mr. President, if you will look at the newspaper map which is published and sent out by, I think, the Associated Press of New Orleans, you will see a large map there with numbers and figures on it showing why Louisiana is in the best position of any State in America. You will see from a map that is published in the anti-Long paper, the Times-Picayune of New Orleans, and sent out, I understand, Nation-wide, that Louisiana requires less relief than any other State, takes care of its own, pays its debts, has a balanced budget and a million and a half dollars surplus in the treasury; home owners are being relieved of taxes; schools are run 9 months of the year; all school children are given free school books; young boys are sent to the State institution of learning to study medicine practically free of any tuition charge at all, whereas it costs four or five hundred dollars a year to go anywhere else; a charity hospital, including the insane asylum, has not only taken everybody out of the jails and cribs and barns, but it has an immense surplus capacity, and has \$150,000 surplus, and has not even drawn the February appropriation.

That is the way in which they are running things down there. No other State is being run like that today. We have a debt-moratorium law down there which I had the pleasure of helping draw. We do not allow any man to be foreclosed upon for a debt he cannot pay. You cannot take his furniture, nor his bedding, nor his bedstead, nor his wife's wedding ring, nor his home, nor his farm. You have to give him a chance to pay out under the abnormal circumstances now prevailing.

With that kind of good work going on, I would not be half so selfish as my friend from Arkansas thinks I am if I did not go down there and get my name in the pot, and let the people understand that I was one of those helping to do that kind of beneficial work in the State of Louisiana. Mr. President, there is not even an anti-Long ticket down there. The anti-Long ticket ran for 3 years and quit, and up to this time we have not even got an opponent, though the election is coming on.

But my friend from Arkansas said he told the Secretary of the Interior I would want to be here when this report came in. We asked for this report a long time ago, about 21/2 weeks ago, and finally the resolution was passed. I thought the documents would be here the next day, and the next day, and the next day, or the next week. No; they have not come in. Finally, however, we are informed today that they have come.

What I said was not an insinuation. As a matter of fact, any time you call for a ballot box in order to investigate the ballot box, and the election commissioners hold it out 15 days and then send it in, the ballot box is straight, 99

times out of 100.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. LONG. Yes, sir; I yield.

Mr. ROBINSON. In all fairness, the Senator understands that the resolution contemplated and required a search of a very voluminous record.

Mr. LONG. I did not know it was so voluminous.

Mr. ROBINSON. I am telling the Senator that my information is that the record is voluminous.

Mr. LONG. I cannot conceive why it should have taken over a day to go through it and find anything. A department must be very inefficiently administered that cannot lay its hands on anything there in a day or two. That

I understood from the public press that the minute this resolution was passed, Mr. Ickes hastily summoned Mr. Glavis and immediately went into the matter. I want to get back to the statement I made, though, to which the Senator from Arkansas has taken exception, and then I want to proceed from that point on-that any time you call for a ballot box, and you have to wait 15 days to get it, the ballot box always comes up straight. That has been the record ever since I have been in elections.

I used to try to count the ballots of my opponents. Every time we tried to get hold of the ballot box we were told that the clerk had gone and he had the key. Then we would go out and hunt up the clerk and he would be gone fishing and about the end of the week he would say he did not have it, the register of voters had it locked up. Then we would go and hunt up the register of voters, and about 3 or 4 days later we would finally pin him down, and he would say, "Well, I declare, I have not got the ballots. I gave the whole thing to the president of the police jury and he locked up the ballots in the police jury room; " and in about 15 days we would go there, and of course we would lose the election every time, and the ballot box would be just as straight as

This resolution was sent up to the Interior Department 15, 16, or 18 days ago, and we asked the Secretary to send us the report he had on these significant concerns in which Mr. Jim Farley had been taking a leading hand. knew there was certain "dope" he ought to have up there anyway. We knew there was certain information he could not keep from having; but when Mr. Ickes delayed, it might not have looked so bad had he not taken occasion in the meantime to send out some public statements once a day for a while. This man who has taken all this time, 15 days, to look up these data, in the meantime was explaining to the people that Jim Farley was a good man, and that he never had investigated Farley, and that he thought there probably was nothing to HUEY P. Long after all. In other words, this bird to whom we sent this resolution took 15 days to locate something that he ought to have located in 30 minutes.

If the office is run half as efficiently as we are told it is, there is not anything up there which could not have been located in 15 minutes, or, at the outside, in 3 or 4 hours he could have located anything up there, if there were anything like a respectable set of files. I can do so in my office, and I have considerable files there. I can locate in 10 minutes' time almost any letter a man has ever written to me during the last 15 or 20 years. If this man had kept such an efficient department as he has said he keeps, he would not have had to be taking up his time issuing these smokescreen statements that Farley was all right.

I have not read Ickes' report. I know what is in Ickes' report without reading it. It took too long to get it here. It

took 15 days. Fifteen days!

Mr. President, men are men. There is no difference in men, whether in the North, the South, the East, or the West; men are men, whether of high or low degree. I have been in politics too long for anyone to feed me a part of a tainted beef and tell me the balance of it is going to taste all right. I have said on the floor of the Senate before that you do not have to eat a whole beef to tell when it is tainted

Sending this report here as late as it is sent is an effort to whitewash the Postmaster General. Why? We do not need to have anything Mr. Ickes has said to prove the case against Mr. Farley. I have enough under lock and key, can call enough witnesses before the committee, so that the case of Mr. Farley will not even admit of doubt.

I have been informed this morning that the Postmaster General's resignation has already been discussed over at the White House, and some even think it has been given, and some even think that they have brought a man here with whom they are now discussing whether or not he will not take the job of Mr. Farley and let him step out of the job as Postmaster General. That rumor is going around the Capitol today.

Mr. ROBINSON. Mr. President, will the Senator yield? Mr. LONG. I yield.

Mr. ROBINSON. I have heard no such report. Will the Senator be good enough to state the source of his information?

Mr. LONG. I have heard that Mr. Murphy has been brought here from the Philippine Islands, that he is here now, and that they were discussing whether or not to put him in the job of Mr. Farley.

Mr. ROBINSON. Will the Senator state the source of his information?

Mr. LONG. No; I will not tell the source of my information, because that would not do any good to the person who told me: but he is right close up to the throne, right on the inside. I have plenty of them coming to me and telling me, and I am not going to disclose any of their names.

Mr. BAILEY. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. BAILEY. Did I understand the Senator to say that Mr. Murphy is here?

Mr. LONG. I have been told Mr. Murphy is here, or had come here, or would be here.

Mr. BAILEY. Does not the Senator know that it would have required a notice of at least 3 weeks to get him here?

Mr. LONG. I do not know. The Senator is smarter about those matters than I am.

Mr. BAILEY. The Senator does not know the distance between here and the Philippine Islands?

Mr. LONG. I did not know he had to get notice.

Mr. BAILEY. Then how did he know he was to be offered the position?

Mr. LONG. I do not know, unless they told him.

Mr. BAILEY. If they told him and brought him here, they must have done that at least 3 weeks ago.

Mr. LONG. Suppose the Senator inquires, and sees whether he is not in town now.

Mr. BAILEY. No; that is not my business. Mr. LONG. I think he is in town now.

Mr. BAILEY. If he is in town now, he must have been notified as much as 3 weeks ago.

Mr. LONG. I do not know when he was notified.

Mr. BAILEY. That would be prior-

Mr. LONG. I do not know whether he came here for that purpose or not.

Mr. BAILEY. That would be prior to any accusation the Senator made, and would have no relevancy to it.

If you want an easy bed for him to fall on, that is all right. Let us just say they had it arranged 3 weeks ago to get him out now. I do not want to take the credit of Farley getting out. Let us say that Murphy started 3 weeks ago, before I brought this matter up; and just put him out on an easy bed, and let Big Jim get back into the boxing business, and framing up these building matters, the paying of \$1,000 by the man under indictment, and that \$50,000,000 loan to the B. & O. railroad matter down in West Virginia so as to elect a Senator. Let us get him out of the job. I will withdraw here and say that he was ready to get out anyway. Let us just say, according to what the Senator from North Carolina would suggest, that if Mr. Murphy left 3 weeks ago, then nothing I have introduced here has anything to do with running Farley out. Let us just admit that. Get him out. That is all we want.

Mr. ROBINSON. Is that the only purpose-

Mr. BAILEY. If that is the object, the Senator's statement that he was informed today, relative to this inquiry, is utterly without foundation, according to his own statement.

Mr. LONG. How is that?

Mr. BAILEY. If the Senator was informed today that Mr. Murphy was here—

Mr. LONG. I have been informed that Mr. Murphy is here; yes. Some days ago I was informed he was here, and I have been informed again today that he is here.

Mr. BAILEY. And now the Senator concedes that if he was brought here he was notified at least 3 weeks ago?

Mr. LONG. I do not know whether he was ever notified or not.

Mr. BAILEY. The Senator is assuming that, he just said. Mr. LONG. No; I did not say I was assuming that he was given any notice.

Mr. BAILEY. What did the Senator say?

Mr. LONG. Only the statement I made, that I was told Mr. Murphy was here in this city, or had been here, and that Mr. Murphy was being considered and talked of to take the job of Mr. Farley, and that Mr. Farley's resignation had already been planned, and that one of them told me it had actually been given.

Mr. BAILEY. Mr. President, the statement made by the Senator from Louisiana was that Mr. Murphy had been sent for and was here for this purpose and with reference to this inquiry.

Mr. LONG. Very well; I do not know just what verbiage I used; but Mr. Murphy, as I understand, is here for that purpose now. Let the Senator go on and investigate.

Mr. BAILEY. Will the Senator yield further to me?

Mr. LONG. I yield for a question. I want the Senator to make his speech not out of my time.

Mr. BAILEY. I do not intend to make a speech at this time

Mr. LONG. Very well.

Mr. BAILEY. I do not think we should sit here and permit the Senator from Louisiana to make a speech in which he casts insulting and disgraceful aspersions upon the Department of the Interior. He did it. He said that the delay indicated that there was "something dead up the creek."

Mr. LONG. Just a minute, Mr. President. I have not yielded to the Senator for a speech. I yield only for a question, and not for him to make a speech.

Mr. LOGAN. Mr. President, I should like to make a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.
Mr. LOGAN. What became of the morning business?

The VICE PRESIDENT. The Senator from Louisiana is speaking by unanimous consent. If any Senator should make a point of order, the Chair would be obliged to sustain it.

Mr. LOGAN. Will not the Senator from Louisiana kindly refrain from continuing his remarks until we get through with the call of the calendar?

Mr. LONG. Mr. President, I did not hear any objection to the speech of the Senator from Arkansas or to what the Senator from North Carolina said. I think the Senator ought to allow me to make my few remarks. I have yielded to all these interruptions, and so it does not seem quite generous to object to me continuing after I have yielded.

Mr. LOGAN. The Senator from Louisiana has apparently embarked upon a long speech. Senators are waiting here for the call of the calendar; many have committee meetings to which they desire to go; indeed, I wish to go to one myself; some have reports to make, and it seems to me manifestly unfair for the Senator from Louisiana to take up the time and keep Senators from transacting business.

Mr. LONG. If I am not interrupted, I will be through in 5 minutes. Most of my time has been taken up by the Senator from Arkansas, the Senator from Wyoming, and the Senator from North Carolina, and if I am not interrupted I can soon close my remarks. I want to be courteous to Senators.

Mr. BAILEY. Mr. President, if the Senator is not interrupted, he will fill the air of America with unfounded insinuations. I propose to interrupt him.

Mr. LONG. Mr. President, why not have an investigation of Farley and let us see whether the charges are unfounded. Just let us investigate and see who is telling the truth. If I do not rock this thing from stem to stern, if I do not make the Senator from North Carolina take to the tall timber—you will never hear of him again. He will blow out of here like the March wind. [Laughter.]

I understand the committee of the Senator from Tennessee meets today. I never have found out from the newspapers what kind of a meeting it is to be. I was going to ask my friend the Senator from Tennessee a question about that before I conclude. There is some kind of a meeting of the Committee on Post Offices and Post Roads set for today. I think they are to pass upon considering whether or not they will have an investigation of Mr. Farley. Manifestly, the only thing to do is to investigate the case of Farley. That is the only thing to do, not to have me slandered by the Senator from North Carolina to the effect that I am slandering someone else without substantive proof.

Let us have this thing done. Let us find out if that B. & O. Railroad official got that definite message that he had better go a certain way while that loan of \$52,000,000 was pending.

Let us find out whether I have those original letters in my file, or photostats of them, wherein Mr. Farley's henchman, acknowledged by Farley, said to the man under indictment, "Send me \$1,000, and I don't mean maybe", and got the \$1,000.

Let us find out whether all those malicious charges are true. Let us find out whether or not there was a building to be built; that the low bid was rejected one time, and then they bid again, and the low bid was rejected the second time; then they bid again, and the low bid was rejected the third time; then they bid again, and that time Stewart & Co., buying materials from Jim Farley's company, bid low and was given the contract, and after getting the contract, they changed the specifications, without advertisement or competitive bidding. Let us find out whether that is true.

Mr. ROBINSON. Mr. President-

The VICE PRESIDENT. Does the Senator from Louisiana yield to the Senator from Arkansas?

Mr. LONG. I yield.

Mr. ROBINSON. I have made inquiry as to the truthfulness of the statement made by the Senator from Louisiana that Mr. Farley had already filed his resignation, or contemplated resigning, and that it is in contemplation that Mr. Murphy, the Governor General of the Philippines, is to succeed him. I am informed by the highest authority that there is not one word of truth in the statement, not the slightest foundation for it, nothing upon which such a declaration could be based.

Mr. BAILEY. Mr. President-

Mr. LONG. Just a minute, Mr. President. I should like to be asked to yield the floor. Let me reply first to the Senator from Arkansas.

The Senator may have been informed recently from the highest authority. I have had some information from there, too, once or twice.

Mr. ROBINSON. Does the Senator mean to imply that the statement from the highest authority cannot be relied upon touching a matter of that character?

Mr. LONG. What is the highest authoriy?

Mr. ROBINSON. The President of the United States.

Mr. LONG. I will say this: That the President of the United States is sometimes mistaken.

Mr. ROBINSON. The President could not be mistaken about a matter of that sort.

Mr. LONG. Well, I do not know.

Mr. ROBINSON. The Senator's charge is of such a nature that the President would possess information of the matter, and the Senator knows it; and if the President does not possess information of it, it is conclusive proof that the declaration is wholly untrue.

Mr. LONG. I stated that the President could be mistaken, like all fallible humanity. I myself have known of the Presi-

dent being mistaken.

Mr. ROBINSON. But the Senator from Louisiana is the only man who cannot be mistaken!

Mr. LONG. Oh, no. I admit that I can make a mistake.

Mr. ROBINSON. Oh, does the Senator make that dec-

Mr. LONG. Oh, yes. I made one mistake concerning the Senator from Arkansas one day.

Mr. ROBINSON, Yes?

Mr. LONG. Yes; I did.

Mr. ROBINSON. The Senator from Arkansas has never made any mistake concerning the Senator from Louisiana.

Mr. LONG. Perhaps he has not. Perhaps not. I do not think he has either, because he took my word and it was kept.

But I will not go into the matter that it is just as possible for the President to make a mistake as it is for me. I will not go into that matter.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. ROBINSON. In all good faith, from my standpoint, this involves a question of integrity.

Mr. LONG. All right.

Mr. ROBINSON. It is not a mere question of mistake. The Senator from time to time has arisen on the floor and abused Mr. Farley. He has employed language which I think it is questionable whether it should be employed, particularly in view of the fact that the person affected by it has no opportunity of replying.

But the Senator this morning, in the remarks that he is continuing, made a statement which everyone who is honest and who knows will realize should not have been made unless the Senator thought he had substantial evidence to support it. When I declared that the highest authority informed me there was no foundation for it, the reply of the Senator from Louisiana was that the highest authority, the President, could have been mistaken.

It is not subject to mistake. It is a matter about which a mistake could not be made. It is a question of truth, a question of fact so simple in its nature that it is either true or untrue, and I have declared that, according to the information obtained from the source which I mentioned, the statement is untrue.

Mr. LONG. Now, Mr. President-

Mr. ROBINSON. It does not make any difference-

Mr. LONG. I should like to give the Senator from Arkansas this statement, so he will not get so excited.

Mr. ROBINSON. I am not excited in the least. The Senator well understands that I am in as good a humor as the circumstances will permit.

Mr. LOGAN. A point of order. I ask for the regular order

Mr. LONG. Mr. President, I reply to that-

The VICE PRESIDENT. One moment. The Chair is going to have order in the Senate.

Mr. LONG. Mr. President-

The VICE PRESIDENT. Just a moment. The Senator from Louisiana will suspend. The Chair is going to try to conduct the proceedings of the Senate according to the rules. The Chair understood the Senator from Kentucky [Mr. LOGAN] to make a point of order. The Senator from Kentucky demanded the regular order?

Mr. LOGAN, I did.

The VICE PRESIDENT. The regular order is the calling of the calendar. The clerk will call the first bill on the ralendar

AMENDMENT OF FEDERAL TRADE COMMISSION ACT

The bill (S. 944) to amend section 5 of the Federal Trade Commission Act was announced as first in order.

Mr. McNARY. On behalf of the Senator from Vermont [Mr. Austin] I ask that the bill go over.

The VICE PRESIDENT. The bill will be passed over.

Mr. LONG. Mr. President, I want to be heard on that bill. First, I will answer what the Senator from Arkansas said and what I said will be explained by repeating what I said. I said I had known the President of the United States to make mistakes before. He is a man with multifarious duties and can sometimes have a bad memory. That is possible with every man engaged in such affairs.

Mr. ROBINSON. Does the Senator from Louisiana maintain in this presence that the resignation of a Cabinet member in this administration under charges is a matter of such a nature that the President would forget that it had taken place? The Senator said that the resignation had already been tendered. Does the Senator think that that is a matter

that could be subject to mistake?

Mr. LONG. Now, I will answer the Senator without interruptions.

Mr. ROBINSON. Very well.

Mr. LONG. I stated that my understanding is that it is to be given or may have already been given. The record of the official reporter will verify what I say. But I say further that the President could be mistaken. I have known him to be mistaken on simple matters. Do I not know that I went to the White House on either the 5th or 6th day of March about an amendment that was to go into the bank bill? I understood the President to say it went into the bank bill. I went over and saw the Secretary of the Treasury. I understood from him that the President said he was not in favor of it. I ran back to the President and I understood him to tell me he was in favor of it. I came on the floor the next day, and still I understood that he had not decided about it. Some days later the President, I understood, expressed himself more or less to be in favor of it, but he was several days remembering.

That is not all. I have a good memory.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. ROBINSON. I wish to point out to the Senator from Louisiana that when one's faculties do not work one is seldom conscious of that fact.

Mr. LONG. That is true. Mr. ROBINSON. If memory fails you concerning a subject, you are not always conscious that your memory is at fault.

Mr. LONG. I admit that.

Mr. ROBINSON. Yes. So I just point out to the Senator from Louisiana that while we are all subject to defects in memory and are likely to forget things, there are some things which by virtue of their nature we cannot forget, and I think this is one of them. If a Cabinet member under charges had tendered his resignation, the President would know it and would not forget it.

Mr. LONG. Yes, Mr. President. I will not go further on that matter. I have given one fact as a case in point. Men can forget; men do forget. I say that I have been informed that it is contemplated that Mr. Farley either is to resign or that maybe he has already resigned, and that Mr. Murphy

was to be asked to take his place, and had been suggested here to take the place. I know where I got my information. I never have failed, as I recall, in any proceeding here to prove everything I have ever said on this floor, and I do not remember any case yet where it has not been admitted.

Now, we have had a good many investigations here which I have provoked, and I do not remember one of them when the so-called "outlandish charges" which I have been accused of preferring have not always been proved, and to my knowledge the facts have been admitted. I do not remember a single one of them when that has not been the case.

The VICE PRESIDENT. The time of the Senator from Louisiana has expired.

Mr. ROBINSON. Mr. President, let us see what this bill is before it is passed. The discussions of the Senator from Louisiana and my own discussions in his time have not related to the subject matter of the bill.

Mr. LONG. Will the Senator from Arkansas yield to me?

Mr. ROBINSON. Yes; certainly.

Mr. LONG. In order that I may take out of his time what

he took out of my time?

Mr. ROBINSON. I want a look at the bill first. I desire to find out what the measure is. This is Order of Business No. 48, and it is a bill to amend the Federal Trade Commission Act in an important particular. I see the chairman of the committee who reported the bill is present. Now, I yield, first, to the Senator from Louisiana, who wished to interrupt me.

Mr. LONG. Well, I will go ahead and let the Senate pass

Mr. ROBINSON. I should like to have the Senator from Montana [Mr. Wheeler] explain the bill.

The VICE PRESIDENT. The Chair understands that the bill has gone over.

Mr. ROBINSON. The bill has gone over?

The VICE PRESIDENT. Yes. The clerk will state the next bill on the calendar.

# CURTIS JETT

The bill (S. 243) for the relief of Curtis Jett was announced as next in order.

Mr. LONG. Mr. President, I merely wish to conclude with this statement, that there have not been any random charges made in this Farley case. They have all been specific. The days and the dates and the names and the figures have all been specified, and in many cases the photostatic proof has been exhibited. It is a matter that should take an investigating committee, which is duly authorized, but a short time to find out about. The only way to handle this matter is to handle it in a reasonably expeditious way. Let us have a show-down. We have had a whole lot of defense made for this man here, not on the facts, but on whether or not I have submitted these matters without proper proof. It is due to me, it is due to the Senate, it is due to Mr. Farley, and the President of the United States that we have an investigation.

What is going to happen this morning I do not know. I think, however, that we had better have it known in the

Senate.

I should like to ask my friend from Tennessee [Mr. Mc-Kellar] a question. Am I supposed to come before the Committee on Post Offices and Post Roads?

Mr. McKELLAR. Does the Senator wish to come?

Mr. LONG. That is just up to what the Senator wants me to do. I do not think it is exactly——

Mr. McKELLAR. We expect to hold an executive session at 2 o'clock. If the Senator wants to come before the committee, we shall be glad to have him come.

Mr. LONG. No, sir; I do not ask that. I have stated the case here and I will not request an invitation. I am just at the service of the committee in such capacity as it sees fit. I do not know what the Senator wants to do. I should think that what the Senator ought to do would be to hold an executive meeting and recommend that an investigation be held. I think that would be satisfactory.

Mr. McKELLAR. I understood that from the statements which the Senator had made in the RECORD, all of which we have before us.

Mr. LONG. Then, I just want it understood. I am not inviting myself or asking an invitation to come before the committee.

Mr. President, if we were to let this \$52,000,000 loan business go unquestioned, if we were to let these rejected bids that have been published from day to day go without any scrutiny, if we were to let these men be sent to the penitentiary for collecting money from Government employees, with countless letters going out from Farley's organization collecting from the same people, for which violation others are being sent to the penitentiary, if we were to let postage stamps worth \$100,000 be passed without notice, if we were to let these open flauntings of the law—

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. ROBINSON. I ask the Senator from Louisiana if it is not true that he has collected, or caused to be collected, from State employees in Louisiana a percentage of their compensation for political purposes?

Mr. LONG. In answer to the Senator from Arkansas, I will say that we have never, in violation of any law, collected

a nickel.

Mr. ROBINSON. Mr. President, that is not an answer to my question.

Mr. LONG. Oh, yes; it is.

Mr. ROBINSON. I ask the Senator if he did not say in the cloakroom, in the presence of some 15 or 20 Senators, that the way to do it was to do it like he does it in Louisiana, or substantially that, namely, require every man who has a job to pay a percentage of his salary to support the organization?

Mr. LONG. Not in those words, as the Senator has put it. [Laughter.]

Mr. ROBINSON. I did not pretend to quote the exact words.

Mr. LONG. No; the facts are that in Louisiana, Arkansas, Kansas, Alabama, and nearly every other State in America they do solicit campaign contributions from employees and officers of the State. There is no State law against it; but there is a Federal law that makes it an offense to collect from a Federal employee, and men have been sent to the penitentiary, including Mr. Langer, of the State of North Dakota, as late as last year, for collecting \$170 from Federal employees. Yes; the way we got part of the money we sent to the Democratic national campaign was by collecting it from State employees—voluntary contributions. There never was one made involuntarily, as the Senator well knows. [Laughter.]

The VICE PRESIDENT. The time of the Senator from

Louisiana has expired.

Mr. GEORGE. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. GEORGE. I inquire if Calendar No. 48, being the bill

S. 944, is still before the Senate? The VICE PRESIDENT. That bill was passed over. Mr. GEORGE. I merely wished to make that inquiry.

The VICE PRESIDENT. Calendar No. 2, being Senate bill 396, and Calendar No. 48, being Senate bill 944, were passed over, the Chair is advised, and at this time Calendar No. 54, being the bill S. 243, is before the Senate. Is there objection to the consideration of the bill?

There being no objection, the bill (S. 243) for the relief of Curtis Jett was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, Curtis Jett, who was a member of Troop I, Sixth Regiment United States Cavalry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a private on July 23, 1893: Provided, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

# ROBERT E. MASTERS

The bill (S. 1266) for the relief of Robert E. Masters was announced as next in order.

Mr. LONG. Mr. President, I wish to conclude and I hope I will not be interrupted. I am not undertaking to try this case without evidence. My friend from Arkansas wants to

try every matter in the world. Now, I want to answer just what he said. He asked me whether or not my organization, including myself-because I knew they did it-did not solicit or invite or, at least, accept funds from employees of the State. Yes; they and nearly every other State do so; but there is a Federal law against such contributions being solicited from Federal employees. I am not arguing whether or not I would have voted for that law, but it is nonetheless the law; and under that Federal law they have convicted Governor Langer in North Dakota, and he has been removed from the office of Governor, for collecting \$170. Also, under the Federal law they have indicted little L. L. Merrigan, of the office of the collector of internal revenue in New Orleans, for receiving funds in the last campaign, and the indictment is there now. That is the law of the Federal Government. Under it two Republicans have been indicted, and one has been convicted, by district attorneys who owe their appointments to James A. Farley, the patronage dispenser of this administration.

There is such a thing as equality in the law. If the Senator from Arkansas wishes to say that the man who collected from a Federal employee did no worse than the man who collected from a State employee, let us take that as the law and turn Langer loose. Do not come here with a conviction resting on Mr. Langer, of North Dakota, and with an indictment pending against Mr. Merrigan in Louisiana on the ground that they collected insignificant sums of money, amounting to a few hundred dollars, from Federal employees, and in the same breath let go free Mr. Farley, who collected hundreds of thousands of dollars from the same Federal employees and sent his political enemies to the penitentiary and profited by the same business that he claims to be a violation of law on the part of others.

If my friend from Arkansas wishes to say that the Federal law is a mistake, that the man who collects from a Federal Government employee or a man who will allow a Federal Government employee to contribute is no worse than the man who will allow a State employee to contribute, let us say so; do not let us make fish out of one and flesh out of another. Certainly, I will tell you, part of the preelection campaign money of the Democratic Party came in that way from State employees. A part of the Republican campaign fund, for aught I know, may have come that way; I do not know about that; but I do know about the Democratic Party, because I was one of the men helping them to get their money. We did it, and we did it legally, and we did it properly; we did it in the best way possible, because we did not go to any corporation and ask for a dime.

We made it up among ourselves the best way we knew how, according to the law. But what I am insisting is that when you use the processes of justice to send one set of men to the penitentiary for what the man who is in charge of it is doing himself, it is a perversion of the law. What I have stated is the law, and I am going toward the letter of the law. Mr. President, on the letter of the law, you cannot excuse Farley on the building contracts; on the letter of the law, you cannot excuse Farley on the stamp matter; on the letter of the law, you cannot excuse Farley for phoning down to West Virginia when a \$52,000,000 loan depended upon the stand that a railroad official took in the election for the United States Senate. On the law—

The VICE PRESIDENT. The time of the Senator has expired. Is there objection to the present consideration of Senate bill 1266?

There being no objection, the bill (S. 1266) for the relief of Robert E. Masters was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Robert E. Masters, who served as a private, Company K, Twenty-second Regiment United States Infantry, United States Army, shall hereafter be held and considered to have been honorably discharged from the military service on March 27, 1903: Provided, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

# BILLS PASSED OVER

The bill (S. 1404) to promote the efficiency of national defense was announced as next in order.

Mr. KING. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 213) to amend section 113 of the Criminal Code of March 4, 1909 (35 Stat. 1109; U. S. C., title 18, sec. 203), and for other purposes, was announced as next in order.

Mr. GEORGE. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1506) to change the name of the Pickwick Landing Dam to Quin Dam was announced as next in order.

Mr. HARRISON. Mr. President, at the request of the Senator from Tennessee [Mr. McKellar], I ask that the bill may be passed over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 170) for the relief of Alva A. Murphy was announced as next in order.

Mr. KING. Over!

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 883) directing the retirement of acting assistant surgeons of the United States Navy at the age of 64 years was announced as next in order.

Mr. KING. Over!

The VICE PRESIDENT. The bill will be passed over.

MACK COPPER CO.

The bill (S. 1878) conferring jurisdiction upon the Court of Claims to hear and determine the claim of the Mack

Copper Co. was announced as next in order.

Mr. KING. Mr. President, heretofore I objected to the consideration of this measure. I have been promised by the attorney representing the claimant that he would furnish me with some of the testimony which was adduced before the Court of Claims. As soon as that is produced and I shall have had an opportunity to examine it, I shall have no objection to the consideration of the bill on its merits. However, under the circumstances, let it go over for the present.

The VICE PRESIDENT. The bill will be passed over.

## TERESA DE PREVOST

The bill (S. 1360) for the relief of Teresa de Prevost was announced as next in order.

Mr. KING. Mr. President, before the bill is considered I should like an explanation of it.

Mr. LOGAN. Mr. President, when the bill was reached on the calendar the other day the senior Senator from Tennessee [Mr. McKellar] asked for an explanation. I requested him to read the report which the Committee on Claims had made, and he assured me he would do so. I shall state briefly the facts in connection with the claim.

While the origin of the claim is back in the distant past, I do not know how long ago, perhaps in the seventies, one of the South American Republics, or, perhaps, two of them, destroyed some ships belonging to the Alsop Co. The claimants prosecuted their claim for many years, and at last the matter was referred to the King of England and arbitrated. The King of England awarded to the American claimants some \$800,000 or more. The Secretary of State, I believe, was directed to distribute the money among the claimants.

Now we come to the claim of Mrs. Prevost, who is a South American lady, very much distressed and perturbed about the matter as some Senators know, I expect, from having consulted with her. Her father was a member of the Alsop Co. Mr. Prevost had a partner named Hobson. Mr. Hobson borrowed \$25,000 from Mr. Prevost back in the seventies. He never paid the interest on it, nor could he pay the principal of the note, but he always, in writing and otherwise, assured Mr. Prevost that, if they ever collected the claim out of the Alsop claims, his note would be paid. After Mr. Prevost died Mr. Hobson wrote the son of Mr. Prevost, who was the executor, saying that was what he wanted done with his part of the money. Moreover, he made a will and added a codicil or paper in connection with it, in which

he said he wanted this note paid, with the interest, amounting to something over \$100,000.

The Hobson heirs, Hobson having died, had perhaps \$100,000 coming out of this claim. In some strange way someone connected with the office of the Secretary of State at the time, who had been interested in the matter, resigned his place to represent the Hobson heirs. He procured the payment to the Hobson heirs of this money that should have gone to Mrs. Prevost. Many efforts were made to get the matter considered by the Department of State, but the Department took the position time after time that it could only pay direct claims and could not pay assigned claims.

In my judgment, after having gone over the matter as carefully as I know how, and having dug into the musty old records in the case, it seems to me that in justice and in fairness this money belonged to the Prevost heirs, and that it was paid wrongly by the Department of State to the Hobson heirs. Mrs. Prevost, who is the heir of her father, has no remedy unless the Congress of the United States shall make the appropriation. She was entitled to the full amount of her note with interest, but the Committee on Claims eliminated the interest and has provided that \$25,000 shall be appropriated to cover her entire claim. The money was paid to the heirs of Hobson when it should have been paid to the heirs of Prevost.

Mr. KING. Mr. President-

The PRESIDING OFFICER (Mr. CLARK in the chair). Does the Senator from Kentucky yield to the Senator from Utah?

Mr. LOGAN. Certainly.

Mr. KING. Does the bill protect the United States against prosecution of any claim by any other of the heirs of Prevost?

Mr. LOGAN. Yes; it does.

Mr. KING. What attempt was made, if any, to compel the man who had been employed by the Government, and who was familiar with the matter and resigned in order to become attorney for the Hobson heirs, to pay the amount involved?

Mr. LOGAN. The matter was discussed with the State Department a great deal. He collected \$30,000 out of the money as his fee. There was no legal way to make him pay it back. I do not say there was anything wrong about it. Not only did he resign and get out of the State Department to represent the Hobson heirs, but as soon as the matter was settled he went back into the State Department.

Mr. McKELLAR. Mr. President, on last Monday I objected to the consideration of the bill and promised the Senator from Kentucky that I would read the report. However, before I had an opportunity to read it the Senator made the same explanation to me that he has since made on the floor. I thought the explanation was a valid one, and I have no objection to the consideration of the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 1360) for the relief of Teresa de Prevost, which had been reported from the Committee on Claims with amendments, on page 1, line 5, after the words "sum of", to strike out "\$100,000" and insert in lieu thereof "\$25,000" and at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Teresa de Prevost the sum of \$25,000, in full satisfaction of her claim against the United States for losses sustained by reason of alleged irregularities in the distribution through the State Department to claimants under the so-called "Alsop award of July 4, 1911", made by the King of Great Britain as arbitrator: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys to be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading. read the third time, and passed.

UNION SHIPPING & TRADING CO., LTD.

The bill (S. 741) for the relief of the Union Shipping & Trading Co., Ltd., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

follows:

Be it enacted, etc., That the claim of the Union Shipping & Trading Co., Ltd., against the United States of America for damages alleged to have been caused by a collision on April 25, 1918, near Paulilac, in the Gironde River, France, between the Spanish steamship Consuelo (at the time of the collision the British steamship Reims) and the American steamship Berwind, then in the transport service of the United States War Department, may be sued for by the said Union Shipping & Trading Co., Ltd., in the District Court of the United States for the Southern District of New York, sitting as a court of admiralty and acting under the rules governing such court, and said court shall have jurisdiction to hear and determine said suit (in accordance with the principles of libels in rem and/or in personam), and to enter a judgment or decree for the amount of such damages (including interest) and costs, if any, as shall be found to be due against the United States in favor of the said Union Shipping & Trading Co., Ltd., or against the said Union Shipping & Trading Co., Ltd., in favor of the United States, upon the same principles and measures of liability as in like cases in admiralty between private parties and with the same rights of appeal: Provided, That at the trial of said suit the written report or reports concerning said collision made by the pllot, master, any officer or member of the crew of the steamship Bervind, who is not available to testify because he is dead or cannot be found, may be admitted in evidence: Provided further, That such notice of the said suit shall be given to the Attorney General of the United States attorney in such district to appear and defend for the United States attorney in such district to appear and defend for the United States: Provided further, That said suit shall be brought and commenced within 4 months of the date of the passage of this act.

#### C. B. DICKINSON

The bill (S. 1694) for the relief of C. B. Dickinson was announced as next in order.

Mr. KING. Let the bill go over.

Mr. NORBECK. Mr. President, will the Senator withhold his objection until I make a brief statement?

Mr. KING. Very well.

Mr. NORBECK. I wish the Senator would read the report accompanying the bill. It is not charged there was any unfairness or extravagance involved. A new superintendent came on the job during the building program, and it was afterwards held that he had carried certain items into the wrong account, and payment was refused. The matter was submitted to the Department and the report shows that the Government got full value for the money expended.

Mr. KING. My recollection is that the Department advised against payment of the claim upon the ground that the contract had been violated and the enactment of this bill would establish a precedent which would be rather harmful to the Government.

Mr. NORBECK. No; that is not the report of the Depart-

Mr. ROBINSON. Mr. President, my understanding is that the officer expended for one purpose funds which had been appropriated for another purpose. The Government got the full benefit of the appropriation.

Mr. NORBECK. That is the construction put upon the

case by the Comptroller General.

Mr. ROBINSON. There was an objection made on the ground that it might constitute a precedent which would encourage administrative officers to make unlawful expenditures of money.

Mr. NORBECK. That is the only question involved. The Department officials say they have no objection to paying the claim although they do not want it considered as a precedent for other cases.

Mr. KING. Very well; I have no objection. Mr. LONG. Mr. President, the Vice President while in the chair a little while ago stated he had no objection to handing down at this time the data sent here by Mr. Ickes. If there is no objection on the part of the Senate and, inasmuch as Mr. Ickes has made his return to the Senate, I should like to have it handed down so Senators may see it. as it will probably be taken over by the committee.

Mr. ROBINSON. Mr. President, it is not in order now to call up the matter. I suggest to the Senator from Louisiana that he let the report be referred to the committee, and then it will be accessible.

Mr. LONG. It was not asked for by the committee or for the committee. It was asked for by the Senate and for the Senate. I am not a member of the committee. The committee is not hearing evidence. It is not a function of the committee as yet. The information was called for by the Senate and for the Senate. The resolution which I submitted and which was adopted resolved that Mr. Ickes send this matter to the Senate.

Mr. ROBINSON. Of course, it is proper to refer it to a committee.

Mr. LOGAN. Mr. President, I ask for the regular order. The PRESIDING OFFICER. The regular order is whether there is objection to the present consideration of the bill which has been under discussion.

There being no objection, the Senate proceeded to consider the bill (S. 1694) for the relief of C. B. Dickinson, which had been reported from the Committee on Claims with an amendment, on page 1, line 7, after the word "aggregating", to strike out "\$3,412.91" and insert in lieu thereof "\$3,-402.39", so as to make the bill read:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow credit in the accounts of C. B. Dickinson, former superintendent and special disbursing agent at the Pierre Indian School, Pierre, S. Dak for payments aggregating \$3,402.39, in making repairs to various buildings of the school plant.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### BILL PASSED OVER

The bill (S. 574) relative to Members of Congress acting as attorneys in matters where the United States has an interest was announced as next in order.

Mr. DUFFY. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

# BURTON STEARNS ADAMS, DECEASED

The bill (S. 236) for the relief of the heirs of Burton Stearns Adams, deceased, was considered, ordered to be engrossed for a third reading, read the third time, and passed,

Be it enacted, etc., That in recognition of the fact that Burton Stearns Adams lost his life while in the performance of his duty as an employee of the Corps of Engineers, United States Army, and in recognition of the fact that his death resulted from overexertion in connection with the performance of official duties, the United States Employee's Compensation Commission is hereby authorized and directed to receive the claim of Emma E. Adams, widow of Burton Stearns Adams, and to grant compensation to the widow and dependent child in the amounts prescribed by the Federal Compensation Act of September 7, 1916, and amendatory acts, to be allowed in the case of an employee whose death occurred in line of duty.

## MORSE DRY DOCK & REPAIR CO.

The bill (S. 743) to carry out the findings of the Court of Claims in the claim of the Morse Dry Dock & Repair Co., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the Morse Dry Dock and Repair Co., a corporation organized and existing under the laws of the State of New York, out of any money in the Treasury not otherwise appropriated, the sum of \$331,879.25, in full settlement of all claims against the Government of the United States for repairing and reconditioning the steamships Princess Matoka, Poca-hontas, Susquehanna, Potomac, America, and George Washington, as found by the Court of Claims and reported in Senate Document Numbered 141, Seventy-third Congress, second session: Provided, That no part of the amount appropriated in this act in excess of and no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contracts potential. connection with said claim, any contract to the contrary notwith-standing. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

REFUND OF TAXES TO BUILDING-AND-LOAN ASSOCIATIONS

The Senate proceeded to consider the bill (S. 279) to extend the time for the refunding of certain taxes erroneously collected from certain building-and-loan associations, which was read, as follows:

Be it enacted, etc., That claims for the refunding of any taxes erroneously or illegally assessed or collected from any building-and-loan association, or savings-and-loan association, under the provisions of section 231, paragraph 4, of the Revenue Acts of 1918 to 1926, both inclusive, may be presented to the Commissioner of Internal Revenue not later than 6 months after the passage of this Internal Revenue not later than 6 months after the passage of this act, and the Commissioner of Internal Revenue is hereby authorized and directed to receive, consider, and determine, in accordance with law but without regard to any statute of limitations, such claims as may have been presented heretofore and not allowed and such claims as may be presented within the period above named, when and where and only when it be found and determined that such taxes were collected upon the erroneous interpretation of the law passed upon and condemned by the United States Supreme Court in the decision rendered in the case of United States v. Cambridge Loan & Building Co., reported in Two Hundred and Seventy-eighth United States Supreme Court Reports, page 55: Provided, That no interest shall be allowed on any of these claims.

SEC. 2. That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to such claimants as have presented or shall hereafter so present their claims, any amounts allowed in the determination of any claims so defined and which shall have been presented in accordance with this act.

sented in accordance with this act.

Mr. KING. Mr. President, will the Senator from Kentucky [Mr. Logan] explain this bill?

Mr. LOGAN. Mr. President, this bill relates to the same matter we have had under consideration a number of times. The taxes were paid under a statute which was thereafter declared unconstitutional; and this is a bill authorizing the refunding to building and loan associations of taxes they

Mr. KING. I have no objection.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

# WILLIAM CORNWELL AND OTHERS

The bill (S. 535) for the relief of William Cornwell and others was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$1,944.25 to the persons whose names appear below, as compensation in full for damages done to their property by the overflow of Turkey River, said damages having been caused by the construction by the Government of a wing dam on Turkey River: William Cornwell, \$72; Peter P. Adams, \$202.50; Edward Mosier and John Smith, jointly, \$165; W. J. Borrett, \$90; Joe Graybill, \$82; Pat Barry, \$186.25; Clarence Wachendorf, \$155; George Hefel, \$150; John Hefel, Jr., \$96.25; Mat J. Adams, \$131.25; Leo Ludovissy, \$86.50; Joe Ludovissy, \$85.50 Joe Ludovissy, \$85.50 Tom Kolker, \$75; Earl Wentworth, \$70; Henry Meyer, \$172.50; and John W. Smith, \$125: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for Be it enacted, etc., That the Secretary of the Treasury be, and agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary not-withstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

## C. O. MEYER

The Senate proceeded to consider the bill (S. 537) for the relief of C. O. Meyer, which had been reported from the Committee on Claims with an amendment, to add at the end of the bill a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to C. O. Meyer the sum of \$297.86. Such sum represents the amount paid to C. O. Meyer as substitute carrier while he was postmaster at Meyers Mill, S. C., and which amount was charged by the Department to the account of C. O. Meyer: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or actorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim,

any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

# GEORGE LAWLEY & SON CORPORATION

The Senate proceeded to consider the bill (S. 998) to carry out the findings of the Court of Claims in the case of George Lawley & Son Corporation, of Boston, Mass., which had been reported from the Committee on Claims with an amendment to add at the end of the bill a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$92,781 to the George Lawley & Son Corporation, of Boston, Mass., being the difference between the actual cost of the construction of two torpedo boats and the amount paid under the contract entered into for the building of said boats, as found by the Court of Claims and reported in Senate Document No. 135, Seventy-third Congress, second session: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### FIRST CAMDEN NATIONAL BANK & TRUST CO.

The Senate proceeded to consider the bill (S. 1472) for the relief of the First Camden National Bank & Trust Co., of Camden, N. J., which had been reported from the Committee on Claims with an amendment, to insert at the end of the bill a proviso, so as to make the bill read:

Be it enacted, etc., That notwithstanding the provisions and limitations of section 606 of the Revenue Act of 1928, as amended, relating to closing agreements, the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the First Camden National Bank & Trust Co., of Camden, N. J., the sum of \$11,120.97 in full satisfaction of its claim for refund of taxes erroneously paid for the year 1927 on income derived from tax-exempt securities: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

Mr. KING. Mr. President, let me ask the Senator from Kentucky whether this bill comes in the same category with others to which reference has been made.

Mr. LOGAN. No, Mr. President; this is an entirely different matter

This bank paid to the Treasury as an income tax some \$11,000 that it did not owe. Nobody disputes that, not even the Treasury Department. The matter came about in this way:

There had been a consolidation of some banks, and when the income-tax returns were made up and sent in items were included which required the payment of this \$11,000 tax. Later the income-tax agent, in checking up the tax down there, presented to the bank what is known as a "closing agreement", admitting final settlement, and that neither party had any claim against the other.

It appears that at that time the agent of the Government perhaps knew that the bank had paid more than it should have paid to the extent of \$11,000. After the bank discovered the facts the Department would not refund the money upon the ground that the bank had signed a paper in which it was agreed that both sides were square. The Committee on Claims, after considering the bill last year and this year, had no doubt that the money collected from the bank when it was not due should not be kept by the Government because of the formal signing of this paper when the agent of the Treasury Department perhaps knew the facts at the time he asked the bank official to sign the paper.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### KORBER REALTY, INC.

The Senate proceeded to consider the bill (S. 428) authorizing adjustment of the claim of Korber Realty, Inc., which had been reported from the Committee on Claims with an amendment, to insert at the end of the bill a proviso, so as to make the bill read:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to adjust and settle the claim of Korber Realty, Inc., under lease no. VBr-806, dated April 28, 1931, on account of failure to restore to former condition quarters occupied during the period ended June 30, 1932, by the Albuquerque office of the Veterans' Administration, and to allow not to exceed \$500 in full and final settlement of said claim. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$500, or so much thereof as may be necessary, for payment of the claim: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

## J. M. DOOLEY FIREPROOF WAREHOUSE CORPORATION

The Senate proceeded to consider the bill (S. 937) for the relief of the J. M. Dooley Fireproof Warehouse Corporation, of Brooklyn, N. Y., which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the word "appropriation", to insert "and in full settlement of all claims against the Government", and at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the J. M. Dooley Fireproof Warehouse Corporation, of Brooklyn, N. Y., out of any money in the Treasury not otherwise appropriated, and in full settlement of all claims against the Government, the sum of \$16,650, being the value of certain property seized by Federal prohibition agents, which property was subsequently ordered returned by the District Court for the Southern District of New York, but which was found to have been either sold, destroyed, or otherwise disposed of under orders of a United States marshal: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

# RESOLUTION PASSED OVER

The resolution (S. Res. 35) authorizing the Committee on the Judiciary to investigate certain phases of the National Industrial Recovery Act was announced as next in order.

Mr. KING. Let that be passed over for the present.

The PRESIDING OFFICER. The resolution will be passed over.

#### SCHUTTE & KOERTING CO.

The Senate proceeded to consider the bill (S. 1056) authorizing adjustment of the claim of Schutte & Koerting Co., which had been reported from the Committee on Claims with an amendment to insert at the end of the bill a proviso, so as to make the bill read:

as to make the bill read:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to adjust and settle the claim of Schutte & Koerting Co., under contract NOs-2018, dated December 27, 1926, for certain experimental work in the manufacture of valves for submarines, and to allow not to exceed \$7,337.10 in full and final settlement of said claim. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$7,337.10, or so much thereof as may be necessary, for payment of said claim: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### DAVID A. WRIGHT

The bill (S. 713) granting jurisdiction to the Court of Claims to hear the case of David A. Wright was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Court of Claims be, and hereby is, given jurisdiction to reinstate, reopen, and rehear the case of David A. Wright, of Winona, Mo., against the United States, no. 261-A, in said court, and upon the pleadings, evidence, and other proceedings in that cause, and such other proceedings, if any, as the court may deem necessary or proper, to readjudicate the same and determine the amount of costs or expenditures, if any, which the said David A. Wright may have expended or incurred in 1918 in the rehabilitation of a manufacturing plant (commonly called the "Allis-Chalmers plant") at 1150 Washtenaw Avenue, Chicago, Ill., and in the beginning of production of heavy-duty lathes, to meet the needs, or the then anticipated needs, of the Ordnance Department for any gun-relining or gun-manufacturing project initiated and under way in the Ordnance Department of the United States Army, in reliance in good faith upon any promise or assurance given him by Maj. Charles D. Westcott, Ordnance Department, United States Army, or Howard Abbott, an engineer in the plant section of the production division of the Ordnance Department, that the said David A. Be it enacted, etc., That the Court of Claims be, and hereby is, tion division of the Ordnance Department, that the said David A. Wright would receive a contract, or contracts, for the manufacture of heavy-duty lathes that would absorb such costs or expenditures, of heavy-duty lathes that would absorb such costs or expenditures, notwithstanding such Ordnance Department projects may have been contingent upon the continuance of the war and may have been abandoned because of the signing of the armistice of November 11, 1918, and notwithstanding section 3744 of the Revised Statutes: Provided, That the Court of Claims shall be of opinion that the said David A. Wright made or incurred such expenditures in reliance in good faith upon the belief that Major Westcott or Mr. Abbott possessed the authority to make such promise or assurance on behalf of the Ordnance Department and that he was justified in doing so under the circumstances.

## MINNIE C. DE BACK

The Senate proceeded to consider the bill (S. 1392) conferring upon the United States District Court for the Northern District of California, southern division, jurisdiction of the claim of Minnie C. de Back against the Alaska Railroad, which had been reported from the Committee on Claims with an amendment, on page 1, line 8, after the word "damages", to strike out "including reasonable attorneys" fees and cost of suit", so as to make the bill read:

fees and cost of suit", so as to make the bill read:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States District Court for the Northern District of California, southern division, to hear, determine, and render judgment upon the claim of Minnie C. de Back, of San Francisco, Calif., against the Alaska Railroad for general and special damages, by reason of personal injuries alleged to have been sustained by her on or about July 3, 1931, while a passenger aboard one of the trains operated by such railroad.

Sec. 2. In the determination of such claim the Alaska Railroad shall be held liable for any tort committed by any of its servants to the same extent as if it were a private person.

Sec. 3. Such claim may be instituted at any time within 1 year after the enactment of this act, notwithstanding the lapse of time or any statute of limitation. Proceedings for the determination

of such claim, and appeals from, and payment of, any judgment thereon shall be in the same manner as in the case of claims over which such court has jurisdiction under the first paragraph of paragraph 20 of section 24 of the Judicial Code, as amended.

The amendment was agreed to.

Mr. KING. Mr. President, I should like to inquire why the claim was not referred to the courts in Alaska, where it is alleged the tort was committed, rather than to compel the Government to bring its witnesses from Alaska to California.

Mr. WHITE. Mr. President, this is a matter in which the senior Senator from California [Mr. Johnson] is primarily interested; but I have a rather definite recollection about

The woman was in Alaska, on a railroad train operated by the Alaska Railroad, and she there received very grievous personal injuries. She was in the hospital at Anchorage for a long period of time, extending over weeks. Ultimately she was brought back to California, and she there was hospitalized for a substantial time, and thereafter was in ill health. I think the basic reason for giving jurisdiction to the court in California is the impracticability of this woman going to Alaska to litigate her case because of her condition of health, and it was felt that the Government could try the case in the California jurisdiction practically as well as in Alaska. I believe that is the real explanation. It is a concession made because of the necessities of the woman's situation.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### CARMINE SFORZA

The bill (S. 209) for the relief of Carmine Sforza was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$500 to Carmine Sforza, which sum was paid by the said Carmine Sforza to the United States on the bond of Domenico Guerrera: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any executor account of the property of the prop excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$500 viction thereof shall be fined in any sum not exceeding \$500.

## SANFORD A. M'ALISTER AND ELIZA L. M'ALISTER

The bill (S. 1037) authorizing adjustment of the claims of Sanford A. McAlister and Eliza L. McAlister was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to adjust and settle the claims of Sanford A. McAlister and Eliza L. McAlister, for the 6 months' death gratuity as provided under the act of December 17, 1919 (41 Stat. 367), as extended to Reserve officers flying the air mail, by the act of March 27, 1934 (48 Stat. 508), in connection with the death, April 5, 1934, of John Leland McAlister, late second lieutenant, Air Corps Reserve, and to allow in full and final settlement of said claims an amount not in excess of \$506.25 to each claimant, payable under the appropriation available for payment of the 6 months' death gratuity in the case of Air Corps Reserve officers under the act of March 27, 1934.

The bill (S. 1038) authorizing adjustment of the claim of Elda Geer was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to adjust and settle the claim of Elda Geer for refund of duplicate collection made from her for the transportation, on the United States Army transport Republic, which sailed from Balboa, Canal Zone, September 3, 1933, for San Francisco, Calif., of one automobile, Ford sedan, motor no. A-4356902, and allow said claim in the sum of not to exceed \$26. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$26, or so much thereof as may be necessary, for the payment of said claim.

## GENERAL PULASKI'S MEMORIAL DAY

The Senate proceeded to consider the joint resolution (S. J. Res. 21) authorizing the President to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski, which was read, as follows:

Whereas the 11th day of October 1779 is the date in American history of the heroic death of Brig. Gen. Casimir Pulaski, who died from wounds received on October 9, 1779, at the siege of Savannah, Ga.: and

Ga.; and
Whereas the States of West Virginia, Illinois, Michigan, Tennessee, Indiana, Wisconsin, New York, Nebraska, Texas, Minnesota, Delaware, Maryland, Arkansas, New Hampshire, Pennsylvania, Missouri, Ohio, Louisiana, Massachusetts, New Jersey, Kentucky, South Carolina, Connecticut, California, Nevada, and other States of the Union, through legislative enactment, have designated October 11 of each year as General Pulaski's Memorial Day; and
Whereas the Congress of the United States of America has by legislative enactment designated October 11, 1929; October 11, 1931; October 11, 1932; and October 11, 1934, to be General Pulaski's Memorial Day; and
Whereas it is flitting that the recurring anniversary of this day

Memorial Day; and
Whereas it is flitting that the recurring anniversary of this day
be commemorated with suitable patriotic and public exercises in
observing and commemorating the death of this great American
hero of the Revolutionary War: Therefore be it
Resolved, etc., That the President of the United States is authorized and requested to issue a proclamation calling upon officials of
the Government to display the flag of the United States on all
governmental buildings on October 11 of each year, and inviting
the people of the United States to observe the day in schools and
churches, or other suitable places, with appropriate ceremonies
commemorating the death of Gen. Casimir Pulaski.

Mr. LONERGAN. Mr. President, Senate Joint Resolution No. 22, which is identical with the joint resolution now under consideration, was introduced by me in response to numerous requests from Connecticut, and other sections of the country, and also because of my own belief that the United States should proclaim October 11 of each year as General Pulaski's Memorial Day for observance of the death of Brig. Gen. Casimir Pulaski.

I do not wish to attempt to present here an account of what General Pulaski did for our country to justify the honor which my joint resolution would bestow. He has been repeatedly praised by historians and our great national leaders since the time of his heroic participation in the Revolutionary War, and every school child knows of his contributions to America. At least 25 States have enacted laws designating October 11 of each year as General Pulaski's Memorial Day, and the United States Congress enacted laws for such observance in 1929, 1931, 1932, and 1934. It is the purpose of my joint resolution to make this annual observance permanent, and to authorize the President to issue a proclamation calling upon officials of the Government to display the flag of the United States on all governmental buildings on October 11 of each year, and inviting the people of the United States to observe the day in schools and churches, or other suitable places, with appropriate ceremonies.

The date of October 11 was chosen because it was on October 11, 1779, when General Pulaski died from wounds received 2 days earlier at the siege of Savannah, Ga. His death was one of America's greatest losses of the Revolutionary War. Undoubtedly he was one of the most impressive personalities of American history. Admired by Benjamin Franklin, commended by General Washington, and known as a personal friend of "Light Horse Harry" Lee, the fame of Count Casimir Pulaski rests on a firm foundation. In Poland he had a foremost reputation as a soldier, a leader, and a man who loved liberty. It was only natural for him to come to the aid of Washington when the fight of the American Colonies for freedom was begun. He did so at a great sacrifice; and when we think of General Pulaski we should always think of a man of handsome physique, of liberal education, and of high social position, who could have married and settled down to a life of ease and complacency, but who, out of loyalty to the ideals which he cherished, chose a career of many hardships and much bitterness. Of a proud and firm personality, he had to contend with many petty and vacillating men.

But it was this lifelong exertion that ennobled his efforts and enshrined his name. Holding a prominent place in the niche of fame in his native land, he should be assured of l

even greater glory in these United States that he helped to create. He shall ever be known as the founder of American cavalry, and as the intrepid warrior who twice saved Washington's army from disruption; and among the patriots of all nations he shall ever be remembered as the hero of two hemispheres.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The PRESIDING OFFICER. Without objection, Senate Joint Resolution 22 and Senate Joint Resolution 32, which are identical with the joint resolution just passed, will be indefinitely postponed.

## PUBLIC EMPLOYMENT OFFICES

The Senate proceeded to consider the bill (S. 147) to alter the amount apportioned to certain States for public employment offices affiliated with the United States Employment Service, which was read, as follows:

Be it enacted, etc., That section 5 (a) of the so-called "Wagner-Peyser Act" (act of June 6, 1933, ch. 49; 48 Stat. 113, 114; U. S. Code, title 30, sec. 49 (d)) be amended by adding at the end of the second sentence thereof the following clause: ": Provided, however, That in apportioning said 75 percent of amounts appropriated after January 1, 1935, under this act, the Director shall apportion not less than \$10,000 to each State", so that, as amended, sections 5 (a) shall read as follows:

sections 5 (a) shall read as follows:

"For the purpose of carrying out the provisions of this act there for the purpose of carrying out the provisions of this act there is hereby authorized to be appropriated (1) the sum of \$1,500,000 for the fiscal year ending June 30, 1934, (2) \$4,000,000 for each fiscal year thereafter up to and including the fiscal year ending June 30, 1938, (3) and thereafter such sums annually as the Congress may deem necessary. Seventy-five percent of the amounts appropriated under this act shall be apportioned by the Director among the several States in the proportion which their populations. among the several States in the proportion which their population bears to the total population of the States of the United States bears to the total population of the States of the United States according to the next preceding United States census, to be available for the purpose of establishing and maintaining systems of public employment offices in the several States and the political subdivisions thereof in accordance with the provisions of this act: Provided, however, That in apportioning said 75 percent of amounts appropriated after January 1, 1935, under this act, the Director shall apportion not less than \$10,000 to each State. No payment shall be made in any year out of the amount of such appropriations apportioned to any State until an equal sum has been appropriated or otherwise made available for that year by the State, or by any agency thereof, including appropriations made by local subdivisions, for the purpose of maintaining public employment offices as a part of a State-controlled system of public employment offices; except that the amounts so appropriated by the State shall not be less than 25 percent of the apportionment according to population made by the Director for each State for the current year, and in no event less than \$5,000. The balance of the amounts appropriated under this act shall be available for all the purposes of this act other than for apportionment among the purposes of this act other than for apportionment among the several States as herein provided."

Mr. KING. Mr. President, I have just inquired of the Senator from Wisconsin [Mr. La Follette] with regard to this bill. I am advised that it merely makes a redistribution in a more equitable way of funds which are authorized to be appropriated for the activities of the Department of Labor.

Mr. LA FOLLETTE. Mr. President, the purpose of the bill is to make it possible for some of the less prosperous and less populous States to have a minimum which the Department feels is necessary in order that their employment services may be upon an efficient basis. The amounts taken from the other States are individually negligible. They do not run over a few hundred dollars. The committee considered the matter very carefully, went over the report of the Secretary of Labor, and the bill was reported out unanimously. It is my understanding that it will not cost any additional money.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

# POSTMASTER GENERAL FARLEY

Mr. LONG. Mr. President, I wish to submit for the Senate's consideration two of the contracts coming under Mr. Farley's scrutiny.

James A. Stewart & Co. was low bidder on granite, and the Severin Co., of Chicago, was low bidder on limestone, for the new Federal courthouse.

Mr. ROBINSON. May I ask from what the Senator is

Mr. LONG. I am reading from a memorandum just supplied to me by my secretary. These are facts that have been lately assembled that we think we can prove without any trouble.

The granite bid was \$400,000 higher than the limestone bid. The Stewart Co. was low bidder on granite, but the granite was \$400,000 more than the limestone. It was decided to award the contract to the Stewart Co. on the basis of the granite.

When the contract was advertised for the new post office at Vesey Street, in New York City, the James A. Stewart Co. was low bidder on limestone this time and the George F. Driscoll Co. was the low bidder on granite. It was just turned around. In the first contract Stewart bid low on granite and the Severin Co. bid low on limestone. The second time Stewart bid low on limestone and Driscoll bid low on granite. What did they do that time? The Treasury Department reversed itself in this case and decided to accept the limestone because it was cheaper than the granite.

In other words, they had two buildings to construct. The Severin Co. bid low on the limestone one time and Stewart bid low on the limestone the next time. In each instance the limestone was hundreds of thousands of dollars cheaper than the granite, but when the Severin Co. bid low on limestone the building was constructed of granite, and when Driscoll bid low on granite the building was constructed of limestone.

If this thing is not investigated, it is going to smell to Heaven before we get through with it.

## COLUMBIA INSTITUTION FOR THE DEAF

The Senate proceeded to consider the bill (S. 1180) to amend section 4865 of the Revised Statutes, as amended, which was read, as follows:

Be it enacted, etc., That the number of beneficiaries from the several States and Territories authorized by section 4865 of the Revised Statutes, as amended, for admission to the collegiate department of the Columbia Institution for the Deaf, be, and it hereby is, increased from 125 to 145.

Mr. FLETCHER. Mr. President, may I ask just the effect of the proposed amendment to the existing law?

Mr. COPELAND. Mr. President, I have been asked by the Chairman of the Committee on Education and Labor, who could not be present today, to endeavor to answer questions, if any should be raised, concerning any of the measures reported from that committee.

The bill to which the Senator from Florida refers is one to increase "the number of beneficiaries from the several States and Territories authorized by section 4865 of the Revised Statutes, as amended, for admission to the collegiate department of the Columbia Institution for the Deaf."

Because of the pressure which is placed upon the various States, it has been found impossible for them to take care of all the poor unfortunates who are totally deaf, and the proposal in the pending measure is to make provision for increasing by 20 the number received in the institution.

Mr. FLETCHER. I have no objection.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

## STATISTICAL STUDIES

The bill (S. 857) to authorize the Department of Labor to continue to make special statistical studies upon payment of the cost thereof, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act entitled "An act to authorize the Department of Labor to make special statistical studies upon payment of the cost thereof, and for other purposes" (73d Cong., ch. 118, 48 Stat. 582), and the authority therein conferred shall be, and hereby are, extended until April 13, 1937.

PAYMENT FOR EXTRA LABOR IN NAVY YARDS AND SHORE STATIONS

The bill (S. 872) for the allowance of certain claims for extra labor above the legal day of 8 hours at the several navy yards and shore stations certified by the Court of Claims was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow to the respective persons the respective amounts found by the Court of Claims to have been underpaid to said persons, for labor performed at the several navy yards and shore stations herein named, in excess of the legal day of 8 hours, as set forth in Senate documents herein enumerated, and for which purpose the sum of \$332,342.74, or so much thereof as may be necessary, is hereby appropriated. That the payment of said respective amounts is to be in full for, and receipt of same to be taken and accepted in each case as a full and final release and discharge of their said respective claims for extra hours above the legal day of 8 hours at the several navy yards and shore stations.

yards and shore stations.

That the said navy yards and shore stations and Senate docu-

ments are as follows:

#### CALIFORNIA

Mare Island Navy Yard: Senate Documents Nos. 713, 714, Sixty-first Congress, third session; 279, 447, Sixty-second Congress, second session; and 1085, Sixty-second Congress, third session.

#### FLORIDA

Pensacola Navy Yard: Senate Documents Nos. 500, Sixty-first Congress, second session; 778, 791, Sixty-first Congress, third session; and 155, 200, 287, 756, Sixty-second Congress, second session.

#### MARYLAND

United States Naval Academy: Senate Document No. 1055, Sixtysecond Congress, third session.

#### MASSACHUSETTS

Boston Navy Yard: Senate Documents Nos. 382, Sixty-first Congress, second session; 150, 151, Sixty-second Congress, second session; and 1083, Sixty-second Congress, third session.

# NEW HAMPSHIRE

Portsmouth Navy Yard: Senate Documents Nos. 315, Sixtieth Congress, first session; 431, Sixty-first Congress, second session; 770, 811, Sixty-first Congress, third session; 152, 153, 154, 206, 278, 715, 847, 848, Sixty-second Congress, second session; and 1058, 1076, 1077, 1082, Sixty-second Congress, third session.

#### NEW YORK

Brooklyn Navy Yard: Senate Documents Nos. 108, Sixty-first Congress, first session; 287, Sixty-first Congress, second session; 777, 792, Sixty-first Congress, third session; 198, 286, 717, Sixty-second Congress, second session; and 1057, 1079, 1080, Sixty-second Congress, third session.

#### PENNSYLVANIA

League Island Navy Yard, Philadelphia: Senate Documents Nos. 330, 332, Sixtieth Congress, first session; 710, 716, 717, 774, 795, Sixty-first Congress, third session; 185, 714, Sixty-second Congress, second session; and 1081, 1084, 1086, Sixty-second Congress, third

## RHODE ISLAND

Naval torpedo station, Newport: Senate Document No. 715, Sixty-first Congress, third session.

## VIRGINIA

Norfolk Navy Yard: Senate Documents Nos. 509, Sixtieth Congress, first session; 711, 793, Sixty-first Congress, third session; 146, 205, 446, Sixty-second Congress, second session; and 1056, Sixty-second Congress, third session.

## DISTRICT OF COLUMBIA

Washington Navy Yard: Senate Documents Nos. 288, 432, Sixty-first Congress, second session; 712, 771, 772, 775, 776, 794, Sixty-first Congress, third session; 120, 145, 199, 200, 202, 276, 277, 724, 757, 849, Sixty-second Congress, second session; 1078, Sixty-second Congress, third session; and 354, Sixty-third Congress, second

session.

SEC. 2. That where the payment to be made under this act is less than \$1,000, and the person who rendered the service is dead, and no demand is presented by a duly appointed legal representative of his estate, payment may be made to the decedent's widow or legal heirs as is provided by existing laws relating to the settlement of accounts of deceased officers or enlisted men of the Army (34 Stat. L. 750): Provided, That in all cases where the original claimants were adjudicated bankrupts, payments shall be made to the next of kin instead of to the assignees in bankruptcy: And provided further. That wherever under this act it is provided that a payment be made to an executor or an administrator, whether original or ancillary or de bonis non, and such executor or administrator is dead or no longer holds his office, payment shall be made to the successor therein, his title to hold such office being established to the satisfaction of the Comptroller General of the United States.

SEC. 3. That no part of the amount of any claim appropriated for in this act in excess of 20 percent thereof shall be paid or delivered to or received by any attorney on account of services rendered in connection with said claim: *Provided*, That in each case, payment for which is herein provided, the Comptroller General shall deduct a sum equal to said 20 percent and pay the same to the attorney or attorneys who appeared for the claimant in the Court of Claims, as found by said court, and as set forth in the Senate documents aforesaid; and in event of the death of said attorney or attorneys, payment of said 20 percent to be made to his or their legal representatives, upon execution of a full release and a complete discharge to the claimant for all services rendered therein, and after the payment of such fee the balance thereof to be paid to the claimant. It shall be unlawful for any agent or agents, attorney or

attorneys, to exact, collect, withhold, or receive any sum which in the aggregate exceeds 20 percent of the amount of any item appropriated in this act on account of services rendered or advances made in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

#### WAR DEPARTMENT APPROPRIATIONS

The bill (H. R. 5913) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1936, and for other purposes, was announced as next in order.

Mr. McNARY. Mr. President, quite properly this bill should go over, and possibly later today or at some time tomorrow be made the unfinished business. It could not be considered under the rule which appertains to the consideration of bills on the calendar.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Under objection, the bill will be passed over.

CONFIRMATION OF POST-OFFICE NOMINATIONS

As in executive session,

Mr. McKELLAR. Mr. President, may I interrupt the regular order long enough to ask unanimous consent, as in executive session, to have the nominations for postmasters on the Executive Calendar considered? My reason for asking unanimous consent at this time is that I am obliged to be present at a committee meeting this afternoon.

Mr. HARRISON. Mr. President, may I ask whether the

postmaster at Ethel, Miss., is on the list?

Mr. McKELLAR. No; Mr. President. The post offices in Mississippi on today's list are Glendora, State College, Tchula, and Tunica. As I stated, the reason for making the request is that I am obliged to attend a committee meeting, so I will not be able to be present during the remainder of the afternoon.

The PRESIDING OFFICER (Mr. Frazzer in the chair). Is there objection to the request of the Senator from Tennessee. The Chair hears none, and the clerk will state the nominations of postmasters.

The legislative clerk proceeded to read sundry nominations

of postmasters.

Mr. McKELLAR. I ask unanimous consent that nominations of postmasters on the calendar be confirmed en bloc. The PRESIDING OFFICER. Without objection, it is so

ordered, and the nominations are confirmed en bloc.

# CENSORSHIP

Mr. SCHALL. Mr. President, press censorship by the Roosevelt administration is assuming greater proportions every day. A recent example of this press gag is to be seen in the failure of a magazine called the "Redbook" to continue a series of articles on censorship.

In the February issue of this magazine there was printed an article on press censorship by Theodore J. Joslin. The lead of this article announced, "The study will be divided into four categories: First, wholesale hiring of Washington correspondents and editors by the administration; second, accusations of censorship by Senator Thomas D. Schall, of Minnesota; third, sporadic forays made by the N. R. A. on the newspapers of the country; fourth, dissatisfaction with methods practiced by Government agencies dealing with the press." The March issue significantly has no further reference to the series, nor did the article in the February issue contain any mention of the last three categories.

The public no doubt recalls that 25 days after Mr. Roosevelt assumed office and swore to uphold the Constitution of the United States there was introduced in the House of Representatives, and passed at his request, a bill which would have subjected editors and publishers to imprisonment in jail for 10 years and a fine of \$10,000 if they printed anything without the administration's permission. Fortunately for the Republic, through the initiative of the Senator from California [Mr. Johnson], this bill was amended in the Senate and free speech legally preserved. Everybody remembers the President's testy displeasure at his being unable to include free speech in the press code.

Following this came the first communications bill, which established a complete press censorship. This was pointed out to the country by me, and I hope I had some humble part in getting some of the objectionable features removed, but there still remains a clause in the bill as passed permitting the President to declare an emergency, and then, upon that declared and planned emergency, to proclaim a censorship on all avenues of information to the people, including the mails. We may expect this any day now.

Even the relief bill, appropriating \$5,000,000,000, which the President demands the authority to spend at his pleasure, contained when it came to the House a clause calculated to send to prison for 2 years and to fine anyone who would have the effrontery to even criticize the methods employed by the President in its expenditure.

Every bill introduced and passed during the last two sessions of Congress—and, judging from the pending emergency bill, the practice is to be continued in this Congress—has had coupled with it a censorship clause preventing the press or the public from securing any information regarding the operation of the acts.

It is well known that there is a gag on free speech in the House, and that no Member of Congress opposed to this administration is permitted to voice openly on the floor his objections or those of his constituents. Efforts are constantly being made to prevent the use of the Congressional Record in the Senate by any Member opposing new-deal fallacies, though the "new dealers" prolifically use the Record.

Washington correspondents are for the most part in constant fear that they may send out news which offends the administration, and that as a result they may be discriminated against in the handing out of news by Government departments. In many cases letters have been written to the editors of papers complaining about the stories sent out by correspondents, and in this fashion the correspondents are under an espionage which prevents the truth about what is transpiring from reaching the public.

Any Senator attempting to give the truth to the people concerning the hidden actions of this administration by speech or statement here in Washington is ignored by the press, because this punishing administration would immediately taboo a correspondent handling such news. Any Senator who is known to have a tendency to expose the unlawful connivings of this administration to keep from the people its true actions, and who makes such statements pertaining to the Government's business as should be known to the sovereign power of the Government, the people of the United States, will have his mail censored and such statements thrown into the wastepaper basket by order of the Postmaster General of the United States.

I hold in my hand six letters addressed to the Washington correspondents for the newspapers of my State, the same number as the number of corporations that have been stealthily organized in Delaware by the administration to take over every private business interest in the United States after we shall have appropriated the four billion lump sum. I wonder if this lump-sum appropriation bill was not sent back to the committee to give the administration time to figure out how they could avoid the light of day being let in upon the administration's connivings through the Delaware corporations to Russianize our Republic and transfer to the Government every private business industry in the United States. The Senate should adopt by amendment, or one similar to it, to prohibit the administration from committing this crime circumventing our representative Government. The administration well knows that in the discussion of this amendment the truth must come to light and its ulterior purpose in its planned emergencies disclosed.

These six letters are addressed to the Minneapolis Journal, Minneapolis Tribune, Minneapolis Star, St. Paul News, St. Paul Dispatch, and Duluth Herald. The envelop addressed to the Minneapolis Journal—and the others are duplicates—contains the cancelation stamp of the Washington post office

reading "Washington, D. C., October 19, 1934, 6: 30 p. m." These letters were excluded from the mails at the city post office in Washington, D. C., by order of the Postmaster General of the United States, Mr. Farley, the same gentleman who is concerned in a resolution proposing an investigation of other crimes, which resolution is before the Senate, presented by the courageous senior Senator from Louisiana [Mr. Long]. The letters contained a speech on censorship, which I will read into the RECORD as a part of my remarks today.

The speech is as follows:

#### CENSORSHIP

Remarks of Hon. THOMAS D. SCHALL, of Minnesota, in the Senate of the United States June 16, 1934

Mr. HARRISON. Of course, the Senator has had read some utterances that reflect very grossly upon certain people, and really violated the rules of the Senate.

wiolated the rules of the Senate.

Mr. SCHALL. I do not intend to violate any rules, and I do not believe I have violated any rules in my past utterances. I have spoken the truth as I see it in reference to the personnel of this administration, and I intend to continue to do so, for God knows there was never a time in the history of our country when plain speaking was so imperative of what is going on here at Washington in taking from the people their Republic and substituting instead a Russian or Italian dictatorship as there is today.

Almost every hill we have passed this session has contained a

a Russian or Italian dictatorship as there is today.

Almost every bill we have passed this session has contained a censorship, either directly or indirectly, and has in itself constituted a dictatorship. In the last special session 77 powers were filched from the judiciary and Congress by this administration under the guise of emergency which the administration now wants made permanent. Somebody, somewhere, ought to speak; and if it does hurt, I am sorry, for I place the welfare of my country above the welfare of any party.

Mr. Harrison. If the Senator will permit me, he may criticize as much as he wants to, but the poll of the Literary Digest shows that in the Senator's own State he is very much in the minority.

Mr. SCHALL. That may be true, but if the people of this country

in the Senator's own State he is very much in the minority.

Mr. Schall. That may be true, but if the people of this country had not had all the avenues of information clogged as to what is going on here and had not been fed just what the administration wants them to be fed, the poll of the Literary Digest would tell a different story, because if the voters had the truth, there would be an understanding of the design and purpose of an ultimate dictatorship of this administration, which they would not tolerate if they knew. Somebody, somewhere, must speak, and since the Senate is the only place left in Congress where free speech is still prevalent, I shall attempt to do what little I can to call attention of the people of my country to conditions as they are. people of my country to conditions as they are.

Mr. Harrison. The other side has a very poor spokesman in the

Senator from Minnesota.

Mr. Schall. I am not judging as to that. In that case, the Senator from Mississippi ought not to object to the Senator from Minnesota speaking.

Mr. Harrison, I am not objecting. The Senator is doing the Democratic Party a great service. We hope he will continue. [Laughter.]

Mr. Schall. I shall continue to speak the truth as I see it; and if the people are able to get just an inkling of what is going on, I think it will be found that the administration has obliterated the Democratic Party. No one of any other party needs to injure the Democratic Party. They are doing it themselves in the dictatorship they have established.

# WHEN THE KING CONTROLS THE PRESS

Mr. Schall. Mr. President, at the city of St. Paul the American Newspaper Guild was recently assembled in its annual convention. On June 7 Jonathan Eddy wired the American Publishers' Association urging opposition against section 606 of the Rayburn communications bill.

Without free channels of information"

Reads the message of the American Newspaper Guild—
"there can be no guaranty of liberty, and the Bill of Rights in the Constitution of this Republic becomes a naked fraud."

Still quoting:

"The American Newspaper Guild by its convention condemns section 606 (c) of the Rayburn communications bill as un-American and inhuman, an irresistible invitation to dictatorship in its

ugliest form.' Mr. President, Senators will recall that the American Publishers Mr. President, Senators will recall that the American Publishers' Association has already gone on record against the press code of the N. R. A. Their fight is that the press code interferes with the freedom of the press. They ask that article I of the Bill of Rights, guaranteeing that no law or no secret subterfuge to secure the effect of such a law shall be passed abridging freedom of speech and freedom of the press, shall be set up by the Government as a basic interpretation of the N. R. A. press code. Their petition has been denied by the administration.

The sale and suppression of the news article, as well as the censorship and coloring of the news by the business office to meet the forced political policy of the Government and the ends of Federal publicity, is, therefore, denounced by the American Newspaper Guild as a "naked fraud", "the shame of thinly cloaked control", a system to transform reporting facilities into a grotesque political propaganda machine, "an irresistible invitation to

dictatorship in its ugliest form "—a system at once "un-American and inhuman."

I cannot conceive, Mr. President, how any Senator, if he divests himself of his political interest, his affinity for administration patronage, and the appropriation hog trough, can doubt in his inner consciousness that this message of the news writers speaks the truth.

the truth.

British censorship of the press in the days of John Wilkes started a revolution throughout England and was partly responsible for emigration to America. Thomas Jefferson, who one time was worshiped in this country as the founder of Democracy with a big "D", had in mind the persecution of John Wilkes, John Milton's defense of free printing, and Lord Glenville's attempt to throttle the press in order to stem the rise of American independence, when he wrote article I of the American Bill of Rights calling for the rights of free speech and the freedom of the press. Under free speech and a free press George III could not hold in subjection the freemen of the Thirteen American Colonies.

Colonies.

Mr. President, let the majority here remember that what happened on American soil on July 4 may also happen on the second Tuesday in November. It is not easy to throttle independence in America. That was shown when a certain administration tried it in a crude way on the old printing office of Lovejoy and again at the office of William Lloyd Garrison in Boston.

An administration may think that it controls the press when it imposes an N. R. A. press code with "Crack-up" Johnson to enforce the code. Even kings are compelled to change their minds. There was one time an archbishop who bewalled the fact that, if he had served his God as well as he served the king, he would not have been deserted at beheading time.

Does any Senator doubt that censorship of news communication is un-American? When Garrison declared, "I will not yield an inch, and I will be heard", did he not speak the truth? You can hear it yet ringing through the Civil War and through Lincoln's speech at Gettysburg.

Mussolini still thinks that he became the permanent emperor

coln's speech at Gettysburg.

Mussolini still thinks that he became the permanent emperor of all Italy—a larger edition of Caesar—when on January 1, 1927, he clamped down a censorship on the press of Italy. But verily he is receiving his reward, for yesterday's press says that Mussolini or the Italian Government admits that economic conditions are worse in Italy than they have ever been before. And America is not yet committed to the Fascisti program of press censorship, of farm domination, of N. R. A. monopoly, now reigning in Italy.

If this administration chooses—and one of its Cabinet mem-

If this administration chooses—and one of its Cabinet members says "America must choose"—to set up Mussolini and his press censorship as a superior guide of new-deal democracy, a superman ranking above Thomas Jefferson, it is its political privilege, as it is the privilege of the Senate majority. But do not forget that the American people have memories. Tugwell and Moley of the "brain trust" may tell you that the ideas of "76 are forgotten. Article I of the American Bill of Rights they also

As to the followers of Tugwell and Moley, that may be true in a way—or does it merely express a desire or a fear? But those memories and those convictions and the American common sense and

way—or does it merely express a desire or a tear? But those memories and those convictions and the American common sense and common honesty behind the memories still prevail in every county in the States.

On July 4, 1934, you may not hear the Declaration of Independence read in any gathering of "brain trust" orators. July 4 may well disappear as a national holiday of an administrative dictatorship. But in the farm hinterland of America, in the town halls and churches, in the village groves and schoolhouses, the ideas of 1776, the doctrine of article I, the call of Jefferson and Lincoln, will bring the people together on July 4, 1934.

No "crack-up" administration can do in America what the Glenville administration failed to do in England 200 years ago—permanently throttle the freedom of the press. Every attempt—the press code, the Rayburn bill, the censorship of the radio and telegraph, the suppression of public documents now in Government vogue—simply drives home to the people in the homes and plow furrows that censorship and suppression mean simply that there is something which the governing majority has to conceal.

No administration with a righteous cause wants press censorship or the throttling of the news.

No administration that is true to the principles of Thomas Jefferson has anything to conceal.

Jefferson has anything to conceal,

If you are aping Mussolini and are blind followers of a Moley, if you take Tugwell as your guide in place of Jefferson, you need a press censorship, lest something may happen in November. You need the press code of the N. R. A., so that the workmen of America may not discover that they are serfs of "Crack-up"

You need what the American Newspaper Guild calls "un-American and inhuman", lest the people of the United States may read from now till November the accounts of the greatest wave of strikes and riots and incipient rebellion against dictatorial rule that has ever yet risen on American soil.

Put into force your force bills. Throttle the press with your press code. Strong arm, by your new gag rule, both Houses of Congress. Prevent, as you did the other day the Senator from California [Mr. Johnson], a Senator from discussing his own amendment. Force upon the country a censorship of press communications.

You simply deepen the conviction in the public mind that you have something to conceal. Then they will want to know what those things are that you are hiding in fear.

They will dig up the old last year's almanac and find that you got their votes on the false pretext that your tariff making was to be "free from Executive interference."

They will read in the Congressional Record of January 3 the Executive message demanding that the temporary dictatorship shall be made permanent, which means good-bye to government by

The people.
Your press censorship and your censorship of news communications will not prevent the public from reading the Budget message of January 4 in the Congressional Record—that the Treasury deficit is to go to \$7,000,000,000 under new-deal financing, that the public debt is to go to \$30,000,000,000 under "brain trust" bold experiment, that the Government monthly outgo now exceeds the yearly outgo during the administration of Theodore Roosevelt, that the disbursements of the new deal exceed the revenue receipts about 3 to 1, and that a year of this kind of "recovery" still leaves the farmer in bankruptcy and 10,000,000 unemployed and 20,000,000 the farmer in bankruptcy and 10,000,000 unemployed and 20,000,000 still under Federal dole.

the farmer in bankruptcy and 10,000,000 unemployed and 20,000,000 still under Federal dole.

No wonder those "new dealers" need a press censorship, will be the popular verdict. They need an N. R. A. press code. They need a news censorship of communications, which has all been stealthily planned and arranged for in the just passed communications bill. They need a "Crack-up" Johnson—a new Lord Glenville, They need the administration magazine of Moley, owned by Lord Admiral Astor, of the flagship Nourmahal.

Then they will read again that old article I, written by Thomas Jefferson. And they will say:

"If 'America must choose', as a Cabinet member suggests, our choice for guidance would be Jefferson and Lincoln, Milton and Garrison, rather than the new-deal, Tugwell-Moley bunch. As between the N. R. A. and the U. S. A., the old-fashioned U. S. A. is good enough for us. As between a 'doctored' press and a free press, we prefer ours without doctors. As between the blue eagle of Russia and the old American banner, we choose the old red, white, and blue—the Stars and Stripes of our daddies, the emblem of the American Republic."

It is vital to the life of our Republic that my Resolution No. 248 or a similar resolution should be passed to appoint a committee of Searcters to stand guard during the adjournment of

It is vital to the life of our Republic that my Resolution No. 248 or a similar resolution should be passed to appoint a committee of Senators to stand guard during the adjournment of Congress to protect the people in their right of freedom of the press and freedom of speech from the insidious underground methods being used by the administration and his left- and right- and bowers to keep the facts from the bright rays of today's sun. Make no mistake, it is the administration that is demanding censorship of the press, and his subordinates are only carrying out his desires.

Congressional records show that the first attempt by Roosevelt

censorship of the press, and his subordinates are only carrying out his desires.

Congressional records show that the first attempt by Roosevelt to censor the press was made 25 days after he assumed office. On that day there was introduced into the House of Representatives by Mr. Sumners of Texas, House Resolution 4220, which provided a fine of \$10,000 and 10 years' imprisonment for any publisher who dared to print any article concerning our Government which was not passed as matter for publication by Roosevelt or one of his duly authorized agents. Under the whip of the President of the United States the bill passed the House, but that section relating to publishers was stricken out in the Senate.

Referring to the report of the Judiciary Committee of the House on this bill, I quote the following:

"The executive branch (Roosevelt) of the Government has requested the enactment of this legislation at the earliest practicable date, and has satisfactorily demonstrated to the committee the need for it. The legislation is by its nature very properly auxiliary to the emergency legislation enacted and to be enacted by Congress at the present session."

Could anything be plainer or more definite as to the ultimate purpose? Roosevelt was asking for dictatorial powers over the Government, under the guise of emergency, and a censorship bill by which he could put any publisher in jail for 10 years who dared to criticize any of his acts.

The Dill-Rayburn wire-control bill is the new wedge to censorship of the press of the United States. Under its provisions a committee of Congress is to report back to the next session Roosevelt's ideas of wire control. This bill places telegraph and telephone companies under the same restrictions as the radio. Everyone knows that the radio is censored by the Roosevelt administration.

The President desires censorship even more than he did in the first session when he demanded passage of the Sumners bill.

The President desires censorship even more than he did in the first session when he demanded passage of the Summers bill. Even more now because if the truth is told to the people from now until election there will be returned an anti-Roosevelt Congress. Since the committee appointed under the Dill-Rayburn bill will be named by his agents, its report can be forecast in advance as favoring censorship of press dispatches.

Thus, for this reason alone if there were not plenty of others, the safety of the Nation lies in getting over to the voters of the Nation what is going on behind the governmental scenes. If our Republic is to endure, a vigorous campaign should be waged against every candidate who will not pledge himself to support article I of the Constitution of the United States. I am ready to go anywhere or do anything I can to help.

The press must be protected in its freedom. The newspapers are entirely too reticent about this matter, and the people must take it in hand for themselves, as their future liberty is all dependent on the right of a free press and free speech. These are the two essential weapons to get back for us the rights already stolen from us by this administration under the guise of "recovery." The new deal is a "double deal."

Mr. President, with this speech was enclosed a statement, the essence of which I have several times stated upon this floor, and I am glad of the opportunity of here again reiterating it, for the information contained therein concerns the conduct of our Government, and should be reported by the people's representatives to the sovereign power, the voters of the United States—and whose duty is it under his oath, as he sees it, if not that of a United States Senator? The statement is as follows:

Although this attempt by the Democratic gang to buy the coming election by using money from the United States Treasury is the most reprehensible political corruption ever attempted in American politics, the farmer should be advised to take the money because he will be taxed for it. He will have to pay it back with interest whether he takes it or not.

It is estimated that the cost of this political dole compaign in

It is estimated that the cost of this political-dole campaign in office help is about 14 percent of the money paid out. That another 25 percent sticks to the fingers of those who distribute it; this taken with the interest will put the farmer in debt about

double what he has received.

Not to exceed 25 percent of the populace is now on the dole. If Roosevelt can continue his chaos until he has 55 percent on the dole, he will then have a majority. This will give him the power to abolish the Constitution and realize his ambition to set up a ommunistic dictatorship.

Mr. President, the Senator from Idaho [Mr. Borah] not long ago accumulated some very interesting figures which more than verify the accuracy of this statement, and I understand he intends to introduce a resolution providing for the investigation of this very subject. My earnest prayer is that he will do so.

At the instance of Mr. Farley, a post-office inspector visited me and warned me I had no business to criticize the actions of the Government through the United States mail under my frank. I sent word back to Mr. Farley that I was under the impression I could use my frank for any Government business, and that certainly included criticism of any action contemplated or practiced by the Government contrary to the Constitution and the welfare of the people as I saw it. I further told him I thought the frank had been given to the people's representatives for the very purpose of keeping them informed as to what the Government was doing. That I, for one, as a sentinel of the people, would not stand idly by with cold-sealed lips and not give the alarm insofar as my voice would carry when I could clearly smell the smoke of the set fire that would burn down our American institutions-and that no public-works-allotment money to my State would make any difference in my attitude.

I also had several visits from internal-revenue men who said they came from Baltimore, though I pay my income taxes in St. Paul, Minn. They claimed that they could not understand how it was possible that I had \$1,000 of bad debts in 1932. I told them to tell Mr. Farley that if he had served in Congress for a couple of terms it would be very easy for him to understand how a Senator might happen to have a thousand dollars in bad debts though his income was only his salary. I also told them that I had been in Congress 20 years, paying my income tax out of my salary, and this was the first time I had had pressure attempted to be put on me in this petty manner, but that they should tell Mr. Farley that their visit to me would have no effect on what I had to say in the Senate or elsewhere, and that I intended to continue my fight for the people and the country.

Just the day before a set fire burned my barn or garage, above which my two boys slept, at Berwyn Heights, Md., my daughter placed my finger upon a hole in the rear of my car that a .45-caliber bullet had evidently made.

In Minnesota several months ago press censorship was completely accomplished by use of a sawed-off shotgun that was directed into the head of an editor who was attacking the new deal.

Mr. President, we have before us the \$5,000,000,000 public-works bill, and the charters of the six Delaware corporations which I succeeded, with the invaluable help of the minority leader, the Senator from Oregon [Mr. McNary], after about an hour's effort, in having read into the RECORD, which gave Mr. Roosevelt the power to organize and operate newspapers everywhere in the United States. With a club of this character the Roosevelt administration can force even those few papers who have not succumbed to his various methods of subjugation to either get in line with him or go out of existence.

Through the medium of the income-tax department of the Treasury the newspapers are threatened with the loss of advertising if they print the truth about what is happening here in Washington. With this sword of Damocles hanging over their heads they are given columns of falsehoods daily to print. Every bureau and every commission, be it ever so small—and there are 47 new bureaus and 13 new commissions—is equipped with a high-priced, high-salaried press department where falsehoods are manufactured and given to the Nation.

Never before in the history of this Nation has our Government stooped to such lying and deceit as we have witnessed in Washington during the past 2 years. Fully 99 percent of all the statements issued by these Government press agencies are falsehoods. They are designed to deceive the people and make them believe their Government is trying to help them, when just the opposite is the purpose of this maladministration of our affairs.

Innumerable cases could be cited of such news duplicity. Every day a dozen or more of these untrue statements are handed to the press, printed, and broadcast as truth. Not even under the absolute rule of the Soviet in Russia are so many bare-faced untruths given out as Government facts. Our Government has resolved itself into a propaganda bureau for disseminating falsehoods to its citizens.

Perhaps the most monstrous untruths were the press releases sent out on the founding of the N. R. A. The cost of these lies to the taxpayers amounted to more than \$100,000 a day for months. The people were assured that the N. R. A. was for the forgotten man and to help the little fellow. It is not necessary now, after 2 years of its existence, to point out this glaring untruth. Everyone with ordinary intelligence now knows that the N. R. A. was organized for two purposes only. First, to crush the little business man and give the international bankers an opportunity to organize trusts without fear of being prosecuted under the antitrust laws. Secondly, to raise prices in this country so that European bankers could ship their products in over our then existing tariffs to successfully compete with manufacturers in the United States. These two facts were pointed out by those who originally opposed this piece of foreign legislation, but their votes were drowned by the \$100,000 a day hullabaloo.

We could go on with examples of this kind ad infinitum. The truth is not in this administration nor in the mouths of its press agents. Look at the falsehoods we were told concerning the recognition of Russia. This was to bring us millions of dollars in trade and the repayment of the debts owed us. We received neither, but certain persons did get valuable oil concessions in Russia and we got thousands of Russian propagandists sent in here to work out, in conjunction with our communistic "brain trust", how to destroy our Republic.

In the current issue of the American Mercury a Mr. Eugene Kelly gives his description of what he has called "distorting the news." In many particulars he is correct. Aside from his apparent personal animosity to certain Washington newspaper correspondents, his article contains many interesting facts. His attempt to show the correspondents at fault is, of course, attacking the effect instead of the cause.

No newspaper correspondent could hold his job and send to his newspaper anything but the false statements issued by the Government departments. His newspaper does not want to incur the wrath of the new deal. It does not want to take a chance on having much of its advertising withdrawn, as has been done in cases where a publication dared to print the truth. The correspondent knows that 99 percent of these statements are lies; but he, as an individual, cannot correct the abuse and his newspaper does not want to be singled out and made an example of new-deal wrath.

The newspapers are not at fault; the newspaper correspondents are not to be blamed; the fault lies with Congress for permitting any administration to grow so great in its own estimation that it believes it can lie and get

away with it. The time has come to put a stop to this chicanery in the name of the United States Government. Congress should shake these liars and their bosses loose from the roots of our Government before the whole Nation becomes contaminated. Honor and honesty must be returned to our Government, so that when a public statement is issued the people may know it is to be believed.

Mr. Kelly makes a good point in his article in the Mercury by showing how effectively this administration gags not only the press but the public. He discloses how the A. A. A. brought about desired results with a community voting public in connection with the corn-hog program.

On October 17, 1934, this Bureau announced that approximately 66 percent of all producers voting in the cornhog referendum meeting favored continuing the program through 1935. In reply we quote Mr. Kelly:

The press agents of the A. A. A. forget to add that this 69 percent represented actually 31.1 percent of all the farmers who had corn-hog contracts. In other words, there were at this time 1,200,000 signers of these contracts and of this number 374,584 voted to continue the reduction program.

Farmers, on being notified concerning this vote, were instructed not to attend and vote if they opposed the Roosevelt program; and, therefore, only less than one-third took part in the proceedings, although the A. A. A. heralded it as a great victory for their destructive program. At least this was so in Wyoming, where Charles E. Llewellyn, the extension agent for the A. A. A., in his letter to the farmers said:

If you are against control production do not attend any of the meetings scheduled below.

Fifteen months ago the newspapers of the United States, relying on information furnished them by the propaganda division of the Department of Agriculture, informed the public that 95 percent of the cotton farmers of America had declared for the Bankhead cotton bill.

What happened was this: There are approximately 4,000,-000 cotton farmers in the United States. The Department of Agriculture sent a questionnaire in general terms to a selected list of about 46,000 cotton farmers. Of this number, 22,000 replied. Of the 22,000 who thus replied, 95 percent declared that they favored the principle of production control. There was nothing said about the Bankhead cotton bill.

Consequently, instead of 95 percent of the 4,000,000 cotton farmers in America declaring for the Bankhead cotton bill, 95 percent of one-half of 1 percent declared for the principle of production control, which, in plain English, is about one-half of a farmer out of every hundred, which means that on this atom of fact they built their mountain of falsehood and distributed it throughout the press and the radio of the United States.

As I have stated, the March issue of the Redbook does not note the slightest reference to the press-censorship articles, nor does it explain why this exposure of the Roosevelt administration was dropped.

Anyone can see what happened. The Roosevelt administration somehow in all probability did the same thing to the Redbook that it did to the Washington Spectator and Mirror. It got word to the publishers that if the articles appeared, the advertisers would withdraw.

The only difference between the Redbook and the Washington Spectator and Mirror is that the Redbook got scared and withdrew its articles, while the Spectator printed the articles and lost all its advertising.

The following articles in the Washington Spectator and Mirror are among those that cost that publication all its advertising, which articles I incorporate in and make a part of my remarks, as follows:

[From the Washington Spectator and Mirror, October 1934]

## THE SCHALL INCIDENT

On August 23 last, at the request of the Columbia Broadcasting Co., Senator Thomas D. Schall, of Minnesota, was scheduled to address the Nation over a national hook-up. Senator Schall had not been invited before to use the air waves, and being in the midst of a campaign against censorship of the press and radio it is probable that the Columbia invited the Senator to speak for the purpose of convincing the public that their chain at least was not under the thumb of censorship.

Senator Schall, as is obligatory, submitted in advance a copy of his address, which was on censorship. At 4 o'clock in the afternoon the Columbia called Senator Schall on the telephone and advised him that they were postponing his talk from 9:45 until 10 o'clock that evening, although the speech had been advertised as to be delivered at the former time. They said, however, they would announce the change. At 9:45 that evening the announcement was made from New York saying the Senator would speak at 11 o'clock daylight-saving time. This confused a great many listeners, but despite that fact a great many persons heard the address, which was in full as follows:

"The 'brain trust' is preparing a recommendation to the Roosevelt Communications Commission providing for a national press service patterned after the Tass of Soviet Russia, the Havas of France, and the Stefani of Italy. This service is to take the place of the Associated Press, the Hearst News Services, and the United Press. It will be operated on the taxpayers' money and will have exclusive use of all Government news and be in a position to give its service only to those newspapers loyal to the Roosevelt dictator-

its service only to those newspapers loyal to the Roosevelt dictator-

"The present plan is to make a small charge for the service, but consideration is being given a suggestion that loyal administration newspapers be furnished the news service free. This plan is essential for the passage of the press censorship bill to be offered at the next session of Congress, because censorship will cause the suspension of the present news services.

"Since the Roosevelt administration is so determined on press censorship it may be interesting to the public to know how this un-American idea gets so much consideration. The War Departun-American idea gets so much consideration. The War Department at Washington has a list of 37,000 persons employed in Washington by various foreign governments and foreign business interests. Many of these persons have American citizenship. Their business in Washington is to break down tariff barriers and force foreign goods made by cheap foreign labor into the markets of the United States. Every one of these alien-minded propagandists is openly advocating press censorship. The reason is not strange. The last two sessions of Congress voted secret tariff hearings and virtual dictatorship powers to Mr. Roosevelt. In the past these foreign emissaries were dependent for their success on the reaction they were able to develop on the people of the United past these foreign emissaries were dependent for their success on the reaction they were able to develop on the people of the United States. But since we now have a complete dictatorship, it is no longer necessary to take the public into their confidence before securing decisions favorable to foreign countries. The only fly in the ointment for these foreign allies is the fact that the newspapers still have the freedom for criticizing un-American and unfair decisions. Hence, the press censorship is a very necessary

weapon.

"It is impossible to list all the activities of these European and Asiatic agents who are attempting to destroy the United States by this form of intrigue. A few examples explain very simply their methods. The representatives of the French lees industry have about succeeded in closing all our lace factories so that lace made by French peasants in sweatshops may flood this country. More than 50,000 persons, dependent on this industry in the United States, will shortly be unemployed.

"A course of highly paid secret agents is now employed by for-

industry in the United States, will shortly be unemployed.

"A corps of highly paid secret agents is now employed by foreign molasses interests in holding open our ports to the entry of their blackstrap. If Mr. Roosevelt would stop the importation of this product, corn would sell at \$1 per bushel regardless of the amount we produce. In other words, the millions of barrels of industrial alcohol now made from blackstrap would be produced from corn. Another group representing foreign sugar interests has succeeded in blocking the production of sugar in the United States. The United States produces but 20 percent of the sugar it consumes and were we to take our excess wheat land and plant it in sugar beets we could retain \$200,000,000 which we send each year to foreign countries for sugar and be further assured that there would be no over-production of wheat. that there would be no over-production of wheat

"While our farmers starve another contingent of foreign manip-

"While our farmers starve another contingent of foreign manipulators are shipping millions of pounds of frozen and canned beef and pork into the United States. Incidentally, Mr. Roosevelt, who wants to save the farmers, has been purchasing the meat for the C. C. C. camps in cans from Argentine Republic.

"A legion of other foreign agents is working night and day in Washington destroying our industry and our agriculture. We are importing cotton from British Egypt, gunny cloth from British India, blistered copper from Canada and Africa, while our copper mines remain idle, china, glassware, shoes, electric-light globes and every other conceivable article of manufacture. Milk and cream come from Canada, canned tomatoes from Italy, green peas cream come from Canada, canned tomatoes from Italy, green peas from Mexico, hides and cheese from Australia. Surely this army of 37,000 foreign agents needs the protection of a press censorship and certainly the Congressmen and Senators who have brought this to pass will need its cloak to hide their wrongdoing.

"If we can elect a Congress composed of true Americans, they will decread from the Way Department the news of these 37,000

will demand from the War Department the names of these 37,000 foreign spies and their proper prosecution."

For some reason after listening to these facts the Roosevelt administration was seized by panic. Hampson Gary, acting chairman of the new Communications Commission and in full control of radio, ordered 15 minutes reserved for himself over the same broadcasting chain the next night and he proceeded to denounce Senator Schall for his statements concerning a Government news service. He was notably silent on the fact that 37,000 foreign agents are in the United States attempting to destroy our internal and external trade.

President Roosevelt then seized his pen and dashed off a telegram to Senator Schall demanding that the Senator furnish him

with evidence concerning the national press service and that he would investigate it, but no word concerning the 37,000 secret agents here to undermine the United States.

By way of reply Senator Schall sent the following letter to the President:

AUGUST 25, 1934.

Hon. Franklin D. Roosevelt,
President of the United States,

White House.

"My Dear Mr. President: Your telegram to me bears out the suggestion of the constant effort to mislead and fool the public. Your desire to make yourself appear before the people of the United States as a champion of a free press may be as insincere as your promises to the people when you accepted the Democratic nomination at Chicago with the statement that you were for their platform 100 percent. To date you have not kept one of the covenants you pledged the people at that time. Let me recall your testy anger at your disappointment in keeping out of the press code the expression of a free press.

For me to chronicle all of the attempts of your administration.

For me to chronicle all of the attempts of your administration to throttle the press and free speech—all known to you and approved by you in advance—would be but to recite incidents with which you are entirely familiar. If it were not for the fact that I see in your request for information an attempt on your part to appear as a victim of your own bureaucracy instead of its chief organizer, I would be inclined to ignore your telegram.

But since you assume a clock of innocence and since your telegram.

to appear as a victim of your own bureaucracy instead or its chief organizer, I would be inclined to ignore your telegram. But since you assume a cloak of innocence and since your telegram to me is in the hands of the press, it becomes my duty as a sentinel of the people to do what little I can to mitigate their deception by citing specific evidence of your intention to force a censorship of the press so that your acts and the acts of your communistic bureaucrats might be hidden from public gaze.

I refer, as you are quite aware, to the statement of your Chairman of the Judiciary Committee, Mr. Sumners of Texas, in connection with the passage of the press censorship bill by the House in the special session of Congress called by you. Under your whip it passed the House and if the Senate had not taken out the poison a publisher who had not gained your approval or the approval of some of your appointees could be sentenced to 10 years imprisonment. The evidence convicting you of a desire to censor the press 25 days after you swore to uphold and defend the Constitution is in print in the archives of the House of Representatives. Mr. Sumners of Texas, in his statement, says the bill was introduced at the request of the Executive and is necessary to the success of the recovery legislation. Mr. President, in my opinion, secrecy and press censorship are never necessary when motives are pure.

Every Government department under you is now cloaked in censorship. Almost every bill that has been forced through Congress by you has been in itself a little censorship, a little dictatorship either giving blanket powers to you or to some of your left-or right-hand powers. According to Garrett Garet you usurped in the extra session of Congress 77 powers belonging, under the Constitution, to the judiciary and Congress and when the next Congress met you asked that these powers be made permanent. How many powers you have taken from Congress and the judiciary in this last session I have not been able to gather specifically as yet, but they are many. You have created some 47 bureaucracies. These bureaucracies are clothed with power to make their regulations law. These regulations cover something over 2,000 pages of dictatorship laws made by your appointees of whom not more than I percent has had the sanction of Congress.

Your Secretary of the Treasury has two billions of the peoples' Every Government department under you is now cloaked in

Your Secretary of the Treasury has two billions of the peoples'

Your Secretary of the Treasury has two billions of the peoples' money which he is expending under the protection of a press censorship which you demanded and approved.

You demanded and sanctioned passage of a bill permitting you to secretly fix tariff rates and clothe your acts with a press censorship second to nothing ever before even suggested in the legislative annals of the United States, and this too contrary to your Democratic Party platform and contrary to your former specific, vigorous, and forceful denunciation of such.

The communications bill, originally introduced by you, contained a press censorship clause which was stricken out before the bill was passed but it still gives you the power to inaugurate a Government telegraphic news service, under which, as one example, you immediately put out of business the three radio stations of Mr. Ford.

You ask me for information concerning what you yourself have done. Are you attempting to secure the facts so that you may be in a position to refute yourself?

Yours truly,

THOS. D. SCHALL.

President Roosevelt responded to this letter with a curt telegram which terminated with the statement, "the incident is closed."

But not being of the same opinion Senator SCHALL replied with the following letter:

AUGUST 26, 1934.

Hon. Franklin D. Roosevelt,

President of the United States,

White House.

My Dear Mr. President: Your second open telegram to me in nowise explains the various attempts of your administration to

secure legislation censoring the press of the United States.

You requested evidence from me concerning your own acts. I cited you three instances of your efforts to keep the public from

securing, through the press, facts concerning the attempts of your bureaucracy to communize the United States.

You say you are acting in good faith. Then why not as a starter, remove the censorship bars against the press that you have placed

in all your departments?

Your conclusion to me that the incident is closed will in no way, Mr. President, satisfy the people of their fear of where you are unconstitutionally steering their Republic. As a representative of the people I dare not under my oath to support and defend the Constitution let it rest there. The people of the United States want to know from you why their Republic is being gradually cast aside for a dictatorship.

cast aside for a dictatorship.

If you desire specific information as the basis of my reasonable inference that the Government is about to coordinate its various and sundry publicity functions into a national press service, you have only to assemble the following makings thereof:

The White House daily statements, political and economic, which in plecemeal form, not only determine the policies of the world's greatest bureaucracy, but likewise, the major part of political press publication. The free expression of an independent minority giving the public daily exposures of White House blunders and dangerous experiments is naturally disquieting and therefore must be controlled. be controlled.

The press code which aims to dominate the publishers in the conduct of their business, and your opposition to include therein the freedom of press demanded by the publishers' association of which there should have been no dispute, since it is a part of the Constitution and is guaranteed in the Bill of Rights.

The Rayburn Communications Act, controlling radio, telegraph, cable, and telephone communication, which the American Newspaper Guild pronounces a menace and the foundation of the worst form of dictatorship.

Your control of the business offices of the press by Government investment of \$1,000,000,000 in the preferred shares of over 6,000 banks—without the credit support of which the publication of a great daily newspaper, or even a magazine and book publishing enterprise having national circulation, would be a business impossibility.

Your domination of all departments of the bureaucracy, in particular, all bureaus publishing current economic data, by which the great bulk of the data is politically slanted and damaging data suppressed, with the evident design to foist upon the public the sundry bold experiments of the new deal. In short, it seems to me your administration's intent is evident and it has become in lock, stock, and barrel simply a group of publicity machinery not yet assembled for efficient and smooth operation, but if the people return to you another spineless Congress the defects no doubt will be remedied and what we fear will have come upon us.

Your administration has set up its magazine, called "Today" edited by Brain Truster Raymond Moley and financed by Admiral Vincent Astor, of the flagship Nourmahal. What is now needed is a day and night national news service that will cover the

is a day and night national news service that will cover the daily press field.

All dictatorships and most kings and emperors have their official organs. In Germany President Hitler has created his ministry of publicity, with Goebels at the head. The Russian Soviet has the Taas Agency. Nothing goes out in Italy but with Mussolini's sanction. The news service of the Washington administration might appropriately be called the 'WHP'—or 'White House Press'—which would function as the official news service of the new deal. of the new deal.

In all fairness, Mr. President, you must admit that you have the makings already at hand. Is it too much for me to call the attention of the Nation to the danger threatened, and, as Patrick Henry well put it, when he was advocating that the Colonies throw off the yoke of George III, "I know of no way of judging the future but by the past."

Sincerely yours,

THOMAS D. SCHALL.

The Schall incident which President Roosevelt declared closed has been reopened by the discovery of correspondence between Senator C. C. Dill, Mr. Roosevelt's representative in the Senate, and the radio stations of the country.

It develops that at the very moment President Roosevelt was denying to Senator Schall and the public the intention of the denying to Senator Schail and the public the intention of the administration to organize a Federal censored news service. Senator Dill was engaged in the act of organizing such a system. Photostatic copies of Senator Dill's letters fell into the hands of Senator Schail with the result that the Senator dispatched the following letter to President Roosevelt:

SEPTEMBER 25, 1934.

Hon. Franklin D. Roosevelt,
President of the United States,

My Dear Mr. President: On last August 24, in response to a radio speech I had made the evening before in which I declared that the administration was formulating plans to establish a Federal telegraphic news service, you addressed a telegram to me and gave it to the press.

In this telegram response

and gave it to the press.

In this telegram you requested information concerning your attempts at press censorship and your efforts to establish a national telegraphic news service to be operated under Government censorship. At the same time you attested your opposition to press censorship. I reiterated at that time to you the series of attempts

made by your administration to control the opinion of all newspapers by law and dictatorial edict.

Your reply failed to square with article I of the Constitution. You branded my letter "vituperative" and declared "the incident closed" but in my second letter I advised you, Mr. President, that the incident was not closed and I now wish, in connection with your statement to me that you were as much opposed to press censorship as I, to call your attention one glaring and significant fact that the incident cannot be closed if I am to keep my oath to uphold and defend the Constitution.

During the past session of Congress, Senator Clarence C. Dill acted as your spokesman and adviser on all radio and telegraphic press service matters. It was he who, at your request, introduced your communications bill containing a press telegraphic censorship clause which was stricken out later on the demand of a majority of the Senators who still have some appreciation of their oath to support article I of the Constitution.

Your able spokesman, Senator Dill, in the face of your denial Your able spokesman, Senator Din, in the lace of your definite that you intended, as I stated, to inaugurate a press telegraphic service, announces that such a service operated under Government censorship and censored by Government license must be established. Your Government-censored telegraphic service is to be

operated over the radio.

I cite you the address made by Senator Dill in Cincinnati on September 17 before the National Association of Broadcasters. I hesitated from calling this evidence to your attention, hoping that you would publicly denounce this initial attempt to destroy our press services and in their stead create a Governmentstroy our press services and in their stead create a Government-censored press agency which Senator Dill's proposition would surely do. I take it, and the public must take it, that by your si-lence you have given that consent that Senator Dill must know exists and that I inferred when I made my statement concerning

this matter weeks ago.

Mr. President, I beseech you to immediately denounce this scheme to force press censorship by this round-about move. Unless you do so I feel that the public will lose faith in your future promises.

Cordially yours,

THOMAS D. SCHALL.

The White House was silent as the tomb.

But on October 14, some 2 weeks later, up jumped Postmaster General Farley to the rescue. Among other things, Mr. Farley said: "All this talk about the administration establishing a censorship of radio and the press in order to perpetuate its existence is only the cry of desperation on the part of a weak and discredited minority, which is growing more impotent daily.

minority, which is growing more impotent daily.

"And the charge that plans are about to set up a Government-controlled news agency to disseminate propaganda via the radio is equally absurd and groundless. As some wit observed: 'We have nothing to hide.' So we have adopted the open-door policy, taking the public fully into our confidence on all matters of public policy. As a result, the people are looking to us as never before to right their wrongs and to provide ways and means whereby they may live and be reasonably happy and contented."

It will be seen at once that Mr. Farley's statements are not exactly borne out by the facts. So incredible were his statements that Senator Schall dispatched him the following open letter:

OCTOBER 18, 1934.

Hon. James Farley,

Postmaster General, Post Office Department, Local.

My Dear Postmaster General: I have read with much interest your statement in the press a few days since in which you declare my fight against press censorship and the establishment of a Government-censored telegraphic news service to take the place of the Associated Press, the Hearst News Services, and the United Press is

Knowing as you do that I have photostat copies of the letters sent out by your coworker, Senator C. C. Dill, attempting to inaugurate this censored news service, I am at a loss to comprehend this colossal bluff. Do you think the whole country has gone insane because in an unguarded moment it was foolish enough to believe Mr. Roosevett's campaign slogan that "it couldn't be worse." You selve know that 25 days after his insurantion Mr. Roosevet.

You also know that 25 days after his inauguration Mr. Roosevelt attempted to pass a bill censoring the press and with a penalty for noncompliance of 10 years at hard labor for publishers.

That the administration again attempted the same thing by leaving a "freedom of the press" clause out of the N. R. A. newspaper code.

That the President's communications bill at first permitted the

President to censor all press dispatches.

The administration having failed in these three attempts your coworker Senator Dill is attempting to start a Federal censored

news service. Every bill that came out of the White House and was passed by

the last Congress contained a censorship clause. Every department today is closed to the press and forty odd carefully picked administration press agents pass on what news is to be given to the public.

At the present moment you are engaged in attempting to censor my mail, the mail of a Senator of the United States, over which under the Constitution and its bylaws you have no authority unless it is used for private purposes.

It seems you and the dictionary disagree on the definition of the word "censorship."

Cordially yours,

THOMAS D. SCHALL.

POSTMASTER GENERAL FARLEY—REPORT OF SECRETARY OF THE INTERIOR

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Interior and Federal Emergency Administrator of Public Works, submitting, pursuant to Senate Resolution 78, calling on the Secretary of the Interior for a report in connection with an investigation of the Public Works Administration program (agreed to February 15, 1935), a report concerning Postmaster General James A. Farley.

Mr. ROBINSON. Mr. President, I think the report should be referred to the Committee on Post Offices and Post Roads,

The Senator from Louisiana [Mr. Long], however, indicated that he desired to see the report before it goes to the committee. He is not present at the moment.

The VICE PRESIDENT. The report would be available to the Senator after it was referred to the committee.

Mr. ROBINSON. I move that the report, with the accompanying papers, be referred to the Committee on Post Offices and Post Roads.

The motion was agreed to.

#### WAR DEPARTMENT APPROPRIATIONS

Mr. COPELAND. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the War Department appropriation bill.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 5913) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1936, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. COUZENS. Mr. President, I suggest the absence of a

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Costigan	King	Robinson
Ashurst	Couzens	La Follette	Russell
Austin	Cutting	Logan	Schall
Bachman	Dickinson	Lonergan	Schwellenbach
Bailey	Dieterich	Long	Sheppard
Bankhead	Donahey	McAdoo	Shipstead
Barbour	Duffy	McCarran	Smith
Bilbo	Fletcher	McGill	Steiwer
Black	Frazier	McKellar	Thomas, Okla.
Bone	George	McNary	Thomas, Utah
Borah	Gerry	Maloney	Townsend
Brown	Gibson	Minton	Trammell
Bulow	Glass	Moore	Truman
Burke	Gore	Murphy	Tydings
Byrd	Guffey	Murray	Vandenberg
Byrnes	Hale	Neely	Van Nuvs
Capper	Harrison	Norbeck	Wagner
Carey	Hastings	Norris	Wheeler
Clark	Hatch	Nye	White
Connally	Hayden	O'Mahoney	Tributa and and tributant
Coolidge	Johnson	Radcliffe	
Copeland	Keyes	Reynolds	

Mr. DONAHEY. I desire to announce that my colleague [Mr. Bulkley] is necessarily detained from the Senate.

Mr. ROBINSON. My colleague the junior Senator from Arkansas [Mrs. Caraway] and the junior Senator from Louisiana [Mr. Overton] are detained from the Senate by illness.

The Senator from Nevada [Mr. PITTMAN], the Senator from Idaho [Mr. Pope], the Senator from Massachusetts [Mr. Walsh], the Senator from Illinois [Mr. Lewis], and the Senator from Kentucky [Mr. Barkley] are necessarily detained

The VICE PRESIDENT. Eighty-five Senators having answered to their names, a quorum is present. The clerk will read the bill.

The Chief Clerk proceeded to read the bill.

The first amendment of the Committee on Appropriations was, under the heading "Military activities—General Staff Corps—Contingencies, Military Intelligence Division", on page 8, line 6, after the word "information", to strike out "\$46,000" and insert "\$107,000", so as to read:

For contingent expenses of the Military Intelligence Division, General Staff Corps, and of the military attachés at the United States embassies and legations abroad, including the purchase of law books, professional books of reference, and subscriptions to

newspapers and periodicals; for the hire of interpreters, special agents, and guides, and for such other purposes as the Secretary of War may deem proper, including \$5,000 for the actual and necessary expenses of officers of the Army on duty abroad for the purpose of observing operations of armies of foreign states at war, to be paid upon certificates of the Secretary of War that the expenditures were necessary for obtaining military information, \$107,000, to be expended under the direction of the Secretary of War.

The amendment was agreed to.

The next amendment was, under the subhead "Adjutant General's Department—Field exercises", on page 9, line 17, to strike out "\$350,465" and insert \$446,774", so as to read:

For all expenses required for the conduct of special field exercises, including participation therein by the National Guard and the Organized Reserves, comprising allowances for enlisted men for quarters and rations, movement of materiel, maintenance, and operation of structures and utilities, and any other requisite supplies and services, \$446,774.

The amendment was agreed to.

The next amendment was, under the subhead "Welfare of enlisted men", on page 10, line 3, after the word "purposes", to strike out "and" and insert "at", so as to read:

For the equipment and conduct of school, reading, lunch, and amusement rooms, service clubs, chapels, gymnasiums, and libraries, including periodicals and other publications and subscriptions for newspapers, salaries of civilians employed in the hostess and library services, transportation of books and equipment for these services, rental of films, purchase of slides for and making repairs to moving-picture outfits, and for similar and other recreational purposes at training and mobilization camps now established or which may be hereafter established, \$34,940.

The amendment was agreed to.

The next amendment was, under the subhead "Finance Department, pay, etc., of the Army", on page 10, line 14, after the word "Army", to strike out "including not to exceed five medical officers"; in line 24, after the word "increasing", to strike out the comma and "at the discretion of the President and in such increments as he may deem necessary from time to time"; on page 11, line 10, after the word "exceed", to strike out "five retired officers on active duty, \$5,676" and insert "85 retired officers on active duty, \$142,200"; and in line 22, after the word "available", to strike out "\$6,238,656" and insert "\$6,299,516", so as to read:

For pay of not to exceed an average of 12,000 commissioned officers, \$33,307,100, no part of which sum shall be available after September 30, 1935, for the pay of more than 11,750 commissioned officers whose original commissions are dated prior to June 1, 1935; pay of officers, National Guard, \$100; pay of warrant officers, \$1,479,568; aviation increase to commissioned and warrant officers of the Army, \$2,033,029, none of which shall be available for increased pay for making aerial flights by nonflying officers at a rate in excess of \$1,440 per annum, which shall be the legal maximum rate as to such nonflying officers; additional pay to officers for length of service, \$9,257,465; pay of enlisted men of the line and staff, not including the Philippine Scouts, \$51,069,333, together with such additional sums as may be necessary under this and other appropriations contained in this act to defray the cost of increasing the enlisted strength of the Regular Army from an average of 118,750 to an average of 165,000 enlisted men; pay of enlisted men of National Guard, \$100; aviation increase to enlisted men of the Army, \$503,782; pay of enlisted men of the Philippine Scouts, \$1,050,447; additional pay for length of service to enlisted men, \$4,480,400; pay of the officers on the retired list, \$11,538,900; increased pay to not to exceed 85 retired officers on active duty, \$142,200; pay of retired enlisted men, \$13,201,160; pay not to exceed 60 civil-service messengers at not to exceed \$1,200 each at headquarters of the several Territorial departments, corps areas, Army and corps headquarters, Territorial departments, corps areas, Army and corps headquarters, Territorial departments of embarkation and debarkation, \$72,000; pay and allowances of contract surgeons, \$51,576; pay of nurses, \$893,560; pay of hospital matrons, \$600; rental allowances, including allowances for quarters for enlisted men on duty where public quarters are not available, \$6,299,516.

The amendment was agreed to.

The next amendment was, on page 12, line 14, after the words "in all", to strike out "\$141,059,670" and insert "\$141,257,054"; and in line 18, after the word "discharges", to strike out "\$140,774,670" and insert "\$140,972,054", so as to read:

Provided, That during the fiscal year ending June 30, 1936, no rental allowance shall accrue to any officer of the Government in consequence of the provisions found in section 10, title 37, United States Code, while occupying quarters at his permanent station not under the jurisdiction of the service in which serving but which belong to the Government of the United States, or to a

corporation the majority of the stock of which is owned by the United States, in excess of the rental rate charged for such quarters on March 5, 1934; subsistence allowances, \$5,841,118; interest on soldiers' deposits, \$30,000; payment of exchange by officers serving in foreign countries, and when specially authorized by the Secretary of War, by officers disbursing funds pertaining to the War Department, when serving in Alaska, and all foreign money received shall be charged to and paid out by disbursing officers of the Army at the legal valuation fixed by the Secretary of the Treasury, \$100; in all, \$141,257,054, less \$285,000 to be supplied by the Secretary of War for this purpose from funds received during the fiscal year 1936 from the purchase by enlisted men of the Army of their discharges, \$140,972,054; and the money herein appropriated for "Pay, etc., of the Army" shall be accounted for as one fund.

The amendment was agreed to.

Mr. VANDENBERG. Mr. President, if I may have the attention of the able Senator from New York, I should like to make one or two general inquiries regarding the bill.

May I inquire whether there are in the present War Department appropriation bill any construction items on behalf of the Army?

Mr. COPELAND. No; there are not. The committee had before it a request for a very considerable sum for construction, but we found that under the law it was necessary that estimates should be presented before they could be acted upon by the Appropriations Committee. Therefore there are no construction items in the bill, although there is in it a considerable item for the repair of barracks and buildings.

Mr. VANDENBERG. May I ask the Senator whether he has any information as to whether the War Department contemplates applying to whatever new instrumentality is put in charge of so-called "public works" for a portion of the contemplated four or five billion dollar work-relief appropriation as the source of its construction fund?

Mr. COPELAND. I have no doubt at all that that application will be made. I may say to the Senator in that connection that the Chief of Staff of the Army made it clear that they now have plans drawn with which they are ready to proceed involving about \$137,000,000, and it was his testimony that within 12 months that much money could be profitably used for Army construction. I have no question at all that when the Senator succeeds in passing the pending \$5,000,000,000 measure, there will be money there for this work.

Mr. VANDENBERG. Mr. President, I find in the Washington Post of March 2 an article from which I read only a single sentence. The article is discussing the War Department appropriation bill, which is now before us. The sentence reads as follows:

Another influential Democrat, Chairman John J. McSwain, of the House Military Affairs Committee, declared his committee had hoped to get \$405,000,000 additional for the Army out of the workrelief fund.

Has the Senator heard of any sum of that monumental size which it is contemplated to detour from the so-called "work-relief program" for the Army?

Mr. COPELAND. Mr. President, my ears are now so attuned that I can hear only a billion mentioned. I did not hear so modest a sum as \$405,000,000 mentioned. Aside from this, however, I will say that the only sum I heard mentioned was \$137,000,000; and I may say that both in the subcommittee and in the full Committee on Appropriations an amendment was offered to this bill asking for the appropriation of an amount of money which was finally fixed at \$132,000,000, and there was also included an outline of where the money was to be spent, covering, I should say, every State in the Union; but, for the reasons which I have heretofore stated, under the rules and under the law, it did not seem proper for us to come to Congress with that request as an addition to the appropriation bill.

Mr. VANDENBERG. I thank the Senator for his candor. As I understand the situation, then, we confront a War Department appropriation bill which is not only \$45,000,000 larger than last year's appropriation, but we also confront the expectation that a considerable sum in addition, running all the way from the \$130,000,000 which the Senator identifies to the \$400,000,000 which the chairman of the House com-

mittee identifies, is to be secured from this so-called "work-relief" source, indicating a total increased Army expenditure of all the way from a quarter to a half billion dollars.

Mr. President, it seems to me that we are entitled—and in "we" I include my able friend from New York—to more specific information as to precisely what grand total the War Department and the Army contemplate seeking this year from the Public Treasury. Or, if you choose the other alternative, we are entitled to know what the \$5,000,000,000 work-relief bill contemplates by way of expenditures. At one point or the other Congress and the country are entitled to specific information. We cannot indefinitely survive government by blank check and by lump-sum Executive decree.

I am not complaining about any appropriate expenditure for the Army. I want a strong and adequate Army, and I have never voted otherwise. I am the last man in the world to complain against legitimate preparedness. My complaint is not against the necessary funds allocated to the War Department by congressional action in the fashion contemplated by the Constitution. My complaint is against the divided method of allocating funds to the War Department, as a result of which only half of the appropriation is directly authorized by the Congress and the other half is procured under some general and loose so-called "work-relief" authority which is rested in the sole discretion of the President of the United States, and which is a complete mystery to those who must pay the bills.

Mr. FLETCHER. Mr. President, may I interrupt the Senator?

Mr. VANDENBERG. I yield to the Senator from Florida. Mr. FLETCHER. My understanding is that this construction program was entered upon some years ago, and that we have been from year to year constructing buildings needed by the War Department, and that under that arrangement the construction program required only this \$130,000,000 to complete it. The War Department has prepared plans and specifications, and all that sort of thing, for completing it; and I understand that the \$130,000,000 will complete the construction of the necessary buildings required by the War Department.

Mr. VANDENBERG. Did the Senator hear me read a newspaper quotation from the Chairman of the House Military Affairs Committee, speaking of \$405,000,000 additional?

Mr. FLETCHER. Yes; I heard that, but I do not know anything about it.

Mr. VANDENBERG. If there is an identified \$132,000,000 to be allocated to the Army under the work-relief fund, may I ask the Senator from Florida why we should not be given that specific item when the work-relief measure is before us, instead of being constantly told that nobody can give us any identified information whatever? Is it the Senator's understanding that this \$132,000,000 is an identified item in the work-relief program?

Mr. FLETCHER. I do not know about that. It is an item that has been specified before our committee and testified to, and I understand it is all that is claimed for completing this program of construction. I do not know about any other item.

Mr. VANDENBERG. Mr. President, it seems to me this is an amazing contemplation which we confront.

On the other hand, when we have before us the War Department appropriation bill, which is presumed to supply the essential funds for the War Department for the next year, we are told that there is no available information respecting either \$132,000,000, as testified by one, or \$405,-000,000, as testified by another, which is to be spent upon a construction program in respect to the Army; and yet on the other hand, when we confront the \$5,000,000,000 socalled "work-relief bill", and we ask for some specific information, just a few specific examples as to what the money is to be spent for, we are told that we cannot be given any example. Somewhere between those two horns of the dilemma somebody ought to be able to identify this prospective expenditure. We should not be left forever in mathematical mystery. Let it be remembered that this is the people's money.

Mr. COPELAND. Mr. President.

Mr. VANDENBERG. I yield to the Senator from New York.

Mr. COPELAND. I may say to the Senator first that, speaking purely for myself and not as chairman of the subcommittee, I desire to have specifications for the projects for which we are asked to spend money. I want to know what they are. There is now in existence, however, a committee of the House receiving testimony and preparing a bill, as must be done under the law, regarding construction in the Army. I presume that at some time that bill will pass the House and come to the Senate for action. But the Committee on Appropriations decided that we were not justified, perhaps for reasons mentioned by the Senator from Michigan, in including such figures in this bill, because this is the bill for the operation of the Army for the next fiscal year, and has naught to do with the large items of construction which perhaps would serve the Army for the next half century.

Mr. VANDENBERG. The Senator will readily concede, however, I apprehend, that prior to the last 2 years, when we began this habit of loose and general discretionary lumping of the appropriation powers in the hands of the Executive, War Department items, including those for construction, were always included in the annual supply bill which was submitted to the Congress. The Senator will concede that that is the fact?

Mr. COPELAND. That is true.

Mr. VANDENBERG. Mr. President, I come back to the proposition that if we are not to have specific information respecting the total expenditure to be made for the Army in the Army appropriation bill, but if we are advised that a substantial supplementary expenditure for the Army is to be made under the \$5,000,000,000 pot-luck appropriation bill which is pending somewhere at the moment in a state of suspended animation, at least we ought to have specific information, when the \$5,000,000,000 bill comes back for consideration, as to what portion of it is to be detoured for Army purposes.

The reason why I emphasize the matter is not captious; it is because we have had a demonstration of the futility of taking work-relief funds out of a so-called "work-relief appropriation" and using them for these service purposes if our real intention in the latter aspect is to relieve unemployment.

We had much the same situation under the original \$3,300,000,000 appropriation bill of 1933. Under the terms of that bill the President, with entire legal authority—and I raise no question against the legality of his action—the President, in connection with the very Executive order which set up the Public Works Administration, authorized the allocation of \$238,000,000 to the Navy for shipbuilding purposes, and \$40,000,000 additional was allocated later, a total of \$278,000,000 taken out of the \$3,300,000,000 work-relief fund of 1933 for shipbuilding purposes.

Again I say, I do not complain against the use of necessary public funds to create an essential navy for the United States, but I complain that we build a navy with money presumably dedicated to work-relief purposes, and not in appropriation bills which are directly and specifically identified as Navy bills.

Mr. SHIPSTEAD. Mr. President—

The PRESIDING OFFICER (Mr. Russell in the chair). Does the Senator from Michigan yield to the Senator from Minnesota?

Mr. VANDENBERG. I yield.

Mr. SHIPSTEAD. Can the Senator tell us how much was appropriated directly for the Navy a year ago?

Mr. VANDENBERG. I do not have that figure in mind.

Mr. SHIPSTEAD. Can the Senator tell us how much was allocated to the Army from P. W. A. funds?

Mr. VANDENBERG. Possibly the Senator from New York can reply to that.

Mr. COPELAND. What is the question?

Mr. SHIPSTEAD. What amount was allocated to the Army from P. W. A. funds last year?

Mr. COPELAND. Between sixty and sixty-five million dollars.

Mr. SHIPSTEAD. In addition to what Congress had already appropriated for the Army?

Mr. COPELAND. Yes.

Mr. SHIPSTEAD. Can the Senator tell us how much had been appropriated for the Navy directly?

Mr. COPELAND. No; I do not know about the Navy; I can speak only for the Army.

Mr. VANDENBERG. Mr. President, I shall detain the Senate but briefly, but I want to support the observation I have just submitted, namely, that this is a most unfortunate way, upon the one hand, to make appropriations for the Army and the Navy, and it is an even more unfortunate method for the use of the funds which are given to the Chief Executive in blanket authority for the presumed purpose of creating immediate employment, to serve the economic crisis. It becomes, however, unwittingly, a species of deception.

The first lump sum appropriation under an act signed by the President on June 16, 1933, was for what presumptive purpose? It was for the purpose—reading from the act—"with a view to increasing employment quickly." I emphasize the word "quickly." Mark you, we were undertaking on June 16, 1933, to increase employment quickly, and in line, presumably, with the purpose to increase employment quickly, by Executive direction \$238,000,000 in the first instance, and \$40,000,000 later, or a total of \$278,000,000 in all, was allocated to the Navy for shipbuilding purposes, out of this employment fund.

Mr. President, this is the 4th of March 1935. Some 20 months has passed, with greater unemployment in the land than ever. Has that \$278,000,000 been used for the purpose of creating employment quickly? I do not intend to go into the matter in detail at the moment, because I do not wish to intrude upon the Senate's good nature this afternoon in this connection, but I do want to support the general challenge which I have submitted. I want to point out, first, that under the use of this authority, in the first instance through the allocation of P. W. A. money which was appropriated for the purpose of curing unemployment quickly, the chief thing that has happened with this \$278,000,000 is the construction of 32 vessels, for which Congress made no appropriation, as well as 130 aircraft, and miscellaneous supplies for the Navy, for which Congress made no direct appropriation.

Mr. NYE. Mr. President, will the Senator yield to me? Mr. VANDENBERG. I yield.

Mr. NYE. It seems to me the point ought to be made at this juncture in the Senator's remarks that there is nothing at the time to reveal what portion of the money actually expended from the Public Works allocation has actually entered into the creation of new employment. In other words, quite to the contrary, there is a large amount of evidence that the greater percentage of the expenditure was for materials already in stock.

Mr. VANDENBERG. The Senator is entirely correct, and even though the sum be not subdivided, we confront the fact that on December 31, 1934, which was a year and a half after this fund was created for the purpose of curing unemployment quickly, 18 months later, out of this \$278,000,000 which was taken out of the employment fund for the purpose of building up the Navy, only \$94,000,000 has been expended, and, so far as we can discover, it will be 2 or 3 years more before the whole \$278,000,000 will be used, which money was taken out of a fund, I repeat, which was supposed to be dedicated to the immediate relief of unemployment.

When we run down the schedule we find, for instance, that the two aircraft carriers which were allocated to the Newport News Shipbuilding & Drydock Co. in 1933 with funds which Congress did not appropriate to the Navy, but with funds which Congress appropriated for the purpose of curing unemployment quickly, according to the language of the

act—we find that those vessels on January 1, a year and a half later, were only 29 percent completed.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. CLARK. The Senator will recall that it was frankly admitted by the responsible representatives sent before the committee by the Navy Department that the interest of the Navy Department was in naval construction rather than in reemployment, which was the purpose of the P. W. A. Act.

Mr. VANDENBERG. The Senator is entirely correct, and all of the exhibits and all of the testimony indicate that when this \$278,000,000 was taken out of the so-called "unemployment relief fund", it was taken out not primarily for unemployment relief, but primarily for the upbuilding of the Navy.

Here are some more exhibits indicating that the 1933 lump-sum work-relief appropriation was used primarily to build the Navy rather than primarily to take up unemployment For example, the New York Shipbuilding Co. got thirty or forty million dollars of that 1933 work-relief appropriation to build light cruisers which are but 15 percent completed today. In other words, the money did not serve the unemployment crisis. It got this money also to build destroyers, which are but 31 percent completed. The Philadelphia Navy Yard got a 1933 cruiser order, which is only 15 percent completed in 1935. The Mare Island Navy Yard got 1933 destroyer allocations, which are only 19 percent completed. Bethlehem got a cruiser contract, which is only 47 percent completed.

Is this the way to make appropriations for the Army and the Navy? I submit it is not. I submit that it makes a travesty of the annual appropriation bills, because these bills present a wholly incomplete picture of the expenditures contemplated for these departments. If you are going to exceed these regular appropriations by whatever additional drafts you later feel like making against the \$5,000,000,000 workrelief bill, you leave Congress wholly in the dark regarding totals-and the totals tell the true tale. Still worse, if you are planning on making the \$5,000,000,000 work-relief bill a veritable grab bag for these other departments, you mislead the country respecting the character and purpose of these gigantic appropriations which are sought in the name of immediate unemployment relief. I am more than ever convinced that there can be no remote justification for passing the \$5,000,000,000 bill without a bill of particulars. The people are entitled to some degree of information respecting the uses to which their money is to be put. If the \$5,000,-000,000 bill is to be used for the Army and the Navy, what other uses are contemplated concerning which we can only conjecture?

I wish to repeat, I am not objecting to the upbuilding of the Navy, but I am objecting to this method of making appropriations for the War Department and the Navy Department upon the one hand, and particularly to the existing method of making appropriations for the unemployed. I am again criticizing the \$5,000,000,000 "pot luck" bill even more than the pending measure. It is an indefensible contemplation.

We confront precisely the same sort of a situation apparently this year. We are asked this time, not for \$3,300,000,000 as in 1933, but we are asked this time for \$4,880,000,000. The appetite is a progressive one. We are told that no one can identify any of the items which are to be covered by drafts upon this \$4,880,000,000 in behalf of unemployment. Yet when we get into the War Department bill we discover that the War Department is deliberately planning to use a portion of this unemployment relief fund for War Department purposes, and apparently it is justified in the reliance. Yet Congress is denied all specific information regarding so-called "work relief", and we are told, by implication, that it is unpatriotic not to sign the blank check.

Of course, it is the theory that there is some degree of unemployment relief in these expenditures which are made for the War Department, but I am calling the Senate's attention to the fact that the same theory applied to the funds

which were taken out of the \$3,300,000,000 1933 bill in behalf of the Navy Department, and that if there was an expectation that this substantial portion of the unemployment relief fund was going to be used to cure unemployment quickly, the expectation has proven to have been a snare and a delusion, because the figures and the exhibits demonstrate that even at this moment nearly \$200,000,000 of that money is still resting in the Navy Department against unfilled contracts which have been made for ships. Meanwhile the unemployed walk the streets.

I am protesting upon the one hand against this method of making appropriations for the War and Navy Departments, inasmuch as the appropriations are, in a sense, a subterfuge, since they do not present the complete and true picture respecting the public moneys which are to be used by these arms of the service this year.

I am protesting upon the other hand against the use of our unemployment work-relief programs as an indirect method of securing additions for the Army and the Navy under guise of serving unemployment, and I am asserting that this is one more exhibit to demonstrate why Congress is utterly within its rights and certainly basing itself in sound common sense when it insists that it shall be given some identification of the \$4,880,000,000 which is asked this year for alleged work relief before it shall yield its consent upon this blanket score.

Before this pending bill is passed, Mr. President, I desire to reassert that I think the Senate and the House ought to have specific, identified information, first, as to how much the War Department actually expects to spend this year, and, second, how much of it they propose to get out of this \$4,880,000,000 bill, which, theoretically at least, is dedicated to immediate relief for unemployment. We ought to know where the people's money goes. The five-billion work-relief bill, and its sponsors, thus far decline to tell.

## THE MERCHANT MARINE (H. DOC. NO. 118)

The PRESIDING OFFICER laid before the Senate a message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Commerce and ordered to be printed, as follows:

# To the Congress of the United States:

I present to the Congress the question of whether or not the United States should have an adequate merchant marine.

To me there are three reasons for answering this question in the affirmative. The first is that in time of peace, subsidies granted by other nations, shipping combines, and other restrictive or relating methods may well be used to the detriment of American shippers. The maintenance of fair competition alone calls for American flagships of sufficient tonnage to carry a reasonable portion of our foreign commerce.

Second. In the event of a major war in which the United States is not involved, our commerce, in the absence of an adequate American merchant marine, might find itself seriously crippled because of its inability to secure bottoms for neutral peaceful foreign trade.

Third. In the event of a war in which the United States itself might be engaged, American flagships are obviously needed not only for naval auxiliaries, but also for the maintenance of reasonable and necessary commercial intercourse with other nations. We should remember lessons learned in the last war.

In many instances in our history the Congress has provided for various kinds of disguised subsidies to American shipping. In recent years the Congress has provided this aid in the form of lending money at low rates of interest to American shipping companies for the purpose of building new ships for foreign trade. It has, in addition, appropriated large annual sums under the guise of payments for ocean mail contracts.

This lending of money for ship building has in practice been a failure. Few ships have been built and many difficulties have arisen over the repayment of the loans. Similar difficulties have attended the granting of ocean-mail contracts. The Government today is paying annually about \$30,000,000 for the carrying of mails which would cost, under normal ocean rates, only \$3,000,000. The difference, \$27,000,-000, is a subsidy, and nothing but a subsidy. But given under this disguised form it is an unsatisfactory and not an honest way of providing the aid that Government ought to give to shipping.

I propose that we end this subterfuge. If the Congress decides that it will maintain a reasonably adequate American merchant marine I believe that it can well afford honestly

to call a subsidy by its right name.

Approached in this way a subsidy amounts to a comparatively simple thing. It must be based upon providing for American shipping Government aid to make up the differential between American and foreign shipping costs. It should cover, first, the difference in the cost of building ships; second, the difference in the cost of operating ships; and finally, it should take into consideration the liberal subsidies that many foreign governments provide for their shipping. Only by meeting this threefold differential can we expect to maintain a reasonable place in ocean commerce for ships flying the American flag, and at the same time maintain American standards.

In setting up adequate provisions for subsidies for American shipping, the Congress should provide for the termination of existing ocean mail contracts as rapidly as possible, and it should terminate the practice of lending Government money for shipbuilding. It should provide annual appropriations for subsidies sufficiently large to cover the differentials that I have described.

I am submitting to you herewith two reports dealing with American shipping: a report of an interdepartmental committee known as the "Committee on Shipping Policy", appointed June 18, 1934, by the Secretary of Commerce; and a report to me from the Postmaster General on ocean-mail contracts prepared pursuant to an Executive order of July 11, 1934.

Reports which have been made to me by appropriate authorities in the executive branch of the Government have shown that some American shipping companies have engaged in practices and abuses which should and must be ended. Some of these have to do with the improper operating of subsidiary companies, the payment of excessive salaries, the engaging in businesses not directly a part of shipping, and other abuses which have made for poor management, improper use of profits, and scattered efforts.

Legislation providing for adequate aid to the American merchant marine should include not only adequate appropriation for such purposes and appropriate safeguards for its expenditure, but a reorganization of the machinery for its administration. The quasi-judicial and quasi-legislative duties of the present Shipping Board Bureau of the Department of Commerce should be transferred for the present to the Interstate Commerce Commission. Purely administrative functions, however, such as information and planning, ship inspection, and the maintenance of aids to navigation, should, of course, remain in the Department of Commerce.

An American merchant marine is one of our most firmly established traditions. It was, during the first half of our national existence, a great and growing asset. Since then it has declined in value and importance. The time has come to square this traditional ideal with effective performance.

Free competition among the nations in the building of modern shipping facilities is a manifestation of wholly desirable and wholesome national ambition. In such free competition the American people want us to be properly represented. The American people want to use American ships. Their Government owes it to them to make certain that such ships are in keeping with our national pride and national needs.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 4, 1935.

# WAR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 5913) making appropriations for the military and nonmili-

tary activities of the War Department for the fiscal year ending June 30, 1936, and for other purposes.

Mr. COPELAND. Mr. President, shall we continue with the bill until 3 o'clock?

The PRESIDING OFFICER (Mr. McGill in the chair). It is so understood. The clerk will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the subhead "Travel of the Army", on page 15, line 13, after the word "employees", to strike out "\$3,095,-630" and insert "\$2,999,321"; and in line 17, after the word "for", to strike out "inspection of material or work under contract" and insert "travel in connection with development, procurement, production, maintenance, or construction activities", so as to read:

For travel allowances and travel in kind, as authorized by law, for persons traveling in connection with the military and non-military activities of the War Department, including mileage, transportation, reimbursement of actual expenses, or per diem allowances, to officers and contract surgeons; transportation of troops; transportation, or reimbursement therefor, of nurses, enisted men, recruits, recruiting parties, applicants for enlistment between recruiting stations and recruiting depots, rejected applicants for enlistment, general prisoners, cadets and accepted cadets, civilian employees, civilian witnesses before courts martial, dependents of military personnel, and attendants accompanying remains of military personnel and civilian employees; travel pay to discharged military personnel; transportation of discharged prisoners and persons discharged from St. Elizabeths Hospital after transfer thereto from the military service, to their homes, or elsewhere as they may elect, the cost in each case not to be greater than to the place of last enlistment; hot coffee for troops traveling when supplied with cooked or travel rations; commutation of quarters and rations to enlisted men traveling on detached duty when it is impracticable to carry rations, and to applicants for enlistment and general prisoners traveling under orders; per diem allowances or actual cost of subsistence while in a travel status, to nurses, civilian employees, civilian witnesses before courts martial, and attendants accompanying remains of military personnel and civilian employees, civilian witnesses before courts martial, and attendants accompanying remains of military personnel and civilian employees, of the Director of the Bureau of the Budget, by transfers from other appropriations contained in this act of such amounts as may be required in addition to those herein provided for travel in connection with development, procurement, production, maintenance, or construction activities; and, with such exception, no other appropriation in this

The amendment was agreed to.

Mr. McNARY. Mr. President, will the able Senator from New York suspend further operations under the bill in order that I may suggest the absence of a quorum prior to taking up the special order at 3 o'clock?

Mr. COPELAND. Mr. President, I ask that the consideration of the bill be temporarily laid aside in order that we may proceed with the special order.

The PRESIDING OFFICER. Without objection, it is so ordered.

# EXECUTIVE SESSION

Mr. McNARY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Capper	Gerry	Long
Ashurst	Carey	Gibson	McAdoo
Austin	Clark	Glass	McCarran
Bachman	Connally	Gore	McGill
Bailey	Coolidge	Guffey	McKellar
Bankhead	Copeland	Hale	McNary
Barbour	Costigan	Harrison	Maloney
Bilbo	Couzens	Hastings	Minton
Black	Cutting	Hatch	Moore
Bone	Dickinson	Hayden	Murphy
Borah	Dieterich	Johnson	Murray
Brown	Donahey	Keyes	Neely
Bulow	Duffy	King	Norbeck
Burke	Fletcher	La Follette	Norris
Byrd	Frazier	Logan	Nye
Byrnes	George	Lonergan	O'Mahoney

Radcliffe Reynolds Robinson Russell Schall Schwellenbach Sheppard Shipstead Smith Steiwer Thomas, Okla. Thomas, Utah Townsend Trammell Truman Tydings Vandenberg Van Nuys Wagne Wheele White

Mr. ROBINSON. I desire to announce that my colleague the junior Senator from Arkansas [Mrs. Caraway] and the junior Senator from Louisiana [Mr. Overton] are absent because of illness; that the Senator from Kentucky [Mr. Barkley], the Senator from Nevada [Mr. Pittman], the Senator from Idaho [Mr. Pope], and the Senator from Massachusetts [Mr. Walsh] are unavoidably detained.

Mr. DONAHEY. I wish to announce that my colleague the senior Senator from Ohio [Mr. Bulkley] is necessarily detained from the Senate.

Mr. DIETERICH. I desire to announce that my colleague, the senior Senator from Illinois [Mr. Lewis] is necessarily detained from the Senate.

The PRESIDING OFFICER. Eighty-five Senators having answered to their names, a quorum is present.

The hour of 3 o'clock having arrived, under the special order adopted on February 28, the Senate will proceed, in executive session, to the consideration of the nominations of Richard P. Williams and John H. Russell for promotion in the Marine Corps.

The Senate thereupon proceeded to the consideration of executive business.

#### EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. McGill in the chair), laid before the Senate a message from the President of the United States submitting sundry nominations in the Army, which were referred to the Committee on Military Affairs.

(For nominations this day received, see the end of Senate proceedings.)

#### EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

IN THE MARINE CORPS—NOMINATIONS OF GENERALS WILLIAMS AND RUSSELL

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Richard P. Williams to be brigadier general in the Marine Corps and to the nomination of John H. Russell to be major general in the Marine Corps.

Mr. TRAMMELL. Mr. President, in view of the fact that I understand there will be more or less discussion in opposition to the nominations of General Williams and General Russell. I desire at this time to make only a brief statement.

Russell, I desire at this time, to make only a brief statement. The Committee on Naval Affairs had before it the nominations of General Russell and General Williams. There was more or less complaint made against each of them. After considering the nomination of General Williams, and the complaint that was made, the committee reached the conclusion that the nomination should be favorably recommended. Since that time, so far as I know, but little has been said in regard to his nomination.

Relative to General Russell, there was more or less complaint made to the committee. We investigated the various criticisms, and reached the conclusion that they were based upon suspicions or upon hearsay and were unsupported by any facts which came before the committee.

I do not desire to go into all the details at this time. There was some criticism to the effect that General Russell dominated and controlled the promotion board; that the members of the board cast open ballots; that the Commandant of the Marine Corps knew how everyone voted, and thus was given an opportunity to dominate and control the board. The facts developed are that it was not an open ballot; that the names of those who were eligible for promotion were printed on a list; that each member of the board was furnished with this list, and he merely made a check mark opposite the name of the officer for

whom he voted for promotion. The lists so marked were then placed in a box or other receptacle and probably mixed up and pulled out and the names were called off. From the explanation that was made—and I do not think the facts are controverted in the least—it was as much of a secret ballot as the average person casts on election day. The committee was convinced that there was no support for that contention.

Further, as to General Russell dominating the board, I cannot recall a single piece of evidence that justifies any such charge. He was the Commandant of the Marine Corps, it is true, but there is no evidence to show that he discussed the various eligibles whose names were before the board, nor that in any instance did he exert influence or log-roll in behalf of a single officer. General Russell said he refrained from doing anything of that character; that he urged the members of the board to vote upon the merits of the applicants; and that he did not attempt to use any influence whatever toward bringing about the promotions.

The committee was convinced that there was no evidence whatever that he had tried to dominate the board or that he had influenced the board; in fact, he stated that among those for whom he himself voted for promotion were officers who did not receive the necessary majority for promotion but, to the contrary, were among those who were not successful.

I think the whole trouble, in the main, has come about from the fact that, so far as the senior board is concerned, they had 18 eligibles for selection, and there were only 2 officers who could be selected for promotion out of the 18. It would be folly and a killing of time for me to say to the Senate that a condition of that kind would bring about dissatisfaction among some, at least. We know from our own experience in dealing with applicants for public offices and positions that for every such position which we may be able to fill, while, to use the common, street expression, we may make 1 friend and probably, if we are dealing with 18 applicants, we make 17 enemies.

I have not heard of any great number of officers, however, who complained. I think that they realize the situation and, in the main, they have had nothing to say. They know that inasmuch as only 2 could be selected out of the 18, of course the whole 18 could not be selected. I think that disposes of that criticism.

There was something said in regard to the board not selecting officers who had served overseas. The record discloses that there were equally as many overseas officers selected for promotion as there were those who had not served overseas. As a matter of fact, there were not any great number of high ranking Marine officers who were sent overseas; they were at their posts, and while they were, in the main, desirous of going overseas, and sought assignment overseas, they were unable to obtain such an assignment. That was true of General Russell himself. He was in Haiti, where it was thought by those in control of the Marine Corps and by the State Department that he was rendering a splendid service, and he was unable to secure an assignment overseas though he repeatedly endeavored to do so. It seems to me a little peculiar that overseas officers are claimed to have been discriminated against when, as a matter of fact, of the two boards with which he had connection, as in the case of the junior boards, the very large majority of officers who had been overseas were placed upon the boards that made the selections. There is nothing in the contention, as I see it; the facts do not support the idea that the boards were in anywise discriminatory as against the fighting men, as some of them said before the committee. We found nothing to justify that criticism.

A little incident was referred to here the other day about General Russell, when he was in Veracruz, having reported a threatened attack on the part of the Mexicans at the water-supply plant to which he had been assigned. General Butler was the person who brought up that criticism. General Butler, in his statement, referred to General Taylor, as I recall, and also to Colonel Clarke, as though they were his sources of information.

Mr. BLACK. Mr. President-

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Alabama?

Mr. TRAMMELL. I think it better to try to discuss the matter connectedly.

Mr. BLACK. I was going to say in reference to Colonel Clarke that I have a telegram which has just been handed me and which I wanted to read to the Senator in connection with Colonel Clarke.

Mr. TRAMMELL. Does not the Senator think I had better read his statement first?

Mr. BLACK. Well, if it is a statement from Colonel Clarke, the telegram is with reference to that statement. The telegram reads:

SAN DIEGO, CALIF.

SENATOR HUGO BLACK

Senate Office Building:

Reported that Colonel Clarke, of this base, received telephonic orders Saturday to send air-mail statement relative Russell's conduct in Mexico. Clarke was selected, and his statement will be prejudicial.

May I ask if Colonel Clarke is in San Diego?

Mr. TRAMMELL. I presume so. The telegram is from San Diego, Calif. I have read the statement Colonel Clarke made. Of course, to say he was prejudiced because he had been selected for promotion is to impugn the motive of everyone who has any connection with promotion boards. At some time or other probably all these officers have been promoted. If we cannot trust officers of the Marine Corps to be honest and fair in considering the matter of promotions, what are we going to do? Are we going to establish a civilian board? Are we going to establish the Senate as a board to review all military records and to determine whether this or that officer should be promoted? It is very easy to say a person is prejudiced, but we have found no evidence in anywise to establish that there has been any prejudice exhibited upon the part of the membership of

Colonel Clarke is one witness to whom General Butler referred when he was criticizing General Russell. His telegram is addressed to Maj. Gen. John H. Russell, headquarters Marine Corps, Washington, D. C., and reads as follows:

Relative to the El Tejar incident, early one morning the sentry on the water tower reported Mexican troops on the road about half mile from our camp. You sent me with a trumpeter to investigate. Upon arrival at the road I met the head of a column of Mexican cavalry advancing around a bend in the road. There were in sight probably one troop and about one-half of another, the rest being hidden by bend in the road. There was a major in command, so I have always assumed the force consisted of at least a squadron of cavalry. I signaled the Mexicans to halt, which they did, sending forward a lieutenant, who spoke English, and a trumpeter to parley. At this point you arrived and received the Mexican major's message which was to the effect that you were given 10 minutes in which to evacuate El Tejar or fight. You told him to go to hell, ordered me to remain in observation, and given 10 minutes in which to evacuate El Tejar or fight. You told him to go to hell, ordered me to remain in observation, and returned to camp to order out the command. I remained in observation for a few moments. The Mexicans then left the road, going into the trees and underbrush. By this time you had ordered the battallon into defensive positions and I rejoined my company. Aside from possibly a dozen shots fired by the Mexicans, nothing more was seen or heard of them. I actually saw between 100 and 125 Mexicans, and I know there were more concealed from view around the bend of the road. As I recollect, our orders were to defend the water works at El Tejar, but to do nothing to bring hostilities. nothing to bring hostilities.

That is what the man at the outpost has to say about that incident. He is one of the persons to whom General Butler made reference in testifying before the committee. That is quite a different story than the one being told about only one soldier coming forward.

A very important and significant fact in connection with the service of General Russell in Mexico was that he had been ordered to take the aggressive in nowise and that so far as possible he should avoid doing so. I have the orders which went through General Funston to that effect, and which also were approved by the War Department.

Did the military authorities in charge criticize General Russell for that? It remained for somebody outside, somebody who was antagonistic to General Russell-General Butler-to bring up a criticism of that character. To the

contrary, instead of criticizing him, the military authorities commended him for the able and splendid manner in which he had served at that post. That commendation came from his commanding officer, General Funston, and from the War

We did not hear anything about this for 2 or 3 years, until probably one or two people were disappointed because 18 men were not selected for two promotions. I have never yet heard how 18 men could be selected for a civilian position or a military position when there were only 2 vacancies to be filled or 2 promotions that could be made. It took an incident of that sort to bring up this criticism in regard to General Russell.

There is further evidence on this matter. General Russell did ask this officer for a statement, and the message I have read came in reply to that request. But I have a telegram from another officer who was there at the time, who was not even asked for a statement. He is General Taylor. General Taylor voluntarily sent this telegram to General Russell, dated March 3:

In all fairness, I cannot stand by and see you so unjustly charged regarding the Mexican affair. As I was second in command, I can testify your conduct was perfectly correct and your orders to me will refute the allegations.

Through all the military channels the evidence is that General Russell's conduct and the policy he pursued in that incident have been approved. We have only the criticism of someone who was there whose statements unquestionably indicate, I believe, to every fair-minded person, that he is very much prejudiced against General Russell. I refer to General Butler. It is from him that the criticism came.

General Butler also criticized General Russell in regard to Haiti. General Russell had the commendation of the then Secretary of State, the commendation of the then President of the United States, and of General Lejeune, the Commandant of the Marines, as to his service in Haiti. It was rather significant, in discussing the matter before the committee, that General Butler stated that General Lejeune was one of the two outstanding soldiers in all America. He only mentioned one other as being in a class with General Lejeune. The committee made inquiry of General Lejeune as to what he thought of General Russell, inviting him to come before the committee, but on account of illness he was unable to do so. We also asked General Lejeune with relation to the promotion board. Let me read this letter from one of the greatest soldiers of America, an officer who for a long time was Commandant of the Marine Corps, and I think is quite generally appreciated by the service and the military authorities, both in the Marines, in the Navy, and in the Army. He is at present president of the Viriginia Military Institute at Lexington, Va. This letter is addressed to me as chairman of the committee:

VIRGINIA MILITARY INSTITUTE, Lexington, Va., February 14, 1935.

Senator Park Trammell, Chairman Senate Naval Committee,

Washington, D. C.

My Dear Senator: Confirming my telegram, sent last night, in answer to yours, dated the 13th instant, I desire to express my great appreciation of the committee's confidence in my judgment, as indicated by your message asking me if I was in a position to appear before the committee with reference to certain important questions pertaining to the Marine Corps.

It was with extreme regret that I had to answer your message to the effect that I was call of the confidence in the confidence to the confidence in the confidence to the confidence in the co

It was with extreme regret that I had to answer your message to the effect that I was still suffering from the results of the serious injury of which I was a victim some time ago. I also said that I was convalescing steadily but I did not think it advisable, on account of the likelihood of bad weather at this season, to run the risk of a set-back now, but I would write you my answers to the questions propounded in your telegram. I might say here that I can write much better than I can talk, as a hesitancy or difficulty in enunciation is one of the after effects of my badly fractured skull difficulty in entirectured skull.

After these preliminary remarks, I will now endeavor to answer the questions set forth in your telegram candidly, fearlessly, and briefly

I will first take up the question referring to the record of Maj. Gen. John H. Russell, the present Commandant of the Marine Corps, viz: I was Commandant of the Marine Corps from July 1, 1920, until March 4, 1929. During all of this period General Russell was on duty in Haiti and had been there about a year before I became Commandant and remained there about 1 year

after I ceased to be Commandant, a total of about 11 years. I consider that he did magnificent work there. While he was there he put down a serious insurrection in a stern but merciful manhe put down a serious insurrection in a stern but merciful manner; he restored the finances of the country to a sound basis from a state of confusion, left by repeated revolutions extending over a number of years; he, militantly, required the Haitian officials to administer their offices in an honest manner; American officials, under his direction, furnished an example of probity, efficiency, and good judgment that I am confident will inure to the benefit of the Haitian people for a long time to come; he took and executed measures that worked a revolution in the health of the people, and that fostered the education, the welfare, and the prosperity of the people; and he was a great builder, leaving behind a magnificent network of highways, bridges, docks, and buildings.

Through it all he served in a triple capacity, viz, as senior officer present, high commissioner, and as the diplomatic representative of the United States.

sentative of the United States.

I observed his work closely while Commandant, and I do not hesitate to testify that he was a faithful servant of the Government and people of the United States and did his work well.

I have heard that he has been criticized for sevendent extensions.

I have heard that he has been criticized for serving on the Marine Corps promotion boards, contrary to the precedent established by myself. I invite attention to the fact that the present promotion or selection boards are not at all parallel to the former so-called "eligibility boards", which functioned when I was Commandant and on which I did not serve. The former eligibility boards placed on the list of eligibles all the colonels which the board considered were fitted to be promoted. From this eligible list the Secretary of the Navy and the Commandant (myself) selected the officer to be recommended to the President for promotion to the rank of brigadier general.

At the present time, the Commandant would have no voice in the selection of his subordinates to exercise high command in the line or to be appointed as heads of the staff departments who serve directly under him as members of his official family, were he not to serve as a member of the selection beards, and I do not hesitate to affirm that had not General Russell been willing to

hesitate to affirm that had not General Russell been willing to serve as a member of the senior selection board he would have surrendered one of the most important functions of his office as

surrendered one of the most important functions of his office as Commandant of the Marine Corps.

Furthermore, he knew that the report of the board would be criticized or attacked by those passed over and by their friends, and he, like a gallant officer and gentleman, refused to stand aside and let his juniors bear the blame alone.

I now take up the question of the best procedure for promotions. I am glad to have again the opportunity to give my views on this subject to the committee.

I convened a board while I was Commandant to draw up a

on this subject to the committee.

I convened a board, while I was Commandant, to draw up a recommendation for a selection law, which in its final form was laid before Congress. I appeared before the House Committee on Naval Affairs to make a statement on the subject of the selection bill. I advocated it at length, with the outcome that the committee reported it favorably to the House and, after full discussion, it passed the House without amendment.

Later I appeared before the Senate Naval Committee, in advocacy of the House bill, and after extended hearings the bill was

cacy of the House bill, and after extended hearings the bill was reported favorably to the Senate. Owing to the legislative jam, which then characterized the short sessions of Congress, it failed to be called up before March 4. It, therefore, did not become a law while I was Commandant as my term of office expired on that

day.

I have always regretted that I did not number the enactment of the selection law for the Marine Corps as one of the major accomplishments of my terms of office, and I rejoice that the present law was enacted, as I believe, if perfected in accordance with General Russell's recommendations, it will work a beneficent revolution in the officer personnel of the Marine Corps, making it in fact, as well as in song and story, the most efficient military organization in the world.

it in fact, as well as in song and story, the most efficient military organization in the world.

I will conclude my letter with a statement relative as to how efficiently the promotion board's work has been done since the enactment of the Marine Corps selection law.

I will preface my remarks by the observation that the boards are composed of officers who are considered duty loving, fearless, and conscientious. It is the most heart-rending duty that I can imagine, because necessarily the members of the board have to pass over a great many of their brother officers.

It goes without saying that boards consist of fallible human beings as infallibility belongs only to divinity. Necessarily, therefore, boards sometimes make mistakes, but surprisingly few mistakes were made in the case of the Marine Corps boards. The system of promotion by seniority, I believe, has been far worse. The meritorious, the energetic, and the able have been smothered, very often, by the worthless, the lazy, and the stupid. To return to the old system of promotion by seniority, in my opinion, would be destructive to the morale of the officer personnel.

In conclusion, I desire to point out that in the future selection will be a comparatively easy matter, as only about one-seventh

will be a comparatively easy matter, as only about one-seventh of each grade, instead of practically all of the efficers of the Marine Corps, will be subject to selection in any 1 year. The last 9 months have been a hard year on officers and their friends.

I thank the committee for having given me this opportunity to lay before it my views on this subject, in writing, and I hope that my statement is sufficiently clear and to the point.

my statement is sufficiently clear and to the point.

With high regards and best wishes, I am,

Your sincere friend,

JOHN A. LEJEUNE,
Major General, United States Marine Corps (Retired).

That is the letter which was received by the committee from General Lejeune, who for 8 or 9 years was the Commandant of the Marine Corps. He states his views with regard to the board and the action of the board.

There has been general criticism of the board on the question of the promotions made. On this point General Butler was before the committee, and either in response to a question or as a voluntary statement he said that the promotion board under criticism, and which he criticized, had made a lot of "bully" selections. I think he used the term "bully" selections, and he commented in particular in regard to one or two officers who had been promoted by the board as being fine selections.

Of course I have no controversy with General Butler, but he seems to be in the center of the stage. I should rather think, in regard to his attitude, that if an officer he considered all right was promoted, that was "bully work" on the part of the promotion board; but if he happened to think of someone else who did not get a promotion, that was all wrong. There is a prejudice in all cases where the men promoted did not happen to be those whom he selected. I do not think he objected specifically to more than about one promotion

In regard to the selection of the board, there were eligible for membership upon the promotion board 10 or 11 officers. The Commandant stated that one of them was not considered for membership upon the board because he himself was eligible for promotion at the time, and it was not thought proper for an officer to serve on a board when he himself probably would be brought up for promotion. So that reduced the number of eligibles to 10.

In the case of the first board that was appointed, 6 of the 10 were selected. The board is composed of six officers. Then, 6 months later, when another board was to be selected, General Russell and the Secretary of the Navy-of course the appointments were made by the Secretary of the Navyadopted a policy of not selecting more than 2 of the 6 who had served on the previous board. They only had 10 eligibles, or 11, if we can put the number at 11. So they selected six to serve on the first board last July, I believe. Then when it was necessary to name another board, they selected four officers who had not served on the previous board. That gave 8 members of the board out of an eligibility of 10 or 11. That did not look as though they were trying to pack the boards, or were trying to do anybody an injustice. I mention this matter because that criticism was made.

In the case of the junior boards, the same thing was true. There was some question about officers who were graduates of the Naval Academy dominating and controlling the board. On the first board only 2 out of the 6 were Naval Academy men. The others had either come from the ranks or from private life. In the case of the board which acted in January, there was only 1 Naval Academy man on the board out of 6, and all the others were from the ranks. So the facts do not sustain any contention in that respect, unless it be contended that 1 Naval Academy man had more influence than 5 men from civil life, or who came up from the ranks. I do not think anybody believes that to be so.

On the question of promotions, someone made the criticism that more officers were promoted from the Naval Academy than from other sources. The records do not disclose that criticism to be well founded. The records disclose that there was a larger percentage of promotions among marine officers who came from the ranks.

Let us consider the last selection board. General Mac-Dougall, who came from the ranks, was a member of the board.

There is talk about the question of fighting service. General MacDougall was overseas, and commanded a regiment overseas, so there was someone there who was active and went overseas.

Mr. BLACK. Mr. President, will the Senator yield to me? Mr. TRAMMELL. I yield.

Mr. BLACK. I will ask if it is not true that General MacDougall arrived in France in September before the armistice in November and stayed at Brest until after the war was over?

Mr. TRAMMELL. I do not know what station he had | there. Of course, I know that quite a good many of the officers-and I have very high regard and appreciation for them—went to France and stayed there for several months but were not in actual engagements, and quite a good many of them were away behind the lines. General MacDougall might not have been in actual conflict, but he was over there, and the criticism is met by the fact that he was per-

Of course, I know that my good friend the Senator from Alabama [Mr. Black] will have something to say about this matter. I do not know that it is necessary to go into all the details. I have mentioned some of the different phases.

There was some criticism, and I dare say it will be referred to, about General Russell as Commandant at the marine barracks in Quantico having received from the Shipping Board certain supplies which were stated to have been brought there to be used in the bachelor barracks, I believe, and later on some of the supplies were shipped to the headquarters here in Washington. A man named Davis, as I recall, wrote a letter to the Senator from Alabama in which he charged that those supplies were bought in violation of

We found that the supplies were bought by the Shipping Board long before any law was enacted in regard to any of the appropriation being expended for such supplies, so there was certainly no violation of law in that case. There was no moral turpitude involved whatever in regard to it. So, from my viewpoint, there was nothing whatever in that criticism and in that charge.

We in the Senate know that Congress has tightened up in regard to the appropriations which formerly were used for automobiles, which formerly were used for the purchase, probably, of certain equipment in officers' headquarters. But the change of policy, which I have favored and supported, was not in effect at the time in question; the transaction was absolutely a legitimate transaction, and there was not involved in it in any wise any moral turpitude, as I see the situation.

Mr. President, that matter involved the question of some furniture, some linen, some glassware, and so on, which had been selected and used in connection with the barracks at Quantico. The Shipping Board had an oversupply, and the Marine Corps asked if they would not deliver, on requisition, some of their supplies to Quantico. Later some of them were moved to the headquarters here in Washington. The question was raised as to it being a violation of law for any officer of the Government to get any personal benefit from an appropriation. The law which so provided was one passed 2 or 3 months subsequent to the time when these supplies were transferred to the Marine Corps; so, of course, General Russell was not violating any law in his action, and the Shipping Board was not violating any law at the time it transferred the supplies. This is along the line of some of the other criticisms.

Mr. President, I shall not go into all the details in regard to the different features of this matter, though I have a good deal of information here which I have not presented. But the committee was convinced that the criticisms were based on suspicion, and that the facts did not sustain the suspicions. Some of the charges were based on hearsay evidence, and the facts as developed by the committee did not sustain the hearsay evidence. The committee felt that the whole situation arose very largely on account of some officers being disappointed in not being promoted.

I very much sympathize with General Russell. I sympathize with anyone who has 2 places to fill and 18 eligibles ready to fill them. I sympathize with the man who has to make the selection, with at least a considerable number whom he cannot promote. If the Senate can solve that problem, I am sure it will do a piece of work which will be most gratefully received by Senators and by Representatives, and by everybody in public life, including Army and Navy officers. \* I do not say that some who have criticized are not good people. As General Lejeune says, the matter of selection is a very trying work, and it is a grievous work for the officers to

serve on these boards, because they cannot recognize and give all of the officers promotions. Some of their friends are bound to be disappointed, and some are bound to be denied promotions.

Of course, there is a great deal of difference between the present system and the selective system. Last year we had what were called selection boards, and the promotions were based on seniority. Under that system the Commandant made up a list of the senior officers, if there were two promotions to be made. He then recommended to the Secretary of the Navy those who he thought should be the 2 selected out of 10 seniors, we will say. Then the Secretary correspondingly would recommend to the President the 2 who should be selected from the 10 seniors. Therefore, the Commandant himself, if his recommendations were recognized by the Secretary of the Navy, made the promotions, and had no board. Likewise, the Secretary of the Navy, if the President recognized his recommendations, the Secretary basing his report upon the report of the Commandant, participated in the selection of those to be promoted, within the limitation of the seniors.

The present system was based on the idea of allowing more members on the boards, and of course more different elements in the Marine Corps and the Navy-for this is the same system that is used in the Navy-an opportunity to serve on the boards. It seems to me that is an improvement over the old system. Of course, I suppose some seniors may not have received promotions under the present plan.

I will conclude by saying that we investigated the facts to the best of our ability; we found nothing to convince the committee that General Russell had not been a faithful, efficient officer, and we felt that it was proper for the committee to recommend his confirmation by the Senate.

Mr. CONNALLY. Mr. President-

The PRESIDING OFFICER (Mr. King in the chair). Does the Senator from Florida yield to the Senator from

Mr. TRAMMELL. I yield. Mr. CONNALLY. The Senator has been on the Committee on Naval Affairs for a long time and is no doubt familiar with its internal policy and politics. Is is true that General Russell was identified with the same little crowd in the Marine Corps which former General McCawley dominated and controlled for so many years?

Mr. TRAMMELL. I do not know whether he was or not. There might have been some suspicion about McCawley and there might have been some suspicion about General Lejeune; I have even heard that suggested. As a rule, when we have gone into the facts in these cases it has been found there has been nothing to support any such contention.

Mr. CONNALLY. I have never been a member of the Committee on Naval Affairs, but there has been a pretty persistent feeling in the Congress for a great many years that the Marine Corps is a one-man corps, and that General McCawley for a great many years dominated it and controlled its policies and dictated who should be promoted and who should be demoted, and all that sort of thing. I was just wondering whether the Senator had any information indicating that to be the case now, and that General Russell succeeded General McCawley in that regard.

Mr. TRAMMELL. I do not know whether he is his successor under that kind of an allegation or not. I think that almost any officer in the Army, or any officer in public position, who has the selection of either civilians or military officers, is going to be criticized, unless all are successful in their desires, just as the Senate is criticized. There cannot be a case where a committee passes upon the selection of officers or passes upon a question of legislation, involving heated controversy and a great division of opinion, but that someone will be disappointed and say the committee whitewashed or the committee was influenced by an ulterior motive. I usually make a little allowance when I find an officer criticized, instead of jumping at a conclusion, and believing that everybody is a scoundrel and a rascal except myself.

Mr. CONNALLY. Mr. President, I am sorry if I provoked the Senator.

Mr. TRAMMELL. The Senator did not provoke me at all. I am simply answering his question. There is no provoking about it.

Mr. CONNALLY. I realize, of course, that those who are objecting will always be dissatisfied, no matter what process of selecting is adopted. Although the Marine Corps is a small corps, the Senator does not mean to approve the policy of a one-man corps or that one man should dictate all the appointments?

Mr. TRAMMELL. No, Mr. President. There is no evidence that that has been done. The Senator from Texas cannot have heard all my statement. I mean to say to the Senator. so far as my position is concerned, that, in my opinion, there is no evidence to support any conclusion of that character.

Mr. CONNALLY. Frequently the best evidence is not eyeball evidence. Circumstantial evidence is also valuable.

Mr. TRAMMELL. Oh, yes.

Mr. CONNALLY. I will say that no officer from my State is involved, but over a long period of time I have been rather impressed with the idea that the Marine Corps was just a little organization that was in the palm of one man's hand-

Mr. TRAMMELL. I do not share that view. Mr. CONNALLY. That he dictates his successors—

Mr. TRAMMELL. I do not share that view.

Mr. CONNALLY. That he picks out those he wishes to promote. The principal places he wishes to fill are those of Commandant and adjutant-inspector. If he can get those two jobs in the Marine Corps, the Marine Corps belongs to

Mr. TRAMMELL. I do not share that view; but if the Senator from Texas has that view, how does he propose to remedy the situation? I do not agree with the Senator.

Mr. CONNALLY. Of course, we who are not members of the committee have to rely on the Senator's committee. I am not complaining. I may be wholly in error. However, I was going to what I thought was the source of the information. I have no proof, but I have heard the same charges with reference to General Russell. I do not know General Russell. I was down in Haiti a few years ago, and I know that General Russell was ruling Haiti, and the Marine Corps, and everybody else in those territorial waters, like a Roman proconsul. He lived up on a big hill which I dared not approach, and he lived in great state, and every one stood in awe of him, from the humblest citizen of Haiti-and some of them are pretty humble—to the highest functionaries of the Government there.

I have no prejudice against General Russell; but if he has brought back to the Marine Corps this vice regal or almost regal atmosphere which he had around him in Haiti, I would vote against him just on general principles.

Mr. TRAMMELL. Of course, the Senator has a right to his views.

Mr. CONNALLY. I am not prejudging the case. I shall wait and hear the evidence.

Mr. TRAMMELL. The Senator from Texas has a right to his views. Of course, I myself would rather base my opinion with regard to General Russell's service in Haiti upon the statements of the officers of the marines under whom he served, the Secretary of War, and the then President of the United States. I would not attribute to them the bestowal of approvals which were not deserved, nor would I believe that the approval that General Russell received from General Lejeune was not deserved. I would say of that whole catalog of people in public office-those in the State Department, the President of the United States, the Commandant of the marines—that they would not have given General Russell a splendid commendation and approval for his work in Haiti unless they felt he deserved it. So I base my opinion on that. I never met General Russell until this controversy came up. I had no predilections for or against General Russell.

Mr. CONNALLY. Mr. President, will the Senator yield?

when I was in Haiti the rumor was current there that Gen-

eral Russell, while in command, had forbidden and prevented the landing in Haiti of a United States Senator, the pretext being that the Senator had criticized on the floor of the Senate the policies of this Government in Haiti and in South and Central America in sending marines into those territories. I do not know whether or not General Russell prohibited the Senator from landing; but it was a current rumor in Haiti that this belted and booted military man had issued an edict, or had caused an edict to be issued, which had prevented a United States Senator from going into Haiti because he, General Russell, did not want that Senator there. If that be true, I should like to have the proof of it. If that be true, I shall vote against the confirmation of General Russell.

Mr. TRAMMELL. Let whoever made that statement prove it. General Russell states to the contrary, that he advised that it would be proper to admit the Senator, and he would have liked to see him admitted. The matter was then taken up with the State Department, and the State Department said it should be decided by the President. General Russell's statement is that he neither inspired nor encouraged the exclusion of the Senator, but, to the contrary, in its inception he advised against such action.

Mr. CONNALLY. I do not think the committee ought to stop with hearing General Russell's statement. Has the committee no proof except from General Russell?

Mr. TRAMMELL. I might go out and make a statement about the Senator from Texas-and were I to make a statement about him it would not be anything against him, but it would be a complimentary statement-

Mr. CONNALLY. I thank the Senator. Mr. TRAMMELL. But there are people who might make a statement about the Senator and it could not be said that they had proved their case simply because the Senator did not go out and get a great amount of outside evidence to show that they had said something which was not true. If I should hear a false statement made about me, I would not go around and get anyone to prove the contrary. I would say that the statement was a falsehood, and if there was not brought forth any other evidence except hearsay and suspicion of course I would let it go at that.

Mr. CONNALLY. I am not surprised that the committee has no more evidence if that is the chairman's policy. The committee has called a man before it and heard his statement about the matter, and then it does not interrogate anyone else. Did the committee have before it the Senator who was supposed to have been excluded from Haiti?

Mr. TRAMMELL. The Senator who was excluded appeared before the committee once before and told about the incident. I do not think the Senator stated that General Russell might have had the order issued. General Russell was down there under the direction of the State Department. and General Russell stated that he did not inspire the order; that, as a matter of fact, he advised against it.

Mr. CONNALLY. It seems to me the question was serious enough, however, for the committee to have run the matter down and found out the facts about it. I have not any personal pique about it. I do not know General Russell.

Mr. TRAMMELL. I have no personal pique about it. Mr. CONNALLY. I never saw General Russell in my life. I am not particularly concerned with whether I ever see him or not; but in the case in question, concerning the Senator in question, I think if what has been said be true, the committee ought to bring proof of it to the Senate. If it be true, it would, to my mind, disqualify him for promotion, because whenever a military man gets the idea that the military is above the civil authority, and whenever he is temporarily in a place of great responsibility, such as that occupied by General Russell, he abuses what we have always conceived to be the functions of the civil and the military authorities, and I do not think he should occupy a high station in this Government.

Mr. TRAMMELL. We had no evidence whatever before the committee that General Russell caused the order to be Mr. TRAMMELL. I yield.

Mr. CONNALLY. I do not know what the facts are, but made. Does the Senator know that General Russell caused the order to be issued?

Mr. CONNALLY. I do not know, but I have a darned good suspicion that he did. If I were on the committee, I would find out whether or not he did.

Mr. TRAMMELL. We found out all we could about the

Mr. BANKHEAD. Mr. President, while this subject is under consideration, I note that the Senator involved [Mr. KING] is presiding. This subject is one which agitated the country, attracted a great deal of attention in the newspapers, and there were flaming headlines all over the United States carrying the report that a Member of the Senate had been excluded from Haiti by an officer of the United States Marines. I myself should like to know the fact before I vote on this nomination. If the committee has not gone into the incident, I desire now to express to the Senator who is presiding the hope that before the debate shall have ended he will give us the benefit of a first-hand statement of fact upon the subject so far as he knows it.

Mr. TRAMMELL. That is very satisfactory to me, Mr. President. I have a high regard for the Senator who is

Mr. CONNALLY. In connection with the suggestion of the Senator from Alabama, does not the Senator think it would be better to have the statement made in the com-

Mr. TRAMMELL. I certainly think so. Mr. CONNALLY. Would it not be better to let the Senator to whom the Senator from Alabama alludes appear before the committee, rather than make a statement in the open Senate?

Mr. BANKHEAD. I think so; and I think all phases of the occurrence should be investigated, including any official orders which may have been issued.

Mr. CONNALLY. Mr. President, in view of the paucity of the evidence which the committee had, it seems to me, the whole matter ought to go back to the Committee on Naval Affairs for further investigation and report, when we will have some evidence upon which to act. If General Russell is innocent, I, for one, do not wish to have him punished; but if he is guilty of a small tithe of the things that have been charged against him, he ought not to be confirmed, and the Senate can act only on information furnished by the committee.

Mr. JOHNSON. Mr. President, will the Senator yield? Mr. TRAMMELL. I yield.

Mr. JOHNSON. The Senator from Texas speaks of the charges which are made against General Russell, and says, if they are so, then, thus, and so. Let us hear those charges. Hearings have been had. I am slightly familiar with the incident which is referred to concerning the exclusion, as it is stated, of a United States Senator from Haiti. That particular matter, as stated to me-and I am a new member of the committee, and therefore my word is of little value concerning it—that particular matter, as I understood, was one which the committee was asked not to attempt to go into; that such inquiry was not desired by any of those who were interested in it; and, an adequate explanation being made by General Russell, with the statement that had been originally made concerning it, it seemed to one individual upon the committee that there was nothing further that need be done respecting the matter.

Mr. TRAMMELL. Mr. President, I heartily agree with the Senator's statement. The position taken before the committee was that there was no request that the matter be entered into. It had been inquired into once previously, some year and a half ago.

Mr. JOHNSON. I am speaking of the recent hearings, which I attended constantly. If there were prior hearings upon this subject, I did not attend them, and I was not a member of the committee at that time. I desire to make that perfectly clear.

Mr. TRAMMELL. The Senator is absolutely correct in regard to the hearings relative to the pending nominations. Some of the complaining parties said that they did not care to have that gone into, and there was nothing particularly done about it; there was no consideration of it.

Mr. JOHNSON. There was a statement made, however, concerning it on the part of General Russell, or, at least, inquiry was made, and that ended the matter.

Mr. TRAMMELL. That is the situation. I do not think this matter should be referred back to the committee.

Mr. CONNALLY. Mr. President, I am not making a motion, and I will say, if the Senator from Florida will bear with me for a moment, in reply to the Senator from California, that the Senator from Texas made no charges. I am just reporting what I understood were the charges. Now it occurs to me-

Mr. JOHNSON. Mr. President, if the Senator will pardon me, there is the difficulty. I do not know anything about the Marine Corps, I confess; I know nothing of its personnel: but I listened to the hearings. Now, the Senator refers to what he has heard. Let us hear what has been heard respecting General Russell, and, if he is unfit, let us reject his nomination; but, if the charges rest upon what somebody has heard and what has not been developed, for one I decline absolutely to reject the nomination.

Mr. BANKHEAD. Mr. President, will the Senator yield? Mr. JOHNSON. I have not the floor nor the right to

Mr. BANKHEAD. I merely desire to ask a question right on that point. I should like to know if it is the Senator's idea that, when we are passing on the confirmation or rejection of an appointee, we ought to set a precedent that we cannot consider anything except testimony that has been presented to the committee?

Mr. JOHNSON. No.

Mr. BANKHEAD. That certainly has not been the rule since I have been here.

Mr. JOHNSON. Let anything be presented by those who wish to present it.

Mr. BANKHEAD. Then why not let us go into this matter?

Mr. JOHNSON. Let us go into the subject with the utmost fullness. Let us make any charges that can be made. If they can be answered, then that is sufficient. If they cannot be answered, the evidence may be obtained that will answer If that cannot be done, then let us act as each Senator may see fit under his oath as a Senator. Thus far the matter has depended upon charges which have been made and published broadcast throughout all the land. I have grown old enough—I think my friend from Texas in his youth will not be wholly unsympathetic with me-that when a man has served nearly 50 years in a department I do not want his reputation torn to shreds by newspaper articles.

Mr. CONNALLY. Mr. President-

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Texas?

Mr. TRAMMELL. I yield.

Mr. CONNALLY. Allow me to say to the Senator from California that the Senator is the one who suggested that the reason why the committee did not go into these matters was that somebody came before the committee and said, "We do not want to go into those matters." That is what I brought to the attention of the Senate. It is the business of the committee to go into everything that is pertinent to the particular situation. The Senate has to rely upon the committee to do these things. I do not think it lies in the mouth of the Senator from California to lecture the Senate now because we want a little light on the subject when he admits that the committee, of which he is a member, did not see fit to go into it at all.

Mr. JOHNSON. Very well. Suppose the gentleman who is preferring charges said he does not want anything said about this particular matter that has once been investigated. Suppose the gentleman who is affected says that, as a personal matter, he does not wish this question to be involved in this particular controversy. Does the Senator think it is still the duty of the committee to proceed with an investigation that nobody desires and nobody requests?

Mr. CONNALLY. The Senator is taking in a very large scope of territory when he says nobody wants it. There is evidently a considerable part of the Senate that does want it. I do not regard a confirmation as a private matter between | the man who is going to be confirmed and some other particular individual. A matter of confirmation is for the entire Senate to consider.

Mr. JOHNSON. No one regards it in any other fashion, so far as that is concerned. We ought not to get into that sort of attitude here. There is a question of confirmation before us. Let us proceed. If the Senator from Texas has a particular and distinct desire to present something, let us have it presented. We can try it out here on the floor and determine, perhaps, just exactly what the facts are. If we cannot, then we can get the facts, because they are at hand. But after a nomination has been deferred for quite a long period, after those who are interested in the nomination or in the prevention of the confirmation of the nomination say they do not desire to proceed to hear the statements as to a particular incident, to say now that we should delay confirmation in order that the committee may consider it further at the request of the Senator from Texas seems to me to be not wholly just.

Mr. TRAMMELL. Mr. President, I will say that the committee was in session off and on for a month or two considering this nomination, and the Senator did not make any complaint. No one else asked us to go into this particular matter. It came out when General Russell was nominated for the position of Commandant about a year ago. There was criticism at that time, and the committee then went into the question. At this time the matter did not come before the committee for inquiry or investigation, and the Senator who was interested stated he did not care to have

the question brought up.

Mr. BLACK. Mr. President, will the Senator yield? The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Alabama?

Mr. TRAMMELL. I yield.

Mr. BLACK. I desire my position made absolutely clear, since it is evident that reference is made to my statement. What I stated was that I was not going to bring that matter before the committee by reason of the fact that I had been requested not to do so. I have stated, and I state now, that I would not have voted for General Russell's confirmation because he kept a Senator out of Haiti. I will state again that if I knew of no other reason on earth to vote against his confirmation, that would be sufficient for me.

Mr. TRAMMELL. In my opinion that would depend on whether General Russell was acting under instructions from the State Department. He was there under the State Department representing the Government. It is my understanding, and I believe the understanding of the committee who had the matter up for consideration a year ago, that he was acting under direction of the State Department.

Mr. CONNALLY. Where did the State Department get

the qualities of sovereignty?

Mr. TRAMMELL. They were acting in the capacity of appointing someone there to represent our Government. The matter no doubt went through the President, but the State Department handled the details, largely as it does in the appointment of an ambassador or representative of the Government to other countries. Of course, there is on the part of the committee no attitude of not wanting to investigate, but after we have had a dragnet out for sometime and opened a veritable Pandora's box of criticism based almost wholly on hearsay, when the matter was before the committee for 4 or 5 weeks, then it seems to me hardly fair that it should go before the committee again. We might as well discuss it here. The committee cleared General Russell. It is like a man having a case tried in court and the jury clears him, and before the judge can announce the verdict of the jury one of the losing parties in the case runs in and says, "I have found some new evidence and I want this case tried again." Perhaps that is not exactly analogous, but it is much like the present situation.

The committee was open for hearings and did have hearings off and on for at least 4 or 5 weeks. Unless something new has been developed and some evidence other than mere hearsay can be presented, the committee ought not to be

asked to further consider the matter. We have had too much hearsay and too much suspicion. So far as matters coming before the committee are concerned, we have found no facts to support the suspicion and hearsay. We could pick out any Member of the Senate and find many people who would say, "I heard so-and-so", and "They say so-and-so", and "It is said this, that, and the other." I do not think many of us would be in sympathy with destroying a Senator because of that kind of criticism. We would want something more substantial than criticism of that character.

I have some good friends who were not promoted by the promotion board, men and officers for whom I have the highest regard, and I should have been delighted if they had been promoted; but still, just because they did not happen to be promoted, I do not think the board was all wrong, or that its members were actuated by improper motives. There are no facts or evidence to show that they were actuated by any improper motives, or that they did not go ahead and do their work honestly and conscientiously, in spite of the fact that I may have had one or two friends who did not happen to receive promotions.

We made the report, after investigating the facts, and thought it was proper for the committee to approve the nominations.

Mr. CONNALLY. Mr. President, I wish to thank the Senator from Florida for his indulgence in yielding to me so often. I now desire a little time of my own.

The Senator from California [Mr. Johnson] suggested that the Senator from Texas had made some charges. The Senator from Texas made no charges. He repeated what he had heard from time to time, and he desired some light on the subject, and he thought the place to go for light was the Committee on Naval Affairs which had jurisdiction of this particular matter; but when the Senator from Texas inquired what the Committee on Naval Affairs knew about these rumors, the reply was that the committee knew

Mr. JOHNSON. No; Mr. President.

Mr. CONNALLY. Just a moment.
Mr. JOHNSON. The Senator is in error. I cannot permit that statement to stand unchallenged.

Mr. CONNALLY. Does the Senator desire that I yield to

Mr. JOHNSON. Yes. Does the Senator yield?

Mr. CONNALLY. I do. Mr. JOHNSON. I thank the Senator, and I say to him that he is utterly mistaken in what he has just said.

Mr. CONNALLY. Then I will try to correct my state-

Mr. JOHNSON. Let me tell the Senator the sequence of

Mr. CONNALLY. One reason why I secured the floor was so that I could be indulgent to the Senator from California, and give him all the time he wanted.

Mr. JOHNSON. I admit that the Senator could not be better indulgent; but let me state to the Senator from Texas the sequence of events. I have just recently become a member of the Naval Affairs Committee.

Mr. CONNALLY. I judge so.

Mr. JOHNSON. Let the Senator wait a moment. I was not on the committee when this incident occurred. Does the Senator realize that last year there came before the Senate the nomination of General Russell for Commandant of the Marine Corps; that prior to the time when his name was first sent in this incident happened of which I heard, just as the Senator heard? That is the time referred to by the Senator from Florida, I assume, when investigation of this incident was made; but the name came before us. The incident was known. General Russell was confirmed as Commandant of the Marine Corps a year ago; and he now comes up under another nomination that is designed, as I understand, to make permanent what was a temporary appointment last year-not the appointment as Commandant of the Marine Corps.

Mr. CONNALLY. I understand.

Mr. JOHNSON. So it is not a question of the matter not | having been considered, as the Senator from Florida has said, but it is a question now of threshing the matter over again, when the committee was requested by the parties in interest not to thresh it over.

Mr. CONNALLY. I thank the Senator for his very illuminating interruption. All I have found out is what everybody knew, and that is that General Russell was confirmed last year as Commandant, and now he is up for confirmation as a major general. Is that correct?

Mr. JOHNSON. Yes. Mr. CONNALLY. Very well. How that touches the question the Senator from Texas raised I do not see. The question the Senator from Texas raised was about this incident that occurred in Haiti, in which it is charged that General Russell was the instrumentality through which a United States Senator was prevented from landing on Haitian soil. When I asked the committee what they had done about it, they said it was agreed between General Russell, I suppose, on one side, and some individual on the other sidethat they did not want to disturb that matter. I thought the committee was there to investigate such matters on its own initiative.

Mr. JOHNSON. Mr. President, will the Senator yield? Mr. CONNALLY. The Senator will not let me answer his first question before interrupting me again.

Mr. JOHNSON. Then I will not interrupt the Senator.

Mr. CONNALLY. No; I yield to the Senator. Mr. JOHNSON. The Senator from Texas is peculiarly one who lends himself to interruption at times, kindly, pleasantly, with great courtesy, and the like; but I will refrain

Mr. CONNALLY. I thank the Senator. The Senator shows great restraint—much more than he usually shows in thus holding himself in leash. I am always glad to yield to the Senator because he contributes to the interest of the

When I suggested that the committee ought to have obtained this information, the chairman of the committee said, "Why, the Senator from Texas did not come around the committee." No; I am not a member of the committee. I cannot go smelling around every committee. I am relying on the committee's doing its duty and bringing the facts to the Senate, where I am supposed to find them. This is the place where I ask for the information; and the answer of the committee is, "We did not go into that."

The chairman of the committee said, "Why, somebody said that the State Department prevented a Senator from landing in Haiti." Was any representative of the State Department before the committee? Nobody answers. If the State Department prevented a Senator from landing in Haiti, where the United States had interests, where the United States was maintaining a great military establishment, where the United States had a high commissioner, and representatives from whom the people ought to have information, why are not the orders of the State Department brought here?

Were those orders in writing? If so, they are now in the archives of the State Department. Is the Senator from California [Mr. Johnson] prepared to say that those orders were submitted to the committee? Is the Senator from Florida [Mr. Trammell] prepared to say that those orders were submitted to the committee? If those orders were not written, how were they transmitted? They had to go by cable; they had to go by telegraph or wireless. There are records in the Department, I dare say, that would reveal the truth of that statement.

Mr. President, I am not prepared to say that some little bureaucrat sitting here in Washington in the State Department, simply because he wears white spats and a top hat, has authority to issue an edict that a United States Senator proceeding abroad on business affecting this Government-I mean, affecting it in the sense that he is a representative of the Government of the United States and has a right to go wherever this Government has interests-shall not enter such a place. If the State Department did such a thing, the fact ought to be revealed, and we ought to know where the

jurisdiction of these departments extends. If General Russell, acting as a military autocrat, either issued the order himself or inspired the President of Haiti to ask for it, or indirectly inspired the State Department to ask for it-if that sort of an edict or ukase was issued by some little, bespangled, gold-belted military autocrat against the representative of his Government-I am not prepared to vote to confirm him, either as major general or as second lieutenant.

Mr. SHIPSTEAD. Mr. President, will the Senator yield? Mr. CONNALLY. I yield to the Senator from Minnesota. Mr. SHIPSTEAD. Let me call to the Senator's attention the fact that at the time the Senator was kept out of Haiti we were occupying Haiti with military forces. It was in our possession. We ought to know, and I think for the benefit of General Russell himself we ought to know, whether he was responsible for that order or whether it came from the State Department. If I were General Russell, I would not ask to be confirmed for any office if I had occupied the position he did and if I had issued the orders he is said to have issued.

I happened to be in Haiti a few days after orders had been issued that the Senator from Utah should not be permitted to land there. I drove from Port au Prince to Santo Domingo. When I came to the border, there was a gate of new planks with a padlock on it. I said to the Marine officer who was in the car with me, "What does this mean?" He said, "That is a barricade we built to keep Senator King out of Haiti." I said, "We have come to a damned pretty pass when American officers, drawing pay from the United States Treasury, have nothing else to do in occupied territory than to build barricades to keep an official of the United States Senate out of that occupied territory!"

I think the Senator from Texas has raised a very important point. If General Russell was responsible for that order, that is one thing. If the State Department was responsible for it, by what right would they order a Senator to keep out of territory occupied by American troops? I think the Senator has raised a most important point in this controversy.

Mr. CONNALLY. I thank the Senator. Mr. BANKHEAD. Mr. President-

The PRESIDING OFFICER (Mr. Van Nuys in the chair). Does the Senator from Texas yield to the Senator from

Mr. CONNALLY. I yield. Mr. BANKHEAD. I should like to inquire of the Senator, if we assume that the State Department issued the order, whether it would not be helpful to the Senate to ascertain what representations, if any, were made by General Russell to the State Department which led to the issuance of the order, and also to have the order to ascertain how General Russell construed it, and also find out what officer in the State Department assumed the authority to issue such an order.

Mr. CONNALLY. I thank the Senator. Those are very pertinent inquiries. They are matters which ought to be developed, and, if the Senate Committee on Naval Affairs will pardon me for seeming impertinent in asking these questions, I will say to the Senator from Alabama, as I suggested a moment ago, that if these orders are in existence, they can be brought before the committee, or they can be brought to the Senate.

I have heard several versions of this matter, one like that coming from the Committee on Naval Affairs, that General Russell merely carried out the orders of the State Department. If General Russell, on the other hand-and this is another version of the matter-did not want to act on his own initiative and interceded with the Haitian Government and induced the Haitian Government to suggest to the State Department that it was undesirable for the Senator in question to visit Haiti, that is something we ought to find out.

As suggested by the Senator from Minnesota [Mr. Ship-STEAD], we were then in Haiti, we were policing Haiti; in fact, we had control of the Government of Haiti, not in name, but in fact. The marines, through General Russell, were controlling the whole of Haiti, and the policies of that Government were dominated through the United States agencies. If either one of those sets of facts be true, I think it calls for the condemnation, and the most serious condemnation of General Russell.

The Senator from California [Mr. Johnson] seems to make some quibble about General Russell's having already been confirmed as Commandant a year ago. Suppose he was; that would not preclude the Senate from questioning his fitness for this advancement in rank, either now, or at any time since he was confirmed as Commandant of the Marine Corps.

Mr. President, I do not stand in such great awe of these militarists. The Senator from California said he would not want lightly to condemn any man who had served his country for 50 years. Neither would I. It does not make any difference to me whether a man served a minute or a hundred years; the question is as to the merits of the case. If General Russell has committed no wrong, of course, we should confirm him. But I want some facts on which to form a judgment. I want some proof. I think the Committee on Naval Affairs ought to interrogate the State Department. I do not think they ought to be content with the statement of General Russell. They said General Russell came before them and said this charge was not true, and they just let it go at that. There were other marine officers in Haiti at the time General Russell was there and they ought to be available.

I did not propose to oppose the confirmation of General Russell, and I am not now opposing it. I am merely modestly, and in a duly deferential manner, inquiring of the committee as to what proof they had on the question before us, and that mere inquiry seems to have aroused all this disturbance and commotion. All I want is the facts, and I do not think the committee has developed the facts.

Mr. KING obtained the floor.

Mr. TRAMMELL. Mr. President, will the Senator from Utah yield for a moment?

Mr. KING. I yield.

Mr. TRAMMELL. I merely wish to make a little statement in regard to the committee action.

The committee did not have this question before it in considering the pending nomination. As the Senate will recall, a little over a year ago the President appointed General Russell as Commandant of the Marine Corps, and this matter was an issue at that time. It was an issue before the President appointed General Russell as Commandant.

At that time the committee went into the matter rather extensively. I do not remember all the details. At this time, however, the question was not in issue against General Russell, and no one requested that the matter be gone into further. That accounts for nothing particular being done in the consideration of the pending nomination.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. TRAMMELL. I have not the floor.

Mr. BLACK. I understood the Senator to make the statement that this question was gone into pretty fully when General Russell's nomination was sent in previously. I may state to the Senator that I made inquiry of several people at that time, and I could not find that any inquiry was made.

Mr. TRAMMELL. The matter was discussed before the committee quite a bit at that time.

Mr. BLACK. No evidence was taken.

Mr. TRAMMELL. The Senator from Utah [Mr. King], for whom I have the highest esteem, was before the committee at the time. I do not recall whether anyone else appeared or not. Some inquiry was made. The Senator from Utah stated that personally he did not care to pursue the matter. I will ask him whether that is not correct. That was a year and a half ago, when General Russell was appointed Commandant by the President.

Mr. KING. I will state what I said when I take the floor.

Mr. TRAMMELL. As to the recent action of the committee, no inquiry in particular was made about the incident, because the committee thought of it as a past trans-

action, and that the question had arisen and been passed on previously when General Russell was appointed Commandant by the President, about a year and a half ago.

Mr. BANKHEAD. Mr. President, before the Senator from Utah proceeds, I suggest the absence of a quorum. I think we ought to have as many present to hear his statement as possible.

Mr. KING. I do not yield for that purpose.

Mr. SHIPSTEAD. Mr. President, will the Senator yield to me?

Mr. SHIPSTEAD. It is admitted that General Russell is-

Mr. KING. I yield to the Senator from Minnesota.

sued the order barring the Senator from Utah from Haiti? Mr. TRAMMELL. I do not know what he did under the instructions of the Department. General Russell stated that he advised against having the Senator excluded at the time, that that was his attitude when the question first came up, and that after that it was handled through the State Department. We never went into any general inquiry of this matter during the previous hearing, which was over a year

Mr. SHIPSTEAD. Was it inquired into at all a year ago?
Mr. TRAMMELL. Oh, yes; quite a little inquiry was
made.

Mr. SHIPSTEAD. Then who issued the order; the State Department?

Mr. TRAMMELL. The statement was that General Russell was following instructions from the State Department, as I recall, but that he had advised the authorities in Haiti against the action which was taken, that he did not recommend or suggest that they exclude the Senator, but that on the contrary he advised against it.

Mr. SHIPSTEAD. Did he issue the order?

Mr. TRAMMELL. I do not know. Being in command, he might possibly have signed the order. I have not seen the order. I would not say that he had signed the order at all, but being the representative of the American Government there, he may have done so. I do not know who really signed the order, but, as I understood, it was an order of the President of Haiti, and I understood that the State Department had advised General Russell, who was working under the State Department, to follow out their instructions.

Mr. SHIPSTEAD. Is it the contention, then, that following the instructions of the State Department, he issued orders to Borno to issue orders to keep the Senator out?

Mr. TRAMMELL. I do not know all those details. I know that the attitude of General Russell, as repeatedly stated, was that he did not have anything to do with it.

Mr. KING. Mr. President, I should like to resume the floor.

Mr. SHIPSTEAD. Will the Senator yield to me for a moment more, and then I will not bother him further?

Mr. KING. I yield to the Senator from Minnesota.

Mr. SHIPSTEAD. I think this point ought to be cleared up, because I believe it is important to know who issued that order, where the order originated, and who carried it out. So far as we know, if such procedure is allowed to continue, there may be orders issued to keep Senators out of the Senate. Behind that order was the military force of the United States to keep the Senator out, and for that reason I think we ought to know who issued the order.

Mr. KING. Mr. President, I regret that this discussion has taken place, and that the incident to which reference has been made should play such an important role in the consideration of the matter now before the Senate; but, in view of what has been stated during the discussion, I do not regard it as improper that I submit a brief statement relevant to such incident. I am sure that Senators understand that I have raised no issue in regard to the confirmation of General Russell; nor have I here or elsewhere sought to influence the action of the Senate committee or the Senate in passing upon the question of his confirmation.

Senators will recall that the United States a number of years ago sent military forces to Santo Domingo, Haiti, and Nicaragua. After I came to the Senate I protested against what I conceived to be a violation of the sovereign rights of

those nations and urged that our military forces be withdrawn. I criticized my own Government and my own party for having sent military forces to Haiti and taken over the control and government of Haiti and her people. I offered resolutions insisting that we should withdraw our military forces from Haiti and Santo Domingo.

I denounced the course which had been pursued by the United States in destroying the sovereignty of Haiti, in abolishing its constitution, and in setting up a "puppet government." Our Government sent Admiral Caperton with a number of warships to Haitian waters to take possession of Haiti and assume political control over the island and its peoples. The military forces of the United States landed upon Haitian soil, overthrew the Haitian Government, and assumed complete control over the territory of Haiti and over its inhabitants. The legislative branches of the Haitian Government were driven from their chambers and prevented by the military forces of the United States from meeting or discharging the duties devolving upon them under the Haitian constitution.

Our military occupation was complete, and Haiti and her people were subjected to a foreign military control. A puppet President was named by the United States, but, as indicated, he had only such authority as was permitted him. After this phantom official had served our purpose, a change was made, and Borno, who was ineligible for the Presidency under the Haitian constitution, was made "President." He possessed no real power; he exercised such functions only as our Government, through its military forces, permitted. General Russell was sent to Haiti, with the high-sounding titles of brigadier general, American High Commissioner, and Envoy Extraordinary and Plenipotentiary to the Republic of Haiti. There was no Republic of Haiti; whatever semblance of civil authority existed was only a shadow-only permissive-the real authority being the United States and its marines, under the command of the High Commissioner. I might add by way of parenthesis that our military forces in subjugating Haiti killed more than 2,500 of the Haitian

I believed that the military occupation of Haiti, which had been a friendly nation, and the maintenance by force of control over the people, constituted a great wrong. The course of our Government was resented by the Haitians and they appealed for relief and for the restoration of their own constitution, which had been replaced by the United States, and for the right to govern themselves.

I had offered resolutions in the Senate for an investigation of the situation in Haiti and had insisted that our military forces be withdrawn. In 1927 I made a visit to Santo Domingo, and purposed going from there to Haiti if time permitted. I had received scores of letters from the Haitian people, from those who had been members of patriotic organizations, who were interested in the welfare and happiness of their people and in the restoration of the Republic, which they contended we had destroyed. Having spoken for the people of Haiti and Santo Domingo, those people regarded me as their friend. While in Santo Domingo I received word that I was persona non grata in Haiti.

May I add, Mr. President—and I hope I will be pardoned for this personal allusion—I was welcomed in Santo Domingo by the President and people of that country because of the efforts which I had made to secure the withdrawal of American military forces from their country.

As stated, when in Santo Domingo I was notified that I would not be permitted to cross the borders into Haiti. I recognized that there was a de facto government in Haiti, though I did not believe that it was a de jure government. From the letters which I had received and from communications which came to me from persons who had come from Haiti and who visited me here in Washington, who were patriotic citizens of Haiti, I believed that if I went to Haiti there would be a demonstration, not against the Government of the United States but against the military control of their country and against what they believed to be a coercive and oppressive policy on the part of the United States.

Under the circumstances, I believed that it would be improper for me to enter Haiti, as I possibly might provoke some little trouble when I arrived there. I promptly indicated that I should not cross from Santo Domingo into Haiti.

Later, when I returned to the United States, I received a copy of what purported to be the order excluding me. It was signed by Mr. Borno and General Russell. I do not know to this day where that order originated, because I did not take enough interest in it afterward. I regarded it as a fait accompli, so far as I was concerned, and I made no inquiry to determine whether the order originated with General Russell or with Mr. Borno or with our Government. However, I was later told that representations were made to our Government that I was persona non grata with the Haitian authorities. Of course, I knew that if any representations were made to our Government upon which it acted they would be made by General Russell as the representative there of the United States.

Knowing that Borno was a mere puppet of the United States and that he was not President by vote of the people or by the wish of the people, but had the hatred and the ill will of 95 percent of the Haitian people, I believe that if an order emanated from him—or, rather, that he was a party to it—it would be ineffective without the military authority of the United States there.

I accepted the situation, in that the United States was in control of Haiti, and continued my efforts to secure its liberation from our military control.

I desire to say, in compliment to Mr. Hoover, that he pursued a course quite different from that of his two predecessors, and indicated to me upon several occasions that he would take steps to soften the situation in Haiti, with a view ultimately to having the military control over the island removed. After he was succeeded by the present occupant of the White House, the troops were gradually removed, until, as I understand, all of them have now been removed, and the Haitian people have elected their own President and are exercising the authority of a free people.

Mr. CONNALLY. Mr. President, will the Senator yield? Mr. KING. I yield.

Mr. CONNALLY. Did I understand the Senator to say that he saw an order excluding him or preventing him from coming into Haiti?

Mr. KING. There was sent to me from Haiti what purported to be a duplicate of an order signed by Mr. Borno and General Russell.

Mr. CONNALLY. Did it pretend to give the reasons for the Senator's exclusion?

Mr. KING. To be frank, I do not recall. I did not pay much attention to it. I think I can find it in my office.

Mr. BLACK. Mr. President-

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Alabama?

Mr. KING. I yield.

Mr. BLACK. May I ask in that connection when was the first time the Senator ever heard the State Department was responsible for it?

Mr. KING. My recollection does not serve me in that particular. I know it was some little time after the incident. As I said a moment ago, I regarded it as a closed incident, a fait accompli. I was more interested in the Haitian people than in the reason for my exclusion. I was interested in continuing the fight to restore to the Haitian people their own government, to have them liberated from the military control of the United States; because I thought we had committed a great wrong against a defenseless people, as I believed we had committed a grave wrong against Nicaragua and Santo Domingo. Our flag has no right to float over a subject race nor have we any right to invade other friendly nations by military force.

The Senator from Florida [Mr. Trammell], chairman of the committee, made reference to the fact that when General Russell was nominated for Commandant I appeared before the committee. Someone asked me—I do not recall whether it was the chairman or some other member of the committee-whether I had anything to say in opposition to General Russell's confirmation. I said if it was desired that I appear before the committee I would do so; and accordingly I went to the committee room and briefly stated the fact that I had been excluded from Haiti, and added that the copy of the order which I had indicated General Russell's participation. I did not attribute it to him exclusively. In fact, I did not attempt to put the blame upon anyone. I merely stated that so far as I was concerned I was not interested in General Russell's confirmation; that I did not care whether he was confirmed or not.

I stated, however, that if I were called upon to vote I should not vote for his confirmation, not because of my exclusion but because of what I learned from the scores of Haitians with whom I communicated as to the character of the military government which had been permitted while he was military commander in Haiti. But, I said, so far as the incident in relation to my exclusion was concerned. I did not care to have it mentioned; that it was a closed incident and that I would not predicate my course in the matter at all upon that incident: that I did not care, so far as I was concerned in the consideration of the matter, whether he should be confirmed or not; that the matter was wholly indifferent to me. I might add that before a special committee of which I was a member for a short time, when an investigation of the affairs in Haiti and Santo Domingo under American rule was being had. I was convinced that under the military rule of the United States in Haiti wrongs had been committed and the cruel Corvee system had been introduced; that many poor Haitian people had been taken from their homes and compelled to work upon the roads of Haiti under that system.

Mr. CONNALLY. Mr. President, will the Senator yield? The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Texas?

Mr. KING. Certainly.

Mr. CONNALLY. In his general investigation of conditions in Haiti at that time did the Senator determine whether or not General Russell dominated the President and the Government and all the functionaries of Haiti?

Mr. KING. I have said on the floor of the Senate many times that Borno was a mere puppet in the hands of the powerful military forces of the United States.

Mr. CONNALLY. Will the Senator bear with me further? That being true, is it not absolutely inconceivable that Borno would ever have issued such an order without the consent and encouragement of General Russell?

Mr. KING. I would not care to answer that question categorically. I think I have said all I care to say in regard to the matter. I regret the course of our Government in the Haitian adventure. I think it is not, and history will write it down as being not creditable to the United States. May I say that a number of lawyers some years ago made an investigation and made declaration that our military occupation was wholly unwarranted.

Mr. SHIPSTEAD. Mr. President-

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Minnesota?

Mr. KING. I yield.

Mr. SHIPSTEAD. The Senator knows of his own knowledge and from the record of our occupation of Haiti that Borno was made President as a result of our occupation?

Mr. KING. He was not made President by the Haitian people and was held in position by the military forces of our Government after the United States had selected him.

Mr. SHIPSTEAD. He continued as President as long as we occupied Haiti, and as soon as our military occupation ceased he had to get out of the country.

Mr. KING. That is true. The Senator was in Haiti. He knows the facts concerning the military occupation as well as I do. I am sure if the Senate should desire the result of his investigation and observation while there, they would find confirmation of what I have said in respect to the military occupation by the United States and the oppressive course which was then pursued.

Mr. JOHNSON. Mr. President, whenever any incident occurs in which a United States Senator is involved, I am for the United States Senator. That goes without saying. I have a meticulous care for the dignity of the Senate which I trust every other Member of this body has as well. If an untoward incident occurs I may regret it, but I cannot always see that it should result in punitive measures concerning someone who may not be responsible.

Mr. President, I am not going to let this day pass without reading some of the statements which have been made con-

cerning Russell's conduct in Haiti. Mr. KING. Mr. President-

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Utah?

Mr. JOHNSON. I yield.

Mr. KING. I hope the Senator will not take it, from anything I said, that my position with respect to General Russell was to be determined by the incident in which I was interested.

Mr. JOHNSON. I understood the Senator distinctly to disavow such an attitude.

Mr. KING. Exactly.

Mr. JOHNSON. The whole discussion, as the Senator will recall, was brought about by the single untoward incident, that and that alone. It is only the Senator from Utah [Mr. King] and the Senator from Minnesota [Mr. SHIPSTEAD] who have referred to the conduct of the Government in Haiti

I read first the statement of Charles Evans Hughes of April 23, 1924:

The Honorable C. D. WILBUR,

Secretary of the Navy.

MY DEAR MR. SECRETARY: I have been informed that you have MY DEAR MR. SECRETARY: I have been informed that you have under consideration the question of nominating a brigadier general of the Marine Corps to be promoted to the rank of major general, and that the name of Brig. Gen. John H. Russell may receive consideration in this connection. Realizing that you may not have had an opportunity to become fully informed of the character of the work performed by General Russell during his occupancy of the position of American High Commissioner at Port au Prince, Haiti, I have taken this occasion to express my opinion of the services which General Russell has performed in this position. I am doing this merely for your information. am doing this merely for your information.

General Russell has discharged the duties of High Commissioner

at Port au Prince since his appointment to that position in February 1922, in a manner which has been highly gratifying to this Department. He has not only eliminated friction and brought about a more harmonious and efficient cooperation between the various officials appointed by the President of Haiti upon the nomination of the President of the United States, but has at the same time established very friendly relations between the American diplomatic representatives and treaty officials and the Haitian Gov-

Owing to his energy and tact and to his whole-hearted devotion to his work it has been possible to make more satisfactory progress toward the execution of the objects of the treaty between Haiti and the United States.

I am, my dear Mr. Wilbur, Very sincerely yours,

CHARLES E. HUGHES.

Because reference was made to the President of the United States just prior to the present President of the United States, I read his words in regard to General Russell's conduct in Haiti:

THE WHITE HOUSE,

Washington, October 29, 1930.

My Dear General Russell: In accepting your resignation as American High Commissioner to Haiti, I take this opportunity of expressing my appreciation of the loyal and efficient manner in

which you have fulfilled your difficult mission.

The material progress which has been achieved during the 8

years of your incumbency of the office of High Commissioner is substantial and impressive. Haitian finances have been placed on a sound basis, commerce has revived, adequate roads now connect the important cities, schools and hospitals have been built, agrithe important cities, schools and hospitals have been built, agriculture has been accomplished in introducing sanitary measures through the entire Republic. These results have been largely due to your administrative ability and the high-minded purpose which has animated you in the performance of your task.

I wish also to express my warm appreciation of the excellent spirit of cooperation with which you facilitated the important work accomplished by the recent commission for the study and review of conditions in the Republic of Haiti.

Yours faithfully,

HERBERT HOOVER.

Then on October 28, 1930, the Secretary of State wrote | the following letter:

My Dear General Russell: On the occasion of your tendering your resignation as American High Commissioner to Haiti, I desire to express to you my deep appreciation of the manner in which have been discharged the duties of your difficult mission since your appointment to the office of High Commissioner in February 1922

Your industry and your ability to guide and coordinate the work of officials under your direction has proved you to be a most able administrator and this, together with your spirit of friend-ship and sympathetic understanding for the Haitian people and

ship and sympathetic understanding for the Haltian people and their problems, has resulted in accomplishments which have produced a marked betterment of conditions in Halti.

The task that confronted you when you went to Halti was one of great magnitude, and that you were able to master so thoroughly the needs and requirements of the situation, to promote the interests of Halti and foster close and friendly relations between the two Governments, is an outstanding accomplishment which resounds most highly to your credit.

I take this occasion to thank you for your loyal and faithful cooperation during the 8 years that you have been associated with the Department of State and to wish you every success for the future

Sincerely yours,

HENRY L. STIMSON.

Francis White, Assistant Secretary of State, in November 1930, in like terms commended the administration of General Russell in Haiti; and the President's Commission for the Study and Review of Conditions in the Republic of Haiti, under date of March 26, 1930, expressed in the highest terms the commendation that Commission had for General Russell and his activities there. The Secretary of State preceding Mr. Stimson, Frank B. Kellogg, had exactly the same sort of commendation for General Russell.

So it was all along the line with those who represented the United States Government in administrative or executive departments here, from the President down to those who were the immediate superiors of General Russell. It is only justice to him, in my opinion, in view of the discussion which has been held this afternoon, that the Senate should know that there was no executive or administrative officer in the Government of the United States, so far as I am aware, but who commended General Russell, stated that what he did in Haiti was a monumental work, and gave to him credit for the accomplishments made in that particular country.

This I thought, in justice, the Senate should know.

Mr. SHIPSTEAD. Mr. President, I have read the record of the hearings, and I think it is proper that the Senator from California should bring them to the attention of the Senate. However, by request of the President of the United States, who wrote that glowing letter, a commission of eminent men was appointed to go to Haiti and investigate the record of our occupation, and to take testimony from American citizens in Haiti and from Haitians; and, without exception, everyone who appeared before that committee asked us for God's sake to get out of Haiti.

Mr. JOHNSON. Mr. President, will the Senator pardon an interruption?

Mr. SHIPSTEAD. Yes.

Mr. JOHNSON. To what commission does the Senator refer, please?

Mr. SHIPSTEAD. I refer to the commission appointed by President Hoover which went to Haiti, conducted public hearings, and made the recommendation upon which was based the policy that resulted in the withdrawal of the marines from Haiti.

Mr. JOHNSON. Was that the commission headed by Gov. W. Cameron Forbes?

Mr. SHIPSTEAD. Yes. I have also read his letter to General Russell.

I do not mean to hold General Russell responsible for our occupation of Haiti. If we are to go into the matter of our record there, and the record of the revolution that caused the President of the United States to appoint a commission to go and investigate conditions down there, that is an entirely different matter. I think with profit for the future the Senate ought to know a little more than it gets from

official sources here about our occupation of Haiti and our work down there.

If the State Department issued the order to keep the Senator from Utah out of Haiti, and General Russell carried out that order, of course, they would praise him for obeying it. I am not blaming General Russell for that order. I desire to know who was responsible for it. If he was responsible, we ought to know. If the State Department was responsible, we ought to know.

Mr. DUFFY. Mr. President, will the Senator yield?

Mr. SHIPSTEAD. I yield.

Mr. DUFFY. In that connection, that is the point which was bothering me somewhat—as to what authority the Department of State had to give such an order. I notice that in the testimony of General Russell he says:

Although I was American High Commissioner in Haiti and under the orders of the Department of State.

Apparently they had authority to issue such orders, if they were of that mind; and I think it would be quite informative for us to know if such an order was issued from the Department of State. If so, I do not see how any blame could be laid upon the general's doorstep.

Mr. CONNALLY. Mr. President

The PRESIDING OFFICER (Mr. Byrn in the chair). Does the Senator from Minnesota yield to the Senator from

Mr. SHIPSTEAD. I yield.

Mr. CONNALLY. If such an order was issued, it ought to be of record in the Department. But aside from the individuals who issued it, we ought at least to ascertain the fact as to the future policy, whether we are to tolerate bureaucrats issuing any such orders, whether in the State Department, the Marine Corps, or any other Department.

Mr. SHIPSTEAD. Mr. President, I think that is an important point. If the State Department has issued an order barring a Senator from entering any Territory occupied by United States troops, we ought to know upon what authority such order was issued. We ought to have the order, not only because it would be interesting to know upon what authority it was issued, but so that Senators may be put upon notice that whenever they travel they may in the future be met by orders from the State Department, to someone in the diplomatic corps, that we are not to be allowed to land.

Mr. RUSSELL. Mr. President, I desire to submit a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it. Mr. RUSSELL. I wish to ask what is pending before the

Senate at the present time.

The PRESIDING OFFICER. Under the order of the Senate, the nominations of Gen. Richard P. Williams and Gen. John H. Russell for promotion in the Marine Corps are being considered. The two nominations are being considered together.

Mr. RUSSELL. I am not advised under what rule of the Senate these two nominations are being considered together. I have endeavored to watch the nominations very closely and to see that nothing was done that would compel the consideration of the two nominations at the same time.

The PRESIDING OFFICER. The Chair will say that any Senator may ask for a division.

Mr. RUSSELL. It seems to me that each nomination should stand on its own merits.

The nomination of Richard P. Williams to be a brigadier general in the Marine Corps was reported to the Senate on February 6, something like 12 days before the nomination of General Russell was submitted.

I have not heard General Williams' name mentioned today in the entire course of the debate, and I was not advised that these nominations were being considered together. I ask that the nominations be considered separately.

The PRESIDING OFFICER. As the Chair has stated, the Senator is within his rights in asking that the nominations be separately considered. Therefore the question is, Shall the Senate advise and consent to the nomination of Gen. Richard P. Williams?

Mr. BLACK. Mr. President, I understood that we were considering the nomination of General Russell. I was not the original objector to the nomination of General Williams. I should prefer that we proceed with General Russell's nomination. I do not think the Senator who objected to General Williams is in the Chamber at the present time.

Mr. RUSSELL. All members of the Senate were advised that these nominations would be considered this afternoon, whether they were to be considered separately or jointly. I should like to be advised as to the rule under which these nominations are considered jointly.

The PRESIDING OFFICER. The order was entered on February 28 that at 3 o'clock p. m. on Monday, March 4, 1935, the Senate should proceed with the consideration of the nominations of Richard P. Williams and John H. Russell for promotion in the Marine Corps.

Mr. RUSSELL. Is it the construction of the Chair that that would force the Senate to a joint consideration of these nominations?

The PRESIDING OFFICER. The Chair has stated that the Senator had the right to ask for a division in the consideration of the nominations.

Mr. BLACK. Mr. President, I shall object if the intention is to take up the nomination of General Williams before we complete the consideration of the nomination of General Russell. I do not object to having the nominations considered separately, and I think they should be so considered, but the Senator who objected to General Williams is not present, and I would not agree that the unanimousconsent agreement should be changed and have General Williams' nomination taken up at this time.

Mr. RUSSELL. As I understand, as a matter of right, any Senator would have the privilege of demanding that these nominations be considered separately.

The PRESIDING OFFICER. For the information of the Senator from Alabama, the Chair will state that the nomination of General Williams is first to be considered. Under the rule, any Senator has the right to ask to have the nominations considered separately.

Mr. RUSSELL. I have made the request.

Mr. BLACK. I object. I shall not object to separating the nominations unless it is desired to take up the nomination of General Williams now. I do object to taking up the nominations of General Williams now, and for that reason I object to the separation, if that is to be the result.

Mr. RUSSELL. As a matter of right, I insist that these nominations be separated. I understood it to be the ruling of the Chair that any Senator had a right, upon his request, to have the nominations considered separately.

The PRESIDING OFFICER. As the present occupant of the chair is advised, any Senator has a right to ask for a separation.

Mr. RUSSELL. I have demanded that right.

The PRESIDING OFFICER. Request has been made by the Senator from Georgia, and therefore the nominations will be considered separately.

The question now before the Senate is, Shall the Senate advise and consent to the nomination of Richard P. Williams to be brigadier general in the Marine Corps?

Mr. BLACK. Mr. President, if that question is now to be submitted to the Senate, I shall desire to discuss it at length.

# RECESS

Mr. ROBINSON. Mr. President, I think it would be impossible to dispose of this subject this afternoon, and unless there is some objection, it is my intention to move a recess in executive session so that the pending matter may be resumed tomorrow when the Senate meets.

I move that the Senate take a recess in executive session until 12 o'clock tomorrow.

The motion was agreed to; and (at 5 o'clock and 10 minutes p. m.) the Senate, in executive session, took a recess until tomorrow, Tuesday, March 5, 1935, at 12 o'clock meridian.

### NOMINATIONS

Executive nominations received by the Senate March 4, 1935 APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

TO QUARTERMASTER CORPS

Capt. George Stainback Deaderick, Infantry (detailed in Quartermaster Corps), with rank from July 3, 1930.

PROMOTIONS IN THE REGULAR ARMY

TO BE MAJOR

Capt. James Lawrence, Signal Corps, from February 21,

TO BE CAPTAIN

First Lt. Robert Alwin Schow, Infantry, from February 21, 1935.

TO BE FIRST LIEUTENANT

Second Lt. Samuel Fayette Silver, Infantry, from February 21, 1935.

TO BE CHAPLAIN WITH THE RANK OF LIEUTENANT COLONEL Chaplain Clifford Lore Miller (major). United States Army, from February 23, 1935.

# CONFIRMATIONS

Executive nominations confirmed by the Senate March 4. 1935

POSTMASTERS

ARKANSAS

Olice F. Huson, Heber Springs.

MASSACHUSETTS

Patrick F. Shea, Fitchburg. Josephine E. Dempsey, South Ashburnham.

MISSISSIPPI

Martha B. Lowe, Glendora. Henry E. Wamsley, State College. Laura E. Turnage, Tchula. George O. Robinson, Tunica.

NEW YORK

Maurice F. Maloney, Haverstraw.

NORTH DAKOTA

Nellie Dougherty, Minot.

TENNESSEE

A. Klasen Broyles, Limestone. Robert T. Lee, Madisonville.

William G. Davis, Boerne.

# HOUSE OF REPRESENTATIVES

MONDAY, MARCH 4, 1935

The House met at 12 o'clock noon.

The Rev. Joseph B. Baker, D. D., pastor of St. Matthew's Lutheran Church, York, Pa., offered the following prayer:

O God, our Heavenly Father, we gather this morning in profound gratitude for Thy continued favor upon us in times past. Invoke upon us from Thee Thy guidance and Thy divine blessing upon the work that lies at hand, for we realize that without that guidance we are all but poor, blundering, selfish mortals. With that guidance we somehow feel that we have a competency in leadership that is worthy of following; for then we know it is Thy wisdom rather than our own that is dominating. Do Thou be with us as we gather here this morning, and may we have come here with clean hands, with pure hearts, and with open minds. O, do Thou bless these men gathered here in this work so vast and yet so intimate. Do Thou give them that guidance from above that will make them safe counselors and guides for this great people. Do Thou give them vision with courage and courage with caution, giving due deliberation to the hard-earned, blood-bought wisdom of the

past and yet not bowing a vassal knee to the past if it thwarts human welfare and blocks human progress.

Be with the President of our country. Bless all his counselors. Be with all executives everywhere. Bless the business men of our land, the school teachers, the fathers, the mothers, and laborers wherever they are. Do Thou bless the homes from which these men have come and their loved ones there, those in whom they are interested by ties of faith and ties of blood. Be with us all, our Heavenly Father, and help us to realize that every one of us has a contribution to make to the upbuilding of the kingdom of God upon earth. May we do an honest day's work while the swift fleeting hours of this life's day are going by, and when our work on earth is done and our race is finished, O do Thou receive us one and all, then, at the doorway of Thy beautiful, bountiful, heavenly home. We ask it in the Master's name. Amen.

The Journal of the proceedings of Friday, March 1, 1935, was read and approved.

### MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries.

# PERMISSION TO ADDRESS THE HOUSE

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

Mr. FITZPATRICK. Mr. Speaker, reserving the right to object to ask a question, and I am not going to object, when are we going to get consideration of the Home Owners' Loan Corporation bill?

Mr. BOLAND. I expect that to come up this week.

Mr. FITZPATRICK. That is 5 weeks tomorrow since I was told it would come up in a few days, and in the meantime there are thousands of people throughout the country losing their homes while the bill is being held up because somebody is dissatisfied with the way it is being handled. I hope the bill will come up this week.

Mr. SWEENEY. Mr. Speaker, reserving the right to object, we will get action on the Home Owners' Loan bill when the Rules Committee decides to investigate one way or the other, or give the House a chance to pass upon that question.

Mr. BOLAND. Mr. Speaker, I modify my request, and ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. TABER. Mr. Speaker, how long is this Democratic quarrel going to go on over there with reference to this Home Owners' Loan Corporation matter?

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. STEAGALL. Will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Alabama. Mr. STEAGALL. Mr. Speaker, it will be remembered that I requested consent last week, or the week before, to take up the Home Owners' Loan extension bill, but consent was not granted. I immediately introduced a resolution for a rule, which is pending before the Rules Committee. It is well understood that the Rules Committee has had other matters under consideration which precluded consideration of this resolution until this time. However, the chairman of the committee assured me this morning that the Rules Committee would, on Wednesday morning, hear the Banking and Currency Committee upon the resolution for a rule to consider the Home Owners' Loan Corporation extension bill. We

or Friday of this week. Mr. BOLAND. Mr. Speaker, may I state to the House that the gentleman from West Virginia [Mr. RANDOLPH]. who is very much in favor of the passage of this resolution giving an extra clerk to each Member, is unavoidably detained because of the fact he is participating in a celebration over the inauguration of air mail and passenger service to his home town of Elkins, W. Va.

hope to obtain a rule and to take up the matter on Thursday

" PINK SLIP "

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a short

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, under the leave to extend my remarks in the RECORD, I wish to address myself to the so-called "pink slip" provision of the revenue law.

An income-tax law was passed during the Civil War period. Early in 1863 the Commissioner issued instructions that the income-tax returns should be open for inspection only to revenue officers. The newspapers urged that they be allowed to print returns on income. Later the Commissioner ruled that the public should have free access to the returns. The New York Times said a properly organized revenue service would be able to guard against evasion, and then publicity would be unnecessary and a nuisance which Congress might be asked to abate. Later, it said, "The publicity given to the returns is offensive and objectionable."

The Commissioner of Internal Revenue, in a letter dated April 5, 1870, forbade the assessors to furnish lists for publication. The Congress on July 14, 1870, passed a law prohibiting the practice.

An eminent author of a work on Federal Internal Tax History, commenting on this publicity feature, said this:

It is very questionable whether the benefit received from publicity was not entirely offset by the injury it did because of the antagonism to the tax which it aroused.

Never since this experience of Civil War days, except for year, under the 1924 Revenue Act, has Congress reopened this highly controversial question until the "pink-slip' vision was enacted into law. This provision in the 1924 act which provided that the Commissioner make available the names, addresses, and amounts of income of taxpayers, was eliminated by the act of 1926, upon the following recommendations of the House Ways and Means Committee and the Senate Finance Committee:

Ways and Means Committee report (p. 9)-

The Treasury Department informs your committee that no useful purpose has been served by the publication of the amount of the income tax paid by the various taxpayers. The committee, therefore, recommends its repeal.

Senate Finance Committee report (p. 7)-

With no evidence before it of any useful purpose served by this provision, the committee recommends its repeal, as proposed in the House bill.

I may add that in no other country has such a provision been inserted in a tax law.

There is only one State in the Union that has incorporated the publicity feature in its income-tax law. Wisconsin did so in 1923. After this feature had been in operation 7 years, the Wisconsin Tax Commission, in its report (1930) made this comment:

[Excerpt from report of the Wisconsin Tax Commission, 1930] PUBLIC EXAMINATION OF RETURNS

The repeal of the secrecy clause by the 1923 legislature opened all income-tax returns to public inspection. The repeal was urged and passed upon the supposition that public inspection would result in fewer incorrect returns and in discovering much unreported income. These expected results have not materialized in any degree in the administration of either the individual or the corporation returns. There have been no instances where public inspection has brought forth unreported income, and as to its anticipated effect in producing more correct income returns, experience has shown that it has had the opposite effect. Knowing rience has shown that it has had the opposite effect. Knowing that their returns are open to inspection, taxpayers consolidate and condense their reports to make them as unintelligible as possible to those inspecting them, thus making their auditing by the commission or by the income-tax assessor more arduous, necessitating additional work, considerably more correspondence, and consequent expense and delay.

In most of the income-tax assessors' offices public examination of returns is infrequent and of little consequence, but in five or six of such offices and in the office of the tax commission such examination is attended by considerable annoyance and expense.

A survey shows that public examination is almost wholly without any public motive or significance, but that advantage is taken of it to serve purely private and personal interests. Our filed has shown that it has had the opposite effect. Knowing

of it to serve purely private and personal interests. Our filed

returns are used by credit organizations, which have men on hand almost constantly digging into the files. Returns are examined to prepare lists of prospective purchases of stocks and bonds and for other soliciting and advertising purposes. A common use of returns is to secure information in negotiating for the purchase of business properties, and very frequent use is made of them in delving into the intimate concerns of business competitors. Many such examinations are by competitors from without the State who offer the Wisconsin business no such reciprocal information or advantage. Income-tax files are also frequently used for information in court actions, and many examinations are made out of curiosity, and at times for the sole purpose of annoying and harassing a reporting taxpayer.

In the Milwaukee office the time of an employee for 2 hours of every day is taken in waiting upon persons who are using the files for private purposes. In the period between November 1, 1929, and September 22, 1930, over 3,000 files were examined in the office of the tax commission. The crowded filing room is frequently occupied by six or seven persons going through the files and crowding the desk room of regular employees. The entire time of one clerk is employed in serving these purely personal investigators, and at times other clerks are called upon to assist her.

The indiscriminate examination of returns is not only an impor-

The indiscriminate examination of returns is not only an imposition upon the reporting taxpayer but is also an imposition upon the State and upon its tax administration officers and employees. the State and upon its tax administration officers and employees. The commission does not favor any secrecy of returns that would bar examination in the public interest, but it does suggest that the promiscuous misuse of files for private purposes to the great inconvenience and annoyance of officials and the expense to the State ought to be discontinued. No other State or country having such files in custody permits such misuse of them. These files contain the record of the lifeblood and register the pulse of the person and private business affairs of our own taxpayers and should be accessible only when the public interest is concerned. concerned.

Here we have the experience of a sovereign State, an experiment covering 7 years, which ought to be given some weight by this House in the consideration of this important question.

I have had more protests by mail and by wire against the pink-slip provision than I have ever received in a given time in opposition to a provision of a national law.

The protests of people who bear the major burden of the taxes of the country ought to be given some consideration. I shall, if given the opportunity, vote to repeal the "pink slip" provision.

CONTINUANCE ON PAY ROLLS OF CERTAIN EMPLOYEES OF THE HOUSE

Mr. GREENWOOD, from the Committee on Rules, reported the following resolution for printing in the RECORD:

House Resolution 140 (Rept. No. 285)

House Resolution 140 (Rept. No. 285)

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for consideration of House Joint Resolution 189, a resolution relating to the continuance on the pay rolls of certain employees in cases of death or resignation of Members of the House of Representatives, Delegates, and Resident Commissioners. That after general debate, which shall be confined to the resolution and shall continue not to exceed 1 hour to be equally divided and controlled by the Chairman and ranking minority member of the Committee on Accounts, the resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the resolution for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the resolution and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

REREFERENCE OF BILLS AND JOINT RESOLUTION FROM THE COMMIT-TEE ON INTERSTATE AND FOREIGN COMMERCE TO THE COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent for the rereference of certain bills and a joint resolution, the number and title of which are at the Clerk's desk, from the Committee on Interstate and Foreign Commerce to the Committee on Merchant Marine and Fisheries.

The Clerk read as follows:

H. R. 65. A bill to provide for the establishment of a Coast Guard station on the coast of Virginia, at or near the north end of Hog Isand, Northampton County; H. R. 1398. A bill to provide for the establishment of a

Coast Guard station at or near Crescent City, Calif.;

H. R. 1483. A bill to authorize the Secretary of Commerce to dispose of the lighthouse reservation in the village of Fairport, Ohio;

H. R. 2015. A bill for a Coast Guard station at the eastern entrance to Cape Cod Canal, Mass.;

H.R. 2016. A bill to liberalize the retirement law for members of the former life-saving service;

H.R. 2745. A bill to provide for the employment of American citizens in skilled positions on the Panama Canal;

H. R. 2831. A bill to provide for the construction of two vessels for the Coast Guard designed for ice-breaking and assistance work:

H. R. 3041. A bill to authorize the Secretary of Commerce to dispose of the Grindel Point Lighthouse Reservation, Maine:

H. R. 3049. A bill authorizing the Secretary of Commerce to dispose of the Morro Rock Lighthouse Reservation, Calif .:

H.R. 3265. A bill to liberalize the retirement law for members of the former life-saving service;

H. R. 3456. A bill to provide for the construction of six vessels for the Coast Guard designed for ice-breaking and assistance work;

H.R. 3479. A bill to authorize the conveyance of certain land to the lighthouse reservation at Chatham, Mass., to the town of Chatham;

H.R. 3975. A bill to provide for the establishment of a Coast Guard station on the coast of Georgia, at or near Sea Island Beach:

H.R. 4002. A bill to provide for the construction of two vessels for the Coast Guard designed for ice-breaking and assistance work;

H. R. 4140. A bill authorizing the Secretary of Commerce to dispose of the Morro Rock Lighthouse Reservation, Calif .:

H. R. 4239. A bill authorizing the Secretary of Commerce to convey to the city of Grand Haven, Mich., certain portions of the Grand Haven Lighthouse Reservation, Mich.;

H. R. 4664. A bill to liberalize the retirement law for members of the former life-saving service;

H. R. 4991. A bill authorizing superannuation disability pay for alien employees of the Panama Canal;

H. R. 5039. A bill to authorize the Secretary of Commerce to convey to Charles E. Robinson, of Isle au Haut, in the county of Knox and State of Maine, the Isle au Haut Lighthouse Reservation, Maine;

H.R. 5050. A bill to provide for the construction of four vessels for the Coast Guard designed for ice-breaking and assistance work;

H. R. 5256. A bill to provide for the construction of four vessels for the Coast Guard designed for ice-breaking and assistance work:

H. R. 5272. A bill to authorize the conveyance by the United States to the State of Wisconsin of a portion of the Eagle Bluff Lighthouse Reservation, and for other purposes;

H. R. 5379. A bill to amend the Interstate Commerce Act. as amended, by providing for the regulation of the transportation of passengers and property by water carriers operating in interstate and foreign commerce, and for other purposes; H. R. 5927. A bill to provide for the construction of four

vessels for the Coast Guard designed for ice-breaking and assistance work;

H. R. 6096. A bill to provide for the establishment of a Coast Guard station on the shore of Illinois, at or near Highland Park, Lake County; and

H. J. Res. 28. Joint resolution stating whether coastwise traffic should be subjected to governmental regulation under the Interstate Commerce Commission.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. RAYBURN]?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes to make an announcement.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, the Committee on Rules has been holding extensive hearings on House Resolution 46, introduced by the distinguished gentleman from Ohio [Mr. Sweeney] to appoint a special committee to investigate the Home Owners' Loan Corporation.

The holding of these hearings on this resolution have had nothing whatsoever to do with the consideration of the Home Owners' Loan Corporation bill. The rule for the consideration of that bill has only today come before the Rules Committee, and a hearing has been set at the first opportunity, on Wednesday, to hear the Banking and Currency Committee in reference to the request for a rule, with the hope that the bill may be taken up and considered on Thursday and Friday of this week.

In connection with the consideration of House Resolution 46, there have appeared in the RECORD certain charges concerning the Home Owners' Loan Corporation. This morning, before the Rules Committee, at a public session, Mr. John H. Fahey, chairman of the Home Owners' Loan Corporation, appeared and made a statement claimed to be an answer to these charges.

I ask unanimous consent that this statement may be placed in the RECORD, and, pending that, I may state that on tomorrow, at 10: 30 o'clock, the Rules Committee will be pleased to hear any Members of the Congress in answer to this statement by Mr. Fahey.

Mr. TABER. Mr. Speaker, reserving the right to object, how long a statement is it?

Mr. O'CONNOR. Twenty-three pages.

Mr. TABER. That would mean 5 or 6 pages of the

Mr. O'CONNOR. I do not know.

Mr. FISH. I hope the gentleman from New York will not object. The matter has come up before our Committee on Banking and Currency, and it is a very important one.

Mr. TABER. The thing that bothers me about it is this: We will print it in the RECORD and it will serve no useful

Mr. O'CONNOR. If the gentleman will permit, it is for the information of the Members. We have no stenographic report of the hearings. Of course, if we had taken stenographic minutes we would have printed hearings which would serve the same purpose and have been more

Mr. MICHENER. Mr. Speaker, reserving the right to object, if we do not have a stenographic report of the hearings and bring in and print and circulate the testimony of one witness, the people and the House have but the one side. It seems to me if you are going to publish one of your hearings, you should publish all of them.

Mr. O'CONNOR. In that connection, the gentleman may recall that on several occasions these charges have been placed in the Record by Members of the House and they are already before the House.

Mr. SWEENEY. Mr. Speaker, reserving the right to

Mr. O'CONNOR. Mr. Speaker, I call for the regular order. The SPEAKER. The regular order is, Is there objection to the request of the gentleman from New York that he be permitted to print in the RECORD the statement of Mr. Fahey?

Mr. DIRKSEN. Mr. Speaker, I do not want to object, but under the circumstances, I shall object.

Mr. SWEENEY. If I cannot make a statement, Mr. Speaker, I object.

# PERMISSION TO ADDRESS THE HOUSE

Mr. KENNEY. Mr. Speaker, I ask unanimous consent to address the House for 20 minutes next Friday morning after the reading of the Journal and the disposition of business on the Speaker's table.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

# COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. ELLENBOGEN. Mr. Speaker, I ask unanimous consent that the Subcommittee on Fiscal Affairs of the Committee on the District of Columbia may have permission to sit during sessions of the House.

Mr. O'CONNOR. For how long? Mr. ELLENBOGEN. For 1 week.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

### TOWNSEND OLD-AGE PENSIONS

Mr. HOEPPEL. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOEPPEL. Mr. Speaker, I understand that the gentleman from Montana [Mr. Monaghan] today filed a petition, which is at the Clerk's desk. This petition seeks to bring to the floor for consideration and debate the Mc-Groarty bill, commonly known as the "Townsend old-agepension bill."

In this connection I would request that those who are interested in this humane measure come to the desk and sign the petition in order that early action may be had thereon.

I have in my hand a request from the City Council of the City of South Pasadena, requesting the Congress of the United States to give fair and impartial consideration to the Townsend old-age revolving pension plan.

For the information of the Republican Members, I will say that South Pasadena is composed almost entirely of Republicans. For this reason I hope that the Republican Membership will evidence the fullest measure of cooperation, and that, with the Democrats, we will obtain the required number of signatures to bring this question up for a decision as soon as possible.

I wish to compliment my colleague from Montana [Mr. Monaghan], who has taken such an active part in the Congress in the interests of social security. It was Mr. Mona-GHAN who headed the delegation which had a conference with the President recently on the subject of old-age pensions. Mr. Monaghan submitted the following letter to the various Members of Congress, informing them of his activities and requesting that the Membership sign his petition:

CONGRESS OF THE UNITED STATES, House of Representatives, Washington, D. C., March 2, 1935.

My Dear Colleague: Insistent is the clamor for an old-age pension; not a pauper's dole but a system that will be a proper step toward national recovery; a pension reasonably high enough to encourage aged men of all trades and occupations, even in the more remunerative walks of life, to leave their posts and thereby create opportunity for the employment of middle-aged and younger men.

As chairman of the Congressional Legislative Strategy Committhe for the Promotion of Social Security I will place on the Clerk's desk in the House of Representatives, Monday noon, March 4, a petition for the discharge of the Ways and Means Committee from further consideration of the McGroarty bill H. R. 3977, asking that it be considered on the floor of the House on either the second or fourth Monday of April.

As you, of course, know the signing of this petition in no wise is a commitment to the Townsend old-age-pension plan but merely an indication of desire for free and open debate on the measure and opportunity for proposing amendments.

Machines have robbed a large portion of the American public f a decent livelihood through pursuit of normal occupations, of a decent livelihood through pursuit of normal occupations, and a sound old-age-pension system, based upon the proper means of raising the money, would go far toward solving the problem of maldistribution. Therefore I urge you to sign this petition for the purpose of establishing a sound system of pensions that will permit the aged American citizen to raise his head high to heaven and proudly walk as a man amongst men.

Respectfully submitted.

JOSEPH P. MONAGHAN, Chairman Congressional Legislative Strategy Committee for the Promotion of Social Security.

As Mr. Monaghan has so aptly stated, the signing of this petition is in no wise a commitment to the Townsend oldage-pension plan, but it is indeed an evidence of a receptive attitude on the part of the Member to any thought or plan which has for its purpose the relief of our suffering people. It is, moreover, in accordance with the principles of democracy that the Congress should give the fullest measure of sympathetic consideration to a plan so widely supported as is the Townsend plan, so broad in its scope and so humanitarian in its purpose.

### THE VOICE OF THE PEOPLE

Mr. FADDIS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on a subject which will carry an explanation of the desire of Members of the House for additional clerical allowance.

The SPEAKER. Is there objection?

There was no objection.

Mr. FADDIS. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

### THE VOICE OF THE PEOPLE

The original plan of the founders of this Nation was, that it should be a nation wherein the people should have a voice in their own government. To this end the House of Representatives was instituted, the Members of which were to be elected by the people, to represent them and to reflect their opinions. The term of the Members of the House was purposely fixed at the short term of 2 years, in order to make them more responsive to popular opinion, and to permit the people to change them frequently, if they proved to be unresponsive. This is as it should be—and as it must be—if we are to continue to have a truly representative form of government.

The theory of a representative government is, that it shall be run in the interest of the greatest possible number of people, which in the ultimate means in the interest of all of the people. Let no one imagine for a moment that all of the elements within this Nation are desirous of a truly representative form of government. Far from it. As we become more advanced we become more highly organized, and so, we have a constant struggle on the part of highly organized minorities to control the functions of government. This they attempt, and very often accomplish by bribery, by political intimidation, or by convincing the representatives of the people that they-these organized minorities-are the voice of the people. By far the most dangerous of these methods is their attempts to make their wishes and opinions sound like the voice of the people. This they do by carrying on a campaign of selfish propaganda which they hope will be mistaken for the voice of the people. I am sorry to say that in a great many instances they are successful in their attempts. All of this should remind us that "eternal vigilence is the price of liberty."

Lobbying has long been resorted to as a means of influencing legislation. It is a perfectly respectable and legitimate practice as long as it is carried on honestly and without exerting undue influence. Committee hearings are held upon all pieces of legislation before they are brought to the floor, at which any interest, either for or against, is given an opportunity to present its side. The practice of lobbying has fallen into disrepute, however, because for many years it was productive of so much corruption and bribery. Scandals resulted which shocked the Nation and lobbying came to be frowned upon at seats of governments. In consequence the questionable lobbyist disappeared from legislative halls, but did not cease his activities. He discovered an easier, safer, and less expensive method of operating. He now goes to the people of the Nation and in a subtle manner gets them to do the lobbying.

This is an age of easy communication. The mail, telephone, telegraph, newspapers, periodicals, and radios have made it so. These agencies are all very valuable to the people if rightfully used. On the other hand, they can easily be used in a manner very detrimental to the public interest. These agencies of communication are eagerly seized upon by organized minorities as vehicles to be used in the spreading of propaganda designed to further their own selfish interests.

Propaganda, as it is generally considered today, is information used in spreading but one side of a question. It is almost sure to be misleading and quite often is untrue. Selfish interests often present to the people information which, if mailed, borders on being misuse of the mails. They will take a part of a certain piece of legislation, often no more than the number and title of the bill, and seek to persuade the people to write to their Senator, Congressman, State sen-

ator, or legislator asking or demanding that he vote either for or against it. In consequence, the official will receive a flood of letters or telegrams, practically every one of them identical in form and wording.

Often these missives will state that the sender has carefully read or is thoroughly acquainted with the legislation, even though it may comprise 200 pages, and to become even casually informed upon the matter may require weeks of study and extensive research. Such practices are reprehensible, unjust to the people, unjust to the official, and are dangerous to the welfare of the Nation. Such campaigns are, almost without exception, conceived in selfishness, based upon deception, and often evilly designed.

Now, any member of a legislative body who is conscientious-and most of them are-is always very glad to receive the views of his constituents. Most legislators, in fact, make an effort to obtain them. Unless he obtains them he cannot efficiently perform his duties. What he desires, however, is their own views and opinions honestly arrived at after due consideration of both sides of the question. He does not wish to receive opinions which are manufactured and sold to the people by misinformation. He does not wish an opinion forced upon employees through fear of losing their jobs. Such expressions are not the voice of the people, and by no manner of reasoning can they be interpreted as such. The enemies of popular government are adept at manipulating, not only within but also without their own domains. Selfish interests work in a subtle manner and all too often start a movement to the detriment of the people, craftily induce the people to do the shouting, and they make them pay the bill. What a travesty of representative government.

Many extensive lobbying campaigns are carried on regarding a piece of legislation, which has merely been introduced and has no chance whatever of even reaching a hearing before a committee. Ten legislative bodies sitting all the year around could not even begin to consider the bills introduced before them each session. No sooner, however, is a piece of legislation introduced than word goes throughout the Nation seeking to persuade the people to write their legislator regarding it. Much of such propaganda comes from fanatical individuals or organizations who wish to use the public as a sounding board for their own ideas. They always meet with a certain measure of success. Quite often some legislator introduces a bill and resorts to such a campaign in order to attract attention to his bill. Usually this is his one and only means of attracting attention to it or to himself.

Thousands of these communications received are in the form of a printed post card or letter. All the sender had to do was sign and mail. Often the mailing is done for him, and the fact that many of the replies are returned is proof of the fact that many of the names are fictitious. Anything to create the impression that there is an overwhelming wave of popular sentiment either for or against a measure. Should a reply be sent asking the communicant what he objects to, or favors, in a certain bill, if the communicant answers at all, he will usually frankly reply that he never even read the bill in question, but that his letter was written at the request of a third party.

Another form of lobbying is by petition. It is a well-known fact that a petition can be circulated, and unlimited signatures obtained, regardless of the contents of the petition. Instances are quite common of petitions filled by children going or coming from school. Many petitions are received every name of which are obviously signed by the same hand. Some of them are plainly the work of cranks. Many are deliberate efforts to deceive. Upon the receipt of a genuine petition one is almost sure to receive many communications asking that the sender's name be disregarded on the petition. There are numerous societies, alliances, and leagues with various prefixes or suffixes for the promotion, prevention, or regulation of this, that, or what not. They represent themselves as speaking for multitudes of members. Some of them are commendable in their purposes. Most of them are busybodies and self-appointed guardians of other peoples' morals

or business. These last accomplish nothing but to add to the confusion, as they never lack their champions who occupy

Now, the citizens of this Nation should take an interest in the Government of the Nation. It is their duty to do so, in fact. This is their Government and it is what they make it. They should be free to write to their legislators and express their opinions upon legislative matters. They should be honest with themselves, however, and honest with all concerned. They should be as cautious of endorsing a strange piece of legislation as they would be of endorsing the check of a stranger. This insidious method of lobbying is growing by leaps and bounds and should be stopped.

The expense of handling the tons and tons of such matter in the National and State Capitols is enormous. The money to pay for it comes from the pockets of the people in the form of taxes. It is one of the causes of expansion of the various agencies of government. It is a question of which the people of the Nation should be informed. That is the object of this article.

The people should keep themselves informed upon the questions of the day. They should not form opinions from hearing but one side of a question, as most questions have two sides, with merit to each. The press is an excellent source of information upon legislative matters, both as to the news columns and the editorial page. Most of our newspapers keep careful trace of all important legislation which will come up for action and report its progress daily. Usually they present enough of both sides of a question as to enable their readers to form an opinion. There is no need for the people to permit their opinions to be manufactured for them in a wholesale manner by selfish interests. Well thinking citizens should resent any attempt in this direction. They should reflect that any interest which finances a gigantic lobby has a selfish purpose in view. It should certainly be quite evident that any interest financing such a campaign has a plan to secure a return of the money expended. We do not need to look very far into the past to see where such movements have returned all expenses manyfold.

Selfish propaganda broadly and loudly spread is often mistaken for the voice of the people. If so, the people are to blame for the results. The Nation-wide reaction on the question of our entrance into the World Court is a fine example of the expression of the will of a well informed people. Let us have more of the free and honest expression of the voice of the people, but less of the expression of "his master's voice."

# RECOMMITTAL OF A BILL

Mr. KELLER. Mr. Speaker, I ask unanimous consent to recommit the bill H. R. 5732, because of a mistake in the printing of the original bill.

The SPEAKER. Is there objection?

Mr. TABER. Reserving the right to object, what is the nature of the bill?

Mr. KELLER. It is a bill providing for printing for the blind.

There was no objection.

BREAK-DOWN AND FAILURE OF ADMINISTRATION POLICIES AND PLEDGES

Mr. DARROW. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a radio address by the gentleman from New York [Mr. FISH].

The SPEAKER. Is there objection?

There was no objection.

Mr. DARROW. Mr. Speaker, under leave to extend my remarks in the RECORD, I insert a speech by Representative HAMILTON FISH, Jr., over the National Broadcasting Co. network, Saturday evening, March 2, 1935, as follows:

Monday, the 4th of March, will mark the second anniversary of the rule of Franklin D. Roosevelt, who was elected by an unprecedented majority and came into office backed by the good will, the hopes, and aspirations of the American people.

The administration honeymoon has cracked up, as was inevitable, on a series of broken promises and pledges and on unsound, unworkable, and socialistic experiments.

What a difference a few years make! Acclaimed by all the people for declaring a bank holiday, for salvaging the deposits and assets of the banks, for attempting to reduce governmental

expenditures and balancing the Budget, the restoration of business confidence, the employment of labor, and return to prosperous times appeared to be assured.

ous times appeared to be assured.

For the first 6 months following President Roosevelt's inauguration most of the people regarded him as a Moses, sent to lead us out of the economic wilderness. All of a sudden the sound promises and pledges contained in the Democratic platform were repudiated and trampled under foot, and a host of socialistically inclined "brain trusters" were ushered into key positions in the Government service, who delighted in making a laughing-stock out of Jeffersonian principles and party promises. Economy, a balanced Budget, sound money to be preserved at all hazards, 25-percent reduction in Government expenditures, consolidation of departments and abolition of useless commissions, and promises to stop borrowing to meet deficits were all cast saide as if con-

of departments and abolition of useless commissions, and promises to stop borrowing to meet deficits were all cast aside as if contagious and thrown into the limbo of forgotten things.

The "brain trust", composed of radicals and visionaries without political training or economic experience, became the sponsors, with the President's blessings, of a mass of impractical, unworkable, unsound, and socialistic legislation that has destroyed business of the president ness confidence, increased unemployment, impoverished the people

and retarded recovery.

ness confidence, increased unemployment, impoverished the people and retarded recovery.

It has taken the American people 2 years to find out the extent of the failure of the new-deal administration, first, because the first 6 months of the Roosevelt regime was admirable and the bad effects of the unsound legislation was not felt immediately, and, secondly, because we are in the midst of a government by propaganda and ballyhoo, emanating from hundreds of political publicity agents paid out of the Treasury of the United States to uphold and defend the new-deal policies and build up the myth of Roosevelt and recovery in the press and over the radio. The people back home were literally swamped with mass propaganda, and the facts only after 2 years are beginning to seep through that Roosevelt and recovery are not synonymous, but that Roosevelt and ruin are rapidly endangering the welfare of the American people.

"To sin by silence when we should protest makes cowards of us all." It is the duty of the Republican Members of Congress, representing the minority or opposition party, to expose and criticize the blunders of the administration without fear or favor. For 2 years we have been soft-pedaling our criticisms and indulging in mere shadow boxing at the expense of the "brain trust." The time has come to place the blame for the break-down of the administration policies and pledges squarely where it actually belongs—upon the shoulders of President Roosevelt. It is mere evasion and cowardice to attempt to hold Professor Tugwell, Miss Perkins, Donald Richberg, Honest Harold Ickes, and James Aloysius Farley responsible for the accumulation of ills and failures of the

Perkins, Donald Richberg, Honest Harold Ickes, and James Aloysius Farley responsible for the accumulation of ills and failures of the administration, when they are but appointed agents of the President.

Now that the administration has reached the half-way mark, thoughtful Americans are beginning to realize that the President is steadily grasping for more and more control and rapidly accumulating vast autocratic powers until the whole structure of our

Government is menaced.

Government is menaced.

The most astounding example of this policy is his insistent demands that \$4,000,000,000 be turned over to him without limitation or restriction. For the first time the people back home are beginning to see through the now apparent scheme of an autocratic dictatorship and one-man rule in the United States, in place of our constitutional and representative form of Government. Our American system is hanging in the balance, as we march serenely on into Government ownership and operation, state socialism, collectivism, a tyrannical and crushing bureaucracy, and an autocratic dictatorship at Washington.

The most critical period of American history since the Civil War is in the making at this moment in an undisguised attempt to set up a virtual dictatorship at Washington, no longer temporary but permanent and autocratic.

permanent and autocratic.

permanent and autocratic.

The abdication and surrender of legislative powers at the arrogant demands of the President by a partisan, supine, and subservient Congress is a gross betrayal of the constitutional rights and liberties of the American people and will be one of the main issues in the next presidential campaign, along with the destruction of business confidence, the increase in unemployment, and the high cost of living to 125,000,000 Americans on the necessities of life.

The control of the purse strings is the main reason for the existence of Congress, and when a cowardly Congress, at the insistence of the autocrat in the White House, strips itself naked of its legislative powers and leaves its members mere rubber stamps without any more clothes than Gandhi, it amounts to actually changing

any more clothes than Gandhi, it amounts to actually changing our form of government without the consent of the governed.

The President of the United States, the Democrats admit, was the author of this disgraceful bill which took away from Congress its very lifeblood, the control of appropriations.

I call on all Jeffersonian Democrats and Republicans to oppose every attempt to weaken and destroy representative and constitutional government by establishing a superman in the Executive Mansion and a dictatorial government patterned after fascism, Hitlerism, communism, and every other alien ism except Ameri-

This administration, while advocating free-trade policies with European nations, has for the first time in history set up economic barriers within the United States by imposing various processing taxes on the necessities of life, the increased cost of which must

Secretary Wallace predicted a few days ago that the price of food will increase another 11 percent in the next 6 months, and in particular that the price of meat would rise 22 percent in the same period. This is typical of what is happening to the American

wage earners, consumers, and the 12,000,000 unemployed under the present administration, which has destroyed their buying power, depreciated their dollar, increased unemployment, and retarded

recovery.

How long will the American wage earners and consumers support an administration that was elected by their votes and in return impoverishes them and destroys the American standard of living and of wages? The inevitable consequence of the free-trade policies of President Rossevelt and Secretary Hull is to reduce the standard of living of our wage earners at a time when the cost of living on necessities of life are increasing rapidly by governmental manipulations. manipulations.

manipulations.

The ruinous policy of President Roosevelt and his confirmed free-trader, Secretary of State Hull, to bring the cheap labor of Europe, Asia, and South America in competition with American labor can only result in further unemployment and reduction in our wage scale and standard of living. It already threatens to ruin the textile, cement, glass, manganese, and beet-sugar industries.

The Democratic Party is showing its true colors as a low wage-scale party, but, contrary to its past policies, it has turned upon the consumers by making frantic efforts to increase the cost on necessities of life. The price of pork, the poor man's food, is skyrocketing. There are 20,000,000 less pigs in the United States than I year are and a smaller number than at any time in the last 50 rocketing. There are 20,000,000 less pigs in the United States than I year ago and a smaller number than at any time in the last 50 years. During this period our population has increased from 50,000,000 to 125,000,000. The tragedy of the new-deal folly and birth control of pigs is that of the 6,000,000 slaughtered 4,000,000 were destroyed and served no useful purpose. Today the increasing price of pork is rapidly putting it beyond the reach of the wage earner's budget. The killing of the pigs, and particularly the sows with little pigs, was not only a blunder but a crime against nature, and those responsible should be impeached, or at least kicked out of the Government service. But there again the old axiom holds good—that the principal is responsible for the acts of his agents.

old axiom holds good—that the principal is responsible for the acts of his agents.

The Republican Party believes in establishing an equilibrium or party between the products of agriculture, the factories, and the mines which is impossible under the N. R. A., which raises the price of everything the farmers buy. But, as a general proposition, the Republican Party is opposed to any program of scarcity and wanton destruction in a Nation that has abundant resources, especially when there are 12,000,000 Americans unemployed. The destruction of surplus crops does not answer the unemployment problem, as it does away with jobs. Neither does it help to distribute farm products to the millions of needy and hungry Americans nor solve the distribution problem.

the distribution problem.

the distribution problem.

There can be no prosperity for the farmer or wage earner until sound principles and common sense prevail in government. As a member of the National Grange and the Farm Bureau Federation, I contend that the farmer's problem has not yet been solved, and will not be until it is solved fairly, honestly, and on a sound basis. All the farmer is asking is the cost of production plus a reasonable profit on what he produces.

I am opposed to the extension of the N. R. A. for 2 years, as requested by the President, without drastic modifications. The N. R. A. has all but strangled the small business man and has hampered and harrassed business generally. It has helped to destroy business confidence so that there is a dark cloud of fear and uncertainty hanging over the country today. Business men go to uncertainty hanging over the country today. Business men go to sleep at night with a headache and awake in the morning with

What is needed more than anything else is the restoration of business confidence and a cessation of drastic regulations, ukases, and Executive orders, and various complicated codes, such as for the curled-hair manufacturing, horse hair dressing, dog food, feather, and the cosmetic container industries.

If I had my way, I would scrap most of the N. R. A. codes, leave one general code for fair competition and several subordinate ones dealing with natural resources, such as coal and oil, and so forth, and retain the child-labor provisions and restrictions against sweat-

I voted for the N. R. A. on a voluntary and temporary basis, in a great emergency, hoping it would help in putting American labor to work. We now find, according to the American Federation of Labor, that there are between one and a half and two millions more unemployed than a year ago. Moreover, the Blue Eagle has become a Soviet vulture, backed by force and coercion, enforcement agents, spies, and jail sentences and nests on smokeless factory chimneys.

The President is now claiming that the Senate is wrecking the relief program by adding the prevailing-wage-scale amendment. The only person responsible for wrecking relief is the President himself, when he coupled the emergency-relief measure of \$880,000,000 with the \$4,000,000,000 blank check for public works that he demands in defiance of the Constitution, and that the separation of the powers of Government be turned over to him without qualifications. without qualifications. Even patriotic Democrats in the Senate refuse to vote to destroy our representative system of Government or create a huge election fund out of the Treasury of the United States. There is no Republican Member who will not vote to pass the \$880,000,000 emergency relief bill any time it is brought up in Congress, which the Democratic leaders should have done a month ago and can still bring up and pass within 24 hours.

In conclusion, I indict the Democratic administration on its record for the past year as the greatest failure in American history. I challenge it with having destroyed business confidence, squandered American resources, wrecked commercial air transportation, and with impairment of the national credit. I accuse it

of having imposed unsound, unworkable, and socialistic measures upon the Nation that have increased the cost of living, impoverupon the Nation that have increased the cost of living, impoverished the American people, and increased unemployment. I denounce it for undermining our free institutions, turning the Constitution into a scrap of paper, and changing our representative form of government, without the approval or consent of the American people, into an autocratic and dictatorial form of government. I condemn it as having no economic policy except to pile debt upon debt by borrowing, more borrowing, and still more borrowing, without any thought of balancing the Budget or of the inevitable day of reckoning and collapse of credit and bankruptcy of the Government.

I charge it with having honeycombed the various departments of the new deal with radicals, Socialists, and near Communists and contributors to communism, and for having done more to promote class hatred and class antagonism than all previous administrations since the founding of the Republic.

Unfortunately recovery is a myth, and a mirage shown by the Unfortunately recovery is a myth, and a mirage snown by the tragic increase in unemployment. The American people have now had a taste of the incapacity and incompetency of the "new dealers"—I will not say Democrats—to govern within the bounds of reason and moderation. What have they done? They have examined and interfered in everybody's affairs. They have threatened every corporation and endowment. They have criticized every profession and vexed every trade. No one is certain of his property, and no one knows what new regulation or restriction will be forthcoming the next day.

The American people have had almost 2 years of it, and I am convinced that the tide is rapidly turning against such a policy of regimentation and confiscation and that the American people have already made up their minds that they have had enough.

I predict that the very people who elected President Roosevelt, after 2 more years of unsound policies, high cost of living, and walking the streets looking for a job, will turn to the sound policies of the Republican Party and help elect a Republican President in 1936 as the only means of bringing about recovery and a return to prosperous times.

### THE UTILITY BILL

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Speaker, Members of Congress are being flooded with propaganda against the pending utility bill. There has come to my desk this morning evidence of the most outrageous "racketeering" I believe I ever have known. I have a letter in my hand which explains what I mean and which reads as follows:

Representative RANKIN,

Washington, D. C.

Dear Representative Rankin: I am an employee of the Public Service Electric & Gas Corporation of New Jersey. Within the last few days, I and thousands of other employees of this public-utility company have been forced by the threat of losing our jobs to write to our Senators and Representatives in Congress protesting against the passage of the Utility Holding Company Act of 1935. Each employee was compelled to write three letters which were dictated and sent out by the executives of this company who then dictated and sent out by the executives of this company who then proceeded to charge each employee 9 cents for the stamps. We were not asked if we wished to write the letters. Nor was the Holding Company Act explained to us. We were simply given a sample letter (1 of which I enclose) and told to write 2 letters to our 2 Senators and 1 to our Representative. Any employee who had not written the three letters by 4 p. m. on Thursday, February 28, was denied his pay check until he had written the letters.

As a citizen of the United States and one who desires to see As a citizen of the United States and one who desires to see the country saved from communism, I emphatically protest against this coercion of employees by the Public Service Corporation of New Jersey, and by other public-utility companies throughout the country, and I earnestly request you to expose this trickery in the House investigation.

I request that my name be kept confidential as my job depends

Respectfully yours.

Mr. RICH. Will the gentleman name the company he alludes to?

Mr. RANKIN. It alludes to the Public Service Electric & Gas Corporation of New Jersey.

Mr. RICH. Will the gentleman give us the name of the person who wrote the letter?

Mr. SNELL. Why not put it all in? Mr. RANKIN. Here is the letter which he says the company had him write to his Congressman:

DEAR SIR: The utility-holding company legislation which will destroy all holding companies, good or bad, should be opposed by all fair-minded people. I hope that you will cast your vote against it.

Your views on this would be appreciated.

Yours truly.

That is the letter which he says they wrote for these | people with the demand that they send it to you.

### LEAVE TO ADDRESS THE HOUSE

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that tomorrow, after the reading of the Journal and the disposition of special orders, as well as business on the Speaker's table, I may be permitted to address the House for 30 minutes.

The SPEAKER. The gentleman from North Carolina asks unanimous consent that tomorrow, after the reading of the Journal and the disposition of business on the Speaker's table and of present special orders, he be permitted to address the House for 30 minutes. Is there objection?

Mr. TAYLOR of Colorado. Mr. Speaker, I reserve the right to object. I shall not object to this request of the gentleman from North Carolina to address the House tomorrow, but I shall object to any more requests for permission to address the House on Thursday or Friday of this week, because we hope to take up and dispose of at that time the home owners' loan bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

### HOLDING COMPANIES

Mr. DUNN of Pennsylvania. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. DUNN of Pennsylvania. Mr. Speaker, undoubtedly every Member of Congress is receiving a tremendous amount of mail, as I am. In many of the letters Members are informed that if they support the Rayburn bill to regulate holding companies they will be killed politically. I am unable to answer all of the letters that I have received, but I want the people in my district to know that I am going to support that bill 100 percent, and they can do what they please about it. [Applause.]

# EXTENSION OF REMARKS

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to incorporate therein a radio address delivered by the national commander of the American Legion.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks and to include therein a radio address of the national commander of the American Legion. Is there objection?

Mr. SABATH. Mr. Speaker, I reserve the right to object. Is that the address delivered 2 days ago, wherein he complains that nothing has been done for the Nation by this administration?

Mr. FISH. This is an address upon adjusted compensation. The SPEAKER. Is there objection?

Mr. ZIONCHECK. Mr. Speaker, reserving the right to object, is that the same address to which the gentleman referred the other day?

Mr. FISH. Yes.

Mr. ZIONCHECK. And that is the same address which the gentleman agreed to put in at the same time Mr. Parman's remarks were incorporated?

Mr. FISH. Yes.

Mr. ZIONCHECK. Permission has already been granted

Mr. FISH. Not for me to do it.

Mr. ZIONCHECK. For Mr. Parman to put it in before his remarks.

Mr. FISH. They want me to put it in; that is all.

Mr. ZIONCHECK. It will be put in the RECORD in any event, and under the circumstances I am constrained to object.

The SPEAKER. Objection is heard.

# LEAVE TO ADDRESS THE HOUSE

Mr. SWEENEY. Mr. Speaker, I ask unanimous consent that when the House has disposed of the bill H. R. 6028

today I may be permitted to address the House for 8 minutes.

The SPEAKER. The gentleman from Ohio asks unanimous consent that after the House has disposed of the bill H. R. 6023 today he may be permitted to address the House for 8 minutes. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I reserve the right to object. Do I understand that the order of business today will be the calling of the Consent Calendar?

The SPEAKER. That is correct.

Mr. WOLCOTT. Are we going to get to the Consent Catendar this afternoon?

The SPEAKER. It is proposed to call the Consent Calendar today.

Mr. WOLCOTT. I call the attention of the gentleman from Ohio to the fact that there are six of us here who are waiting for the call of the Consent Calendar. I have no desire to object to the gentleman addressing the House, but I do not want to be compelled to hang around all afternoon waiting for that calendar to be called.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

ADJUSTMENT OF CERTAIN CLAIMS OF FOREIGN GOVERNMENTS, ETC. (H. DOC. NO. 117)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Affairs and ordered printed:

To the Congress of the United States:

I transmit herewith a report by the Secretary of State recommending the enactment of legislation for the purposes described therein.

The recommendations of the Secretary of State have my approval, and I request the enactment of legislation for the purposes indicated in order that this Government may meet the obligations outlined in the report.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 4, 1935.

# RECIPROCAL TRADE AGREEMENT WITH BELGIUM

The SPEAKER. Under a previous order of the House the Chair recognizes the gentleman from Massachusetts, Mr. TREADWAY, for 15 minutes.

Mr. COCHRAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. COCHRAN. Will the gentleman from North Carolina, Mr. Warren, be recognized immediately following the remarks of the gentleman from Massachusetts?

The SPEAKER. The gentleman from North Carolina will be recognized on the bill H. R. 6028 as soon as the remarks of the gentleman from Massachusetts are concluded.

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and in connection therewith to insert references to the agreement reached last week with the Belgian Government.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to extend his remarks and to include certain excerpts from an agreement reached last week with the Belgian Government. Is there objection?

There was no objection.

# FOREIGN TRADE TREATIES

Mr. TREADWAY. I am not sure whether the gentleman from Ohio [Mr. HARLAN] or I will have the last word in our friendly debate, but I shall keep trying.

My reason for this is not to have an argument directly with him, but to keep bringing to the attention of the people the inequity of a law which was enacted in the Seventy-third Congress at the behest and under the dictation of the administration, whereby the rights and privileges of the American people under the Constitution have been ruthlessly and unconstitutionally set aside and new methods of government adopted in a way not authorized by the electorate of the country.

Up to the last Congress every tariff rate put into effect from the beginning of the history of this country had been acted upon by the elected representatives of the people, including the changes made under the flexible provisions, where a tariff yardstick is definitely designated. I therefore want to avail myself of every opportunity possible of acquainting the people of the country with the impositions placed upon them by Public Law No. 316 of the Seventy-third Congress, known as the "Reciprocal Tariff Act."

The speech of the gentleman on Friday, March 1, is quite academic, but where it enters into any discussion of this question it is so inaccurate and so open to attack that before proceeding further let me refer very briefly to a few of the

statements which he made.

I find he supports the method of star-chamber proceedings to which I have seriously objected and presents a picture showing bound volumes of hearings. There is nothing easier than to have a photograph taken, but it is a very different matter to pry into the secret meetings held with representatives of foreign governments in which this country's tariff policy is now determined and certain domestic industries are marked for slaughter.

I defy the gentleman from Ohio or any man holding views similar to his to show wherein any manufacturer of goods competitive with importations from Belgium was given the slightest information as to whether his products would be affected or the slightest information as to the amount of reduction in the tariff on those products previous to the announcement on Wednesday, February 27, that this reciprocal treaty had been ratified by representatives of the two governments.

Mr. HARLAN. Will the gentleman yield?

Mr. TREADWAY. I am very sorry, but I cannot yield in the short time I have. I decline to yield, Mr. Speaker.

Was any opportunity given to American producers to be heard on the agreement after it was drawn up? There was not. Was any opportunity given to Congress, which under the Constitution has the sole power to fix tariff rates, to approve or disapprove of the reductions in duties provided by the agreement? There was not. The terms of the agreement were not given out until it was too late for American industry to say anything about the actual reductions effected or for Congress to do anything about them.

The gentleman from Ohio, in a speech a short time ago, tried to draw an analogy between the method of conducting these trade agreements and the method of writing a tariff bill in Congress. The only analogy is that the Ways and Means Committee holds public hearings before writing a new tariff bill, and that the terms of the bill are not known until after the hearings. After the bill is reported to the House, the representatives of the people have the right to say whether they will approve or reject it. Congress does not have the power to approve or reject the trade treaties.

After a tariff bill goes to the Senate, domestic manufacturers, producers, and importers have the opportunity to be heard on the bill as passed by the House, and the Senate has an opportunity to amend it. Finally, each House has the opportunity to vote on the conference report.

Mr. SHORT. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. Does the gentleman yield to the gentleman from Missouri?

Mr. TREADWAY. I decline to yield, Mr. Speaker.

There is another difference which is very fundamental. When Congress writes a tariff bill it does not consult with representatives of foreign countries as to what duties to impose. It does not permit foreigners to dictate our tariff rates. Instead it recognizes that the determination of our tariff policy is a domestic matter.

This brings me to another point, namely, that tariff duties not only have reference to the regulation of foreign commerce, but to domestic commerce and industry as well. Therefore, when the Democratic Congress enacted the Reciprocal Tariff Act it gave foreign countries an opportunity to help determine our internal commercial policy as well as our foreign commercial policy. For example, the Belgian representatives not only had a part in promoting exports of

Belgian cement to the United States, but they also had a part in destroying the domestic cement industry.

In this connection, I desire to refer to the three privileged resolutions which I presented on January 28. These resolutions called upon the State, Commerce, and Agricultural Departments for the very information which I stated has never reached Congress, or the parties interested in knowing what items are under consideration in these foreign trade negotiations.

These resolutions were referred to the Ways and Means Committee. I did not expect them to meet with the favorable consideration of the administration. In view of the great pressure of pending matters before the Ways and Means Committee I agreed with the gentleman from Tennessee [Mr. Cooper] that I would not exercise my rights of calling these resolutions up until such time as he was ready to report upon them for the committee. This Congress is by right entitled to have the information these resolutions call for, but the absence of affirmative action on them is further proof of the statement I reiterated that starchamber methods are being used in violation of the rights of our citizens.

It was reported in the press that the Belgian representatives were particularly pleased with the signing of the trade agreement with their country. And why should not they be? They have visions of a greatly enlarged market in this country for the products of Belgian producers, including cement, plate glass, structural iron and steel, linen fabrics, flax, photographic paper, and so on. They would not be so pleased unless they expected their nation to receive the greater benefit. That is why they are pleased. [Applause.] They realize it is a one-sided agreement. They are getting all the benefit of the bargain; we are not.

At this point I want to call attention to some figures in the press release given out by the State Department at the time the Belgian agreement was announced. On the first page of the release I find a table showing the total export and import trade of this country with Belgium since 1926. The 1926 and 1934 figures are as follows:

Year	United States exports to Belgium	United States imports from Belgium	
1926	\$99, 299, 000 49, 814, 000	\$77, 793, 000 26, 174, 000	

Referring to the table, which I have not quoted in full, the State Department says:

These figures reveal substantial decreases in both exports and imports; from 1926 to 1934 our exports declined by half and our imports by two-thirds.

That statement is very significant. I call attention to the fact that from 1926 to 1934 we sold Belgium only 50 percent less, although we reduced our purchases from that country by two-thirds. From the standpoint of balance of trade we were better off in 1934 than in 1926. Yet the State Department is embarking this country upon a policy which will cause us to increase our present purchases in Belgium by nearly 300 percent in order to increase our sales to that country by 100 percent.

The Belgium agreement may benefit some of our domestic industries which do an export business, but in order to secure greater opportunities in the Belgian market for domestic exporters we must grant greater opportunities in the American market for Belgian exporters. Therefore, every time one American industry is benefited another is harmed. We may assume that in order to get Belgian concessions on American automobile parts the State Department reduced the duty on Belgian cement, thus threatening and perhaps destroying a large part of the domestic cement industry.

By throwing the men in the domestic cement industry out of employment through a reduction in the tariff, it is possible that the automobile-parts industry will be able to give additional employment to other men in order to take care of the increased foreign trade. But what is to happen to

the men in the cement industry who are separated from their jobs? They are not skilled in making automotive parts and cannot be absorbed by that industry. Likewise, the domestic glass workers who will be thrown out of work by the reduction in the duty on Belgian glass cannot be put to work manufacturing radios for the Belgian market.

Every argument that is made in behalf of these trade treaties emphasizes and presupposes that by the extension of foreign trade we will increase our exports. My worry is the increase of imports, particularly at the present time when we have nearly 11,000,000 idle hands looking for work.

It is easy to argue, theoretically, that you will employ more people by increasing exports, but the practical results will be that there will be five thrown out of employment by the increase of importations for every additional worker employed on increased exports. We should not overlook the fact that the number of persons engaged in producing goods for export is only a small fraction of the total number of persons gainfully employed in this country.

Word just came to me this morning that the Colombian Legislature had adjourned without taking action on the reciprocal trade agreement recently negotiated by the President with that country. No doubt the reason was that Colombia would have received the short end of the bargain. Practically everything that Colombia ships to the United States is on the free list now, so it has nothing to worry about.

The gentleman from Ohio spent some time undertaking to show how attractive the Cuban trade agreement was to the farmers of Maine in opening a market for 3 months in the fall to Maine potatoes. Unfortunately for the argument of the gentleman the administration is now in process of negotiating a trade agreement with Canada and there hangs suspended over the heads of the Maine farmers the possibility of a reduction in the tariff on Canadian potatoes in accordance with the precedent established in the Cuban trade agreement.

Any lowering of that barrier in opening up American markets to Canadian farm products would be the surest way of guaranteeing a continuance of the present ruinous prices.

The gentleman paints a glowing picture of the Cuban market which has been opened to Maine potatoes and its beneficent effects. During the 6 months that the Cuban trade agreement has been in effect, Maine potatoes have gone from \$1 a barrel to 35 cents a barrel, or 3 cents a peck which is the price that has prevailed for the past 3 months.

Does the gentleman wish to claim credit for this price which represents about one-quarter the cost of production and represents a loss to Maine farmers of \$20,000,000?

But I want now to take up the gentleman's reference to Japanese bulbs. The gentleman from Ohio stated that as a result of the importation of Japanese electric-light bulbs the General Electric Co. had produced a 10-cent bulb of better quality without reducing wages.

This statement is as misleading as some others the gentleman has made. It conveys the idea that the price of the high-grade Mazda lamp for household use has been reduced to 10 cents. This is not the case.

In an effort to meet the Japanese competition, the General Electric Co. and the Westinghouse Co. brought out a 10-cent bulb which has a life of about five or six hundred hours, the same as the Japanese lamp.

In buying either of these cheap lamps the housewife probably gets 10 cents' worth of merchandise and no more. In other words, if the tariff were sufficiently high to keep out the Japanese product, the American companies could devote their entire activities to producing a high-grade lamp which would, in fact, give the American housewife a better return for her money because of its relatively higher efficiency and quality.

There is another type of bulb, such as is used on toy automobiles, and in which there is a large volume of business, wherein the American producers are utterly unable to compete with the cheap Japanese bulb. The Jap bulb sells for

half a cent and the domestic bulb for 2 cents, so that the effect on the American industry is quite obvious.

The following figures throw additional light on this particular subject. In spite of the efforts of domestic manufacturers to meet the competition of the inferior Japanese product, the value of such importations from Japan increased from \$764,300 in 1933 to \$838,000 in 1934. These figures include the miniature or toy lamps, Christmas-tree bulbs, and all other kinds of small lights.

In the larger or household type of lamp the importations increased from 19,343,000 lamps, with a value of \$300,000, in 1933, to 25,595,000 lamps, with a value of \$485,000, in 1934. These figures may furnish some degree of satisfaction to our low-tariff friends, but they can be of little comfort to the employees of the bulb plant in Buffalo which closed its doors 2 years ago because of Japanese competition.

Now, what has happened since the American factories brought out a 10-cent bulb? The Japanese have come in with a 5-cent bulb, which the General Electric Co. cannot meet. They put out that 5-cent bulb for 15, 30, and 60 watts. In 1932 there were 3,000,000 per month imported. For 5 months in 1934, 9,000,000 per month; three times as many 5-cent bulbs being imported today, on which the General Electric Co. cannot meet the price, as were imported 2 years ago. That information comes direct from General Electric Co. officials, and therefore I hope that the gentleman will find some pleasant way of answering it.

These figures are very illuminating as to what is going to happen to our industries when we grant this power to the President of the United States to write our tariff rates in conjunction with foreign representatives. I think the people are ready to rise in their might and object to that sort of procedure, opening the markets of this country to cheap foreign goods in competition with our type of living and the employment of our skilled mechanics. [Applause.]

The gentleman from Ohio has continually referred to trade agreements as "treaties", an admission of the contention I have made all along that there is to all intents and purposes no difference between the trade agreements now being negotiated and treaties. The gentleman proceeded to say that the treaty with Belgium was ratified by the representatives of that country. I have no interest in the manner in which treaties may be put into effect in Belgium. My interest is in the manner in which we carry out the provisions of our Constitution in enacting laws for the benefit of the people of this country.

I have asserted from time to time that the authority of the President under the Reciprocal Tariff Act is a violation of the Senate's treaty-making powers as well as an unconstitutional exercise of the taxing power of Congress. I recall that during the hearings on the measure I tried to obtain from Secretary Hull some information as to the distinction between a trade agreement and a treaty. He dodged the question by saying that the primary purpose of the proposal was to restore international trade.

When Secretary Hull's assistant, Dr. Sayre, was testifying, our former colleague from Pennsylvania, Mr. Cochran, asked him to draw a distinction between the two. Mr. Sayre said:

A treaty, of course, must be ratified by the Senate. An Executive agreement, whether for the promotion of trade, such as provided for in this bill, or for some other purpose, does not require ratification by the Senate. The difference between agreements and treaties roughly is this. An Executive agreement, whether made in pursuance of legislative authority, or under the general power of the President to conduct international relations, must not contravene statutory law as enacted by Congress. A treaty, on the other hand, is not bound by previous enactments of Congress. A treaty is the supreme law of the land under our Constitution, just as legislation is.

Accepting Dr. Sayre's definition, I say that the Reciprocal Tariff Act does not provide for trade agreements which are within the definition laid down by him. The authority granted to the President is too broad to come within the limitations referred to. The trade agreements are not valid as Executive agreements, since they are not made in pursue.

ance of legislative authority validly delegated. Nor are they valid as treaties, since they are not required to be ratified by the Senate. Moreover, during the entire history of the country, when a treaty was negotiated with a foreign country which involved tariff duties, the House of Representatives has always insisted upon, and has been given, the concurrent right of ratification.

Referring to the Belgian agreement, I call attention to one provision which to my mind clearly demonstrates my contention that in effect the President is assuming treaty-making powers. The third from the last paragraph provides as follows:

As long as the present agreement shall remain in force it shall supersede any provisions of the treaty of commerce and navigation between the United States of America and His Majesty the King of the Belgians, concluded March 8, 1875, which may be inconsistent with the said agreement. However, upon the expiration of the present agreement, the provisions of the aforesaid treaty of 1875 which have been temporarily superseded shall automatically resume operation and shall continue in full force and effect, subject to termination as provided in that treaty.

In view of this language in the trade agreement, it is evident that it really has the force and effect of a treaty, since it suspends the operation of another treaty concluded some 60 years ago. The Senate has not advised and consented to this suspension.

Another provision of the Belgian agreement attracts my attention. I refer to the preamble, which states that the basis for the treaty is the desire to strengthen the "traditional bonds of friendship" with Belgium. I submit in all sincerity that the President has no power to reduce tariff duties for that purpose. The language of the Reciprocal Tariff Act states that before reducing duties the President must find as a fact that such duties are "unduly burdening and restricting the foreign trade of the United States."

The language of the Reciprocal Tariff Act sets forth the whole purpose of the present program, namely, to expand the foreign markets for certain products of the United States. It occurs to me that a much more worthy purpose would be the expansion of the domestic market. Even in 1929 we consumed at home 90 percent of what we produced. Thus the relative importance of the domestic and foreign markets is at once apparent. The administration's present program gives first consideration to those producing for the foreign market. This policy nullifies the purpose of the 1930 tariff act, which is to "encourage the industries of the United States" and to "protect American labor."

By continuing to negotiate these trade treaties, the administration is undermining the entire tariff structure of the country. The policy of protection has been thrown into the discard.

The recently negotiated agreements with Cuba and Belgium, and the contemplated agreements with some 14 other countries, mean a change in the tariff policies of Congress. They involve an assumption of power by the President never heard of before in this country, and one which in due time will be resented by the voters at the polls.

Among the more important tariff concessions granted to Belgium were reductions of 25 percent in the duty on cement,  $33\frac{1}{3}$  percent on plate glass, and from 15 to 25 percent on structural iron and steel. These products are all used in construction work.

At the present time, the administration is engaged in a vast program of public construction, involving an expenditure of several billions of dollars, in order to give employment to men now out of work. Why, then, does it not pursue a consistent course and buy the materials to be used in this construction at home, and thereby give additional employment to our own workers? There might be some justification for squandering billions of the taxpayers' money on public works if the money were to find its way into the pockets of our unemployed, but there is no justification for spending any part of it on foreign building materials.

To those who say that the negotiation of these foreign trade agreements, with the consequent reduction in our tariff duties, is necessary in order that we may recapture

our foreign trade, I would point out that our import and export trade is now on the increase and has been increasing since 1932. The latest figures I have are for the 9-month period ending September 30; 1934, which show a 41-percent increase in our exports over the same period in 1933 and an 18-percent increase in our imports. This increase took place before either the Belgian or Cuban trade agreements were negotiated.

In conclusion, I want to refer to a statement made by the gentleman from Ohio [Mr. Harlan] in his remarks of last Friday, which I think brings to the fore the issue that is really presented by the reciprocal tariff law. He said:

The watch manufacturer and the cheese manufacturer are storming Congress for a tariff, but there is no one to speak for the exporter. The result is that unless a Congressman happens to be somewhat interested in the general welfare of the country there is no inducement for him to vote other than in favor of protection. It is this situation that has placed us in our present deplorable situation.

Before answering this statement I want to say that I do not agree that there is no one to speak for the exporter. The export industries are large and powerful, and can pretty well take care of themselves. In addition, they have the gentleman from Ohio to speak for them. He has several large export industries in his home city.

I do not agree that one who votes for protection does not have the general welfare at heart. I have voted protection for every part of the United States, not simply for my own district or State, and that is the principle upon which Republican protective tariffs are based. The general welfare means the greatest good for the greatest number, and I think the agricultural and manufacturing industries which produce for the home market far outnumber those who produce for the export market. Therefore, protection for the home market should be our first concern.

Now, to revert to the issue which I say is presented by the reciprocal tariff law: The gentleman from Ohio referred to the exporter, but he should also have included the importer who buys cheap foreign merchandise for a song and sells it to the American public for three or four times what it costs him. The question which must be decided is whether we are going to make it more profitable for the exporter and the importer to do business at the expense of those farmers, manufacturers, and workers who produce for the home market.

The administration has recently demonstrated that it is more concerned about the prosperity of the Cubans and the Belgians than it is about the prosperity of the great bulk of our own people. Perhaps if it gave more attention to improving conditions at home, rather than fattening the profits of foreign producers to the disadvantage of our own, our export industries could dispose of their entire production right here in the domestic market. After all, the only reason the automobile, typewriter, cash register, and other industries can compete so well in world markets is because of the great market they have in the United States, enabling them to produce their product at a lower unit cost.

There is some question whether the administration and our export industries are not somewhat in the position of the dog in Aesop's fables. It will be recalled that the dog had a succulent bone in its mouth, and in crossing a bridge over a small stream chanced to see his reflection in the water. In his greed to get the bone of the dog he saw in the water, he lost the one he already had. To my mind, there is a moral to that story which has direct application to the present policy of the administration regarding our foreign trade.

As an appendix to my remarks I shall insert in the Record a table showing the reductions in duty granted to Belgium under the recent trade agreement with that country. These reductions, I may say, will be extended to other nations by virtue of the so-called "most favored nation" clause in our treaties. This fact merely corroborates my previous statement that the administration's reciprocal tariff program is undermining our whole tariff structure.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Tariff reductions granted to Belgium under recent trade agreement

[The provisions of this schedule shall be construed and given the same effect, and the application of collateral provisions of the customs laws of the United States to the provisions of this schedule shall be determined insofar as may be practicable, as if each provision of this schedule appeared respectively in the paragraph of the Tariff Act of 1930 noted in the column at the left of the respective descriptions of articles. In the case of articles enumerated in this schedule, which are subject on the day of the signature of this agreement to ordinary customs duties imposed under provisions of law other than the paragraph of the Tariff Act of 1930 noted in the column at the left of the respective description of the article, or imposed under a proviso of the paragraph so noted, such separate or additional duties shall continue in force until terminated in accordance with law, but shall not be increased]

riff Act f 1930, ragraph	Description of articles	Reduced rates of duty granted to Belgium	Rates specified by Congress in Tariff Act of 1930	Percent reduc- tion
6	Aluminum sulphate	0.2 cent per pound	0.375 cent per pound	46.
20	Chalk or whiting or paris white: Dry, ground, or bolted Ground in oil (putty)	do	0.4 cent per pound	50 331
24	Flavoring extracts, and natural or synthetic fruit flavors, fruit esters, oils, and essences, all the foregoing and their combinations, containing more than 20 percent and not more than 50 percent of alcohol.	30 cents per pound and 18 percent ad valorem.	40 cents per pound and 25 percent ad valorem.	25
27 29	Naphthalene which after the removal of all water present has a solidifying point of	3.5 cents per pound and 20 percent ad valorem. 5 cents per pound	7 cents per pound and 40 percent ad valorem. 10 cents per pound	50 50
72 81	Cobalt sulphate Lead pigments: White lead Sodium phosphate (except pyro phosphate): Containing by weight less than 45 percent of water	2.1 cents per pound	2.5 cents per pound	16
205 (b)	Containing by weight less than 45 percent of water  Not specially provided for  Roman, portland, and other hydraulic cement or cement clinker.	1 cent per pound 0.5 cent per pound 4.5 cents per 100 pounds, including weight of con- tainer.	1.5 cents per pound	333 333 25
207	Sand containing 95 percent or more of silica and not more than six-tenths of 1 percent of oxide of iron and suitable for use in the manufacture of glass.	\$1 per ton	\$2 per ton	50
220 222 (a)	Laminated glass composed of layers of glass and other material or materials, and manufactures wholly or in chief value of such glass.	45 percent ad valorem	60 percent ad valorem	25
222 (6)	Plate glass, by whatever process made: Not exceeding 384 square inches. Above that, and not exceeding 720 square inches. Above that, and not exceeding 1,008 square inches. All above that.	11.3 cents per square foot 11.7 cents per square foot 13.2 cents per square foot	12.5 cents per square foot 17 cents per square foot 17.5 cents per square foot 19.75 cents per square foot	33.
222 (b)	Provided, that none of the foregoing measuring ¼ inch or over in thickness shall be subject to a less rate of duty than.  Plate glass containing a wire netting within itself:  Not exceeding 384 square inches.	50 percent ad valorem	19.75 cents per square foot 50 percent ad valorem	
	Above that, and not exceeding 720 square inches.	10 cents per square foot 13.2 cents per square foot 15.3 cents per square foot	15 eents per square foot 20 cents per square foot 23 cents per square foot	34 33.
222 (d)	Rolled, cylinder, crown, and sheet glass, not plate glass, if ground wholly or in part (whether or not polished), otherwise than for the purpose of ornamentation, or if enefourth of 1 inch or more in thickness and obscured by coloring prior to solidication. Provided that none of the foregoing measuring ½ inch or more in thickness and not containing a wire netting within itself shall be subject to less than the following rates	Subject to specific duties in 222 (a) or (b) above.	Subject to specific duties in 222 (a) or (b) above.	33.
Barrier	of duty:  If ground wholly or in part (whether or not polished) otherwise than for the purpose of ornamentation.	50 percent ad valorem	50 percent ad valorem	
231	If not ground wholly or in part  Onal ename, or cylinder glass tiles and tiling	40 percent ad valorem 30 percent ad valorem	40 percent ad valorem	20 25
303	Muck bars, pieces thereof except crop ends, bar iron, and round iron in coils or rods, iron in slabs, blooms, loops, or other forms less finished than iron in bars and more advanced than pig iron, except castings; all the foregoing valued at not above 1½ cents per pound.	0.25 cent per pound	0.3 cent per pound	16.
304	Steel ingots, eogged ingots, blooms and slabs, by whatever process made; billets and bars, whether solid or hollow, weighing more than 30 pounds per linear foot:  Valued at not above 1½ cents per pound.  Valued above 1½ and not above 2½ cents per pound.	do	do 0.5 cent per pound	16.
304	Billets and bars, whether solid or hollow, weighing not more than 30 pounds per linear to ot, and concrete reinforcement bars:			
304	Valued at not above 1½ cents per pound.  Valued above 1½ and not above 2½ cents per pound.  Die blocks or blanks; shafting; pressed, sheared, or stamped shapes not advanced in value or condition by any process or operation subsequent to the process of stamping; hammer molds or swaged steel; gun-barrel molds not in bars; all descriptions and shapes of dry sand, loam, or iron molded steel castings; sheets and plates and steel not specially	0.4 cent per pound 0.4 cent per pound	0.3 cent per pound 0.5 cent per pound	16. 20
307	provided for; all the foregoing:  Valued at not above 1½ cents per pound.  Value above 1½ and not above 2½ cents per pound.  Boiler or other plate iron or steel, except crucible plate steel and saw plate steel, not thinner, then one hundred and nine one-thousandths of 1 inch, cut or sheered to	0.4 cent per pound	0.3 cent per pound 0.5 cent per pounddo	16. 20 30
308	thinner than one hundred and nine one-thousandths of 1 inch, cut or sheared to shape or otherwise, or unsheared, and skelp iron or steel sheared or rolled in grooves, valued at not above 3 cents per pound.  Sheets of iron or steel, common or black, of whatever dimensions, and skelp iron or steel,			
	valued at 3 cents per pound or less:  Thinner than one hundred and nine one-thousandths and not thinner than thirty- eight one-thousandths of 1 inch	do	0.45 cent per pound	22.
	Thinner than thirty-eight one-thousandths and not thinner than twenty-two one- thousandths of 1 inch.	0.45 cent per pound		18.
Name of	Thinner than twenty-two one-thousandths and not thinner than ten one-thousandths of 1 inch.	0.60 cent per pound	0.75 cent per pound	20
Min issu	Thinner than ten one-thousandths of 1 inch	0.70 cent per pound	0.85 cent per pound	17. 20
312	Beams, girders, joists, angles, channels, car-truck channels, tees, columns and posts, or parts or sections of columns and posts, and deck and bulb beams, together with all other structural shapes of iron or steel; any of the foregoing machined, drilled, punched, assembled, fitted, fabricated for use, or otherwise advanced beyond hammering, rolling, or casting.	15 percent ad valorem	20 percent ad valorem	25
314	Hoop or band iron, and hoop or band steel, cut to lengths, or wholly or partly manufactured into hoops or ties, coated or not coated with paint or any other preparation,	0.2 cent per pound	0.25 cent per pound	20
315	with or without buckles or fastenings, for baling cotton or any other commodity.  Wire rods: Rivet, screw, fence, and other iron or steel wire rods, whether round, oval, or square, or in any other shape, nail rods and flat rods up to 6 inches in width ready to be drawn or rolled into wire or strips, all the foregoing in coils or otherwise, valued at not over 2½ cents per pound.	0.25 cent per pound	0.3 cent per pound	16.
365	Shotguns: Valued at not more than \$5 each	75 cents each and 221/2 per-	\$1.50 each and 45 percent ad	50
	Valued at more than \$5 and not more than \$10 each	cent ad valorem.	valorem. \$4 each and 45 percent ad	50
	Valued at more than \$10 and not more than \$25 each	valorem. \$3 each and 2234 percent ad	valorem. \$6 each and 45 percent ad	50
	Valued at more than \$25 and not more than \$50 each	valorem. \$5 each and 22½ percent ad	valorem. \$10 each and 45 percent ad	50
365	Valued at more than \$50 each.  Barrels for shotguns, further advanced in manufacture than rough bored only	valorem. 32½ percent ad valorem \$2 each and 25 percent ad	valorem. 65 percent ad valorem \$4 each and 50 percent ad	50 50
909	Darrow let shoegans, turence acvanced in mandacente than rough bored only	valorem. \$2.50 each and 25 percent ad	valorem.	50

# CONGRESSIONAL RECORD—HOUSE

Tariff reduction granted to Belgium under recent trade agreement-Continued

Tariff Act of 1930, paragraph	Description of articles	Reduced rates of duty granted to Belgium	Rates specified by Congress in Tariff Act of 1930	Percent reduc- tion
365 365	Parts of shotguns and fittings for shotgun stocks or barrels, finished or unfinished	27½ percent ad valorem \$5 each and 27½ percent ad valorem.	55 percent ad valorem \$10 each and 55 percent ad valorem.	50 50
365 742	Shotgun barrels, in single tubes, forged, rough bored	5 percent ad valorem	10 percent ad valorem 25 cents per cubic foot of such bulk or the capacity of the packages according as	50
769	Peas, prepared or preserved in any manner, valued at 10 cents or more per pound	imported. 1.5 cents per pound on entire	imported. 2 cents per pound on entire	25
774 776 907	Endives in their natural state	contents of container. 35 percent ad valorem 1.5 cents per pound 30 percent ad valorem	contents of container. 50 percent ad valorem 2 cents per pound 40 percent ad valorem	30 25 25
921 1001 1005 (a) (2)	not in part of india rubber. Imitation oriental rugs, wholly or in chief value of cotton. Flax, not hackled, valued at \$340 or more per ton. Cordage, including cables, tarred or untarred, composed of 3 or more strands, each strand composed of 2 or more yarns, wholly or in chief value of sunn, or other best	20 percent ad valorem 1 cent per pound 1.5 cents per pound	35 percent ad valorem 1.5 cents per pound 2 cents per pound	42.9 3334 25
1009 (b)	Moven fabrics, such as are commonly used for paddings or interlinings in clothing, wholly or in chief value of flax, or hemp, or of which these substances or either of them is the component material of chief value, exceeding 30 and not exceeding 120 threads to the square inch, counting the warp and filling, and weighing not less than 4½ and	40 percent ad valorem	55 percent ad valorem	27.3
1009 (c)	not more than 12 ounces per square yard.  Woven fabrics, in the piece or otherwise, wholly or in chief value of vegetable fiber.	30 percent ad valorem	45 percent ad valorem	3314
1010	woven mories, in the piece or otherwise, whonly of in chief value of vegetable hoer, except cotton, filled, coated, or otherwise prepared for use as artists' canvas.  Woven fabrics, not including articles finished or unfinished, of flax, hemp, ramie, or other vegetable fiber, except cotton, or of which these substances or any of them is the component material of chief value, not specially provided for.  Woven green billiard cloths, in the piece, weighing more than 11 ounces but not more	do	40 percent ad valorem	25
1109 (a) 1405	Woven green billiard cloths, in the piece, weighing more than 11 ounces but not more than 15 ounces per square yard, wholly of wool.  Vegetable parchment paper by whatever name known.	50 cents per pound and 40 percent ad valorem. 2 cents per pound and 10	50 cents per pound and 60 percent ad valorem. 3 cents per pound and 15	1 3314
1406	Sensitized paper, to be used in photography  Transparencies, printed lithographically or otherwise:  In not more than 5 printings (bronze printing to be counted as 2 printings)	percent ad valorem. 22½ percent ad valorem	percent ad valorem. 30 percent ad valorem. 40 percent ad valorem.	25
1410	In more than 5 printings (bronze printing to be counted as 2 printings)  Unbound prayer books, bound prayer books except those bound wholly or in part in leather, and sheets or printed pages of prayer books bound wholly or in part in leather, all the foregoing not specially provided for, if of bona fide foreign authorship.	37½ percent ad valorem	50 percent ad valorem	25 25 50
1404	All other prayer books, not specially provided for.  Provided, That none of the foregoing composed in chief value of India paper or bible paper shall be subjected by virtue of the first proviso of paragraph 1404 to a higher rate of duty than.	12½ percent ad valorem 3 cents per pound and 10 per- cent ad valorem.	25 percent ad valorem	50 50
1413 1501 (c)	Ribbon flycatchers or fly ribbons in chief value of paper.  Asbestos shingles and articles in part of asbestos, if containing hydraulic cement or hydraulic cement and other material:	2714 percent ad valorem	35 percent ad valorem	21.4
1520	If not coated, impregnated, decorated, or colored, in any manner.  If coated, impregnated, decorated, or colored, in any manner.  Hatters' furs, or furs not on the skin, prepared for hatters' use, including fur skins car-	60 cents per pound	75 cents per pound	20 25 21, 4
1525 1529 (a)	roted.  Hair felt, made wholly or in chief value of animal hair, and manufactures of hair felt, all the foregoing not specially provided for.  Laces, lace fabrics, and lace articles, if exceeding 2 inches in width and made wholly by hand without the use of any machine-made material or article provided for in paragraph 1529 (a); articles made wholly of any of the foregoing; and articles, not wearing apparel, in part of any of the foregoing and containing no machine-made material or	20 percent ad valorem	25 percent ad valorem	20
	article provided for in paragraph 1529 (a); all the foregoing, finished or unfinished, however, described and provided for in paragraph 1529 (a);  Valued at more than \$50 and less than \$150 per pound	60 percent ad valorem	90 percent ad valorem	3314
1551 1551	Valued at \$150 or more per pound.  Photographic dry plates, not specially provided for  Photographic films, sensitized but not exposed or developed, of every kind except motion-picture films having a width of 1 inch or more.	45 percent ad valorem 15 percent ad valorem 12½ percent ad valorem	20 percent ad valorem	3314 50 25 50
1551	Motion-picture films, sensitized but not exposed or developed, having a width of 1 inch or more.	0.2 cent per linear foot of the standard width of 13% inches, and all other widths of 1 inch or more shall be subject to duty in equal proportion thereto.	0.4 cent per linear foot of the standard width of 13% inches, and all other widths of 1 inch or more shall be subject to duty in equal proportion thereto.	50
1606 (a) (b) 1651	Horses	Free subject to the provisos of par. 1606 (a) and (b). Free	Free subject to the provisos of par. 1606 (a) and (b). Free	
1685 1685	Basic slag  Precipitated bone of a grade used chiefly for fertilizers, or chiefly as an ingredient in the	do	do	
1689	manufacture of fertilizers. Ossein	do	do	NEW YORK

1 On ad valorem rate.

# ELECTION TO STANDING COMMITTEES

Mr. DOUGHTON. Mr. Speaker, I offer a privileged resolution, which I send to the Clerk's desk.

The Clerk read as follows:

# House Resolution 141

Resolved, That Leo Kocialkowski, of Illinois, be, and he is hereby, elected Chairman of the standing Committee of the House of Representatives on Insular Affairs.

The resolution was agreed to.

Mr. DOUGHTON. Mr. Speaker, I offer a further privileged resolution, which I send to the desk.

The Clerk read as follows:

# House Resolution 142

Resolved, That John J. Dempsey, of New Mexico, be, and he is hereby, elected a member of the standing Committee of the House of Representatives on Insular Affairs.

The resolution was agreed to.

Mr. DOUGHTON. Mr. Speaker, I offer a further privileged resolution, which I send to the desk.

The Clerk read as follows:

# House Resolution 143

Resolved, That Otha D. Wearin, of Iowa, be, and he is hereby, elected a member of the standing Committee of the House of Representatives on Merchant Marine, Radio, and Fisheries.

The SPEAKER. The Chair will state to the gentleman that the name of the committee has been changed to "Merchant Marine and Fisheries."

Mr. SAMUEL B. HILL. Mr. Speaker, I offer an amendment to strike out the word "Radio."

The Clerk read as follows:

Amendment offered by Mr. Samuel B. Hill: In the third line of the resolution, strike out the word "Radio."

The amendment was agreed to.

The resolution as amended was agreed to.

### CLERK HIRE OF MEMBERS

Mr. WARREN. Mr. Speaker, under the unanimous-consent agreement heretofore entered into, I call up as a privileged bill from the Committee on Accounts H. R. 6028, to provide for additional clerk hire in the House of Representatives, and for other purposes.

The Clerk read the bill, as follows:

Be it enacted, etc., That the joint resolution entitled "Joint resolution providing for pay to clerks to Members of Congress and Delegates", approved January 25, 1923 (U. S. C., title 2, sec. 92), is amended by striking out "to one or two persons" and inserting in lieu thereof "to one, two, or three persons."

SEC. 2. Section 2 of the Legislative Pay Act of 1929 (U. S. C., Supp. VII, title 2, sec. 606) is amended to read as follows:

"SEC. 2. The clerk hire of each Member, Delegate, and Resident Commissioner shall be at the rate of \$6,000 per annum and shall be paid in accordance with the joint resolution of January 25, 1923, as amended. No person shall receive a salary from such

be paid in accordance with the joint resolution of January 25, 1923, as amended. No person shall receive a salary from such clerk hire at a rate in excess of \$3,900 per annum, and no two persons shall receive salaries from such clerk hire at a rate which, when combined, is in excess of \$5,000 per annum."

Sec. 3. Nothing in this act shall be construed to affect the provisions of law making applicable to clerk hire the reduction which is applicable to the compensation of officers and employees of the reduction and supplicable to the compensation of officers and employees of the

Federal Government generally, and such reduction shall apply to the sum of \$6,000 herein provided for, but in the case of a Member, Delegate, or Resident Commissioner whose clerk hire is distributed to but two persons, such reduction shall apply as if the amount of the annual clerk hire were \$5,000.

With the following committee amendments:

Page 1, line 10, strike out the figures "606" and insert "60b." Strike out all of section 3 and insert a new section to read as follows:

"That this act shall become effective April 1, 1935."

Mr. WARREN. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. Cochran].

Mr. COCHRAN. Mr. Speaker, this resolution comes from the Committee on Accounts without a recommendation, as the report states, because it is so peculiarly personal to the Membership of the House. When the original bill was introduced by Mr. White, it was upon my motion in the committee that that bill was tabled. A second bill was introduced. I had made an investigation in the meantime, a thorough investigation as to the situation confronting Members of the House, and it was upon my motion that the committee voted to reconsider the entire question which resulted in the reporting of the resolution without recommendation so that each Member of the House would have the opportunity to vote upon the question.

I desire to tell the House why I changed my views upon this legislation. As I said a moment ago, I made an investigation of my own to determine just what the situation was confronting the Members, especially the Members who are not favored by being chairmen of committees. As you all know, the chairmen of the various committees have extraclerks, myself included. I have, however, but one clerk and a messenger. I do not have an assistant clerk as practically all the other committees have.

Some years ago I agreed with the gentleman from North Carolina [Mr. WARREN], to whom I want to pay a tribute today not only for his ability but his fairness at all times, that I would join with him in preventing any extra position in the House of Representatives being created. I have never asked for an assistant clerk, to which my committee is entitled, and I do not propose to ask for one.

Since the gentleman from North Carolina [Mr. WARREN] has been the Chairman of the Accounts Committee we have not created one new position in the House of Representatives; and the gentleman from North Carolina and myself always joined with the Republican Members of the House when they were in control of the committee in preventing additional positions being created in the House of Repre-

Now, why do I take the position here this morning in favor of this resolution? I talked to Mr. Scott, the Postmaster, about 10 days ago. He told me then that there was not one Member of the House of Representatives whose mail had not increased 20 percent, and he thought a very fair average was 33 1/3 percent. On my way to the Chamber this morning I again talked to Mr. Scott, the Postmaster. He told me that I could change the figures. He said the minimum increase is

331/3 percent, and that the mail of many Members had increased 50 percent; and he added this-I am now quoting Mr. Scott—that there are Members of the House of Representatives who today receive 500 to 1,000 letters. Not all, but a number received this amount of mail. Mr. Scott further told me this morning that, much as he regretted it, he was going to be compelled to come to the Committee on Accounts and ask that committee for not less than three additional clerks, and if he did not get them, he could not see how he could separate and deliver the mail daily to the Members of the House. I am using Mr. Scott's language now. That is why I changed my views.

Mr. Speaker, the responsibility rests with the Members of the House.

I think if a public official wants to be retired to private life the best way to accomplish it is to fail to answer the mail he receives from his constituents.

Mr. Speaker, I have rounded out over 22 years of service in some capacity with the Congress of the United States first as a secretary to a Congressman, then to a Senator, also as secretary of a powerful Senate committee, and the last 9 years as a Member of the House. Except during the period of the war, I have never experienced such heavy mail as is coming to my office at the present time. Five stenographers are working overtime. Two of my clerks were at my office yesterday, Sunday. I did not ask them to report, but they were on hand. No matter what it costs me personally, I am going to answer the letters that come to me. That has been and will always be my policy.

Now, what does this resolution do? First, the most important, is that it allows Members to appoint three rather than two clerks; second, it is so worded that no one can secure an increase in salary. The fact is, when the Member appoints three clerks, many will receive a slight reduction in salary in order to give the third clerk a living wage.

I represent about 300,000 citizens. If this bill becomes a law, the citizens in my district will each be taxed one-third of a cent a year to meet the additional amount provided for our clerk hire-one-third of a cent per year. I think my constituents are willing to spend one-third of a cent a year when they know it means prompt service whenever they write their Representative in Congress.

Having made a thorough investigation, knowing the situation that confronts the Members of this House, I propose to vote for the resolution. [Applause.]

[Here the gavel fell.]

Mr. COCHRAN. Mr. Speaker, under leave to extend my remarks, I add the following: Since I addressed the House an amendment was adopted, offered by the gentleman from Mississippi [Mr. Ford]. That amendment provided that relatives of Members of the Congress cannot be placed on the pay roll. It is not limited to the \$1,000 additional clerk hire, but to the entire amount allowed for that purpose.

Had I been against the resolution at the outset, I would have changed my vote and supported the resolution as amended because this amendment was added. I am the author of the married woman's clause in the economy bill, known as "section 213." I am in favor of applying that clause to the legislative branch of the Government as well as to the executive branch, and that is the reason that I would have supported the bill, even though I had been opposed to the original resolution. I voted for Mr. Ford's amendment and was pleased to see it added to the resolution. In my opinion, there is a job for every family in the United States, even today, if the work was properly spread by private industry as well as local State and Federal Governments.

Mr. WARREN. Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey [Mr. McLEAN].

Mr. McLEAN. Mr. Speaker, I rise in opposition to this bill, which will increase the expenses of Congress more than \$500,000 annually. It is not pleasant to differ with my colleagues, when the matter in controversy is one the nature of which makes it peculiarly personal. Strong friendships and high regard develop from the ability and industry manifested in our association here, particularly in committee work, and one regrets that these happy contacts should be disturbed. My hope is that I may suggest a few thoughts, which might be lost sight of in the stress of the moment.

The bill detracts from the dignity of the House; it will add an annual expenditure upward of \$500,000 to the expenses of Congress, which ought not to be done in the light of the present and prospective condition of the Treasury; and the need for additional clerks is questionable.

When this proposal was first made, it contemplated the employment of extra clerks for the balance of the session only, which would have cost less than half the amount now involved. That proposition was rejected in the Committee on Accounts by unanimous vote. Now we are asked to go much further and enact a law which will provide additional clerk hire for the entire year and annually thereafter. This proposal was made without any study or businesslike consideration of the need for additional clerks—certainly not with the thoughtfulness which a man would give to increasing the overhead of his own business more than \$1,000 a year.

Much has been said about service to one's constituents. I agree with the sentiment, but I would add to it another and larger service which I believe a Congressman owes to his people and to the country-that is the obligation of leadership and example. We are privileged to hold membership in a body which should command respect. Newspaper publicity that has been going out from Washington has detracted from and affected that dignity adversely. There have been reports of conferences and committees in an effort to supply the demands of Members of Congress for patronage. These activities have had wide publicity and have cheapened membership in this body and held its Members up to ridicule. The demands have indicated that their purpose is to provide jobs for deserving political friends and not to improve efficiency. The suggestion contained in this bill smacks of another move in the patronage direction. We are sent here for quite another purpose than to drain the Treasury. To serve one's people with reason, industry, dignity, and with some idea of economy may not seem to inspire the electorate and have as much vote-getting power as the distribution of jobs, but the observant citizen is inspired by it to greater respect for and support of his Government, and I believe it has the greater vote-getting

We are living in times when our first thought should be of economy in government, and who but Members of Congress should set the example. This proposal will mean an annual cost of upward of \$500,000. The cost of clerk hire will be \$470,000 annually, and there must be added to this the incidental expenses which each new employee necessitates. Each clerk, to be of any use, must be provided with a desk and typewriter, which will add another \$75,000. The use of the telephone, which is paid for on a per call basis, will increase with the addition of each new employee, and each of these new clerks will be entitled to all the perquisites of an officer of the House, including funeral expenses and death gratuities, and an additional clerk will be required in the office of the disbursing clerk to attend to pay rolls and checks.

Did you ever stop to think, ladies and gentlemen, how much money is spent to carry on the affairs of Congress? The ordinary expenses are wasteful, and we have created special and select committees—of doubtful value—and have authorized the expenditure by them of large amounts for carrying on investigations into various matters, resulting in the employment of numberless special experts, clerks, and assistants.

Also, have we room for this army of new employees? The facilities provided for Members are now so taxed that frequently the restaurant and barbershop are so crowded as to drive Members out of the building for such service, and the elevators are always crowded. What will be the situation with 440 more?

I am as busy as any Congressman. My time is sorely taxed, my mail is heavy, my district is in close proximity to Washington, and I have as many visitors as any other Mem-

ber. I do my share of committee work and I am faithful in my attendance at the sessions of the House. I do considerable research and study of questions before us. My staff is efficient, familiar with my district, and we manage to get along by attending to business. Of course, while Congress is in session our hours are long and our work exacting, but for the balance of the year our duties are not onerous. Just now we have very heavy mail and great demands, but it has been my experience that toward the end of the session this will not be. Committee work will have been completed and only routine matters will remain for attention.

Let us demonstrate to the country that Congress can be economical and industrious, that, after all, we are not job seekers or patronage mongers, and let us emphasize by our actions the hope for a balanced Budget. An additional expense of half a million dollars annually for congressional clerk hire may not seem large when our minds are tuned to think in billions, but it is a rather respectable amount in the habit of life and thought of the average taxpayer, and will amount to something when we get around to payment of the public debt.

To vote for this bill is to totally disregard the principle of budgeted expenditures and to put out of balance by a half million dollars the efforts of the Committee on Appropriations.

There have been times in the past when Congress overstepped the bounds of propriety in matters of this sort. There is danger that, unless the greed for patronage ceases, this may happen again, and Members may find it necessary to give up much that they now have to appease the wrath of their constituents.

Mr. WARREN. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. Boylan].

Mr. BOYLAN. Mr. Speaker, this is not a political question. This is a question of whether or not we want to give efficient service to the country. What would you do in your own private business if it increased to the extent that you needed an additional clerk? Would you not in the regular way hire that clerk? Of course, you would. Otherwise your business would not be properly and successfully carried on. The question before us is purely a business one; it concerns the efficiency of our clerical help. Are we going to get an adequate staff to carry on the ever-increasing demands made on us? We should render proper service to our constituents. They demand it. I claim we are not giving proper service if we are unable to promptly answer their letters. Only a few minutes ago you heard the request of our colleague, Mr. DUNN of Pennsylvania, requesting permission to notify his people of his inability to answer their letters, the notice to be printed in the RECORD. I contend we are not giving efficient service if we are 2 or 3 weeks late in answering letters. or do not answer them at all. Only this morning at a hearing of the Appropriations Committee on the deficiency bill a request was made by one of the departments for additional funds for stationery because of the increased mail handled by their department.

If you hire a mechanic to do work, you want him properly equipped, you want him to have modern tools, otherwise he cannot do a good day's work or render efficient service. So we should have help enough to properly carry on.

It has been stated that the ordinary daily output of a stenographer, taking long and short letters, as an average, would be about 40 letters a day.

In addition to that, there is the answering of telephone calls and the reception of visitors, all of which takes additional time. So you can see the impossibility of two clerks attending to a daily mail of 200 or more letters. Surely we ought to have the courage to stand up here and demand proper clerical assistance, irrespective of what it costs, in order to be in position to adequately and properly care for the services which our constituents require. If we are indifferent about it, it appears to me we do not have a proper consideration of our responsibility to our constituents. Our people want prompt and efficient service; pass this bill and give it to them. [Applause.]

[Here the gavel fell.]

Mr. WARREN. Mr. Speaker, I yield 3 minutes to the gentleman from Oregon [Mr. Mott.]

Mr. MOTT. Mr. Speaker, I did not ask for time on this debate, and I did not know that any had been allotted to me. However, I am glad to give you my views on the bill.

I was quite interested in this subject when it was first brought up, and I immediately made a careful check-up of the volume of stenographic work in my office for the purpose of determining whether an additional clerk could be effectively employed; I mean by that, whether the services of a \$1,000-per-year clerk would be worth the cost. I came to the conclusion that outside of the necessary replies to the propaganda letters, my present office force can take care of all of the correspondence. We have been obliged to answer a large part of the propaganda letters, those inspired by organized crusaders, and so forth, by resort to multigraph or mimeograph letters. Of course, that is not satisfactory to some of our constituents, but I have found that nearly all propaganda letters are themselves form letters, and that most of them can be properly and satisfactorily answered by a form letter.

It is my opinion that all of the legitimate correspondence which comes to our office now can be taken care of by our present force. And I may say further that every individual letter we receive gets an individual reply. For this reason I am not able at the present time to see the necessity for an extra clerk, whose principal work in my office would be to actually type the class of form letters which we are now obliged to turn out on the multigraph machine. I would, of course, rather send out this class of letters individually typed, but I doubt the necessity or propriety of doing this at an additional expense to the taxpayers.

I would have a great deal more use for an additional \$3,000-a-year secretary than for a \$1,000 clerk. Another secretary could relieve me of a considerable part of the office work which I now must do myself and thereby afford me more time for work on the floor of the House. But I do not see how an additional \$1,000-per-year typist could help much in this respect.

Of course, the Republicans at this session of the Congress are not bothered with matters of patronage, and therefore I imagine that the Democratic Members have a little more of that class of correspondence than the Republicans.

Mr. WHITE. Will the gentleman yield?

Mr. MOTT. I yield to the gentleman from Idaho.

Mr. WHITE. There is nothing mandatory in this law to put on an additional clerk if not needed?

Mr. MOTT. I understand that is a provision in the bill, and I think it is a very proper one.

Mr. WHITE. I may inform the gentleman that under the terms of this bill he is limited to \$5,000 a year if he uses two clerks, the same as now, and if the extra clerk is not needed there is no necessity for putting him on.

Mr. MOTT. I said that was a good provision.

Mr. SHORT. Will the gentleman yield?

Mr. MOTT. I yield to the gentleman from Missouri.

Mr. SHORT. I think it is true that all of us are literally swamped with work, but if we would abolish the innumerable bureaus and alphabetical agencies which our opponents on the other side promised to abolish during the last campaign and have failed to do, we would not need the additional clerks.

Mr. MOTT. There may be something to what the gentleman says.

Mr. COLDEN. Will the gentleman yield?

Mr. MOTT. I yield to the gentleman from California.

Mr. COLDEN. Does not the gentleman believe if we would employ three or four clerks for the same money we now have, that we could carry on the duties of our office more efficiently? As a matter of fact, it is not limited to two.

Mr. MOTT. I am not so sure that would be so, I may say to the gentleman, because I think it would be rather difficult to hire more than two efficient clerks with the allowance we have at the present time.

Mr. COLDEN. We could do so for a short time only. [Here the gavel fell.]

Mr. WARREN. Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina [Mr. Doughton].

Mr. DOUGHTON. Mr. Speaker, I regret very much to oppose anything that my colleagues in this House think necessary to the proper discharge of their public duties. However, I cannot convince myself that I would be justified in supporting this resolution.

When I entered Congress 24 years ago this date, the clerk hire was \$1,500 per annum to each Member. Of course, it is true that our work has increased considerably since that time, but I doubt if the increase has been proportionate to the increase that has been made in allowance for clerk hire.

There has been some reference made to the fact that the chairmen of committees have some advantage, inasmuch as they can use their committee clerks in connection with their regular work as Representatives. May I say, as Chairman of the Ways and Means Committee, that the clerks of our committee since I have been a member, for a period of about 10 years, have had their hands entirely full in the work of the committee; nor has the number of clerks to that committee been increased.

These charges might apply to some of the minor committees, which have very few legislative problems to deal with or duties to discharge; but I am sure the chairmen of the major committees of the House get no relief from this source.

Of course, we are all inundated with a lot of worthless propaganda, which does not necessarily require an answer; and I believe the present allowance for clerk hire is adequate for the important or necessary work incident to our duties.

The clerk-hire allowance is now \$5,000 per annum, less the 5-percent discount, which will be restored at an early date; and to increase this amount at the present time, when the Treasury is in the red and the tax burdens of the people are so heavy, I think is in every way indefensible.

I shall therefore vote against the pending resolution.

Mr. WARREN. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri [Mr. Romjue].

Mr. ROMJUE. Mr. Speaker, during my service in this House I have served with approximately 2,000 men. I have seen about that many men come and go. I want to say that I have never served or have never been in company with a finer set of men than those who composed the membership of this House from the time I started my service down to this present hour. I may say for the employees of the Members of Congress, regardless of what the public may say, that they have been just as highly efficient and just as loyal and just as considerate of the public interests as the Members of Congress have been.

May I leave a thought with you? We are now in the midst of President Roosevelt's first term, and I regret to hear nearly every night over the radio some Member of this House, for partisan reasons, as I believe, going out and trying to assassinate his character, slandering him, and all that.

Mr. Speaker, we are living in one of the three most important periods of this Government: The first, when the Government was founded; the second, the Civil War period; and the third, the present time. Let us rise to the occasion and not be Democrat or Republican. Let us make a sacrifice like the people back on the farm and in the factory, and as those without jobs are making sacrifices. Yes; I have answered a lot of mail. I never came to Washington until just time to get here before we convened. I am not saying that every Member of this House has not done just as much work in behalf of his constituency as I have done. I have kept a tabulation of the work, and I have answered over 20,000 letters in the last 12 months, and I have seen in my home, individually, over 6,500 people, during the part time that I was back in Missouri.

There never has been in my entire lifetime a period when recovery was as rapid as it has been under President Roosevelt's administration. Of course, if propaganda, misrepresentations, and false statements are to be broadcast and everybody is to believe everything they hear and read, then God pity their souls, because nobody has control of that except themselves and their own Creator, and I am sure He will not mistreat them.

Mr. WILLIAMS. Will the gentleman yield for a question? Mr. ROMJUE. I will be glad to do so.

Mr. WILLIAMS. Do you not think at a time like this, when millions are out of employment, that the Members and their secretaries should be willing to make sacrifices and do some extra work if necessary, arduous as it is, and that this should be done without further burden upon the taxpayers?

Mr. ROMJUE. Of course, the gentleman from Missouri is, like he always is, absolutely right. I appreciate what he has called my attention to in this regard. He knows as well as I do, and as is evidenced by his question, that the problem before this Congress, before the country, and before the people in general, whether they be in Congress or cut, is to reestablish prosperity, and, as I have in a way pointed out, that prosperity and recovery is on its way, and we ought not to add any additional burden to the people. It will only be stopped by one of two methods. I certainly hope the people will not criticize President Roosevelt and break down this recovery which is on its way, and God knows this Congress ought not to do so, when they promised the people they would stay with the President and aid him in every reasonable way.

No public official need delude himself with the idea that he will always be understood fully by his constituents. The only problem he has ahead of him is to use all the judgment and sense he has in determining what ought to be done under the given circumstances and do that which he thinks to be right, whether he is understood or not. It matters little whether he is praised or not. It is given to every man to live his own life, and, according to my philosophy, he is happiest who does the best he knows in behalf of his country and those he has been chosen to represent, and it means little whether it is interpreted correctly or not. This is the wrong time to increase salaries anywhere. I have served in Congress a good many years, and, as I have said before, I have seen a good many men come and go. No human being can hope to satisfy or please everybody and none will attempt to do that when the effort would deviate a man from the course that he honestly believes he should follow. Should he fall by the wayside in an effort to please without regard to his duty or service, he merely wastes his time.

I want to repeat that many men in this body have sacrificed their health and life in the service of the people whom they represent, perhaps condemned, but, after all, one should be a good soldier and serve the public interest in the best manner he knows without regard to consequences.

I do not believe—in fact, I feel sure—that since the foundation of the American Government there never have been as many ideas prevalent as there are today with as low a percentage of actual valuable thoughts.

We are now advancing into an era of renewed prosperity if those who are talking most will cease criticizing and get to thinking and devoting their time to their own immediate problems. The facts are these: Within 3 months before President Roosevelt came into office, corn in my section of Missouri was selling for 15 cents to 17 cents per bushel; today it is selling for more than \$1 per bushel. Hogs were selling at that same time from \$2.50 to \$3 per hundred; today they are selling for over \$9 per hundred. Mules are selling for nearly three times as high today as they were when Hoover went out of office and horses are selling from two and one-half to three times as high, and cattle are selling today from two and one-half to three times as high as they were when Hoover went out of office. Will the American people rise up and criticize that?

Let us not add any more burdens to the problems that President Roosevelt already has to carry.

Quite well do I realize that some, at the present time and during the past few years, have been willing to believe anything they hear and state things half of which are untrue, but those who have been placed in positions of trust and authority ought to give little weight to matters of this kind.

Their problem is to know what the facts and truths are and to do their duty. I believe this is the problem before us, whether we are praised or condemned. That is a matter of minor consequences. I believe the majority in this House will sustain me in this view.

Mr. WARREN. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Speaker, I realize the embarrassment to Members of this proposal to add an additional clerk. I was here when Congress voted to increase its own salary and appreciate such embarrassments. Personally, I am not interested in the matter. I believe my committee, like most other committees, is well manned with clerks. There may be a few committees which do need more clerks, and that matter should be attended to. I do believe the average Member here who is not the chairman of a committee does not have sufficient help to answer his mail and serve his constituency. [Applause.] This bill will correct that.

As in the case of the increase in Members' salaries, a Member did not have to take it, nor does he have to put on this additional employee unless he sees fit to do so. I am sorry to see that this matter has become more or less of a partisan measure. I have been informed that the minority will vote for it almost as a unit. This, of course, is simply partisan politics—to try to put the Members of the majority side in the hole and to create a fear in their minds that they cannot face their people back home. I do not believe any Member should fear how he votes on this subject in reference to his people back home. [Applause.] I believe those people want representation and I believe that if the Members really and sincerely feel that an additional clerk is necessary to serve their constituents, they should, without hesitancy, vote for such additional clerk, and I am confident they can justify themselves before their people back home. [Applause.]

Mr. WARREN. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey [Mr. Eaton].

Mr. EATON. Mr. Speaker, as I did not know I was to be given opportunity to speak on this bill, I feel like the gentleman who put on his tombstone, "I expected this, but not so soon." [Laughter.]

What I object to in this whole situation is an attempt to attribute a sinister and selfish motive to the Members of this House when they are simply trying to equip themselves to handle their business properly. No matter how urgent the need may be, I resent and object to associating myself with a vote of this House expressing an inferiority complex which our critics attribute to cowardice and hypocrisy.

This morning in my first mail were 103 letters, every one of which has to be answered. My mail runs now from a thousand to two thousand a week. The new deal has thrust the Government into every business and every home, and a Representative in Congress has become a special agent to deal with scores of new bureaus and authorities on matters never before handled by a Federal agency. Personally, I think it is necessary, in order properly and promptly to discharge our obligations to the people who sent us here. that we be properly equipped. But I refuse to be placed in the position of seeming to seek some selfish and unnecessary personal advantage in a matter purely of official and public interest. I do not believe it is expected of any Member of this House to vote for more help unless he needs it, and I would like to see this vote taken, not as an attempt to put this man or that man on the spot, but as a business proposition alone regardless of politics or personalities. [Applause.] We need help, and because we need it we ought to have the courage to get it. But the method of presenting this legislation lays us open to such unfair and undeserved attack that I am constrained to wash my hands of the whole proposition. [Applause.]

Mr. KNUTSON. Mr. Speaker, will the gentleman yield? Mr. EATON. I am of a yielding disposition, but I am through. [Laughter and applause.]

Mr. WARREN. Mr. Speaker, I yield 3 minutes to the gentlewoman from Arizona [Mrs. Greenway.]

Mrs. GREENWAY. Mr. Speaker, I speak with a sense of timidity, because, even if I get an extra clerk, I will still be employing a great many more than the Government allows, and I hope you will not think it is inefficiency.

Something has not been said this morning, which I think has a place. The American people are in great distress, and the fact that they are thinking is the greatest blessing that we have today. [Applause.] Upon their understanding and their courage depends our ability to recover, because they are the ones who have got to make the sacrifice and make the fight. [Applause.] They are seeking the truth.

In our mail we can, all of us, throw aside a great deal that is propaganda, vicious and malicious, but the rest of that mail is mail that we should study. It is mail that we should answer thoughtfully, because our people back home are trying to help, and we here who are befogged on every side, are being turned to by them and asked to what extent they can hope and how, and I think we owe it to the American people today to give them of our best, and if we do not answer these letters honestly, I think we have failed them, and I do not think we can answer them if we are not given more help. [Applause.]

Mr. WARREN. Mr. Speaker, I yield 2 minutes to the gentleman from South Carolina [Mr. Fulmer].

Mr. FULMER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered. There was no objection.

Mr. FULMER. Mr. Speaker and gentlemen of the House, under the present law Members of Congress are allotted annually \$5,000 each to take care of the employees in their offices and in their districts. However, under the present act Members are only permitted to place on the pay roll two employees.

The gentleman from New York [Mr. Boylan] stated a few minutes ago that if some business man needed an additional employee he would hire one. I agree with the gentleman. However, no business man would set aside \$5,000 to be used for the purpose of hiring only two employees, knowing he could use same in hiring three well-paid employees. In the next place, a business man would be free to hire and fire, in line with the activity of his business. In other words, prior to coming to Congress I was engaged in a large general mercantile business, employing a number of clerks. In the fall I had my busy season, and in the summer my dull season in business. As a business man, we will say, with this \$5,000 for clerk hire I would use more clerks in the fall than I would in the summer; but, taking the year as a yardstick, I could successfully run my business and serve my customers and stay within the \$5,000 limit.

Certainly, we all know that the Congress is in session but 9 to 10 months only out of every 24 months during a 2-year term. I agree with you that during the session of Congress we need more than two employees, but what about the 14 months when we return home, where we have the privilege of visiting our constituents and where they have the privilege of calling on us? Certainly our volume of mail during this period is much smaller than when we are in session.

It is simply a common-sense business proposition of controlling this \$5,000 so that it can be used when and where needed.

No doubt the present act is responsible for many Congressmen placing on their pay rolls some one of their own family, so as to control the distribution of the allotment under the act governing clerk hire.

During the past 2 years, prior to the last election, I continuously employed three in my office, two of them not being on the pay roll. In fact, during this period I was able to work in my office 15 stenographers, other than my main secretary, securing positions for them in the various Departments here in Washington, paying them while working for me.

I have three working full time at present in my office, and have the money out of the \$5,000 allotment to pay these

employees without calling upon the taxpayers of the country for an additional \$1,000, as proposed under this bill. When I ran for reelection to Congress, I knew, and my constitutents knew, that the Congressmen were allotted \$5,000 each to run their office. What my people are concerned about is service and not how many employees are in my office, or the policy of employing or distributing the employment. I have the reputation in my district of rendering prompt and efficient service through my office. It is common talk in the home and on the streets in my district that all you have to do is to write your Congressman, and you will hear from him and get results. However, as stated, I could not do this if I were compelled to split the allotment with two employees for continuous service in session and during the adjournment of Congress.

Senators receive \$10,000 each per year for clerk hire, and, while it is true they have voted an additional \$1,500 each for extra clerk hire, that should be no good reason why Members of Congress should do so. Senators have to give an account of their stewardship to their constituents, and that is clearly their affair. I am responsible for my individual record in Congress and service to the people of the Second Congressional District of South Carolina. My people have confidence in me, in my common-sense platform, and in my business ability, shown to them as a farmer and successful business man; and it is my firm belief that this confidence, my record, and my efficient, satisfactory service to my people and to my country is the reason for my reelection to Congress for the past 14 years.

Why are we receiving so much mail? It is my belief that it is largely because Congress is hesitating in carrying out the President's legislative program. Additional appropriation to enable the Home Owners' Loan Corporation to continue to save the homes of the people of this country was requested by the President. However, this bill is still pending with the Banking and Currency Committee. Naturally, these people who are losing their homes while Congress hesitates are writing us. The work-relief bill appropriating around \$5,000,000,000,000, although it has passed the House, is still tied up in the Senate and apparently for no other reason than political.

Certainly, the millions of unemployed people who have been told that they would be put to work as soon as these funds are placed in the hands of the President, have cause for writing us.

In the President's first message to the Congress he strongly urged the passage of an old-age-pension bill and unemployment-insurance legislation, however, Congress has been in session 2 months and apparently we are right where we started in enacting such legislation. I am receiving many letters from old people residing in my district and the unemployed urging the passage of these bills, and they are to be commended in so doing. We boast of having the greatest republic and of being the richest nation on the face of the earth, yet we have thousands of old people living in poverty, not being able to buy the real necessities of life, and in most every instance it is no fault of theirs. If we will proceed and get results in Congress, certainly this overflow of mail will subside, hasten prosperity, increase revenue, and restore the confidence of the American people.

My people know, or should know, that I am not responsible for the administration of legislation after same has been passed by the Congress, but they know also that it is the proper function of Congress to constructively work out and pass legislation suggested by the President. No successful business man would dare to conduct his business, I care not what line he is engaged in, along the lines pursued by Congress, as well as the various departments of Government; if he did, it would not be long before he would be out of business. And I want to call to your attention the fact that many letters that I am now receiving are calling my attention to this.

The issuing of billions of bonds and the voting of additional taxes will have to cease sometime or we can prepare to face the real facts that either we will pass on to future generations a tax burden that will eventually bring about

a standard of living and a citizenship that will destroy this great democratic Government or conditions similar to those of foreign countries which exist today.

I am still proposing to you to let us go forward on a common-sense basis, cut, if possible, red tape and lost motion, and do our best to serve our constituents and our country on the same business basis that we would in conducting our own business.

A great many Members have stated, "Let us pass this bill without a record vote", in that a yea-and-no vote would put Members on the spot. My reelection placed me on the spot, and our constituents have a right to know just how we stand on all matters passed upon by the Congress, and no real Congressman, for political reasons or otherwise, should desire to dodge the real issue. I personally have won the respect and confidence of my constituents by speaking frankly and courageously at all times and voting my convictions. I had rather go down in defeat at the hands of my people knowing that I was right than to play politics and eventually go down in defeat and be recorded as a politician and a failure.

While we have at this time over 10,000,000 of people unemployed, many of them in bread lines, anxious and ready to go to work, and farmers and business everywhere staggering under unbearable taxes, let us vote this bill down and save the taxpayers this additional sum of \$500,000, which it will take to pay for this extra clerk hire.

Mr. WARREN. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. Taber].

Mr. TABER. Mr. Speaker, I think I have as much mail as any Member of this House. I have two efficient clerks; they work and I work, and my mail is up to date, and all answered. I do not believe my work has been in any way neglected. I do not believe that if Members of the House will get out and work and attend to their jobs they need any extra help. I believe they have enough now, and I cannot see any possible excuse for this bill. It is not merited, politically or otherwise, except we are asking for something we ought not to have—taking \$500,000 out of the Treasury of the United States for the benefit of Members of Congress that we ought not to take.

Is it not time for us to have some sense of responsibility and meet our responsibilities and not go haywire? Just because everybody else is going haywire is no reason why the Members of the House of Representatives should go haywire. I have not the slightest doubt if we would reorganize our offices that are not getting out their work and put them on a business basis, we would be able to meet every obligation that we have without the slightest additional expense. I hope that the House of Representatives will stand up today and do what it ought to and vote this down. We have already increased our appropriations for other items for the House of Representatives nothwithstanding this has been supposed to be a day of retrenchment. Let us not go any further. Let us stop this proposition of imposing a continuous charge of \$500,000 per year on the people. Do not go back home and say that you are so incompetent that you cannot run your offices on \$5,000 a year clerk hire. Do you suppose the people back home are going to believe you if you go back there with that kind of a story? It is time for us to stand up and do what is right.

Mr. KELLER (and several Members). Mr. Speaker, will the gentleman yield?

Mr. TABER. I cannot yield. It is quite evident that a lot of Members are trying to get in on my speech. I only want them to vote right. I do not care about the speech. Let us meet our responsibility and not raid the Treasury. I know it is popular to raid the Treasury just now, but this time let the House of Representatives stand up and do right.

Mr. WARREN. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey [Mr. Powers].

Mr. POWERS. Mr. Speaker, I certainly dislike to disagree with my colleague, Mr. Taber, and I do not like to disagree with my colleague from New Jersey, Mr. McLean. I believe both those gentlemen and the other gentlemen who

are speaking against this bill are perfectly sincere, and I want them and every other Member of the House to realize that I am perfectly sincere when I support it. A week ago I stood on this floor and supported and spoke for Mr. WHITE'S original resolution. I am now speaking for and supporting his present bill. I repeat in the few brief moments I have what I said the other day. My office is absolutely flooded with correspondence. My two clerks who are drawing the full allowance are working sometimes nights until 11 and 12 o'clock. We are talking about the N. R. A. and about shortening hours of work. We are talking about sweatshops. Go to my office and see those people work. If the mail continues as it is going now, by the end of the session I believe we shall be getting from 300 to 400 letters daily. I feel that my constituents are entitled to the service that they want, and I know they deserve the extra service they can get from this extra clerk. I sincerely hope the membership of this House will vote for this bill. [Applause.]

Mr. WARREN. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. Maverick].

Mr. MAVERICK. Mr. Speaker, I am in favor of this bill because the work we do necessitates it. Also because we should devote our time to research and study in respect to legislative matters and not be altogether messenger boys. Next, the people need that service, and we ought to give it to them. The cost to the American people of the legislative branch of the Government is infinitesimal and amounts to nothing in comparison with the other expenses of the Government. Somebody gets up and talks about the "brain trusters." I think there is jealousy there and the reason is that the "brain truster" has someone to work for him and help him get the information and facts on which to make an intelligent speech. We need the kind of help that will permit us to get away from our offices and go occasionally to the Congressional Library. I hate to admit it, but I had been there 50 times before I came to Congress, and since I came here as a Congressman I have not had an opportunity to get there. I have to send over for my books, and then I get so busy I cannot read them. I do not know whether I shall ever be much of a Congressman, but I came here to be one, to do something in a legislative way. We vote billions of dollars to be spent in various bureaus, and we are afraid to vote ourselves a thousand dollars so that we can be more efficient Congressmen. We ought to equip ourselves to give intelligent service to matters of legislation on all the subjects before us. My people are intelligent. They are not afraid of me and I am not afraid of them. They want me to serve them, and I shall if I can. We need this extra thousand dollars. It amounts to nothing in comparison to other expenses. Let us not be afraid to vote it; let us be more like the Senators, and then we will be the upper

House and not the lower House. [Applause.]

Mr. WARREN. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. Kramer].

Mr. KRAMER. Mr. Speaker, in the last session of the Seventy-third Congress I introduced a similar resolution to this. However, there was a great deal of pressure upon me to withdraw the resolution for fear some Members would not be reelected. When I went back in the last election my Republican opponent said that there was only one thing that Kramer did in Congress, and that was to try to get more help. I received loud applause from my constituents because of the fact that all of the mail sent to my office has been answered, despite the small amount of compensation allowed by the Government to do it. I have put two extra girls on my pay roll. We are today making slaves out of the clerks that we have. They are faithful and putting in 12 to 16 hours a day, and sometimes work one-half day on Sunday. My help has never had a holiday or even a half holiday on Saturday.

The gentlemen on the Republican side of the House said we would need new typewriters and new desks, and that there would be another half million dollars required for that. That is a lot of money. I have had three typewriters and have had them ever since I have been in Congress. I believe almost every Member has additional typewriter desks.

I know some Republicans who have as many as three desks, | and some have more than that, and they are not even chairmen of committees. I believe we should not penalize each other because of the fact that this mail is coming in so heavy. It is not our fault. The people back home want to write and ask about legislation. The people want to know about various matters that are coming up in Congress; and unless we can give them the service which they demand, you will not come back. I hope you will all vote to support the resolution. I, for one, am for it.

Mr. BLANTON. Will the gentleman yield? Mr. KRAMER. I yield.

Mr. BLANTON. This morning I received 89 letters from Houston, Tex., which is 400 miles from my district. In the same mail this morning I received 16 letters from Terrell, Tex., which is 200 miles east of me. I also received letters from San Antonio, Karnes City, Amarillo, Fort Worth, and Dallas, all outside of my district. And on the Townsend pension plan I received letters this morning from all over the United States.

Altogether I have represented in Congress 72 counties in the State of Texas, and all of them call on me, although I now have only 12 in my district. I have been working 16 hours per day, and many times have left my office after 1:30 o'clock a. m. My mail is about double of what it was in the Seventy-third Congress.

Mr. KRAMER. I receive 181 letters in a regular day's mail. On Saturdays and Sundays my mail goes as high as 300 letters.

Mr. ANDREWS of New York. Will the gentleman yield? Mr. KRAMER. I yield.

Mr. ANDREWS of New York. I wonder why the committee would not give consideration to appointing an extra secretary simply for the balance of the session. I could use one for the balance of the session, but what is the extra secretary going to do in September and October?

Mr. KRAMER. The gentleman is not required to use the extra secretary, because the bill states plainly that you can divide the \$5,000 between two; and, if you need a third one, you can divide the \$6,000 between the three.

The SPEAKER. The time of the gentleman from California [Mr. KRAMER] has expired.

Mr. WARREN. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. Ford].

Mr. FORD of Mississippi. Mr. Speaker, being a Member of the Committee on Accounts, I opposed this resolution when it came up for consideration in the committee. I did so because I believed that the Membership of this House had sufficient clerk hire already to answer all of their correspondence which they receive from their constituents as well as look after all other business which they are required to look after. I appreciate the fact that the people all over the country are writing to the Members of Congress asking for employment and asking for support of this piece of legislation and that piece of legislation; but, Mr. Speaker, I say this, and I say it respectfully, that if we as Members of Congress and the Members of the Senate would devote our attention to passing some constructive legislation that would give employment to the deserving people of this country who are hungry and begging for something to do, then the people could go to work and some of the mail which we are receiving and of which you hear so much about, would no longer come to our offices.

There is not a Member of this House, either on the Republican side or the Democratic side, who did not know just exactly how much clerk hire he would receive when he went out into his district and campaigned for Congress. We knew the amount allowed under the law to each Member was \$5,000 per year. We also knew that we were allowed to designate two clerks to receive this allowance, and that we had a right to designate the amount each one would receive so long as we did not pay over \$3,900 to any one clerk. We told our constituents when we made the campaign for office that we could handle the job; that if they would send us to Congress we would do the job for them. Since my arrival in Washington on December 27 I have worked every day and

every night until 11 and 12 o'clock, and I am not willing to vote for an additional \$1,000 as clerk hire for each Member of Congress, thus adding a burden of at least \$500,000 every year to the already overburdened taxpayers of our country. It is my opinion that in a short time the situation that we are now facing will be over and that there will be no necessity whatever for additional clerks if the ones we have will stay on the job.

Mr. GRAY of Pennsylvania. Will the gentleman yield? Mr. FORD of Mississippi. I am sorry; I must decline to yield at this time.

Mr. Speaker, I wish to call the attention of the Membership of this House to the history of the allowance of clerk hire for Members of Congress.

Mr. SUTPHIN. Will the gentleman yield?

Mr. FORD of Mississippi. I am sorry; I do not have time to vield.

The first allowance for clerk hire for Members of Congress began July 1, 1893, at \$100 a month, during session of Congress. This prevailed until July 1, 1907, when clerk hire allowance was increased to \$1,500 per annum. This prevailed until July 1, 1917, when the allowance was increased to \$2,000 per annum. This prevailed until July 1, 1919, when the allowance was increased to \$3,200 per annum, for one or two clerks, plus \$240-so-called "war-time bonus"per annum each, to all clerks drawing less than \$2,500. This prevailed until July 1, 1924, when the clerk hire allowance was increased to \$4,000 for one or two clerks, but not more than \$3,300 for one. This prevailed until July 1, 1929, when the allowance was increased to \$5,000 per annum for one or two clerks, but not more than \$3,900 could be paid to any one clerk

It might also be interesting to remind ourselves that Members of Congress had no offices until the old House Office Building was completed and occupied, at a cost of several millions of dollars, on January 10, 1908. Every Member of Congress had one office in the old House Building, but on April 20, 1933, the new House Office Building was completed and occupied, at a cost of several millions of dollars. so that each Member of Congress could have a suite of offices.

Mr. SUTPHIN. Will the gentleman yield? Mr. FORD of Mississippi. I decline to yield.

It is true that under the economy act 81/3 percent was deducted from the clerk hire effective July 1, 1932. On July 1, 1933, a deduction totaling 15 percent became effective. This deduction was cut to 10 percent effective February 1, 1934. The deduction was then reduced to 5 percent effective July 1, 1934, and on April 1, 1935, pursuant to Public Resolution No. 3, approved February 3, 1935, the full allowance of \$5,000 will be restored. It, therefore, appears that Congress has already been pretty generous to its own membership in providing allowance for clerk hire as well as commodious offices.

It is argued by some of my colleagues that the Senate has authorized an additional allowance for additional clerks to all of the Members of the Senate. It may be that this is true, but this in no way changes my mind about the proposition, because I do not feel that I could say "yes" just because the Senate has authorized the additional allowance. It may be that they were justified in putting on an additional clerk during this session of Congress, because they receive mail from over the entire State, while we do not receive very much mail from people outside of our respective districts.

Mr. KRAMER. Will the gentleman yield?

Mr. FORD of Mississippi. I am sorry, sir, I do not have the time to yield. One of my distinguished colleagues has suggested that we will vote for measures creating a lot of bureaus and departments to carry on the various activities of the Government, but we do not have the courage to vote ourselves an extra clerk. If my distinguished friend, together with the other Members of this body and the membership of the Senate, will join me, we will very quickly eliminate some of the bureaus, so that when we call some department we will not have to go through about 50 before we can ever get the person on the telephone that we desire to talk with or get the

information desired for our constituents. That is one thing that causes our clerks to get behind with their work. Our secretaries will call some department for information and it will usually have to pass through the hands of about 50 people before they can ever find out who has the matter in charge.

It has also been suggested by my good friend from New York that we should apply business principles to this proposition; that is to say, we should apply the same business principles to this matter that we would apply to a private matter affecting our own business. I thoroughly agree with my good friend, and simply remind him that the main trouble with our Government today is the lack of proper application of business principles. I hope that I may impress upon the Membership of this body that if we, as Members of Congress, would apply business principles to the operation of our Government in the same way and manner that successful business men apply them to their private business, we would soon get out of the deficit that is now facing the Treasury.

We never stop to realize that the United States Government is similar to a big corporation, with its citizens numbering over 130,000,000 as stockholders and a board of directors composed of the President, members of the President's Cabinet, the Senate, and House of Representatives vested with power to spend the taxpayer's money. If we could fully realize and appreciate the fact that every dollar that the Government spends has to come back into the Treasury from the pockets of the stockholders and board of directors who are now losing their homes as a result of excessive taxation, we would think a long time before we voted for a measure that would cost an annual expenditure of \$500,000 when by working just a little harder and a little later we could save the stockholders this sum of money. The sooner we wake up to the condition existing in our country and begin applying business principles in operating and administrating the affairs of our Government, the better off we will be, and the greatest benefit will then come to our constit-

I plan to offer an amendment in a few moments that will prohibit the Clerk of the House of Representatives from paying any part of the clerk hire to any person related by blood or marriage to any Member, Delegate, or Resident Commissioner within the third degree, computed according to the rule of civil law. Of course, I shall oppose the bill even with this amendment, but since we have heard so much about the necessity of the additional clerks, I am anxious to see if the membership of the House really wants an additional clerk or desires to create a place for some relative. [Applause.]

[Here the gavel fell.]

Mr. WARREN. Mr. Speaker, I yield 3 minutes to the gentleman from Idaho [Mr. White].

Mr. WHITE. Mr. Speaker, as the author of the bill, I shall make a short explanation of the reason I consider inadequate the present clerical help allowed Congressmen. I come here to represent the people of my district. The legislation we have enacted to bring about recovery in this country has increased the activities of the executive branch of the Government to enormous proportions, and it has devolved upon the Congressman as the representative of the people of his district to contact and deal with these many new departments and with the old departments. I hold here in my hand a schedule from the Department of Public Works listing over 100 applications for public-works projects in my State. There is an enormous amount of detail work connected with looking after the interests of these applicants, the people of several communities who have applications pending in the departments in Washington. We are being requested from time to time to straighten out details for people 3,000 miles away. In addition to this work we have innumerable cases of veterans whose status has been changed and their pensions drastically reduced or cut off, which have been restored by subsequent legislation. Attending to these details adds an immense amount of work to the duties of the Congressmen and extra secretarial help is needed in straightening out their pension claims. And if a

Representative did nothing but attend to the requests he receives, pertaining to departmental work, he could put in his entire time.

I have here a report from the State drought-relief committee listing some 50 drought-relief projects. The time and detail necessary to handle this would take a good part of a Congressman's time, to say nothing of the time necessary to take care of inquiries and details concerning the Home Owners' Loan Corporation, the emergency conservation work, the C. C. C. work, and the many other bureaus and departments of the Government. It is impossible to do this satisfactorily with two clerks. For this reason I have introduced this measure; and I want to tell these gentlemen on the other side who want to cover themselves with glory before their constituents, that under the terms of this law they are not required to put on a single extra person or add a single extra dollar to their allowance for clerk hire. The law stands today as it stood before, \$5,000 for two clerks, and if you do not need the third clerk do not put him on. [Applause.]

[Here the gavel fell.]

Mr. WARREN. Mr. Speaker, this bill that we are now to vote upon is what its proponents desire, as the whole argument has been that an additional clerk is necessary in at least some of the offices.

This is the direct and open-door method of approach. The bill must go to the Senate if passed by the House, and then go to the President of the United States; and we have gone about it, in my opinion, in the only proper way. Now, I do not set myself up as a censor of the needs of the Members of this House. I neither question the vote nor impugn the motive of anyone. I admit that in some cases, such as that of a Member representing a State at large and those coming from districts where the population is abnormally large, that there may be some merit in the plea for an additional clerk; but I hope that it is not demagoguing for me to repeat what perhaps has already been brought out, that we all came here knowing what this clerk allowance was, and I have yet to hear of a single Member who turned back his commission to his constituents on the ground that the clerk allowance was not sufficient for him to maintain an office. Nor do I agree that the Senate situation is at all analogous. Personally, I think a Senator is entitled to more clerks than a Member of the House of Representatives, and I do not think that a Senator's present clerk allowance is at all out of line.

The charge has been made here that committee chairmen may not realize and appreciate this alleged need because they get additional clerks by reason of their chairmanships. Speaking for myself only—and I know that I have one of the most active and busiest offices in this Capitol—I can answer that assertion by saying that if I did not have the chairmanship my own clerk allowance and force would be sufficient.

Should this bill become a law, it is going to have the effect of penalizing loyal and faithful clerks already on the rolls, because just as soon as the additional one is put on at \$1.000. there is going to be a leveling-down process amongst those who now receive the present allowance. I think it is most unfortunate, Mr. Speaker, that after a great record of economy established by the Committee on Accounts during the last 5 years that no one in this House can stand up and combat, that we come in here now and bring in a measure that during its first year will cost \$511,000 and \$440,000 annually thereafter. I think it is also unfortunate that with a great relief bill bogged down over there in the Senate, with public works practically suspended, with direct relief itself almost threatened we should rush in here with almost indecent haste and try first to relieve ourselves. That is the way it is going to be construed, and we are going to be asked if we, too, could not share some of the burden in these troublesome times. It is all so inopportune and there is no evidence except in a small group of cases where genuine need has been shown.

The history of this clerk-hire allowance has been pointed out to you by the gentleman from Mississippi [Mr. Ford].

Allen

Arnold Ashbrook

Bacharach

Biermann

Binderup

Blackney

Bland

Bolton

Brewster Brooks

Buckbee

Burch

Burnham

Caldwell

Carlson

Cannon, Mo. Cannon, Wis.

Carmichael

Carpenter Carter

Cary Cavicchia

Church

Colmer

Culkin

Cummings Darrow

Connery

Cooper, Cooper, Tenn. Cravens

Crawford Crosby Cross, Tex. Crosser, Ohio Crowe Crowther

Hope Huddleston

Oliver

Owen

O'Neal

Chapman Christianson

Citron Clark, N. C. Colden Cole, N. Y.

Brown, Ga.

Buckler, Minn. Bulwinkle

Andrews, Mass. Andrews, N. Y. Arends

I call attention of the House to the fact that during the World War, a period just as strenuous as this one, the entire annual allowance to a Member of the House was only \$2,000, and Members who were here at that time tell me that the work then was far greater than it is now.

Mr. Speaker, I have asked no one to oppose this bill. I am against it because I think it is both unwise and unnecessary. Out in the country they are going to consider this a patronage grab. whether it is or not. It could never have been given this privileged status unless there had been an understanding that there would be a record vote. I shall keep that faith, and if occasion demands I shall ask for a roll-call vote. In order to get that roll-call vote one-fifth of the Membership of the House present must rise from their seats. I hope it will be accorded, so that the American people will see just how we stand upon this question. [Applause.]

Mr. FORD of Mississippi. Mr. Speaker, I offer an amendment, which I send to the desk.

The SPEAKER. Does the gentleman from North Carolina yield for that purpose?

Mr. WARREN. Mr. Speaker, I am willing to have the amendment reported.

The Clerk read as follows:

Amendment by Mr. Ford of Mississippi: Amend section 2 by adding at the end of the section the following: "Provided, That no part of the clerk-hire allowance shall be paid by the Clerk of the House to any person placed on the roll who is related by blood or marriage to any Member, Delegate, or Resident Commissioner within the third degree, computed according to the rule of civil law."

Mr. WARREN. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Without objection, the committee amendment on page 1 will be agreed to.

There was no objection.

The SPEAKER. The question is on the second committee amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment: On page 2, strike out all of section 3 and insert in lieu thereof the following:
"SEC. 3. That this act shall become effective April 1, 1935."

The committee amendment was agreed to.

The SPEAKER. The question is on the amendment offered by the gentleman from Mississippi.

The question was taken; and on a division (demanded by Mr. Kvale) there were-ayes 214, noes 16.

So the amendment was agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is upon the passage of the

Mr. TABER. Mr. Speaker, I demand the yeas and nays. The yeas and nays were ordered.

Mr. PARKS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. PARKS. There seems to be some confusion about the effect of this amendment and what it amounts to. I would like to make an inquiry of the Speaker as to whether or not the amendment forbids the employment in a Member's office of a person who has already been employed therein and who is related to the Member?

The SPEAKER. The amendment is rather complicated and the Chair would not undertake to construe it. Without objection, the Clerk will read the amendment.

Mr. McFARLANE. Mr. Speaker, I object.

Mr. BLOOM. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BLOOM. What difference does it make? The amendment has already been agreed to.

The SPEAKER. Is there objection to the Clerk again reading the amendment offered by the gentleman from Mississippi [Mr. Ford].

Mr. ADAIR. Mr. Speaker, I object. The Clerk proceeded to call the roll.

Mr. PARKS. Mr. Speaker, I would like to know what this amendment is about.

Mr. BLANTON. Mr. Speaker, I raise the point of order that the amendment has already been passed by the House. and that the roll call cannot be stopped at this time.

The SPEAKER. The gentleman is correct. The Clerk will call the roll.

The question was taken; and there were-yeas 147, nays 240, not voting 44, as follows:

[Roll No. 211

YEAS-147

Adair Dorsey Drewry Driscoll Jenckes, Ind. Ayers Bacon Kee Keller Kelly Kennedy, N. Y. Beiter Duffy, N. Y. Bell Berlin Duncan Kenney Kramer Dunn, Pa. Blanton Eagle Edmiston Bloom Kvale Boileau Boland Ellenbogen Lamneck Lea, Calif. Evans Lewis, Md. Lucas Boylan Ferguson Brennan Fitzpatrick Brown, Mich. Flannagan Ford, Calif. Lundeen Brunner Buck McCormack McFarlane Gasque Gassaway Gavagan Burdick McGrath Cartwright Castellow McGroarty Gearhart Gildea Granfield McKeough Celler Chandler Claiborne McLaughlin Mason Gray, Pa. Maverick Greenway Mead Merritt, N. Y. Monaghan Cochran Coffee Cole, Md. Collins Greever Griswold Hancock, N. C. Moran Harlan Murdock O'Connell Hart Costello Harter O'Connor Cox O'Leary O'Malley Hartley Healey Deen Delaney Higgins, Mass. Hildebrandt Palmisano Patman Patterson Patton Dempsey Hill, Ala. Dies Hoeppel Dingell Hook Pittenger Disn Houston Disney Dobbins Powers Rabaut Igoe

NAYS-240

Dear DeRouen Dietrich Imhoff Jacobsen Jenkins, Ohio Dirksen Ditter Jones Dockweiler Dondero Kerr Kimball Doughton Doxey Kinzer Kleberg Driver Kloeb Duffey, Ohio Eaton Kniffin Knutson Eckert Kocialkowski Eicher Lambertson Ekwall Lambeth Engel Englebright Lanham Lehlbach Lewis, Colo. Luckey Faddis Farley Fenerty Fiesinger Fish Ludlow McAndrews McClellan McGehee Fletcher McLean Focht Ford, Miss. Fuller McLeod McMillan McReynolds Fulmer Gehrmann Gifford Maas Mahon Gilchrist Mansfield Mapes Marcantonio Gillette Gingery Goodwin Gray, Ind. Marshall Martin, Colo. Martin, Mass. Green Greenwood Gregory Massingale May Merritt, Conn. Guyer Gwynne Halleck Michener Millard Miller Mitchell, Ill. Mitchell, Tenn. Montague Hamlin Hancock, N. Y. Hess Higgins, Conn. Hill, Knute Hill, Samuel B. Montet Moritz Mott Hobbs Nelson Nichols O'Day Hoffman Hollister Holmes

Rogers, N. H. Rudd Russell Ryan Sabath Sadowski Schuetz Schulte Scrugham Sears Secrest Sirovich Smith, Va. Snyder Somers, N. Y. Stack Sullivan Sutphin Sweeney Taylor, Colo. Tonry Utterback Vinson, Ga. Wallgren Walter Werner West White Wilcox Withrow Wood Zioncheck

Ramsay Ramspeck

Parks Parsons Pearson Perkins Peterson, Fla. Peterson, Pettengill Pfeifer Pierce Plumley Polk Quinn Rankin Ransley Rayburn Reece Reed, Ill. Reed N. Y. Reilly Rich Richards Richardson Robertson Robinson, Utah Robsion, Ky. Rogers, Mass. Rogers, Okla. Romjue Sanders, La Sanders, Tex. Sandlin Sauthoff Seger Shanley Short Smith, Conn. Smith, Wash. Snell Spence Starnes Steagall Stefan Stewart Sumpers, Tex. Taber Tarver Taylor, S. C. Taylor, Tenn. Terry Thomas Thomason Thompson

Dickstein

Weaver Welch Turpin Thurston Umstead Underwood Wolcott Tinkham Wolfenden Woodruff Whelchel Whittington Tobey Tolan Vinson, Ky. Treadway Truax Wadsworth Warren Wigglesworth Williams Woodrum Wilson, La. Turner Wearin Zimmerman NOT VOTING-44 Amlie Bankhead Doutrich Dunn, Miss. Kennedy, Md. Norton Kopplemann Larrabee O'Brien Peyser Randolph Schaefer Beam Fernandez Frey Gambrill Lee, Okla. Lemke Buchanan Buckley, N. Y. Goldsborough Lesinski Schneider Haines Lloyd Shannon Casev Corning Smith, W. Va. Hennings Lord Cullen Johnson, Okla. Johnson, W. Va. McSwain Maloney South Darden Thom

So the bill was rejected.

Kahn

The Clerk announced the following pairs: On this vote:

Mr. Cullen (for) with Mr. Smith of West Virginia (against). Mr. Corning (for) with Mr. Carden (against). Mr. Randolph (for) with Mr. Lord (against). Mr. Lee of Oklahoma (for) with Mr. Darden (against). Mr. Gambrill (for) with Mr. Doutrich (against).

Meeks

Wolverton

### Until further notice:

Until further notice:

Mr. Hennings with Mr. Wolverton.
Mr. Bankhead with Mrs. Kahn.
Mr. Buchanan with Mr. Schneider.
Mr. McSwain with Mr. Schneider.
Mr. Goldsborough with Mr. Lemke.
Mr. Geam with Mr. South.
Mr. Fernandez with Mr. Meeks.
Mr. Kennedy of Maryland with Mr. Buckley of New York.
Mr. Schaefer with Mr. Frey.
Mr. Maloney with Mr. Casey.
Mr. Johnson of Oklahoma with Mr. Dunn of Mississippi.
Mr. O'Frien with Mr. Shannon.
Mr. Larrabee with Mr. Haines.
Mr. Johnson of West Virginia with Mr. Lloyd.
Mr. Lesinski with Mr. Thom.

Mr. DIETRICH, Mr. CRAVENS, and Mr. CALDWELL changed their votes from "aye" to "no."

Mr. SUTPHIN. Mr. Speaker, my colleague the gentle-

woman from New Jersey, Mrs. Norton, is unavoidably absent. If present, she would vote "aye."

The result of the vote was announced as above recorded. On motion of Mr. WARREN, a motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. WARREN. Mr. Speaker, I ask unanimous consent that those who have spoken today on this measure may be given the right to revise their remarks, and that all other Members may have 3 legislative days within which to extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. LUDLOW. Mr. Speaker, I am not going to criticize anyone who votes for this bill to give Members of the House an extra clerk at \$1,000 a year, because I know that some Members are overworked and their secretaries and clerks are burdened by hard and grueling duties almost to the point of exhaustion. Every Member who falls within that category ought to have an additional clerk. I speak truthfully and, I hope, with proper modesty when I say that my own office is one that needs and deserves an extra employee. Holidays mean nothing to us and there is no limit to our working hours, and yet we are hardly able to keep abreast of the great volume of business that comes to us and which our constituents have a right to expect will be handled promptly and efficiently. My office is not alone in this regard. Others who represent large, busy, letter-writing constituencies are similarly situated.

While this is true, there are, I should say merely as a guess, fully half of the Members of this House, or considerably more than 200, who do not need an extra clerk at all. The business of their offices is not so large that it cannot be handled with ease and dispatch by the present force. In a certain proportion of the congressional offices the business is not sufficient to keep the existing force fully occupied, and I have known secretaries and stenographers to express wonder how they would put in all their time.

If it were possible to write a formula whereby those who need extra clerks and should have them would be able to get them, while those who do not need them would not get them, that is what I would like to see done, in order that this troublesome question might be settled on a basis of exact justice and proper regard for the economic needs of the Government. I have tried to think out such a formula, and others whom I know have tried, including the able Chairman of the Committee on Accounts, Hon. LINDSAY WAR-REN, but always we have been compelled to throw up our hands and say, "It cannot be done."

Apparently there is no way that ingenuity could devise to give extra clerks to some Members and not give them to others, measuring their needs by the yardstick of actual merit, and here we are faced by the proposition of giving extra clerks to all or giving them to none. If we give to all, we will fasten a needless charge of \$200,000 or more per annum on the United States Treasury and will create 200 or more extra jobs which, when once created, will never be abandoned, for a political position, when once established by Congress, is like the running brook-it goes on forever. These extra places, when not needed, probably would be filled with henchmen who would spend their time looking after the Member's political fences and the public service would know them not.

In these days, with distress and poverty on every hand, with a national debt some eight billions more than it ever was before at its highest peak, I am not going to vote to create any needless jobs to add to the groans of the taxpayers. Instead of swelling the interminable salary list of those who live off of the Government, Congress ought to be devoting its thought to cutting down the personnel of half of the governmental establishments. We have reached the ridiculous situation in this country where it seems that literally millions of people are spending all their time trying to devise a way to get on Government pay rolls, in direct contradiction to the true philosophy which holds that it is the duty of the people to support the Government and not the function of the Government to support the citizens. That government is best which rests most lightly on the people, and the way to make our Government rest lightly on the people is to refrain from creating unnecessary jobs, dismiss about one-fourth of those now on the public pay rolls, and cease spending the money of the taxpayers in sums that stagger the imagination.

Mr. SABATH. Mr. Speaker, when I was first elected to Congress the salaries of Members was \$5,000 and the allowance for clerk hire was fixed at \$1,200. We did not then have the House Office Building or our own offices. The chairmen of committees, however, did have offices in the Capitol, while all other Members did whatever correspondence they had in living rooms and, largely, in hotel rooms. The few letters reaching Members, if answered, were written in long-hand as very few of them possessed stenographers-I mean, typewriters.

In 1907 the House Office Building was completed, each Member obtaining a room. At that time Member's salaries were increased to \$7,500 and the clerk hire to \$1,500. I recollect clearly that most of the Members were obliged to live in second-class hotels or in rooming houses, with the exception of rich Republican Members representing specialinterest districts, who lived in ease and splendor. Among these I recall "Uncle Joe" Cannon, of Illinois; "Sunny Jim" Sherman and Sereno E. Payne, of New York; John Dalzell, representing the Pittsburgh steel district; Nick Longworth, of Ohio; Gillett, of Massachusetts; William B. McKinley and Ira Copley, of Illinois; John W. Weeks, of Massachusetts; Joseph W. Fordney, of Michigan; George F. Huff, of Pennsylvania; and others.

At that time, though more or less active, a Member's mail or requests were limited, but as lobbying, publicity, and propaganda for special legislation increased, so did the mail of the Members.

The gentleman from North Carolina [Mr. WARREN] states he talked with some Member, whose name he did not divulge, who informed him that the work or correspondence at this time is not greater than during the war. Personally, as one who was here during the war and who, by special vote of the House, was permitted to retain membership on two then important committees—the Committee on Immigration and Naturalization and the Committee on Foreign Affairs—I am satisfied that the statement of the Member mentioned by the gentleman from North Carolina [Mr. Warren] was in error, as I know that the work and correspondence of the average Member has doubled and trebled since the war. This was especially so in the last two sessions of Congress, and I ascribe it to these conditions:

First, Since the election and inauguration of President Roosevelt confidence has been rekindled in the hearts of the masses and they have brought their problems and appeals for various reliefs to the attention of their elected Representatives.

Second. In line with the President's early established policy of keeping the country informed from time to time as to his plans, aims, and proposed measures to bring us out of the slough of depression, the people have evinced a greater interest in pending legislation than ever in the history of our Government and have voiced their opinions in written words to their Senators and Representatives.

On the other hand, opposition to the Administration's program on the part of vested interests and by the Governmentfinance-saved industries who for years suffered terrific losses under the "do-nothing" Republican policy, now. seeing the reestablishment of better times and better business, seek in every way possible to retard the approaching betterments and to deprive the President of his record of accomplishments and to prevent the adoption of generally helpful and beneficial legislation in the interest of the suffering masses, all in their greedy and avaricious hope that their profits may be enhanced at the expense of the Government and the suffering peoples. With no merciful thought or concern for either, these Republican-controlled special interests have started a propaganda and mail lobby within the past 6 weeks which has tremendously increased Congressional correspondence, coming not only from a Member's district but from all parts of his State and the Nation at large. This, in addition to the hundreds of letters received by the Members, appealing for employment, aid, and advice from their suffering constituency. Therefore, notwithstanding the statement of the unnamed gentleman, I will state without fear of successful contradiction that nearly all of the Members that served during the war-time period will agree with me when I say that the demands upon Members have at least doubled since the war.

Of course, there are some Members in the rural sections of the South and West who are not subjected to these requests and who are not recipients of such tremendous mail as we older Members or those Members who come from the industrial centers of the country, especially those of us who feel that we owe a duty to the people who elect us and to many outside of our districts who communicate with us. Again, there are some Members who do not answer their correspondence and pay no attention to the requests made upon them but, as a rule, those Members do not remain long in the House, as nowadays people are keeping wellinformed and are seeking views and advice of Members on many subjects from day to day. It is to be observed that chairman of committees like the gentleman from North Carolina [Mr. WARREN] and others, who have from 3 to 7 clerks, may not need additional help, but I do know that most of the 400 Members who have not chairmanships are obliged to work their secretaries and stenographers 12 to 14 hours a day, and a large number are required to hire additional help from their own salaries.

I fully believe that after a Member has served here a few terms his work naturally increases and we ought to recognize these facts. During my service I have known instances where Members felt that salaries paid to Members were too high and, I presume, they judged others by their own worth, but I have never yet noted, except in one case,

where such Members have refused to accept increased salaries or additional clerk hire.

As one who has not been criticized of practicing nepotism, I will say that I do not see any wrong when a Member employs his son or daughter and, perchance, even his wife. Naturally a Member would expect to receive greater loyalty and devotion from them in attending to matters from his district.

For the above reasons I voted for the resolution for an additional clerk or stenographer during the time Congress is in session, feeling satisfied it will meet with the approval of the people of my district. Furthermore, it would immediately provide work for 435 unemployed.

Mr. McFARLANE. Mr. Speaker, I voted for H. R. 6028, as amended, believing that in so doing I was best serving the Government and my constituents. During the debate on this measure the statement was frankly made and not denied that our mail has tremendously increased during this session of Congress, many Members receiving from 500 to 1,000 letters per day. In the interest of efficiency and proper service to our constituents it is necessary that their requests be promptly attended to, which includes not only properly answering their letters but in many instances making personal trips to the different departments to secure the desired information, which of necessity takes time and painstaking care. I do not believe our constituents will complain at our employing an additional clerk at \$1,000 a year additional expense whenever it is found necessary and where the Member finds it necessary to the proper discharge of his duties that such additional expense be incurred.

#### NOT MANDATORY

This measure does not require all Members to employ an additional clerk, but leaves that to each Member's own determination as to whether or not such clerk is necessary. Certainly the Members of Congress can be trusted by their constituents in deciding whether or not a \$1,000-a-year clerk should be added for the proper dispatch of their constituents' business. They are of necessity entrusted by their constituents as their Representatives in deciding whether or not billions of dollars should or should not be appropriated for different measures coming before Congress.

# NEPOTISM

When I became a candidate for Congress I promised my constitutents that I would not pad the congressional pay roll by placing my kinfolk on same. In the past many Members have placed their kinsfolk on the pay roll, regardless of whether or not they were actually capable of and were doing the work for which they were being paid. My predecessor not only placed his wife on the pay roll as his secretary but two of his daughters as well were placed on the congressional pay roll, and in this way they drew more than \$7,000 per year in addition to his salary as Congressman. In doing this he was doing no more nor less than many other Members of Congress were doing. It is frequently charged in the press, and not denied, that many Members of Congress yet place their kinsfolk on the pay roll, and in some instances are doing little, if any, work in return for the pay they are receiving.

On March 16, 1933, I introduced H. R. 3665, a bill to prohibit Members of Congress from placing their kinfolk on the congressional pay roll, and asked the Committee on Accounts for hearings on this bill and was never able to secure same. On January 16, 1935, I again offered the same piece of legislation and the vote today is the first opportunity I have had to vote on this important question. Mr. Ford of Mississippi, member of the Accounts Committee, offered the following amendment to this bill:

Amend section 2 by adding at the end of the section the following: "Provided, That no part of the clerk-hire allowance shall be paid by the Clerk of the House to any person placed on the roll who is related by blood or marriage to any Member, Delegate, or Resident Commissioner within the third degree, computed according to the rule of civil law."

For which amendment I was glad to vote and which amendment was adopted by a vote of 214 to 16. It was very

evident that before this amendment was adopted this measure was favorably considered by a large majority of the House; however, after this amendment was adopted it was very evident that many members voted against the measure, because it would force some of their relatives off the Government pay roll. The Washington Daily News of March 4, 1935, give their account of some of the reasons why this measure was defeated:

### PARLIAMENTARY TRICK DEFEATS CLERK BILL

One of the neatest parliamentary tricks of the present session today defeated in the House the White bill to provide an extra clerk for Congress. The bill would have created 440 new jobs on Capitol Hill. Cost to the Treasury was variously estimated from \$440,000 to \$511,000. During turbulent debate it was indicated that a substantial majority favored the measure.

Then came a carefully worded amendment from Representative

that a substantial majority favored the measure.

Then came a carefully worded amendment from Representative A. L. Ford, Democrat, of Mississippi, new member of the Accounts Committee. It prohibited Congressmen from naming any member of their family as one of the new clerks—apparently. It was adopted with but 16 votes opposing it. The roll call started; it was nip and tuck for the first 75 votes.

Then the word got around that the Ford amendment included all employees now on the pay roll as well as those to be named under the bill. Few Congressmen realized the full scope of the amendment when they voted it into the bill. As soon as this became evident the noes grew in number, and the bill was beaten badly, 146 to 242. badly, 146 to 242.

#### REPUBLICAN POLITICS

It was very evident that practically all the Republicans played cheap politics and voted against the measure as a strict partisan issue. It was well known, however, that a majority of the Democrats favored the amendment before the adoption of the nepotism amendment above quoted. I believe for the best interests of the Members, the Government, and our constituents that we should prohibit Members of Congress from placing their relatives on the congressional

### MARRIED WOMEN CLAUSE SHOULD APPLY

I believe further that it would be for the best interests of the Nation to follow the lead of many other Nations and enact legislation that will prohibit more than one member of any family from being on the Government pay roll. It is admitted that we now have more than 10,000,000 heads of families unemployed. It is known that a large number of heads of families and/or wife and/or husbands and/or sons and/or daughters living at home are employed on the Government pay roll. In the interest of relieving unemployment we should correct this situation.

Mr. TAYLOR of Tennessee. Mr. Speaker, I applied for time in which to register my opposition to this measure on the floor, but was unable to obtain it; and I am, therefore, reduced to the necessity of employing the privilege accorded all Members to revise and extend, if I am to record my views on this subject.

I am opposed to this bill providing an extra clerk for Members of the House, because, in my candid opinion, it would be a flagrant waste of public money. We already have ample clerk hire to adequately take care of the business of our offices, and the addition of clerk hire sought in this bill would contribute very little to material efficiency.

Mr. Speaker, I think I receive as much mail, or more, than the average Member of the House. My constituents do not hesitate to write me on the slightest provocation, and I am glad they do, because it shows their keen interest in the affairs of the Government. For 10 years, as Republican national committeeman from Tennessee, I was the recognized referee for all Federal appointments in 9 congressional districts in that State. In addition to this vast State patronage, I was besought for endorsements by thousands of Tennesseeans who desired positions in the District of Columbia and elsewhere. Naturally this entailed a great deal of office work and correspondence in addition to my duties as a Representative of my district. With the clerk hire allowed me at that time I was able to meet the demands of the situation in a satisfactory manner. I have always made it an invariable rule to answer every letter the same day it is received unless the answer required some special effort. I have been fully able to do this with the clerk hire heretofore provided.

Mr. Speaker, the passage of this measure will simply mean the infliction of an additional tax burden of more than \$500,000 on the already tax-prostrated taxpayers of this country. There must be a stop to this wild orgy of extravagance. Let Congress set a good example in economy today by voting down this unwarranted raid on the Public Treasury.

Mr. ZIMMERMAN. Mr. Speaker, the import of this bill (H. R. 6028), as amended, is twofold in its purpose. In the first place, it provides for the additional sum of \$1,000 per annum as additional clerk hire for each Member of the House, making the amount which might be used for this purpose by each Member the sum of \$6,000 per annum. In the next place the bill provides that no part of said allowance for clerk hire shall be paid to any person placed on the roll who is related by blood or marriage to any Member within the third degree.

I would be glad to support the last part of this bill, directed against Members placing their relatives on the pay roll, if I could do so without supporting the proposed increase which would ultimately cost the taxpayers of this country approximately a half million dollars per annum. In the State of Missouri public officials cannot place their relatives on the pay roll without forfeiting their right to hold office, and I should be glad to vote for this bill, which seeks to prohibit that practice here in the House, if not coupled with the objectionable provision providing for an annual increase for clerk hire.

Mr. Speaker, this is one of the most critical periods in our country's history. It is a time when all good citizens, even Representatives in Congress, should make some sacrifice to help in the great program of recovery now being successfully carried out by this administration. We were elected to Congress knowing that we would be granted the sum of \$5,000 per annum for clerk hire, and we accepted our commissions with that understanding. It is true that each Representative is receiving a heavier mail than under ordinary times and conditions and that it requires more time and labor to handle the increased correspondence, but we cannot afford at this time to vote approximately an additional half million dollars to lighten our burden when the people back home are sacrificing and struggling to keep their heads above water and to make both ends meet.

Furthermore, there is great distress and dire want in many sections of the country which cry out for immediate help and relief at the hands of our Government. Our Government has and is taxing its resources to the utmost to feed the hungry, clothe the naked, and provide work for the unemployed. For myself, I feel that it is my duty to make some personal sacrifice, work a little harder and longer to answer my correspondence, so that this proposed increase for additional clerk hire may be used by the Government to meet more urgent needs.

I further call your attention to the fact that people in different occupations, businesses, and professions throughout the country are working harder, longer, for less pay, and without complaint in order that they may maintain them-selves and provide for their families. Instead of voting this increase to lighten our work and burdens as public servants, we should be satisfied with the provision heretofore made for us, and to render that service to our districts and to the country at large for which we were elected.

For these reasons I shall vote against the bill in its present

# PERMISSION TO ADDRESS THE HOUSE

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes upon Wednesday next, immediately after the reading of the Journal and the disposition of business on the Speaker's table.

Mr. TAYLOR of Colorado. Mr. Speaker, reserving the right to object, I did not understand when the gentleman asked for such permission.

The SPEAKER. On Wednesday.

Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. Under the special order of the House, the gentleman from Ohio [Mr. Sweeney] is recognized for 8 minutes

Mr. SWEENEY. Mr. Speaker, 2 years ago today, yonder on the steps of this Capitol a distinguished citizen of the United States raised his right hand to God and took a solemn obligation to defend the Constitution of the United States from all enemies, foreign and domestic. The occasion was the inauguration of Franklin D. Roosevelt. His memorable inaugural address followed—an address that is destined, in my humble mind, to take its place in history with Lincoln's Gettysburg speech and his second inaugural address because of its brevity, its clarity of language, and especially above all, because of its courage.

The new President came to power at a time when industry and agriculture were prostrate, when millions of our fellow citizens were literally standing in the bread line to get the bread and soup allotted to them to keep them alive, and at a time when the banking situation of the Nation had reached its climax, because of the illegal and immoral practices of those who held positions of trust and honor had brought about the absolute destruction of the life savings of millions of our people, who had trusted their funds to them primarily for security.

The courageous action of the President of the United States a few hours subsequent to his inauguration, in declaring the banking holiday, and in asserting his determination to decide which banks were in a state of liquidity sufficiently safe to open for business, was an act of courage unparalleled in the history of any nation.

The subsequent legislation that followed this action created the guarantee of bank deposits law and secured other remedial measures designed to drive the money changers from the temple. This action was in keeping with President Roosevelt's inaugural speech. Let me read to you a few excerpts from this memorable address:

Yet our distress comes from no failure of substance. We are stricken by no plague of locusts. Nature still offers her bounty, and human efforts have multiplied it. Plenty is at our doorstep, but a generous use of it languishes in the very sight of the supply. Primarily this is because the rulers of the exchange of mankind's goods have failed, through their own stubbornness and their own incompetence, have admitted their failure, and abdicated. Practices of the unscrupulous money changers stand indicted in the court of public opinion, rejected by the hearts and minds of men. The money changers have fled from their high seats in the temple of our civilization. We may now restore that temple to the ancient truths. The measure of the restoration lies in the extent to which we apply social values more noble than were monetary profits. Finally, in our progress toward a resumption of work, we require two safeguards against a return of the evils of the old order; there must be a strict supervision of all banking and credits and investments; there must be an end to speculation with other people's money, and there must be provision for an adequate but sound currency.

We are grateful for the banking reforms inaugurated to date under the leadership of Franklin D. Roosevelt, but we must urge and we do urge that more reforms be enacted so that the Government of the United States shall have absolute control over its monetary system, that the power of the international banker and the manipulators in charge of the Federal Reserve System to manage the monetary system be destroyed, and that the control which belongs to all people of the United States be restored to them through their Representatives in Congress.

Mr. Speaker, over 6,000,000 of American citizens unite in the belief that this Congress should exercise the power given us by the fathers when they framed the fundamental law—the power to coin money and regulate the value thereof and of foreign coins.

Over 90 percent of the currency in this Nation is checkbook currency or credit money and not the product of the mint and the Treasury engraver.

Important as is currency—credit money—its adequacy and its availability are 10 times more important.

I send to the desk and ask unanimous consent to have read the preamble to the bill sponsored by the National Union for Social Justice. I ask reference to the proper committee, the Committee on Banking and Currency, and I further ask an attentive House to grasp its significance. At the conclusion of the reading of the preamble, Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

Mr. CULKIN. Mr. Speaker, will the gentleman yield? Mr. SWEENEY. I yield.

Mr. CULKIN. Is the legislation which the gentleman is introducing the program of Father Coughlin?

Mr. SWEENEY. I will say to the gentleman that this is the program of the National Union for Social Justice, organized by the Rev. Charles E. Coughlin.

Mr. CULKIN. The gentleman eulogized the administration very eloquently and very ably just now. In his broadcast of yesterday the Reverend Father Coughlin states that despite the promises of the administration to drive the money-changers out of the temple, the new deal was played with the old deck, and the cards were stacked for the special interests. Did the gentleman hear that broadcast?

Mr. SWEENEY. I am not discussing what Father Coughlin said yesterday. I am now proceeding to present to Congress a bill that has the backing of 6,000,000 members of the National Union for Social Justice, an organization that has an unlimited potential membership.

Mr. TRUAX. Mr. Speaker, will the gentleman yield? Mr. SWEENEY. I yield to the gentleman from Ohio.

Mr. TRUAX. Does this bill propose to nationalize the banks of this country and take away from the national bankers the rackets they have in issuing currency and charging interest on ten dollars whereas they only have one?

Mr. SWEENEY. The gentleman is absolutely right—the bill purports to do just what the gentleman states.

Mr. TRUAX. Then, I am for the bill.

Mr. SABATH. Mr. Speaker, will the gentleman yield? Mr. SWEENEY. I yield to the gentleman from Illinois.

Mr. SABATH. The gentleman from New York [Mr. Culkin] propounded a query to the gentleman, and I think if the gentleman had the time he would state that it is absolutely impossible for President Roosevelt to get rid of all those Republicans that are still responsible for such conditions

Mr. SWEENEY. We will give him time to make corrections, no matter who is responsible. We can determine the responsibility for that, I am sure.

[Here the gavel fell.]

Mr. SWEENEY. Mr. Speaker, I request that the preamble to the bill which I sent to the Clerk's desk be read by the Clerk, and when he concludes the reading of the preamble, I ask unanimous consent to extend my remarks in the Record, including the bill.

The SPEAKER pro tempore (Mr. Taylor of Colorado). Without objection, the Clerk will read the preamble.

There was no objection.
The Clerk read as follows:

A bill to restore to Congress its constitutional power to issue money and regulate the value thereof, to provide for the orderly distribution of the abundance with which a beneficent Creator has blessed us, to establish and maintain the purchasing power of money at a fixed and equitable level, to restore the values of property to just and equitable levels, to increase the prices of agricultural products to a point where they will yield the cost of production plus a fair profit to the farmer, to provide a living and just annual wage which will enable every citizen willing to work and capable of working to maintain and educate his family on an increasing level or standard of living, to repay debts with dollars of equal value, to lift in part the burden of taxation, and for other purposes

Whereas the Constitution of the United States, in article I, section 8, clause 5, provides that Congress shall have the power to coin money and regulate the value thereof and of foreign coins; and

Whereas the present practice of issuing book credits by commercial banks and transferring the title of said credits by check provides a supplementary medium of exchange, abrogating the said constitutional provision and establishing a separate, private, and independent monetary system; and

Whereas the permanent welfare of the people and the protection

Whereas the permanent welfare of the people and the protection of the economic life of the Nation depend on a monetary system wholly subject to the control of Congress which will promote the interests of agriculture and labor, of industry, trade, commerce, and finance for the economic well-being of all citizens by the maintenance of price levels which will avoid excessive expansion or disastrous contraction, and which will protect the national credit and currency at home and in the world's markets—

Mr. SWEENEY. Mr. Speaker, I renew my unanimous consent request to revise and extend my remarks to include the bill, the preamble of which the clerk has read.

The SPEAKER pro tempore. Without objection, the request of the gentleman from Ohio to revise and extend his remarks and to include therein the bill referred to is granted.

There was no objection.

The matter referred to is as follows:

Be it enacted, etc., That there is hereby created a central bank,

Be it enacted, etc., That there is hereby created a central bank, which shall be known as the Bank of the United States of America, which may be abbreviated as the Bank of the U. S. A.

SEC. 2. The Bank of the United States of America, so created, shall be the agency of the Congress of the United States to issue the money of the United States, to control the value thereof, and the value of foreign moneys, and it shall be the custodian of all monetary stocks and of all moneys and the guardian of the public credit of the United States. It shall be the central depository of all reserve funds of all banks, banking institutions, and banking firms under the jurisdiction of the United States. It shall be the sole fiscal agent of the United States Government. All acts of

firms under the jurisdiction of the United States. It shall be the sole fiscal agent of the United States Government. All acts of Congress providing for the issuance of circulating notes by national banks are hereby repealed.

SEC. 3 (a). There is hereby created a governing board of the Bank of the United States of America which shall be known as the "board of directors of the Bank of the United States of America", which shall be the monetary authority and agent of Congress of the Government of the United States. The board of directors of the Bank of the United States of America shall be composed of one representative from each State, elected by the people thereof at the same time and by the same method as Representatives in Congress, for a period of 12 years. Immediately after they shall be assembled in consequence of the first election, they shall be divided by lot equally into six classes; the seats of the directors of the first class shall be vacated at the expiration of the second year; the seats of the second class at the expiration the directors of the first class shall be vacated at the expiration of the second year; the seats of the second class at the expiration of the fourth year; the third class at the expiration of the sixth year; the fourth class at the expiration of the tenth year; and the sixth class at the expiration of the tenth year; and the sixth class at the expiration of the twelfth year; so that one-sixth may be chosen every second year; and if vacancies happen by resignation or otherwise the executive of the State affected may make a temporary appointment until the next general election to fill the vacancy. The board of directors shall choose from among their own number an executive board consisting of seven members and including a governor and a vice governor selected by a ma-jority of the 48 directors. The salary of each director shall be the same as that of an Associate Justice of the Supreme Court of the United States, paid out of the funds of the United States Treasury not otherwise appropriated. The directors shall not during their term of office hold any direct or indirect financial interest in their term of office hold any direct or indirect mancial interest in any bank, banking institution, banking firm, financial institution, or any firm or corporation as stockholder, director, or officer either in the United States or in any foreign country. The board of directors shall assemble on the first Monday in December and remain in session at least 9 months during each year. A majority shall constitute a quorum. The board may determine the rules for its proceedings. Congress may, by the process of impeachment, remove a director. No director shall, during the term for which he is elected be appointed to any civil office under the authority of is elected, be appointed to any civil office under the authority of the United States or of the States, Territories, or possessions, nor the United States or of the States, Territories, or possessions, nor be a Member of either House of Congress. Any director shall be eligible for reelection. Upon attaining the age of 70 years, each director shall retire, with an annual pension for the rest of his natural life, equal to \$1,000 per year for each year of service or major fraction thereof, provided that the maximum annual pension shall be \$12,000, which shall be paid out of the funds of the United States Treasury not otherwise appropriated.

(b) The Secretary of the Treasury and the Comptroller of the Currency shall be ex-officio members of the executive board of the Bank of the United States of America.

(c) The members of the Federal Reserve Board at the time of the enactment of this act shall serve as members of the executive board of the Bank of the United States of America until

executive board of the Bank of the United States of America until their successors are elected and qualify, as herein specified.

SEC. 4. (a) The board of directors of the Bank of the United States of America is authorized to appoint and fix the compensation of a president and vice president and such other executive officers, examiners, economists, and other experts as may be necessary to carry out its functions under this act, without regard to provisions of other laws applicable to the employment and compensation of officers and employees of the United States. persistion of officers and employees of the United States; and, in addition thereto, the Board may, subject to the civil-service laws, appoint such further officers and employees as in their judgment may be necessary, and fix their salaries in accordance with the Classification Act of 1923, as amended.

Classification Act of 1923, as amended.

(b) The board of directors of the Bank of the United States of America shall have its principal office in Washington, D. C. It shall establish branch offices in each State of the United States and in its territories and possessions and may establish agencies to conduct a general business of banking and to provide banking facilities in any recognized trading center of the United States which is denied adequate banking facilities by private institutions. It shall formulate policies and regulations for the management of such branch offices and agencies. Branch offices shall be designated by States, as Maine Branch, Bank of

the United States of America, California Branch, Bank of the United States of America, etc.

SEC. 5 (a). After the passage of this act, no currency shall be issued under the authority of the United States except the notes of the Bank of the United States of the same size as the present Federal Reserve notes and of such denominations as may be determined by the executive board of the Bank of the United States of America, which said bank notes shall be full legal tender at face value for all debts public and private within the United States or its territories or possessions.

(b) Within 1 year from the passage of this act all present Federal Reserve notes, Federal Reserve bank notes, national bank notes, gold certificates, silver certificates. Treasury notes of 1890, and United States notes issued and outstanding shall be recalled for redemption, and those turned in for redemption shall be retired and destroyed, and notes of the Bank of the United States of America herein provided shall be issued in exchange, it being the purpose of this act to substitute the notes of the Bank of the United States of America herein provided for all other forms of paper currency of the United States.

Sec. 6. In the exercise of its jurisdiction as agent of the Congres Sec. 6. In the exercise of its jurisdiction as agent of the Congress of the United States to issue money and to control the value thereof, the executive board of the Bank of the United States of America may from time to time order and direct the Secretary of the Treasury of the United States to engrave or cause to be engraved, and to print or cause to be printed. United States bank notes as provided in this act, in such quantities and denominations as the said board may deem necessary, and to hold the said United States bank notes subject to further order of the said board.

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board.
SEC. 7. The Secretary of the Treasury of the United States shall, upon receipt of directions or instructions or orders from the executive board, duly authenticated in such manner as may be prescribed by the board of directors, execute the said directions, instructions, or orders, forthwith, by engraving, printing, and disposing of the said notes of the Bank of the United States of America as specified in said duly authenticated directions, instructions, or orders, and the said duly authenticated directions, instructions, or orders shall at all times be considered and construed to be the direct acts of the Congress of the United States, through its duly authorized agent, the Bank of the United States of America. America.

SEC. 8. (a) Immediately upon the passage of this act the Bank of the United States of America is hereby authorized and directed as soon as possible to purchase the capital stock of the 12 Federal Reserve banks and branches, and agencies thereof, and to pay to the owners thereof in the notes of the Bank of the United States of America the paid-in value of said stock, with 6 percent perannum interest from the last dividend date.

(b) That all members banks of the Federal Reserve System are

(b) That all member banks of the Federal Reserve System are hereby required and directed to deliver forthwith to the Bank of the United States of America all the stock of the said Federal Reserve banks owned or controlled by them, together with any and all claims of any kind or nature in and to the capital assets of the said Federal Reserve banks, it being the intention of this act to vest in the Government of the United States the absolute and unconditional ownership of the said Federal Reserve banks.

SEC. 9. Upon the purchase of the stock of any Federal Reserve bank by the Bank of the United States of America as herein provided, the said Federal Reserve bank shall immediately become a branch of the Bank of the United States of America and subject in every respect to the jurisdiction of the board of directors of the Bank of the United States of America, herein provided for, and the terms of the officers of the board of governors of the said Federal Reserve bank shall immediately cease and terminate: Provided, however, That the chairman of the board of governors of the said Federal Reserve bank and all the executive officers or employees thereof shall continue to perform their customary duties and obligations in the operation of said Federal Reserve bank until their successors shall be appointed by the elected board of directors of the Bank of the United States of America.

SEC. 10. (a) All individuals, firms, associations, or corporations, engaged in the business of banking as defined by law and among other things receiving deposits of money or credit from the citizens or firms, corporations, or associations of any State and transferring or transporting said money or credit or the title thereto to other banks or individuals, firms, associations, or corporations of any State or States, Territories, and possessions of the United States, are hereby declared to be engaged in interstate commerce, and as such are subject to Federal jurisdiction and to the jurisdiction of the Bank of the United States of America and all the provisions of this act.

(b) Within 1 year after the passage of this act, all banking institutions under the jurisdiction of the Bank of the United States of America shall be required to keep on deposit with the Bank of the United States of America, or in its vaults, United States Bank notes herein provided for a full 100 percent of its deposits which are subject to check and payable on demand; and, in addition thereto, it shall keep within its vaults the further sum equal to 5 percent upon all savings or investment deposits commonly known as "time" deposits.

(c) For the purpose of creating the lawful money reserve here-

known as "time" deposits.

(c) For the purpose of creating the lawful money reserve hereinabove required, the Bank of the United States of America shall purchase from banks in the United States, bonds of the United States Government.

SEC. 11. The Bank of the United States is hereby authorized to purchase or sell gold, silver, and foreign exchange in the finan-

cial markets of the United States, at such times and in such quantities as in its discretion is necessary to carry out the purposes of this act, namely, to regulate the value of money of the United States and of foreign countries.

SEC. 12. (a) The Bank of the United States of America shall

Sec. 12. (a) The Bank of the United States of America shall have jurisdiction over and shall control and supervise all banking institutions whatsoever of the United States and territories and possessions thereof, subject to law, and shall have the power to prescribe such rules and regulations not inconsistent with the law as it may deem desirable for the safe and proper conduct of the banks and banking institutions within its jurisdiction.

(b) The Comptroller of the Currency and all officers of the Government of the United States, exercising any supervisory powers or duties over the banks of the United States, or any of them, shall carry out and perform such rules and regulations for the conduct of banks and banking institutions in the United States or territories or possessions thereof as may, from time to time, be prescribed by the Bank of the United States of America through its duly designated officers.

Sec. 13. Directly upon the passage of this act, the Bureau of

Sec. 13. Directly upon the passage of this act, the Bureau of Labor Statistics of the Department of Labor shall be transferred to the Bank of the United States of America, and such Bureau to the Bank of the United States of America, and such Bureau shall thereafter be under the supervision of the board of directors of the Bank of the United States of America. The statistical department of the present Federal Reserve Board, together with the statistical departments of the Comptroller of the Currency, the Secretary of the Treasury, and of the Treasurer of the United States, together with the Bureau of Foreign and Domestic Commerce and the Bureau of Agricultural Economics, shall all be consolidated with the Bureau of Labor Statistics, and the name of the consolidated bureaus and departments shall be the Bureau of United States Statistics. The duties of said Bureau, in addition to all those now prescribed by law for the bureaus and departments consolidated therein, shall be to collect, assemble, and analyze authentic data, for the purpose of determining the true and correct relation of the total amount of money in actual circulation, including both currency and credit money, commonly called "demand deposits", to prices, wages, industry, and commerce, the standard of living, employment, and unemployment, to the end that the board of directors of the Bank of the United States of America and the executive board thereof may scientifically and of America and the executive board thereof may scientifically and accurately determine the rate at which progressive additions to the stock of circulating money, including coin, currency, and credit, must be made in order to maintain an even and stable purchasing power, and to promote a constantly rising standard of living for the people of this Nation, unlimited except by the extent of natural resources and the willingness of the people to

SEC. 14. It is hereby made mandatory upon the board of direc-SEC. 14. It is hereby made mandatory upon the board of directors of the Bank of the United States of America and the executive board thereof to provide such stable purchasing power of money and equitable price levels, first, by the progressive purchase of the bonds of the United States and the creation of the 100-percent reserves behind demand deposits, and, further, if necessary, by increasing the money in circulation by paying the extraordinesty and then the ordinery expenses of government by necessary, by increasing the money in circulation by paying the extraordinary and then the ordinary expenses of government by currency issue until the average commodity price level reaches the index of the Bureau of Labor Statistics for 1926. The board of directors of the Bank of the United States will determine a true and equitable commodity price level to succeed that of 1926, and it is made mandatory on the board of directors to provide issues of currency which will maintain this level.

SEC. 15. The board of directors of the Bank of the United States shall recommend to Congress the retirement through taxation of such excesses of currency as may be necessary to keep the price level from rising above the level prescribed by section 14

price level from rising above the level prescribed by section 14

of this act

Sec. 16. All laws or parts of laws in conflict with this act are

hereby repealed.
SEC. 17. If any provision of this act or the application of such provision to any person or circumstance shall be held invalid, the remainder of this act or the application of such provision to persons or circumstances other than those as to which it is held

invalid shall not be affected thereby.

SEC. 18. This act shall take effect July 1, 1935, or sooner by proclamation of the President.

SEC. 19. This act may be cited as the "National Banking and Monetary Control Act of 1935."

Mr. SWEENEY. Mr. Speaker, let me present briefly the basic provisions of this bill.

First, it creates a central bank, the idea of which in America is as old as Alexander Hamilton's first bank of the United States, established in 1791 with a charter that extended through 20 years and which was renewed in 1816 for a second period of 20 years. Though 80 percent of the stock of both of those banks were privately owned, the idea of a central bank lasted for 40 years of our history.

The Federal Reserve System, established in 1913 and extending already for a period of over 20 years, is the third example of a central bank. The Federal Reserve System, however, is 100 percent privately owned. This bill places in the hands of the Federal Government the power of regulating the value of money, which power can be practically

exercised only through the creation of a Government-owned central bank-a bank which will be a bank of issue, which will be the sole fiscal agent of the Government of the United States, which will be the central depository of the reserves of all the commercial banks of the United States.

The second great principle built into this bill is the principle of democracy in banking. We know to our sorrow what private banking—what banking under the control of private individuals-has done for this Nation. We fear, as Jackson feared, the results of a political control of banking. Between the two is the great principle of democracy in banking, and we have provided in this bill for a management by a board of 48, elected 1 from each State by the people thereof-a board modeled after the Senate of the United States, a board that will have as active managers an executive committee of 7, and a board that will establish a branch bank of this central bank in every State of the Union. The object, frankly, is to break the concentrated power over money and banking which centers in the control of a little group of men in Wall Street.

The third great principle of the bill is to establish a uniform system of paper currency in place of the seven types of paper money now in circulation in the United States.

A fourth section provides for the purchase of all the stock in the Federal reserve bank and the nationalizing of this institution.

A fifth section recognizes the fundamental fact of the money question, that money today consists not only of currency, but also of credit money in the form of checks, and money created or counterfeited by the banks themselves and constituting a currency used in over 90 percent of all commercial transactions. In the course of a century and a quarter there has grown up in this country a money not coined under the authority of Congress, whose value is not regulated by Congress, and yet which is the dominant medium of exchange throughout the Nation.

A sixth section is perhaps the most single revolutionary proposal in the history of banking legislation. This section provides that a bank shall be honest and that when a depositor steps into a bank and leaves \$100 there, subject to withdrawal on demand, that the bank keep his \$100 there subject to his demand. Today the law permits, through the Reserve System, the bank to lend \$1,000 in credit money for every \$100 placed on deposit in currency. In 1929, when we boasted that we had fifty-eight billion of deposits in the banks of this Nation, we realized that that \$58,000,000,000 was not money in the sense of currency, for there was never a full billion dollars in actual currency in the vaults of the banks of this Nation. The \$58,000,000,000 merely represented the right to withdraw fifty-eight billion, though the fifty-eight billion never existed.

Finally, and principal among all its provisions, is the requirement that our currency be so regulated through this central bank that a dollar of our money, whether currency or credit, will represent from year to year and from generation to generation an equitable and stable buying power, freeing us from those periods of expansion and contraction, of inflation and deflation, such as the present, with their economic and financial destruction.

Mr. Speaker, the Members of Congress and the President of the United States have taken a solemn obligation to defend this Nation and its Constitution from foreign and domestic enemies. We have no fear of foreign invasion; we are amply prepared through a national defense program to guard against such contingency. Our war is now against the domestic enemies of the Nation; the domestic enemies are not the "parlor pinks" nor the soap-box orators who frequent our public parks, but in all sincerity, Mr. Speaker, I submit that the most dangerous domestic enemies we have are the international bankers and those gentlemen we have placed in power to regulate and control our Federal Reserve System.

# MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries.

### THE CONSENT CALENBAR

The SPEAKER pro tempore. The Clerk will call the Consent Calendar.

OMAHA AND WINNEBAGO INDIANS OF NEBRASKA

The first bill on the Consent Calendar was the bill (H. R. 3810) for the benefit of the Omaha and Winnebago Indians

The SPEAKER pro tempore. Is there objection?

Mr. STEFAN, Mr. BINDERUP, and Mr. LUCKEY objected.

TERMS OF OFFICE OF THE INTERSTATE COMMERCE COMMISSIONERS

The next bill on the Consent Calendar was the bill (H. R. 4751) to amend section 24 of the Interstate Commerce Act, as amended, with respect to the terms of office of members of the Interstate Commerce Commission.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 24 of the Interstate Commerce Act, as amended, is amended by inserting immediately preceding the last sentence of such section a new sentence as follows: "Upon the expiration of his term of office a commissioner shall continue to serve until his successor has qualified; except that he shall not so continue to serve after the end of the next regular session of Congress, or, in the event that his successor is not nominated on or before the fifteenth day of such regular session, after such fifteenth day."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

### WAR MINERALS RELIEF STATUTES

The next bill on the Consent Calendar was the bill (H. P. 2077) to amend section 5 of the act of March 2, 1919, generally known as the "war minerals relief statutes."

The SPEAKER pro tempore. Is there objection?

Mr. DIRKSEN. Mr. Speaker, I ask that this bill be passed over without prejudice.

Mr. ZIONCHECK. This bill has been already before the House, and it will come up again and require three objections the next time, and for that reason I object.

Mr. TRUAX. The distinguished floor leader on the Democratic side requested this to be passed over without prejudice.

Mr. ZIONCHECK. In view of that fact I will withdraw my objection.

The bill was passed over without prejudice.

ADDITIONAL JUSTICE FOR THE UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA

The next bill on the Consent Calendar was the bill, H. R. 5227, providing for the appointment of an additional justice of the United States Court of Appeals for the District of Columbia, and for other purposes.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Mr. Speaker, this a sinecure job, pure and simple. This extra judge is not needed. If the present judges would work 4 hours per day, 5 days each week, and 10 months each year they could easily do all of the work. This bill ought not to pass and I hope I may have two other colleagues to object and kill it. I object.

Mr. TRUAX and Mr. YOUNG also objected.

AMENDING SECTION 23 OF THE IMMIGRATION ACT OF FEBRUARY 5, 1917

The next bill on the Consent Calendar was the bill H. R. 3472, to amend section 23 of the Immigration Act of February 5, 1917.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Reserving the right to object, I want to ask a question of the lady from New York. This is the Dickstein bill?

Mrs. O'DAY. One of them.

Mr. BLANTON. Under the present law the right is limited to 3 years? Those 3 years have expired. This bill proposes to remove all limitation. I cannot agree that such a proposal would be sound legislation. Instead of increasing the rights and privileges of aliens, I am in favor of stopping all of them from coming here for at least 10 years. It is true, is it not, that under the present law they are limited to 3 years?

Mrs. O'DAY. I think that is so.

Mr. BLANTON. Is not that so? I ask the chairman of the committee.

Mr. DICKSTEIN. Yes.

Mr. BLANTON. It is limited to 3 years?

Mr. DICKSTEIN. Yes.

Mr. BLANTON. The way the bill was first introduced was to extend that time to 5 years.

Mr. DICKSTEIN. That was a year ago.

Mr. BLANTON. Then the committee struck out 5 years and left no limitation at all, and they could have been here for 40 or 50 years and still be sent back and have their way paid by the United States. Such a bill ought not to pass this House. It establishes a bad precedent. I objected to it before. It will take three objections now to stop it and I hope we will get the other two. Mr. Speaker, I object.

Mr. CARTER. I object.

Mr. JENKINS of Ohio. Mr. Speaker, I object.

# UNEMPLOYED FILIPINO RESIDENTS

The next business on the Consent Calendar was House Joint Resolution 71, to provide for the return to the Philippine Islands of unemployed Filipinos resident in the continental United States or the Territories thereof, and to authorize appropriations to accomplish that result, and for other purposes.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. I reserve the right to object. This is a bill that will force the United States, if it is passed, to pay the expenses back home of 30,000 Filipinos who have gotten homesick and want to spend the summer holidays in the Philippine Islands, and there will be 60,000 more of them come back here, and this bill sets a bad precedent and ought to be killed.

This bill will cost the United States Government a tremendous sum of money to start with, and it will set a precedent the end of which will not be seen for the next 50 or 60 years. It is a bad bill and ought not to pass. I objected to it before, and it will now take three objectors and I hope we will get them. Mr. Speaker, I object. Mr. TRUAX. Mr. Speaker, I object.

Mr. HOOK. Mr. Speaker, I object.

INVESTIGATION OF AMERICAN TELEPHONE & TELEGRAPH CO.

The next business on the Consent Calendar was House Joint Resolution 135, authorizing and directing the Federal Communications Commission to investigate and report on the American Telephone & Telegraph Co. and on all other companies engaged directly or indirectly in telephone communication in interstate commerce, including all companies related to any of these companies through a holdingcompany structure, or otherwise.

The SPEAKER pro tempore. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I reserve the right to object, and I shall object, but I want to state my reason for the objection. This bill is of such importance that time should be given to it. I do not like the bill itself for several reasons. There might be a need for this investigation. I do not think we should pass a bill here under unanimous consent that carries with it an authorization of \$750,000. For that reason I object.

BOUNDARY LINE BETWEEN DISTRICT OF COLUMBIA AND THE STATE

The next business on the Consent Calendar was House Joint Resolution 134, to continue the Commission for Determining the Boundary Line Between the District of Columbia and the State of Virginia for not to exceed 1 additional year, and to authorize not to exceed \$10,000 additional funds for its expenses.

The SPEAKER pro tempore. Is there objection?

Mr. ZIONCHECK. Mr. Speaker, I reserve the right to object. Is the sponsor of the bill, the gentleman from Virginia [Mr. Smith] present?

Mr. SMITH of Virginia. I am present.

Mr. ZIONCHECK. As I understand it, this is a Commission for the Determination of the Boundary Line Between the State of Virginia and the District of Columbia.

Mr. SMITH of Virginia. Yes.

Mr. ZIONCHECK. It was first approved by the Congress March 21, 1934, and this bill provides for an extension to December 1, 1935.

Mr. SMITH of Virginia. Yes.

Mr. BLANTON. Will the gentleman yield?

Mr. ZIONCHECK. Yes.

Mr. BLANTON. I objected to this bill before because I did not think it was necessary. Since then I have talked with my colleague from Virginia [Mr. Smith]. He thinks it is highly necessary, and, in addition, I have a special report from Hon. Crandall H. Mackey, a very distinguished and reliable citizen, who used to be Commonwealth attorney for the State of Virginia, who states it is vitally necessary and that the money to be expended is a mere bagatelle to the good that it will accomplish.

With those two distinguished gentlemen from Virginia furnishing that kind of report, I do not care to longer object to the bill. So I withdraw my objection and hope that it will

Mr. ZIONCHECK. Will this survey be completed by the 1st of December 1935?

Mr. SMITH of Virginia. I am quite sure that it will.

Mr. BLANTON. And the money that has been spent already will be wasted if it is not completed.

Mr. ZIONCHECK. With that understanding, I withdraw my reservation of objection.

Mr. TRUAX. Mr. Speaker, I reserve the right to object. Why is this work vitally necessary and why must it be continued?

Mr. SMITH of Virginia. Mr. Speaker, it will take quite some time to answer that question. [Cries of "Regular order! "]

Mr. TRUAX. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. BLANTON. It can be passed later today under sus-

The SPEAKER pro tempore. Is there objection? There was no objection.

MEMORIAL MILITARY PARK, KENESAW MOUNTAIN, GA.

The next business was the bill (H. R. 59) to create a national memorial military park at and in the vicinity of Kenesaw Mountain in the State of Georgia, and for other

The SPEAKER pro tempore. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I reserve the right to object, and I shall object for the same reason I objected to Calendar No. 18 and for the further reason that I cannot understand the attitude of the Director of the Budget with respect to this particular bill. Although it will cost about \$100,000, he tells us that it is not in conflict with his estimates for this year.

Mr. TARVER. Mr. President, will the gentleman yield?

Mr. WOLCOTT. Yes.

Mr. TARVER. Let me call attention to the committee's report. The Director of the Budget approved the bill if amended in accordance with suggestions made by the Secretary of the Interior. The committee in its report calls attention to the fact that it has inserted, although not suggested by the Secretary, an authorization for an appropriation of \$100,000, because the work which is authorized under the bill could not possibly be accomplished without the expenditure of some funds. Let me direct the gentleman's attention to the fact that this bill proposes the commemoration of one of the most famous battlefields of the War between the States. In the battle which occurred there 150,000 men took part. There were 25,000 casualties in killed and wounded on both sides. No steps have ever been taken to commemorate this battlefield, although organizations from 14 States of the Union took part and the battlefield is visited annually by many thousands of people.

A small reservation is maintained nearby at what is known as "Cheatham's Hill", commemorating the engagement which took place there, but the main battlefield should certainly be improved and made more easily accessible. It is located alongside the Dixie Highway, traveled annually by many thousands of tourists from the Northern States as well | tional forests, and for other purposes.

as from Southern States whose ancestors participated in that battle. Surely the amount asked in this bill for such a purpose is not unreasonable. The purposes of the bill have the approval of the National Park Service and the Department of the Interior.

The adequate marking of the Johnston-Sherman line of march, which is also provided for in the bill, and the purchase of certain lands which it will be necessary to purchase by the Secretary of the Interior, could not be done unless some money is appropriated. I cannot conceive of any valid objection to the bill, and I trust the gentleman will withdraw the objection which he contemplates.

I may add that a commission appointed under legislation enacted during the Sixty-ninth Congress recommended an appropriation of \$375,000 for this purpose. Thousands of soldiers from the gentleman's own State of Michigan took part in this battle.

Mr. WOLCOTT. Mr. Speaker, I have read the report with a great deal of interest and I agree with the gentleman in some of the things he has stated. This is a bill, however, which I think should be considered by the House very carefully and with some time to discuss it in order that the Members may be informed as to its merits. Unless the Director of the Budget contemplated the expenditure of this \$100,000, then I do not quite understand the last paragraph of the letter of the Secretary of the Interior to the committee, in which he says:

The Director of the Bureau of the Budget has advised that this proposed legislation, if amended as indicated above, would not be in conflict with the financial program of the President.

It would seem to me to throw the Budget out of balance at least to the amount of the expenditure, which is estimated to be \$100,000.

Mr. TARVER. Let me point out to my colleague that at the time the Secretary of the Interior made the statement referred to, the bill as drawn, if amended as suggested by him, would not have included this authorization. Therefore there is no contradiction. The authorization was added by the committee because it is necessary to effectuate the purposes of the bill, and the committee thought it amply justified.

Mr. TRUAX. Will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. TRUAX. This bill provides for an authorization of

Mr. TARVER. That is correct.
Mr. TRUAX. For the building of a monument?

Mr. TARVER. No, no; not for the building of a monument, but for the creation of a national memorial park to commemorate the Battle of Kennesaw Mountain and for the marking of the line of march of the Johnston-Sherman armies in Georgia during the spring of 1864.

Mr. TRUAX. Does the gentleman from Georgia believe that would be good policy, in face of the \$4,880,000,000 public-works program in the balance, and with this House going on record today as being opposed to the expenditure of \$447,000 annually for extra clerk hire? Does the gentleman think we should authorize an appropriation of \$100,000 when millions are looking for jobs, out of work, and many of them starving?

Mr. TARVER. If the gentleman has finished with his remarks

Mr. ZIONCHECK. Mr. Speaker, regular order.

Mr. TARVER. I trust the gentleman will withdraw his request for the regular order. The remarks of my colleague have been made without reply, because under the rules of the House I have no opportunity to answer him if the regular order is demanded.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I object.

CONTRACTS FOR SALE OF TIMBER ON NATIONAL FORESTS

The Clerk called the next bill, H. R. 2881, authorizing the adjustment of contracts for the sale of timber on the napresent consideration of the bill?

Mr. ZIONCHECK. Reserving the right to object, Mr. Speaker, I have no particular objection to the bill except as to the date thereon. On line 8, page 1, the date is "June 30, 1934." The only justification for the termination of these contracts is that the contracts were entered into prior to the depression, and by reason of the depression they could not continue with the contracts, and lost money, and they want to terminate them. I will not object if the date on line 8 is changed to "March 4, 1933", the beginning of this administration. Is that satisfactory to the gentleman?

Mr. BUCK. As far as I am personally concerned, I have no objection at all to the date being changed. The Bureau of Forestry of the Department of Agriculture has asked that this date, which was "May 1, 1933," in the original bill, and which I think is rather more important than March 4, be changed to that in the present draft. I have no objection to substituting "May 1, 1933", except that the Department has asked that this date be changed to "June 30, 1934", in order to cover a specific case where a corporation holding some of these contracts was dissolved in some way without knowledge of the Bureau of Forestry.

It was a Delaware corporation, but it had some timber holdings in the West, and the United States Government will be put to a great deal of expense in order to cancel those particular contracts if this date is not changed, because after the dissolution was discovered, the Department was obliged to require the reexecution of the contracts. This brought these really old agreements past the May 1, 1933, date. The Department is asking for this. I am not asking for it.

Mr. ZIONCHECK. Is that the case of the Crane Creek Lumber Co.?

Mr. BUCK. I do not remember the name of it.

Mr. ZIONCHECK. My understanding is that there is a Crane Creek Lumber Co. that had entered into a contract sometime after May 1, 1933, but I do not think, as a matter of policy, we would be justified in making an exception or extending the date beyond this present administration, and I will have to insist upon my objection unless the date is changed. A special bill could be put in to cover that one

Mr. BUCK. I am willing to accept the amendment if the gentleman insists upon it.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. ZIONCHECK. With the understanding that the amendment as to the change of date is agreed to.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the Secretary of Agriculture is hereby authorized, upon application of the contracting parties involved, and after due notice publicly given, when such action is necessary in his judgment to prevent hardship or unemployment, and under such rules and regulations as he may prescribe, to terminate any contract made prior to June 30, 1934, for the sale of timber on national forests, without requiring the payment of damages for failure to cut all of the timber involved, except as the value of the remaining timber may have been reduced by the cutting and remaining timber may have been reduced by the cutting and removal done by the purchaser: *Provided*, That all applications for action by the Secretary under the authority of this act shall be submitted within 1 year from the date of its approval.

Mr. ZIONCHECK. Mr. Speaker, I offer an amendment. On page 1, line 8, strike out "June 30, 1934" and insert in lieu thereof "March 4, 1933."

Mr. BUCK. Mr. Speaker, I wish the gentleman would make the date May 1, 1933, instead of March 4.

Mr. ZIONCHECK. Mr. Speaker, I will accept the gentleman's suggestion. I offer the following amendment:

The Clerk read as follows:

Amendment offered by Mr. Zioncheck: Page 1, line 8, strike out "June 30, 1934" and insert "May 1, 1933."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time. was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER pro tempore. Is there objection to the | Message from the president of the united states-merchant MARINE (H. DOC. NO. 118)

> The Speaker laid before the House the following message from the President of the United States:

To the Congress of the United States:

I present to the Congress the question of whether or not the United States should have an adequate merchant ma-

To me there are three reasons for answering this question in the affirmative. The first is that in time of peace subsidies granted by other nations, shipping combines, and other restrictive, or rebating methods may well be used to the detriment of American shippers. The maintenance of fair competition alone calls for American flagships of sufficient tonnage to carry a reasonable portion of our foreign commerce.

Second, in the event of a major war in which the United States is not involved, our commerce, in the absence of an adequate American merchant marine, might find itself seriously crippled because of its inability to secure bottoms for neutral peaceful foreign trade.

Third, in the event of a war in which the United States itself might be engaged, American flagships are obviously needed not only for naval auxiliaries, but also for the maintenance of reasonable and necessary commercial intercourse with other nations. We should remember lessons learned in the last war.

In many instances in our history the Congress has provided for various kinds of disguised subsidies to American shipping. In recent years the Congress has provided this aid in the form of lending money at low rates of interest to American shipping companies for the purpose of building new ships for foreign trade. It has, in addition, appropriated large annual sums under the guise of payments for ocean mail contracts.

This lending of money for shipbuilding has in practice been a failure. Few ships have been built and many difficulties have arisen over the repayment of the loans. Similar difficulties have attended the granting of ocean mail contracts. The Government today is paying annually about \$30,000,000 for the carrying of mails which would cost, under normal ocean rates, only \$3,000,000. The difference, \$27,-000,000, is a subsidy, and nothing but a subsidy. But given under this disguised form it is an unsatisfactory and not an honest way of providing the aid that Government ought to give to shipping.

I propose that we end this subterfuge. If the Congress decides that it will maintain a reasonably adequate American merchant marine, I believe that it can well afford honestly to call a subsidy by its right name.

Approached in this way a subsidy amounts to a comparatively simple thing. It must be based upon providing for American shipping, Government aid to make up the differential between American and foreign shipping costs. It should cover first the difference in the cost of building ships; second, the difference in the cost of operating ships; and finally, it should take into consideration the liberal subsidies that many foreign governments provide for their shipping. Only by meeting this threefold differential can we expect to maintain a reasonable place in ocean commerce for ships flying the American flag, and at the same time maintain American standards.

In setting up adequate provisions for subsidies for American shipping the Congress should provide for the termination of existing ocean mail contracts as rapidly as possible, and it should terminate the practice of lending Government money for shipbuilding. It should provide annual appropriations for subsidies sufficiently large to cover the differentials that I have described.

I am submitting to you herewith two reports dealing with American shipping: a report of an interdepartmental committee known as the "Committee on Shipping Policy", appointed June 18, 1934, by the Secretary of Commerce, and a report to me from the Postmaster General on ocean mail contracts prepared pursuant to an Executive order of July 11, 1934.

Reports which have been made to me by appropriate authorities in the executive branch of the Government have shown that some American shipping companies have engaged in practices and abuses which should and must be ended. Some of these have to do with the improper operating of subsidiary companies, the payment of excessive salaries, the engaging in businesses not directly a part of shipping and other abuses which have made for poor management, improper use of profits, and scattered efforts.

Legislation providing for adequate aid to the American merchant marine should include not only adequate appropriation for such purposes and appropriate safeguards for its expenditure, but a reorganization of the machinery for its administration. The quasi-judicial and quasi-legislative duties of the present Shipping Board Bureau of the Department of Commerce should be transferred for the present to the Interstate Commerce Commission. Purely administrative functions, however, such as information and planning, ship inspection, and the maintenance of aids to navigation should, of course, remain in the Department of Commerce.

An American merchant marine is one of our most firmly established traditions. It was, during the first half of our national existence, a great and growing asset. Since then it has declined in value and importance. The time has come to square this traditional ideal with effective performance.

Free competition among the nations in the building of modern shipping facilities is a manifestation of wholly desirable and wholesome national ambition. In such free competition the American people want us to be properly represented. The American people want to use American ships. Their Government owes it to them to make certain that such ships are in keeping with our national pride and national needs.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 4, 1935.

The SPEAKER. The message from the President will be referred to the Committee on the Merchant Marine and Fisheries, and is ordered printed.

### THE CONSENT CALENDAR

The SPEAKER. The Clerk will call the next bill on the Consent Calendar.

### MEXICAN CLAIMS COMMISSION

The Clerk called the next bill on the Consent Calendar, S. 1068, to establish a commission for the settlement of the special claims comprehended within the terms of the convention between the United States of America and the United Mexican States, concluded April 24, 1934.

Mr. ZIONCHECK. Mr. Speaker, I object.

Mr. McREYNOLDS. Mr. Speaker, will the gentleman withhold his objection to permit an explanation.

Mr. ZIONCHECK. Mr. Speaker, I withhold my objection to permit the gentleman to make an explanation.

Mr. McREYNOLDS. Mr. Speaker, will the gentleman

give us some idea of the grounds of his objection?

Mr. ZIONCHECK. The primary reason for my objection, Mr. Speaker, is that the Government of the United States has already spent \$1,900,000 on commissions to try to investigate the claims against the Government of Mexico for damage to the property of Americans in Mexico. This bill proposes to expend another \$90,000.

The record shows that of all the claims of foreign countries that have been acted upon by different commissions, only 2.65 percent have been collected; and these claims were represented as being bona fide. It seems to me to be a rather large sum to spend an additional \$90,000 on top of the \$1,900,000 that have already been spent, for the net result will be only to get money for some private oil companies, mining companies, and rubber companies.

Mr. McREYNOLDS. Mr. Speaker, will the gentleman permit an explanation?

Mr. ZIONCHECK. Yes.

Mr. McREYNOLDS. The treaty entered into between Mexico and the United States in April 1934, provided for the settlement of these special claims arising out of the unsettled condition of Mexico between 1910 and 1920. There were at least six foreign nations who submitted claims for something like \$380,000,000; but not all those claims were legitimate claims. Our country agreed to take the same percentage that was allowed them because from experience these claims are cut down. They have agreed to pay us something like \$7,000,000 on the American claims.

Mr. ZIONCHECK. Why do they not pay it without the

Mr. McREYNOLDS. Let me say that \$500,000 has already been paid by Mexico in carrying out that agreement; and we are merely asking for an authorization of \$90,000 to pay the expenses of three commissioners in deciding the claims of the American citizens who can participate in this amount. The expenses are to be taken out of the money collected from Mexico and prorated among the people when they are paid off.

Mr. ZIONCHECK. The gentleman stated that the Government of Mexico was willing to pay some \$7,000,000.

Mr. McREYNOLDS. Yes.

Mr. ZIONCHECK. Does it require a commission for the Government of the United States to accept that \$7,000,000?

Mr. McREYNOLDS. The gentleman misunderstands the situation. The \$7,000,000 is to be paid to the Government. There are some 3,000 claims of all kinds pending in the United States, and this commission is merely to decide what claims of the American citizens are just and right before they participate in this settlement. In 10 years, of all the claims filed in the Court of Claims only six-tenths of 1 percent were held just and legal. There are a great many of these claims to be sifted. A portion of them are just claims, and this commission is merely to determine the just claims and the amount due on each, so they can participate in this money which is being paid to the Government. Five hundred thousand dollars is already in the Treasury.

Mr. ZIONCHECK. I would state to the gentleman from Tennessee that inasmuch as the larger portion of this money is to go to private oil companies, mining companies, and rubber companies, that in addition to the \$90,000 carried in the bill it should include also a provision that the \$1,900,000 already spent by the Government should be repaid to the Government before the money is distributed. With such a provision in the bill I would have no objection.

Mr. McREYNOLDS. Mr. Speaker, the gentleman confuses this special commission with an old commission that has been functioning for years and years. As to the claims the gentleman speaks of, those are the general claims and I know that those matters have not been settled. I am just as anxious as the gentleman from Washington that they be settled, but they are claims that go back to another period and do not include claims between 1910 and 1920, during the revolution. I cannot see why the gentleman should object to these citizens getting their money now when it is being paid into the Treasury of the United States.

Let me say further to the gentleman from Washington that the bill carries a special limitation limiting the life of the Commission to 2 years. This will cost the Government nothing and the Commission is created merely to determine the amount due each one of our citizens so they may participate in the money paid our Government for them, and they cannot get their money until that is done.

Mr. ZIONCHECK. I am mindful of that provision.
Mr. McREYNOLDS. These are the claims of people of the
United States who have gone over into Mexico. It was
during the revolution. I may say there are some 3,000 claims
involved. As to how many of them are legitimate, I do not
know, but that is why we want to create this commission.

Mr. ZIONCHECK. The gentleman could obtain the information as to the nature of these various claims from the State Department.

Mr. McREYNOLDS. I presume I can; however, there are some 3,000. As I understand it they are generally for the

loss of property and life. If the gentleman objects, he is standing in the way of the claims of private citizens and the opportunity to get their money.

Mr. BLOOM. Will the gentleman yield?

Mr. ZIONCHECK. I yield to the gentleman from New

Mr. BLOOM. Is it not a fact that under no circumstances will this cost the Government of the United States one

Mr. McREYNOLDS. Absolutely not.

Mr. ZIONCHECK. It will cost \$90,000 in the first in-

Mr. BLANTON. Mr. Speaker, I demand the regular order. The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ZIONCHECK. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice until the next call of the calendar. At that time I would like to get a list of the type of claims from the State Department.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

### RETIREMENT OF SUPREME COURT JUSTICES

The Clerk called the next bill, H. R. 5161, to amend section 260 of the Judicial Code (U.S. C., title 28, sec. 375), as heretofore amended.

The SPEAKER. Is there objection?
Mr. BLANTON. Mr. Speaker, reserving the right to object, under the present law two Justices of the Supreme Court of the United States could retire if they want to, but they would retire on pay fixed by law less than their salaries.

Mr. Speaker, as I view this bill, it is a little sop handed out to the present Justices, or the Justices in the future who may be in like circumstances, in order to kind of influence them to retire, knowing that if we pass this bill, instead of retiring on retired pay like all other retired Justices have, they would retire on the full pay of Judges of the United States Supreme Court. I do not believe the Congress of the United States should pass such legislation. I do not believe in handing out a milk sop to officials in so high a position as is occupied by a Justice of the Supreme Court of the United States.

Congress has just built a \$10,000,000 Supreme Court Building over here, which is a magnificent building, to add prestige to the prestige that already exists. Passing this bill does not add prestige. It takes prestige from this high

Mr. Speaker, some of the most valuable service "Uncle Joe" Cannon rendered in this House to the United States was performed many years after he had reached the retirement age provided for in this bill.

There are numerous colleagues now serving in this House who are well beyond that age, whose knowledge, gathered through the years, and whose ripe experience and matured judgment make them the most valuable men in the Congress.

I could name many judges who have adorned the Supreme Court of the United States, whose most seasoned and well balanced opinions were rendered after they had passed this

While I intend to object to this bill, if my colleague from Texas [Mr. Sumners] desires to make a statement, I will reserve the objection.

Mr. SUMNERS of Texas. Mr. Speaker, for the information of the committee, I should like to make a statement with regard to this bill.

It is well known, of course, that Justices of the Supreme Court hold their positions for life, subject to good behavior. Under the Constitution they do not have to retire and they do not have to resign. Some time ago we passed a law that permitted justices of the Circuit Court of Appeals who had reached the age of 70 and who had 10 years of service to retire instead of resign. This bill proposes to give the Supreme Court Justices a similar arrangement to that now provided by law for the justices of the Circuit Court of Appeals. The judges of the Circuit Court of Appeals when they retire instead of resign are subject to assignment by

the presiding justice of the Circuit Court of Appeals. Under the provisions of this law the Justices of the Supreme Court who retire would be subject to assignment in order to take care of emergency business in the circuits.

I would like to address myself to the judgment of the gentleman from Texas by saying that we have a practical situation under which these Judges of the Supreme Court can, under the Constitution, draw full salary for life if they stay on the bench.

Mr. BLANTON. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from

Mr. BLANTON. Does the gentleman from Texas, who is Chairman of the great Judiciary Committee, feel toward the Justices of the Supreme Court that, when they realized they could not perform proper service to the Government, they would still hold on in order to hold their full salaries, or does not he think they are the kind of men who, when they realize they cannot perform the service, will voluntarily resign on retired pay fixed by law?

The gentleman may also answer this question at the same time: He knows that a very distinguished Justice of the Supreme Court of the United States continued to serve for almost a dozen years after he could have retired on the age specified in this bill. I refer to the distinguished jurist who is now on his death bed in Washington, Mr. Justice Oliver Wendell Holmes. He will be 94 years of age next Friday.

Mr. Justice Holmes served with distinguished ability for many years after he reached an age at which he could have retired. Why not let well enough alone? Our forefathers did not see fit to provide this kind of measure when the Supreme Court was created and provision was made for their retirement on retired pay. Why not let well enough alone and not change this procedure? I would like to hear from the distinguished gentleman from Texas on the above points.

Mr. SUMNERS of Texas. When our forefathers arranged with regard to the Justices of the Supreme Court they arranged that they may hold office for life, subject to good behavior. The distinguished Justice to whom my colleague has referred is the only Justice of the Supreme Court since the organization of the Government whose salary has been cut after retirement. At the time Mr. Justice Holmes retired, it was understood, it was the custom since the beginning of the Government that salaries would not be disturbed, and I will say to my distinguished colleague, for some time Justice Holmes continued to draw the same salary as the active Justices on the Supreme Court bench. I do not remember when it was we modified the law, but we reduced the salary of the resigned Justices of the Supreme Court 3 or 4 years ago, but did not reduce the salary of retired justices of the Circuit Court of Appeals. This Justice to whom my colleague refers is the only Justice of the Supreme Court in the history of the United States whose salary was reduced after resignation. It is now known that their salary can be taken entirely away if they resign. Insofar as I know, the idea that the salary of a Federal judge might be reduced or stopped entirely during his life is of recent origin in this country.

I am going to be candid with my colleague. I do not know how many Members of Congress I would risk on this proposition submitted by my colleague if a Member of Congress was holding a job for life and he got where he was sort of slowing up a little bit and he knew that if he stayed on maybe this year or another 6 months, he would continue to get his salary, and if he resigned he might be cut off entirely, he probably would stay. We have to realize there is a human element in this. Even our distinguished friend, the gentleman from Texas [Mr. Blanton], would probably hang on for at least 6 months thinking he would get better. He would rather stay on a little longer when he had a cinch on his salary.

Mr. BLANTON. I would never hang on to any position for the salary. My one and only thought while holding a position is to render service worth-while. Whenever I cannot render to the people service that is worth-while I will quit voluntarily.

If we pass this bill, the time could come when we might | have 9 active judges, and 9 retired judges of the Supreme

Court, all drawing full Supreme Court salaries.

Mr. ZIONCHECK. If the gentleman will permit, does the gentleman take the position: If this bill is passed we may have a better Supreme Court, because when they come to the retirement age they could retire on their full salary? Mr. BLANTON. You might get a worse one.

Mr. ZIONCHECK. You could not get worse than some of them that are on there now.

Mr. BLANTON. I do not say that. I have a great deal of confidence in the Supreme Court of the United States and a great deal of respect for the Court, and I think we might get some material inferior to that we now have on that Court.

Mr. ZIONCHECK. Does the gentleman maintain that our President would appoint an inferior judge?

Mr. BLANTON. No, I do not; but I think this is a bad bill, and I am going to object to its passage. I object, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLANTON. I object, Mr. Speaker.

ALIENS ENGAGING IN DISSEMINATION OF FOREIGN PROPAGANDA

The Clerk called the next bill, H. R. 5839, to authorize the shortening or termination of the stay in the United States of certain aliens not admitted for permanent residence, and for other purposes.

Mr. BLANTON, Mr. JENKINS, Mr. MAVERICK, and Mr.

MARCANTONIO reserved the right to object.

Mr. BLANTON. Mr. Speaker, in 1932 the gentleman from New York [Mr. DICKSTEIN], who was then, and is now, Chairman of the Committee on Immigration, brought in here a bill which he had passed, and it was approved May 25, 1932, and became 47 Statute 165.

I do not believe 20 Members of the House understood the measure at that time, because, if they had, I do not think they would have passed it. It seemed innocent and it seemed not at all important. It went to the Senate and they put seven amendments on it and brought it back, and it was pushed through the House and became law.

Under that bill there has been admitted to this country in the last 18 months several noted anarchists, for instance, anarchists like Emma Goldman, who, with Alexander Birkman, back in 1917, we deported after it had cost this Government thousands of dollars to deport them. She was brought back to the United States under that bill. If it had not been for that bill she would not have been brought back here. She was called "an inoffensive old woman who used to be an anarchist", and she began to spread her infamous doctrine in this country from the time she reached here until the time she left. If you permit this to go on you are going to have in this country what is going on in Greece today. You are going to have our own airplanes dropping deadly bombs on our own battleships. It ought to stop.

Mr. DICKSTEIN. Mr. Speaker, will the gentleman withhold his objection a moment?

Mr. BLANTON. I simply want to ask one question. So far as this bill is concerned it is inoffensive and it is unimportant, but will the gentleman assure us that if we let this bill go by he will not permit the Senate to put on some 6 or 8 or 10 amendments again?

Mr. DICKSTEIN. If the gentleman will permit me a moment—I think the gentleman and I owe some explanation to the House.

Mr. BLANTON. So far as this bill is concerned I would have no objection to it.

Mr. MARCANTONIO. I have objection to it.

Mr. TRUAX. What good would this bill do?

Mr. MAVERICK. I have an objection to the bill, also.

Mr. MARCANTONIO. I intend to object from an entirely different point of view from that of the gentleman from Texas. This bill would authorize the Secretary of Labor to institute deportation proceedings against any alien in the United States who engages in the promotion or dissemina-

tion of propoganda instigated from foreign sources. This bill is vicious. It would cause an avalanche of alien and seditious legislation and further persecution of aliens. Let us remember that we are living in 1935 and not in 1917. Let us legislate not by hysteria but with common sense. Therefore, I object to the bill.

NATURALIZATION OF ALIEN VETERANS OF THE WORLD WAR

The next bill on the Consent Calendar was the bill (H. R. 2739) to extend further time for naturalization to alien veterans of the World War under the act approved May 25, 1932 (47 Stat. 165), to extend the same privileges to certain veterans of countries allied with the United States during the World War, and for other purposes.

The SPEAKER. Is there objection?

Mr. JENKINS of Ohio. Reserving the right to object, I did not intend to object to this bill, but I would like to ask the

gentleman from New York a question.

Mr. DICKSTEIN. This simply extends the time to all veterans of the World War who are aliens in giving them a short form of citizenship. The time expired in 1932. This extends the time for aliens who served in the World War, and at the same time gives the benefit to aliens in this country who served in the war with allied countries.

This is not my bill. It was introduced by the gentleman from Wisconsin [Mr. Cannon], and reported by my colleague, Mr. Schuetz. It does not change the immigration law; it simply extends the time, which I think Congress ought to do.

Mr. JENKINS of Ohio. We have had various bills seeking to give the veteran aliens who served in the Army or Navy during the World War an opportunity to become American citizens, and we have extended it several times. I am in favor of that plan if it is necessary. Perhaps I would not be opposed to extending this time, but I would like to have the bill go over, as it strikes me there are some changes that ought to be made, in order that we may make no mistake, and I ask that the bill go over without prejudice.

Mr. CANNON of Wisconsin. Mr. Speaker, I introduced this bill at the last session, and it was approved by the committee. I introduced the identical bill this session, and it was approved unanimously with a minor amendment. The American Legion is in favor of the bill. The Veterans of Foreign Wars is in favor of the bill, and the only thing the bill provides is an amendment adding to the act of 1932, which provided that the time be extended to May 25, 1934, and provides a short route to naturalization. We are asking in this bill that the time be extended to May 25, 1936, and in addition it applies not only to aliens who took part in the World War in favor of the United States Government, but it also applies to all aliens legally in this country who left the country and fought with allied nations during the World War.

Mr. JENKINS of Ohio. That is what I thought. It needs to be studied carefully, and therefore I object.

Mr. KENNEY. Will the gentleman withhold his objection for a moment?

Mr. JENKINS of Ohio. It will do no good.

Mr. KENNEY. I would like to make a statement to the gentleman.

Mr. TRUAX. Mr. Speaker, I demand the regular order. The SPEAKER. The regular order is demanded.

Mr. JENKINS of Ohio. Mr. Speaker, I object.

LOSS OF CITIZENSHIP OF A CITIZEN WHO VOTES IN FOREIGN POLITICAL ELECTION

The next business was the bill (H. R. 5799) to declare that a citizen of the United States who votes in a political election in a foreign state loses his citizenship.

The SPEAKER. Is there objection?
Mr. DIRKSEN. This bill came before this body once before. It was inspired by the plebescite held in the Saar on the 13th of January last. The legislation heretofore was retroactive and sought to cancel the citizenship of those who voted in that election. This bill, however, carries the word "hereafter", so as to cancel the citizenship of those who shall hereafter vote in a political election in a foreign country. I submit it is sought to cancel the citizenship of people naturalized by judicial process, doing it automatically and summarily. If you are going to confer citizenship by judicial process, then the proper thing to do is to divest them of that citizenship by a similar procedure. This bill makes no provision for proof, no provision for giving a man his day in court. While I sympathize with and have no quarrel with the object sought to be achieved by the bill, I believe it is faulty so far as procedure is concerned. Therefore, Mr. Speaker, I object.

PERMITTING SEWARD, ALASKA, TO UNDERTAKE CERTAIN PUBLIC WORKS

The next business was the bill (H. R. 3808) to authorize the incorporated town of Seward, Alaska, to undertake certain municipal public works, including the construction of an electric generating station and electric and steam-heating distribution systems, and for such purposes to issue bonds in any sum not exceeding \$118,000.

The SPEAKER. Is there objection?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the incorporated town of Seward, Territory of Alaska, is hereby authorized and empowered to undertake the municipal works hereinafter specified, to wit: The construction of an electric generating station and electric distribution system, and for such purposes to issue bonds in any amount not exceeding in the aggregate the sum of \$118,000.

SEC. 2. Before said bonds shall be issued a special election shall be ordered by the common council of the said town of Seward, Alaska, at which election the question of whether such bonds shall be issued in the amount above specified for any or all of the pur-

be ordered by the common council of the said town of Seward, Alaska, at which election the question of whether such bonds shall be issued in the amount above specified for any or all of the purposes hereinbefore set forth shall be submitted to the qualified electors of said town of Seward, Alaska, whose names appear on the last assessment roll of said town for purposes of municipal taxation. The form of the ballot shall be such that the electors may vote for or against the issuance of bonds for the purposes herein specified in the maximum amount herein authorized or any lesser amount. Not less than 20 days' notice of such election shall be given to the public by posting notices of the same in three conspicuous places within the corporate limits of the town of Seward, Alaska, one of which shall be at the front door of the United States post office at Seward, Alaska. The election notice shall specifically state the amount of bonds proposed to be issued for the purposes herein specified. The registration of such election, the manner of conducting the same, and the canvass of the returns of said election shall be, as nearly as practicable, in accordance with the requirements of law in general or special elections in said municipality; and said bonds shall be issued for the purposes herein authorized only upon condition that not less than 65 percent of the votes cast at such election in said municipality shall be in favor of the issuance of said bonds for such purpose.

authorized only upon condition that not less than 65 percent of the votes cast at such election in said municipality shall be in favor of the issuance of said bonds for such purpose.

Sec. 3. The bonds herein authorized to be issued shall be coupon in form and shall mature in not to exceed 30 years from the date thereof. Such bonds may bear such date or dates, may be in such denomination or denominations, may mature in such amounts and at such time or times, not exceeding 30 years from the date thereof, may be payable in such medium of payment and at such place or places, may be sold at either public or private sale, and may be nonredeemable or redeemable (either with or without premium), may carry such registration privileges as to either principal and interest, principal only, or both, as shall be prescribed by the common council of said town of Seward. The bonds shall bear the signatures of the mayor and of the clerk of the town of Seward, and shall have impressed thereon the official seal of said municipality. The coupons to be annexed to such bonds shall bear the facsimile signature of the mayor and of the town clerk of said municipality. In case any of the officers whose signatures or countersignatures appear on the bonds shall cease to be such officers before delivery of such bonds, such signatures or countersignatures, whether manual or facsimile, shall nevertheless be valid and sufficient for all purposes, the same as if said officers had remained in office until such delivery. Said bonds shall bear interest at a rate to be fixed by the common council of the town of Seward, not to exceed, however, 6 percent per annum, payable semiannually, and said bonds shall be sold at not less than the principal amount not to exceed, however, 6 percent per annum, payable semiannually, and said bonds shall be sold at not less than the principal amount

thereof plus accrued interest.

SEC. 4. The bonds herein authorized to be issued shall be general obligations of the town of Seward, Territory of Alaska, payable eral obligations of the town of Seward, Territory of Alaska, payable as to both interest and principal from ad valorem taxes which shall be levied upon all of the taxable property within the corporate limits of such municipality in an amount sufficient to pay the interest on and the principal of such bonds as and when the same become due and payable. Said bonds may, if so provided by the common council of said municipality, be additionally secured by a direct pledge of all or any part of the revenues of said electric generating station and electric distribution systems and any subsequent additions or extensions thereto remaining after provision for the payment of the reasonable costs of operation and maintenance of said system and the cost of such repairs, improvements, and betterments thereto, as shall be necessary to keep the same at all times in good repair and working order. all times in good repair and working order.

Sec. 5. No part of the funds arising from the sale of said bonds shall be used for any purpose or purposes other than those speci-

fied in this act. Said bonds shall be sold only when and in such amounts as the Common Council of the Town of Seward shall direct; and the proceeds thereof shall be disbursed only for the purposes hereinbefore mentioned and under the orders and directions of said common council from time to time as such proceeds may be required for said purposes.

may be required for said purposes.

Sec. 6. The incorporated town of Seward is hereby authorized to enter into contracts with the United States of America or any agency or instrumentality thereof under the provisions of the National Industrial Recovery Act and acts amendatory thereof and acts supplemental thereto, and revisions thereof, and the regulations made in pursuance thereof and under any further acts of the Congress of the United States to encourage public works, for the sale of bonds issued in accordance with the provisions of this act or for the acceptance of a grant of money to aid said municipality in financing any public works herein authorized; or to enter into contracts with any persons or corporations, public or private, for the sale of such bonds; and such contracts may contain such terms and conditions as may be agreed upon by and between the common council of said town of Seward and the United States of America or any agency or instrumentality thereof or any such purchaser. or any such purchaser.

SEC. 7. This act shall take effect immediately.

With the following committee amendments:

Page 1, line 6, after the word "electric", strike out "and steam

heating."
Page 4, line 18, after the word "electric", strike out "and steam heating."

The amendments were agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The title was amended to read: "A bill to authorize the incorporated town of Seward, Alaska, to undertake certain municipal public works, including the construction of an electric generating station and electric distribution systems, and for such purposes to issue bonds in any sum not exceeding \$118,000."

### AUTHORIZING KETCHIKAN, ALASKA, TO ISSUE BONDS

The next business was the bill (H. R. 6084) to authorize the city of Ketchikan, Alaska, to issue bonds in any sum not to exceed \$1,000,000 for the purpose of acquiring the electric light and power, water, and telephone properties of the Citizens' Light, Power & Water Co., and to finance and operate the same, and validating the preliminary proceedings with respect thereto, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

## H. R. 6084

A bill to authorize the city of Ketchikan, Alaska, to issue bonds in any sum not to exceed \$1,000,000 for the purpose of acquiring the electric light and power, water, and telephone properties of the Citizens' Light, Power & Water Co., and to finance and operate the same, and validating the preliminary proceedings with respect thereto, and for other purposes

operate the same, and validating the preliminary proceedings with respect thereto, and for other purposes

Be it enacted, etc., That the city of Ketchikan, Alaska, is hereby authorized to issue and sell its bonds in any sum not to exceed \$1,000,000 for the purpose of acquiring for the said city of Ketchikan, electric light, power, water, and telephone properties of the Citizens' Light, Power & Water Co., Inc., and to finance and operate the same by the said city of Ketchikan. The bonds herein authorized to be issued and sold are the bonds referred to in the act entitled, "An act to authorize the incorporated town of Ketchikan, Alaska, to issue bonds in any sum not to exceed \$1,000,000 for the purpose of acquiring public-utility properties, and for other purposes", approved July 3, 1930 (46 Stat. 1011), in which act the said city of Ketchikan, Alaska, was erroneously referred to as the "incorporated town of Ketchikan, Alaska." Such bonds when issued shall be legal and valid in all respects as general obligations of the said city of Ketchikan, Alaska, notwithstanding any defects or irregularities in the submission to a vote of the people of said city of the question with respect to the issuance or sale of said bonds, in the ordinance calling the election, in the notice of election, in the form of ballot, in taking the vote, or in any of the proceedings had or taken in connection with the issuance or sale of such bonds, and all such proceedings are hereby declared to be legal and valid, and the city is also authorized to levy any taxes which may be necessary for the payment of said bonds for which the full faith and credit of the city shall be pledged. The revenues derived from said electric light, power, water, and telephone properties, over and above the expense of maintenance, operation, and depreciation reserve thereof, shall be pledged to the payment of principal and interest of said bonds.

Sec. 2. The bonds herein referred to and authorized to be issued

SEC. 2. The bonds herein referred to and authorized to be issued and sold shall be issued in such form and detail and with such maturities as have been or hereafter shall be determined by resolution of the Common Council of the City of Ketchikan. Such bonds shall be issued in coupon form, registerable as to principal,

or as to principal and interest. In case any of the officers whose signatures or countersignatures appear on the bonds or coupons shall cease to be such officers before the delivery of such bonds to the purchaser, such signatures or countersignatures shall, nevertheless, be valid and sufficient for all purposes, the same as if they had remained in office until delivery of the bonds. The proceeds of the sale of such bonds shall be disbursed only for the purposes hereinbefore mentioned, and for which such bonds were authorized to be issued under the provisions of such act of July 3, 1930. Sec. 3. The bonds herein authorized, when issued, are hereby declared to be valid and legally binding obligations of said city of Ketchikan. Alaska.

of Ketchikan, Alaska.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

Mr. BLANTON. Mr. Speaker, I make the point of order against the subsequent bills on the calendar, because they have not been on the calendar 3 days.

The SPEAKER. The point of order is well taken.

MONUMENT TO GROVER CLEVELAND, WASHINGTON, D. C.

Mr. CELLER. Mr. Speaker, I ask unanimous consent that House Joint Resolution 147, authorizing the erection of a monument to Grover Cleveland, in Washington, D. C., not on the calendar 3 days, be taken up and considered at this

The SPEAKER. The gentleman from New York asks unanimous consent for the present consideration of House Joint Resolution 147, which the Clerk will report by title.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I know of no particular objection to the resolution, but I do feel that it ought not to be taken up out of order in this way. Several Members who have bills here rely on us to stop the calling of the calendar when we reach those bills that have not been on the calendar 3 days. In fairness to that policy which we have always maintained, I object.

### TENNESSEE VALLEY AUTHORITY

Mr. HILL of Alabama. Mr. Speaker, I ask unanimous consent to address the House for half a minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. HILL of Alabama. Mr. Speaker, tomorrow morning at 11 o'clock, in the caucus room of the old House Office Building, the Tennessee Valley Authority will show some moving pictures of activities, developments, and projects of that Authority. Those pictures are being shown for the special benefit of the Committee on Military Affairs. That committee extends an invitation to the membership of the House, to the press, and to the public generally to come tomorrow morning and see those pictures.

# LEAVE TO ADDRESS THE HOUSE

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection?
Mr. BLANTON. Provided I may have 5 minutes to answer the gentleman, I will have no objection.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. Dickstein] that he may address the House for 5 minutes, and, coupled with that, the request of the gentleman from Texas [Mr. Blanton] that he may address the House for 5 minutes?

Mr. TRUAX. Mr. Speaker, reserving the right to object, what other business is pending?

The SPEAKER. The Chair will state that there are at least two bills to be taken up under suspension of the rules.

Mr. TAYLOR of Colorado. Well, I object, if there are two bills to be taken up under suspension. There will be ample time tomorrow or the next day for speeches.

Mr. DICKSTEIN. I do not think I have occupied the time of this House. I think it is important that I have a few minutes to explain the statements that have been made on this floor. The RECORD ought to be correct. I assure the gentleman that I would not knowingly take up the time if I did not think it was important.

Mr. TAYLOR of Colorado. Can the gentleman not wait until we get through with the business of the day before we have speeches?

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. DICKSTEIN]?

Mr. TAYLOR of Colorado. Mr. Speaker, I object.

### CRITICISMS OF THE CONGRESS

Mr. TARVER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and in connection therewith to insert a short editorial.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. TARVER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following editorial from the Rome News-Tribune, of Rome, Ga.:

[From the Rome (Ga.) News-Tribune, Feb. 28, 1935] CRITICISMS OF THE CONGRESS

Criticisms of Congress for the exercise of the rights vested under the Constitution are not properly directed. If it is wrong for the Congress to exercise its own discretion in the matter of legislation, the fault is with the fundamental law of the land, and it is against the Constitution that critics should fire their darts

Under the Constitution there are three distinct divisions of government; the administrative, the legislative, and the judicial, and each is endowed with special rights and privileges. The privilege of the Congress is to make appropriations, pass laws, and, in the Senate, to confirm or reject executive appointments of a certain nature.

Thus when the Congress, with its more than 500 Members, approaches matters of legislation its duty is to consider such matters and to pass or reject those proposed acts which appeal to congressional wisdom, or which appear to be of no advantage to the Nation. This is the law, and when Members of Congress observe the law and attempt to use their judgment respecting legislation they clearly are within their rights.

So, if there are persons who feel that recommendation of the executive department should be sufficient to cause the Members of Congress to side-step their own responsibilities and surrender their own constitutional rights, by acting as so many rubber stamps, they should move to have the Constitution so changed that the legislative authority is vested in the administrative branch of the Government instead of in the Congress.

So long as the Government is operated under the present Constitution it should be operated with due respect for that instrument.

instrument.

INVESTIGATION OF AMERICAN TELEGRAPH & TELEPHONE CO.

Mr. RAYBURN. Mr. Speaker, I move to suspend the rules and pass the joint resolution (S. J. Res. 46) authorizing and directing the Federal Communications Commission to investigate and report on the American Telephone & Telegraph Co. and on all other companies engaged directly or indirectly in telephone communication in interstate commerce, including all companies related to any of these companies through a holding-company structure or otherwise.

The Clerk read the Senate joint resolution, as follows:

Resolved, etc., That it is necessary, in aid of legislation by the Congress and for the use of governmental agencies, including State regulatory commissions, for the information of the general public, as an aid in providing more effective rate regulation, and for other purposes in the public interest, that accurate and comprehensive information be procured and compiled regarding the American Telephone & Telegraph Co. and other telephone companies

companies.

SEC. 2. The Federal Communications Commission is hereby authorized and directed to investigate and report to the Congress on the following matters with respect to the American Telephone & Telegraph Co. and all other companies engaged directly or indirectly in telephone communication in interstate commerce, in-cluding all of their subsidiary, affiliated, associated, and holding companies, and any other companies in which any of them have any direct or indirect financial interest, or which have any such interest in them, or in which any of their officers or directors hold any office or exert any control, or whose officers or directors

hold any office or exert any control, or whose officers or directors hold any office or exert any control in them—

(a) The corporate and financial history, and the capital structure and the relationship of such company and of its subsidiary, affiliated, associated, and holding companies, including the determination of whether or not such structure may enable them to evade State or Federal regulation or taxation, or to conceal, pyramid, or absorb profits, or to do any other act contrary to the public interest.

public interest.

The extent and character of intercompany service contracts and all transactions between the telephone companies and their subsidiaries, affiliated, associated, or holding companies, and particularly between the American Telephone & Telegraph Co. and the Western Electric Co. and other manufacturers of electrical communication equipment; the methods of publishing telephone directories and placing and charging for advertising therein; the cost of and sale prices of telephone equipment, material, or devices to telephone operating companies or users; the profits upon such sales and the effect of such sales upon the rates or upon the rate base of operating companies when used as a basis for telephone base of operating companies when used as a basis for telephone charges in the various States or in interstate commerce; and the

charges in the various States or in interstate commerce; and the probable savings to telephone operating companies and the public by purchasing equipment under a system of competitive bidding.

(c) The reasons for the failure generally to reduce telephone rates and charges during the years of declining prices; and the extent, if any, to which local subscribers or the users of toll service have borne the cost of the research developments for telephone equipment and appliances, radio, motion picture, and other inventions, including the maintenance and support of Bell Telephone Laboratories. Inc.

Telephone Laboratories, Inc.

(d) The effect of monopolistic control upon the reasonableness

(d) The effect of monopolistic control upon the reasonableness of telephone rates and charges, upon the methods of competition with independent telephone companies, and upon the character of services rendered, and the alleged unfair or discriminatory practices with respect to such companies, and with respect to radio broadcasting or public speaker "hook-ups."
(e) The effect of mergers, consolidations, and acquisitions of control by telephone companies, including the determination of whether there has been any "write-up" in the purchase price of property, equipment, or intangibles, the fairness of the terms and conditions of any merger, consolidation, or acquisition, and the public interest therein, and the effect thereof upon rates or service.

service.

(f) The accounting methods of the companies, particularly with reference to depreciation accounting, apportionment of investment, revenues and expenses between State and interstate operations, employee pension funds, and valuation of properties for both rate

and tax purposes

(g) The methods of competition with other companies or industries, including the determination of whether or not there has been any sale or refusal to buy from or sell to competing companies, or suppression of patents, and the expansion of the companies, panies, or suppression of patents, and the expansion of the companies into fields other than telephone communication, including teletype service, telephoto service, telegraph service, broadcasting, motion and sound picture production and distribution, and the manufacture of electrical equipment, so far as such expansion may relate to or affect communications.

(h) Whether or not the companies have sought through propaganda or the expenditure of money or the control of channels of publicity to influence or control public opinion, legislative or

administrative action, or elections.

SEC. 3. As used in the resolution the term "company" shall include all subsidiary, affiliated, associated, and holding companies or corporations and all companies directly or indirectly associated or connected with telephone companies, either by direct or indirect stock ownership, interlocking directorates, voting trusts, holding or investment companies, or any other direct or indirect means.

SEC. 4. The inquiry into certain practices of telephone carriers subject to the Communications Act of 1934, recently instituted by the Federal Communications Commission pursuant to its Telephone Division Order No. 11 and Statement of November 14, 1934, may be consolidated with the investigation required by this joint resolution in the manner and to the extent deemed desirable by the Commission.

SEC. 5. For the purposes of this resolution the Federal Communications Commission is hereby authorized to hold hearings; to contract for stenographic reporting service; to utilize its regular personnel, facilities, jurisdiction, and powers insofar as practicable; and to employ for the purposes of this investigation such additional experts, including engineering, accounting, legal, and other assistants as may be found necessary, without regard to the provisions of other laws applicable to the employment and compensation of officers and employees of the United States, and to make such other expenditures, including necessary travel expenses, and expenditures for printing and binding, as it deems necessary. The Commission is also hereby authorized to have access to, upon demand, for the purposes of examination, and the right to copy. SEC. 5. For the purposes of this resolution the Federal Com-The Commission is also hereby authorized to have access to, upon demand, for the purposes of examination, and the right to copy, any books, papers, correspondence, memoranda, and other records of any person, partnership, company, or other organization being investigated, whether such books, papers, correspondence, memoranda, or records are in the possession of the company under investigation or are in the possession of other persons, firms, or corporations; to require by subpena the attendance and testimony of witnesses and the production of books, papers, correspondence, memoranda, and other records which the Commission deems relevant or material to the inquiry at any designated place. spondence, memoranda, and other records which the Commission deems relevant or material to the inquiry, at any designated place of hearing within the United States; to administer oaths and affirmations, to require persons, partnerships, companies, or other organizations to submit to the Commission in writing reports and answers to specific questions, furnishing such information as the Commission may require relative to the inquiry. Such reports and answers shall be made under oath or otherwise as the Commission may prescribe and shall be filed with the Commission within such reasonable period as the Commission may prescribe, unless additional time be granted in any case by the Commission. In case of contumacy or the refusal to obey any subpena or other order issued hereunder, the Commission may invoke the aid of

any court of the United States, within the jurisdiction of which such inquiry is carried on, or where such party guilty of contumacy or refusal to obey resides or has his place of business, in requiring obedience to such subpena or other order, and any such court of the United States shall have jurisdiction to issue its order enforcing such subpena or other order of the Commission in whole or in part; and any fallure to obey such order of the court may be punished by such court as a contempt thereof. All process in such cases may be served wherever the defendant may

process in such cases may be served wherever the befound.

SEC. 6. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$750,000, to be made immediately available to the Federal Communications Commission for the purposes of the investigation and report herein authorized and directed, and the Commission shall make special reports to Congress on its progress and its findings in this investigation.

Mr. MERRITT of Connecticut. Mr. Speaker, I demand a second.

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. RAYBURN. Mr. Speaker, I shall take only a few moments, because I made some remarks about this resolution 2 weeks ago today.

This resolution has already passed the Senate. It was reported out of the Committee on Interstate and Foreign Commerce unanimously, except that the gentleman from Connecticut [Mr. MERRITT] and the gentleman from New York [Mr. Wadsworth] filed some minority views criticizing some of the language of the resolution, but stating in their minority views that they had no objection to the passage of the resolution for the investigation of the telephone industry.

The Committee on Interstate and Foreign Commerce, through counsel, for the last 3 years has been investigating all public utilities doing business in interstate commerce. The telephone companies comprised one of those industries. That only went to the financial set-up in some ways and with reference to holding companies, and so on. As far as going in and getting the information which the Communications Commission should have in order to perform its duty well in the regulation of telegraph and telephones, particularly in this instance the telephones, with which duty they are charged under the Communications Act of 1934, they think they must have the right to make this investigation.

Something was said by my colleague [Mr. Blanton] 2 weeks ago today with reference to salaries paid. I have been assured by those who are charged with this investigation that they are allowed to pay an accountant not more than \$7,500 and an attorney not more than \$9,000. I am assured that under no circumstances will anyone be paid more than that, and probably not more than one person will be paid that much, because the vast number of employees will be in the lower brackets.

Seven hundred and fifty thousand dollars is a considerable sum, but the members of the committee and those who read the report of Dr. Splawn, who made the investigation for the Committee on Interstate and Foreign Commerce, will remember he said in his report that in order that the regulating authority might have the information to proceed safely and soundly and not go to the hazard of doing somebody an injustice, either the owners of the telephones or the public themselves, it would require from \$500,000 to \$1,000,000 to make the investigation. As I say, the Senate has already unanimously, I think, passed this resolution. In justice to the industry itself, in justice to the users of telephones throughout the country, I think the regulatory body should have all the information asked for in this resolution.

Mr. SNELL. Will the gentleman yield?

Mr. RAYBURN. I yield.

Mr. SNELL. Do I understand this is a general investigation of all telephone companies in the United States?

Mr. RAYBURN. They can do it under this resolution, but as far as the independent telephone companies are concerned, I have asked about that, and I am assured that no independent company will be investigated in anywise, except and unless it has a contract with the American Telephone & Telegraph Co. or the Bell Co. or one of the large systems. In

that instance, and usually, that contract would be filed with the big company, and the little company would not be harassed by any additional expenditure. There are some of the so-called "independent companies", however, which are rather large companies and which do an interstate business, and in all probability they would be brought into this. But I am talking about the local telephone systems. I do not think they will have to spend an extra dollar of money or bring into their employ any extra employees on this account.

Mr. SNELL. Do I understand from the gentleman's statement that this is primarily an investigation of the American Telephone & Telegraph Co.?

Mr. RAYBURN. That is correct.

Mr. SNELL. And that is the reason they are named in this resolution?

Mr. RAYBURN. That is the reason they are named. They are the big set-up. I think the statistics will show that the American Telephone & Telegraph in this connection does about 90 or 95 percent of the business and collects from 90 to 95 percent of the revenues.

Mr. SNELL. Are they not being investigated now by practically every State in the Union pretty nearly continually?

Mr. RAYBURN. I do not know, frankly. I know my State is not investigating them, and nothing was brought into the considerations of the committee that would indicate that.

Mr. ZIONCHECK. Mr. Speaker, will the gentleman yield? Mr. RAYBURN. I yield.

Mr. ZIONCHECK. Is it not impossible for a State to investigate the business of the American Telephone & Telegraph Co., it being an interstate business, and their holdings being so large that no State has the authority or facilities to properly investigate it?

Mr. RAYBURN. Yes; and there are 30 major companies controlled by the American Telephone & Telegraph Co. We have got to spend several months investigating each of these companies to dig out the facts wanted.

Mr. TRUAX. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. I yield.

Mr. TRUAX. The American Telephone & Telegraph Co. is the largest company, is practically a telephone monopoly. They have never reduced rates, but on the other hand have doubled and tripled rates. The charges of the telegraph companies likewise have shown no diminution. The telephone company and the telegraph company have added to the communication charges of the country, and the users of these services have everything to gain and nothing to lose by the passage of this resolution.

Mr. RAYBURN. Yes; and the commission that has asked for this investigation requires this information.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. I yield. Mr. BLANTON. There is one exception, that here in Washington we made them return about \$10 or \$12 to each telephone user in the city of Washington not long ago.

Mr. HOOK. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. I yield.

Mr. HOOK. Will the American Telephone & Telegraph Co., or any company that is being investigated, be called upon to pay for any of this investigation?

Mr. RAYBURN. No; but, to be entirely frank, it will in all probability cost them more than this \$750,000.

Mr. HOOK. Will the gentleman explain why just the American Telephone & Telegraph Co. is being investigated?

Mr. RAYBURN. Those companies which have contracts with the American Telephone & Telegraph Co., insofar as those contracts are concerned, will be brought into this; but, as I stated to the gentleman from New York, 90 to 95 percent of the telephone business of the United States is done by the American Telephone & Telegraph Co. set-up.

Mr. HOOK. Then why not include the other 5 percent and investigate all of them?

Mr. RAYBURN. I do not think it is necessary to include some of these little companies. I do not know why they should be brought into it, because they cannot add to the facts to be developed from the larger company.

Mr. HOOK. Is it not true that practically all the setups of the American Telephone & Telegraph Co. are organized into State set-ups?

Mr. RAYBURN. No.

Mr. HOOK. And that masters in chancery have held that most of these companies are engaged in intrastate commerce and not interstate commerce?

Mr. RAYBURN. I do not think so. I am not sure, but I am under the impression that the gentleman is mistaken.

Mr. Speaker, after reading the minority views of the gentleman from Connecticut and the gentleman from New York, I asked the chairman of the telephone division to write me a letter giving his views with reference to some specific paragraphs in the bill that were called into question in private conversation with me by the gentleman from New York and the gentleman from Connecticut. I ask unanimous consent that the letter written me by this official be read by the Clerk in my time.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The letter referred to follows:

FEDERAL COMMUNICATIONS COMMISSION, Washington, D. C., February 8, 1935.

Re: H. J. Res. 135 (74th Cong.). Telephone investigation. Hon. Sam Rayburn, Chairman, House Committee on Interstate and Foreign Commerce,

House Committee on Interstate and Foreign Commerce,
House Office Building, Washington, D. C.
Dear Charman Rayburn: In response to your inquiries, the Federal Communications Commission has forwarded you its reasons for favoring your House Joint Resolution No. 135. I understand you now wish our opinion specifically as to section 2 (c) of this resolution and as to why a resolution is necessary at all, in view of the law as it now stands.

Specifically appearing

law as it now stands.

Specifically answering your inquiry for opinion as to section 2 (c), presumably a primary purpose of any public-utility investigation is to secure information which may assist in proper rate determinations. The State commissions and the local authorities vitally need the telephone information which can be secured only by the Federal Commission for their rate investigation. The Federal Commission does not have and has not asked for jurisdiction to determine local rates. But the facts developed in any worthwhile investigation must be available for any telephone rate determination. Hence, what has happened to telephone rates during the period of generally declining prices is pertinent in any worthwhile telephone investigation; and these facts, when developed, will be available for the Federal and the State commissions and other local authorities. authorities.

As to the second part of section 2 (c) of the resolution, it is certainly pertinent to inquire how far a telephone company may have gone in spending money its patrons paid as rates, in other businesses, and the effect thereof on the revenues of the company

businesses, and the effect thereof on the revenues of the company and the rates to be paid in the future by the telephone subscriber. Your second inquiry as to the advantages of conducting the investigation under the joint resolution, notwithstanding the provisions of the Communications Act of 1934, in substance, asks why the resolution at all. That question we have tried to answer in the response sent you through Chairman Sykes. At the present moment the Commission has neither the funds nor the organization for such an investigation. It needs a specific authorization of Congress which is broad enough to meet technical and procedural objections which are always thrown in the way of any serious investigation of this kind. Both the Federal Communications Commission and the public would benefit through the specific backing which this resolution of Congress will give the investigation.

Very sincerely yours,

Very sincerely yours,

PAUL A. WALKER, Chairman Telephone Division.

Mr. RAYBURN. Mr. Speaker, I reserve the balance of my

Mr. MERRITT of Connecticut. Mr. Speaker, the minority who made a report on this bill, as the chairman said, do not object in general to the investigation; but we felt that the fever for investigation had run rather strong, and we felt that if any great corporation in the United States had commended itself to the citizenship generally it was the American Telephone & Telegraph Co.

We asked in the course of the hearings before the committee a number of those gentlemen who appeared in favor of the bill if there was any nation in the world which had as good a system of telephone communication at such low rates as the United States; everyone said no.

The very nature of the telephone business is such that the needs of the country could not be served by a variety of telephone companies; from the very nature of the business it must be a monopoly; and I think it is agreed that for such a company there never has been one so well managed as this; open, no stock manipulation, no kiting, no water. To investigate this company at this time, when we are spending money so lavishly, is wasteful. For this investigation, which, in my personal opinion, cannot yield any good, we are taxing the United States \$750,000, and we will tax the American Telephone & Telegraph Co. probably twice this amount. It is fair to say that the cost to the company and to the United States together will be very close to \$2,000,000. This seems to me, as a business man, to be a waste. As I said a moment ago. I think the fever for investigating and the gathering of all sorts of useless information is appalling. I think every Member of Congress, when he sees the amount of printing alone that comes to his office containing useless facts, feels that it ought to be stopped at some time; and I cannot imagine any better time to stop it than now with a company like the American Telephone & Telegraph Co.

This investigation was asked for by the Communications Commission, and we commented in our report on the character of the bill

Our bill is the same as the Senate bill. We pointed out that there were a lot of useless facts called for and in language which to me does not seem very wise.

I am not going to take the time to discuss the bill at length, but I want to call attention to page 3, subsection 3, which is a good example of what is suggested in the bill. This would require the furnishing of reasons for the failure generally to reduce telephone rates and charges during the years of declining prices, and the extent, if any, to which local subscribers, or the users of toll service have borne the cost of the research developments for telephone equipment and appliances, radio, motion picture, and other inventions, including the maintenance and support of Bell Telephone Laboratories, Inc.

That sounds rather wise but, of course, it is foolish, because every business concern for its life and for its progress must have some sort of research. Any manufacturing concern must have research. To do that research work they have to spend some of their money. To get this money they have to sell their goods. The only product the Bell Telephone Co. has to sell is service, and the only possible way it can get money is through subscribers to telephone service. Any money they get for any purpose has to come from subscribers. So I say that paragraph makes it appear that it is very bad to use subscribers' money, but that is their only source for money. This idea runs through the whole bill. In other words, they are sure the company is committing crimes of some sort, and the Commission is being authorized to find this out, all starting with the idea that there is a wrong being committed, and they must find it.

Mr. TAYLOR of Tennessee. Will the gentleman yield? Mr. MERRITT of Connecticut. I yield to the gentleman

from Tennessee.

Mr. TAYLOR of Tennessee. I am inclined to agree with the gentleman that, so far as service is concerned, it is very satisfactory; but does not the gentleman believe that the rates charged by the telephone company, especially the longdistance rates, are unconscionable?

Mr. MERRITT of Connecticut. I think that is a matter for investigation. I do not think their charges high, however. Compared to charges in other countries, I believe they are very small.

Mr. TAYLOR of Tennessee. I notice that over in England the long-distance telephone calls are 25 cents during the week-end.

Mr. MERRITT of Connecticut. Of course, they try to increase business in the lax hours by decreasing the price. That is good business.

Mr. TAYLOR of Tennessee. Even during the depression the American Telephone & Telegraph Co. has been able to pay a 9-percent dividend on their preferred stock.

Mr. MERRITT of Connecticut. I do not believe they have any preferred stock. They only have common stock. The 9-percent dividend they have been paying out of surplus.

Mr. TAYLOR of Tennessee. They must have a tremendous surplus.

Mr. MERRITT of Connecticut. Well, that is good business, too.

The American Telephone & Telegraph Co. in all its reports has been perfectly open and frank. No one can find anything that is not contained in their published reports. I want to call these things to the attention of the House in the hope that this investigation will be stopped. I call attention of the House also to the existing craze for investigations. When we start the Communications Commission and all of these anomalous commissions they desire to increase their importance, and they do it by further investigation and the further collection and publication of useless facts. I think it is time to stop.

Mr. Speaker, I yield the balance of my time to the gentleman from New York [Mr. Wadsworth].

Mr. WADSWORTH. Mr. Speaker, the gentleman from Connecticut [Mr. Merritt] has stated in adequate expression the sentiments of the two members of the Committee on Interstate and Foreign Commerce who signed the minority report. I should like to add another thought or two to those expressed by the gentleman.

As will be found by a reading of the minority report, the gentleman from Connecticut [Mr. Merrit] and myself have no fundamental objections to an investigation, but the circumstances under which this particular piece of legislation comes before us and the character of this legislation, if one reads it carefully, are, I think, worthy of consideration. It is no violation of confidence to say that this resolution was not prepared in the Committee on Interstate and Foreign Commerce, nor by any of its employees. It came to the committee after being drafted in the office of the Communications Commission.

Mr. COOPER of Ohio. Will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman from Ohio.
Mr. COOPER of Ohio. I was unavoidably absent when
the committee had this resolution before it, having been in
Ohio to bring my family to Washington. Did any member
of the Communications Commission appear before the committee and advocate the passage of this resolution?

Mr. WADSWORTH. No member of the Commission appeared while I was present.

Mr. RAYBURN. There were no hearings in either the House or Senate.

Mr. WADSWORTH. There were no hearings.

Mr. COOPER of Ohio. The Communications Commission has been in existence less than a year?

Mr. WADSWORTH. Considerably less than a year.

Mr. COOPER of Ohio. I was wondering where all of this sentiment came from?

Mr. WADSWORTH. I cannot answer the gentleman from Ohio.

Mr. COOPER of Ohio. Does the gentleman believe that \$750,000 will be enough to make this investigation, or does he expect that there will be a request made of Congress for additional money?

Mr. WADSWORTH. As an individual member of the committee, I have no information whatsoever on the subject, and none has been given to me.

Mr. COOPER of Ohio. I believe the Congress is going to extremes in appropriating money for these investigations.

Mr. WADSWORTH. A communication was received by the chairman of the committee, and he very properly read it to the committee, which contended that \$750,000 was necessary. I do not recollect any official communication which detailed the manner in which this money should be expended. Indeed, I think I have been very ignorant in my time on very many subjects, but my ignorance heretofore has not been surpassed by the ignorance with which I approached the matter of the appropriation of \$750,000 for this investigation.

Mr. COOPER of Ohio. I have heard from some of the smaller telephone companies and they are of the opinion that if they have to go to the expense of an investigation of this character, it may bring additional expense to the operation of their companies.

Mr. WADSWORTH. That may be so.

Mr. COOPER of Ohio. And while I am not opposing an investigation, I wonder how much further we are going.

Mr. WADSWORTH. I have already called the attention of the Members of the House to the inception of this investigation, and having identified its origin. I ask in all fairness that the Members of the House analyze the resolution as to its spirit.

Here is the Communications Commission, supposedly a semijudicial body, about to embark upon an investigation of the immense telephone structure of the United States, the greatest thing, the largest thing of its kind in all the world, with more subscribers than all the rest of the telephone systems of the world put together, for indeed, our telephone development here in this country is the wonder of the world.

The gentleman from Connecticut and myself do not contend that nothing wrong has ever been done. We do not know. We do not contend that the entire financial structure or the combination of structures now in existence are absolutely sound. We do not know. We have no objection to the Commission endeavoring to find out and in the event of finding that something is wrong, correcting it; but it seems to me we ought to expect from a Commission recently put into office a spirit of fairness in going into this job of investigating, and I submit that a reading of this resolution which was drafted in the office of the Commission gives the very clear intimation to the American public that they are more in the nature of prosecutors than investigators.

The committee did not draft this resolution, neither did any Member of the Congress. This is what gives it its significance to me. This is why we protest in our minority report against its style and against its spirit, for it is filled with innuendoes and insinuations, and purposely so. There is no necessity whatsoever in the drafting of a resolution to bring about a thorough investigation to point the finger of suspicion at any person or company, and the mere fact that this Commission decides to point the finger of suspicion before it begins to investigate destroys, in my mind, any confidence I might otherwise have in its fairness. This is why we protest against the spirit in which this thing was drawn.

Mr. REECE. Mr. Speaker, will the gentleman yield?

Mr. WADSWORTH. I yield for a question.

Mr. REECE. Does not the Federal Communications bill give the Commission authority to obtain any records or any information from the telephone company?

Mr. WADSWORTH. That is my own understanding, yes; but they contend, and I am not going to contradict them on that point, that they need even more authority to get all the facts. If this is true, I have no objection to their getting these facts, but I do not like to see the House of Representatives adopt a resolution of this kind which, of itself, if read analytically, is an indictment in advance of the investigation.

This is not our language. No one of us had anything to do with writing it. It was written in the office of the Commission. If it were our language we would then pass judgment upon it as legislators, but we are asked to make this the language of the House of Representatives and join the subordinate in the Commission who wrote this resolution in an indictment of at least one of the greatest business enterprises the world has ever known.

This is the reason for my protest. As to the extent and scope of this matter, it is perfectly true that the Commission, in a letter to the chairman, indicated that it did not desire or, perhaps, intend to investigate all the small telephone companies in the country; but, Mr. Speaker, they cannot help investigating them, because they are all linked up by contracts in order to secure their toll service with the great toll lines. Today you can go into the most remote corner of this huge continent and step into a telephone booth of a tiny little farmer line and call up New York or San Francisco and get prompt service. How is it done? Not through the instru-

strumentality of the contract which the little farmer line has with the great toll line. It will be absolutely imperative upon the Commission to go into all those contracts, and, having gone into those contracts, it must go into the assets, the business, the rates, and the charges of all the companies involved.

So let us not underestimate the size of this undertaking, and let us not beguile ourselves into the belief that the farmer line is not going to be called upon to make reports, fill out blanks, answer questionnaires, file its rates, and give a general accounting of its business. But, as I said a moment ago, great as the undertaking is—and in many respects, in my humble judgment, unnecessary, for I have yet to encounter any widespread public demand for a general investigation of the telephone system of America; I have yet to encounter any widespread public protest against poor service; I think it is the most wonderful business achievement in modern times, this telephone system of ours-my principal protest is the spirit in which this resolution was drawn, and I would not make that protest did I not have the knowledge it was drawn in the office of the Commission which is going to make the investigation. [Applause.]

Mr. RAYBURN. Mr. Speaker, I yield 2 minutes to the gentleman from Montana [Mr. Monaghan].

Mr. MONAGHAN. Mr. Speaker, I would not have asked for this time if it had not been for some erroneous statements innocently occurring no doubt in this discussion. First, that there was no hearing on this matter, and an intimation that an unfair attitude had therefore been taken on the part of the committee. However, I would say to the gentleman from New York and the gentleman from Ohio that there was no request for a hearing on this resolution providing for investigation and regulation of the American Telephone & Telegraph Co., but that the hearings on the communications bill during the last session of Congress disclosed the need for a resolution of the character under discussion, looking eventually to the regulation of this type of public utility. No question is raised by this resolution, as I understand it, relative to the quality of the service of the American Telephone & Telegraph Co.; but I do not believe that any Member of Congress will disagree to the statement that their charges are excessive and extortionate in many instances and that some regulation should be placed upon them. If not properly regulated, public ownership and operation becomes necessary; aye, even imperative.

I further want to say to the gentleman from New York that I believe he used an unfortunate word when he said that the resolution was an indictment. Even though they may deserve indicting at times, I do not believe the pending resolution is an indictment, but a fair resolution designed to obtain information which the American people want to know and cannot obtain without such action as is proposed. [Here the gavel fell.]

Mr. RAYBURN. Mr. Speaker, I always dislike for any disagreement to come up with my distinguished friend from Connecticut whom I love and revere, and my newer colleague from New York whom I admire.

It is true that this resolution was not written by me; it was sent to me by the chairman of the telephone division of the Communications Commission. There is no denial of that fact, but as far as this charge of indicting somebody I have watched investigations for many years, and I know that if you leave out any necessary thing in a resolution of investigation and then go to these companies to get information on something that cannot be found in the resolution of investigation you are likely to get tied up in the courts and instead of getting the information in 1 or 2 months it may be tied up for 48 months.

I do not feel that this is an indictment of anybody.

This resolution came up in the committee, and the Chair asked if there was any objection to reporting the resolution. He heard none, but the gentleman from New York came to the chairman of the committee and said that he objected to some things and said he wanted some time to file a minority report. In the meantime the Senate passed the resolution and the chairman telephoned the chairman of the telementality alone of the little farmer line but through the in- | phone division of the Communications Commission and he

said that there were some things in the Senate resolution a little harsh, but it was absolutely necessary I informed the gentleman from Connecticut, and then we reported the bill with the minority report along with it.

Mr. CARTER. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. I want this to be a thorough investigation and I say to my friend from Connecticut [Mr. MERRITT] and the gentleman from New York [Mr. WADSWORTH] that no one is more interested or admires more the telephone system of the country as being the greatest in the world than I. I believe they have done a great service, but the principal thing I am interested in is that I think an uninformed commission ought not to start out to regulate a fivebillion-dollar enterprise, and that we should have this investigation so that they may intelligently proceed to the regulation of this great industry.

Mr. CARTER. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. Yes.

Mr. CARTER. As I understand this resolution, it came from the telephone division of the Communications Com-

Mr. RAYBURN. That is correct.
Mr. CARTER. Was the amount that it is to expend included in it when the resolution was submitted to the gentleman?

Mr. RAYBURN. Oh, that has been discussed in our committee many times. It had been discussed in Dr. Splawn's report 2 years ago, when he stated it would take \$500,000 to \$1,000,000 to find out all the facts.

Mr. CARTER. Then the gentleman has something in the way of a budget to substantiate this request for \$750,000?

Mr. RAYBURN. I do not know just what the gentleman

Mr. CARTER. The gentleman has estimates of the expenditure of \$750,000.

Mr. RAYBURN. I have estimates made up by the Communications Commission as to what they intend to do with this money if they get it, and I shall be very glad to put them in the RECORD if it is thought necessary, although it would be a rather expensive thing to do and very hard to print.

Mr. CARTER. Those figures indicate that \$750,000 is necessary to carry on this investigation?

Mr. RAYBURN. I think so, because, as I said a while ago, there are 30 of these major companies tied in with the American Telephone & Telegraph. Instead of making those companies come to Washington and bring their books with them, they expect to send competent men to their offices to get the facts

Mr. CARTER. I am wondering how the gentleman arrived at the \$750,000. Has he some figures as a basis for

Mr. RAYBURN. We have them here as to what they will do with them.

Mr. TRUAX. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. Yes.

Mr. TRUAX. I am not one so squeamish about that word "indictment" in connection with the telephone octopus and monopoly, and that is what we call it in our State of Ohio. and that means J. P. Morgan and the Telephone Trust. The Telephone Trust and J. P. Morgan have been indicted in the minds of the citizens of Ohio. They remember that this trust defrauded them of \$13,000,000, which they kept for the period of 10 long years. Then at a belated hour the public utilities commission awarded this money and said it must be refunded to the consumer. I admire and respect our great telephone system, but it has been accumulated and centralized upon the blood and toil of the users, and I object to the price that I have to pay Mr. Morgan and the Telephone Trust for the period of securing this splendid service which the gentleman from New York speaks about.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. Yes.

Mr. DONDERO. Can the gentleman tell the House who owns the telephone and telegraph company? Is it owned by a few people or by many people?

Mr. RAYBURN. There are many stockholders, somewhere between 600,000 and 700,000.

The SPEAKER. The question is on the motion of the gentleman from Texas to suspend the rules and pass the Senate bill.

The question was taken; and, two-thirds having voted in favor thereof, the rules were suspended, and the Senate bill was passed.

A motion to reconsider the vote by which the rules were suspended was laid on the table.

A similar House resolution was ordered to lie on the table. BOUNDARY LINE BETWEEN DISTRICT OF COLUMBIA AND STATE OF VIRGINIA

Mr. MILLER. Mr. Speaker, I move to suspend the rules and pass House Joint Resolution 134, a joint resolution to continue the Commission for Determining the Boundary Line Between the District of Columbia and the State of Virginia for not to exceed 1 additional year, and to authorize not to exceed \$10,000 additional funds for its expenses.

The SPEAKER. The gentleman from Arkansas moves to suspend the rules and pass House Joint Resolution 134, as amended, which the Clerk will report.

The Clerk read as follows:

Resolved, etc., That the commission to determine the boundary line between the District of Columbia and the State of Virginia created under the act entitled "An act to provide for the appointment of a commission to establish the boundary line between the District of Columbia and the Commonwealth of Virginia", approved March 21, 1934 (48 Stat. 453), as constituted on the date of enactment of this resolution, shall continue to function under such act until the completion of its report, but not after December 1, 1925 ber 1, 1935.

SEC. 2. For the purpose of carrying out the provisions of such act and the payment of salaries and compensation under such act, the sum of \$10,000 is hereby authorized to be appropriated in addition to any sums authorized prior to the date of enactment of

this resolution.

The SPEAKER. Is a second demanded?

Mr. BLANTON. Mr. Speaker, I suggest to the gentleman from Arkansas that he can probably pass it by unanimous consent if he would renew his request.

Mr. MILLER. If no second is demanded the same object will be accomplished.

The SPEAKER. Is a second demanded?

Mr. SNELL. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered. The gentleman from New York is entitled to 20 minutes, and the gentleman from Arkansas to 20 minutes.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. MILLER. Yes. Mr. SNELL. How much money has already been expended by this Commission?

Mr. MILLER. There has been \$14,000 expended.

Mr. SNELL. And the gentleman maintains it will take \$10,000 more?

Mr. MILLER. Yes.

Mr. SNELL. Someone has said that the bill in the other body provides for \$25,000 more. What is going to be the situation in regard to that?

Mr. MILLER. That is exactly why I should like to see this bill passed, and cut off further consideration of the Senate bill, because I do not think the Senate bill is necessary at all. The hearing before the Committee on the Judiciary disclosed that this Commission could finish its work with \$10,000 additional money.

Mr. SNELL. How many men are employed on this now?

Mr. MILLER. Just the 3 commissioners and probably 1 stenographer and 2 or 3 reporters.

Mr. SNELL. What are the salaries of those people?
Mr. MILLER. Fifteen dollars a day for the commissioners. I do not know what the others get.

Mr. SNELL. It is really an honest matter and ought to be attended to?

Mr. MILLER. I think so. Here is the situation: We have spent \$14,000, whether rightly or wrongly, wisely or unwisely. We have spent that money and it will go for naught unless we do complete the work.

Mr. SNELL. What is going to be accomplished when they | when the Home Owners' Loan Corporation bill will come up?

Mr. MILLER. The only thing will be the settlement of the boundary line, if Congress adopts the report of the Commission.

Mr. SNELL. What is the discussion now about? What is at stake?

Mr. MILLER. The question as to where the boundary line extends, between the District of Columbia and Virginia, dating back to the old conflict between Virginia and Maryland. It involves a strip of territory from 200 feet wide at Chain Bridge down for about 7 or 8 miles, varying in width from 200 feet to 4 or 5 miles. It is a question of jurisdiction and a question of whether the State owns that or the District of Columbia.

Mr. MARTIN of Massachusetts. Will the gentleman yield?

Mr. MILLER. I yield.

Mr. MARTIN of Massachusetts. Is the land worth as much as it will cost to lay out the boundary?

Mr. MILLER. I think so. There are factories and improvements there worth millions of dollars.

Mr. MARTIN of Massachusetts. Is it proposed to increase the salaries of the commissioners?

Mr. MILLER. Not under this resolution. Mr. SNELL. Will the gentleman assure us they will not accept the other bill making it \$25,000?

Mr. MILLER. I can only speak for myself. I will not.

Mr. MILLARD. Will the gentleman yield?

Mr. MILLER. I yield.

Mr. MILLARD. How many times has this boundary line been determined?

Mr. MILLER. I do not know.

Mr. MILLARD. The gentleman is sure it has not been done before?

Mr. MILLER. Not as far as I know. I know that Maryland and Virginia spent many years on the matter sometime ago.

The SPEAKER. The question is on the motion of the gentleman from Arkansas [Mr. MILLER] to suspend the rules and pass the bill as amended.

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended and the bill was passed. A motion to reconsider was laid on the table.

### PERMISSION TO ADDRESS THE HOUSE

Mr. KOPPLEMANN. Mr. Speaker, I ask unanimous consent that on Wednesday next, after the Journal is read and the Speaker's desk is cleared, I be permitted 15 minutes to make comment and reply to the speech made by the gentleman from Massachusetts [Mr. TREADWAY] today.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

Mr. SNELL. Reserving the right to object, can the Speaker or the majority leader tell us what will be the program for tomorrow and Wednesday, and then we can tell whether or not we want to have too many speeches.

Mr. TAYLOR of Colorado. There will be a rule brought up for consideration, but the main part of the business on tomorrow will be the making of speeches. The gentleman from North Carolina [Mr. Doughton] has 30 minutes to discuss, I understand, some matters pending before the Ways and Means Committee, and several other gentlemen will probably speak.

Mr. SNELL. Then the only business tomorrow is speeches? The SPEAKER. The Chair will state to the gentleman that there is a rule to be taken up tomorrow with respect to employees of Members.

Mr. SNELL. After the experience we had today, I did not know whether they would bring that rule up tomorrow.

The SPEAKER. That remains to be seen. The Chair is not in charge.

Mr. SNELL. If there is no other business tomorrow, I am willing that the gentleman have time to speak.

Mr. McCORMACK. Reserving the right to object, may I ask the floor leader if he can give us any information as to ments did not affect the bill in question.

I know everyone is interested in that.

Mr. TAYLOR of Colorado. We expect to take that up Thursday and Friday.

Mr. McCORMACK. That is fine. I had an idea that it would be taken up then, but I thought it would be well to let everybody know it was coming up Thursday.

Mr. TAYLOR of Colorado. Yes. We expect it to be taken

up Thursday and concluded Friday.

Mr. MILLARD. Reserving the right to object, could not the gentleman from Connecticut make his speech tomorrow? What has become of Calendar Wednesday?

The SPEAKER. The gentleman made his request for Wednesday.

Mr. KOPPLEMANN. I cannot get my data together in time to speak tomorrow.

The SPEAKER. Is there objection?

Mr. MARTIN of Massachusetts. Reserving the right to object, I should like to ask the majority leader if we are ever going to have Calendar Wednesday?

Mr. TAYLOR of Colorado. Oh, yes; we will have a Calendar Wednesday in due time. My understanding is that whatever business may be ready for consideration next Wednesday will not be sufficient to interfere with the gentleman from Connecticut [Mr. KOPPLEMANN] making a 15minute speech.

Mr. SNELL. The President has not given any orders for any bills to go through, has he?

Mr. TRUAX. Mr. Speaker, reserving the right to object, I should like to inquire when we will consider the repeal of the pink-slip clause? Can the gentleman from Colorado inform us?

Mr. TAYLOR of Colorado. I cannot state; it is not reported yet.

Mr. McCORMACK. Mr. Speaker, I might assist the gentleman by stating that the Committee on Ways and Means has not acted on that yet.

Mr. TRUAX. The newspapers stated that it had acted, and that it would probably come up on Thursday.

Mr. McCORMACK. I can assure the gentleman there has been no official action with relation to it. I knew that the majority leader would not have in his possession this information and I merely wanted to supply it to the gentleman from Ohio through him. The committee has not officially

Mr. TRUAX. I thank the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

### PERMISSION TO ADDRESS THE HOUSE

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. TAYLOR of Colorado. Mr. Speaker and Members of the House, I appreciated the eloquent remarks of the gentleman from Ohio [Mr. Sweeney] on this the second anniversary of the inauguration of President Roosevelt, and my mind goes back to the 4th day of March 1909, 26 years ago today, when President Taft was inaugurated. On that day the Sixty-first Congress came into being with 86 new Members, and the Speaker and I were two of them. So this is our twenty-sixth birthday in Congress. [Applause.]

## EXTENSION OF REMARKS

Mr. KLEBERG. Mr. Speaker, I ask unanimous consent to be permitted to revise and extend my remarks; and I make a similar request on behalf of the gentleman from Tennessee [Mr. McReynolds].

Mr. ZIONCHECK. Mr. Speaker, reserving the right to object, does this concern the Mexican situation?

Mr. KLEBERG. Yes; and it has to do with my statements, which were not pertinent, inasmuch as my stateMr. ZIONCHECK. As far as that is concerned, could not the gentleman take his remarks out, if they have no pertinency to the bill in question?

Mr. KLEBERG. That would be perfectly all right, but the usual manner of doing it is by asking the Chair to permit it to be done. For this reason I have submitted the request.

Mr. ZIONCHECK. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. LARRABEE, indefinitely, on account of illness.

To Mr. Lee of Oklahoma (at the request of Mr. Daly), indefinitely, on account of death in family.

To Mr. Schneider, for 3 days, on account of important business.

#### BILL PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 3464. An act to amend certain sections of the Code of Law for the District of Columbia, approved March 3, 1901, as amended, relating to descent and distribution.

### ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 39 minutes p. m.) the House adjourned until tomorrow, Tuesday, March 5, 1935, at 12 o'clock noon.

### COMMITTEE HEARINGS

# SUBCOMMITTEE ON FISCAL AFFAIRS OF THE COMMITTEE ON DISTRICT OF COLUMBIA

Tuesday, March 5, and Thursday, March 7, at 9:30 a.m., room 326, Old House Office Building, to consider H. R. 5534, to provide for unemployment compensation in the District of Columbia; make appropriation, and for other purposes.

# COMMITTEE ON THE PUBLIC LANDS

Continuation of hearing on bill (H. R. 3019) providing for certain amendments to the Public Domain Grazing Act, room 330, House Office Building, at 10:30 a.m. tomorrow, Tuesday, March 5.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

241. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the legislative establishment, House of Representatives, for the fiscal years 1935 and 1936, in the sum of \$3,000 (H. Doc. No. 116); to the Committee on Appropriations and ordered to be printed.

242. A letter from the Secretary of War, transmitting an approved report, dated January 31, 1935, of a board of officers appointed to conduct a survey of Governors Island, N. Y., to determine its usefulness and adaptability as an airport and the cost of accomplishing all work incidental to effecting the change, together with its 30 enclosures; to the Committee on Military Affairs.

243. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year ending June 30, 1935, for the War Department, for Army transportation, amounting to \$577,124 (H. Doc. No. 119); to the Committee on Appropriations and ordered to be printed.

# REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. CELLER: Committee on the Judiciary. H. R. 6323. A bill to provide for the custody of Federal proclamations, orders, regulations, notices, and other documents, and for the prompt and uniform printing and distribution thereof; without amendment (Rept. No. 280). Referred to the Committee of the Whole House on the state of the Union.

Mr. HEALEY: Committee on the Judiciary. House Joint Resolution 146. Joint resolution to authorize the several States to negotiate compacts or agreements to promote greater uniformity in the laws of such States affecting labor and industries; without amendment (Rept. No. 281). Referred to the House Calendar.

Mr. KNIFFIN: Committee on Naval Affairs. H. R. 4767. A bill to amend section 1383 of the Revised Statutes of the United States; with amendment (Rept. No. 282). Referred to the House Calendar.

Mr. WEAVER: Committee on the Judiciary. H. R. 5456. A bill relating to the powers and duties of United States marshals; with amendment (Rept. No. 283). Referred to the House Calendar.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. H. R. 4376. A bill for the relief of the Pawnee Tribe of Indians of Oklahoma; without amendment (Rept. No. 286). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. H. R. 6292. A bill to provide for the reappointment of Frederic A. Delano as a member of the Board of Regents of the Smithsonian Institution; without amendment (Rept. No. 287). Referred to the House Calendar.

# REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SEARS: Committee on Naval Affairs. H. R. 5564. A bill for the relief of Capt. Russell Willson, United States Navy; without amendment (Rept. No. 284). Referred to the Committee of the Whole House.

## CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 5630) granting a pension to Grace V. Foster, and the same was referred to the Committee on Invalid Pensions.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DISNEY: A bill (H. R. 6358) authorizing an appropriation for payment to the Osage Tribe of Indians, on account of their lands sold by the United States; to the Committee on Indian Affairs.

By Mr. DOUGHTON: A bill (H. R. 6359) to repeal certain provisions relating to publicity of certain statements of income; to the Committee on Ways and Means.

By Mr. LUNDEEN: A bill (H. R. 6360) to provide aid for the operation and maintenance of adequate public-school facilities throughout the country; to the Committee on Education.

By Mr. POLK: A bill (H. R. 6361) to amend the Filled Milk Act; to the Committee on Agriculture.

Also, a bill (H. R. 6362) for the purpose of protecting American youth from the teaching of communism and other radical doctrines; to the Committee on Education.

By Mr. RAMSPECK: A bill (H. R. 6363) to amend section 4471 of the Revised Statutes of the United States, as amended; to the Committee on Merchant Marine and Fisheries.

By Mr. RANKIN: A bill (H. R. 6364) to amend an act entitled "An act to improve the navigability and to provide

for the flood control of the Tennessee River; to provide for reforestation and the proper use of marginal lands in the Tennessee Valley; to provide for the agricultural and industrial development of said valley; to provide for the national defense by the creation of a corporation for the operation of Government properties at and near Muscle Shoals in the State of Alabama, and for other purposes", approved May 18, 1933; to the Committee on Military Affairs.

By Mr. ROGERS of Oklahoma (by departmental request): A bill (H. R. 6365) extending the time for repayment of the revolving fund for the benefit of the Crow Indians; to the Committee on Indian Affairs.

By Mr. SCRUGHAM: A bill (H. R. 6366) to terminate certain foreign-trade agreements and to terminate the authority to enter into them; to the Committee on Ways and Means.

By Mr. TAYLOR of Tennessee: A bill (H. R. 6367) to authorize the prompt deportation of criminals and certain other aliens, to guard against the separation from their families of certain law-abiding aliens, to further restrict immigration into the United States, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. BOEHNE: A bill (H. R. 6368) to amend subdivisions (a) and (b) of section 400 of the Revenue Act of 1926, as amended, relating to taxes on cigars and cigarettes; to the Committee on Ways and Means.

By Mr. BROOKS: A bill (H. R. 6369) to amend title VIII of the Revenue Act of 1926, as amended, and for other purposes; to the Committee on Ways and Means.

By Mr. FORD of Mississippi: A bill (H. R. 6370) to establish a permanent policy of financial cooperation by the Federal Government with the several States and Territories in promotion of the benefits of public education, and for other purposes, to the Committee on Education.

By Mr. KELLER: A bill (H. R. 6371) to authorize an increase in the annual appropriation for books for the adult blind: to the Committee on the Library.

By Mr. THOMASON: A bill (H. R. 6372) to authorize the coinage of 50-cent pieces in connection with the Cabeza de Vaca Expedition and the opening of the Old Spanish Trail; to the Committee on Coinage, Weights, and Measures.

Also, a bill (H. R. 6373) to provide for the establishment of the Big Bend National Park in the State of Texas, and for other purposes; to the Committee on the Public Lands.

By Mr. WHELCHEL: A bill (H. R. 6374) providing compensation for the Post Office Department for the extra work involved in the return of valuable packages from the deadletter office to the writers; to the Committee on the Post Office and Post Roads.

By Mr. BRUNNER: A bill (H. R. 6375) granting annual and sick leave to postal employees; to the Committee on the Post Office and Post Roads.

By Mr. CELLER: A bill (H. R. 6376) to amend section 118 of the Judicial Code to provide for the appointment of law clerks to United States district court judges; to the Committee on the Judiciary.

By Mr. MAAS: A bill (H. R. 6377) to assure to persons within the jurisdiction of every State the equal protection of the laws by discouraging, preventing, and punishing the crime of lynching; to the Committee on the Judiciary.

By Mr. MEAD: A bill (H. R. 6378) regulating the procedure for the award of Government contracts; to the Committee on the Judiciary.

By Mr. DIMOND: A bill (ff. R. 6379) to amend the Mining Act of May 10, 1872, as amended; to the Committee on Mines and Mining.

By Mr. LAMNECK: A bill (H. R. 6380) to levy a tax of 1 percent each half year on national-bank circulating notes, Federal Reserve notes, and Federal Reserve bank notes; to the Committee on Ways and Means.

By Mr. WHELCHEL: A bill (H. R. 6381) increasing the monthly benefits paid under the act providing compensation for employees of the Federal Civil Works Administration and Civilian Conservation Corps who are permanently or temporarily totally disabled while in the performance

of their duties without disturbing the maximum limit of \$3,500 in each case; to the Committee on the Judiciary.

By Mr. SWEENEY: A bill (H. R. 6382) to restore to Congress its constitutional power to issue money and regulate the value thereof; to provide for the orderly distribution of the abundance with which a beneficent Creator has blessed us; to establish and maintain the purchasing power of money at a fixed and equitable level; to restore the values of property to just and equitable levels; to increase the prices of agricultural products to a point where they will yield the cost of production plus a fair profit to the farmer; to provide a living and just annual wage which will enable every citizen willing to work and capable of working to maintain and educate his family on an increasing level or standard of living; to repay debts with dollars of equal value; to lift in part the burden of taxation; and for other purposes; to the Committee on Banking and Currency.

By Mr. CANNON of Wisconsin: Resolution (H. Res. 144) barring the public from the galleries of both Houses of Congress; to the Committee on Rules.

By Mr. CARTER: Resolution (H. Res. 145) to investigate the naval facilities in the San Francisco Bay area; to the Committee on Naval Affairs.

By Mr. HESS: Resolution (H. Res. 146) to pay to Phyllis Heim, daughter of the late Eugene Heim, 6 months' compensation and not to exceed \$250 funeral expenses; to the Committee on Accounts.

By Mr. McGRATH: Resolution (H. Res. 147) to authorize and empower the Secretary of the Navy to appoint a commission to investigate naval establishments on San Francisco Bay, Calif., and for other purposes; to the Committee on Naval Affairs.

By Mr. COCHRAN: Concurrent resolution (H. Con. Res. 13) to print and bind additional copies of Senate Document No. 139, Seventy-third Congress, entitled "Interstate Commerce Act Annotated"; to the Committee on Printing.

### MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Idaho, regarding the work of the Federal Bureau of Mines; to the Committee on Mines and Mining.

Also, memorial of the Legislature of the State of Arkansas, supporting the policies of the President; to the Committee on Appropriations.

### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of the rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CALDWELL: A bill (H. R. 6383) granting a pension to Walter L. Rosasco; to the Committee on Pensions.

By Mr. CLARK of Idaho: A bill (H. R. 6384) for the relief of Lynn Brother's Benevolent Hospital; to the Committee on Claims.

By Mr. CROWTHER: A bill (H. R. 6385) granting an increase of pension to Julia Woods; to the Committee on Invalid Pensions.

By Mr. EDMISTON: A bill (H. R. 6386) granting a pension to Sarah M. Waugh; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6387) granting a pension to Frank C. Nelson; to the Committee on Pensions.

Also, a bill (H. R. 6388) for the relief of Harry C. Anderson; to the Committee on Military Affairs.

Also, a bill (H. R. 6389) granting a pension to Columbus

R. Fulks; to the Committee on Pensions.

By Mr. GASSAWAY: A bill (H. R. 6390) to amend Private

Act No. 548, Seventieth Congress, approved March 2, 1929; to the Committee on Military Affairs.

Also, a bill (H. R. 6391) for the relief of Beryl M. McHam;

Also, a bill (H. R. 6391) for the relief of Beryl M. McHam to the Committee on Military Affairs.

Also, a bill (H. R. 6392) granting a pension to Clara M. Curtis; to the Committee on Pensions.

Also, a bill (H. R. 6393) for the relief of William F. Bourland; to the Committee on Claims.

By Mrs. GREENWAY: A bill (H. R. 6394) for the relief of William K. Caley; to the Committee on Claims.

By Mr. GRISWOLD: A bill (H. R. 6395) providing for the advancement on the retired list of the Marine Corps of Hiram L. Bearss; to the Committee on Naval Affairs.

By Mr. HANCOCK of New York: A bill (H. R. 6396) granting a pension to Mary McKeeby Reed; to the Committee on Invalid Pensions.

By Mr. HARTLEY: A bill (H. R. 6397) for the relief of John N. Caffrey; to the Committee on Naval Affairs.

Also, a bill (H. R. 6398) for the relief of the Barber-Hoppen Corporation; to the Committee on Claims.

By Mr. KVALE: A bill (H. R. 6399) for the relief of Carl August Engelhardt; to the Committee on Naval Affairs.

By Mr. LAMBERTSON: A bill (H. R. 6400) granting a pension to Sarah Ukele; to the Committee on Invalid Pensions.

By Mr. LUCKEY: A bill (H. R. 6401) granting an increase of pension to Mary E. Perky; to the Committee on Invalid Pensions.

By Mr. McCORMACK: A bill (H. R. 6402) for the relief of Julia M. Crowell; to the Committee on Claims.

By Mr. MAPES: A bill (H. R. 6403) granting a pension to Martha Buffington; to the Committee on Invalid Pensions.

By Mr. MONTAGUE: A bill (H. R. 6404) for the relief of D. B. Carter; to the Committee on Claims.

By Mr. MONTET: A bill (H. R. 6405) to provide for a preliminary examination and survey for the enlargement of a ship channel in Louisiana; to the Committee of Rivers and Harbors.

Also, a bill (H. R. 6406) to provide for a preliminary examination and survey for the enlargement of the Boston Canal, La.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 6407) for the relief of Thomas J. Guilbeau; to the Committee on Military Affairs.

Also, a bill (H. R. 6408) to provide for a preliminary examination and survey for the enlargement of Bayou DuLarge, La.; to the Committee on Rivers and Harbors.

By Mr. PETERSON of Florida: A bill (H. R. 6409) for the relief of Peter C. Hains, Jr.; to the Committee on Military Affairs.

By Mr. POLK: A bill (H. R. 6410) granting a pension to Mollie Brooks; to the Committee on Invalid Pensions.

By Mr. QUINN: A bill (H. R. 6411) for the relief of James Bollis; to the Committee on Military Affairs.

By Mr. REED of Illinois: A bill (H. R. 6412) granting a pension to Lena Keating Wagner; to the Committee on Invalid Pensions.

By Mr. ROBERTSON: A bill (H. R. 6413) to provide for the appointment of William J. Farrell as a warrant officer, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 6414) to reimburse Edmund Pendleton Tompkins for the loss and/or destruction of Liberty bonds; to the Committee on Claims.

By Mr. SHORT: A bill (H. R. 6415) granting an increase of pension to Lydia E. Laton; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 6416) granting a pension to Horace V. White; to the Committee on Pensions.

Also, a bill (H. R. 6417) granting a pension to Vada Cross; to the Committee on Pensions.

By Mr. THOMASON: A bill (H. R. 6418) granting a pension to William Burcham; to the Committee on Pensions.

By Mr. UNDERWOOD: A bill (H. R. 6419) granting an increase of pension to Samuel Curry; to the Committee on Pensions

Also, a bill (H. R. 6420) granting an increase of pension to Margaret E. Hoops; to the Committee on Invalid Pensions.

By Mr. WELCH: A bill (H. R. 6421) for the relief of Nicholas Aloysius Lopina; to the Committee on Naval Affairs.

By Mr. WHELCHEL: A bill (H. R. 6422) granting an increase of pension to John R. Robertson; to the Committee on Pensions.

By Mr. ALLEN: A bill (H. R. 6423) granting an increase of pension to Mary Allen; to the Committee on Invalid Pensions.

### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2399. By Mr. ANDREWS of New York: Twenty-seven petitions containing approximately 300 names of residents of the Fortieth Congressional District of New York State, protesting against enactment of House bill 5423 and Senate bill 1725; to the Committee on Interstate and Foreign Commerce.

2400. By Mr. BEITER: Petition of Group No. 105 of the Polish National Alliance of the United States of North America, of Depew, N. Y., memorializing Congress to enact House Joint Resolution 81 and Senate Joint Resolution 11, directing the President of the United States to proclaim October 11 of each year as General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

2401. By Mr. BELL: Resolution of Charles S. Edwards Post, No. 2590, Veterans of Foreign Wars, Carthage, Mo., favoring the Patman bonus bill; to the Committee on Ways and Means.

2402. Also, resolution of Claude B. Champion Post, No. 1829, of the Veterans of Foreign Wars of Kansas City, Mo., favoring passage of House bill 1, known as the "Patman bonus bill"; to the Committee on Ways and Means.

2403. By Mr. BOYLAN: Resolution unanimously adopted by the board of directors of the Utilities Employees Security Co., of Utica, N. Y., opposing the passage of the Wheeler-Rayburn public-utility bill; to the Committee on Interstate and Foreign Commerce.

2404. Also, resolution adopted by the National Women's Party of New York City, regarding equal rights amendment; to the Committee on the Judiciary.

2405. Also, letter from the Mailers' Union, No. 6, New York City, N. Y., favoring the McCarran amendment to the public-works relief bill; to the Committee on Appropriations.

2406. By Mr. BRUNNER: Resolution of the Holy Name Society of St. Teresa's Roman Catholic Church, Richmond Hill, N. Y., calling upon Members of Congress to exert every effort at their command to the end that the tyranny and persecution of members of the Catholic Church be halted; to the Committee on Foreign Affairs.

2407. Also, resolution of the Long Island Chamber of Commerce, regarding the opposition to St. Lawrence Waterway Treaty with Canada; to the Committee on Foreign Affairs.

2408. Also, resolution of the Holy Name Society of St. Bartholomew's Roman Catholic Church, Elmhurst, Long Island, N. Y., protesting the persecution of their Catholic brethren in Mexico; to the Committee on Foreign Affairs.

2409. By Mr. BUCKBEE: Petition of Group No. 433 of the Polish National Alliance of America, Streator, Ill., asking Congress to proclaim October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

2410. By Mr. BUCKLER of Minnesota: Petition of Cyrus A. Field, chairman of the committee on national legislation of the Civic and Commercial Association of Fergus Falls, urging the prevention and opposition to passage of the 30-hour-week bill; to the Committee on Labor.

2411. By Mr. CROSS of Texas: Petition signed by Babe Williams and numerous others of Falls County, Tex., advocating the Dr. Pope old-age-pension plan; to the Committee on Ways and Means.

2412. Also, petition signed by James P. Pogue and numerous others of Milam County, Tex., advocating the Townsend old-age-pension plan; to the Committee on Ways and Means.

2413. Also, petition signed by Jessie Rhea Gray and numerous others of Milam County, Tex., advocating the Townsend old-age-pension plan; to the Committee on Ways and Means.

2414. Also, petition signed by J. D. Peeples, Sr., and numerous others of Milam County, Tex., advocating the Townsend old-age-pension plan; to the Committee on Ways and Means.

2415. Also, petition signed by Luetta Brown and numerous others of McLennan County, Tex., advocating the Dr. Pope old-age-pension plan; to the Committee on Ways and Means.

2416. Also, petition signed by Sam N. Williams and numerous others of Milam County, Tex., advocating the Townsend old-age-pension plan; to the Committee on Ways and Means.

2417. Also, petition signed by Rachel Davenport and numerous others of Milam County, Tex., advocating the Dr. Pope old-age-pension plan; to the Committee on Ways and Means.

2418. Also, petition signed by George S. Draper and numerous others of Coryell County, Tex., advocating the Townsend old-age-pension plan; to the Committee on Ways and Means.

2419. Also, petition signed by J. Spurlin and numerous others of Coryell County, Tex., advocating the Townsend old-age-pension plan; to the Committee on Ways and Means.

2420. Also, petition signed by Arthur Browning and numerous others of Coryell County, Tex., advocating the Townsend old-age-pension plan; to the Committee on Ways and Means.

2421. Also, petition signed by Magnolia J. Armstrong and numerous others of McLennan County, Tex., advocating the Townsend old-age-pension plan; to the Committee on Ways and Means.

2422. Also, petition signed by William W. Farrar and numerous others of Coryell County, Tex., advocating the Dr. Pope old-age-pension plan; to the Committee on Ways and Means.

2423. Also, petition signed by W. H. Tatum and numerous others of Bell County, Tex., advocating the Dr. Pope old-agepension plan; to the Committee on Ways and Means.

2424. Also, petition signed by Mrs. J. H. Reeder and numerous others of Bosque County, Tex., advocating the Dr. Pope old-age-pension plan; to the Committee on Ways and Means.

2425. Also, petition signed by Mrs. R. D. Wiseman and numerous others of Bell County, Tex., advocating the Townsend old-age-pension plan; to the Committee on Ways and Means

2426. Also, petition signed by A. L. Wunsch and numerous others of Bell County, Tex., advocating the Townsend old-age-pension plan; to the Committee on Ways and Means.

2427. Also, petition signed by M. M. Friarson and numerous others of Bell County, Tex., advocating the Townsend old-age-pension plan; to the Committee on Ways and Means.

2428. Also, petition signed by Q. T. Jenkins and numerous others of Bell County, Tex., advocating the Townsend old-age-pension plan; to the Committee on Ways and Means.

2429. Also, petition signed by Clarence Cook and numerous others of Bell County, Tex., advocating the Townsend old-age-pension plan; to the Committee on Ways and Means,

2430. Also, petition signed by L. B. Jeter and numerous others of Bell County, Tex., advocating the Townsend old-age-pension plan; to the Committee on Ways and Means.

2431. Also, petition signed by D. W. Tomlinson and numerous others of Bell County, Tex., advocating the Townsend old-age-pension plan; to the Committee on Ways and Means.

2432. Also, petition signed by Annie Miller and numerous others of Bell County, Tex., advocating the Townsend old-age-pension plan; to the Committee on Ways and Means.

2433. Also, petition signed by J. W. Maples and numerous others of Bell County, Tex., advocating the Townsend old-age-pension plan; to the Committee on Ways and Means.

2434. Also, petition signed by J. M. Slick and numerous others of Bell County, Tex., advocating the Townsend old-age-pension plan; to the Committee on Ways and Means.

2435. Also, petition signed by Mrs. J. A. Mabry and numerous others of Bell County, Tex., advocating the Townsend old-age-pension plan; to the Committee on Ways and Means.

2436. Also, petition signed by Mrs. R. W. Ernest and numerous others of Bell County, Tex., advocating the Townsend old-age-pension plan; to the Committee on Ways and Means.

2437. Also, petition signed by Mrs. I. L. Martin and numerous others of Bell County, Tex., advocating the Townsend old-age-pension plan; to the Committee on Ways and Means.

2438. Also, petition signed by Mrs. B. M. Donald and numerous others of Bell County, Tex., advocating the Townsend old-age-pension plan; to the Committee on Ways and Means.

2439. Also, petition signed by E. A. Murphy and numerous others of Bell County, Tex., advocating the Townsend old-age-pension plan; to the Committee on Ways and Means.

2440. Also, petition signed by Mrs. W. O. Davis and numerous others of Bell County, Tex., advocating the Townsend old-age-pension plan; to the Committee on Ways and Means.

2441. Also, petition signed by H. O. Taylor and numerous others of Bell County, Tex., advocating the Townsend old-age-pension plan; to the Committee on Ways and Means.

2442. Also, petition signed by T. M. Gerald and numerous others of Bell County, Tex., advocating the Townsend old-age-pension plan; to the Committee on Ways and Means.

2443. Also, petition signed by Charles A. Wiggins and numerous others of Bell County, Tex., advocating the Townsend old-age-pension plan; to the Committee on Ways and Means.

2444. Also, petition signed by Floyd Garrett and numerous others of Bell County, Tex., advocating the Townsend old-age-pension plan; to the Committee on Ways and Means. Means.

2445. Also, petition signed by Nina Smith and numerous others of Bell County, Tex., advocating the Townsend old-age-pension plan; to the Committee on Ways and Means.

2446. By Mr. CROWE: Editorial from the Vevay Reveille-Enterprise, Vevay, Ind., by James K. Danglade, editor, urging the passage of the Crowe resolution (H. J. Res. 157), to authorize a compact or agreement between Kentucky and Indiana with respect to hunting and fishing privileges, and other matters relating to jurisdiction on the Ohio River, and for other purposes; to the Committee on the Judiciary.

2447. Also, a letter from the Madison Gun Club, Madison, Ind., by Clarence D. Scheetz, president, urging the passage of the Crowe resolution (H. J. Res. 157), to authorize a compact or agreement between Kentucky and Indiana with respect to hunting and fishing privileges, and other matters relating to jurisdiction on the Ohio River, and for other purposes; to the Committee on the Judiciary.

2448. Also, a letter from the Lawrenceburg Conservation Club, of Lawrenceburg, Ind., by Robert F. Cook, secretary, urging the passage of the Crowe resolution (H. J. Res. 157), to authorize a compact or agreement between Kentucky and Indiana with respect to hunting and fishing privileges, and other matters relating to jurisdiction on the Ohio River, and for other purposes; to the Committee on the Judiciary.

2449. Also, letter from the Southern Indian Sportsmens Association, Madison, Ind., by J. S. Matthews, secretary, urging the passage of the Crowe resolution (H. J. Res. 157), to authorize a compact or agreement between Kentucky and Indiana with respect to hunting and fishing privileges, and other matters relating to jurisdiction on the Ohio River, and for other purposes; to the Committee on the Judiciary.

2450. Also, letter from John R. Woods, Rising Sun, Ind., urging the passage of the Crowe resolution (H. J. Res. 157), to authorize a compact or agreement between Kentucky and Indiana with respect to hunting and fishing privileges, and other matters relating to jurisdiction on the Ohio River, and for other purposes; to the Committee on the Judiciary.

2451. Also, a letter from the Springs Valley Conservation Club, French Lick, Ind., by C. C. Qualkinbush, secretary, urging the passage of the Crowe resolution (H. J. Res. 157),

to authorize a compact or agreement between Kentucky and Indiana with respect to hunting and fishing privileges, and other matters relating to jurisdiction on the Ohio River, and for other purposes; to the Committee on the Judiciary.

2452. Also, petition from the Scott County Fish and Game Association, Scottsburg, Ind., by J. Max Montgomery, secretary, urging the passage of the Crowe resolution (H. J. Res. 157), to authorize a compact or agreement between Kentucky and Indiana with respect to hunting and fishing privleges, and other matters relating to jurisdiction on the Ohio River, and for other purposes; to the Committee on the Judiciary.

2453. Also, petition of Stewartsville Gun Club, Stewartsville, Ind., urging the passage of the Crowe resolution (H. J. Res. 157), to authorize a compact or agreement between Kentucky and Indiana with respect to hunting and fishing privileges, and other matters relating to jurisdiction on the Ohio River, and for other purposes; to the Committee on the Judiciary

2454. By Mr. CROWTHER: Petition of Group 113 of the Polish National Alliance of the United States, Amsterdam, N. Y., requesting enactment of House Joint Resolution 81; to the Committee on the Judiciary.

2455. Also, petition of citizens of Schenectady, N. Y., opposing passage of House bill 5423; to the Committee on Interstate and Foreign Commerce.

2456. By Mr. CULKIN: Petition of 313 residents of the Thirty-second Congressional District of New York State, urging passage of the Townsend plan of old-age pension; to the Committee on Ways and Means.

2457. Also, petition of 13 residents of Watertown, N. Y., to block the passage of the public-utility holding-company bill: to the Committee on Interstate and Foreign Commerce.

2458. Also, petition of 23 residents of New York State, opposing House bill 5423; to the Committee on Interstate and Foreign Commerce.

2459. Also, petition of the Common Council of the City of Oswego, N. Y., favoring the passage of the General Pulaski's Memorial Day resolution; to the Committee on the Judiciary.

2460. Also, petition of Ray Choate, of Morrisville, and 12 residents of Eaton and Morrisville, State of New York, protesting against the passage of Senate bill 1725 and House bill 5423; to the Committee on Interstate and Foreign Commerce.

2461. Also, petition of the Common Council of the City of North Tonawanda, N. Y., favoring the passage of the General Pulaski Memorial Day resolution; to the Committee on the Judiciory

2462. By Mr. DARROW: Resolution of the Keystone Automobile Club Casualty Co., protesting against the passage of public-utility bills (S. 1725 and H. R. 5423); to the Committee on Interstate and Foreign Commerce.

2463. By Mr. DIETRICH: Fifty-three petitions signed by many residents of the Fifteenth Congressional District of Pennsylvania, urging the defeat of Senate bill 1725 and House bill 5423, known as the "Public Utility Act of 1935"; to the Commmittee on Interstate and Foreign Commerce.

2464. By Mr. DRIVER: Petitions of certain citizens resident of the State of Arkansas in the counties of Craighead, Mississippi, Poinsett, Crittenden, St. Francis, Cross, Clay, Phillips, Lee, Greene, all numerously signed, urging enactment of House bill 2856, by Representative Will Rogers, of Oklahoma, embracing the Pope plan of direct Federal old-age pensions of \$30 per month to persons over 55, independent of State participation; to the Committee on Ways and Means.

2465. By Mr. GOODWIN: Petition of Parent-Teachers Association, Public School No. 7, Kingston, N. Y., urging the Department of Interior, through their office of education, to encourage the use of the motion picture for visual education; to the Committee on Education.

2466. Also, petition of residents of Hartwood, Callicoon, and Hortonville, Sullivan County, N. Y., protesting against the enactment of public-utility bills (S. 1725 and H. R. 5423); to the Committee on Interstate and Foreign Commerce.

2467. Also, petition of residents of Windham, Ashland, East Jewett, and Maplecrest, Greene County, N. Y., protesting against the enactment of public-utility bills (S. 1725 and H. R. 5423); to the Committee on Interstate and Foreign Commerce.

2468. By Mr. HALLECK: Resolution adopted by Tippe-canoe Post, No. 1154, Veterans of Foreign Wars, of La Fayette, Ind., urging early enactment of House bill 1, for the payment of the adjusted-service certificates; to the Committee on Ways and Means.

2469. Also, petition of veterans and friends of veterans of Rochester, Ind., and vicinity, favoring the legislative program of the National American Legion; to the Committee on Ways and Means.

2470. By Mr. HAINES: Petitions signed by 385 of his constituents (Twenty-second District of Pennsylvania), protesting against House bill 5423, public-utility bill; to the Committee on Interstate and Foreign Commerce.

2471. By Mr. HIGGINS of Connecticut: Resolutions of the Common Council of the City of New Britain, favoring the establishment of October 11 of a General Pulaski Memorial Day; to the Committee on the Judiciary.

2472. Also, resolution of the board of directors of the Second National Bank of New Haven, Conn., protesting against the passage of the so-called "holding company bill" (H. R. 5423); to the Committee on Interstate and Foreign Commerce.

2473. By Mr. HOEPPEL: Resolution of the City Council of the City of South Pasadena, Calif., requesting the Congress of the United States to give fair and impartial consideration to the Townsend old-age revolving pension bill; to the Committee on Labor.

2474. By Mr. KENNEY: Petition of Bus Drivers, Conductors, and Mechanics Union of New York, Local No. 31, 225 Lafayette Street, New York City, endorsing the national-lottery bill; to the Committee on Ways and Means.

2475. Also, petition of the Federation of the Italian-American Democratic Organizations of the State of New York, Inc., 225 Lafayette Street, New York City, endorsing the national-lottery bill; to the Committee on Ways and Means.

2476. By Mr. KVALE: Petition of 371 residents of Belview, Minn., urging adoption of the Townsend plan for oldage pensions; to the Committee on Ways and Means.

2477. By Mr. LAMNECK: Petition of Teresa Newman, of 2675 Deming Avenue, and other citizens of Columbus, Ohio, urging for the continuation of the Nye munitions investigation: to the Committee on Military Affairs.

2478. By Mr. LUCKEY: Senate joint memorial of the State of Nebraska, memorializing Congress, the Department of the Interior, and the National Park Service to create a national-park area in the North Platte Valley extending from Bridgeport, Nebr., to and including Guernsey Lake, Wyo., and to acquire such historic landmarks, sites, and structures as are pertinent to the history of the Oregon, Mormon, and California trails, with particular reference to the acquisition, preservation, and restoration of Old Fort Laramie and its maintenance as a historical museum; to the Committee on Military Affairs.

2479. By Mr. McLAUGHLIN: Memorial memorializing Congress, the Department of the Interior, and the National Park Service to create a national-park area in the North Platte Valley extending from Bridgeport, Nebr., to and including Guernsey Lake, Wyo., and to acquire such historic landmarks, sites, and structures as are pertinent to the history of the Oregon, Mormon, and California trails, with particular reference to the acquisition, preservation, and restoration of Old Fort Laramie and its maintenance as a historical museum; to the Committee on Military Affairs.

2480. Also, resolution providing for the proclaiming by the President of the United States for October 11 of each year as General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

2481. By Mr. MEAD: Petition of citizens of Buffalo, N. Y., requesting the President of the United States to proclaim October 11 of each year General Pulaski Memorial Day; to the Committee on the Judiciary.

2482. By Mr. MERRITT of New York: Petition of Joseph A. Quility, of 2340 University Avenue, New York City, N. Y., and various other residents of New York City and surrounding towns, urging Congress to defeat the Rayburn-Wheeler public-utility bill; to the Committee on Interstate and Foreign Commerce.

2483. Also, petition of the Holy Name Society of St. Bartholomew's Roman Catholic Church, Elmhurst, Long Island, N. Y., protesting against the persecution of coreligionists in Mexico, urging the daily press to publish the true facts of present conditions, and calling upon Congress for assistance in bringing about a termination of such persecutions, etc.; to the Committee on Foreign Affairs.

2484. Also, petition of William I. Thibault, of 71 Broadway, and other residents of New York City and vicinity, protesting against the passage of the Rayburn-Wheeler public-utility bills, and urging upon Congress to defeat same; to the Committee on Interstate and Foreign Commerce.

2485. Also, petition of Arthur J. O'Leary, of 1849 East Thirty-seventh Street, Brooklyn, N. Y., and other residents of Brooklyn and vicinity, urging Congress to defeat the Rayburn-Wheeler public-utility bill; to the Committee on Interstate and Foreign Commerce.

2486. By Mr. MILLARD: Petition signed by residents of Westchester County, N. Y., opposing the passage of House bill 3971; to the Committee on Interstate and Foreign Com-

2487. Also, petition signed by residents of New York State, opposing the enactment of the holding company bill: to the Committee on Interstate and Foreign Commerce.

2488. By Mr. PEARSON: Petition of citizens of Hardeman County, Tenn., regarding old-age pension; to the Committee on Ways and Means.

2489. Also, petition of citizens of Hardin County, Tenn. regarding old-age pension; to the Committee on Ways and

2490. Also, petition of citizens of McNairy County, Tenn., regarding old-age pension; to the Committee on Ways and

2491. Also, petition of citizens of Henry County, Tenn., regarding old-age pension; to the Committee on Ways and

2492. Also, petition of citizens of Henderson County, Tenn., regarding old-age pension; to the Committee on Ways and Means.

2493. Also, petition of citizens of Bethel Springs, McNairy County, Tenn., supporting House bill 3994; to the Committee on the Post Office and Post Roads.

2494. By Mr. PFEIFER: Petition of the Bacon Coal Co., Brooklyn, N. Y., concerning the Black-Connery 30-hourweek bills; to the Committee on Labor.

2495. Also, petition of David Rosenberg, Woodmere, Long Island, and 22 other citizens of the greater city of New York, concerning the Rayburn-Wheeler bill; to the Committee on Interstate and Foreign Commerce.

2496. Also, petition of Richey, Browne & Donald, Maspeth, N. Y., concerning the Wagner-Lewis-Doughton bills; to the Committee on Ways and Means.

2497. Also, petition of Lillian C. Calnan, Jackson Heights, Long Island, N. Y., favoring increased compensation for families of men killed on the U.S.S. Akron; to the Committee on Naval Affairs.

2498. Also, petition of Roovers Bros., Inc., Brooklyn, N. Y., concerning the Wagner-Lewis-Doughton bills; to the Committee on Ways and Means.

2499. Also, petition of Towns & James, Inc., Brooklyn, N. Y., concerning publicity of income-tax returns; to the Committee on Ways and Means.

2500. Also, petition of the Long Island Chamber of Commerce, Inc., New York City, regarding section 55 (b) of the Revenue Act of 1934; to the Committee on Ways and Means. other citizens of Dixon, N. Mex., favoring House bill 2856,

2501. Also, petition of Rose Weiss, attorney, Brooklyn, N. Y., regarding the Wagner national labor relations bill: to the Committee on Labor.

2502. Also, petition of H. B. Plumb of Eagle Lock Co., New York City, concerning the Rayburn public-utility holding company bill; to the Committee on Interstate and Foreign Commerce.

2503. Also, petition of John G. Marshall, Inc., Brooklyn. N. Y., concerning the Wagner-Lewis-Doughton bills; to the Committee on Ways and Means.

2504. Also, petition of the Brooklyn Local, New York State branch of the Catholic Central-Verein of America, Dr. August G. Maron, president, protesting against the adoption of Senate bills 600 and 1375, amending sections 211, 245, and 312 of the Criminal Code, and endorsing bill no. 1541; to the Committee on the Judiciary.

2505. Also, petition of Edward Fries and 10 other citizens of Brooklyn, N. Y., concerning the Rayburn public-utility bill (H. R. 5423); to the Committee on Interstate and Foreign

2506. Also, petition of the Architectural Sculptors and Carvers Association, New York City, concerning the McCarran amendment in the work-relief bill; to the Committee on Appropriations.

2507. By Mr. REED of Illinois: Petition signed by H. C. Atthoff, of Aurora, Ill., and 97 others, requesting passage of the Townsend old-age revolving pension plan; to the Committee on Ways and Means.

2508. By Mr. ROGERS of Oklahoma: Petition of Neal Conner and numerous other citizens of Chalybeate, Ripley, and Walnut, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age-pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2509. Also, petition of J. L. Marshall and numerous other citizens of Indianola, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2510. Also, petition of W. Reed and numerous other citizens of Greenville, Stoneville, and Metcalfe, Miss., favoring House bill 2856, by Congressman WILL Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2511. Also, petition of Juan Martinez and numerous other citizens of Weston, Valdez, and Trinidad, Colo., favoring House bill 2856, by Congressman WILL Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2512. Also, petition of Frank Little and numerous other citizens of Smithfield, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2513. Also, petition of Henry Ritchie and numerous other citizens of Tipler, Wis., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2514. Also, petition of James T. Farmer and numerous other citizens of Seneca, Mo., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2515. Also, petition of John B. Morris and numerous other citizens of Charleroi, Pa., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2516. Also, petition of Eddie Y. Harris and numerous other citizens of Louisburg and Spring Hope, N. C., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2517. Also, petition of Manuel Romero and numerous

by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2518. Also, petition of G. L. Jones and numerous other citizens of Bixby, Okla., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2519. Also, petition of Frank Blains and numerous other citizens of Allen, Okla., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2520. Also, petition of Z. J. Dangerfield and numerous other citizens of Pawhuska, Okla., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Commit-

tee on Ways and Means.

2521. Also, petition of Frank Tillman and numerous other citizens of Coffeeville, Spearman, and Water Valley, Miss., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2522. Also, petition of Charlie Hall and numerous other citizens of Coffeeville, Bruce, and Water Valley, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a

month; to the Committee on Ways and Means.

2523. Also, petition of Ed Skipworth and numerous other citizens of Dunmore and Greenville, Ky., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2524. Also, petition of Clarence Burges and numerous other citizens of Clarendon, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2525. Also, petition of Arthur C. Jones and numerous other citizens of Huntsville, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2526. Also, petition of F. B. Calhoun and numerous other citizens of Tarrytown, Ga., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2527. Also, petition of Albert Cobbs and numerous other citizens of Pine Bluff, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2528. Also, petition of Chester Wize and numerous other citizens of Woodward and Havana, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Com-

mittee on Ways and Means.

2529. Also, petition of Sam Hardy and numerous other citizens of Sharpsburg and Senoia, Ga., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2530. Also, petition of Willie Wilson and numerous other citizens of Milledgeville, Haddock, and James, Ga., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2531. Also, petition of Silmon Portor and numerous other citizens of Hulbert, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2532. Also, petition of James L. Clemons and numerous other citizens of Cave Ridge, Edmonton, and Knob Lick, Ky., favoring House bill 2856, by Congressman Will Rogers, the

Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2533. Also, petition of James C. Bowles and numerous other citizens of Keiser, Marie, and Blytheville, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2534. Also, petition of John A. Kristianson and numerous other citizens of Glencoe, East Gadsden, and Wellington, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2535. Also, petition of David Brown and numerous other citizens of West Helena, Elaine, and Marvel, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2536. Also, petition of W. R. Chandler and numerous other citizens of Center, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2537. Also, petition of John F. Bruin and numerous other citizens of Pine Bluff, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2538. Also, petition of L. R. Wilson and numerous other citizens of Summerdale and Foley, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2539. Also, petition of E. W. Henny and numerous other citizens of Hartselle, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2540. Also, petition of Rev. F. K. Armstrong and numerous other citizens of Louisville, Ky., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2541. Also, petition of J. B. Sturgis and numerous other citizens of Memphis and Hollywood, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2542. Also, petition of W. W. Kelley and numerous other citizens of Neubert, Knoxville, Boyds Creek, and Seymour, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2543. Also, petition of A. Brandon and numerous other citizens of Paris, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2544. Also, petition of Rupert Y. Doyle and numerous other citizens of Atoka, Brighton, and Kerrville, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2545. Also, petition of H. S. Charles and numerous other citizens of Tracy City, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2546. Also, petition of Z. Johnson and numerous other citizens of Chattanooga, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2547. Also, petition of J. H. Buhl and numerous other citizens of Clinton, Tenn., favoring House bill 2856, by Con-

gressman Will Rocers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2548. Also, petition of C. R. Bartman and numerous other citizens of Sherman, Tex., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2549. Also, petition of R. F. Collins and numerous other citizens of Hickman, Ky., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions \$30 to \$50 a month; to the Committee on Ways and Means.

2550. Also, petition of Martin Preimer and numerous other citizens of Florence, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2551. Also, petition of Fred Crockett and numerous other citizens of Florence, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2552. Also, petition of Clarence McCollum and numerous other citizens of Bondurant and Hickman, Ky., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2553. Also, petition of W. E. Craft and numerous other citizens of Auburn and Winder, Ga., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2554. Also, petition of Geasnail Lathum and numerous other citizens of Townley, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2555. Also, petition of Oren E. Chadwick and numerous citizens of Hoopeston, Ill., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2556. Also, petition of George Brown and numerous other citizens of Plum, Tex., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2557. Also, petition of John Cyphers and numerous other citizens of Chevrolet and Baxter, Ky., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2558. Also, petition of John H. Griffin and numerous other citizens of Pushmataha and Cuba, Ala., favoring House bill 2856 by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2559. Also, petition of William H. Kenner and numerous other citizens of Whitfield, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2560. Also, petition of John Cardin and numerous other citizens of Fredonia, Morganfield, and Marion, Ky., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2561. Also, petition of G. W. Cooper and numerous other citizens of Richards, Tex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2562. Also, petition of Pink Holly and numerous other citizens of Denison, Tex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-

age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2563. Also, petition of Eddie L. Williamson and numerous other citizens of Covington, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2564. Also, petition of Jack Watson and numerous other citizens of Troy, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2565. Also, petition of Walter Jones and numerous other citizens of Whiteville and Clarkton, N. C., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2566. Also, petition of W. H. Vincent and numerous other citizens of Cartersville, McCurtain, and Bokoshe, Okla., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2567. Also, petition of Willie A. James and numerous other citizens of Atoka, Lane, and Caney, Okla., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2568. Also, petition of Simon Blacksher and numerous other citizens of Fulton and McNab, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2569. Also, petition of Peter Jasper and numerous other citizens of Dumas, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2570. Also, petition of Benson Wright and numerous other citizens of Water Valley, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2571. Also, petition of Will A. Fields and numerous other citizens of Counce and Covington, Tenn., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2572. Also, petition of Eddie D. Henry and numerous other citizens of Lisbon and Arizona, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2573. Also, petition of W. L. Comer and numerous other citizens of Keithville, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2574. Also, petition of Moses Rogers and numerous other citizens of Alexandria and Compti, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2575. Also, petition of Joseph Johnson and numerous other citizens of Columbia, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2576. Also, petition of R. C. Carter and numerous other citizens of Plaquemine, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2577. Also, petition of P. C. Tomlin and numerous other citizens of Wardell, Mo., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-

age pensions of \$30 to \$50 a month; to the Committee on | McCarran amendment to the public-works bill; to the Com-Ways and Means.

2578. Also, petition of Mack Roderick and numerous other citizens of Cadet, Mo., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month, to the Committee on Ways and Means.

2579. Also, petition of William Harfield and numerous other citizens of McLain, Mo., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2580. Also, petition of Frank Husband and numerous other citizens of Richton, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2581. Also, petition of M. G. Stevens and numerous other citizens of Clarksdale, Mattson, and Dublin, Miss., favoring House bill 2856, by Congressman WILL Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2582. Also, petition of B. D. Kendrick and numerous other citizens of Sumrall and Baxterville, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2583. Also, petition of Claude Gibbs and numerous other citizens of Tiplersville and Walnut, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2584. Also, petition of Jim Moore and numerous other citizens of Drew and Tutwiler, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2585. By Mr. RUDD: Petition of Gerald J. Coughlin, 368 Palmetto Street, and 19 other citizens of Brooklyn, N. Y., regarding the Rayburn-Wheeler public-utility legislation; to the Committee on Interstate and Foreign Commerce.

2586. Also, petition of John Munchinger, 10-608 Liberty Avenue, Ozone Park, Long Island, N. Y., and nine other citizens of Ozone Park, concerning the Rayburn-Wheeler public-utility legislation; to the Committee on Interstate and Foreign Commerce.

2587. Also, petition of Virginia Frick, 133-14 One Hundred and Seventh Avenue, and 10 other citizens of Richmond Hill, Long Island, N. Y., concerning the Rayburn-Wheeler bills (H. R. 5423 and S. 1725) public-utility legislation; to the Committee on Interstate and Foreign Commerce.

2588. Also, petition of Davis Rosenberg, 326 Westwood Road, Woodhaven, Long Island, and 22 other citizens of New York City, N. Y., with reference to Rayburn-Wheeler public-utility legislation; to the Committee on Interstate and Foreign Commerce.

2589. Also, petition of Peter Lancaster, 3148 Fulton Street, and 10 other citizens of Brooklyn, N. Y., regarding the Rayburn-Wheeler bills (H. R. 5423 and S. 1725); to the Committee on Interstate and Foreign Commerce.

2590. Also, petition of St. Teresa's Holy Name Society, 129-04 One Hundred and Ninth Avenue, Richmond Hill, Long Island, N. Y., concerning the Mexican Government's policy against all religions; to the Committee on Foreign Affairs.

2591. Also, petition of the Chamber of Commerce of the Borough of Queens, city of New York, concerning the publicity feature of the income-tax law; to the Committee on Ways and Means.

2592. Also, petition of the National Woman's Party, New York City committee, concerning the equal-rights amendment; to the Committee on the Judiciary.

2593. Also, petition of the Mailers' Union No. 6, International Typographical Union, New York City, regarding the

mittee on Ways and Means.

2594. Also, petition of F. Weidner Printing & Publishing . Co., 1109-1111 Dekalb Avenue, Brooklyn, N. Y., concerning the Wagner-Lewis-Doughton bills; to the Committee on Ways and Means.

2595. Also, petition of the Long Island Chamber of Commerce, Inc., Long Island, N. Y., regarding section 55B of the Revenue Act of 1934; to the Committee on Ways and Means.

2596. Also, petition of the American Manufacturing Co., Brooklyn, N. Y., concerning House bills 20 and 14; to the Committee on Agriculture.

2597. By Mr. SCOTT: Petition of Myrtle Bucknell, of Compton, Calif., and 27 others, requesting the Government to call in some billions of dollars of Government bonds which are now callable and pay them with new currency; they have likewise expressed the opinion that they favor the Goldsborough bill in order to correct the evils of our financial system; to the Committee on Banking and Currency.

2598. By Mr. SHANLEY: Petition of the Lions Club of Ridgefield, Conn.; to the Committee on Ways and Means.

2599. Also, petition of Utilities Employees Securities Co.; to the Committee on Interstate and Foreign Commerce.

2600. Also, petition of the Common Council of the City of New Britain; to the Committee on the Judiciary.

2601. By Mr. SNYDER: Petition signed by John Camp and 19 residents of Salisbury, Pa., urging the passage of an old-age pension law; to the Committee on Ways and Means.

2602. By Mr. SNELL: Petition of citizens of northern New York, protesting against House bill 5423; to the Committee on Interstate and Foreign Commerce.

2603. By Mr. TAYLOR of Colorado: Petition of Charles Harris, Jr., and numerous other citizens of Chromo, Pagosa Springs, and Lumberton, Colo., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2604. By Mr. TERRY: Petitions regarding old-age pensions; to the Committee on Ways and Means.

2605. Also, petitions with reference to the Costigan-Wagner antilynching bill; to the Committee on the Judiciary.

2606. By Mr. WERNER: Resolution adopted by the City Council of the City of Mitchell, State of South Dakota, urging enactment of House Joint Resolution 81 to direct the President to proclaim October 11 of each year as General Pulaski's Memorial Day; to the Committee on the

2607. By Mr. WOLCOTT: Petition of Carl F. Eisen, of St. Clair, Mich., and 41 other members of the Farmers Union, urging the prompt enactment of the Frazier-Lemke refinancing bill; to the Committee on Agriculture.

2608. Also, petition of Joseph Loughlin, of Caseville, Mich., and 32 other members of the Farmers Union, urging the prompt enactment of the Frazier-Lemke bill; to the Committee on Agriculture.

2609. Also, petition of Roman Messing, of Ruth, Mich., and 49 other members of the Farmers Union, urging the prompt enactment of the Frazier-Lemke bill: to the Committee on Agriculture.

2610. By Mr. ANDREW of Massachusetts: Petition signed by Fred W. Robinson and 299 other residents of Haverhill, Mass., and vicinity, urging the passage of the Townsend plan for old-age pensions; to the Committee on Ways and

2611. Also, petition signed by Edward R. Millen, of Boxford, and 10 citizens of Topsfield, Mass., protesting against the passage of House bill 5423, the public-utility bill; to the Committee on Interstate and Foreign Commerce.

2612. Also, petition signed by Raymond F. Smith and 10 other citizens of Haverhill, Mass., protesting against House bill 5423, the public-utility bill; to the Committee on Interstate and Foreign Commerce.

2613. By Mr. DOBBINS: Resolutions adopted at a nonsectarian mass meeting in the city of Springfield, Ill., deploring religious persecution in the Republic of Mexico, and petitioning for relief therefrom through action of the Congress; to the Committee on Foreign Affairs.

2614. By Mr. CRAWFORD: Petition of 152 residents of Ionia County, Mich., asking prompt enactment of the Frazier-Lemke refinancing bill; to the Committee on Agriculture.

2615. Also, petition of 211 residents of Shiawassee, Mich., asking prompt enactment of the Frazier-Lemke refinancing bill: to the Committee on Agriculture.

2616. Also, petition of a number of residents of Saginaw County, Mich., asking prompt enactment of the Frazier-Lemke refinancing bill; to the Committee on Agriculture.

2617. Also, petition of a number of residents of Montcalm County, Mich., asking prompt enactment of the Frazier-Lemke bill; to the Committee on Agriculture.

2618. Also, petition of certain residents of the Eighth District of Michigan, asking for the passage of the McGroarty old-age pension bill; to the Committee on Ways and Means.

2619. By Mr. MOTT: Senate Joint Memorial No. 10 of the Thirty-eighth Legislative Assembly of the State of Oregon, petitioning Congress to provide funds to clear dead timber, debris, etc., from Crane Prairie Reservoir site in Deschutes County, Oreg.; to the Committee on Appropriations.

2620. Also, House Joint Memorial No. 5 of the Thirty-eighth Legislative Assembly of the State of Oregon, petitioning Congress to pass appropriate legislation to provide military defense for the State of Oregon and the Pacific northwest; to the Committee on Military Affairs.

2621. Also, Senate Joint Memorial No. 16 of the Thirty-eighth Legislative Assembly, State of Oregon, petitioning the President of the United States and the Secretary of State of the United States to refrain from declaring any reduction of the present tariff rates on filberts, shelled or unshelled, to the end that this industry of the Pacific northwest may be protected fully and amply against destructive foreign competition; to the Committee on Ways and Means.

2622. Also, Senate Joint Memorial No. 8 of the Thirty-eighth Legislative Assembly of the State of Oregon, petitioning Congress to refrain from reduction of present tariff on cherries; to the Committee on Ways and Means.

2623. Also, Senate Joint Memorial No. 8 of the Thirty-eighth Legislative Assembly of the State of Oregon, petitioning Congress to make appropriation for the eradication of Bang's disease among cattle; to the Committee on Appropriations.

2624. Also, House Joint Memorial No. 2 of the Thirty-eighth Legislative Assembly of the State of Oregon, providing for segregating the costs of navigation and electrical energy on the Bonneville project, Oregon; to the Committee on Military Affairs.

2625. By the SPEAKER: Petition of the Pittsburg Division, No. 93, of the Order of Benefit Association of Railway Employees; to the Committee on Interstate and Foreign Commerce.

# SENATE

TUESDAY, MARCH 5, 1935

(Legislative day of Monday, Mar. 4, 1935)

The Senate met, in executive session, at 12 o'clock meridian, on the expiration of the recess.

### THE JOURNAL

On request of Mr. Robinson, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, March 4, 1935, was dispensed with, and the Journal was approved.

# MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee one of its reading clerks, announced that the House had passed without amendment the joint resolution (S. J. Res. 46) authorizing and directing the Federal Communications Commission to investigate and report on the American Telephone & Telegraph Co. and on all other companies engaged directly or indirectly in telephone com-

munication in interstate commerce, including all companies related to any of these companies through a holding-company structure, or otherwise.

The message also announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 3808. An act to authorize the incorporated town of Seward, Alaska, to undertake certain municipal public works, including the construction of an electric generating station and electric distribution systems, and for such purposes to issue bonds in any sum not exceeding \$118,000;

H. R. 4751. An act to amend section 24 of the Interstate Commerce Act, as amended, with respect to the terms of office of members of the Interstate Commerce Commission;

H.R. 6084. An act to authorize the city of Ketchikan, Alaska, to issue bonds in any sum not to exceed \$1,000,000 for the purpose of acquiring the electric light and power, water, and telephone properties of the Citizens' Light, Power & Water Co., and to finance and operate the same, and validating the preliminary proceedings with respect thereto, and for other purposes; and

H. J. Res. 134. Joint resolution to continue the Commission for Determining the Boundary Line Between the District of Columbia and the State of Virginia for not to exceed 1 additional year, and to authorize not to exceed \$10,000 additional funds for its expenses.

### ENROLLED JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled joint resolution (S. J. Res. 46) authorizing and directing the Federal Communications Commission to investigate and report on the American Telephone & Telegraph Co. and on all other companies engaged directly or indirectly in telephone communication in interstate commerce, including all companies related to any of these companies through a holding-company structure or otherwise, and it was signed by the Vice President.

# CALL OF THE ROLL

Mr. BLACK obtained the floor.

Mr. ROBINSON. I suggest the absence of a quorum, The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	Keyes	Radcliffe
Ashurst	Costigan	King	Reynolds
Austin	Couzens	La Follette	Robinson
Bachman	Cutting	Logan	Russell
Bailey	Dickinson	Lonergan	Schall
Bankhead	Dieterich	Long	Schwellenbach
Barbour	Donahey	McAdoo	Sheppard
Bilbo	Duffy	McCarran	Shipstead
Black	Fletcher	McGill	Smith
Bone	Frazier	McKellar	Stelwer
Borah	George	McNary	Thomas, Okla.
Brown	Gerry	Maloney	Thomas, Utah
Bulkley	Gibson	Minton	Townsend
Bulow	Glass	Moore	Trammell
Burke	Gore	Murphy	Truman
Byrd	Guffey	Murray	Tydings
Byrnes	Hale	Neely	Vandenberg
Capper	Harrison	Norbeck	Van Nuys
Carey	Hastings	Norris	Wagner
Clark	Hatch	Nye	Walsh
Connally	Hayden	O'Mahoney	Wheeler
Coolidge	Johnson	Pope *	White

Mr. ROBINSON. I announce that my colleague the junior Senator from Arkansas [Mrs. Caraway] and the junior Senator from Louisiana [Mr. Overton] are absent because of illness, and that the Senator from Kentucky [Mr. Barkley], the Senator from Illinois [Mr. Lewis], and the Senator from Nevada [Mr. Pittman] are necessarily detained.

Mr. AUSTIN. I wish to announce that the Senator from Pennsylvania [Mr. Davis] and the Senator from Rhode Island [Mr. Metcalf] are necessarily detained from the Senate.

The VICE PRESIDENT. Eighty-eight Senators have answered to their names. A quorum is present.

### EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR. Mr. President, from the Committee on Post Offices and Post Roads I report favorably the nominations of sundry postmasters. Among these nominations are postmasters in Minnesota-from January 17 to February 6. Senator Shipstead has approved the reports. We notified Senator Schall about them on February 19 and March 1, and put a time limit in which he was to report to the committee, as of Monday March 4. We have heard nothing from Senator Schall in reply to our two letters. I, therefore, report the nominations favorably.

The VICE PRESIDENT. The reports will be placed on the Executive Calendar.

NOMINATION OF GEN. RICHARD P. WILLIAMS

The VICE PRESIDENT. The question is, Will the Senate advise and consent to the nomination of Richard P. Williams to be brigadier general in the Marine Corps?

GEN. JOHN H. RUSSELL

Mr. BLACK. Mr. President, it is my desire at this time to address myself to the question of the confirmation of the nomination of Gen. John H. Russell and to the method of selection adopted by General Russell, with a view, at a later step in the proceedings, to move to recommit the nomination of General Russell and to have a vote upon it, and with the additional intention of moving to recommit to the Committee on Naval Affairs certain nominations involving promotions that have been recommended by boards, with the request that the Naval Affairs Committee be granted a sufficient appropriation to summon witnesses to appear before that committee to determine whether injustices have been done by reason of the method of selection. I do not mean by that to state that I desire to have the Naval Affairs Committee or the Senate act as a board of review on these nominations. I believe, however, that the facts will show that the nominations should be rejected at this time or sent back to the executive department, with instructions that a fair and impartial board be appointed, on which General Russell shall not sit, to determine whether the officers so selected have been selected after a fair and just appraisal of the records they have made in the Marine Corps.

I can give to the Senate at this time a short quotation from one of the numerous communications which I have received which prompts me to believe that any other course would be unfair and unjust both to the officers of the Marine Corps and to the people of this Nation who desire to have this branch of the military service operate with the highest possible morale, in order that they may be ready to defend the country, if they should be called upon to do so. I do not believe it is possible to reach the conclusion that more than 50 percent of the higher officers of the Marine Corps are disqualified to continue to serve in that capacity unless we reach the conclusion at the same time that something has been seriously and fundamentally wrong with the administration of that branch of our military service.

I desire to read to the Senate at this time a portion of a letter. I shall not read all of it. It will give some idea of the sentiment of the officers of the Marine Corps with reference to this particular selection board. May I invite attention at this time to the fact that this is the second board headed by General Russell which has passed upon selections.

General Russell is now sponsoring legislation which will automatically retire from the Marine Corps practically every one of the officers who has been passed over by the two boards; so that if the entire program and plan shall go through it will mean that these officers will not only be prevented from having a promotion, many of whom have served through the basic schools, have gone through the Army War College, and upon whom the Government has spent thousands and thousands of dollars, but they will be automatically ejected from the Marine Corps after action by a board which they believe, and which many officers who have not been passed over believe, have not had a fair representation of those who should have been utilized to pass upon these officers.

Let me read a part of this letter:

Too old to begin a new profession-

May I state that I do not know this man. I do not know where he is from. I have never seen him.

Too old to begin a new profession and with a family to support, I am thrown out in disgrace and for no cause which is apparent to me. Once a soldier, always a soldier, is especially applicable to the Marine Corps; and if America does not stand by us who have stood by her, we will be in the position of men with-

out a country.

I have lived through 10 years of amoebic dysentery, dengue, and malaria fevers, frequent separations from my family, earthquakes in Nicaragua, and carry as souvenirs a bullet in my steel helmet in China and one in my coat sleeve in Nicaragua when my horse was shot from under me.

His horse was shot, it seems. It was shot at 20 times and

These things are all part of the job. I ask no special consideration from the American people because of them, but it is far fairer to them to allow me to continue to work at a job for which I have been trained at their expense and in which I am capable of being useful, indeed valuable, than to pay me some \$60 per month for the rest of my life with no return to them.

It does not solve my difficulties nor is it just to the people. It

is the birthright of every American to work. If the President takes away from us the job for which we are specially fitted, simply because of the personal antagonism of a little group of willful men who wish to control the Marine Corps, then we are indeed lost, and God only knows where it all will end. I cannot believe the President, with his eminently sane outlook, will allow this state of affairs to continue.

That there has been no judgment used in the selection, let me cite the case of another officer in my class.

He cites several officers. I shall be very careful in reading this letter in order to make sure, as I conceive it, that nothing goes in the RECORD from which the individual may be identified. If any Senator desires to see the entire letter, I shall be delighted to let him read it and any of the numerous other letters which I have in my files of the same tenor.

I feel that I need not point out, my dear Senator, that it is absolutely vital to me that this letter be considered entirely confidential, since it is evident that I dare not further incur the enmity of these officers. To do so would be certain to place my head on the official chopping block and have it neatly sliced off.

It is because of a situation of that kind, affecting men whom I do not know, whom I have not seen, but who have served their country both here and abroad, that I am presenting to the Senate these facts, in the belief that if the Senate will hear them and if the Senate will act upon them free from any influence except the desire to see that these men who served their country shall be given a fair and square deal, the Senate will require that these nominations be sent back to the committee and that a full and complete investigation be had.

It may be said that the Committee on Naval Affairs have investigated. I make no criticism of the investigation by the Naval Affairs Committee; but I do state that unless the committee shall be given an appropriation and shall be authorized to summon Marine Corps officers, requiring them to come and thereby giving them the protection of a summons and the coercive measures of this body, that committee will not be able to arrive at the truth. I gave them, for instance, the name of a very efficient and capable officer, according to all the information I had received, who is now stationed in New Orleans. He was requested to come. He declined to do so. I had direct and positive information that that officer could give very valuable facts in connection with the controversies which have arisen on the floor here and in connection with the controversy concerning promotions.

Mr. President, before proceeding further with reference to the promotion question, in order that we may dispose of it and since it has come up with reference to General Russell in connection with the confirmation of his nomination, perhaps it would be wise for me first to discuss very briefly the so-called "battle of Russell's run." The statement has been made in some instances that that should not have been brought up in this connection. It was brought up by a witness under oath. It was testified to by a witness who was under oath and who was present on the occasion. The fact that he was present can be confirmed by anyone who desires to read the personal reminiscences of Maj. Gen. John A. Lejeune, published by Doran & Co., and copyrighted in 1930. General Lejeune referred there to this so-called "battle of El Tejar."

The evidence as to that incident is conflicting. Gen. Smedley Butler testified that he was present; that he rushed up there one Sunday morning; that he was met by General Lejeune; that after his troops had run a part of the distance they boarded a train and then went to the waterworks; that they made a reconnaissance in order to determine where the enemy which had been reported was to be found; and that they could find no enemy.

General Russell testified that there were 500 or 600-and if I do not correctly quote him I shall appreciate it if my friend the chairman of the committee [Mr. TRAMMELL] will correct me. General Russell testified, as I recall, that there had been 500 or 600 Mexicans there; that he had been riding on his horse down the line; that he had been shot at about 20 times. I had always thought the Mexicans had very good aim. I find no reference to that fact in General Lejeune's reminiscences. I do find in his reminiscences at pages 213 and 214 a report of this occurrence. I do find that he states that he and Major Butler climbed a hill and carefully searched the countryside with their binoculars but failed to discover any sign of a force of any description.

Mr. LOGAN. Mr. President-

The PRESIDING OFFICER (Mr. GERRY in the chair). Does the Senator from Alabama yield to the Senator from Kentucky?

Mr. BLACK. I yield.

Mr. LOGAN. If the Senator is going to deny an officer promotion because he got fooled, what would have happened in the War between the States if the United States Government had followed that plan and demoted or refused to promote every officer of the Union Army who was deceived by Stonewall Jackson, J. E. B. Stuart, John Morgan, General Forrest, and many other distinguished Confederate officers who consistently, for almost 3 long years, fooled the Union Armies and the Union officers nearly all the time?

Mr. BLACK. So far as I recall-I may be wrong, and the Senator may correct me-I do not recall that any of those officers who were fooled testified later under oath that instead of being fooled they were riding down the line and were shot at by the enemy. I do not recall that. Perhaps they did; but I do not think Stonewall Jackson ever did that, if he was fooled. I have not heard that any of the Union officers did that, if they were deceived.

Mr. LOGAN. I think there was one who claimed that his clothes were nearly all shot off him and that he was entirely surrounded when J. E. B. Stuart had a little handful of cavalry and routed the whole Union Army of twenty-five or thirty thousand men.

Mr. BLACK. That being true, I should say, from my experience and observation of general military affairs, that he certainly would not have ranked as a military leader with Robert E. Lee, or with Stonewall Jackson, or even with some of the other officers the Senator may have in mind.

Mr. LOGAN. If the Senator will yield for one more question I shall not interrupt him further, because I am very much interested in his argument.

Mr. BLACK. I shall be delighted to yield.

Mr. LOGAN. Is not the chief complaint of Gen. Smedley Butler that he had to get up on Sunday morning, and before he could get dressed he had to run down there in response to a message that there was a Mexican Army present? He is not complaining that the army was not there when he got there; is he?

Mr. BLACK. Yes. Mr. LOGAN. I thought he was complaining because he had to go before he got his clothes on.

Mr. BLACK. There was no army there. The Senator is mistaken. The officer he mentions, Gen. Smedley Butlerwho has had Congressional Medals of Honor and who has had various other medals for distinguished courage and distinguished bravery, going all the way back to the time he was a lieutenant in China-was not complaining because he had to go; but he was complaining because, soldier that he was, he did object to having a battalion go racing off at doubletime on the theory that there was an enemy present, when, according to the evidence, there was no enemy there.

I was reading from the statement of General Lejeune:

Patrols were sent out in various directions, but with the same futile result.

We learned, after conferring with Maj. J. H. Russell and the other officers of the garrison, that the broadcast message was sent because of the fact that a Mexican soldier, bearing a flag of truce, had come to an outpost position with a note from his commanding officer which demanded the surrender of the waterworks, and which further stated that unless his demand was complied with he would attack with his force of about 1,000 men at the end of 10 minutes. The demand had been refused and dispositions made to meet the attack, but it had not been forthcoming.

The threatened attack, but it had not been fortneoming.

The threatened attack on El Tejar remained one of the insoluble mysteries, as no definite information concerning it could be obtained, but it is my belief that it was a piece of bravado on the part of an officer in command of a small mounted detachment which had approached to the vicinity of El Tejar through a nearby woods which screened his detachment from view, not only during its withdrawal as well. its approach but during its withdrawal as well.

Mr. President, something has been said about that occurrence having been referred to as the "Battle of Russell's Run" in connection with the idea that it was considered a joke. Is it believed that if the man in command of those troops had been fired at 20 times by a Mexican or by a troop of Mexicans on that occasion, this great soldier, General Lejeune, in writing up his memoirs, would ever have referred to it as "one of the insoluble mysteries", and failed to remark upon the miraculous escape of the officer who was going down the line on his horse?

It was referred to as a joke. It has been referred to as a joke. I state that on the authority of no less a person than Gen. John A. Lejeune in a letter written to me, dated March 1. It took a long time for me to get an answer from General Lejeune. That is perfectly all right. He is a great soldier and a good man. He did not refer to this incident in Mexico in his reply to the Senator from Florida [Mr. TRAMMELL]. When he did not, I wrote him a letter and asked him about that and several other incidents. He did not reply to the inquiry about that incident in his reply to my first letter. I then sent him a telegram last week, asking that he reply. On Friday I received a message that his letter was being prepared and would be sent. It was received yesterday about 12 o'clock, as I recall.

Mr. TRAMMELL. Mr. President, will the Senator permit me to interrupt him?

Mr. BLACK. I yield to the Senator.

Mr. TRAMMELL. The telegram which I sent to General Lejeune made no reference at all to particular incidents.

Mr. BLACK. I did not mean to leave that impression. Mr. TRAMMELL. We hoped to have him come before the committee in person-

Mr. BLACK. That is correct.

Mr. TRAMMELL. But on account of his illness he could not come. The telegram, however, made no reference at all to any particular matter. It merely made inquiry about General Russell in a general way, and also about the promotion system.

Mr. BLACK. This great soldier in this letter has done everything in the world he could to protect the Marine Corps. For that I ascribe no improper motives to him. I think it is absolutely proper that a man who has served in that corps over a long number of years, and who has a pride in it, should adopt exactly the course he has adopted. He was reluctant to write about this incident; and when he finally did so he did it in a very artistic manner, but not in such a way as to conceal the real facts as he had published them in his book. I will read from the letter:

In the second place, as to the El Tejar, Mexico, incident, my memory of its main features is clear in spite of the exciting events of the World War, which commenced a short time after the El Tejar occurrence. I had been superseded as brigadier commander in Veracruz, Mexico, by my senior, Colonel Mahoney, when a chartered steamer brought another regiment of marines, Colonel Mahoney, and some other officers from the States to Veracruz.

Upon his request I remained on duty at brigade headquarters for 2 days as Chief of Staff.

The morning of the El Tejar incident I had requested and received my orders to resume command of the Second Regiment and was garbing myself with the usual military paraphernalia—haver-sack, dispatch case, pistol, field glasses, and ammunition—preparatory to going to Second Regiment headquarters when I heard the conversation over the telephone referring to a wireless message from El Tejar, the telephone wire to that place having been cut that morning. Located about 9 miles from Veracruz, El Tejar and the waterworks were guarded by three companies of marines under command of Major Russell. To be brief, I was told that the above-mentioned wireless message reported a probable attack on the waterworks by a large force of Mexican soldiers, and that three battalions of marines were being dispatched as reenforcements. I asked and received permission to go in command of the marines, mounted my horse, and rode toward Second Regiment headquarters. I joined Major Butler as his battalion took the road to El Tejar. When we were well out of town a train of freight cars loaded with an Army regiment stopped, and the marines climbed aboard.

When we arrived at El Tejar quiet reigned, and Major Butler and I reconnoitered on foot the surrounding terrain as best we could from a hilltop, where we could get a good view of the open country, but everything was quiet and no hostile troops were in sight. It but everything was quiet and no hostile troops were in sight. It seems that that morning a note was brought in to the officer in charge of a small detachment on outpost duty. The note was to the effect that a Mexican force of over 1,000 men in that vicinity would surround-

#### Would surround-

and attack and capture El Tejar if the marines did not surrender within 10 minutes' time. There was a large clump of woods located near El Tejar which was supposed to conceal the Mexican force. Major Butler and I spent the night at Major Russell's headquarters, and Major Russell and I made a thorough reconnaissance on horse-back that afternoon of the surrounding country, when we selected locations for the day and night posts of the outpost detachments, and defensive positions to occupy if the waterworks were attacked. So much for the El Tejar incident.

According to my recollection of the El Tejar incident, we considered it a joke, and we were fond of "joshing" the officers who were there at the time about the famous battle of El Tejar!

After this statement by this eminent soldier, who has won his spurs on the battlefield, who will assert again that there was anything serious in the so-called "Battle of El Tejar"? When a man is up for confirmation for next to the highest military position which this Government can give, will anyone state to me that there is anything improper in bringing before this body the facts with reference to an incidentfacts which speak so strongly that no one needs an interpreter to determine the reason for the existence of those facts?

I have here a letter from a private who was there at the time. He has not been passed over by any board, nor has he been selected by any board. A reference was made to a trumpeter or bugler who went up to find the Mexicans. This letter, dated March 2, 1935, is from that gentleman. It is addressed to Maj. Gen. Smedley D. Butler:

MY DEAR GENERAL: Reading an editorial by the Associated Press, I cannot but help writing to you to congratulate you on your courage to disclose the incident that occurred at the waterworks at courage to disclose the incident that occurred at the waterworks at El Tejar, 9 miles from Veracruz, in 1914. I was the bugler that sounded the call to arms and the first to go to the front where the said called "rebels" were. I take an oath in saying that we did not find a single rebel that was supposed to attack us.

Once a marine, always a marine! My hat goes off again for your courage in defense of the good old corps.

I am, very sincerely yours,

JAMES M. VOTTA.

There is on the way to me at the present time through the mail another letter from another private, who was present at the time and who read of this occurrence and immediately communicated his views of what happened.

Mr. President, I desire to call attention to the fact that it has been wholly and completely impossible up to date to get from the Marine Corps a single report of who was in command at El Tejar. I have not been able to obtain the diaries of the officers who were there. There has been sent to us a part of the diary of General Funston, who was not there, who was away from there; but we all know that there must appear somewhere a record of whether or not General Russell was actually relieved from duty, and whether or not Captain Long was put in his place. That record has not come to us.

All Senators who served in the Army know that there were kept not only regimental records and brigade records, but there were battalion records, there were company records, there were certainly command records, as to what was happening at El Tejar; and from no source, other than the sworn statement of General Russell given before the Committee on Naval Affairs in connection with his nomination, from no source under the sun, has there been a single '

vestige of evidence that 20 shots were fired at General Russell at that time, as he went down the road on horseback.

A letter was read to me this morning over the telephone, a letter which came from the private I have just mentioned and which is on its way, and he states in that letter that General Russell stayed in his house from the previous afternoon, when it was first mentioned that there might be rebels, and never left that house until after the occurrence about which testimony has been given.

Mr. President, I do not know what the facts are. I do know that the testimony given by General Butler is substantiated by the book of General Lejeune. I do know that what has been said about what is referred to as the "Battle of Russells Run" is certainly substantiated by the statement of General Lejeune written 3 days ago-that it had always been considered a joke and they had been joshing the officers about the famous Battle of El Tejar.

Do Senators think they would have been joshing an officer about a battle-I just ask: I do not know-do Senators think it would have gone down in history as one of the "insoluble" mysteries, and that it would have gone down as a standing joke in the Marine Corps, if the man in charge had been fired at 20 times as he rode boldly to the top of the hill in the face of the enemy?

Mr. DUFFY. Mr. President, will the Senator yield?

Mr. BLACK. I yield. Mr. DUFFY. I take it that the Senator's chief complaint is not so much that the general was fooled by the Mexicans making him believe there was a big force out in the woods, but that he appeared before the committee and swore falsely as to the matter, in the opinion of the Senator.

Mr. BLACK. I shall not make a statement that any witness swears falsely. I will state that I intend to call attention in a few moments to testimony given by General Russell before the Committee on Naval Affairs under oath, where he first said that he did not know anything about a bulletin, and later gave all the reasons why he issued the bulletin, and, after he left the committee, sent a letter here and said he had nothing to do with it. I shall read that from the record.

I call attention to the fact that when General Russell gave part of his testimony to the senior Senator from Massachusetts [Mr. Walsh], the Senator from Massachusetts suggested that it was necessary that he be frank with the committee and not attempt to evade the issues or the questions.

Since we have come to that point, let me refer to the testimony. I would not think that any Senator who simply read the evidence, without being familiar with it, would have caught what happened; but if Senators have the report of the evidence before them, I ask them to take their record and turn to pages 42, 43, 44, and 45, and first to page 42.

In order to give the background, before Senators read the testimony, I call attention to the fact that many officers of the Marine Corps are exceedingly disturbed because they find themselves in the power of a group which they believe is hostile to them. They find they can be taken out and have their military heads cut off at any minute-just as General MacArthur testified before the Committee on Military Affairs a few weeks ago could be done-under that system, the evidence as to which I shall read to the Senate presently. Therefore, some of the officers, after this happened, were busy attempting to defeat the legislation which would permit them to be kicked bodily out of the Marine Corps.

A bulletin was sent out on February 9, and a copy of the bulletin was sent to me from a number of different officers. It was issued on February 9, 1935, after the hearings on the Russell nomination began, only a few days before General Russell appeared before the committee. Let us see what he said when I first showed him the bulletin, as appears on page 42, in the first questions I asked him:

General Russell, may I ask you if you wrote that [indicating], or

General Russell. This bulletin?

Senator Black. To the officers of the Naval and Marine Corps?

General Russell. When was this, in 1935? I do not know whether I did or not. I probably did.

Note that:

I do not know whether I did or not. I probably did.

Then I asked him if he was familiar with the fact that there had been an effort made on the part of certain officers in connection with this selection legislation. Then the Senator from Maine [Mr. HALE] and some of the other members of the committee asked that the bulletin be read. The date was given as February 9, 1935. Listen to this. I read from page 43:

Senator Walsh. Have you any doubt as to whether you wrote that?

General Russell. I stand for it absolutely. Senator Walsh. As recent as that? General Russell. I stand for it.

Note that he stood for it at that time. At first he said, "I do not know whether I did or not." The second time he said, "I stand for it." Note, on page 43, the same page, at the bottom, the following:

Senator BLACK. General Russell, the question I want to find out is what prompted you to send out that particular bulletin at this

particular time?
General Russell. What prompted me to send it out?

Senator Black. Yes, sir. General Russell. I understood—

This is the same gentleman who did not know whether he wrote it or not-

I understood that officers were organizing to prevent the passage of the repeal of section 16-

It was printed "18" but it is "16"-

which the Navy Department, the Secretary of the Navy, has approved and sent to the Speaker of the House and to the Vice President, and it has been referred to the Naval Committees.

Let us go a little further, down near the middle of the

General Russell. Yes, sir. It was sent out from the Quantico post.

Senator Walsh. Under the name of the officer there?

General Russell. Yes, sir.
Senator Walsh. But you sent it out to begin with?
General Russell. Yes, sir.
Senator Walsh. I would like to have the stenographer turn back to the first question Senator Black asked the general, and get the general's answer. Will you read that to us, please?

The reporter turned back and read this:

Senator Black. May I ask if you wrote that [indicating] or prepared that bulletin, or know anything about it?

General Russell. This bulletin?

Senator Black. To the officers of the Naval and Marine Corps. General Russell. When was this, in 1935? I do not know whether I did or not. I probably did.

Note that he had just answered Senator Walsh that he sent it out to begin with, and the Senator from Massachusetts had the reporter read back to see what he had previously said.

I read further now from the recent hearings before the committee, following what I have just read:

General Russell. I suppose I did now.
Senator Walsh. General, that is not the way to treat a committee. You did or you did not.
General Russell. I will tell you why I was misled, Senator.
When I looked down and saw it here it looked like a post order at first

In other words, he is saying now that he was misled at first about who did it, and he is explaining why he said at first he did not know.

Senator Black. You read it all, didn't you, General, before you

answered that question?

General Russell. No; I did not. It looked like a post order signed by the adjutant.

Senator Walsh. We are not unfriendly. We want frankness here, General.

Let me ask Senators to turn now to the second little volume of evidence, page 1, remembering that he first said he did not know, when asked who wrote the bulletin of February 9, his appearance before the committee, I believe, being on February 12. Am I correct in that, that his appearance before the committee was on February 12?

Mr. TRAMMELL. Yes.

Mr. BLACK. The bulletin had been sent out on February 9, 3 days previously. First he said he did not know. Later he said he sent it out. Now, let us see what he said on Februarv 14:

MY DEAR SENATOR TRAMMELL: Referring to my testimony before the Senate Naval Affairs Committee on February 12, 1935, the record shows that Senator Black handed me a mimeographed copy of a Quantico post order and asked me if I was responsible for it.

I did not ask him that.

Mr. GERRY. On what page is that?
Mr. BLACK. Beginning at the bottom of page 1 and going on to page 2. I resume reading the letter:

I assumed all responsibility, as I knew full well the Navy regula-tions on the subject and had discussed with officers the advisability of issuing such an order.

However, I found on looking into the matter on my return to the Navy Department that the order was not issued by me, but by the Secretary of the Navy as an entirely independent action without suggestion from me or anyone connected with headquarters or the Marine Corps.

At the same time he testified that he was in favor of and backing the bill which these officers were trying to defeat. And even in this last letter, where he retreats from the position he took before the committee under oath, he says he knew that he had been discussing the advisability of this order with other people. Why is it necessary to try to get out from the responsibility of issuing this order? I will tell the Senate one of the reasons. Some Senators may know it from those who have come to see them about this case.

Immediately after asking about that bulletin, when the officers were told they should keep their mouths shut and not come before this committee, I asked General Russell whether any efforts had been made to influence Senators in regard to his confirmation. It so happened that a few days before, the senior Senator from South Carolina [Mr. SMITH] had been present in the committee and had asked some questions which indicated that he wanted to get at the truth of this situation, and was not willing simply to accept a statement because it came from a department. Senator Smith's questions had clearly so indicated. If Senators will look at the hearings they will find that first General Russell said that some officers had discussed it to his knowledge. I asked him, as appears on page 46, in the middle of the page:

Do you know of any such thing that has been done?

That is, asking that telegrams and messages be sent to Senators.

General Russell. I have had officers come to me and say they have done that.

Senator BLACK. What officers?

Plural.

General Russell. Officers; I think that one of them is Major Arthur, right over there [indicating].
Senator Black. Major Arthur?

General Russell. Sitting over there in the corner; yes. Senator Black. What position does he hold? General Russell. He is in the adjutant inspector's office.

That is the position to which the Senator from Texas [Mr. Connally] referred yesterday—the adjutant inspector's office.

Senator Black. He is in the adjutant inspector's office. Who is his superior?

General Russell. General Porter.
Senator Black. Was he on the board?
General Russell. General Porter was on the board.
Senator Black. What other officers—

Remember that he said "officers"-

What other officers have you had tell you they have either written or requested, directly or indirectly, their people in the various States to write or appeal to their Senators with reference to your confirmation?

General Russell. He is the only one that I recall.

And later on Major Arthur testified he was there and heard Senator Smith testify, and that they called up South Carolina and attempted to get the man who had been the head of the American Legion of that State to contact Senator SMITH in regard to this matter. But, remember, the bulletin that had been published and gone out had sealed the lips of the officers. It prevented their attempting to defeat | the legislation which will cut off their military careers and send them out of the service, even though they wear decorations of American service in the form of bullets and the ravages of disease.

Mr. President, I now want to call attention to the fact that that was not all. Senators will find here a statement by General Russell that he discussed some matters with General Holcomb either the day before or 2 or 3 days before he came before the committee, which was after his first appearance. That was after the testimony had been given that General Lejeune was present at El Tejar. My good friend from Florida [Mr. Trammell] stated that General Lejeune gave a voluntary statement to the committee which the Senator believed to be true. As a matter of fact, if they will summon General Holcomb and Colonel Keyser before the committee, two men who served in France with General Leieune, they will find that General Holcomb, the man who was in conference with General Russell, and Colonel Keyser, were in conference with General Lejeune with reference to his letter. They will find that before General Lejeune ever sent that letter to the committee he had a direct, positive statement from General Holcomb by telegram explaining to him that he believed the action of the board was all right, and they were calling on him to come to the rescue of the Marine Corps in connection with his evidence and his letter, as he had been called upon during the trying period of the World War.

If there is any question about that, Senators can either summon General Holcomb, who was the head of the junior board and who was promoted to be general, or they can summon Colonel Keyser, or I can show them the copy of the telegram which I have on my desk.

Mr. TYDINGS. Mr. President, will the Senator yield? Mr. BLACK. I yield to the Senator from Maryland.

Mr. TYDINGS. Without taking issue with what the Senator from Alabama has said as to the facts, may I say that my own estimate of General Lejeune is that he would not write any article he did not believe was honest and true.

Mr. BLACK. I agree with the Senator.

Mr. TYDINGS. And if General Lejeune wrote it he would have written it anyway, whether or not there had been any conference such as the Senator stated.

Mr. BLACK. I may state to the Senator that I make the point that General Lejeune was down in Lexington; he was not familiar with the promotions; he had not kept up with them. He had recently suffered an accident. Before they could get any O. K. from him they had to give him a statement from a man whom he trusted. General Holcomb had served with him in France; Colonel Keyser had served with

Mr. GERRY. Mr. President, will the Senator yield? Mr. BLACK. I yield.

Mr. GERRY. Is it not true that the general endorsed the provision for a board, and he was in favor of the selection board, so as to get away from the "hump", according to the testimony that was presented yesterday?

Mr. BLACK. There is no question that he was in favor of a selection board. That is correct.

Mr. TYDINGS. Mr. President, will the Senator yield further?

Mr. BLACK. I yield.

Mr. TYDINGS. At the time General Lejeune was Commandant of the Marine Corps I became very active in connection with a bill which General Lejeune brought here to take the "hump" out of the Marine Corps, and I made some remarks in the Senate on the occasion. The set-up now in effect is substantially the set-up which General Lejeune advocated at that time. It may have been changed in some particulars, but General Lejeune favored it in the way it was then presented.

Further than that, in General Lejeune's letter, which embraced, I think, three pages, and which I have read, he goes out of his way to show that in this kind of a set-up any officer who is on the selection board must have opprobrium

heaped upon him by those who fail of promotion because the number to be promoted, particularly when it was first applied, was far in excess of those to be hereafter promoted. due to the "hump", and, therefore, hereafter any officer who will be displaced will feel he has been dealt with unfairly, and it will likewise bring on criticism at this time in an unusual degree.

Mr. GERRY. Mr. President, will the Senator further yield?

Mr. BLACK. I yield. Mr. GERRY. I will say in connection with what the Senator from Maryland has said that I was on the House Naval Committee in 1913, at which time criticism was being indulged of the "plucking" board, which afterward became the selection board, and from my experience I know that every time we try to remove a "hump" Members of Congress, both in the House and the Senate, will be importuned because some injustice has been done; and I do not see very well how anything else can be done than to leave the matter to the Navy Department if the officers who are authorized to speak are in favor of the legislation, as General Lejeune is. course, there is opposition when men are not promoted.

Mr. TYDINGS. Mr. President, will the Senator further vield?

Mr. BLACK. I yield.

Mr. TYDINGS. I must apologize because yesterday I was not able to hear the remarks of the Senator, and this morning I have been in the Appropriations Committee ever since it began its meeting and have just now come on the floor. Is it the Senator's contention that the board lately convened to select officers for promotion in the Marine Corps did not act fairly?

Mr. BLACK. Absolutely.

Mr. TYDINGS. Has the Senator explained in what regard they have not acted fairly?

Mr. BLACK. I am proceeding now to do so.

Mr. TYDINGS. If the Senator has done so, I will read it in the RECORD. If he has not, I should like to hear it.

Mr. BLACK. I have not completed it as yet. The statement was made about the removal of the "hump", and that it could not be done without causing trouble. It can be done. The first bill that came up in the Military Affairs Committee when I came to the United States Senate was a bill to remove the "hump" by "plucking" World War officers. It was recommended by the War Department. After some months I succeeded in defeating that bill in the committee and reporting a substitute measure to the Senate, which provided a just method for removal of the "hump." The War Department opposed it. It was defeated. The "hump" continued, but at the present time there is pending on the calendar a bill which I hope will be passed the next time the Senate calendar shall be called—a bill proposed by General MacArthur to remove the "hump" in the Army without the iniquitous system of a "plucking" board to be administered unfairly and unjustly to men who served in the World War. I recommend the study of that bill to those who are interested in the proper method of determining how to remove the "hump."

Mr. TYDINGS. Mr. President, may I say to the Senator from Alabama that, as I recall the system as it existed in the Marine Corps, the "hump" was more aggravated than that which existed in the Army or the Navy. It was shown by General Lejeune that men who became second lieutenants at an early age under the system then in vogue would retire as captains, and, therefore, in order to permit men to reach some degree of rank before they were retired it was necessary to apply a more drastic remedy to the Marine Corps than that which had to be applied to the Army and Navy. Therefore, the percentage of officers affected is much larger in the Marine Corps than in the Army or Navy.

Mr. BLACK. I may state to the Senator that I do not propose at this time to enter upon a complete discussion of that feature, but there are men who served in the World War who went in as second lieutenants and who, without some kind of a measure to relieve the "hump", would retire as first lieutenants.

Mr. GERRY. Mr. President, will the Senator yield?

Mr. BLACK. I yield.
Mr. GERRY. As I read the testimony, General Butler brought up that question in the hearings; but the answer is that, while a man might have a brillant record as a second lieutenant, and be a man of great bravery, it would not necessarily follow that he was qualified to become one of the high-ranking officers in the Marine Corps, where other qualities such as judgment, and so forth, are necessary.

Mr. BLACK. I agree with that statement fully, but I further agree that a board in Washington, practically all the members of which are serving in capacities connected with a revolving chair—and I will show in a few minutes how some of them are serving—cannot pass on a man and tell whether he can meet an emergency when he gets on the battlefield. I agree thoroughly with General MacArthur, whose statement was made on February 9 before the Military Affairs Committee, when he said:

Moreover, in time of peace the measure of capacity of an officer, the yardstick by which you measure his capacity is not of such scope as to really define the officer's combatability. Some of the most astonishing reverses have been found under actual field conditions. Officers who everybody thought were of extraordinary merit, under the tremendous pressure of nervous strain, of the physical contacts—the blood, the disaster of the battlefield—have collapsed; whereas those men who in time of peace would apparently have a much lower general efficiency rating have exhibited traits of character which have brought them to the front at once. They were able to register all their ability under an emergency, whereas the former—the predicted brilliant officer—

I m'ght say one who would be "predicted" down in the marine headquarters in days of "piping peace"; but, as General Butler suggested, he did not think they ought to have a knitting party and that often "the predicted brilliant officer" was not able to register more than a fraction of his ability.

Mr. GERRY. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. GERRY. According to the Senator's argument, then, he is not willing to trust the opinion of General Lejeune, who recommended this board and who is one of the greatest fighting officers the Marine Corps has ever had? I am going on his opinion and the opinion of other officers such as he.

Mr. BLACK. I am not going on the opinion of General Lejeune with reference to the board which sat in Washington, which was headed by a man who had formerly sat at the head of another board and had demoted some of the same officers who had won their spurs on the battlefields of France. It became necessary to enact legislation in order to undo the action of General Russell's board.

In 1919 General Russell was the head of a board, the only other board of which he was ever at the head, and the question arose as to what would be done with certain men who had served in the Army. He says in his evidence, it will be found, that the question was what would be done with the noncommissioned officers who had served brilliantly and who had received commissions. His board acted, and such a clamor went up from all over this Nation by people who knew the injustices that had been done to the men who had served on the battlefront of France that Congress itself, by an amendment proposed in this very body, authorized a new board, and General Lejeune set up that board. That new board was created upon the recommendation of the same General Lejeune, and when it met it proceeded to overturn the action of the Russell board.

Mr. LONG. Mr. President, will the Senator yield?

Mr. BLACK. I yield to the Senator.

Mr. LONG. As I understand, General Lejeune set up a board to undo what Russell had done?

Mr. BLACK. That is correct. It was done upon his recommendation to Congress with reference to the establishment of a new board. What happened? Some of these men were saved then; and if one will look at General Russell's evidence he will find that he still says the original mistake was made in this new board which was set up to undo the plain, palpable injustice which had been perpetrated upon

men who served at the battle front. They changed it then, and things went along peacefully and quietly in the Marine Corps. Until General Russell again became Commandant no effort had been made to take away the places that had been won by men in actual service before the enemy.

Mr. GERRY. Mr. President, is it not true, if the Senator will yield to me, that there is a "hump" at the present time because there has been no selection board in the Marine Corns?

Mr. BLACK. If there is a "hump", I want the situation growing out of that "hump" handled in a humane way and not unjustly by a man who attempted to do it unjustly before the Congress corrected the abuses.

Mr. TYDINGS. Will the Senator yield?

Mr. BLACK. I yield to the Senator.

Mr. TYDINGS. I should like to point out to the Senator that human nature is so strong that any method devised to relieve that "hump" which eventuates in eliminating men will cause much dissatisfaction, and that there is no perfect system which can be set up to eliminate officers from the Army, the Navy, or the Marine Corps.

Mr. BLACK. I call the Senator's attention again to the fact that they had the "hump" in the Army, and they tried to put over the same kind of an iniquitous system, but some of us on the Military Affairs Committee defeated it.

Mr. TYDINGS. Will the Senator yield?

Mr. BLACK. I will yield when I finish. We defeated it then, and the Army never proposed it again. The men who proposed that system are not in control; and now General MacArthur comes before the Senate and offers a bill which will relieve the "hump" in a humane and fair way. I heard that this was to be done, and I assumed that probably the War Department might be again going to try to follow the old method which had been proposed. So I wrote General MacArthur and told him I wanted to see just what they were going to do. He brought me the bill. I went over it: the Senate committee went over it and unanimously reported it. It is believed that it will afford a fair, just, and humane method of relieving the "hump" in the Army. It will not work to the detriment of men who served in France, and perhaps will not cause the Senate to keep on talking about a "hump." A "hump"! Which is the more important—a "hump" or justice to men who fought the war at the time when, as it was stated, we fought "to make the world safe for democracy?"

I claim that an investigation of this matter will show that a rank, outrageous injustice has been done to men who served on the battle front; and it will not be done so long as I can prevent it and so long as I am able to raise my voice against it.

Mr. TYDINGS. Mr. President, will the Senator yield? Mr. BLACK. I yield to the Senator from Maryland.

Mr. TYDINGS. At the time the Marine Corps promotion bill was pending, General Lejeune, who was then Commandant of the Marine Corps, came to the Senate and appeared before the Naval Affairs Committee. He compared the size of the "hump" in the Army and the Navy with that in the Marine Corps. As I have said, I interested myself in the proposal when it came up; and while I have not the exact figures, I am well within the bounds of caution in making the observation that the "hump" in the Marine Corps was more than twice as aggravated as in either the Army or the Navy.

Mr. BLACK. I have no mathematical calculations of the height of the "hump"; but, in my judgment, a rank, outrageous injustice is about to be perpetrated upon men who fought on the battle front. Let men say what they will about General Butler, no one can deny that his record shows a splendid series of brave and courageous acts on the battle front. No one can deny that his record shows that when the effort was made to do an injustice to the men who he knew had served valiantly and well on the battle front his voice was then raised. Then it was that General Lejeune joined him and a new board was created to do justice to the men who had been improperly treated by General Russell's board. They did it then.

Mr. GERRY. Mr. President, will the Senator yield? Mr. BLACK. I yield to the Senator. Mr. GERRY. Is it not true, though, that the Marine Corps has not had a selection board, such as the Navy has had, with a result that has been detrimental to the Marine Corps, because, as in the Navy before the creation of selection boards, they were unable to eliminate officers who should not rise to the higher grades? There can be no question that no one wants to do any injustice to any officer. The main point is to promote efficiency in the corps so that they may best perform their duties. It may well be doubted whether Congress can really have the knowledge that officers of the Marine Corps, such as General Lejeune, possess as to the fitness of these officers. Of course, as soon as any officer is "plucked" it is always an injustice to that officer in his own estimation.

Mr. BLACK. I would be very much pleased if a new board could be created and General Lejeune put on it. I will guarantee if they had men of the type of General Lejeune and Gen. Harry Lee that we would never have any such thing as occurred with reference to the selection board. I am not sure that that can be done; I am not sure but that General MacArthur was right in this further statement:

General MacArthur. The retirement of competent officers creates a psychology of fear, of intimidation, throughout the whole officer personnel. Every year they would have to go through the purging process, if I can use so drastic a term, and it would make even the most excellent officers timid.

Of course it would; it always creates a reign of terror; it always creates a boot-licking class, a group who find that the only way in the world to get anything is to clean the boots of somebody who has political prestige or power. That is what General MacArthur is talking about.

Senator Carry. They fear that they will be the next? General MacArrice. They would be fearful. There are no human agencies that are infallible in methods of selection. This makes the man not only timid but it tends to make him cater to the views and wishes of senior officers-

Boot licking-

even if he does not honestly believe in those views.

We believe, from every standpoint, that it is not desirable and we would not advocate such a process in the American Army.

Mr. TYDINGS. Mr. President-

The PRESIDING OFFICER (Mr. DIETERICH in the chair). Does the Senator from Alabama yield to the Senator from Marvland?

Mr. BLACK. I yield.

Mr. TYDINGS. The Senator realizes that there are very few promotions in the Marine Corps, because it is a very small organization?

Mr. BLACK. That is correct.

Mr. TYDINGS. The Senator suggests doing away with the selection board and that seniority should apply. The Senator will be fair enough to concede that under that system quite often the few high offices which direct the whole corps might be manned not by the best officers but by the senior officers. Will the Senator concede that to be so?

Mr. BLACK. I will concede it is possible that the senior officers might not always be the men who had all the best possible qualities. Let me add to that statement. I will also concede that it might be possible that in the case of a board made up of General Russell and those whom he appoints here in Washington, who are serving under him and most of whom have been recommended for promotion by him, there might be a slight possibility of error creeping in.

Mr. TYDINGS. I rose to point out that even under the system which the Senator inferentially advocates, he admits the plan would not work efficiently; that officers would only have to be in the Marine Corps the greatest length of time in order eventually to command it. General MacArthur, the advocate whom the Senator uses to prove his point, is an example of the system against which the Senator inveighs. General MacArthur is a junior in the Army. He was appointed over the heads of many major generals, yet the Senator uses the exponent of the system which he decries to prove the opposite case.

Mr. BLACK. The Senator is not going to get me away from the real issue before us.

Mr. TYDINGS. But the Senator did get away from it.

Mr. BLACK. The real issue is that a board has been created manifestly for the purpose of undoing what the board did in 1920. It is the first time General Russell had the opportunity, and he availed himself of the opportunity. He admits in his evidence that it was wrong, and he said it needed correction.

Mr. TYDINGS. Mr. President-

The PRESIDING OFFICER. Does the Senator from Alabama yield further to the Senator from Maryland?

Mr. BLACK. I yield.

Mr. TYDINGS. I do not desire to interrupt the Senator constantly

Mr. BLACK. Is the Senator from Maryland a member of the Naval Affairs Committee?

Mr. TYDINGS. Yes; the Senator from Maryland is a member of that committee. May I say to the Senator from Alabama that we have to have one or the other of the two systems? We have either to have a seniority system on the one hand, or a selection board on the other hand. the Senator's proposed system, at least the one he advocates inferentially, it would not be possible to get such experienced and able men at the head of the Army as General MacArthur. We could not get a man like that under the Senator's system. I do not care what system we set up, it is not going to please every officer in the Army, Navy, and Marine Corps. My observation is that we get better officers under the selective system than under the seniority system.

Mr. GERRY. That is why General Lejeune is advocating

this system.

Mr. BLACK. Is is not an issue before the Senate at this time as to whether we favor the selective system or the seniority system.

Mr. TYDINGS. I appreciate that is so. If the Senator will permit me to interrupt further, if we are not going to debate that point, then General Russell simply carried out the system which is now in effect. The Senator's criticism is not of the system, but of the way it was carried out. The Senator has been arguing for half an hour that under the system men who served on the battle front were relegated to the rear, and that was the basis of my interruption.

Mr. BLACK. The Senator is in error in his assumption. I believe a fair implication of the selective system would not have brought about the results which have been brought shout here

I recognize the apparent impossibility of doing anything against a proposal made by the Navy or the Army. I have been a member of the Committee on Military Affairs ever since I came to the Senate. I realize that sometimes good friends who sit on those committees finally reach a point where if one dares to question the dotting of an "i" or the crossing of a "t" as suggested by the military or naval authorities, he is simply committing a sacrilege.

Mr. TYDINGS. Mr. President-

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Maryland?

Mr. BLACK. I yield.

Mr. TYDINGS. I want to say, so far as my knowledge of General Russell goes, it is personal. I happened to be in Haiti when they were head-hunting down there and a good many bandits were holding up everybody who used the roads outside of the town. I saw the work that had been done there. My comment, and it is made as an American citizen, is that General Russell did a splendid job and nobody would say that with more enthusiasm than the people of Haiti themselves, who with a great deal of reluctance saw the marines leave, although they did not want them in the country because of national pride, yet at the same time were frank enough to express themselves in that way.

Mr. BLACK. It may be proper to express a personal opinion about a visit to Haiti. I have not done so although I formed an opinion, and my opinion was somewhat in line with the opinion expressed by the Senator from Texas [Mr. CONNALLY].

I may state to the Senator from Maryland that an American citizen desired to talk to me about the situation in Haiti and he did not dare to discuss it with me in the city of Port au Prince. He did not dare to open his mouth there. There was an absolute reign of terror which prevented it, and so, at his request, I talked to him about 4 miles outside of the city of Port au Prince in order that he might tell me the situation which actually existed in that beautiful city which the Senator portrays. I admit the Americans may have built some roads, but what do the Haitians need with all those roads? They were poor people who had had a law for 100 years that no foreigner should own any land in that country, and then had their constitution amended at the point of the bayonet and an election supervised by the marines, with drawn swords, in order to determine that they should have a constitution which would enable them to sell their lands to foreigners.

Mr. TYDINGS. Mr. President-

The PRESIDING OFFICER (Mr. MINTON in the chair). Does the Senator from Alabama yield to the Senator from Maryland?

Mr. BLACK. Certainly.

Mr. TYDINGS. May I point out to the Senator that at the time the marines were landed in Port au Prince the President of the country had been cornered in his house, had been brought out, had his legs cut off, had his head cut off, had his arms cut off, and was being dragged through the streets by a mob; that warships of foreign countries, principally countries of Europe, came into the harbor and were about to land troops, and if it had not been for the landing of American troops we would have had European occupation in the Western Hemisphere. That was the situation which the marines found when they were landed. Because they were landed European soldiers were not landed, as we do not want them landed in the Western Hemisphere.

Mr. BLACK. I do not care to go into the merits of that question, but to those who are interested I suggest they read a book called "Occupied Haiti." I understand the great philanthropic motives which always operate when a conquering nation wants to seize a conquered country. Alexander the Great during his career never conquered a country except to take them a great civilization. He wanted to have roads built. He wanted to improve their condition. When we have sent our marines to Nicaragua and to South America our action has always been accompanied by the great philanthropic motive of carrying civilization to them; but when we finished we found usually, as was the case in Haiti, that the money had been issued by the City National Bank of New York and the customs were collected in order to pay the interest in New York on the money the Haitians had borrowed.

However, I am not going to enter now upon a discussion of that matter. We are discussing now the question of the promotion system. It is very natural, it is exceedingly natural, that we should attempt to confuse the issue, which is whether or not we are going to stand for the action of promotion boards which have rendered absolute injustice to marine officers in this country.

Now let us see who served on the boards.

The senior board in 1934 selected 69 and passed over 78. I am wondering if it is true that the marine personnel in this country has gotten down to such a point that there are 78 of them who ought to be kicked out of the service. If so, one of two things is wrong: Something is wrong with the selection board, or something has been wrong in the past which has permitted them to stay on the roll.

Let us see who served on the boards. Let us take the second one:

General Russell, the Commandant of the Marine Corps, with the power of life and death over the other officers by reason of his place. He can move them where he pleases. He can send them wherever he desires. He can remove them from a favored spot and send them to an undesirable spot.

Who is the next one? General McDougal. Who is General McDougal? His Assistant Commandant, sitting here in Washington. Promoted? Yes. Any other obligations?

Yes. If Senators desire to know what the other obligations were, read the record.

General Porter—where was General Porter? Adjutant and inspector, I believe, here in Washington.

General Little, working at headquarters.

General Berkeley was not working at headquarters.

General Williams—where was he? Here in Washington. What happened to him? He was promoted. By whose board? General Russell's board. General Russell was the head of the Marine Corps.

How many of them served in France? General McDougal arrived in September and stayed until November 14. General Williams went over there in September and stayed until November.

Let us see about the other board. The board I have mentioned was the second board. The first board was composed of General Russell; General Lee-a man with distinguished service-there is no question about that. It would be very interesting, in my judgment, if the committee would summon General Lee and find out what he thinks about this matter. I have not seen him. I have not talked with him. I have never talked with him, but I had hoped he would be summoned. The other members were General Breckenridge, with no war service; General Lyman, with no war service; General Lane, with no war service; General McDougal, again, with service from September to November, serving directly under General Russell here in Washington. One officer came all the way from California, but he did not serve. They said it was found that he would have to stay here too long. He is an officer who is serving now in California.

So, Mr. President, we find the board made up, with the Commandant of the Marine Corps at the head of it. It is true that he states he did not know how the other members were going to vote. He also swore that he never discussed with them the promotion of a single individual. Think of that! A board that is going to meet, and they take the records and go over them for a week or 10 days or 2 weeks, and the evidence is that the head of the board never discussed a single one with a single member of the board!

Of course, that may be correct. Ordinarily, we would not anticipate that things were done in that way. What is the evidence? What do we have? We have the Commandant of the Marine Corps, with the life of every officer under him in his control, sitting at the head of the board, and we find a situation where he admits that he thought what had been done in 1920 ought to be undone. We find him sitting there; and then, when we look over the record, and General Smedley Butler looks it over—the man who had served on the first board that corrected the injustices of General Russell—he comes down and swears before the committee that they did exactly what they said they wanted to do.

There is the record, and there is what has been done to these officers.

I do not know what the Senate will do about this nomination. Ordinarily confirmation is a matter of form. Officers are recommended by the Navy Department. Certainly we would not vote against the Navy Department. They are recommended by the War Department. We could not vote against the War Department. Yet we are voting now upon the promotion of the man whose evidence Senators have heard read here, and who contradicted himself in such a way that a member of the committee had read back to him the very evidence which this man had given when it first fell from his lips when he went on the stand.

Mr. President, I shall not go into the details of what has happened to the officers. The evidence shows that over 50 percent of those in certain classes have been passed over. That means, if this whole plan and scheme shall succeed—and I call it a scheme advisedly—and if the Senate and House shall swallow the means by which it is proposed that these men shall be kicked out, they will be removed from the Marine Corps. Their chance to earn their daily bread will be taken away from them. Men who have served as long as 30 years, with not a single blot on their records, will be removed from the corps, and the Senate will approve the promotion of others who have general courts martial

sprinkled through the years. That is what we will do. We | can very easily ascertain, by a proper investigation, what has happened.

Why should we object to having this matter go back to the committee in order to determine whether or not this is a blow aimed straight at the heart of the Marine Corps of this Nation? How can we expect to get loyal service from men who have the sword hanging over their heads every minute when they know that the Commandant of the Marine Corps selects his own assistants? That is the evidence. Of course, theoretically, they are appointed by the Secretary of the Navy, but that is only theory. General Russell admitted that they were all recommended by him for appointment, including himself. So we find serving under him the men upon whom we expect to call, perhaps-I hope not-to go and make some other country in South America safe for democracy and the National City Bank, to suffer from amoebic dysentery and fever, as did the officer from whose letter I quoted.

Mr. President, I desire to say about General Williams, who is the one whose name is up now, that I was not the one who originally objected to his confirmation. I stated yesterday afternoon that I did not want the nomination of General Williams passed on at that time because the Senator who objected was not here. While it is my belief that there are other men who, from what I have seen, were over General Williams on the roster, who are capable of serving well if promoted, it is not my intention to wage any fight against General Williams; but I do insist that we should either refuse to confirm General Russell or we should send his nomination back to the committee.

I have not mentioned the incident which happened with reference to the Senator from Utah [Mr. King] because, as is shown by the record, I stated that at his request I was not asking any investigation of that incident by the committee. I was familiar with the fight that had been made by the Senator from Utah—a magnificent fight—for the people who lived in Haiti, in order to try to preserve and protect their rights. He had not succeeded in winning a victory, but on their behalf he waged a fight which, in my judgment, did result in good when the new administration came into power. I stated yesterday that while I had said I should not ask that that incident be taken up, the treatment accorded the Senator from Utah alone would be sufficient for me to base my vote on, if it were necessary.

What I am now asking, however, is that proper consideration be given to the officers who have served their country well, and who can serve it well in the future unless we permit them to be made the targets of a group sitting on the inside in Washington, and to have them disgraced, as well as thrown out of the service, by the methods that have been adopted.

### THE WRECKING CREW

Mr. LONG. Mr. President, last night, while I was about to undertake to throw myself into the arms of Morpheus, I thought I heard my name being mentioned over the radio in the next room. I listened for a little while, and, lo and behold, I became convinced that perhaps I was being mentioned in some unimportant connection; so I pricked up my ears and turned on the radio in my own room and listened to the speech which was coming over the ether, and I heard my friend Gen. Hugh Johnson making a speech-General Johnson, the man who ran the N. R. A. down here for some

So I pricked up my ears a second time to listen to the general. Among other things he said was that the time had arrived when somebody should inform the American people of the great menace of the two pied pipers of the present day and time; and as one of those pied pipers he named Rev. Father Charles E. Coughlin, of Michigan, and as the other he named myself.

The general, who retired from the Army first and from the N. R. A. next, comes out of the house of Bernard M. Baruch. He is one of the employees—a private employee, a hired hand, so to speak—used by the firm of Bernard M. Baruch, Inc., the motto of which is, "Presidents: You make

'em; we break 'em." [Laughter.] According to the Wall Street magazine of J. P. Morgan & Co.—the American Magazine, which I hold in my hand-according to the House of Morgan and its publication Mr. Baruch has been the confidant and the adviser and the overlord of several Presidents.

He has taken his employee, Mr. Hugh Johnson, and at various times has placed him in certain pivotal positions of

Mr. FRAZIER. Mr. President, will the Senator yield? Mr. LONG. I yield.

Mr. FRAZIER. I should like to suggest the absence of a quorum, if the Senator does not object.

Mr. LONG. I do not object, because I think the Senator from Arkansas [Mr. Robinson] ought to be here.

The PRESIDING OFFICER. The clerk will call the roll. The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	Keyes	Radcliffe
Ashurst	Costigan	King	Reynolds
Austin	Couzens	La Follette	Robinson
Bachman	Cutting	Logan	Russell
Bailey	Dickinson	Lonergan	Schall
Bankhead	Dieterich	Long	Schwellenbach
Barbour	Donahey	McAdoo	Sheppard
Bilbo	Duffy	McCarran	Shipstead
Black	Fletcher	McGill	Smith
Bone	Frazier	McKellar	Steiwer
Borah	George	McNary	Thomas, Okla.
Brown	Gerry	Maloney	Thomas, Utah
Bulkley	Gibson	Minton	Townsend
Bulow	Glass	Moore	Trammell
Burke	Gore	Murphy	Truman
Byrd	Guffey	Murray	Tydings
Byrnes	Hale	Neely	Vandenberg
Capper	- Harrison	Norbeck	Van Nuys
Carey	Hastings	Norris	Wagner
Clark	Hatch	Nye	Walsh
Connally	Hayden	O'Mahoney	Wheeler
Coolidge	Johnson	Pope	White

The PRESIDING OFFICER. Eighty-eight Senators having answered to their names, a quorum is present.

Mr. LONG. Mr. President, before the quorum was called I was undertaking to make some answer to Mr. Johnson's speech over the radio last evening, which I now propose to

Mr. Johnson undertakes to warn the American people of a great menace, a double-barreled menace, in the persons of Rev. Charles E. Coughlin and myself. Mr. Johnson undertakes to tell the people exactly what may be expected. He says that there are 80,000,000 very, very badly abused babies in America, referring to all people, the young and the old, as in the class of babies; and that, with 80,000,000 abused babies being extant, the field is rather promising for Rev. Father Coughlin, of Detroit, and myself; and he warns against us as the two dangerous pied pipers.

This Baruch loaned this Johnson to the United States twice before. He has always ventured to lend his handyandy tools to whoever is in power, provided he has been allowed to sit on the inside and know what is going on a little bit before anybody else knows when it is going to happen, and in that manner to gather and to garner to himself, as a market rigger and as a market manipulator, what seems to be profitable.

He plays no favorites, does Baruch, with his high lights; he plays no favorites in parties; he plays no favorites in individuals. All that is necessary is for one to be in authority to control important functions of the Government, whereupon Baruch usually volunteers himself, and eventually sees that his proffered services are accepted to manipulate the affairs of the United States.

Right at this time, with the market being rigged and manipulated as has never been done since the World War, he is generally known as the "greatest exporter and importer of metals, of gold and silver." He is generally known as the greatest buyer and seller of commodities that never touch his hands." He is generally publicized by the journals of the country and by the newspapers of the country as the man who makes big money because he is wise on what the market is going to do.

He knows when the dollar is going to be depreciated or when the dollar is going up, if the high lights know what the rumors speak. He knows when the pound is going to be one thing or when it is going to be another. He guesses on everything except the weather. He does not guess on those things which are controlled by the hands of nature, only on those things which are controlled by the hands of man, provided he is close to the throne, to the hand of the man who is in charge of those particular manipulations.

He sallies forth with this man Hugh Johnson. He sent Hugh Johnson down here to organize the N. R. A. I made the charge on the floor of the Senate that Mr. Johnson was appointed as an employee of Baruch, and that he would not have been here if Baruch had not sent him here; that Baruch had loaned his man again to the United States.

My statement was challenged. A few moments later I met the general out in the lobby of the Capitol, and he assured me that he took no offense; that he was a Baruch man and an employee of Mr. Baruch, and came here in that capacity, and would go back as soon as he got through filling his itinerant job down here in Washington, D. C. And he did.

He came from Baruch to Wilson, and went from Wilson back to Baruch. He came from Baruch to Hoover, and he went from Hoover back to Baruch. He came from Baruch to Roosevelt, and he went from Roosevelt back to Baruch.

Now, what do we hear? The Roosevelt administration found out that they had to get rid of the general. They found out that the general had messed things up, and that the Roosevelt administration had gotten itself into such a mess—for which it was just as much responsible as Johnson was—that something had to be done about the N. R. A. So the general was in the limelight and on the hot spot, and they had to get rid of General Johnson.

General Johnson, at the time he was going to resign, I know for a fact, called in a newspaper reporter and told him that he was going to give out a statement about "that 'bird' over in the White House", and he was going to make it singe; but he was convinced that probably the best thing to do was to present his resignation and say nothing about it, and get out as quickly as he could. So he got out.

Now, what have they cooked up? The general is a prospective candidate, I hear. They have convinced General Johnson that he can be of service to the administration. He was doing a great disservice to them last night, as I shall demonstrate. But they convinced him that he could be of great service, and they have actually gotten him to believe that he can be elected to the United States Senate from the State of Oklahoma. I understand that the Farley crowd have it now in their minds, and that Mr. Johnson has it in his mind, that he is going to be a candidate for the United States Senate from the State of Oklahoma.

I knew something down here was going crazy, but I never thought they were that crazy until this morning, until I traced down that matter to sources which are absolutely reliable, and found out that it has come to the mind of Farley's adherents that they are in need of the capabilities of General Johnson and that they had opened up the matter, on the eve of some journal giving out a statement to the Redbook Magazine called his memoirs, the beginning of the publication of his memoirs, as the event upon which to justify a loud blast that General Johnson was going to issue throughout the length and breadth of the United States. So General Johnson, on the eve of the publication of his obituary, or his memoirs, as the case may be [laughter]—on the eve of this particular publication, throws wide open the wires of the United States in a manner that I have not been able to get them. I have worked for years and years and years trying to get one of those favorable hours on the radio, and now and then they will drop me back to 11:30, 11 o'clock and 12 o'clock and let me talk to the people who stay up that late; but I never have, in all my efforts which I have been making to get time over the radio, been able to get one of these favorable hours and periods to speak like the general had last night, in which he deluges the country with an attack on me and the priest over in Detroit, and to defend Farleyism and anything with which he ever had to do, including the Roosevelt administration.

So therefore, Mr. President, it becomes a little necessary that we find out, that we explore for the time, if it may please the Senate, what is the source of this particular effort at this time, and why the reason. First, let us go back to Baruch. Why, here is the man who was running the country—Bernard M. Baruch. We thought we were swapping from Hoover to Roosevelt, and we were swapping from Baruch to Baruch. Now do not doubt me, Mr. President. There are a great many of us here who like proof. I am going to read from the official magazine of J. P. Morgan & Co. This magazine is owned by the House of J. P. Morgan, the American Magazine, owned by the Crowell Publishing Co., and J. P. Morgan owns the Crowell Publishing Co., as was testified by Mr. Morgan's partner, Thomas W. Lamont, before the Banking and Currency Committee last year in reply to questions which I was allowed to propound by reason of the generous attitude of the Senator from Florida [Mr. Fletcher], presiding at the time.

This magazine has an article on Mr. Baruch. I now read to the Senate from an article in 1929 by Barney Baruch, published as an interview given to the special scribe, Mr. Bruce Barton, from the lips of Mr. Baruch. I shall not read all this article, because manifestly it might be too long and burdensome on the Senate, but I want to show the Senate that this Bernard M. Baruch and Hugh Johnson, inside and second-story combination of wreckers of Presidents, have been doing this thing so long, and rigging the market for their own individual profits, that the memory of man runneth not to the contrary, and let there be no dispute about it.

Let me read this article from Brother Baruch to the Senate. I read this excerpt from the American Magazine of June 1929, beginning at page 26. This is Baruch talking now:

Let us trace the business influence of the war a little farther.

That is Baruch speaking. Then he starts again:

The Liberty loan campaigns taught the people to save and invest, first in Liberty bonds, then in municipal and railroad bonds, and then in securities of the corporations which represent the work and genius of the American people.

I am getting to the point gradually here. Here is a propaganda article issued for what was going on in 1929, 4 months before the crash came. Here he says, to begin with, as I have just read, that the war taught the American people to invest—in what? First in Liberty bonds. Next in municipal and railroad bonds. He puts them on a par, municipal and railroad bonds. We will not say anything about the railroad water—just leave that where it is for the present.

Then he says they were taught to invest their money in other corporations of the country. In other words, the market rigging and wild speculation going on on the New York Stock Exchange at the time was particularly being rigged there under the nose and with the consent of and by the spokesman of Hoover, who has later been the spokesman of Roosevelt, who sent down here the men that he had to furnish to run all the important departments of government. Not only did he send Hugh Johnson, but he sent a man named Brown. I forget what the other men's names were, a half a dozen of them or so; but at the same time, 2 years before, in the year 1929, he had built up this rigger with this Johnson and the balance of them that he later put in the department for the United States under Roosevelt. He framed the scheme and loaded the market and befuddled the American people; he used J. P. Morgan's magazine as one of the bellweathers to bring on the wreckage that occurred in September 1929 with Hoover as President of the United

Let us now go a little further. What else does he say? I am going to prove this case by his own words. I am going to prove this case so there will not be any denial this time, so there will not be any necessity of ringing over to the White House to find out if this or that is so or not so. I want to leave the matter so there will be no dispute this time. Now, says Baruch:

Instead of fighting the big corporations, the people now own them and enjoy the fruits of their growth.

Oh, they do, do they? Now, is not that fine! [Laughter.] Why, said Baruch unto Hoover, "Don't undertake to regu-

late these market manipulators known as 'the public utilities ' or the ' Power Trust.'" "Oh, no", he said, "Oh, no", said this Baruch, this wise counselor, this sagacious supplier of his underlings to the departments of the Government, "Don't fight the corporations; don't bother the Power Trust as it gobbles up everything in sight and then doubles and redoubles up on rates. Oh, no", he says, "the people own these corporations, and they gather the fruits of their

How true that was, or rather how untrue that was, came to the sad knowledge of the people later. But let us read further from Baruch. Said he:

The War Industries Board established a new cooperative relationship between Government and business which Mr. Hoover-

Now we are getting down to where Baruch is telling you that Hoover is the man to do this and the man who is doing it, and he recommends him for it. This man who came over here and took charge of the Democratic Party, do not forget that, after we won-this man who came over here and took charge of the Democratic Party after we practically ran him out of the party, after our candidate sent a telegram to Chicago intended for him and those of his stripe, that they did not even have any part to be considered or recognized in the Democratic Party—this man says in 1929, in the month of June, and he must have written this about the month of April or a few months before:

The War Industries Board established a new cooperative relationship between government and business which Mr. Hoover, as Secretary of Commerce, continued in peace times with results that are beyond measure.

In other words, he said Mr. Hoover has gone on with a form that is getting results beyond measure. What are

During the war we established committees of various industries.

Now, here is the N. R. A. They started to pull this N. R. A. under Hoover, and they could not pull it under Hoover, because the Democrats at that time were still fighting along the line of Jefferson to some extent. Not always, but on occasion. They started to pull this N. R. A. under Hoover, and Baruch, who is given credit with Hugh Johnson for putting the bright men behind the N. R. A., had started to pull this shenanigan under Hoover. Wait a minute while I show the Senate. Mr. Baruch said that Mr. Hoover, the Secretary of Commerce, continued the practice.

During the war we established committees of the various industries, and when prices were fixed-

Rules were also fixed for distribution, and these rules influenced the scale of wages and working conditions.

I just call the Senate's attention to the saying that Mr. Hoover was then on the way, said his spokesman, Baruch, to the fixing of prices and the making of regulations under which businesses would be operated, and he contended that that had in fact had a precedent during the World War and that it should be improved upon and aggravated and accentuated during peace times. Said Mr. Baruch:

Quantity production had its real birth in the war, not only because things had to be made quickly but also because of the necessity for eliminating all useless styles—

and the duplication of effort. We learned to standardize and to make a few styles do the work of many.

In other words, to get rid of competition in America.

I am going to show that that is just what he meant by those words; in just a minute I am going to show that that is what he meant when he put Hugh Johnson down here to run the N. R. A.; and I am going to show that this was not the voice of Esau and the hand of Jacob, or vice versa, but that it was the voice of Baruch and the hand of Baruch under Hoover and the voice of Baruch and the hand of Baruch under Roosevelt; and that today we have nothing under God's eternal sun but a continuation and a perfection

and an accentuation and an aggravation of "Baruchism" under Hoover continuing under Roosevelt up to this date.

Secretary Hoover-

Said Mr. Baruch-

in his Department, continued this important work, and every manufacturer now knows how much more profitable it is to keep the machines running constantly on a few kinds and styles, eliminating the value of big inventories and of constantly stopping and starting the plant.

The war compelled us to keep a lot of data and statistics.

Continues Mr. Baruch:

The Secretary of Commerce-

That is Mr. Hoover-

wisely continued to do this, and so exposed the public every day to a far wider fund of statistical knowledge than business men had ever had before.

Now, listen to this from Mr. Baruch:

Hoover understood statistics and he endeavored to place them before the people so that they, too, would understand.

Hoover understood statistics and he undertook to place them before the American people so that they, too, would understand-what? Understand what was going on in the way of financial flotations at that day and time. Now wait. Do not depend just on that conclusion. Turn over to page 133, where the article is continued. Here we have it; here we have why they continued these foreign flotations in America. Here we have it all. Says Mr. Baruch:

Through higher wages we gave people the opportunity to indulge their desire for better things and more of them; and then, by development of more flexible credits through installment buying, we enlarged that opportunity.

In other words, enlarged by installment buying which was carried on domestically.

Months ago-

Quoting from Baruch-

I drew up a plan on the lines of which I believed the repara-tions problem and the debt problem would ultimately be settled. The plan proposed a meeting of representatives of the Germans, the allied nations, and the United States, at which the whole question would be faced afresh. Ten years have passed \* \* \*. We are in a much better position now to know what Germany can be allied found to prove and what is both possible and profitchly fam. really afford to pay and what is both possible and profitable, from the long point of view, in the matter of debt settlements. \* \* \*

Early in 1929, when this was being written, the United States had already agreed to the selection of Owen D. Young and J. P. Morgan as unofficial representatives to attend an international commission on the reparations problem. The best financial minds of Europe and of the United States have high hopes of some such solution as Mr. Baruch suggested.

That is thrown in by Mr. Barton. Then he continues with Mr. Baruch

Mr. SHIPSTEAD. Mr. President, will the Senator yield? Mr. LONG. I yield.

Mr. SHIPSTEAD. Did he say they were "the best financial minds "?

Mr. LONG. Oh, yes; they were the men to run the thing. Oh, yes; and he has kept that going.

I want to tell the Senate where I first saw Father Coughlin. He had been highly recommended to me by Mr. Roosevelt, by Mr. McIntyre, his secretary, and by Mr. Moley, as being the greatest influence in America. I had never seen Father Coughlin in my life, and had only heard him occasionally for a minute or so over the radio. One night, in my room, just a night or two before they were going to inaugurate Mr. Roosevelt President, a gentleman walked into my room and told me that his name was Coughlin. He said to me, "Have you heard that Mr. Parker Gilbert is here to advise the President, Mr. Roosevelt?" I said, "I do not know Parker Gilbert and never heard of him." "Well", he said, "Parker Gilbert is a member of the banking firm of J. P. Morgan & I said, "You do not mean to tell me that they are Co." putting it out that J. P. Morgan's man has been sent over there again, do you?" He said, "That is what I hear." That was the first time I met Father Coughlin; and he walked up and down the floor a few times and said, "Go and find out." I came down here and I went into the office of the Senator from Idaho [Mr. Borah]. I went there with some people, and in the course of the conversation I asked the Senator from Idaho if he knew a man by the name of Parker Gilbert. I think he told me he either did know him or that he had heard of him. I asked him about him, and he confirmed that he understood he was here. He did not seem to know what I was asking about particularly. went out, and I found that Mr. Gilbert was here.

I later found out there there was no misunderstanding about that matter. Baruch had recommended to Hoover both Morgan and Young-it does not make any difference which one of them you take; Young is a Democrat and Morgan is either a Republican or a Democrat; tweedledum and tweedledee; there never will be any pure politics until we wipe them both out. I do not care under what banner you put them; one is as bad as the other for the people of America. They cannot run the Democratic Party in my section of the country-not with me down there. [Laughter.]

But it was generally understood, said Mr. Baruch, according to this magazine article, that the financial minds to whom the country should be turned over lock, stock, and barrel were Baruch and his underlings and Morgan and Young. Now I continue reading from this article about Baruch:

His plan or suggestion was that the sum that Germany would pay should be definitely fixed. \* \* Mr. Baruch proposed that, of the amount fixed for Germany to pay, part should be represented by an issue of bonds to be secured by German railroads and industrials and to be a first charge against these properties. About \$2,000,000,000 of these bonds should be marketed, and the balance of the bonds, six or eight billions, held in escrow by the Allies, to be sold as and when the international markets

If you want to know where Hoover got the German mark craze from, Mr. President, he got it from the same man Roosevelt got the N. R. A. from. If you want to know who sent Hoover to hell, it is the same man who is sending Roosevelt to hell. That is from whom he got it-Bernard M. Baruch and the lieutenants of his, like Hugh Johnson and Brown and that gang of political second-story workers and financial manipulators who were sent down here. What was the use of going out over the country and talking about Hoover's administration, if we were going to duplicate it? What was the use of making speeches that we were going to chase the money-changers out of the temple, if we were going to let the same man fill it up that had filled up Hoover's temple? I again quote from the article:

If the \$2,000,000,000 or any proportion of them were sold, France, under the so-called "Spa agreement", would get so much and somebody else would get so much.

Mr. Baruch's suggestion was drawn up with the idea that, if it were carried out, trade and commerce would so increase in the world that tax burdens could be lessened everywhere.

Does this mean that everybody will be prosperous; that there will be no more bad times?

This is Mr. Barton asking Mr. Baruch the question-

Not at all. \* \* \* You can go into any State today and find some farmers making money and other farmers, only a few miles away, having a hard struggle. You find the same situation in the retail stores on any Main Street \* \* \*.

Think for a moment what a cheering spectacle the past century presents. In that period we have practically removed the scourge of famine from the world. \* \* Food rotted on the ground in one country while people were starving only a few hundred miles away. China and India, where population is dense and modern methods have made little progress, still suffer periodically from famines, but the rest of the world has abolished this specter. Agricultural machinery has made it possible to farm many acres instead of a few. \* \* We are within sight of the day when everybody in the world will have enough food all the time.

When we got to that day when there was enough food, then what happened?

I will not read much further from this article, but will ask to have it printed in the RECORD at the conclusion of my

The PRESIDING OFFICER. Is there objection to the request of the Senator from Louisiana? The Chair hears none, and it is so ordered.

(See exhibit A.)

Mr. LONG. I will, however, skip over and read the next thing that shows the idea of Baruch at that time and now. It will show why the N. R. A. did just what it has done. It will show that Baruch intended it when he started it:

Nobody can advise the "average" man on investments-

This is Baruch talking-

and it is furthest from my thought to discuss the temperamental spirit of the stock markets. \* \* \* A friend of mine was talking with an Englishman who had recently come from Canada. As they rode along in an automobile the Englishman pointed to an A. & P

Listen to this if you want to know why the N. R. A. put the little store out of business and dotted this country with A. & P. stores. I will show that you were given fair warning in June 1929 when Bernard M. Baruch was advocating it under Hoover and later on carried it out under Roosevelt:

"What's that?" he asked. "Why, it's a chain grocery store", my tend responded. "What kind of chain stores do you have in friend responded. "What kind of chain stores do you have in Canada?" "We do not have any", the Englishman replied. "That is the first one I ever saw."

My friend thought it incredible, but that night he wrote letters to three men in Canada asking them about chain stores, and from each he received the same reply.

I want Senators to remember that I am coming back in a moment to the specific promise made by Franklin Delano Roosevelt when he was a candidate for the Presidency that the hand of the clock had to be turned back the other way, that the chain store must be curbed, and that the running race, that was a losing race, for the corner grocery store had to be reversed and made more simple for the little man.

But here was Baruch in 1929:

My friend thought it incredible, but that night he wrote letters to three men in Canada asking them about chain stores and from each he received the same reply. A few months later he opened the first store in a chain which has now spread all over the

In other words, they have spread them over Canada as they have in the United States.

He has made a large fortune, but he might conceivably have made almost as much as if he had merely stayed at home and invested in the chain-store systems of this country.

In other words, he said this man went to Canada and made a fortune with chain stores in Canada, but that he might have stayed here and invested in chain stores in the United States and done about as well.

Any man who watched the early success of these great systems-

must have seen that this was the beginning of a new era of

Any man who has watched the concentration of these stores into the hands of the few, any man who has watched the blight on the corner grocery stores and the blight on the neighborhood retail stores, any man who has seen his countrymen go out of the little general merchandise stores they had been running, any man must have known that that wake of pestilence, that wake of financial destruction, was the intended policy and growth of the great systems under the policy of Hoover that Baruch was inculcating into him at the time, according to Baruch.

Any man who watched the early success of these great systems must have seen that this was the beginning of a new era of distribution, and that every soundly managed enterprise in this field would be profitable.

Mr. President, I am not going to read further, but he goes on to show, in effect, that the steel mills should come in and be one, that the cotton mills should come in and be one, that all the industry should be patterned along the lines of concentrated monopoly, and that the country should be flooded with German marks and German bonds, and whatever interest the people had in any business should immediately be discontinued and their interests amalgamated in whatever big interests they might be prompted to purchase before the grand crash came in September.

Mr. President, I send to the desk this article of the learned breaker of Presidents and ask that in its entirety it may be inserted in the RECORD at the conclusion of my remarks.

ordered.

(See exhibit A.)

Mr. LONG. Now, Mr. Johnson comes up. We go ahead and get rid of Mr. Hoover. We are supposed to get rid of Mr. Baruch. I remember when we nominated Roosevelt at Chicago word came in that Mr. Baruch had taken an airplane and left Chicago; that he and his brother had taken an airplane and left. I thought to myself, that is a wonderful sign. Mr. Baruch has quit. He has given up the ghost at last. The Democratic Party has been restored into hands different from those in which the Republican Party has been during the past 4 years.

But Mr. Baruch came down here and suggested the national economy bill, and they hung the club over the head of Congress that it had to be enacted to save the country, and Congress dutifully bowed its head and enacted the national economy bill. We have been trying to get from under the results of that act ever since. Then Mr. Johnson came down here with Mr. Baruch and opened up headquarters and he put Johnson in them before Congress ever passed the law. They had the N. R. A. organized and set up, the desks polished off, telephones put in, and numbers assigned to them on the switchboard before they ever passed the bill through Congress. Baruch knew his business. He had been running this Government before. He knew how to run one. They came down and established the N. R. A. headquarters. It has been given many names-" National Recovery Administration", "National Racketeering Association", "National Ruin Administration", and various other names, depending on how one felt about the administration of the law. None the less it was established and set up and

then the law was enacted. Someone has talked about laws being passed in Louisiana. Somebody talking about it? Oh, yes! There has never been a law passed in my native State until it was passed on by the people and then passed on by the legislature, and yet they call that something that goes counter to the wishes of the people. But here was a case where the N. R. A. was established, when Mr. Johnson came down here with Mr. Baruch, or rather Mr. Baruch brought Hugh Johnson down here and said, "Now, boy, this is your part of the Government. I am putting you in here to run it until you are called out."

He ran it.

Bless your soul, yes, he ran it! How he did run the N. R. A.!

Under that N. R. A. Act they did everything Mr. Baruch said they were going to do before they did it. They performed as nobody had ever seen anyone perform before. They made rules and regulations. They prescribed rules that filled 900 books.

How many men have ever tried to play baseball or football and tried to read the rule book? In all baseball and football games we have to have half a dozen professionals sitting along the sidelines to tell us what the rules are while the game goes on. We have to send all over the country to get them because we do not have enough of them in any one State to keep the game running.

Well, Baruch and Johnson came down here and prescribed 900 sets of rules. Some of those rule books were half the thickness of the unabridged dictionary, I am told. There was rule 1, rule 2, rule 3, subsection (a), subsection (b), subdivision 1 of subsection (a), subdivision 2 of subsection (b), and so on. They provided for investigators to whom the business men had to send their reports during the morning, and for inspectors to whom they had to send their reports at dinner time, and for clerks to whom they had to send their reports at nighttime. They appointed supervisors of inspectors to check them, who could command their reports and file them. Investigators were appointed, secretaries of investigators, inspectors, secretaries of inspectors, supervisors of the secretaries of the supervisors of the inspectors, until they got the poor devils in the country all messed up in a set of 900 books of rules.

They were probably going to the penitentiary if they looked at the rule book, and probably would go to the "pen"

The PRESIDING OFFICER. Without objection, it is so | if they did not look at the rule book. They got to the point where they had to call up inspectors and investigators and clerks, where they had to employ lawyers to write letters to get a ruling on whether or not a man could open a can of salmon or sell a can of condensed milk without having this or that or something else done. Then the N. R. A. went into the field to determine how big a ham should be, how it should be packed, how it should be opened-if it ever should be opened-and how it should be trimmed after it was opened; how a can of lard had to be fixed up, and so on, until finally they woke up here, and there was not anything in the United States but these chain stores, and they had put out of business everybody who had managed to swim up to that time. And as we went through looking for the merchants who had been in existence, the factories that had been in existence, and the balance of the things that had been in existence year after year and day after day and night after night, lo and behold! there was the imprint; there was the proof.

> Mr. President, we are told that because the Egyptians would not consent to the release of the children of Israel. scourge after scourge was inflicted upon them, and, finally, the Lord said to Pharaoh, "Turn loose the children of Israel, and if you refuse I will take the first-born from every family."

> Pharaoh refused, and the Lord commanded of the Israelites that on the night designated everyone should have the blood of the lamb upon his door, that that house might not be stricken by the hand of the avenger. Lo and behold, Mr. President, when the avenging angel arrived, only those places that had the blood of the lamb on the door were excepted from having the first-born stricken by the hand of death.

> As we waded through the United States after Bernard M. Baruch had sent Hugh S. Johnson down to Washington and inaugurated the N. R. A., and laid down the rules and the regulations, and appointed the multiplied officials to guide the business men of the country, as we went through the country in the wake of the destruction and disaster and bankruptcies that were found on every hand, only the door that had the blood of Bernard M. Baruch's lamb had been spared in that scourge. Only the door that had been salvaged, only the door that contained the blessing of Bernard M. Baruch, publicly published under Hoover in June 1929, survived the scourge of Bernard M. Baruch and Hugh S. Johnson under Franklin Delano Roosevelt in 1933 and 1934 and 1935; and now they put Hugh on the radio to talk to us!

> Why, Mr. President, this remnant of Farleyism reminds me of the story of the poor nigger woman at the burial, where they were lowering her husband into the grave. She appeared for identification, and she was asked who she was, and she said, "I am the wife of these remains." [Laughter.1 Have these remains of Farleyism, has this case of bankrupted politics, of discredited management, of political suicide dropped to the incoherent state where they must call even upon one, rebuked in its own order, for a defense? Is there no one left to speak well of what now stands, other than those branded by itself as incompetent and incapable? Must it ransack and scour the whole region with a finetoothed comb and bring only the articles publicly rebuked and repudiated by it to throw the glamor of respectability on what now stands?

> Is that the sad plight of this administration? Is that the present predicament of this maligned order, at the head of which I paraded with a band and tom-tom on the day of enlightenment, when I thought the savior of humanity had at last arrived? Is that what we have driven our ducks to see? Is that the end of the perfect day?

> Sad day, Mr. President. It pains my heart, it pains my conscience, it goes back and does dishonor to every cause I ever espoused to see the malefactors themselves called upon as the only persons available to defame those who have undertaken to call back to sanity this administration.

> I am going now to do a service to my colleagues. I do not need any help to reelect me to the United States Senate. I can be elected without it. I have only one method by which I can give advice and counsel to my colleagues. It is

not supposed to be exactly parliamentary to expect Senators to pay any attention to advice we give; but, none the less, that is the excuse under which one is permitted to speak here. In other words, we are supposed to be speaking in the order of advising our colleagues. I am going to give party advice. I am going to give advice to men I have met here, men I have admired, men I have loved, men for whom I have a personal affection, men for whom I have a political affection.

Only yesterday the news came to me that one of my colleagues in a neighboring State had complained bitterly, feeling that things I had said might have reacted upon the minds of some people in such a way as to have taken away some of his political support. Such was not my intention then, and it is not my intention now. I do not want them to make the mistakes that I do not make. I do not want them to fall into error and then feel that they have not been warned. There is always a word of warning. There is always, somehow, something set up, somebody interposed to give warning to any and all persons to some extent as to the dangerous grounds upon which they are about to tread.

I am told by the divine element of this country, the ministers of the gospel, that there is a word of warning somewhere sounded to every young man before he takes even his first drink. I am told that before the thief begins his first act of larceny there is some kind of a warning given to him. No man will go out of the United States Senate after this day without having had this warning sounded to him from me, however little attention is paid to it, Mr. President; none the less, with all sincerity.

There is proposed now an investigation to ransack and explore into the depths of this mismanagement and into all of these fracases that now have spelled scourge and curse to this country. Some men here believe that the spirit of fear will hold Senators back from voting for that investigation. Maybe, but I hope not. I hope there is not anyone here who even feels fear—political fear, fear that he may do something distasteful to the people, or to someone else. Some there are who, because of the spirit of fear, and some there are who, for blind partisanship, may be led to believe—I hope not—that nothing should be done about Farleyism and Baruchism and Johnsonism at this time, because Johnson was an agent serving under the order.

There was an entwined situation with Johnson and Baruch and Farley, whereby one was for all, and all were for one

I warn them now, let us not put behind us what we promised the people in 1932. Let us strike this cancer with death. Let us investigate Farleyism. Farley contends that he is an innocent lamb. Mr. President, I never have read Mark Twain's works. I am told that he wrote a book that he called "Innocents Abroad." I do not know just what he meant to imply by "Innocents Abroad"; but I see, from reading a copy of the letter which Farley sent to the United States Senate committee, that he says that in the collection of all this money from Government employees and criminals indicted by men he rewarded, with his own name at the top of the letterhead, and in his sight—with all that done, and with prosecutions he is urging against others, he was entirely innocent as to the source from which he was receiving the money.

Mr. President, I have never read Innocents Abroad, but this is a case of "innocents aboard." [Laughter.] I cannot understand how a reasonable man can think that that gentleman can sit here, within a few steps of the dome of the Capitol, with letter after letter bearing his own name at the masthead, and in many cases his own signature, carried to the employees, carried to the criminals indicted, and then plead that there is an innocent sitting there, receiving the money, and expending it as he does.

So I give warning to the party, I give warning to the Senate, I sound warning to the country: We have gone 2 years. Where do we find ourselves at the end of 2 years? We are now in the third year. We are no longer in the second year; we are in the third year. As a matter of fact, if we compute it from the date of the election, we are well

into the third year. How many unemployed have we? Eleven and a half million, according to the industrial statistics, or thereabouts. How many agriculturally unemployed have we? According to the statistics of 1933, compared with the statistics of 1929, there was 54 percent less income of the agricultural people in 1933 than in 1929.

It is said that the agricultural income rose in 1934. Maybe it did; but if it did rise the billion dollars that is estimated, the income of the farming population in 1934 would still be away down below, perhaps as far as 40 to 50 percent below, the income of the same farming class in 1929.

With that kind of a showing, where is the end of the dole? Where is the end of poverty? Where is the gleam of the light that was to strike from all that stalking form of want and misery? Mr. President, nineteen and a half million people rely upon the dole today. The professional man, the doctor, the lawyer, the candlestick maker, who is not listed in the unemployed class because he never was on anybody's pay roll, stalks the streets today practically as idle as though he had been a man dismissed from the service of an industrial or agricultural employer.

Where is this to end? What better is there to come? What is held out to people to lead them to believe that relief is to be offered them?

Oh, there is one relief they were giving to the universities of the United States—as much as \$15 per student—so that young men might go to the State and other universities. Those young men were subsisting on \$15 a month. The universities were meeting some of the expense, so that a young man granted \$15 from the Government could attend a university and educate himself.

They have announced that they are going to discontinue that, that they are going to improve the C. C. C. camps, that they are going to expand the C. C. C. camps, which cost from \$35 to \$50 a month per young man who will go out there in the woods and learn the magnificent work of planting saplings and fighting the mosquitoes, the red bugs, and the ticks, and nothing else. They will pay \$35 to \$50 a month to send a young man into a C. C. C. camp, whence he will come with experience in fighting red bugs, instead of spending \$15 less per person and send more young men to the universities and give them an education.

I sound a warning. I heard my friend the senior Senator from Mississippi [Mr. Harrison], when my friend who has departed from this body, the former Senator from Ohio, Mr. Fess, was making a speech about what would happen the next year, remark to the Senator from Arkansas: "Why should the Senator from Arkansas be concerned about what the Senator from Ohio is prophesying will occur next year? Why," he said to the Senator from Arkansas, "does not the Senator from Arkansas know that the Senator from Ohio will not be here next year?"

Mr. President, that was a true prophecy if one was ever uttered.

Now, I would sound another warning to the Senator from Arkansas, as my friend the Senator from Mississippi sounded one to him then: Beware! Beware! If things go on as they have been going on, you will not be here next year. [Laughter.]

The PRESIDING OFFICER. Demonstrations in the galleries are against the rules of the Senate; and, if persisted in, the rule will be invoked and the galleries will be cleared.

### EXHIBIT A

[From the American Magazine for June 1929]
BERNARD M. BARUCH DISCUSSES THE FUTURE OF AMERICAN BUSINESS
By Bruce Barton

You have seen on the stage the office of a big Wall Street financier. The scene rocks with the clatter of tickers, the ringing of telephones, the crush and cries of brokers and telephone boys. Well, Bernard Baruch has been as active as any dramatist could wish and still undertakes major financial and industrial operations, but his office resembles this stage version in just about

tions, but his office resembles this stage version in just about the same way that a pastor's study resembles a railroad station.

A sunny private room. No ticker. A telephone, but it seldom rings. Thick rugs on the floor; a few fine paintings on the walls. A mahogany desk unencumbered by papers. Behind the desk a tall man, distinguished by supple grace and good looks, with pleasant eyes and a mouth that breaks easily into a smile; silvergray hair and a strong nose—the sort of nose that Napoleon used

to look for in his generals. The man, who is 58, looks as if he has the blood pressure of a boy of 25, and he seems to have nothing whatever to do. This is Baruch.

ing whatever to do. This is Baruch.

We went out to luncheon one day. The first part of our conversation related to the war. It is a painful confession, but true, that I am always behind with my wars. The Civil War still absorbed me when the World War came along, and only now, after 10 years of peace, when the real inside stories are beginning to come out, have I begun to transfer my interest to this latest and biggest conflict. Baruch knows as many of these inside stories as any man in America. As chairman of the War Industries Board, he sat at Woodrow Wilson's right hand and marshaled the industries of the Nation. The presidents of companies who had been violent competitors met around his table. Sometimes they entered cheerfully into his plan for pooling their output; sometimes they protested. Eventually, guided by Baruch's patience and tact and good humor, they learned a lesson in cooperation which has repaid them many times over for any sacrifice the war demanded. That cooperation within the ranks of industries is one of the present factors in our prosperity.

I asked Baruch to mention some of the other factors, and he began by remarking that when men try to judge the present, or

began by remarking that when men try to judge the present, or to forecast the future, by using the yardsticks of the past, they show no comprehension of the tremendous changes which were beginning even before the war broke out and which were accel-

erated by it.

"Let us look back for a minute before we try to look forward", he said. "The first important change was the Federal Reserve Act, which gave us coordinated control of our financial resources and he said. "The first important change was the Federal Reserve Act, which gave us coordinated control of our financial resources and made credit the servant of business instead of its master. The second was the Adamson Act, which made the 8-hour day permanent in the railroads. It was resisted by many leaders, who believed that it meant higher prices for everything and consequent hardship to the consuming public, but its influence has been altogether different. The shorter day and the increased wage, which were enacted as a matter of social justice, have come now to be recognized by almost everybody as essential elements in prosperous business. In the old days it was assumed that you must keep wages low and hours long in order to operate effectively. We know now that low wages mean low purchasing power, and that only in proportion as men and women have money to spend and hours in which to enjoy the fruits of their expenditure can our productive capacity be kept fully employed.

"Let us trace the business influence of the war a little further", he continued. "The Liberty Loan campaigns taught the people to save and invest, first in Liberty bonds, then in municipal and railroad bonds, and then in securities of the corporations which represent the work and genius of the American people. Instead of fighting the big corporations, the people now own them and enjoy the fruits of their growth. The War Industries Board established a new cooperative relationship between government and business which Mr. Hoover, as Secretary of Commerce, continued in peace times with results that are beyond measure. During the war we established committees of the various industries, and when prices were fixed, rules were also fixed for distribution, and these rules influenced the scale of wages and working conditions. This helped to lift the standard of all wages, which the manufacturer later found was a fine thing, though he fought it strenuously at first.

"Another thing the American business man found during the

was a fine thing, though he fought it strenuously at first.

"Another thing the American business man found during the war—that he could do things he never thought he could do, and war—that he could do things he never thought he could do, and make things that he used to think only the Englishman or the German or the Frenchman could make for him. He made dyes, for example. He made all sorts of articles that had previously been made abroad, and found substitutes for many others. These activities continued after the peace, because we had the money to continue them with and the equipment, as well as labor of unusual intelligence.

intelligence.

intelligence.

"Quantity production had its real birth in the war, not only because things had to be made quickly, but also because of the necessity for eliminating all useless styles and the duplication of efforts. We learned to standardize and to make a few styles do the work of many. Secretary Hoover, in his Department, continued this important work, and every manufacturer now knows how much more profitable it is to keep the machines running constantly on a few kinds and styles, eliminating the waste of big inventories and of constantly stopping and starting the plant.

"The war compelled us to keep a lot of data and statistics. The Secretary of Commerce wisely continued to do this, and so exposed the public every day to a far wider fund of statistical knowledge than business men had ever had before. Hoover understood statistics and he endeavored to place them before the people so that they, too, would understand.

stood statistics and he endeavored to place them before the people so that they, too, would understand.

"So we came out of the war having vastly expanded our productive capacity and self-confidence. We came out a creditor Nation, which might possibly have happened in 25 years of peace, but was actually accomplished in 3 or 4 years of war. As such a creditor Nation we were in a position to lend money all over the world and get foreign trade in return. We came out with a unified banking system, the best security against those alternating periods of inflation and stringency which had made our business history a series of feasts and famines. Finally, we came out with business men who knew a great deal more than they ever did before about how to get the facts and interpret them, and who were believers in a popular high standard of living and of wages."

"You mentioned that before." I suggested.

"I know that, but it looms larger in my mind than anything else. For the first time, every banker and manufacturer realized LXXIX——186

that the more money people have, the more things they can buy; that the desire for more things and better things is the mainspring of production. Through higher wages, we gave people the opportunity to indulge their desire for better things and more of them, and then, by development of more flexible credits through installment buying, we enlarged that opportunity. The basis of our prosperity is our own domestic market, which we have vastly enlarged by this simple process of increasing the power to consume. And don't think for a minute that this new spirit of wanting more things and being willing to work for them is confined to the United States. Individuals all over the world are potential consumers to the physical capacity of individuals here. All they lack is equal financial capacity, and that is not beyond their possibilities."

I pressed Baruch on this point.

"Months ago," he said, "I drew up a plan on the lines of which I believed the reparations problem and the debt problem would ultimately be settled. The plan proposed a meeting of representatives of the Germans, the allied nations, and the United States, at which the whole question would be faced afresh. Ten years have passed since the peace conference and 4 years since the Dawes plan went into effect. We are in a much better position now to know what Germany can really afford to pay and what is both possible and profitable, from the long point of view, in the matter of debt settlements.

"The settlement of the debt and reparations problems would bring such a revival of industry in the whole world, and the demand for things would be so great, that it would result in what, for want of a better term, we might call 'an industrial renaissance.' These two questions have been like dragging anchors to the great ship of international commerce, which has been slowly gaining headway and is only approaching moderate speed in this country. If the reparations question is settled by fixing Germany's indebtedness definitely at a sum that she can pay and is willing to

At this point it is only fair to Mr. Baruch to point out that he outlined his plan for settlement of the reparations question 3 years ago. I had talked to him about it early in the spring of 1928. Early in 1929, when this was being written, the United States has already agreed to the selection of Owen D. Young and J. P. Morgan as unofficial representatives to attend an international commission on the reparations problem. The best financial minds of Europe and of the United States have high hopes of some such solution as Mr. Baruch suggested.

His plan or suggested.

His plan, or suggestion, was that the sum that Germany would His plan, or suggestion, was that the sum that Germany would pay should be definitely fixed in amount and should be a sum that Germany can pay and would try to pay. Under the Dawes plan the railroads were obligated, and certain first charges were made against the industries of Germany. Mr. Baruch proposed that of the amount fixed for Germany to pay, part should be represented by an issue of bonds to be secured by German railroads and industrials and to be a first charge against these properties. About \$2,000,000,000 of these bonds should be marketed, and the balance of the bonds, six or eight billions, held in escrow by the Allies to be sold as and when the international markets would absorb them.

sold as and when the international markets would absorb them. If the two billions, or any proportion of them, were sold, France, under the so-called "Spa agreement", would get 52 percent and the other countries their proportionate share, as determined by the same agreement. If France were thus to get 52 percent of the two billion, she would have \$1,000,000,000 in cash for any purpose for which she determined to use it. Mr. Baruch's main idea was that with such an amount France could negotiate a cash settlement for her debt to America, and when further bonds were sold she and England could make further cash settlements with us and still have a credit to their accounts in the balance of the bonds.

The bonds would be a first charge on all Germany as they

The bonds would be a first charge on all Germany, as they would be secured by her railroads and industrials, as outlined above, and be issued in all the gold currencies of the world—dollars, francs, pounds, lire, and marks. The citizens of the world would buy them, because they would be the best bonds ever issued intermediately.

Mr. Baruch's suggestion was drawn up with the idea that if it Mr. Baruch's suggestion was drawn up with the idea that if it were carried out, trade and commerce would so increase in the world that tax burdens could be lessened everywhere. If the United States were paid in cash, she could retire Liberty bonds, reducing the yearly interest on her obligations, and give an opportunity for the reduction of taxes or the use of that money for some other purpose. When I asked him to discuss this plan in detail, he declined to do so because, he said, the matter was now definitely in the hands of the Reparations Commission. But he added, "I am not in the least averse to forecasting the results of such a settlement. I believe that trade and commerce all over the world would be immensely benefited and interest rates would lessen, because the demand for gold by the great central banks, which no longer would be dominated by fear, would lessen ma-

terially.
"Something of that sort," he added, "I am confident is going to be worked out. And when it has been worked out, I believe we shall enter upon a new period of world-wide production and distribution, which future historians may call the 'industrial renaissance.'"

I asked him what he meant by the term "industrial renaissance."
"That's a new phrase to me," I said.
"Maybe it isn't properly descriptive, but I'll tell you what it

means to me.

"Maybe it isn't properly descriptive, but I'll tell you what it means to me.

"I have already said that the desire for more and better things—for a higher standard of living—is the real beginning of increased business. Until people are conscious of the want for an article there can be no real market for that article. People saw the automobile and wanted it immediately. About the same time increased wages and credit facilities made it possible for them to have it. That began the fabulous development of the automobile industry. People see airplanes, and when enough of them really want airplanes—are 'air conscious' as they say—then the airplane industry will be a prodigious industry.

"Now, this process of wanting is already spreading all over the world. The spirit of tearing down the old and building something new and better which you see on every hand in this country has spilled over into every other country. Everywhere in our own land are new roads, new bridges, new subways, new terminals. Everywhere the burden of toil is being lifted off the shoulders of men by machinery and lightened in the home by electricity. The movie and the radio and the airplane are carrying the picture of our new standard of living into every corner of the globe, and wherever the picture is carried there is created desire.

"Before the war there were hundreds of millions of people who

wherever the picture is carried there is created desire.

"Before the war there were hundreds of millions of people who had too little hope and too much fear to desire anything. They were born to live and die within the same narrow limits as their fathers before them. If the father had been a peasant, the son must be a peasant; if the father had been a peasant, the son must be a peasant; if the father had been a porter, the son could expect nothing better. Everything was fixed, curbed, static. Then came the war, tumbling over thrones, destroying feudal privileges, and wiping out feudal fortunes. The process went too far, of course, as in Russia, where the people experienced a rush of liberty to the head and attempted to beat economic laws that are as fixed and unbeatable as the law of gravitation. But the great effect of the war, aside from its suffering and destruction of wealth, was in jarring dead brain cells into life, throwing people out of ruts, striking down barriers and chains, and giving hundreds of millions of people the right to look forward, to hope and to have.

dreds of millions of people the right to look forward, to hope and to have.

"When all that wanting and hoping begins to find expression through increased productivity, millions of families will begin to apply in some degree the American formula of 'work and have more.' There will follow, in my judgment, such an expansion of production, such a work of rebuilding, such an interchange of goods through foreign trade as we have never experienced before. For the first time in history we have sound reason to hope for a long period of peace. For the first time the business men of all nations are supplied with statistical information, together with some understanding of the laws of economics. For the first time we have sound centralized banking systems in all the countries and close cooperation between these systems internationally. Because all these factors are favorable, and because of the universal stirring of desire and ambition, to which I have already referred, I believe in the 'industrial renaissance.' We are already seeing something of it in the United States."

in the 'industrial renaissance.' We are already seeing something of it in the United States."

"Does this mean that everybody will be prosperous, that there will be no more 'bad times'?" I asked.

"Not at all. There will always be inequalities in human intelligence and industry. You can go into any State today and find some farmers making money and other farmers, only a few miles away, having a hard struggle. You can find the same situation in retail stores on any Main Street. You can look into any big business and see two men who started as boys together and are now far apart. We shall never have any social set-up that can insure equal prosperity for everybody. But we are beginning to conquer some of the obstacles which have unfairly handicapped humanity in general in the past.

"Think for a moment what a cheering spectacle the past cen-

general in the past.

"Think for a moment what a cheering spectacle the past century presents. In that period we have practically removed the scourge of famine from the world. Only a century ago it was considered inevitable that some portion of the race should be afflicted with famine almost every year. Food rotted on the ground in one country while people were starving only a few hundred miles away. China and India, where population is dense and modern methods have made little progress, still suffer periodically from famines, but the rest of the world has abolished this specter. Agricultural machinery has made it possible to farm many acres instead of a few; transportation, cold storage, and other scientific devices enable one section of the world to exchange its produce with other sections that are thousands of miles away. We are within sight of the day when everybody in the world will have enough food all the time.

"Similarly, we are making great progress in the conquest of disease. Smallpox, typhoid, diphtheria, yellow fever, and diabetes have been, if not conquered, at least greatly diminished through the magnificent work and sacrifice of scientists.

"Today, with the motor, the radio, and improved sea, land, and air travel, and with television almost upon us, who shall be alone,

what place isolated, who be separated from the comforts and solace of his fellow man?

"Our generation has seen the first halting steps toward the abolition of war, and more good influences are at work in this direction than ever before.

"One foe we have made little progress against until very re-cently, namely, the panics and depressions in business which from time to time have shut down industries and brought fear and dis-

time to time have shut down industries and brought fear and distress to millions of homes.

"The point to be emphasized is that we now have certain safe-guards which never existed before: The Federal Reserve bank; the better understanding and use of statistics by the nations, by banks and industries, and by individuals; the coordination of the financial systems of all the leading nations; and the great increase of human wants and ambitions throughout the world which, with occasional and temporary set-backs, ought to provide a huge volume of business for many years to come."

and temporary set-backs, ought to provide a huge volume of business for many years to come."

"Assuming that all this is true", I asked, "how should the average man proceed in forecasting his own life for the next few years? What plans can he make for his individual investments?"

"Nobody can advise the 'average' man on investments, and it is furthest from my thought to discuss the temperamental spirit of the stock markets. There are certain principles, but the application of these principles rests with the individual in the infinite variety of his circumstance. The average man keeps his eyes not more than half open. He does not train himself to see what is going on around him. He hopes that some day somebody will happen along and give him an inside tip or some advance information that will make his fortune overnight. As a matter of fact, the best tips of all are written so large and plain that anybody with imagination can read and profit by them.

"You asked me as we sat down how I happened to be interested in radio. Who could fail to be interested in it? Who, with any imagination at all, could experience the miracle of a concert in his own home and not realize that this is a new force which is bound to give rise to great industries?

own nome and not realize that this is a new force which is bound to give rise to great industries?

"A friend of mine was talking with an Englishman who had recently come from Canada. As they rode along in an automobile, the Englishman pointed to an A. & P. store. 'What's that?' he

"'Why, it's a chain grocery store,' my friend responded. 'What kind of chain stores do you have in Canada?'
"'We do not have any,' the Englishman replied. 'That is the

first one I ever saw.

"My friend thought it incredible, but that night he wrote letters to three men in Canada asking them about chain stores, and from each he received the same reply. A few months later he opened the first store in a chain which has now spread all over the Dominion. He has made a large fortune, but he might conceivably have made almost as much if he had merely stayed at home and invested in the chain-store systems of this country. Any man who watched the early success of these great systems must have seen that this was the beginning of a new era of distribution, and that every soundly managed enterprise in this field would be profitable.

"When Alexander Graham Bell at one end of a wire called into his crude instrument, 'Watson, come here; I want you', and Watson came, it was the beginning of fortunes for all who had the vision to look ahead. When Lindbergh fiew the Atlantic, it opened a new day

look ahead. When Lindbergh flew the Atlantic, it opened a new day of interest and progress for the aviation companies. When the first crude motion pictures flickered across the screen, it signaled opportunity to another group of people. The great chances do not come

"Quite as important as inventions or industries are men to manage and be responsible for them. It is better to back a strong, able man than take a chance on the most alluring prospect where

the management is untried.
"One of my associates in the War Industries Board was a big-One of my associates in the war industries Board was a big-boned, two-fisted man from Chicago named Alex Legge. Somebody rightly called him 'the Abraham Lincoln of industry.' He was at that time general manager of the International Harvester Co. The way he handled things gave his associates great respect for his ability, and when the war was over many of them said to them-selves, 'Let's just follow Alex.' So they bought International Har-vester stock, to their great gain. So anyone could have done in a score of similar instances.

vester stock, to their great gain. So anyone could have done in a score of similar instances.

"The records of business leaders are no secret. Every man, even in the smallest town, is in a position to know something of the life stories and achievements of the men who are directing the important industries. If he does not know, his local banker does. Charles M. Schwab once remarked that he made it a rule to do business only with lucky men, by which he meant with men who had demonstrated their capacity in a series of situations. It is a good rule. If you follow, in your investments, the men who have succeeded, you are likely also to succeed, assuming always, of course, that the industries with which they are engaged satisfy fundamental human needs.

of course, that the industries with which they are engaged satisfy fundamental human needs.

"I do not mean to say that a man can make his investment in any enterprise, however good and ably managed, and then go to sleep. Business is never static; it is forever moving, forever subject to the fluctuating influences of scientific discovery and consumer demand. These changes, which seem sometimes to come very suddenly, are not usually so sudden. They cast their shadows before them, and he who keeps his eyes open may see and be warned in time.

"If you pick the 10 leading industries in the United States, excluding for the moment the railroads, which operate only at home, you will find that every one of them is set up to do business all over the world and that their foreign business has extended

rapidly in the past few years. You will find that every one of them maintains scientific research on a broad scale, which is insurance that it will not be left behind by scientific progress, and

them maintains scientific research on a broad scale, which is insurance that it will not be left behind by scientific progress, and will have the benefit of whatever new processes and products such research may develop. You will find that every one of them is headed by men of demonstrated success, who have surrounded themselves with capable assistants, trained to carry on.

"There is no mystery in these criteria of probable industrial progress. Economic and industrial news is available to everybody everywhere. The conclusions to be derived from it are simply applications of common sense. In broad and general terms progress is on the march. The economic condition of the world seems on the verge of a great forward movement. As to particular companies, and even as to particular industries, some are in phases of ascendancy, some few are retrograding. The wise investor will seek the former and avoid the latter. Having satisfied himself that he is in a fruitful field, he will seek to learn something about the companies he favors—the field of their particular endeavor, the men who are responsible for them, the policy of their operations. In the long run he cannot go far wrong if he relies on progress—not already too far anticipated—if he relies on what I have called 'the industrial renaissance.' As an old friend used to say to me as a youngster. 'How many bears do you know with residences on Fifth Avenue?' I can recall none.

"Of course, there is no royal road. Bob Fitzsimmons used to say that to be a champion a man must learn to take as well as give.

that to be a champion a man must learn to take as well as give. This has always been in my thoughts when I have seen men under the punishment of life, and I may add that I know no champions anywhere who have not had their experience in taking it.

"There will, of course, be temporary set-backs due to causes perhaps more or less avoidable. Finance will be a limiting factor until that subject is better understood and worked out, but I am not speaking in terms of weeks or months when I say I think the great economic surge is forward.

"Also, in a large politico-economic unit such as the United States, the powers of government are so vast that if they be unwisely applied, they can hamper or even destroy a natural period of prosperity

wisely applied, they can hamper or even destroy a natural period of prosperity.

"Mr. Hoover clearly pointed out in his campaign speeches that we have pushed efficiency in machine production to a point where, in order to keep our people gainfully employed, we must continue to produce in ever-increasing amount an industrial surplus beyond the capacity of our domestic market to absorb. In other words, our industrial prosperity depends on a rapidly expanding export trade. Industry is fast approaching the dependence on export markets that has given agriculture such distress. I cannot avoid some apprehension over the recent demands in Washington for tariffs amounting to embargoes on the importation of everything. Tariff protection is a complicated and highly technical subject. This much is clear. A prohibitive tariff would inevitably force our best customers into defensive tariff agreements. For example, I cannot conceive of the Argentine and Canada taking no steps to retaliate on any attempt to exclude their exports to us. They would raise walls against us, and the hands of our progress in would raise walls against us, and the hands of our progress in those fields could be set back years in a week. Similarly for all American Republics and France, England, and Germany. They

American Republics and France, England, and Germany. They would create mutual relations among themselves to the restriction of our export market, and we could not fail to suffer loss.

"Such a result I do not fear because I know Mr. Hoover to be too sound in his economics and too keenly aware of our necessity in this regard to permit such a thing, despite the clamoring with which he is already assailed. He will use the protective principles to preserve the markets which are rightly ours and, I trust, to relieve agriculture in that very limited field where protection will be of benefit."

be of benefit."

"Yes," I said, "you have just said that the ability to take punishment is one of the essentials."

"The really essential attributes may sound trite", Mr. Baruch replied, "but, to my way of thinking, they are courage, integrity, and application. When a man has made up his mind to believe in the country and its industries, and to go forward with them, he must be willing to take the temporary set-backs along with the progress. He must keep his faith firm and not let any little thing unsettle his decision. As for integrity, what can any man add to what has already been said?"

Baruch was thoughtfully regarding a picture of his father Dr.

what has already been said?"

Baruch was thoughtfully regarding a picture of his father, Dr. Simon Baruch, the distinguished surgeon and scientist, whose services and research have left a permanent impress on medical knowledge and practice. The photograph was inscribed to his son, with the words, "Let unswerving integrity always be your guide."

I looked at the picture and put it back on the desk.

It has been said that there is no sentiment in business. Some day I shall write a piece about fathers and mothers—the fathers and mothers of these well-known men in Wall Street. But, as Mr. Kinling would say, that will be another story.

Kipling would say, that will be another story

Mr. CLARK. Mr. President, in view of the extensive references by the Senator from Louisiana [Mr. Long] to the speech delivered last night in New York by Gen. Hugh S. Johnson, I ask unanimous consent that, as a matter of common fairness, the text of General Johnson's speech be inserted in the RECORD at the conclusion of the remarks of the Senator from Louisiana.

The PRESIDING OFFICER. Is there objection?

There being no objection, the address was ordered to be printed in the RECORD, as follows:

> [From the New York Times, Mar. 5, 1935] TEXT OF GENERAL JOHNSON'S SPEECH

This is March 4. Two years ago this morning, in a national gloom surely as deep as that of the days when Washington stood in the snow at Valley Forge or Lee marched over the mountain wall toward Gettysburg, Franklin Roosevelt knelt at an altar and prayed. Then he went to the Capitol and registered the vow in heaven that placed upon his back as heavy a freight of human hopes as ever was borne by any man. Our trust was in him so completely that the general prayer was: "Provide him with all power that he may save us." Today, shadows have fallen thwart that faith—and it is my purpose here—with what force God has given me—to smash at two of them.

The chaos of that hour has been too often fold. Banks, holding

The chaos of that hour has been too often told. Banks, holding the savings of the entire country, tottered. The head of the United States Chamber of Commerce was urging that the Presi-

conted States Chamber of Commerce was urging that the President be made industrial dictator, and the very captains of big business were asking Washington to save them.

Agriculture—bled white by years of disaster—was praying for a miracle. Force, as the only means of escape, was being used to resist foreclosure of tens of thousands of farms and homes. Labor was helpless—its organization prostrate and vanishing—its wages drying up and its hours extended.

No one will ever know the full spread of unemployment at that moment. Nor will anyone ever know how close were we to collapse and revolution. We could have had a dictator a lot easier than Germany got Hitler and we would have had one but for the President himself, to whom the whole idea was hateful.

### HOLDS DEMOCRACY FAILS IN ANY GREAT CRISIS

A democracy is the best government in the world for peace and prosperity, but it is the worst government in the world for a great war or a great crisis—that is the reason for six dictators in Europe. But there is one single exception—the phenomenal habit of the American people, at any sacrifice, to give a constitutional President extraordinary powers and to stick together with him at the hours of extreme peril. In the worst armed crisis in the world, Woodrow Wilson proved that, acting together under the Constitution, our people could wage modern war better than the most absolute military autocracy in Europe.

In the worst business crisis in the world, Franklin Roosevelt proved that they could thus fight depression better than any dictator under the sun. Wilson expressed the rule, "The highest and best form of efficiency is the spontaneous cooperation of a

dictator under the sun. Wilson expressed the rule, "The highest and best form of efficiency is the spontaneous cooperation of a free people." In 1933 we had that cooperation, just as in 1917 and 1918 we had it. In 1935 we have it not. The lack of it, in the dark threat that still hangs over this country, is the greatest menace of our immediate future. The men who have sought with some success to break it up may have more to answer to the country for than they at this moment dream.

Sustained and supported by a united people, the President moved to his terrible task with greater speed than has ever been shown by any government. He cleared up the banking ruin. He took steps that have raised agriculture to within a few percent of its relative pre-war position—almost a miracle. He brushed the cloud of foreclosure and loss from tens of thousands of threatened farms and homes. He took the first effective steps to abolish child peonage and to run sweat shops out of existence.

Tells Of AID TO LABOR AND SMALL BUSINESSES

### TELLS OF AID TO LABOR AND SMALL BUSINESSES

Tells of all to labor and small businesses

He raised all wages, shortened all weekly hours from an average 52 to an average 40—think of it! He established the principle of collective bargaining on a national front, and he did more for labor in this country in 1 year than all the strife and strikes and all the laws and political parties from the very adoption of the Constitution to this day. He took comfortable care of millions of the destitute and warded off the danger to our country of the continued presence of vast unemployment. He opened the way for industry to freedom from old abuses, cut-throat competition, and monopolistic price-slashing. He actually saved tens of thousands of little fellows in business from the economic slaughter by chains and monopoly that had been going on for 10 years past.

He lifted the country at least a third of the way out of a depression caused by many years of economic and political folly. It was so great a performance of leadership and courage done in so short time that you cannot find a parallel in history by which to gage and measure it. It was part of a general long-pull plan, and these astonishing results were a sufficient proof of that plan to justify the faith of any man that, given even a reasonable time to work it out and to correct errors, there was no reason to expect failure. Any fool knows that you cannot clear the wreckage of 12 years' madness in 2 years' time. But the push is gone. The drive is stopped. Many of these benefits have faded. The plan seems to be in the gravest danger of frustration.

### APPEALS FOR RESTORATION OF SPIRIT OF COOPERATION

The reason for this is not hard to find. The "spontaneous co-operation of a free people"—without which any democracy at a time like this is in danger of either a licking or a dictator—is gone. It has been broken up into selfish warring groups by the deliberate design of business and political guerillas. If we can't restore some-thing of the solidarity and enthusiasm of 1933 among our whole people, and do it quickly, we are in for trouble of the most serious sort, for if a choas of inflation and worse follows a frustration of

these plans nothing we can hope to do will keep a dictator out of Washington and that chaos is imminently threatened.

Let me give you an example. In July 1933 the President appealed to industry for the Blue Eagle. Within 3 months 96 percent of affected industry had hoisted that bird and, as revealed by an actual census in October 1933, they had created 2,785,000 jobs. I have heard that questioned, but you can't question that actual count. Think of it! Three months—96 percent of industry—nearly 3,000,000 jobs! Why, the thing was a marvel! It restored hope; it proved for the first time in 4 years of unrelieved disappointment and failure that depression is not unbeatable, that something can be done about it. It changed the outlook of a nation.

nation.

That is more than double the number of jobs that have been made by all the billions we have spent and all the agencies of government, industry, and commerce put together from that day to this, and it never took a cent in taxes or put any freckle-necked American on a dole. My greatest glory is the recent taunt about the man that made 3,000,000 jobs and lost his own. It was possible only because it was done on a plan for everybody to act together, at the same time, in one concerted pull in which every person in this country had some part—and there was hardly a single slacker in this first big effort.

this country had some part—and there was hardly a single slacker in this first big effort.

Why, this country can do anything if it has the will. Like Andy Jackson, it can go to heaven—if it wants to. It was the greatest demonstration of the spontaneous cooperation of a free people that we have ever had. It could not have happened in any other country at any other time or under any other leader than the President.

country at any other time or under any other leader than the President.

I think most of that good had been undone—many of those jobs lost—and my point in mentioning it at all at this time is this: It could not be done today! It could not even be started. Nothing could be more eloquent of the almost complete destruction of the solidarity in which our people started to pull itself out of this hole. It has been said that these extraordinary measures were not authorized by the people in the 1932 elections. What utter rot! Why, after they were all clearly shown, the people at the 1934 elections gave the President and what he had done one of the most overwhelming approvals they have ever uttered. Men of both parties who otherwise had not a Chinaman's chance went into this Congress because they pledged to support those plans. They rode in on the horizontal coat tails of a speeding Chief.

Some of these very men are already recorded in opposition. The country gave the President the ball on this play, but we already see a lot of halfoacks on his own side trying to take it and run the other way with it. We cannot get out of our trouble that way. When they do that successfully they will take the full responsibility for certain failure, not only because they will have spoiled one unified plan that was working but because they will have substituted a mess of contradictory and confusing nightmares of their own.

"FCONOMIC WIRLEYERS" SURPLING AT PRESURENT.

"ECONOMIC KIBITZERS" SNIPING AT PRESIDENT

In our representative government changes like that do not occur without some ferment back home. Something has happened since the last election. Some of our economic kihitzers and political pansies, who have been sniping at the President's plans since the beginning, say that things have been getting so much better, that our free people do not feel the need of any more spontaneous cooperation, and yearn for their rugged individualism back again. That is a bunch of bunk! A very few big corporations, who ought to know better at a time like this, have been making large profits, but the unemployment and relief rolls remain at the same hopeless levels left after the great upward surge making large profits, but the unemployment and relief rolls remain at the same hopeless levels left after the great upward surge of 1933. But that is the very thing which made the old ruggedness so hateful to our people. The ferment back home is not the leaven of a rising loaf—it is the bubbling of a sour mash. Party labels don't mean very much in this country any more. We used to talk about two parties and a lunatic fringe. Just now I think there are three groups—rather than parties—and that now two of them are lunatic fringes.

The first fringe is the Old Guard itself and its hereditary follow-The first fringe is the Old Guard itself and its hereditary following. They are what they are because yesterday they were—and their fathers before them—and for no better reason. They learn nothing and they forget nothing. They believe that property and profits come first, and that if you take care of them the humanities will take care of themselves. They think that the way to do that is to keep the Government in a cast-iron mold—and finally that the benefits of this country cannot be entrusted to popular control but must all trickle down to the grass roots through a sieve made up of small groupings of the wise, the good, and the beneficent—old stuff, very old stuff, the mere recital of which, in this troubled modern day, is a challenge to revolt.

The second fringe is the residue. They have a motions rether

The second fringe is the residue. They have emotions rather an beliefs. They are like a harp-of-the-winds upon which any than beliefs. They are like a harp-of-the-winds upon which any breeze can play a tune, and they do not care a hoot about the essence or form of any government that blocks their desires or restricts their impulses. Here is smoking flax which any wind can fan to flame if it is strong enough and blows from the right direction. "Liberty", said Lenin, "is a capitalistic dream." Mussolini adds, "Fascism has no idois. It has trodden over the putrescent corpse of the goddess of liberty and it will do it again." And my good friend Henry Wallace says, "Liberty must go into eclipse in times of depression."

Between these fringes, there is the group that grew out of this

Between these fringes, there is the group that grew out of this depression, of which Franklin Roosevelt is the leader. It believes that this Government is good, but that, in a crisis, it ought to mold itself to changing conditions—that property and the profit system

must be preserved but that the humanities come first and should be taken care of by direct action—and finally, that this country and the fullness thereof belongs in fee simple to the people of the United States and not merely in trust for them through some political or business group or steering committee.

In a gusty world where old political systems fall like autumn leaves, I think the compromise and flexibility of this middle group is our only safety. I think the Old Guard has become a lunatic fringe because, having so plainly dosed the country into this misery, the stark crass stupidity, of standing and offering nothing more than the same old poison to millions—still destitute from the first dose—is an actual incitation to revolution if there arose the slightest danger of their return to power—and I think there is the first dose—is an actual incitation to revolution if there arose the slightest danger of their return to power—and I think there is the slightest danger. I have a letter recting a recent gleeful dinner of six such Senators who were happy over their own assertion: "The next election is in the bag—all we have to do is to sit still and laugh—Husy Long and Father Coughlin are going to give it to us." From their standpoint that is good horse sense. It pits both ends against the middle, but it is no laughing matter. For, if there is such a thing as playing volley ball with dynamite bombs—this is the prize example. the prize example.

### 80,000,000 IN NATION IN ABUSED BABY CLASS

HUEY LONG and Father Coughlin are rapidly appearing as leaders of the second—the emotional—fringe. The danger from that group is that any desperate person is a potential candidate to join it. If you box your boy's ears he will pout and, if occasion offers, run away from home with any enticing bum who comes along. He is an abused baby. Counting busted business men, the unemployed, large segments of farmers not yet helped, and the dependents of all these, there are about 80,000,000 abused babies in this country—their ears still tingling from the worst economic boxing in history. They are ready to strike back at disaster in any way that is shown to them. The new deal offered them something to support and trust. Neither in 1932 or 1934 was there anybody else in the field with any opposition or anything like a concrete plan, and they had the comfort of believing that the whole country and most of the Congress was behind this plan.

They have not that comfort now. After 2 years of timid

They have not that comfort now. After 2 years of timid silence, the Old Guard has at last screwed up its courage to raise a voice from the tomb to send the shivers down their spines by beckoning to opposition and frustration of all that has been done for them. In Congress the despairing legions of reaction unfurl the old banners and, on the side lines, the savage orchestra of columnist and editorial kibitzers pound the tom-toms, burn the red fire, and shriek with demoniacal glee at every

defection.

defection.

Now the thing that makes this possible is not a popular demand for a return to reaction. It is the exact reverse of that, and it has happened since last November. Two pied pipers have come to Hamelin Town—and you will recall what the pied piper was—a magician who, by tooting on a penny whistle, could step into the leadership of rats—or charm innocent children from the safety of their homes. But our two pipers are not concerned about rats. They are piping out of the city gates with more and more abused babies at their heels.

You can laugh at Father Coughlin, you can snort at Huey Long, but this country was never under a greater menace than from

but this country was never under a greater menace than from but this country was never under a greater menace than from the break-up of spontaneous popular cooperation being engineered by the combination of this dangerous demagogy with the direct assault of the old social Neanderthalers—the architects of the 1929 boom or bust—and of our 5 black years of bitter bondage to despair. Peaceful recovery is being threatened with a grinding between the upper and the nether millstones of extreme group selfishness

At this point I want to make it very clear that I am speaking for myself alone—a gratuitous volunteer. Nobody in the administration has been consulted about this speech, although I have advised on the project of making it with my best and wisest friends outside of government—"new dealers", "old dealers", and Coughlinites. It may interest you to know that, without one single exception, they advised against it. "If you want to hang yourself, go to it." Nothing did more to convince me that this speech had to be made. If demogogy has reached the point where a man may risk his public standing by attacking it, it is time for somebody to get up on his hind legs and howl. At this point I want to make it very clear that I am speaking

get up on his hind legs and howl.

It does less than no good at all for an "old dealer" to howl. It is the greatest aid and comfort that could be given to the pied pipers. They can, and do, reply with perfect justice: "Nothing we could counsel this distressed people could do half the harm to them that your advice and leadership has already done."

No echo out of Wall Street, no radio program subsidized by big business, no slinging of the old stuff, is anything more than an affront to the people who suffer in this country. That stuff is like the cheese with which a little boy tried to feed a mouse imprisoned in a cheese-baited trap; that mouse didn't want any more cheese. That kind of answer to the pied pipers does as much to drive public opinion in their direction as their own piping does to persuade it. does to persuade it.

I am well aware of what the pipers will say about me—that I am either drunk or crazy; that I once worked in New York myself and am a tool of the interests. Nerts to that! I never made a more deliberate speech. That I have rich friends is a fact. I also have poor friends. I am poor myself. But it just happens that I don't owe anybody anything; that I never got anything from anybody without paying for it; that I am on my own; and that I can rest on my record for saying just what I think whenever I feel

that it ought to be said and for taking all that's coming to me for

Saying it. And this time it will be plenty.

You don't see much in the newspapers about the pied pipers.

The greatest force of this ilk is the radio, through which they can The greatest force of this lik is the radio, through which they can pollute our great popular pool of justified resentment. For want of work it sits idly before its receiving sets while there is pumped into it daily two ingredients—red pepper for its raw emotions and, for its hope, enticing promises of a money miracle, manna in this wilderness of despair—like the coriander seed, white, and the taste of it like wafers made with honey, of which he that gathereth much shall have nothing over, and he that gathereth little shall have no lack. That was said by Moses of a miracle performed in the desert of Sinai thousands of years ago; but it is the shortest, clearest statement of the money magic proffered by the pipers—he that gathereth much shall have nothing over, and he that gathereth little shall have no lack.

#### PLANS FOR ENDING POVERTY CALLED CRUEL DELUSIONS

PLANS FOR ENDING POVERTY CALLED CRUEL DELUSIONS

Promise and performance possible only to the Lord God Almighty! To abolish poverty—oh, where have we heard that before? Easy magic offered by men who have no other wizardry than the charm of words and the awe of people for the robes they wear. They speak with nothing of learning, knowledge, nor experience to lead us through a labyrinth that has perplexed the minds of men since the beginning of time with no satisfactory solution and with no more authoritative comment than that of the Master—"the poor ye have with you always."

They ask us to go with them gayly down pathways by them called new, but that in truth have been trodden time and again in the world's history—but never to the rainbow's end they promise.

new, but that in truth have been trodden time and again in the world's history—but never to the rainbow's end they promise. In the many, many times that those paths have been taken since the world began, never once did they fail to lead to chaos and destruction beging always first and most hearing always destruction, bearing always—first and most heavily—on the very class to which they now appeal.

Why, if these men know what they are talking about, their attempt to delude helpless, trusting sufferers to such a doom is unspeakable. If they do not know, then theirs is an act as rash and murderous as that of the tinker who tried a surgical operation on the human heart because he said that it was only a pump anyway and so entirely in his line of work.

and so entirely in his line of work.

It is not what these men say that is dangerous. It is the devilish ingenuity of their way of saying it. Put down on paper it doesn't make sense. "Every man a king" and "\$5,000 a year for every-body" would draw the proper "oh, yeah! "from 9 people out of 10, but it is no less ridiculous than "two cars in every garage" or "two chickens in every pot", which turned out to be two chickens in every garage—or the bunk with which Hitler took the hard-boiled Germans—and Hitler couldn't hold a candle to Huey in the art of the old Barnum ballyhoo—a new sucker every second!

"Ah'm not expiret de Constitution. Ah'm fo' de Constitution.

"Ah'm not against de Constitution. Ah'm fo' de Constitution. Ah'm not against p'ivate p'op'ty. Ah'm fo' p'ivate p'op'ety. All mah plan says is 'tax 'em down', till nobody has mo' dan six million dollahs capital and one million dollahs income. Six million dollahs capital an' one million dollahs income is enough fo' any man!"

Can you beat it? There's language anybody can understand, and the tortured talk and \$4 words with which economists answer him is too much for about 99 percent of people, including myself. Who is going to dispute that six millions of capital and one million

income is enough for any man? But try and get it!

income is enough for any man? But try and get it!

Who is going to attempt to tell any man why he ought not to have \$5,000 a year, if Huey can get it for him—or even why he shouldn't be a king? The fact is that nobody is answering Huey in language anybody can understand. He's getting away with it without a contest. Added to that there comes burring over the air the dripping brogue of the Irish-Canadian priest—pounding home points of pure political propaganda by calling on the lives and sayings of all the saints and the very precepts of the Master in accents mellow with human sympathy—musical, blatant bunk from the very rostrum of religion—it goes straight home to simple souls weary in distress and defrauded in delay. And neither is anybody challenging him in language that means anything more to these people than a Gregorian chant intoned in Latin.

He wants to turn our banking system over to 48 petty politicians

He wants to turn our banking system over to 48 petty politicians and authorize them to make money out of wind to pay the public debt and all expense of Government.

Why, to give every family \$5,000 a year income, the total income of the United States would have to be one hundred and fifty billions; and if some had a million and so on down to \$5,000 in the usual grades, as Huey proposes, it would have to be five hundred billions, which is more than 12 times as much as it is and more than 6 times as much as it has ever been. Huey says, "Divide our wealth", and he tells how to take it by taxes, but he never yet has told how to distribute it. yet has told how to distribute it.

yet has told how to distribute it.

If you seized all property tomorrow by taxes and sold it at an auction tax sale, nobody would have enough to bid a tenth of its value. You would cut the price of America 90 percent, and nobody but a foreigner could buy it. When values bounced back, the few buyers would be fabulously rich and the rest of us unbelievably poor. Do you own anything? Huey is going to take it away from you and put it in a pool for division.

It is like the old darkey whom the Communist paraders persuaded to carry their banner by telling him that they were going to take everybody's money and divide it up equally. After marching a few blocks in ecstasy, he began to think and scratch his head. "How much do ev'ybody git?" he finally asked and was

told: "Seventeen dollars and twenty-seven cents." Said he: "Hyah—take yo' ol' red rag—ah got \$19.47 cents in mah britches right naow."

Nobody works or trades or manufactures except for profit or income. If you took that away by taxes you would stop activity, destroy employment, and pauperize this country. Huey could not distribute wealth that way, but he could distribute such poverty as the world has never seen and he knows that as well as anybody.

as the world has never seen and he knows that as well as anybody. Father Coughlin's plan to make money out of nothing would make it worth nothing—and that would confiscate the wages of every worker, the savings of every family, and the life insurance of every widow. It would close up every endowed college, hospital, or other charitable institution in the country. It would cut off imports, forgive all foreign debts, and enable foreign nations with real money to buy our resources for a song. It would deliver every worker's work and every farmer's product to politics and, at one stroke, destroy the economic and political system of this country.

and, at one stroke, destroy the economic and political system of this country.

Stripped to the facts—and whether consciously or not—these two men are raging up and down this land preaching not construction but destruction—not reform but revolution—not peace but a sword. I think we are dealing with a couple of Catilines and that it is high time for somebody to say so.

This brings me to a part of this speech that I do not relish making. I like Hurr Long. He is one of the most plausible punchinellos in this or any other country. He is an able little devil and I can't help but gleefully admire his cast-iron cheek and his rough-and-tumble readiness to take on all comers, including the august Senate of the United States in session assembled.

For Father Coughlin I have even a closer sentiment. I agree with much that he says. I think he has done more to interest the average man in politics than anybody. At a very poignant moment in my life—my farewell to N. R. A.—just before it went under the ether and had its intestines removed and wrapped up in a warm wet towel, he sent me a message that touched my heart: under the ether and had its intestines removed and wrapped up in a warm wet towel, he sent me a message that touched my heart: "My dear General, I joyed with you and wept with you during your discourse this afternoon. You have served your country and its citizens more courageously than we dare express at the present moment. That man who attempts to do a public service as wholeheartedly and as honestly as you have done is a fool if he hopes to escape the vinegar or calumny and the thorns of grief. God bless you."

I have my full share of the common failing, and that warm message makes it very hard for me to say what I know must be said. I am sure that Father Coughlin is sincere, but I know he is misguided.

### SINCERE REVOLUTIONARY TERMED MOST DANGEROUS

The most dangerous revolutionary in the world is the sincere the more sincere the more dangerous. Also, in this country, at least, it is the opinion and not the garb or station of the man who holds it that counts. White or black—butcher, baker, or candlestick maker—every man has a right to his say regardless. But I think there is an exception to the rule when it applies to revolutionary propaganda in the mouth of a priest of the Roman Catholic Church

Catholic Church.

The Founder of Christianity likened the church to a net holding good and bad fish. From recent Popes have come documents on social justice unsurpassed by the mind of man. But the church has also included in its net some of the greatest social despots in history—the very bad fish. A principal architect of the French Revolution and the Red Terror was Charles Maurice de Talleyrand-Perigord, Roman Catholic bishop of Autun—a crook and a grafter who served all masters of every stripe from the old Bourbons through the revolution to Napoleon and back again to Bourbons. Nothing in the priestly fellowship prevented him from bons. Nothing in the priestly fellowship prevented him from carrying out the red doctrines of anti-Christ and sending his old friends and consecrated men of his own cloth to the guillotine by

the score.

While I do not for a moment compare Father Coughlin with While I do not for a moment compare Father Coughlin with Talleyrand, it is no exaggeration to say that, through the doorway of his priestly office, covered in his designs by the sanctity of the robe he wears, Father Coughlin, by the cheap strategy of appealing to the envy of those who have nothing for those who have something, has become active political head of an active political party. That party might better be known as the "national revolutionary party", although it has the more tripping title of the National Union for Social Justice, and I think that makes him another bad fish in the net of the Holy Church.

Of recent months there has been an open alliance between the great Louisiana demagogue and this political padre, who does not arraign our President and our institutions in the American language without a Canadian accent, and who may or may not now be

arraign our President and our institutions in the American language without a Canadian accent, and who may or may not now be an American citizen, but certainly once was not. On a recent Sunday Father Coughlin announced at the conclusion of a sermon on money and politics, which contained a direct attack on the President of the United States, that his topic would be taken up later in the evening by a distinguished Senator; and, sure enough, across the evening air, replacing the good father's melodious burring, came the canebrake drawl of Huey Long, expounding that priestly and saintly discourse; and the first voice that Huey heard when he gave up the microphone was that of Father Coughlin's congratulating him.

These two patriots may have been reading last summer's lurid story about an American Hitler riding into Washington at the head of troops. That would be definite to Huey because he knows what part of the horse he can be, but we have a right to object most vigorously to the sanctification of such a centaur by having the

head wear the collar of Rome and come intoning the stately measures of the church in pious benediction on such an unholy monstrosity.

TELLS OF CATHOLICS' AID IN BEGINNING OF N. R. A.

I respect all denominations and all true worshipers. I have the deepest regard for the Catholic Church and the Catholic priesthood. I know something of both their valor and their unvarying patriotism during the war. In the trying beginnings of N. R. A. I had no more enthusiastic cooperation and devoted support than I got from bishops, priests, and professors of Catholic institutions. To insure that the wisdom of this age-old church be brought to the solution of our problems, I secured the appointment on the Little Review Board of Monsignor John Ryan, our foremost Catholic economist. The good Fathers of Georgetown University helped me work out the mechanics of the draft in 1917. Father Haas has served devotedly on the Labor Advisory Board of N. R. A. from the beginning—a kindly man whose very companionship is a benediction. Throughout my life I have had warm friends in that priesthood who will bear with me, I am sure, when I say that I think we have here a prostitution of their holy office, a violation of vows, and a degradation of the teachings of Jesus Christ.

Why, I have heard the very sayings of the Lord brought forward to bring a religious odor to a proposition for fiat money, and the holy mercy of St. Veronica, who wiped the blood and sweat from the suffering Savior's face, invoked in an emotional appeal to all women to support a silly and unfair attack on the President and a bill in Congress for a political banking system.

Jesus said, "Bring me a penny, that I may see it." And they brought it. And He sayeth unto them, "Whose is this image and superscription?" And then they said unto Him, "Caesar's." And Jesus answered, saying, "Render to Caesar the things that are Caesar's, and to God the things that are God's." I respect all denominations and all true worshipers. I have the

#### ASSAILS INVESTMENT OF COUGHLIN LEAGUE

But Father Coughlin has no such indifference to pennies. I was for him at the beginning, heart and soul, and I had been told that, as a Canadian citizen, he was a member of the Basilian Order and vowed to poverty. When I heard about a year ago that his private corporation, the Radio League of the Little Flower, was interested in the silver of which he was preaching monetization, I gave the lie to that statement. When the official list was published by the Treasury Department, I saw that I had been wrong.

was published by the Treasury Department, I saw that I had been wrong.

From the day of the publication of that list the good Father has become the bitter enemy of President Roosevelt's administration. Now I don't question the right of any man to invest money as he will, but when a priest vowed to poverty and preaching to the poor flays the faith of a people to advance a monetary interest—his own or another—you can about conclude that Judas Iscarlot was just a poor piker. He sold out the Hope of the World for 30 pieces of silver, when today he might have bartered 50,000 ounces on so small a thing as abuse of the trust of a national congregation.

congregation.

In 1928 Al Smith, whom I revere as a truly great American, went from coast to coast proudly declaring that the Catholic Church and priesthood kept out of politics. He was sincere and he was right. I was in that fight and I marveled at the restraint of Catholic priests. Reviled and dishonored by political mudslingers, they kept the silent tenor of their way. Al could not make that proud boast today, and that is a very great shame. I spoke my mind at Waterloo, Iowa, last year on Hitler's sadistic persecution of the Jews, and I feel just as strongly against the persecution of Catholics in Mexico, which is excused by their tormentors on the charge that priests play politics with a people's faith. faith.

But if this thing spreads in this country there may well be a persecution here—not on the faith of a denomination but on the abuse of the clerical office by schemers using the cloak of religion to seek political power, and especially when they bend religious faith to the uses of sedition. If religion means nothing more than the remonetization of silver and the promotion of a revolutionary political group, then we can get along without it. We can't get along without it. Here, as at few times in our history, are wounded hearts seeking the solace of the mercy seat. Nothing is more needed among us than a spiritual return to the faith of our fathers. The Catholic Church was born of a great depression and had its first spread among the distressed and down-trodden people of the Mediterranean. God knows there is distress enough today. There is work aplenty for a priest and—it may be—in driving the money changers from the temple, but certainly not in usurping their abandoned tables with another sanctified shell game and a new flock of doves. But if this thing spreads in this country there may well be a per

We can respect as a political agitator Mr. Coughlin voicing any opinion that he may hold. Or we can revere as a most eloquent preacher of a great church Father Coughlin urging any tenet of his faith. But we can neither respect nor revere what appears to be a priest in holy orders entering our homes with the open sesame of his high calling and there, in the name of Jesus Christ, demanding that we ditch the President for HUEY LONG, bastardize our American system, and destroy the Government of our country.

The ridiculous rumor is rife that Father Coughlin is the agent of the Pope in trying to upset this Protestant country in the interests of the church of Rome. Nothing could be more absurd; and yet it is perfectly plain that either the church or Father Coughlin should promptly sever his revolutionary political activities from his priestly office. We expect politics to make strange bedfellows, but if Father Coughlin wants to engage in political bundling with

HUEY LONG or any other demagogue, it is only a fair first move to

Huev Long or any other demagogue, it is only a rain may have take off his Roman cassock.

At least there is no such running with the hare and hunting with the hounds about his little playmate, Huev Long. You know just where he stands and how, given power, he will act; because you know how he has acted in the State of Louisiana. There Huev is a dictator by force of arms, and Adolph Hitler has nothing on him any way you care to look at them both. In fact, Huey is the Hitler of one of our sovereign States—not in the forcible seizure of absolute and arbitrary powers alone, but in the curious mixture of incredible mumbo-jumbo, the surface plausibility and undoubted personal magnetism that cause people to put their emotions before personal magnetism that cause people to put their emotions before their reason and go stampeding off to nothing like a frightened flock of sheep.

Between the team of Huey and the priest we have the whole bag Between the team of Huey and the priest we have the whole bag of crazy or crafty tricks possessed by any Mad Mullah or dancing dervish who ever incited a tribe or people through illusion to its doom—Peter the Hermit, Napoleon Bonaparte, Sitting Bull, William Hohenzollern, the Mahdi of the Soudan, Hitler, Lenin, Trotzky, and the Leatherwood God—here they are, all boiled down to two, with the radio and the news reels to make them effective; and if you don't believe they are dangerous you just haven't thought much about it or you don't know the temper of this country in this continued moment of distress.

What are we going to do about it? There is just one thing to do and that is to finish what we started and give Democratic leader-

ship adjusted to crisis a fair chance.

ship adjusted to crisis a fair chance.

That goes for everybody. It goes for industry, which just 2 years ago was wrecked and seeking salvage in a dictator and which at last feels the thrill of life along its keel. It should be in Washington again, not obstructing but asking what it can do to help. It goes for labor, which, however disappointed by some it trusted, ought not to grouse at an administration which has gone with it nine times out of ten because it has not received the uttermost farthing. It goes for agriculture, which has been lifted further out of the hole than anybody thought possible 2 years ago and which owes every inch of gain directly to administration measures. measures.

It goes for finance which, instead of sitting back and saying that nothing is possible under new laws, ought to come forward with some practical suggestion for amendment that would effectively abolish abuses (which this country will never again permit) and yet relieve the present paralysis of trading. It goes for the unemployed and those burdened with debt and losses who have been taken care of more effectively than ever before in the history of this many other country and who cought to carry on patiently for just taken care of more effectively than ever before in the history of this or any other country and who ought to carry on patiently for just a little longer and tell the Father Longs and Huey Coughlins—or whatever it is—that they are taking their religion from their church and their political leadership from their statesmen and that they are not in the market for any shoes made by a milliner or hats by a cobbler or magic financial hair tonic put up by partnership of a priest and punchinello guaranteed to grow economic whiskers on a billiard ball overnight.

Let us take our hepefits with our hundars—the hitter with the

Let us take our benefits with our burdens-the bitter with the sweet—and, keeping our feet on the middle path between those two mad extremes, let us try to restore to this country something of the faith and spontaneous cooperation of a free people that led the whole world in the Great War from the darkness of disaster and defeat to the sudden glory of complete victory and that started us so hopefully on our path to prosperity in 1933.

No two of us agree about everything, and I by no means concur in all that the President has done. But I think our sole hope lies in him; I believe that we are still in deadly danger. I regard as traitors to our common cause all those who are unable or unwilling to accept each situation as we find it, whether created by a success or a failure—a bullseye or a complete miss—and, after urging their opinion as vehemently and as vigorously as they will, fail to accept the verdict of the polls, but jog or try to break the elbow of our pilot in this sea of shoals.

Mr. ROBINSON. Mr. President, the Senate and the galleries have just witnessed a demonstration. Egotism, arrogance, and ignorance are seldom displayed in the Senate of the United States. They require a measure of talent possessed only by the Senator from Louisiana [Mr. Long]. His concluding remark was a warning to me lest I be not much

Ladies and gentlemen in the galleries, to whom the Senator from Louisiana always addresses his remarks, it is perhaps a matter of very little concern to the country, to its future, to its welfare, whether either the Senator from Louisiana or the Senator from Arkansas much longer remains here.

I wonder how the Senator from Louisiana thinks he acquires the right to tell Senators, representatives of sovereign States, that they can serve here only by his leave. I wish to say now with all the emphasis at my command, and with all the amusement which the subject justifies, that whenever I have to serve in the United States Senate or anywhere else with the leave or approval of the Senator from Louisiana I will be glad to go back to the shades of oblivion from which he and I both have come.

Mr. President, it ill becomes a Member of this body to attempt to bulldoze his fellow Senators. Our debates here ought to proceed on reason and argument; but I am speaking now to those who have witnessed the performances in this body, repeated time and time again, of the Senator from Louisiana, who assumes to tell Senators when they can serve in this body. I am speaking to those who are familiar with his performances and know that his tactics are to take the floor, where his remarks are privileged, and assail persons who do not belong to the Senate and who have no opportunity of replying to him.

I am perfectly content that General Johnson and the Senator from Louisiana may have their fight out in any form they choose. I think it would be rather in good taste, in view of the opinions of each other which they have expressed, if they should use the good old-fashioned way of settling personal controversies, rather than bringing them into the Senate of the United States, and imposing on this body and on our guests the task, the difficult and disagreeable task, of listening to things which might just as well not be said anywhere, much less in a body like the Senate of the United States.

Mr. President, the Senator from Louisiana undertook to reply to General Johnson. I heard General Johnson's speech last night, and probably other Senators did, and I am prepared to say that, in my opinion, the Senator from Louisiana thundered in the index; he failed to reply to General Johnson.

The Senator from Louisiana chose to make an attack on Mr. Bernard M. Baruch; and what was the point of the attack? If I can correctly summarize it, it was to the effect that in some mysterious way Mr. Baruch has been controlling the last three Presidential administrations, and that in the control he has demonstrated a sinister purpose.

The Senator from Louisiana quoted statements from Mr. Baruch, most of which, in my humble judgment, are based on sound principles of economics, not "Long" economics, not economics of the character promulgated by the Senator from Louisiana, but economics as we know it in the textbooks and as we know it in our own thoughts. For instance, he seemingly, by implication, denounced Mr. Baruch for the statement that German reparations should be fixed in a definite amount. I recall that during the peace conference at Paris one of the great problems there was the settlement of reparations.

It is true that Mr. Baruch did insist upon the definite fixing of reparations, and now I undertake to say, in view of all that has happened since, in view of all the disagreements which have arisen respecting this subject, that if the peace conference had pursued that course, and had stated definitely the amount which Germany must pay, the consequences of the failure to fix the amount would have been escaped, and not only Germany but every other nation in the world would have been in a better economic condition today than that in which it now finds itself, by reason of pursuing the course which Mr. Baruch recommended, and which the Senator from Louisiana condemns as being absurd and unsound. The other course was taken. An unlimited amount was required to be paid. The more that was paid the more that would have to be paid, so that with the passing of years the problem of reparations gathered volume and gathered force, and it resulted in ruptures, and in the perpetuation of animosities that might very well have been terminated if the sound and sensible policy of fixing the amount had been agreed on in the Versailles conference.

Other statements were made. We all know that the declaration that Mr. Baruch has been running the last three administrations and is running the present administration is another evidence of the inaccuracy of thought and speech on the part of the Senator from Louisiana. It is my information that Mr. Baruch has never sought to impose his views on any President; that when he has acted he has acted at the solicitation and request of the head of the Government, and when his services to this Government and our people are compared with the services of the Senator from Louisi-

ana to the people of his State and the people of this Nation the Senator from Louisiana will have some reason to diminish the arrogance and the insolence of his assertions here.

During the World War, when every resource was being mobilized and every power was being exerted for the successful conduct of the conflict, Mr. Baruch served as the head of the War Industries Board. It is the consensus of opinion on the part of those who know the subject and who are willing to be fair about it that he rendered a service without compensation and at great sacrifice which entitled him to the respect and confidence of the people of this Nation and of the world.

But the Senator from Louisiana could not answer General Johnson. He found superiority in the use of irony and sarcasm and in the employment of queer appellations by the former head of the National Industrial Recovery Administration, and so instead of making a reply, he rants and rages and attacks somebody else. I appeal to this audience: What thought did he leave in your mind except that there was something mysteriously sinister in the character and conduct of General Johnson?

It is regrettable that this should be the forum for the display of such disposition as the Senator from Louisiana has exemplified in this body today. I do not know what his end will be. I do not give him warning. It would do no good. I do not tell him that if he attempts to promote his own personal ambition by the denunciation in his addresses of those to whom he owes allegiance by the attempt, often repeated, to discredit men far greater and much better than he has ever been or ever can be, he may come to the end which he prophesies for others.

What right has the Senator from Louisiana to denounce his former friend, the President of the United States, in language like that which he employed today? Does he not know that Franklin De-la-no Roosevelt, as he said, is bearing a burden sufficient in its weight and magnitude to crush the greatest soul? Does he not know that in his position as President of the United States Mr. Roosevelt has attracted to himself the confidence of the people of this Nation—not that they all believe that his plans are all the wisest that could be formed, but that they all recognize the fact that in his great heart the President is anxious to do everything possible to promote the ends and aims of national recovery.

Yes; the Senator from Louisiana ridicules what has been done by the administration; in fact, he ridicules everything that is proposed by anybody but himself. He scoffs and scorns the Civilian Conservation Corps, ridicules the plan under which young men who are out of employment are given the opportunity to perform useful toil for limited compensation. Yet, Mr. President, I doubt if there is another Senator here who would say that tomorrow, if he had the power, he would turn the young men now in the civilian conservation camps out to find their way alone through a benighted world.

I meet without apology the issue raised by the Senator from Louisiana. What would have been the fate of this valuable asset in our population—the hundreds of thousands of young men who have been engaged in the conservation camps? Should they have been left as dependents upon parents who were unable to provide for themselves? Should they have been encouraged to become tramps? Should they have been invited into the seductive but dangerous paths of vice which were open to them?

When the Senator from Louisiana ridicules the President's efforts to redeem and save this asset of incalculable value—and what can be more valuable than the young, the enlightened manhood of the United States?—I ask him: Has he no sense of responsibility when he speaks? Has he no power to look into the future, except with the hope of arousing hatred, animosity, and wants that he knows cannot be supplied?

Month after month the Senator from Louisiana has disgusted this body with repeated attacks upon men who are superior to him, with repeated efforts to discredit the President and humiliate him; and now it is about time that the manhood in the Senate should assert itself. [Manifestations of applause.]

The PRESIDING OFFICER rapped with his gavel.

Mr. ROBINSON. It is about time that he should be made to know and take his proper place in a body composed for the most part of gentlemen.

Innuendoes, insinuations, and threats cannot prevail in the Senate of the United States, unless we have descended to the level of mediocre degenerates!

I have spoken earnestly, and I realize that there are those who are listening to me who will say, "Why pay attention to the ravings of one who anywhere else than in the Senate would be called a madman?"

I thank the Senate for the patience and the attention with which it has heard me.

#### GEN. RICHARD P. WILLIAMS

The Senate resumed the consideration of the nomination of Richard P. Williams to be brigadier general, Marine Corps.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Richard P. Williams to be brigadier general in the Marine Corps?

Mr. JOHNSON. Mr. President, as I observe the Chairman of the Committee on Naval Affairs is not present, I suggest the presence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	Keyes	Radcliffe
Ashurst	Costigan	King	Reynolds
Austin	Couzens	La Follette	Robinson
Bachman	Cutting	Logan	Russell
Bailey	Dickinson	Lonergan	Schall
Bankhead	Dieterich	Long	Schwellenbach
Barbour	Donahey	McAdoo	Sheppard
Bilbo	Duffy	McCarran	Shipstead
Black	Fletcher	McGill	Smith
Bone	Frazier	McKellar	Steiwer
Borah	George	McNary	Thomas, Okla.
Brown	Gerry	Maloney	Thomas, Utah
Bulkley	Gibson	Minton	Townsend
Bulow	Glass	Moore	Trammell
Burke	Gore	Murphy	Truman
Byrd	Guffey	Murray	Tydings
Byrnes	Hale	Neely	Vandenberg
Capper	Harrison	Norbeck	Van Nuys
Carey	Hastings	Norris	Wagner
Clark	Hatch	Nye	Walsh
Connally	Hayden	O'Mahoney	Wheeler
Coolidge	Johnson	Pope	White

Mr. DIETERICH. I wish to announce that my colleague, the senior Senator from Illinois [Mr. Lewis], is necessarily detained from the Senate.

Mr. ROBINSON. I announce that my colleague, the junior Senator from Arkansas [Mrs. Caraway], and the Senator from Louisiana [Mr. Overton], are absent because of illness; and that the Senator from Kentucky [Mr. Barkley] and the Senator from Nevada [Mr. Pittman] are necessarily detained from the Senate.

The VICE PRESIDENT. Eighty-eight Senators having answered to the roll call, a quorum is present. The question is, Will the Senate advise and consent to the nomination of Richard P. Williams to be brigadier general in the Marine Corps? [Putting the question.] The "ayes" have it, and the nomination is confirmed.

### GEN. JOHN H. RUSSELL

The PRESIDING OFFICER. The question now is, Will the Senate advise and consent to the nomination of John H. Russell to be major general in the Marine Corps?

Mr. BLACK. I move that the nomination be recommitted to the Committee on Naval Affairs for further and more complete investigation.

The PRESIDING OFFICER. The question is on the motion of the Senator from Alabama.

Mr. TRAMMELL. Mr. President, I have to oppose the motion in view of the fact that for some 3 or 4 weeks at different hearings the criticisms which have been made in the Senate were investigated as best they could be investigated by the committee and there was practically no evidence whatever to substantiate the criticisms and allega-

tions which have been made here and which in large degree were made also before the committee. I do not see any use in continuing to hold up a question of this character merely upon hearsay and upon prejudiced statements emanating, at least, from persons who have been disappointed because of not securing promotions. That has been almost entirely the source of the contention and the criticism of General Russell.

I will not weary the Senate by going into all the details; but it has been said that the selection board was a one-man board. Regardless of what kind of a board it was, the fact remains that it was the character of board which had been authorized and created by Congress. General Russell was not responsible for the board; but, as a matter of fact, the board in its set-up under the law is a great improvement over the old system. The old system provided for promotion by seniority within a class. If there were 10 officers of the senior class of equal length of service the Commandant himself would recommend to the Secretary of the Navy the one who should be selected, and then the Secretary of the Navy, and on to the President. In consequence, under the old system the Commandant himself had every opportunity possible, as one man, to control who should be the officer selected within the senior class, subject, of course, to the President's approval.

The present system was inaugurated, first being recommended by General Lejeune and adopted by Congress. The law sets up the board. What is called the senior board has 6 members while the junior board has 9 members. General Russell favored this method. If General Russell had wanted to carry on a one-man promotion board, why would he have recommended the law which created a board of 6 and a board of 9, respectively? However, he did recommend it and supported the law. If the law is wrong, we should like to have something better. I have not heard of any suggestions of any better plan than that which is now in operation.

I will repeat in this connection that every Senator will realize it does not make any difference what character of board may be created or what character of plan may be instituted for selecting officers for promotion, some of those at least who are not promoted will be dissatisfied and some of them will criticize. We meet with that situation in every avenue of life—the disappointed criticize. So criticism has been directed more against the board than against any individual.

So far as the question of the board being dominated by General Russell is concerned, there is not one particle of evidence which has come before the committee or anybody else to indicate that he directed and dominated the board. There were six members of the board. There were only 11 eligible for membership upon the board. The first board which he recommended took 6 of those who were eligible, and in the second instance, when another board was appointed 6 months later, 4 out of the 6 men were not on the previous board, resulting in the course of 6 months in the case of the two boards of 10 out of the 11 eligibles serving on the board. There is nothing about that to indicate or even suggest to a fair mind that General Russell was trying to pack the board, and there is no evidence to that effect. It is just merely a question of the tactics adopted by those who were dissatisfied and who would criticize. I do not mean all the officers are inclined that way, for I have not heard of any general dissatisfaction among the officers; I have not heard of any reign of terror. I have heard, however, of a tempest in a teapot, and that is about what we have been having here because boards have then going ahead and doing their duty as they should, and there is no evidence to show discrimination or unfairness, but a few are dissatisfied and criticize. Of course, I wish means could be devised to prevent people from criticizing if they do not like everything we do, but I have not heard of that kind of a prescription that could be availed of. It would not work in regard to promotion boards in the Marine Corps.

General Russell stated, and it has not been contradicted, that all he did was to vote as a member of the board. He did not try to dominate the board, and no one has intimated states that some officers for whom he voted for promotion were not promoted. If he had dominated the board it would seem he could have had them all promoted.

I am taking the position I do and the committee took the position it did because there is no evidence to show there has been anything of an unfair nature or any discrimination in the action of the board. I have heard it stated that General Russell was a member of the board which promoted himself. That is untrue. There is nothing to it whatever. Most of the criticism has been baseless and absolutely without foundation or support.

Senators talk about doing justice, but we cannot promote 18 officers when there are only 2 promotions to be made. If anyone has a recipe whereby that can be done, I should like to have it, because occasionally I have a public position or two to fill—I do not get many—and a thousand people want three positions. If there is any way to give the three positions and still keep the remaining 997 applicants from being dissatisfied, I should like to know about it. The officers who were members of this board were in that situation.

We have not gone into the question of the Haitian situation again because it was taken up some 15 months ago when President Roosevelt nominated General Russell to be Commandant of the Marines. It was more or less of an issue at that time. Before the President submitted the nomination, objection to General Russell was made before the committee on account of the Haitian incident. We went into it quite thoroughly at that time and concluded there was nothing to indicate in any way that we should not recommend his confirmation. We did so, and the Senate confirmed his nomination to be Commandant of the Marine

The issue seems to be whether or not General Russell was dominating and controlling and in command of the situation. A question has arisen in regard to the record. I stated yesterday, and General Russell himself has stated, that he was not the one who issued the order, that he was not responsible for it, but that it was handled through the State Department. We did not have the records before us then, but we have the records now. These records are considered always as confidential, but any Senator may see them.

The records do not disclose that General Russell was dominating the situation, but, to the contrary, that both the State Department and General Russell endeavored to get the President of Haiti not to issue the order. When the issue came as to who had authority, the State Department advised the Minister of Haiti that while they preferred that the action to exclude the Senator be not taken, yet Haiti was a sovereign state and had control over its internal affairs, and the United States should not interfere with its control of the situation.

President Borno issued an order. The record would indicate that prior to that time General Russell had tried to persuade him not to do it. Of course, it is said by some that General Russell controlled and dominated President Borno and that he was responsible for the issuance of the order, but there is no evidence to that effect, and the records from the State Department indicate that he tried to persuade President Borno not to issue the order.

After the order was issued the Chief of the Army, as he might be called, issued orders in regard to the presidential order which had been made by President Borno, and General Russell was asked what should be done. General Russell replied—and that is the only way he came to be in any way connected with the order, which was not his order at all—that they should be governed by article XI of the treaty. Article XI of the treaty provided in substance, as the State Department had advised General Russell and the Haitian Government, that matters of that character were under the control of the Haitian President, and that the Haitian Army was under control of the Haitian President. That is all General Russell did. He did not issue any order. He had nothing to do with issuing any order, but when asked about it he gave the information which had been

that he did. The board had practically a secret ballot. He | given to him by the State Department, and the substance of that was that the matter was under the control of the Haitian Government, and not under the control of the United States. That is about all there is to the Haitian incident.

> I feel, in justice to the committee, that this statement with reference to the Haitian incident should be made. We have all the State Department records, which they want returned, and I am sure I have given a fair statement of the contents of those records. They have been exhibited to some Senators and will be exhibited to any other Senator who desires to see them.

> The question of how many Mexican soldiers were at the water works is a matter worthy of no further discussion. If General Russell made a mistake about that, he is not to be criticized for it. He had been strictly warned and ordered not to take any aggressive action. General Fun-ston, who was in charge, had so warned him, and the records so disclose. He was complimented upon his service there by those in authority.

Mr. BLACK. Mr. President-

The PRESIDING OFFICER (Mr. THOMAS of Utah in the chair). Does the Senator from Florida yield to the Senator from Alabama?

Mr. TRAMMELL. I yield.

Mr. BLACK. May I ask where is the record that shows he was complimented?

Mr. TRAMMELL. I think we have extracts from General Funston's orders.

Mr. BLACK. I should like to hear read anything from General Funston congratulating General Russell. I have never seen it. I have the report from General Funston which was sent to me. I have never seen any statement anywhere that commended General Russell for his action except that he himself testified that General Funston complimented him personally. If it is there, I am asking to have it read.

Mr. TRAMMELL. I do not know that it contains a specific commendation, but there is no criticism of General Russell. The record makes reference to the incident and reports the best information they could get in regard to it. Of course. there is a difference in the statement made by one person on hearsay evidence and the statement made by General Taylor, but whether or not there were 100 men or 150 or 500 men or 1 man bearing a flag of truce, those in charge of the administration in no wise criticized General Russell. He was acting under the strictest orders to take no aggressive steps. If he had gone out and carried on anything like an offensive campaign, had gotten into an engagement, there is a probability he would have been court-martialed for violating orders and instructions not to take any aggressive action.

Of course, there might have been a thousand men there. but I would rather believe the statement of the outpost who actually had observation of the situation and knew what was going on than I would the statement of somebody who has set himself up as a general critic of General Russell. He stated there was a company of men there and that he saw at least 120 to 150, and that he thought there were more around the bend of the road, hidden by the brush there.

Mr. BLACK. Mr. President, will the Senator yield further? Mr. TRAMMELL. Certainly.

Mr. BLACK. I have a letter written with a pen by the outpost, dated March 2, which states there were no troops there except one man.

Mr. TRAMMELL. Who is he?

Mr. BLACK. James M. Votta. He was the bugler who went out searching for the rebels.

Mr. TRAMMELL. It depends upon when he went to search.

Mr. BLACK. He is the one they sent out. He is the one who went out in the beginning. He is the one that Colonel Clarke said he had with him as a bugler.

Mr. TRAMMELL. I would rather take the statement of Colonel Clarke in regard to that. Is this man a critic?

Mr. BLACK. Is he a critic?

Mr. TRAMMELL. Yes.

Mr. BLACK. He just read an editorial about the statement | men. Of course, it is very difficult for us to get out, with 45 and wrote this letter to say that he was there, and that there were no Mexicans there.

Mr. TRAMMELL. Colonel Clarke says he was there, and he is the one who sent the bugler out, and that he did see the Mexican soldiers, 120 or 130 at least, from his own observation, and he thought there were more; that the courier from the Mexicans did come forward, and that when General Russell refused their demands-as, of course, he didthe courier returned, and that they fired a few shots, and he saw no more of them.

I am not going to set myself up as a military critic or a military expert on questions of tactics or policies and try to condemn an officer on account of an incident of that character, which, even if established by competent evidence, does not disclose that General Russell did wrong by taking an aggressive stand and rushing out there and carrying on a battle against the instructions of his superior, General Funston, and also the State Department, the administration. We were trying to be very cautious in Haiti. We can recall that as a matter of common information, and through the proper channels, instructions to that effect had been issued.

Mr. President, I am going to take only a few moments longer. We have investigated the different criticisms in regard to General Russell. We have not found facts supporting any of the criticisms. I have never been in favor of condemning a person, or withholding from a person something to which he was entitled and which he had merited by a high class of service, merely upon unsupported criticism and hearsay evidence. I do not take seriously, in the first instance, criticism based upon dissatisfaction on the part of somebody who did not happen to be successful when it was impossible for everybody to be successful in the particular transaction, and when those who have been dissatisfied have disclosed no evidence. No evidence has been developed that General Russell has not served in his command well, and that he has not been fair and just.

I cannot quite understand how a man, for instance, could have the commendation of three different Secretaries of State-Secretary Hughes, now the esteemed Chief Justice of the United States; Mr. Kellogg; and Mr. Stimson-and also the President of the United States at that time, and the strong commendation of General Lejeune, who was then the Commandant of the Marine Corps, upon his service in Haiti, and how he could have gotten promotions from time to time if he had not rendered a faithful and capable character of service as an officer of the Marine Corps. I am not willing to take away from him the standing which he has won, the position which he has occupied, the promotion which he has received, merely upon hearsay evidence and upon

Of course, there are a good many officers who did not get promotions. My friend the Senator from Alabama [Mr. BLACK | talked about officers who did not get promotions, about fighting men who did not get promotions. If Congress thinks we should have a Marine Corps or an Army composed of 20,000 officers and about 2,000 men-that is putting it in an exaggerated way, but it emphasizes the situation-of course, we can promote all the officers. There are, however, only a certain number of officers for a certain number of privates. Congress authorizes so many enlisted men, and they cannot have 40 colonels and 35 generals when the Congress itself has restricted the number of enlisted men.

If we should do that sort of thing, instead of having an Army of enlisted men, we would have an Army of colonels and generals and majors and captains. It would be about like the condition a young fellow told me of following the war. He was very anxious to get out of the service. He and others were anxious to get in while the fighting was going on, and after the armistice they wanted to get out. He was stationed at one of the camps-I do not remember where-and he importuned me to help him get out of the service. He had been fighting, and had done all he could for his country, and after the fighting was over he wanted to go home; and he said, "The trouble is, they have about 45 officers down there and they have only about 60 or 70

officers and only about 60 or 70 privates."

He was right about that, so far as I know. I do not know anything about the facts; but certainly Congress does not want to take the attitude that every officer should be promoted and that the Marine Corps should be topheavy with officers, and that our Army should be topheavy with officers, and that our Navy should be topheavy with officers. So it is just a question of not being able to promote them all.

I have heard General Russell say that there were a number of splendid officers whom he would have been glad to see promoted, but he could not promote them all. The law allowed only so many officers, so they could not promote 18 officers who were eligible when the law allowed only 2 to be promoted. That is the situation. That is the system. Congress wants to change that system so that every time an officer wants a promotion he shall have a promotion, it will be necessary to take in more and more officers in the lower rank until we have a Marine Corps composed more of officers than of enlisted men.

Of course, Congress can do that if it desires. Congress heretofore has taken the other attitude, and that is the law at the present time. General Russell has nothing to do with the law. General Russell has nothing to do with the formation of the board so far as the law is concerned. That is prescribed by an act of Congress; and it certainly is a great improvement over the old system, under which the Commandant and the Secretary of the Navy practically absolutely controlled who should be promoted within the senior class.

Mr. President, I could go into a great many other details, but I feel that that is not essential. The committee was firmly convinced that General Russell should not be denied this promotion, which has been recommended to the Senate by the President; and I hope the motion to recommit the nomination will not be adopted. The committee has been considering the nomination for 3 or 4 or 5 weeks; and, as I have already stated, we have not found one scintilla of evidence that supports these criticisms and these rumors, and "they said", and "I heard." That is about as much evidence as we ever had about any of these charges-" I heard". or "they said."

I hope the Senate will confirm the nomination.

MY VOICE WILL NOT BE CHANGED WHILE PEOPLE SUFFER

Mr. LONG. Mr. President, I ask to have the Senator from Arkansas [Mr. Robinson] sent for.

I could not stay in the Chamber during his remarks. I would have continued my remarks for some further minutes. except that I was not able to continue at the time. I was forced to leave the Chamber. Therefore I could not be here when the Senator from Arkansas made his remarks.

I have not heard the Senator, nor have I read his remarks; but my secretary, who sat in the gallery, took down some of his remarks and read them over to me rather hastily, so I thought I would return to the Chamber. I have sent for the Senator from Arkansas. He left the Chamber some minutes ago. I presume he will be back, and I prefer not to go too heavily into remarks that might touch him before he returns.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield?

Mr. LONG. Yes, sir; I yield.

Mr. THOMAS of Oklahoma. I suggest the absence of a

The PRESIDING OFFICER. The clerk will call the roll. The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Burke	Duffy	Johnson
Ashurst	Byrd	Fletcher	Keyes
Austin	Byrnes	Frazier	King
Bachman	Capper	George	La Follette
Bailey	Carey	Gerry	Logan
Bankhead	Clark	Gibson	Lonergan
Barbour	Connally	Glass	Long
Bilbo	Coolidge	Gore	McAdoo
Black	Copeland	Guffey	McCarran
Bone	Couzens	Hale	McGill
Borah	Cutting	Harrison	McKellar
Brown	Dickinson	Hastings	McNary
Bulkley	Dieterich	Hatch	Maloney
Bulow	Donahey	Hayden	Minton

Moore Pope
Murphy Radcliffe
Murray Reynolds
Nerly Robinson
Norbeck Russell
Norris Schall
Nye Schwellen
O'Mahoney Shepnard

Pope Shipstead
Radcliffe Smith
Reynolds Steiwer
Robinson Thomas, Okla.
Russell Thomas, Utah
Schwellenbach Trammell
Sheppard Truman

Tydings Vandenberg Van Nuys Wagner Walsh Wheeler White

Mr. DIETERICH. I wish to announce that my colleague the senior Senator from Illinois [Mr. Lewis] is necessarily detained from the Senate.

Mr. ROBINSON. I desire to announce that the junior Senator from Louisiana [Mr. Overton] and the junior Senator from Arkansas [Mrs. Caraway] are detained by illness.

I wish also to announce that the Senator from Kentucky [Mr. Barkley], the Senator from Nevada [Mr. Pittman], and the Senator from Colorado [Mr. Costigan] are necessarily detained.

The VICE PRESIDENT. Eighty-seven Senators having answered to their names, a quorum is present.

Mr. LONG. Mr. President, I repeat, I was not able to remain in the Chamber long enough to complete as much of my speech as I wished to deliver, nor was I able to stay here while the Senator from Arkansas spoke. But I was furnished by my secretary, who has the good fortune also to be a stenographer, some of the notes, which he translated to me orally, of some of the remarks made by the Senator from Arkansas in my absence.

Mr. President, I have never made any personal reflections on the Senator from Arkansas on this floor. I have read things the Senator published himself; I do not know that that would be taken as a reflection on him. I recall no time when I have breached the rules of the Senate as the Senator from Arkansas has, according to what has been supplied to me by my secretary, in his reflections this afternoon.

I do not take any offense at that, however. I am a politician, and I have heard of these things said so many times on the hustings by political opponents that I never take offense. I just want the Senate to note, however, that I do not violate the rules of the Senate, but the Senator from Arkansas takes unto himself that privilege.

He quite often interferes in the debates in which I have been engaged, never addressing the Chair, but rising and making his points without asking anyone whether or not he cares to yield. The Record is full of that. I have never objected to it. I only return now in order that I may clear up whatever may have been said by the Senator.

I now have the official transcript of the remarks the Senator made. It seems that the Senator from Arkansas took offense because I sounded a friendly word of warning. I was careful to stay within the rules and precedents. I merely sounded a word of warning uttered by a colleague here last year. I undertook to do that in a gentlemanly way. What I said about Mr. Baruch was written by Mr. Baruch, and only commented upon within the confines of fair and regular conclusions.

Of course, I know the Senator from Arkansas is an admirer of Mr. Baruch. He has said so from this floor, I think, many times, and the Senator from Arkansas has a right to be an admirer of Mr. Baruch. The Senator from Arkansas was championing things here which Baruch was championing for Hoover, or which Hoover was championing for Baruch, when I was opposed to them. That is his right; that is only natural.

The Senator has always been kind to Presidents. That is a good way to be. Presidents have always been kind to the Senator, and that is a good way to be. I only regret that I have not had convictions which enabled me to be so kind to Presidents that Presidents would have been kind to me. It all goes in the course of a lifetime.

Naturally, I regret that the Senator sees fit to refer to me as being ignorant, egotistical, and arrogant, which expressions I understand he used. I understand he also criticized what Huey Long stands for.

Mr. President, the Senator and I live neighbors. The Senator has been criticizing Louisiana ever since I have been back. I wish to compare Louisiana and Arkansas.

It is awfully bad to have a Long adherent running Louisiana, but it is not very bad to have a Robinson adherent running Arkansas. I have a friend in the Governor's office in Louisiana for whom I voted and whom I supported, and the Senator from Arkansas has a friend in the Governor's office in Arkansas for whom he voted and whom he supported.

These two States are submitting statements of what they need from the Federal Government in order to carry on their schools. Here is Arkansas, which says it needs \$2,-241.924 to keep its schools going.

Mr. President, how much does Louisiana say it needs? How much would it like to have from the Federal Government? The request of Arkansas is for \$2,241,000; that of Louisiana is for \$107,000, and whether they give us \$107,000 or not, it will not make any difference; we will run the schools 9 months in the year, and every child will have free school books just the same.

Why that difference? It is for the same reason which makes the Senator and me differ here. The Senator's philosophy has been followed in Arkansas; mine has been followed in Louisiana. They do not tax the Power Trust up in Arkansas as we do in Louisiana, so there is not money to furnish the children schooling. That is one reason, just one little reason. They do not tax the oil companies up in Arkansas as we do in Louisiana, so there is no money with which to buy books for the children, and they have not money with which to run the schools.

There are two States with the same resources, the same kind of people, one of them bogged in the mud, calling for two and a half million dollars, and the other State calling for practically nothing, the distinction being because of the theories of government followed by the friends of the Senator from Arkansas in Arkansas as contradistinguished to the theories of government followed by my friends in the State of Louisiana.

I have tried to advise my friend the Senator from Arkansas as a friend. I will never refer to him as being ignorant, or as being arrogant, or as egotistical. I will never undertake to humiliate him, or to impose an overpowering knowledge on him, which, of course, I do not possess, but were I to possess it I would not seek to impose it on him in such manner as he assumes toward me. But, humble as I am, I will yet give him advice. Judged by these remarks, I know the Senator nurses in his heart a grudge on account of advice which I undertook to give him here last year.

I am a friend of the people who run the Power Trust; I am really a friend to them, and most of them will say so. I am really a friend of the oil people, and even some of them will say so; most of them will now, since we made our compromise the other day. But all the time the Senator from Arkansas has continued to refer to me as having made insinuations against Members of the Senate, when the only thing he can base it on is the fact that I submitted to the clerk here one day an advertisement in Martindale's Law Directory, published by the Senator's law firm themselves; that is all.

I was not responsible for the Martindale Law Directory. I have not made any statement, except what was published by the Senator. But I gave advice to the party, and I gave advice to the Senator, and I will give it now. Wherever your treasure is, there is your heart.

Mr. President, the Senator says that I have made a very, very grave attack on him. He continues to say that on the outside. I never repeat a private conversation until it has been repeated by others on this floor, or part of it has been repeated. Mr. Roosevelt was nominated for the Presidency. It was my duty to see that certain States did not have favorite-son candidates. One of those States was Arkansas, and I helped to see to that, had a little part in it; not a large part, but some.

We did not want favorite sons as candidates, and I helped keep down favorite sons in Arkansas, and I helped keep my friend the Governor of Mississippi from being a favorite-son candidate in his own State. He was a friend of mine and the Senator from Arkansas was a friend of mine, but I unknew what it would mean.

There has also been a lot of publicity given to the Caraway campaign. It has been published by the Saturday Evening Post that my campaign for Mrs. Caraway was a reflection against the senior Senator from Arkansas.

I did not publish it that way. The Senator ought to wreak his revenge on the newspapers and the magazines that did this, and not wreak it upon me. True it was that the other Senator from Arkansas had not voted with the other Senator very often here. If she had, she would not have been elected. But that was her record, the record that I defended. The Senator from Arkansas, none the less, from that day had apparently continued as though there were a serious breach between us.

Mr. President, I had a conversation with the present President of the United States, and when I tell you I had any conversation with him you can rely that I am going to be very careful not to overstate it. I asked him what he was going to do about the leadership in the United States Senate, and he gave me his ideas. They were not favorable to the Senator from Arkansas.

But a friend of mine was out in the Southwest, and he returned and said, "I saw Senator So-and-so." He is no longer a Member of this body. I do not have this Senator's permission to tell this, and I am not going to disclose names, but he is sitting here now and he knows I am telling the truth. This friend of mine said, "I saw Senator So-and-so, and he told me that Mr. Farley had told him to keep HUEY Long in trouble in that Overton investigation as long as he could; they wanted to keep him where they could handle him '

Well, those are the same words as the President had told me about the Senator from Arkansas. [Laughter.]

The VICE PRESIDENT. Those in the galleries will kindly refrain from audible laughter.

Mr. LONG. So I went back to my room after I got that message and I put two and two together. Here I was on the bandwagon to start with, and a member of that committee had been told to keep me on the spot. Notwithstanding all the money I put up, notwithstanding everything I had done, he had been given the order to keep something going against HUEY Long in the Senate, keep him on the spot, put ants on him, and let him scratch a while. And the language sounded exactly like the message that had come to me from the President, and I told the Senator from Arkansas about it, too, did I not?

Mr. ROBINSON. No. Mr. LONG. Did I not?

Mr. ROBINSON. No.

Mr. LONG. I did not tell you, did I? The Senator's memory and mine differ. At any rate we met, the Senator and I did; we met over here in the Senator's office. I do not mind telling the Senate who met with us-Mr. Harvey Couch-Power Trust man. He is a personal friend of mine and a personal and political friend of the Senator from Arkansas. The Senator's law firm, or a member of it, Mr. Moses, I believe it was, had been Mr. Couch's lawyer for a long time. So we met over here, and we concluded that we would be pretty good friends, and just drop matters as they stood; let it go. I had my message that I was to be kept with ants on me, and I had another message that ants were to be kept on him. So I compared the notes. I had been leading the fight up to that time, or shortly before that time, that the Senator from Arkansas was not the man to be leader of the Democratic side of the Senate. And if Senators will go back and read the newspapers, any number of publications were out that he was not going to be the leader of the Senate any longer for this side.

All right. So we did not bury the hatchet, but we just kind of smoothed the thing over, and it went on. We had a conversation, the Senator from Arkansas and I did, and I am afraid the Senator is not going to remember this conversation, and I will not reflect on him if he does not.

I said then and there, "I may have trouble, because I am going to go as I please in this business, and I look for this

dertook to keep down favorite-son candidates, because I | man to try to name men through the United States Senate who are enemies of mine down in Louisiana. Now, how are you going to stand on it?"

The Senator from Arkansas, as best I can remember, said to me: "When William F. McCoombs was up in New Jersey, or somewhere up here, he had a brother in Arkansas that he wanted a job for. I was in Arkansas, and I either got a telegram or a letter or some other kind of a message from Woodrow Wilson telling me that he would like to give Mr. McCoombs a job. I sent back to him," said the Senator from Arkansas, "this message: 'Mine is the right of selection. Yours is the right of rejection.'" And the Senator gave me to understand that was still his position.

Now, he may not remember that. I will not reflect on him if he does not remember. I never have, and I never will.

However, I do not know of a thing that was said in that conversation concerning which I did not keep my word. I do not know of a thing that I said from that day that authorized any breach of it. But the Senator's mind is not my mind. Either he forgets or I forget, or perhaps I imagine. The fault will have to be discovered by others. But none the less there came in appointments to the Senate-D. D. Moore, collector of internal revenue, and Réné Viosca for United States attorney.

The record is here. However, I want to say for the Senator from Arkansas, I believe he wanted to discharge that obligation the best he thought he dared do. I did not hold him down to the point of saying, "You take the chance, you stay by our agreement." I did not do that, Mr. President. I was generous. I fought the battle without making that demand. I did not ask it of him. I knew that he was at the time the leader here under what we thought was a very popular President. But I had made some promises. I had to live up to my promises. I had to be mashed out keeping them. I had to be flattened out keeping several of them. I had made some promises I could not go back on. And I want to say to the credit of the Senator from Arkansas that I thought I observed in his conduct a desire, if the opportunity came his way, not to have the matter forced any farther than possible for confirmation over my objection. He did not vote that way exactly, you understand, Mr. President, and he did not speak exactly that way, Mr. President, but I thought I saw hidden back there somewhere that he would like to keep that understanding, and so I have always felt kindly on that score.

I did sound a word of warning to the Senator from Arkansas. His people need him more than my people need me. My people in Louisiana need my vote very bad, and they need the vote of my colleague very bad, but they do not need my vote in Louisiana nearly so bad as the poor people of Arkansas—good people that they are, lovely people, and my friends, a large majority of them. They need the vote of their Senator, and he can do more to help them than I can do. So I have undertaken to advise the Senator from Arkansas. Why? I know he is on the wrong path. I know he is going wrong. I know, Mr. President, for his own sake that he is treading a bad course politically; but I know for the sake of the people of the State of Arkansas and even of other States that there is in the wake of his votes disaster, consequences not to be felt alone by the Senator, but consequences to be borne by 125,000,000 people to a large extent.

The Democratic Party is in the ascendancy. It did not come into the ascendancy on the doctrines of the Senator from Arkansas. On the contrary, when we went back to Arkansas to wage the campaign for Hattie Caraway for the United States Senate one of the first things that we drew the line on was that a power tax had been voted, and that on a reconsideration the vote had been to put the power tax on the consumer still rather than to put it on the power company, and that the Senator whom I was undertaking to help to reelect had voted that it should not be put on the consumer but should be put on the power companies. That had been the position, as I understood, of the Democratic House, and it was reversed here by the Republican Senate largely through the help and leadership of the Democratic

When we nominated Roosevelt it was against all the Senator from Arkansas stood for. I say that knowing what the words are. It was against the philosophy of the Senator from Arkansas. Why, Mr. President, the leadership on the Republican side in many instances was more liberal toward the Roosevelt policy than the stand of the Senator from Arkansas. I can go down the line and show that former Senator Smoot, of Utah, was more liberal in many respects than the Senator from Arkansas himself. We were running on a liberal ticket.

The Senator from Arkansas has seen fit, because of the fact that I have undertaken to continue to advocate exactly what was promised by this party, to condemn me personally in every way he sees fit. There is a time for that. The Senator suggested that General Johnson and I should have a fist fight; that the way for me to settle my battles in the Senate is to have a fist fight.

That is bad advice from the Senator. He settled a claim like that at the Chevy Chase Country Club. I do not want to settle one that way, because I am liable to have the same disaster visit me as a Member of the Senate that he had visited on him as a member of the Chevy Chase Country Club. He is giving me bad advice. That is why I shall not take his advice. That is one reason. Another reason is that I am not much of a fighting man until I have to fight. I am not in the fighting business. That is not my occupation. I have made a living in many ways, but the worst one I have ever had recommended was the fighting way. Sometimes all of us may have that to do, and all of us will when we have to, but I am not recommending that.

I think the Senator from Arkansas is beneath what he is recommending to others; that is, when he is recommending decorum in the Senate he is beneath his own recommendation.

There has been offered by the Senator from Missouri [Mr. CLARKI, to be printed in the RECORD today, the speech of General Hugh Johnson. I know the Senator from Missouri never read the speech or he would not have offered it.

Mr. CLARK. Mr. President-

The VICE PRESIDENT. Does the Senator from Louisiana yield to the Senator from Missouri?

Mr. LONG. I yield.

Mr. CLARK. I am frank to say I did not hear the speech and did not read it, but when the Senator from Louisiana, answering that speech, consumed a very large amount of important time which should have been devoted to public business, it seemed to me in common justice to all concerned the speech should be inserted in the RECORD.

Mr. LONG. I knew the Senator had not read the speech because the speech contains matter that is not only abusive, but is indecent. It went over the radio, and that will stand all right. As long as the one speaks for the powers, as long as one speaks for the man that has the power in his hands, he can abuse his privileges as he may desire. There is no greater act showing our character than to take advantage of power momentarily in our hands and using that as a means of abuse of anyone.

Mr. CLARK. Mr. President, will the Senator yield further? Mr. LONG. I yield. Mr. CLARK. Does not the Senator think it is an equal

abuse to take advantage of privileges such as belong to a Senator, and make a one-sided statement without having the other side presented? In other words, does not the Senator think it is an abuse of his privilege as a Senator to get up and make an abusive speech about General Johnson without putting in the RECORD the speech which he is answering?

Mr. LONG. The Senator knows I am not going to make any remarks to hurt him. I hope the Senator will not ask me to yield again. I will answer that question, but I hope the Senator will not ask me any more questions.

Mr. CLARK. Mr. President— Mr. LONG. I am going to answer the Senator, if he will be patient just a moment.

My belief is that there would be nothing improper in putting General Johnson's speech in the RECORD except insofar as that speech violates the code of decency or the rules

of the Senate. I challenge anybody to take the speech I have made here-I have not read it yet-and find one word in the world that is a violation of the rules of the Senate in any respect. If it does contain anything of that kind, I shall strike it out and apologize to the Senate for it. I have been very careful in that respect.

I want to say further that I have been the leader of a majority bloc, too-not in the United States Senate, but in a small capacity. I am only a small fish in only a small area, even if I am sometimes called, as the Senator suggested, "The Kingfish", but I have wielded the authority of the majority for many, many, many years. I desire to state, Mr. President, that never has there been an act by which I have violated the code of fair fighting because temporarily I had the majority and could have used that privilege on our side.

Not only do I look on it that way, but I have never jumped on a fallen foe. I have never jumped on one that was falling. I despise the man who hits the dead lion. I have never done it. I am not in keeping with the policy of a government that jumps on the dead lions and leaves the other monsters alive and ferocious. I do not even appreciate all the hunting they did of Mitchell when be went broke nor of Insull when he went broke, but which leaves Baruch and Owen D. Young and J. P. Morgan killing rats at the same stand. I did not feel that was the way to run the Govern-

I want to tell the Senate how mankind is found out. When you have trouble on your hands and you have made a bargain with a man and you are keeping your side of that bargain, the way to find out that man is when your stock begins to get low and he jumps on you when your blood is getting down to the ebbing stage. I have had those experiences. I have had them here in the city of Washington.

I am not going to take advantage of any authority I have in Louisiana. If I have any, it is no more than the Senator from Arkansas has in Arkansas. There is only one difference between us. In Louisiana the people want what Hury Long wants. I have no more control over those in power in Louisiana, and am no better friend to them than the Senator from Arkansas is to those in Arkansas. But in Louisiana the people want what Huey Long wants and in Arkansas the people do not want what the Senator from Arkansas wants. That is the only difference between us. I would be called a dictator in Arkansas if I would be called a dictator in Louisiana, according to the words of the Senator from Arkansas. Why not call me one in Arkansas? Everything I have asked the people of Arkansas to do they have done—they will do it again, too, next year—and I will never have to utter a word of reflection upon anyone, or violate the code of the Senate to get them to do so.

Now, let me see:

The Senator from Arkansas said:

For instance, by implication, he seemingly denounced Mr. Baruch for the statement that German reparations should be fixed in a definite amount.

That is not what I did at all. What I said was that in that statement Mr. Baruch recommended that \$8,000,000,000 of German bonds should be financed in this and other countries, and that they ought to be floated on the market as fast as they could be. German bonds and German marks were sold in this country; and what has happened to the purchasers of the German bonds and German marks, and how are the purchasers ever going to get back a dime of their money?

Now, let us see how fair the Senator has been in other respects, if I may just take out a line or two:

It is my information that Mr. Baruch has never sought to impose his views on any President;

Did I say that he had sought to impose his views on any President? What difference does it make? No one is going to deny how influential he has been, according to the magazine of J. P. Morgan.

that when he has acted, he has acted at the solicitation or request of the head of the Government.

In other words, Mr. Baruch is such a towering genius that all he has done has been done at the request of the Presidents of the United States, as many of them as have sent for Baruch, and Baruch never coming down here of his own volition. That is what we tried to get rid of. What business has Baruch here? Does anybody know an industry of which he is the head? No one knows any business of which he is the head, so far as I know. I do not know of anybody who does. He does not run any enterprise that I know of. I may be wrong. He is a cracker-jack manipulator of markets and bonds and stock. Well, should he be?

Why, Mr. President, if you put me down here where I have one of my men running the N. R. A., and another one of them over here, and then set me over in the White House where I know what is going on over there, and I know whether the dollar is going to be \$1.59 or \$1.69, and I know whether this thing or that thing is going to come out, as dumb as I am, I can tell you the effect it is going to have on the market.

I never played the market in my life. I never bet a nickel on the cotton exchange in my life. I never bet a dime on a horse race in my life. I never bet a dime on a market stock in my life. As dumb as I am—and I am the dumbest of them all—right today, as dumb as I am, if you will give me the same men that Baruch had, and put me where Baruch was, if I do not clean up ten or fifteen million dollars by rigging the market I am willing to step out and go back and try to farm—which I never was able to do—for the balance of my life.

You just put me where Baruch was! Call him a smart man! He is not in any business. Some of you Senators may think politics is a game with me, and with others-maybe not with yourselves. It may be a game with me. There is nobody in this body who has paid as much for his convictions as I have paid in politics. Nobody in this body has paid as much for his own convictions as I have paid. I was properly interpreted, away in advance, when they concluded that they had better do something to put the "jinx" on HUEY LONG, because he might not go along. They knew their man. would not go along. I would not vote for the economy bill to cut the soldiers' compensation when we had said we were not going to do it. I would not vote for various and sundry other things of that kind that we said we were not going to do. Certainly I would not; and all the patronage and all the contests they might bring here were not going to affect my vote or my position, and they did not close my mouth in the Senate or outside the Senate.

I want Senators to be witnesses to one thing. You have seen me in this body with that kind of a matter being pushed. You have seen them send their horde of income-tax sleuths, investigators, and spies by the hundreds to Louisiana. You have seen them take them off the Lindbergh case; you have seen them take them off the oil cases; you have seen the chase of the hounds; and you have seen the elections.

I had to stand a defeat in one of them; but you have never seen them close the mouth of HUEY P. Long in the Senate, or change the position of HUEY P. Long in the United States Senate. I have been very happy it has been me they have been trying it on, too, because I knew what effect it would have on me. A seat in the Senate is not that dear to me. It does not mean that much.

We are going to have this matter out next year in Louisiana and Arkansas. We are going to have it out, and I am going to be nice, and I am going to be respectful to the Senator from Arkansas. I do not know whether or not he is going to run. I do not know. Perhaps I will not run. I think I will, if there is anybody to run against me. They say the administration will get me up an opponent and put out all the money necessary. The newspapers say that. It will take a whole lot. It will take lots of it, and we will get most of it, Mr. President. When they begin to shell out the money, we will get plenty of it. I will be paying for circuits with their money before they get through with it. [Laughter.]

We have had this thing to fight before. We know what we are up against. When they send down there into that little old State of Louisiana, and they begin to shell out the coin, they are going to find that our boys are going to

be right there legally taking the money. We are going to give them leaders. Why, bless your soul, the people in charge of the national administration's ticket last time, Mr. Farley's ticket, went over to a parish to one of my main leaders, and they said, "Here, we want this organization to fight Fernandez for Congress."

Now, Fernandez is a Representative, and he has voted for everything Roosevelt has had up over there; but because he is a friend of Hury Long he had to be beaten. So they went over to one of my leaders in the parish of Jefferson. I will tell you where it is. You can go there and try to hire another, and I will give you one. We will still own your leader. It does not make any difference whom you hire; I will still be writing your articles the next morning, and we will be spending your money the next day, because those people down there are loyal to principle, and you cannot buy them. It does not make any difference how much they give them, they are not going to be bought. It cannot be done. [Laughter in the galleries.]

The VICE PRESIDENT. The Senator will suspend until the Chair admonishes the occupants of the galleries.

The Senate has been very liberal with its guests. Unless we can have order in the galleries, however, unless overruled by the Senate itself, the Chair will order the galleries cleared. If the occupants of the galleries desire to remain as the guests of the Senate, they will kindly comply with its rules.

Mr. LONG. Mr. President, they wanted a leader. They wanted an organization. Well, I had an organization. I had two organizations; so I just sat down and wrote them out one and kept one for myself. On the day of election both of them went to the polls, and about 6 o'clock in the evening our gang just tore off the badges, and everybody put on Long badges, and said, "Now, by golly, we are going to give you a fair deal! Let's open the boxes and count up the ballots"; and out of about 10,000 votes they had about 800, I think, that they got out of the whole list; and they are not going to get that many next time.

We were trying to elect a judge of the supreme court. They had one of their leaders whom they had distributing their patronage over there under Mr. Farley go out to a little old ballot box outside of Villa Platte, La., about 7 or 8 miles out there, maybe a little farther, and they stood there, I think it was, for 113 men, and 113 men took the \$10. Then we opened the ballot box and they had 4 votes out of 113. Now, you go back down there with it. We are going to tell those people to take the money legally—take the money.

They have published it in their papers down there always, and I know what I will have to fight. You have the advantage. I fight on the heavy side. I know I have not the advantage. I have not the money, I have not the corporate influences, I have not the newspapers, I have not the money that is being taxed out of these poor devils, to be paid to them in part, and later on they are going to have to pay it all back. I have not the money to fight that kind of thing. I have not an even fight, I have not an even break. I am willing to take the chances on how the Senator from Arkansas and I come out, both in Louisiana and in Arkansas, in the fall of next year.

There will be no more compromise, Mr. President. There will be no more shaking of hands, either. That is the last time.

The Senator said:

What right has the Senator from Louisiana to denounce his former friend, the President of the United States, in language like that which he employed today?

What language? What language have I used that is not simply criticizing and deploring the methods being followed today by the President of the United States?

Oh, I know the Senator from Arkansas sits close to the President, and it is right that he should. I sat closer than he did once. That was when they needed me. They do not need me now, perhaps. That is all right. He sits differently now. But I do not know whether some of the publicity on the outside is exactly fair. After I thought the Senator was

going to uphold my hand in Louisiana, I pick up my home paper, the Times-Picayune, and I see that the rice administrator for Louisiana is one recommended by the Senator from Arkansas. They publish that as a great victory scored by the Senator from Arkansas over the Senator from Louisiana, that the rice administrator for Louisiana is recommended by the Senator from Arkansas. A good gentleman—I hope he is—comes from Arkansas. A good gentleman—I hope he is—comes from Arkansas. His brotherin-law of the Senator from Arkansas. His brotherin-law has come to Louisiana. I am going to keep my brothers-in-law in Louisiana, but I am going to Arkansas next year, and I am going to ask for some of that pie in Arkansas after next September or November. I may not get it, but I will ask for it just the same.

The Senator on the floor here, the other day, referred to martial law in Louisiana as being a terrible thing. They have had martial law in all the States every now and then. It is not the first time they have had it in Louisiana.

Why not martial law? Here is the legislature which votes a tax. They do not take it to the courts, they do not take it to the people, because it had been an issue in a political campaign, and the people had voted our way. Men assembled, armed with guns, told to reassemble and rearm with guns, to kill and murder. Who were the men? Nearly all of them were employees of one corporation.

What were we to do? Were we to sit there and have the laws of the country run with men armed with shotguns, nearly all employees of a corporation, because they do not want something done, or are we to have things done according to law and order? And in that situation not one man has lost his life.

The Senator did not talk about martial law being so bad in Minnesota, and several men lost their lives there. They have had martial law in Arkansas where men have lost their lives. Louisiana has had no loss of life. Louisiana has had law and order, and ought to have been supported rather than condemned.

I want to show the Senate how they have handled these matters. There was a man down there by the name of Parker, a deputy sheriff. Three witnesses swore under oath that he was party to a conspiracy, the leader in the conspiracy to murder me in that State. Three witnesses, one a State senator, one a deputy sheriff, one a former employee of the United States Internal Revenue Department, swore lip to lip, eye to eye, corroborated by other people, one a stenographer who even took down a conversation coming over the telephone, that this man Parker arranged for the exact time, place, and date to murder me on the road from Baton Rouge.

What happened? Parker was called to the witness stand and asked to answer, and before the court declined to answer, on the ground that it would incriminate him if he answered the question.

What happened to Parker? Farley's crowd brought him here to Washington and made him a policeman at the other end of this Capitol, and published the fact in the newspapers.

Law and order, is it? Oh, that is all right. I would not have thought of doing a thing like that and countenancing it toward the Senator from Arkansas. A man who threatened to murder me, whose conversation was taken down by a stenographer, with a State senator a witness, a deputy sheriff a witness, and a United States officer, just retired, a witness, all of them of splendid reputation, was brought here by the Farley regime to the city of Washington and a gun put on him, and his picture published in every newspaper in this city, with the statement that he, this would-be murderer, was here in easy range of the Senator from Louisiana. I knew I was in no danger in the day-time from that man.

That is government for you! That is what we are led to believe that one who cries out against that kind of a travesty must stand, under the ponderous weight of the Senator from Arkansas, who regards no rule, who regards no precedent, who none the less asserts his right, whether there is any right or not, to say and do as he pleases.

Mr. President, I am not undertaking to answer the charge that I am ignorant. It is true. I am an ignorant man. I have had no college education. I have not even had a high-school education. But the thing that takes me far in politics is that I do not have to color what comes into my mind and into my heart. I say it unvarnished. I say it without veneer. I have not the learning to do otherwise, and therefore my ignorance is often not detected.

I know the hearts of people, because I have not colored my own. I know when I am right in my own conscience. I do not talk one way in this cloakroom and another way out here. I do not talk one way back there in the hills of Louisiana and another way here in the Senate. I have one language. Ignorant as it is, it is a universal language within the sphere in which I operate. Its simplicity gains pardon for my lack of letters and education.

The Senator says I am quite egotistical. Perhaps so; I do not know; that may be true also. It probably is true. If it gives me any satisfaction, hounded as I have been, I hope the Senator will not begrudge my being egotistical. Perhaps it might give him a little satisfaction. I have been accused of almost everything from stealing a cord of wood up to murder. Every time I have written a law to put a schoolbook in the hands of children, every time I have fought through the courts for the upholding of a law that took innocent people out of the jail cells, I have been attacked in the press. I have been defamed every time I have managed to sustain a principle that meant education and life, that gave a chance to the boys of Louisiana, Arkansas, and Mississippi and other States. They all come to Louisiana—they all come there because they do not have in Arkansas or in Mississippi a medical school which is the pride of the world. where it does not cost you \$400 and \$500 a year for tuition to study medicine, but where you can study it free; no other State in the Union has that except Louisiana: none have anything like it.

I have had to stand the persecutions in this body, and I have had to stand the persecutions before the courts and the infamous blackmail in the publications of this country, undertaking by every means, foul or otherwise, to reassert such calumnies as the Senator from Arkansas indulges in here, that there has been some nefarious motive in my undertaking to provide for the people in my State when people in the surrounding States have not been provided for.

Senators do not have to take my word for it. Look on the front page of the Times-Picayune, which is represented in this document I have here, and it will be found that Louisiana does not need relief as other States are needing it. Why? That is the cause of the clamor. The Senator from Arkansas does not see like I see. He does not view these matters as I view them. It will be his own fortune and not mine. We would all be personally fortunate today if we were voted out of the United States Senate. There is no man here who would not be lucky the day he loses his place in the Senate as I have seen it. There is not a living on the money we receive for serving here, and Senators are afraid to vote for a living. I hope I have not violated the rules of the Senate in saying that. If I have, I will take it back. But there is not a living here, and I do not believe we will ever vote for a living. Let me put it in that language. The living I have had is not paid here. It is about the sorriest one I have ever had since I left the printing office. Not near as good as I had on the farm. So we will all be fortunate when we lose our seats here, But if we want to stay here and live nonetheless, I say that there is a certain section of this country that is informed; I repeat, there is a certain section of these United States that is informed. Out in the wide open spaces the people are not going to stand for these things. Take my word for it.

Mr. BAILEY. Mr. President, may I interrupt.

Mr. LONG. I yield.

Mr. BAILEY. I am utterly unwilling to take your word for that or anything else.

Mr. LONG. Well, I think the Senator thinks that is very smart.

Mr. BAILEY. Mr. President, I do not think it is smart, but it is an honest expression based on his utterances here.

Mr. LONG. Yes, sir. But I will bet he does not go back to the United States Senate next year. How about that? I just make a prophecy you will not be reelected to the United States Senate.

Mr. BAILEY. Mr. President, I am utterly indifferent— Mr. LONG. I hope you are, because you are not coming back.

Mr. BAILEY. To the Senator's judgment concerning me or my prospects of coming back.

Mr. LONG. All right, sir. The Senator has seen fit to hurl an unnecessary insult at me. I do not answer it except by saying: I bet you do not come back to the Senate.

Mr. BAILEY. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. BAILEY. The Senator from Louisiana directed his index finger directly at me and asked me what I had to say. I just could not be silent under the circumstances, and I spoke the truth.

Mr. LONG. That is perfectly all right. I have not a doubt in my mind that the Senator will not be here after next year. He wrote me a little different about that a while back. He wrote me a nice letter telling me what a nice man I was and how I had been done such great injustice. I still have the letter. Of course, he has changed his mind lately. That is perfectly all right. I let every man take his own stand, Mr. President, with me. Whenever you want to be an enemy of mine, that is an easy thing to be. I will reciprocate it right off the bat. If you want to be a friend of mine, I will go double the way. It is no trouble to have me either for a friend or an enemy. I will take whichever pole a man wants to pick. I have never seen them too big and never seen them too little. I would rather have any man for my friend than to have him for my enemy-any manbut whenever he chooses the reverse, I have never quarreled about it. I will meet them in their own bailiwicks. I will not be unfair with them. I will invite them to my own, if they can get anybody to talk to. And I will go to their own bailiwicks.

I said the people are not going to stand for this thing we are doing here. I hope I have not pointed toward the same Senator again. They are not going to stand it. You cannot keep these people starving to death in the United States, as has been done these last 2 years, under a promise that we made to these people that we were going to do this very thing.

Mr. DIETERICH. Mr. President, I rise to a point of order. The VICE PRESIDENT. The Senator will state the point of order.

Mr. DIETERICH. This body has not been guilty of starving people to death in the last 2 years. I ask the Senator to take his seat until my point is decided.

The VICE PRESIDENT. Under rule XIX, the Senator from Louisiana will take his seat until the Senator from Illinois has stated his point of order.

Mr. DIETERICH. My point of order is that the Senator made a remark which cast a reflection upon the Senate. That he said that we had kept the people starving to death for the last 2 years. That the people would not continue to tolerate that. The Senate has not been responsible for any misery, but the Senate has tried to relieve it for the last 2 years.

The VICE PRESIDENT. It occurs to the Chair that that is a matter of opinion, and that probably the Senator from Louisiana has a right to express his opinion as to what effect the legislation has had upon the country.

Mr. WHEELER. Mr. President-

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Montana?

Mr. LONG. I yield.

Mr. WHEELER. As I understood the Senator's statement he was perfectly within his rights. He said "You cannot let the people starve as they have been starving the last 2 years." That was not a reflection upon the Senate of the United States, unless someone is so thin-skinned he cannot stand that kind of language. I suggest, Mr. President, in all fairness, that the statement made by the Senator is as the Vice

President has ruled; that he has made a perfectly logical statement, because there are millions of people at the present time who are underfed and who are undernourished in this great country of ours.

Mr. CLARK. Mr. President, a point of order. The Chair has ruled. Therefore the Senator is out of order.

The VICE PRESIDENT. The Chair has already ruled that the Senator from Louisiana was within the rules of the Senate, and the Chair recognizes the Senator from Louisiana. Does the Senator from Louisiana yield to the Senator from Montana?

Mr. LONG. I yield to the Senator from Montana. Mr. WHEELER. I had finished my statement.

Mr. LONG. I am glad, Mr. President, that the Senate has found out that there are hungry people in the United States. I was afraid they did not know that. I am sorry my friend from Illinois has not found that out. It is too bad. That is our trouble. I did not intend, of course, as I hope my friend will understand, to reflect upon the Senate. I say again, at the risk of being misunderstood, that you cannot we cannot-sit here and let this starvation in the United States continue two more years like we have the last two. We told the people we knew about the starvation in this country, and we told them how we were going to end it. We told them a whole lot-maybe we told them too much. But we told them we knew all about it; and the people of the United States are not going to stand for it. You remember what I am saying. The people of the United States are not going to stand for this distress and this destitution and this wreckage which is going on and has been here for the last 2 or 3 or 4 years in the form of famine even in a land of too much of everything.

I have tried to be generous. I have tried to be fair. I have tried to be honorable. If I have uttered an insulting word to a man in this body at any time I do not know what it has been, and I would undertake to correct it if I had.

I have lived within the rule. Let me tell you something: Do not think I am going to take anything off of anybody that is not right and fair, because I am not. I am not afraid of anybody. I am not going to be afraid. I have enjoyed my life because I have never allowed myself to get afraid even when I wanted to be. I am not going to get afraid of anybody nor anything. What do I care for a life of ease in the United States Senate when my brothers and sisters, my uncles and aunts, my relatives and friends, are starving to death? What do I care, then, about a little old job in the United States Senate?

I have suffered much from a little write-up which I saw in a Chicago paper about a little 4-year-old boy who was out at 5 o'clock in the morning with an ax on his shoulder hunting for wood to cut because his mother was freezing. I suffered more from reading that article than I had pleasure from any job that came to me because of being in the United States Senate. I have suffered more from a picture on the front page—oh, yes; I see you smile! It tickles you. That is what makes it so hellish to me—that a man can enjoy sitting in a body like this with starvation and pestilence existing among the people. That is what makes it so disgusting. Where is the honor, the sincerity, the humanity left that a man can smile at such conditions?

I have suffered more at seeing the front page of the American Magazine weekly, showing a child standing in front of a furnace in a show window, carrying the statement that he had been to the foreman's house and had seen three furnaces in one house, and yet that child was standing in the snow freezing. Hundreds of them are doing that, starving to death—literally starving to death. I have picked up and helped men who were trying to maintain the appearance of respectability, trying to make their collars look clean, trying to make their clothes look respectable, when they were starving to death on the inside.

We do not know half the misery going on in this country because 80 percent of it is still shielded beneath the pride of the people who hate to admit among their neighbors the destitution into which they have fallen.

Let the Senate go on. Let the Senator from Arkansas insult everybody who dares to come here and point out that

the wreckage of Baruchism under Hoover is the wreckage of Baruchism under Roosevelt. Let it go on. Let the Senator go on. None the less my voice will be the same as it has been. Patronage will not change it. Fear will not change it. Persecution will not change it. It cannot be changed while people suffer. The only way it can be changed is to make the lives of these people decent and respectable. No one will ever hear political opposition out of me when that is done.

Mr. ROBINSON. Mr. President, the Senator from Louisiana has concluded his remarks by an effort to make it appear that there is someone here who has willingly contributed to destitution in the country or has been amused at poverty and suffering. I think everyone who hears me will agree that this is illustrative of the methods of the Senator from Louisiana which I characterized in a previous speech this day.

The Congress during the present administration, the administration which the Senator from Louisiana so bitterly condemns, has appropriated literally billions of dollars from the Treasury for the purpose of relieving suffering among our citizens. We have now under consideration a great measure designed for the same purpose, carrying approximately \$5.000.000.000.

It is not based on facts nor on justice nor on generosity, nor any other attribute which the Senator from Louisiana claims for himself to the exclusion of his colleagues in the Senate, to say that the Senate is desirous of starving the people of the country. It is a declaration which is illustrative of the character which underlies the speech that has just been made.

The Senator from Louisiana has made personal allusions of which I shall take no notice. The Senate cannot be interested in the petty conversations, the disagreements or the agreements, into which the Senator from Louisiana and other Senators have entered.

He did make one statement with respect to myself to which I wish to make a brief reply. He said that the administration of State affairs in Arkansas occupies the same relation to me that the administration of affairs in Louisiana has to himself or, to quote his statement more accurately, that I am exerting the same influence and control over the administration of State affairs in Arkansas that he is exerting in Louisiana.

Mr. President, since retiring from the office of Governor of Arkansas a good many years ago and becoming a Member of this body I have never in any way interfered in or sought to control the administration of public affairs in that State. It has been my policy to permit those officers whom the people select by the process of election to perform their constitutional and statutory duties. For that reason I am not so familiar with the situation of the State administration as I should like to be. It would be helpful to me in my work if I were more familiar with it. I have never sought to place in office as Governor of my State one whom I treated as a puppet, to whom I gave orders or instructions, and who was responsive to my dictates.

Mr. LONG. Mr. President-

Mr. ROBINSON. Yes; I yield to the Senator. Mr. LONG. The Senator from Arkansas has some rela-

Mr. LONG. The Senator from Arkansas has some relatives on the pay roll?

Mr. ROBINSON. Oh, yes; and so has the Senator from Louisiana. What has that to do with it? That is another illustration of the magnitude of the mentality of the Senator from Louisiana.

Mr. LONG. The Senator takes it as being outside of the proprieties to ask him if the relatives he has on the pay roll are not subject to his ordinary recommendations? If I was getting my relatives on the pay roll, I would think I had some influence with them.

Mr. ROBINSON. I have very few relatives on the pay roll of Arkansas, probably not half the number the Senator from Louisiana had on the pay roll of his State. I do not think that is relevant. I think it is silly, if I may use such a term in the United States Senate.

The point I am making is that I have never assumed to control the Governor of my State nor the other officers of my State. But what is the fact in that regard with respect to the Senator from Louisiana? He seems to boast of the fact that he is not only Senator but he is Governor.

Mr. LONG. Mr. President-

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Louisiana?

Mr. ROBINSON. Yes; I yield.

Mr. LONG. When did the Senator hear that?

Mr. ROBINSON. I have never heard anything else.

Mr. LONG. Did the Senator hear that from me?

Mr. ROBINSON. Yes; I never heard anything else from the Senator from Louisiana except that he was going down to his State to tell Governor Allen what to do. I have never heard anything else from him after he got there except quick, snappy orders to the Governor as to what he should do; and I will say of the Governor that he has been fairly responsive

Mr. LONG. Did the Senator say he had heard that himself or heard me say that?

Mr. ROBINSON. Yes; I think the whole course of the Senator's addresses and his public interviews is to indicate that he is boastful of the fact that he dominates Louisiana.

Mr. LONG. Published interviews?

Mr. ROBINSON. Oh, well, I know the Senator-

Mr. LONG. I should just like to have the Senator refer to one of them.

Mr. ROBINSON. Oh, the Senator from Louisiana and I, I think, cannot agree about these things.

Mr. LONG. For instance, take the national administration. The Senator speaks for the national administration, does he not, quite frequently?

Mr. ROBINSON. Sometimes I feel that I do.

Mr. LONG. Sometimes I speak for my faction in Louisiana.

Mr. ROBINSON. If the Senator cannot perceive the difference between my relationship to the national administration and his relationship to the Governor of Louisiana, there is a hopeless obliquity in his mental vision.

Mr. LONG. There is a difference, and I will tell the Senator what the difference is. Will the Senator let me tell him?

Mr. ROBINSON. No; I think not.

The PRESIDING OFFICER (Mr. HARRISON in the chair). The Senator from Arkansas declines to yield.

Mr. ROBINSON. The Senator, I think, has claimed to himself a great many virtues. All the measures that he espouses are wholesome and in the interest of the people! He is the champion of the people; and his boast that he has some of the electors in Louisiana so well trained that they will take money from the opposition and still support him and his cause is remindful of an incident that is said to have occurred during the contest between the late President Theodore Roosevelt and Mr. Taft.

In a community, of course, without the knowledge of the candidates—a community said to be situated in Maryland—many efforts were being made to influence the electors, and there were said to be present persons who were expending money after the fashion that the Senator said money was expended in Louisiana. Some one approached an old colored man and asked him how he was going to vote. "Well," he said, "Mr. Taft's friends paid me \$15 and Mr. Rosenfelt's friends only paid me \$10. Being as I think Mr. Rosenfelt is the least corrupt, I think I will vote for him." [Laughter.]

Mr. President, of course, under our standard of government and of politics it is nothing to boast of that one's supporters will take money from the opposition and still remain loyal.

Mr. LONG. Mr. President-

Mr. ROBINSON. I yield to the Senator.

Mr. LONG. How are we going to break up this corruption that the national administration—

Mr. ROBINSON. By men like the Senator from Louisiana, of great power, refusing to be corrupt, and refusing to participate in corruption. That is the best way to do it.

Mr. LONG. No; but let me ask the Senator further: When they are running a gang of brigands and thieves down there, and are trying to buy their way into office, do you not think honest people—

Mr. ROBINSON. Who started running the gangs of brig-

ands and thieves?

Mr. LONG. For instance, in the Capital here-

Mr. ROBINSON. Whose gang started it, and who is it that goes about the Capital of the Nation and the capital of his own State with an armed guard, afraid that the people of his own State will do some violence to him?

Mr. LONG. Mr. President-

Mr. ROBINSON. I yield to the Senator.

Mr. LONG. Does the Senator think that with 400 armed men passing a resolution that they are going to meet the next day and kill me, I should go out without anybody?

Mr. ROBINSON. O Mr. President, it is well known that the Senator from Louisiana has been going about Washington with an armed guard ever since he has been a Member of the Senate. In my judgment, it is to his disgrace.

Mr. LONG. Mr. President-

Mr. ROBINSON. I yield to the Senator.

Mr. LONG. Do not the President of the United States and Mr. Farley have bodyguards? [Laughter.]

Mr. ROBINSON. Oh, yes; oh, yes! Now the Senator has it on the correct basis; has he not? [Laughter.]

Mr. President, I think the remarks of the Senator from Louisiana illustrate his conception of himself. Everything he does is all right. Everything you and I do is all wrong.

It is said that a few years ago a prominent American citizen was returning from a visit abroad, and he saw on the dock a gigantic object towering above everything that came within his vision—the most colossal object he had ever gazed upon—and he wondered what it was. When he arrived he found that it was nothing more than the opinion of the Senator from Louisiana of himself strutting around the dock. [Laughter.]

Mr. LONG. Mr. President, I rise to a question of personal privilege.

The Senator from Arkansas has referred to the fact that I have had an armed bodyguard. I wish to say to the Senator that Mr. Farley has armed bodyguards. I think I am as big as he is in the affairs of this country. I occasionally have to have a few with me—sometimes one, sometimes none—but when 50 men meet—

Mr. O'MAHONEY. Mr. President-

Mr. LONG. I rise to a question of personal privilege, I have a right to do that.

Mr. O'MAHONEY. Will the Senator yield?

Mr. LONG. No; please let me get through. I shall be through in a minute.

The PRESIDING OFFICER. The Senator declines to yield.

Mr. LONG. For instance, when the faction of the President of the United States brings a man up here and puts a gun on him, and three witnesses have sworn that he had been the leader of a conspiracy to murder me, and that he had said, "I cannot get him here, but I will get him in Washington", and after he takes the stand and refuses to testify on the ground that it would incriminate him, you bring him up here and give him a job, and then you criticize anybody for having anybody that might offset that kind of a culprit, that is a remarkable thing.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. ROBINSON. Mr. President, the Senator does not mean that I brought anybody here?

Mr. LONG. I do not mean you did.

Mr. ROBINSON. The Senator has said that twice.

Mr. LONG. I beg the Senator's pardon; I mean the national administration.

Mr. McKELLAR. Mr. President, now will the Senator yield to me?

Mr. LONG. Yes, sir; I am pleased to yield.

Mr. McKELLAR. Does the Senator from Louisiana mean to say that he has an armed guard in the galleries of the Senate?

Mr. LONG. No.

Mr. McKELLAR. At any time?

Mr. LONG. No; I do not.

Mr. McKELLAR. Does he appear here in the galleries of the Senate armed?

Mr. LONG. He does not that I know of.

Mr. McKELLAR. Does he sit in the galleries day after day to guard the Senator?

Mr. LONG. Oh, no!

Mr. McKELLAR. Does he do it at all?

Mr. LONG. Oh, no! If I go out at night, or go to my home, I try to take someone with me. Does the Senator object to that?

Mr. McKELLAR. No; I have no objection to that; but I have been told that the Senator has an armed guard in the Senate gallery.

Mr. LONG. Well, I have not that I know of.

Mr. McKELLAR. Is he in the gallery now?

Mr. LONG. No; none that I see. Do you want me to go and count the occupants of the gallery? [Laughter.]

Mr. McKELLAR. No; but I think that if the Senator has an armed guard in the Senate gallery, it is something that the Senator ought not to be guilty of.

Mr. LONG. Well, what about this armed thug that you have got over here in the House of Representatives? Do you not think you ought to get him out of there, too?

Mr. McKELLAR. I have no armed thug anywhere.

Mr. LONG. I am not talking about you; but, since you are so excited, what did you think about their bringing this man Parker up here, whose picture they put in the paper, and three witnesses have sworn that he said he was coming here to Washington to kill me? What did you think of their putting him on the pay roll and giving him a gun to go around this Capitol? What do you want to do? Do you want to say that I have to be murdered here? Is that what you have to say, that I must go out and be shot? That is a marvelous thing you are doing here, and you raise holy murder—

Mr. McKELLAR. Mr. President, as the Senator is addressing his remarks to me, I desire to say that I do not think anybody will ever do that. I doubt if they would fire at the Senator. I think the Senator is unduly alarmed about his own safety.

Mr. LONG. I am not unduly alarmed a bit. There is not anybody going to bother me, personally or otherwise.

### GEN. JOHN H. RUSSELL

The Senate resumed the consideration of the nomination of John H. Russell to be a major general in the Marine Corps.

The PRESIDING OFFICER. The question is on the motion of the Senator from Alabama [Mr. Black] to recommit the nomination to the Committee on Naval Affairs.

The motion was rejected.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of General Russell? [Putting the question.] The ayes have it, and the nomination is confirmed.

### IN THE NAVY

The legislative clerk proceeded to read sundry nominations for promotions in the Navy.

Mr. TRAMMELL. I ask that the naval nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

### IN THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations for promotions in the Marine Corps.

Mr. TRAMMELL. I ask that the Marine Corps nominations be confirmed en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the nominations are confirmed en

### PURLIC HEALTH SERVICE

The legislative clerk read the nominations of Oscar Mikkelsen and Mark E. Bowers to be passed assistant dental surgeons.

The PRESIDING OFFICER. Without objection, the nominations are confirmed.

#### POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

#### LEGISLATIVE SESSION

Mr. COPELAND. I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

### JANUARY REPORT OF RECONSTRUCTION FINANCE CORPORATION

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Reconstruction Finance Corporation, reporting, pursuant to law, relative to the activities and expenditures of the Corporation for January 1935, together with a statement of authorizations made during that month, showing the name, amount, and rate of interest or dividend in each case, which, with the accompanying papers, was referred to the Committee on Banking and Currency.

### PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint memorial of the Legislature of the State of New Mexico, which was referred to the Committee on Post Offices and Post Roads:

### House Joint Memorial 4

A joint memorial requesting the construction by the Federal Government of the scenic highway from Santa Fe to Las Vegas, N. Mex., over the Sangre de Cristo Range through the Santa Fe National Forest

Be it enacted by the Legislature of the State of New Mexico:
Whereas the Legislative Assembly of the Territory of New Mexico in 1903, in one of the first "good roads" measures in this State and the then Territory, established a public road from the city limits of Santa Fe in the county of Santa Fe to the limits of Las Vegas in the county of San Miguel, over the most feasible route through or near the canyon of the Santa Fe River over the Sangre De Cristo Range through the then United States Pecos River Reservation; and

Reservation; and
Whereas such a highway, beginning at or near the canyon of the
Santa Fe River, thence east over the mountain range in the most
feasible and practical direct route to Las Vegas, would pass almost
in its entirety through the Santa Fe National Forest, and over the
Sangre De Cristo Range, the upper Pecos River country, and the
most beautiful mountain parks region in this State, and would
render to the inhabitants of this and other States accessibility to
unexcelled scenic grandeur, and, for the purpose of trade and
healthful recreation, would open up a section, now isolated, but
abounding in beauty, resourceful in mineral deposits, and rich in
historic associations; and
Whereas the Federal Government is creating public works for

historic associations; and

Whereas the Federal Government is creating public works for
the purpose of relieving the distressed unemployed of the Nation,
and the construction of such a road by the Federal Government
would afford employment to the stricken and destitute unemployed of the counties of Santa Fe, Mora, and San Miguel; and
Whereas said highway would lie within the Santa Fe National
Forest almost in its entirety, and it having been the policy of the
National Government to improve its forest by the construction of
roads and highways therein: Now, therefore, be it

Resolved. That the Senate and House of Representatives of the

Resolved, That the Senate and House of Representatives of the State of New Mexico respectfully and earnestly memorialize and request the Congress of the United States and the Secretary of Agriculture to construct and maintain such a highway with Federal funds; and be it further

Resolved, That copies of this memorial be sent to the President of the United States, the President of the United States Senate, the

Speaker of the House of Representatives, the Secretary of Agriculture, and the Senators and Representatives of New Mexico in Congress.

ALVAN N. WHITE,
Speaker of the House of Representatives.

Attest:

J. R. T. HERRERA, Chief Clerk of the House of Representatives. LOUIS C. DE BACA, President of the Senate.

Attest:

F. E. McCulloch, Chief Clerk of the Senate.

Approved by me this 23d day of February 1935.

CLYDE TINGLEY,

Governor of New Mexico.

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of the State of New Mexico, which was referred to the Committee on Finance:

### House Joint Memorial 7

A joint memorial petitioning Congress for consent to tax inter-state sales of goods for use or consumption within the State

To the President and Congress of the United States:

Whereas it has come to the attention of this legislature that the United States Senate in the second session of the Seventy-third Congress passed Senate bill No. 2897, entitled "An act to regulate interstate commerce by granting consent of Congress to taxation by the several States of certain interstate sales", and that the same legislation has been proposed in the House by H. R. 2021 and H. P. 2022, and 8231 and H. R. 8303; and

Whereas the various States have had to resort to sales taxes of various kinds in order to meet emergencies which have arisen during this world crisis, to prevent collapse of their finances and to relieve the intolerable burden of property taxation; and

Whereas great hardship thereby has been imposed upon the local merchant because of the inability of the State to tax like sales by concerns doing a tax-exempt business across State lines in competition with such land merchants, and which commerce does not carry its proportionate share of the burden necessarily imposed on the same business when carried on by a citizen in the State, though receiving the same benefits and protection: Now, therefore, be it

State, though receiving the same benefits and protection: Now, therefore, be it

Resolved, That the Twelfth Legislature of the State of New Mexico respectfully petition the President of the United States and the Congress thereof, to carry forward and enact into law such legislation as was initiated by Senate bill 2897, and H. R. 8231 and H. R. 8203, permitting the States with sales-tax laws to tax, on a nondiscriminatory basis, interstate sales of goods for shipment into the State, for use and consumption therein, in competition with like transactions of local merchants; and be it further Resolved, That a copy of this resolution be forwarded to the President of the United States, the Clerks of the House of Representatives and of the Senate of the United States, and to the Senators and Members of Congress from New Mexico.

ALVAN N. WHITE,

ALVAN N. WHITE,
Speaker of the House of Representatives.

Attest:

J. R. T. HERRERA, Chief Clerk of the House of Representatives. LOUIS C. DE BACA, President of the Senate.

Attest:

F. E. McCulloch, Chief Clerk of the Senate.

Approved by me this 23d day of February 1935.

CLYDE TINGLEY, Governor of New Mexico.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Oklahoma, which was referred to the Committee on Agriculture and Forestry:

## House Concurrent Resolution 9

concurrent resolution memorializing Congress to amend the Bankhead Cotton Control Act to exempt the first three bales of cotton raised by any cotton grower from the operation of said

Whereas the Bankhead Cotton Control Act in its present form operates as a severe restriction upon the income of the small farmer and grower of cotton, and especially on tenant farmers of Oklahoma and of the United States; and

Whereas the people of Oklahoma believe that the purpose of said act is to restrict the growing of cotton in large quantities on individual farms: Now, therefore, be it

Resolved by the House of Representatives of the Fifteenth Legislature of the State of Oklahoma (the senate concurring therein), That the Congress of the United States is hereby memorialized by the people of the State of Oklahoma, through their representatives

in the legislature, to amend the Bankhead Cotton Control Act to exempt from the law the first three bales of cotton raised by any cotton grower of the United States whose major crop is cotton and whose major income is from cotton; be it further

Resolved, That copies of this resolution be mailed to the Clerk of the House of Representatives and the Senate of the United States Congress and to each member of the Oklahoma delegation in

Adopted by the house of representatives on the 25th day of February 1935.

Adopted by the senate on the 20th day of February 1935.

LEON C. PHILLIPS,

Speaker of the House of Representatives.

CLAUD BRIGGS. President pro tempore of the Senate.

Correctly enrolled.

LOUIE W. BECK Chairman Committee on Enrolled and Engrossed Bills.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Arkansas, which was referred to the Committee on Appropriations:

#### House Concurrent Resolution 18

Be it resolved by the House of Representatives of the State of Arkansas, and the Senate concurring therein, That Arkansas is deeply interested in the passage of the work-relief bill proposed by our honored President, Franklin D. Roosevelt, and the entire State is in need of the funds, and the permanent public improvements that will come to the State if such bill is passed;

That it is the sense of this body that it would be a mistake to attach to the proposed bill the so-called "McCarran amendment" providing that laborers on such relief works should receive the prevailing wage because such a provision would not only vastly increase the cost but also would deprive private industries of laborers who would flock to the easier Government work for the same wages;

That we respectfully urge upon our Senators and Representa-tives in Congress that they continue united and vigorous support of the President's own plan and aid in the passage of this

deeply needed legislation;
That a copy of this resolution be sent to each Senator and Representative from this State to Congress.

I, H. P. Smith, hereby certify that the foregoing is a true and correct copy of House Concurrent Resolution No. 18.

(Signed) H. P. SMITH, Chief Clerk. [SEAL]

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of the State of Idaho, which was referred to the Committee on Appropriations:

### Senate Joint Memorial 12

To the Honorable Senate and House of Representatives of the United States in Congress assembled:

We, your memorialists, the Legislature of the State of Idaho, respectfully represent:

That the work of the Federal Bureau of Mines is of great importance to our State because of its great undeveloped resources of both base and precious metals;

That research and exploration conducted under the jurisdiction of this Bureau have in the past been of tremendous benefit in the discovery and development of the natural resources of our State;

That adequate appropriations for the maintenance of this Bureau should be provided in order that work now under way should not be curtailed and that further activities may be prosecuted looking toward a thorough development of the vast hidden treasures of our State: Therefore be it

State: Therefore be it

Resolved by the Senate of the State of Idaho (the house of representatives concurring), That we most respectfully urge upon the Congress of the United States that the proposed appropriation for the Bureau of Mines now pending in Congress is not sufficient for a proper functioning of the Bureau and that said appropriation should be increased so as to provide adequate funds for carrying on work already begun and making the Bureau an efficient and effective agency in the development of mining resources throughout the Nation; the providing of proper safety provisions in the industry and the collection and dissemination of authentic information concerning this great industry; and be it further mation concerning this great industry; and be it further

Resolved, That the secretary of state of the State of Idaho be authorized, and he is hereby directed, to immediately forward certified copies of this memorial to the Senate and the House of Representatives of the United States of America and to the Senators and Representatives in Congress from this State.

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of the State of Montana, which was referred to the Committee on Public Lands and Surveys:

### House Joint Memorial 3

memorial memorializing the President and Congress of the United States for a grant of land containing a hot-water spring for the use and benefit of the State of Montana as an infantileparalysis sanatorium

To the Honorable Senate and House of Representatives of the United States in Congress assembled:

Whereas the President of the United States, Franklin Delano Roosevelt, has set aside January 30 of this year for the purpose of raising funds for sanatoriums for the relief of infantile paralysis;

Whereas it is impracticable to send those in need of treatment to

other State sanatoriums; and
Whereas Montana was visited this past year by an epidemic of
infantile paralysis, which will more than ever necessitate a means

of treatment; and
Whereas there are remaining in the State of Montana several hot
springs on vacant, unappropriated, unreserved public land: Now,

springs on vacant, unappropriated, unreserved public land. Now, therefore, be it

Resolved by the joint action of the Twenty-jourth Legislative Assembly of the State of Montana, That the Congress of the United States be memorialized to grant to the State of Montana a site containing a hot spring for the use and benefit of an infantile-paralysis sanatorium; be it further

Resolved, That copies of this memorial be forwarded to the President of the Senate and the Speaker of the House of Representatives

dent of the Senate and the Speaker of the House of Representatives and each of the Senators and Members of the House of Representatives of Montana in Congress and to the Secretary of the Interior.

W. P. PILGERAM,

Speaker of the House. ERNEST T. EATON, President of the Senate.

Approved January 31, 1935.

F. H. COONEY, Governor.

The VICE PRESIDENT also laid before the Senate the petition of Hannah Buckhalter, of Tibbee, Miss., praying for the enactment of old-age pension legislation, which was referred to the Committee on Finance.

He also laid before the Senate petitions of sundry citizens of the State of California, praying for the adoption of the so-called "Townsend old-age-pension plan", which were referred to the Committee on Finance.

He also laid before the Senate resolutions adopted by the Chambers of Commerce of Canton and Yazoo County, Miss., opposing the ratification of the Great Lakes-St. Lawrence Deep Waterway Treaty, which were referred to the Committee on Foreign Relations.

He also laid before the Senate a resolution adopted by the Board of Supervisor of the City and County of San Francisco, Calif., protesting against enactment of legislation vesting any control of municipally owned water terminal facilities in the Interstate Commerce Commission, which was referred to the Committee on Interstate Commerce.

He also laid before the Senate a petition of sundry citizens of the State of Idaho, praying for the enactment of legislation to eradicate all subversive movements against the Government of the United States, which was referred to the Committee on Immigration.

He also laid before the Senate petitions of students of the Louisiana State University, Baton Rouge, La.; of Bridgewater College, Bridgewater, Va.; and Florida Agricultural and Mechanical College, Tallahassee, Fla., favoring the enactment of the so-called "Costigan-Wagner antilynching bill", which was referred to the Committee on the Judiciary.

He also laid before the Senate resolutions adopted by the Common Councils of Laredo, Tex., Trinidad, Colo., and Rochester, Minn., favoring the enactment of pending legislation proclaiming October 11 in each year as General Pulaski's Memorial Day, which were ordered to lie on the table.

Mr. BARBOUR presented resolutions adopted by the Board of Commissioners of Perth Amboy and the Common Councils of the Cities of Nutley and Rahway, in the State of New Jersey, favoring the enactment of pending legislation proclaiming October 11 in each year as General Pulaski's Memorial Day, which were ordered to lie on the table.

He also presented a resolution of the Municipal Council of Clifton, N. J., favoring the enactment of the so-called "Pat-man bill", being the bill (H. R. 1) to provide for the immediate payment to veterans of the face value of their adjustedservice certificates and for controlled expansion of the currency, which was referred to the Committee on Finance.

Mr. MALONEY presented resolutions adopted by Group No. 25, of Bridgeport, District No. 152, of Waterbury, Group No. 2327, of Wallingford, and Group No. 1038, of Norwich, all of the Polish National Alliance of the United States of North America, in the State of Connecticut, favoring the enactment of pending legislation proclaiming October 11 in each year as General Pulaski's Memorial Day, which were ordered to lie on the table.

Mr. TYDINGS presented memorials of officers and members of St. Anthony's Branch of the Baltimore Section of the Archdiocesan Union of the Holy Name Society, and members of the Holy Name Society of Mount St. Mary's College, Emmitsburg, in the State of Maryland, remonstrating against alleged antireligious conditions and religious persecutions in the Republic of Mexico, and condemning the alleged attitude of the United States Ambassador to that country, which were referred to the Committee on Foreign Relations.

He also presented a memorial of sundry citizens of Baltimore, Md., remonstrating against the publication of personal income-tax returns, which was referred to the Committee on Finance.

He also presented a petition of sundry citizens of Frederick and vicinity, in the State of Maryland, praying for the adoption of the so-called "Townsend old-age-pension plan", which was referred to the Committee on Finance.

He also presented a resolution adopted by Group No. 692 of the Polish National Alliance of the United States of North America, of Baltimore, Md., favoring the enactment of pending legislation proclaiming October 11 in each year as General Pulaski's Memorial Day, which was ordered to lie on the table.

Mr. WALSH presented the memorial of the Board of Directors of the Peabody (Mass.) Chamber of Commerce, remonstrating against the enactment of Senate bill 1807, to amend the Agricultural Adjustment Act, and for other purposes, which was referred to the Committee on Agriculture and Forestry.

He also presented the memorial of Dr. Daniel Lawrence Hunt and sundry other citizens of Boston, Mass., remonstrating against the making of an appropriation of \$4,880,000,000 for public-works relief, which was referred to the Committee on Appropriations.

He also presented letters in the nature of petitions from the Joint Conference Board of Bookbinders of Greater Boston; Local No. 16, International Brotherhood of Bookbinders, of Boston; and International Wood Carvers' Association of Dorchester, all in the State of Massachusetts, praying for the adoption of the so-called "McCarran amendment" providing for the payment of prevailing wages in connection with proposed appropriations for public-works relief, which were referred to the Committee on Appropriations.

He also presented the petition of Harold N. Keith, Unit No. 204, American Legion Auxiliary, of West Boylston, Mass., praying for the enactment of legislation providing for the payment of adjusted-compensation certificates of World War veterans, which was referred to the Committee on Finance.

He also presented petitions of the Peabody Chamber of Commerce, of Peabody, and sundry citizens of Newton, Melrose, and Andover, all in the State of Massachusetts, praying for the enactment of legislation repealing the requirement of publicity in individual income-tax returns, which were referred to the Committee on Finance.

He also presented the petitions of Lodge Fratelli Vandiera, No. 240, of Marlborough, and Lodge Eleonora Duse, No. 1690, of Norwood, both of the Order of Sons of Italy in America, in the State of Massachusetts, praying for inclusion in pending old-age-pension legislation of a provision whereby the benefit of pension would be extended to residents who have lived for many years continuously in the United States, although not naturalized, which were referred to the Committee on Finance.

He also presented a resolution adopted by the Grand Executive Council, Massachusetts Grand Lodge, of the Order of Sons of Italy in America, favoring inclusion in pending oldage-pension legislation of a provision whereby the benefit of pension would be extended to residents who have lived continuously in the United States for 10 years, although not naturalized, which was referred to the Committee on Finance.

He also presented a letter from William Irving Brown, of Dorchester, Mass., enclosing copy of a speech to be used in the extension course (oratory) at Boston College, relative to the so-called "Townsend revolving old-age-pension plan", which, with the accompanying paper, was referred to the Committee on Finance.

He also presented letters and papers in the nature of petitions from the Worcester Laundry Owners' Association, of Worcester; the joint boards of the First Presbyterian Church, of Worcester, and C. Leslie Glenn, rector of Christ Church, of Cambridge, all in the State of Massachusetts, praying for amendment of proposed pension legislation providing that exemption be granted to organizations which provide pensions similar to the requirements of pending social-security legislation, which were referred to the Committee on Finance.

He also presented a memorial of sundry citizens of Lawrence, Mass., remonstrating against alleged antireligious conditions and religious persecutions in the Republic of Mexico, and favoring the recall of the United States Ambassador to that country, which was referred to the Committee on Foreign Relations.

He also presented letters in the nature of petitions of Post No. 37, of Boston, and Post No. 29, of Lowell, both of the Polish Army Veterans' Association, in the State of Massachusetts, praying for the passage of House bill 2739, providing for an extension of time for the naturalization of alien veterans of the World War, which were referred to the Committee on Immigration.

He also presented the memorial of the Worcester (Mass.) Laundry Owners' Association, remonstrating against the passage of legislation proposing to make the coal industry a public utility, which was referred to the Committee on Interstate Commerce.

He also presented a memorial of sundry citizens of Barre, Mass., remonstrating against the enactment of legislation providing a 30-hour work week in industry and the making of a \$4,000,000,000 relief appropriation, which was referred to the Committee on the Judiciary.

He also presented the petition of members of the Lawrence Turn Verein, Lawrence, Mass., praying for the adoption of a constitutional amendment providing a referendum vote on declarations of war, which was referred to the Committee on the Judiciary.

He also presented the petitions of Local Union No. 2332, of Northbridge, and Local Union No. 2385, of Dudley, both of the United Textile Workers of America, in the State of Massachusetts, praying for the enactment of legislation providing a 30-hour work week in industry, which were referred to the Committee on the Judiciary.

He also presented memorials of employees of the Superior Laundry Co., the Boston Blacking & Chemical Co., the Tailby-Nason Co., the Ashton Valve Co., the Carter's Ink Co., and the Daggett Chocolate Co., and sundry employers of labor, all of Cambridge, Mass., remonstrating against the enactment of legislation providing a 30-hour work week in industry, which were referred to the Committee on the Indicions

He also presented the petition of Osmond Cummings, of Salisbury, Mass., praying for the passage of House bill 5846, to fix the value of subsistence and rental allowance under the Pay Readjustment Act of June 10, 1922, which was referred to the Committee on Military Affairs.

He also presented resolutions adopted by the General Court of Massachusetts, favoring adoption of the resolution (S. Res. 70) protesting against religious persecutions by the Government of Mexico, and authorizing an investigation thereof by the Committee on Foreign Relations, which were referred to the Committee on Foreign Relations.

(See resolutions printed in full when laid before the Senate on yesterday by the Vice President, p. 2814, Congres-SIONAL RECORD.)

Mr. LA FOLLETTE presented a joint resolution of the Legislature of the State of Wisconsin, favoring the enactment of legislation providing a relief program adequate to maintain a "decent standard of living", and to accomplish other purposes, which was referred to the Committee on Appropriations.

(See joint resolution printed in full when presented on yesterday by Mr. Duffy, p. 2817, Congressional Record.)

Mr. LA FOLLETTE also presented a joint resolution of the Legislature of the State of Wisconsin, favoring the enactment of legislation to provide work for persons who have secured loans from the Home Owners' Loan Corporation and from other sources and who, because of unemployment, are unable to meet the required payments, which was referred to the Committee on Banking and Currency.

(See joint resolution printed in full when presented on yesterday by Mr. Duffy, p. 2817, Congressional Record.)

Mr. NORBECK presented a resolution adopted by the city council of Mitchell, S. Dak., favoring the enactment of pending legislation proclaiming October 11 in each year as General Pulaski's Memorial Day, which was ordered to lie on the table.

Mr. NORBECK also presented the following concurrent resolution of the Legislature of the State of South Dakota, which was referred to the Committee on Agriculture and Forestry:

House Concurrent Resolution 12

A concurrent resolution requesting and urging the Federal Government to acquire, set aside, preserve, and maintain as a national park a tract of land in Knox County, Nebr., locally known as the "Devil's Nest"

Be it resolved by the house of representatives of the twenty-

park a tract of land in Knox County, Nebr., locally known as the "Devil's Nest"

Be it resolved by the house of representatives of the twenty-fourth session (the senate concurring):

Whereas the tract of land in Knox County, Nebr., locally known as the "Devil's Nest" and described generally as follows:

"All of sections 15, 16, 17, 18, 19, 20, 21, 22, 27, 28, 29, 30, 31, 32, 33, 34, in township 33 north, of range 3 west; all of sections 3, 4, 5, 9, 10, and northeast quarter of section 6 and east half of section 8, in township 32 north, of range 3 west, all of said described lands being in the political subdivision of Knox County known as 'Herrick Township'; also

"All of sections 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 35, 36, and northeast quarter of section 33 and north half of section 34, in township 33 north, of range 4 west, all of said described lands being in the political subdivision of Knox County known as 'Santee Township'; also

"North half of section 1 and northeast quarter of section 2, in township 32 north, of range 4 west, Hill Township";

All real estate herein described is situated in the sixth principal meridian west, in Knox County, Nebr., including all accretion land to said described tract to the main channel of the Missouri River, naturally in all things fit to be established as a national park; and Whereas if established as a national park, (a) it would be of great benefit to the people of the States of South Dakota and Nebraska; and (b) the public good from its establishment would far outweigh its cost; and (c) it would furnish a recreational playground, centrally located, for a large population; and (d) would furnish a needed game refuge for all migratory game birds and assure its being continued to be used as a natural feeding and resting grounds for wild ducks and geese and other migratory birds; and (e) would lend itself to wild-animal husbandry; and (f) having many natural springs and being within the artesian-well basin, a great number of small natur

hereby, instructed to forward a copy of this concurrent resolution to each of the Members of the South Dakota delegation in Congress.

Mr. NORBECK also presented the following concurrent resolution of the Legislature of the State of South Dakota, which was referred to the Committee on Indian Affairs:

### House Concurrent Resolution 8

A concurrent resolution memorializing the Congress of the United States of America to appropriate moneys sufficient to pay and contribute a proportionate share for the maintaining of the public schools within the various school districts within this State wherein there is Government-owned or controlled lands.

Be it resolved by the House of Representatives of the Twenty-fourth Legislative Session of the State of South Dakota (the senate

concurring):

Whereas the Federal Government, through its Department of Indian Affairs, has or is about to promulgate a policy of furnishing education to Indian children in the school districts in which they educated to Indian children in the school census of said districts and reside, thereby reducing the school census of said districts and materially reducing the tax revenue therein; and

materially reducing the tax revenue therein; and

Whereas the Federal Government likewise through its various rehabilitation centers, C. C. C. and veterans' camps, and through its proposed submarginal land-buying program, and other Federal projects, has or will acquire and take from the tax rolls large bodies of land in various portions of this State and will thereby cause an extra and enlarged tax burden to be placed upon privately owned lands for the purpose of maintaining the schools within the districts wherein said lands are located; and

Whereas it would create no appreciable burden on the Federal Government to reimburse said school districts for the revenue thereby lost: Now, therefore, be it

Resolved, That the Congress of the United States be, and it is hereby, memorialized to forthwith appropriate moneys sufficient to pay and contribute to said school districts the revenues lost to

pay and contribute to said school districts the revenues lost to them by reason of the acts of the Federal Government as herein-before set forth, and that said payments continue during all of the times hereafter while such conditions exist; be it further

Resolved, That certified copies of this resolution be presented to each Senator and Representative of the State of South Dakota in the Congress of the United States to be by them presented to the proper committee in Congress to determine such legislation.

Mr. NORBECK also presented the following concurrent resolution of the Legislature of the State of South Dakota, which was referred to the Committee on Interstate Commerce:

### House Concurrent Resolution 9

A concurrent resolution memorializing the Congress of the United States to take immediate and appropriate action to place all interstate commercial transportation by highway under Federal regulation

Whereas there is now no Federal regulation or interstate carriers for hire by highway and the public necessity existing for such regulation: Now, therefore, be it

Resolved by the House of Representatives of the State of South Dakota (the senate concurring)—

SECTION 1. That we hereby request and urge that the Congress of the United States take immediate and appropriate action to place all interstate commercial transportation by highway under Federal regulation.

SEC. 2. Be it further resolved, That a copy of this resolution be spread upon the journal of the house of representatives and that a copy thereof be forwarded to each of the Senators and Representatives from the State of South Dakota in the Congress of the United

Adopted January 29, 1935.

### ADDITIONAL JUDGES IN CALIFORNIA

Mr. ASHURST presented a telegram from the Board of Governors of the Patent Law Association, of Los Angeles, Calif., which was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

### [Telegram]

Los Angeles, Calif., March 5, 1935.

Los Angeles, Calif., March 5, 1935.

Hon. Henry F. Ashurst.

Chairman Senate Committee on the Judiciary,
Senate Office Building, Washington, D. C.:

The Board of Governors of the Patent Law Association, of Los Angeles, strongly recommends that your committee act promptly on provision for additional judge for Circuit Court of Appeals, Ninth Circuit, and for two additional judges for southern district of California. Present congestion amounts to a denial of justice and leaves Federal Government with no adequate law-enforcement machinery in this district at a time when it is most urgently needed.

BOARD OF GOVERNOES, PATENT LAW ASSOCIATION,

BOARD OF GOVERNORS, PATENT LAW ASSOCIATION, OF LOS ANGELES.

### REPORTS OF COMMITTEES

Mr. TYDINGS, from the Committee on Territories and Insular Affairs, to which was referred the bill (S. 707) to amend the act of May 19, 1926, entitled "An act to authorize the President to detail officers and enlisted men of the United States Army, Navy, and Marine Corps to assist the governments of the Latin American Republics in military and naval matters", reported it without amendment and submitted a report (No. 238) thereon.

Mr. LOGAN, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 365. A bill conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Elmer E. Miller (Rept. No. 239);

S. 708. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Velie Motors Corporation (Rept. No. 240);

S. 931. A bill for the relief of the Concrete Engineering Co. (Rept. No. 241); and

S. 1860. A bill for the relief of the Tampa Marine Co. (Rept. No. 242).

Mr. LOGAN also, from the Committee on Claims, to which was referred the bill (S. 1055) authorizing adjustment of the claim of Frank Spector, reported it with an amendment and submitted a report (No. 243) thereon.

He also, from the Committee on Mines and Mining, to which was referred the bill (S. 1432) to amend section 5 of the act of March 2, 1919, generally known as the "war minerals relief statutes", reported it without amendment and submitted a report (No. 249) thereon.

Mr. BAILEY, from the Committee on Claims, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

S. 28. A bill for the relief of R. B. Miller (Rept. No. 244);

S. 925. A bill to carry into effect the findings of the Court of Claims in the case of William W. Danenhower (Rept. No. 245).

Mr. BAILEY also, from the Committee on Claims, to which was referred the bill (S. 148) for the relief of the estate of Donnie Wright, reported it with amendments and submitted a report (No. 246) thereon.

Mr. GIBSON, from the Committee on Claims, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

S. 794. A bill for the relief of the Bowers Southern Dredging Co. (Rept. No. 248); and

S. 1863. A bill for the relief of Trifune Korac (Rept. No. 247).

Mr. BLACK, from the Committee on Finance, to which was referred the joint resolution (S. J. Res. 65) to extend the period of suspension of the limitation governing the filing of suit under section 19, World War Veterans' Act, 1924, as amended, reported it with an amendment and submitted a report (No. 251) thereon.

Mr. DUFFY, from the Committee on Military Affairs, to which was referred the bill (S. 1135) for the relief of Alice F. Martin, widow, and two minor children, reported it adversely and submitted a report (No. 252) thereon.

# WORK-RELIEF PROGRAM—REPORT OF THE COMMITTEE ON APPROPRIATIONS

Mr. GLASS. From the Committee on Appropriations, to which was recommitted the joint resolution (H. J. Res. 117) making appropriations for relief purposes, I report back the joint resolution favorably, with amendments, and I submit a report (No. 250) thereon.

The PRESIDING OFFICER. The report will be placed on the calendar.

### BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MALONEY:

A bill (S. 2155) to grant relief to persons erroneously convicted in courts of the United States; to the Committee on the Judiciary.

By Mr. TYDINGS:

A bill (S. 2156) to extend the times for commencing and completing the construction of a bridge across the Chesapeake Bay between Baltimore and Kent Counties, Md.; to the Committee on Commerce.

By Mr. FLETCHER:

A bill (S. 2157) granting an increase of pension to Lou Sutton; to the Committee on Pensions.

By Mr. BULKLEY:

A bill (S. 2158) for the relief of Franz J. Feinler; and A bill (S. 2159) for the relief of Tom L. Taylor; to the Committee on Military Affairs.

By Mr. LA FOLLETTE:

A bill (S. 2160) for the relief of George C. Mansfield Co. and George D. Mansfield; to the Committee on Claims.

A bill (S. 2161) granting a pension to Mary Pratt (with accompanying papers); to the Committee on Pensions.

By Mr. NYE:

A bill (S. 2162) to restore to Congress its constitutional power to issue money and regulate the value thereof; to provide for the orderly distribution of the abundance with which a beneficent Creator has blessed us; to establish and maintain the purchasing power of money at a fixed and equitable level; to restore the values of property to just and equitable levels; to increase the prices of agricultural products to a point where they will yield the cost of production plus a fair profit to the farmer; to provide a living and just annual wage which will enable every citizen willing to work and capable of working to maintain and educate his family on an increasing level or standard of living; to repay debts with dollars of equal value; to lift in part the burden of taxation; and for other purposes; to the Committee on Banking and Currency.

By Mr. NORBECK:

A bill (S. 2163) for the relief of Harry T. Davison, Sr., and Emma E. D. Davison; to the Committee on Finance.

A bill (S. 2164) granting an increase of pension to George P. Benedict (with accompanying papers); to the Committee on Pensions.

By Mr. TYDINGS (by request):

A bill (S. 2165) to revive and reenact the act entitled "An act authorizing the Great Falls Bridge Co. to construct, maintain, and operate a bridge across the Potomac River at or near Great Falls", approved April 21, 1928; to the Committee on Commerce.

By Mr. SHEPPARD:

A bill (S. 2166) for the relief of Ludwig Larson (with accompanying papers);

A bill (S. 2167) for the relief of Mrs. William E. Smith and Miss Clara Smith (with accompanying papers);

A bill (S. 2168) for the relief of the Bell Telephone Co. of Pennsylvania (with accompanying papers); and

A bill (S. 2169) for the relief of certain disbursing officers of the Army of the United States (with accompanying papers); to the Committee on Claims.

By Mr. DICKINSON:

A joint resolution (S. J. Res. 76) relating to leave with pay for employees of the Government Printing Office; to the Committee on Printing.

### HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred as indicated below:

H. R. 3808. An act to authorize the incorporated town of Seward, Alaska, to undertake certain municipal public works, including the construction of an electric generating station and electric distribution systems, and for such purposes to issue bonds in any sum not exceeding \$118,000; and

H. R. 6084. An act to authorize the city of Ketchikan, Alaska, to issue bonds in any sum not to exceed \$1,000,000 for the purpose of acquiring the electric light and power, water, and telephone properties of the Citizens' Light, Power & Water Co., and to finance and operate the same, and validating the preliminary proceedings with respect thereto, and for other purposes; to the Committee on Territories and Insular Affairs.

H. R. 4751. An act to amend section 24 of the Interstate Commerce Act, as amended, with respect to the terms of office of members of the Interstate Commerce Commission; to the Committee on Interstate Commerce.

H. J. Res. 134. Joint resolution to continue the Commission for Determining the Boundary Line Between the District of Columbia and the State of Virginia for not to exceed 1 addi-

tional year, and to authorize not to exceed \$10,000 additional funds for its expenses; to the Committee on the District of Columbia.

41 new squadrons, an increase in the number of fighting planes from 840 to 1,300.

Mr. Baldwin's remark on Britain's "new frontier" was supplemented in today's White Paper by the following:

#### CHANGE OF REFERENCE

On motion of Mr. McNary, the Committee on Claims was discharged from the further consideration of the bill (S. 2097) conferring jurisdiction upon the Court of Claims to hear and determine claims of certain bands or tribes of Indians residing in the State of Oregon, and it was referred to the Committee on Indian Affairs.

#### MARGARET A. SCOTT

Mr. HAYDEN submitted the following resolution (S. Res. 93), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for Miscellaneous items, contingent fund of the Senate, fiscal year 1934, to Margaret A. Scott, widow of Daniel U. Scott, late a laborer of the Senate under supervision of the Sergeant at Arms, a sum equal to 1 year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

### INCREASE OF GREAT BRITAIN'S ARMAMENT BUDGET

Mr. CLARK. Mr. President, I ask unanimous consent to insert in the RECORD an article from this morning's edition of the New York Times relating to the decision of the British Government to increase its military budget as the result of the increase in the military budgets on the part of the United States and other governments. At a later time I shall have occasion to refer to this article and the action of the British Government.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Mar. 5, 1935]

BRITAIN TO INCREASE ARMS—LOSS OF FAITH IN PACTS SEEN—WHITE PAPER CITES THE GERMAN MENACE, WEAKNESS OF SECURITY TREA-TIES, AND REARMING OF JAPAN, RUSSIA, AND THE UNITED STATES

### By Charles A. Selden

LONDON, March 4.—The British Government today announced a new defense policy. From this the only inference to be drawn is that it has no faith left in any of the various existing or contemplated pacts now pending for the peace or security of either Europe

The new policy, presented in the House of Commons in the form of a White Paper signed only with Prime Minister J. Ramsay MacDonald's initials, sounds the knell of arms-reduction programs for this country. It calls for increases in the Army, Navy, and air force

The White Paper, being only a general statement of policy, contains no figures indicating to what extent the new policy will be implemented in the immediate future. Army estimates issued today, however, show an increase over last year of about 10 percent to a new total of £43,550,000 and an increase in personnel to 152,-200 from 149,500. (The pound was quoted yesterday at \$4.77%.)

The air force estimates will follow tomorrow and those of the

Navy Wednesday. Increases are also expected as a matter of course in both these forces, but they will not be sensational.

The new Army figures themselves were not so significant as the warlike tone of the statement from Viscount Hallsham, Minister of War, that accompanied them. He was thoroughly in tune with

of War, that accompanied them. He was thoroughly in tune with the White Paper.

The chief needs of the Army now, he said, were further mechanization, new installation of coast defenses at home and abroad, expansion of antiaircraft defenses, and increase of ammunition and general stores. His references to coast defenses abroad chiefly concerned Singapore and Hong Kong.

"In the deliberate judgment of government," he declared, "the time has now arrived when action should be taken to bring our military preparations more up to date; and provision is included

military preparations more up to date; and provision is included in these estimates for expenditure, material, and some increases in numbers as an installment of a program which will necessarily be spread over a period of years."

The Government must feel sure of itself, as far as domestic politics are concerned, for this new burst of Tory militarism voiced by a former Socialist Prime Minister stifles all hopes that there

might be a reduction in the income tax in the April budget

It is a direct challenge to the labor opposition to fight the next election on the peace issue. It flies in the face of the popular peace ballot, which, with more than 2,000,000 votes already cast, shows 92 percent for arms reduction and 86 percent for abolition of military aircraft. It is in the air force that the new Govern-

of military aircraft. It is in the air force that the new Government program provides for the largest increase.

Air force increases were promised by the Government last summer when Stanley Baldwin made his famous remark that the British frontier was no longer the chalk cliffs of Dover, but the Rhine. At that time it was announced that British military aviation strength would be augmented over a period of 5 years by

"The range of territory on the Continent of Europe from which air attacks would be launched against this country is constantly extending and will continue to extend. If in war an enemy were in possession of countries bordering on the Channel, the area of England liable to attack would be still further increased. For these reasons the importance of the integrity of certain territories on the other side of the Channel and the North Sea, which for centuries have been and still remain of vital interest to this country from a naval point of view, looms larger than ever when air defense also is taken into consideration."

The countries indicated above are, of course, Belgium, France, and The Netherlands.

No mention is made in the White Paper to Sir John Simon's visit to Berlin Thursday, but, after alluding to British charges made in the House of Commons on November 28 that Germany was ille-

in the House of Commons on November 28 that Germany was illegally arming, today's document says:

"This rearmament, if continued at the present rate, unabated and uncontrolled, will aggravate the existing anxieties of Germany's neighbors and may consequently produce a situation where peace will be in peril.

"The British Government have noted and welcomed the declarations of leaders in Germany that they desire peace. We cannot, however, fail to recognize that not only their forces but the spirit in which the population, especially the youth, of their country are being organized, lend color to and substantiate the general feeling which has already been incontestably generated."

which has already been incontestably generated."

These are the parts of the White Paper which the Government's critics condemn tonight as a strange prelude to the Foreign Minister's visit this week on a mission of peace to Berlin. They are cited as evidence to support the suspicion that the recent Anglo-French agreement is not intended to bring Germany back to the collective system but to keep her out.

There was no debate on the subject today, but there will be one next Monday. The nature of the opposition's attitude was fore-shadowed today by George Lansbury, Labor leader, who referred to the White Paper as "most extraordinary and alarming."

The Labor opposition will probably offer a motion to censure the government because of this unlooked-for departure from its disarmament policy. The Liberals may join in the minority rebuke. The matter will be settled later in the week by the leaders of the two opposition groups.

two opposition groups.

The Government's critics all regard the program as most untimely and wonder why the announcement should have been made just 3 days before Foreign Secretary Sir John Simon's visit to

Inasmuch as the Government document refers more specifically to Germany's rearming than to that of any other country, the White Paper is interpreted as meaning either that Sir John expects to accomplish nothing in Berlin or that some useful effect might follow a warning to Reichsfuehrer Adolf Hitler that Great Britain is now going to be as warlike as the rest of the world.

follow a warning to Reichstuehrer Adolf Hitler that Great Britain is now going to be as warlike as the rest of the world.

Britain's official justification for this new departure in general policy is that her good example in unilateral arms reduction has not been followed by other nations and that all the post-war collective peace efforts, in which she claims to have been a leader, have proved inadequate to bring security. The White Paper enumerates all these efforts, including the Kellogg-Briand Pact, the Locarno Treaty, the Disarmament Conference, the Washington and London Naval Treatles, the Pacific Pacts, and various other agreements even including the Anglo-French arrangement of last ments, even including the Anglo-French arrangement of last month. Then it treats them all severally and collectively as insufficient to assure peace without an arms increase.

Relevant to the same point is the White Paper's reference to the fact that "the deterrent effect of the Locarno Treaties and of other methods of collective security is weakened by the knowledge that our contribution in time of need could have little decisive effect.

"The same consideration would, of course, apply to any other method of collective security to which we might be parties."

### PACTS NO LONGER ADEQUATE

"Hitherto, despite many set-backs," says the White Paper, "pub-Hitherto, despite many set-backs, says the White Paper, "public opinion in this country has tended to assume that nothing was required for the maintenance of peace except the existing international political machinery and that the older methods of defense—navies, armies, and air forces—on which we have hitherto relied, are no longer required. The force of world events, however, has shown this assumption to be premature, and we have far

ever, has shown this assumption to be premature, and we have far to go before we can find complete security without having in the background the means of defending ourselves against attack.

"Nations differ in their temperaments, needs, and state of civilization. Discontent may arise of various causes—from recollection of past misfortunes, from desire to recover past losses, of pressure occasioned by increase in population. All these are fruitful sources of friction and dispute, and events in various parts of the world have shown that nations are still prepared to use or threaten force under the impulse of what they conceive as national necessity.

"And it has been found that, once action has been taken, the existing international machinery for the maintenance of peace cannot be relied on as a protection against an aggressor."

#### UNITED STATES CITED AS ARMING

UNITED STATES CITED AS ARMING

In this citing of bad examples from other parts of the world, the White Paper also mentions the United States.

"Nor is the increase in armaments confined to Germany," it asserted. "All over the world, in Russia, Japan, the United States, and elsewhere, armaments are being increased. We could not afford to overlook this, and so had to begin to meet our deficiencies.

"But we are anxious not to make our provisions for necessary defense merge into an armament race."

In that connection the Government says the new policy is elastic, so that if sudden peace should come to the world, this country could change its arms program.

country could change its arms program.

With reference to naval policy, the statement is not surprising, because the British made it known last year in London conversations with Norman H. Davis, the United States Ambassador at sations with Norman H. Davis, the United States Ambassador at Large, that this country was determined to increase her cruiser strength from 50 to 70. The White Paper seems to be based on the assumptions that there will be a naval conference this summer and that the British hope to get an agreement that will give her all the fleet she wants without starting a competition.

After rehearsing the familiar arguments that the security of the United Kingdom and all other parts of the Empire depends absolutely on the navy, the White Paper says:

"The main fleet is the basis upon which our naval strategy rests; but the cover it can provide is rarely complete and it may always be expected that detached enemy units may evade our main fleet and carry out sporadic attacks on territories and trade. To deal with these attacks, a considerable number of cruisers is required over and above those forming part of the main fleet.

CAPITAL SHIPS ESSENTIAL

### CAPITAL SHIPS ESSENTIAL

"In the main fleet, the capital ship remains an essential element upon which the whole structure of our naval strategy depends. The age of our battleships renders it necessary to commence their replacement at an early date, but the extent of new construction will be subject to any agreement reached at the forthcoming naval conference. The advent of an air attack in the present form was foreseen when existing battleships were designed, but antiaircraft armament is being increased to enable them to perform their primary function.

designed, but antiaircraft armament is being increased to enable them to perform their primary function.

"The strength of our Navy is now fixed by the Washington and London Naval Treaties, which are due for reconsideration this year. Divergences of national points of view have developed since the negotiation of those treaties, as evinced by the recent notice of Japan to terminate the Washington Treaty and by the program effected or contemplated by some European powers.

"It is the hope of His Majesty's Government to secure an arrangement that will avoid competition in naval armaments, while leaving us free to maintain our fleet at a strength necessary to our absolute requirements. This involves calculation of the number of ships of each type which together make up the fleet, and its essential minimum numbers so calculated should be maintained. It is equally essential that our fleet should be kept up-to-date in all respects, including a sufficient highly trained personnel; adequate provision for aircraft, which are becoming more and more important to the Navy; the most modern weapons, repair facilities, the necessary reserves and full ammunition stores of all kinds at convenient bases. Without these facilities, or if our ships are less well equipped than those of possible enemies, all the money spent will be wasted, as the ships cannot perform effectively their defensive functions."

### THE NARCOTIC DRUG EVIL

Mr. COPELAND. Mr. President, I ask that a series of addresses made in connection with the narcotic evil be inserted in the RECORD. As health commissioner of New York I became familiar with the evils of the traffic in narcotic drugs, and I am heartily in sympathy with the efforts being made to deal adequately with the problem. I am informed that the last in the series of broadcasts on this subject will be an address by the Attorney General of the United States.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

BROADCAST OVER THE NATIONAL NETWORK FEBRUARY 27, 1935

BROADCAST OVER THE NATIONAL NETWORK FEBRUARY 27, 1935

The announcer said: "This is the fourth in a series of broadcasts under the auspices of the World Narcotic Defense Association, of which Admiral Richmond P. Hobson is president. The narcotic association is now carrying on a comprehensive campaign to secure adoption by all our States of a uniform law on narcotics. "Today eminent narcotic authorities will discuss the general question of 'Law versus the narcotic drug evil.' Mr. Hayne Davis, vice president of the narcotic association, will conduct the broadcast and present the speakers."

Mr. Davis said: "The unrept peed is to secure interestate according the control of the part of the secure interestate according to the secure interestate according to the control of the part of the secure interestate according to the secure interestate according to the control of the part of the secure interestate according to the part of the p

Mr. Davis said: "The urgent need is to secure interstate accord Mr. Davis said: "The urgent need is to secure interstate accord on narcotics through adoption of the uniform narcotic drug act by all the States of our Union. You are privileged today to hear from the very highest authorities on this subject: The United States Commissioner of Narcotics, Mr. H. J. Anslinger; the president of the American Bar Association, Hon. Scott M. Loftin, of Florida; the president of the Bar Association in 1932, when that association endorsed the proposed uniform narcotic drug act, Hon. Clarence E. Martin, of West Virginia.

"The subject of the discussion is 'Law Versus the Narcotic Drug

Evil.'

"The first speaker is Mr. H. J. Anslinger, the able, faithful, and efficient United States Commissioner of Narcotics—the chief Federal official for enforcement of the national narcotic laws and treaties—Mr. Anslinger."

ADDRESS BY MR. H. J. ANSLINGER, UNITED STATES COMMISSIONER OF NARCOTICS

Opium has been a boon to mankind in alleviating suffering, but a terrible curse to those who have become victims to its

The hope of a practical solution lies in strict control of the production, sale, and distribution of narcotic drugs, as well as of the raw materials capable of use in the making of these drugs. Great progress has been made in these directions, and further progress is in prospect.

The first opium conference was the outcome of American initiative. Similar conferences with wider scope followed in due-

The first opium conference was the outcome of American initiative. Similar conferences, with wider scope, followed in due course, at The Hague in 1912, at Geneva in 1925 and 1931. The delegates assembled at these conferences from all parts of the world were appalled by the evidence of human wreckage and misery through the abuse of narcotics which was laid before them. They were alarmed also by proof that this evil was rapidly spreading throughout the world. Some of those who were thus enlightened as to the fact and extent of narcotic drug abuse, resolved to stamp out this evil, and at each conference they succeeded in securing general consent to some plans calculated to further this good purpose.

purpose

At the 1931 conference great strides were taken by agreement upon terms for effective limitation of the manufacture of narupon terms for effective limitation of the manufacture of narcotic drugs to the actual needs of mankind, for scientific and medicinal purposes, and for strict control of the drugs manufactured for these purposes so that none of them would find their way into the channels of illicit trade. The treaty evolved by that conference constitutes the most powerful blow that has thus far been dealt to the illicit narcotic traffic. This treaty is now the basis of international accord on narcotics. Indeed, the Limitation Treaty of 1931 may properly be called the Magna Carta of world freedom from the narcotic drug tyrant. Internationally, the allied forces in the warfare on the narcotic drug evil have achieved great victories, and are now consolidated in a strong position, well prepared for the next offensive. In the United States, however, there is weakness in the lines of defense against this enemy of all mankind.

"This is due not to willingness among our good people to let

states, however, there is weakness in the lines of defense against this enemy of all mankind.

"This is due not to willingness among our good people to let this evil have its way here but to the division of sovereign power between the Nation and the States composing the Union, and to the difficulties encountered in getting full information on the narcotic problem into the hands of the several thousand State legislators, who alone have power to enact the laws necessary for consolidating this country behind the National Government in the splendid position it has taken on narcotics. Long ago the Treasury Department took steps so far as it lawfully could to limit manufacture of narcotic drugs in the United States to the needs of this country for scientific and medicinal purposes. Its broad policy is to limit the importation of opium and coca leaves to the medical and scientific needs as determined by the United States Public Health Service, and to control manufacture and the distribution of the drugs made from the raw material so imported. This distribution is under effective control from importation of the raw material to delivery of the manufactured drug to the consumer. I know of no finer tribute to the control system of your National Government than one expressed by a delegate of Canada at a recent world narcotic conference. He said that the United States manufactures drugs for 120,000,000 people, and that there is a 3,000-mile border between the two countries, making smuggling comparatively simple yet in all his experience he had there is a 3,000-mile border between the two countries, making smuggling comparatively simple, yet in all his experience he had never found narcotics of American manufacture in the illicit traffic in Canada, although he found large quantities of narcotics of European manufacture.

traffic in Canada, although he found large quantities of narcotics of European manufacture.

"Our entire field force does not exceed 300 officers for the whole United States, or 1 for each 400,000 of the population, and it can be readily seen that the ordinary police work of narcotic law enforcement, such as the detection and apprehension of the many petty street peddlers and the even greater number of those improperly possessing narcotics, cannot be adequately performed by Federal officers. State cooperation is essential to a reasonably adequate system of narcotic law enforcement, and the several States of the Union have a serious obligation to perform in doing their proper part in the suppression of this evil.

"The adoption of a uniform narcotic drug act by all the States will do away with the existing weaknesses in our narcotic laws by giving to the people of the United States and of each State as good protection against the narcotic evil as can be secured through legislative action, will enable the authorities of the States to cooperate more effectively with each other and with the officials of the National Government, and will be a great aid to the United States in properly fulfilling its part in combatting the narcotic evil in those phases which can be dealt with effectively only through international cooperation. We obligated ourselves to control production of opium under The Hague Convention of 1912, we can fulfill that obligation under this State legislation."

Mr. Davis said:

"Thank you Mr. Commissioner."

Mr. Davis said:

"Thank you, Mr. Commissioner.
"No one knows better than Mr. Anslinger what the present law on narcotics is and what that law ought to be.

"Members of the bar who have been recognized by their colleagues as worthy of election to the presidency of the American Bar Association are certainly qualified to plead the cause of law versus the narcotic drug evil before the supreme court of public opinion. You will now hear the views of Hon. Scott M. Loftin, of Florida, president of the American Bar Association, regarding the uniform narcotic drug act. Mr. Loftin found it impossible to be here today, so I shall read a message received from him.

" MESSAGE FROM HON. SCOTT M. LOFTIN, OF FLORIDA

"It has long been customary for the Governors of the several States to appoint commissioners on uniform State laws to confer with one another on those questions, in which uniformity in the laws of the States is deemed to be for the best interests of the people. The Forty-second Annual Conference of these Commissioners on Uniform State Laws, held in 1932, formulated a comprehensive program of legislation on the narcotic problem, which is commonly known as the "uniform narcotic drug act." The American Bar Association held its meeting for that year soon after this act was approved by the conference of commissioners. The act came very appropriately, therefore, before the Bar Association for consideration at its 1932 session.

"The Honorable Clarence E. Martin was president of the Bar

for consideration at its 1932 session.

"The Honorable Clarence E. Martin was president of the Bar Association that year, and he was also a member of the Conference of Commissioners on Uniform State Laws, which formulated this act. He is especially well qualified, therefore, to explain in detail how the adoption of this act by all the States will promote the welfare of the American people. As President of the American Bar Association, I content myself, therefore, with saying that there is no member of our association better qualified than Mr. Martin to demonstrate the present need for adoption of this act by all of our State legislatures. In addition, I am saying a few words more as a citizen of the State of Florida. The proposed uniform narcotic drug act was adopted by the Florida Legislature in May 1933, and the people of Florida were benefited substantially and immediately. diately.
"The Jacksonville Journal, in its issue of October 27, 1933, car

ried a strong editorial concerning the uniform narcotic drug act, entitled 'The Workings of a Good Law' and worded as follows:
"'Few enactments of the 1933 legislature were more significant

in purpose or sounder in design than the uniform State narcotic

law.
"'Occasion for reflection in this regard was presented by the

"Occasion for rejection in this regard was presented by the important marijuana arrest and seizure here last week.

"The sale on which the case was made involved 2 pounds of the dried weed prepared for smoking.

"Subsequent investigations led to a larger seizure and the discovery that the plant from which the drug is made has been grown inside the city limits of Jacksonville.

"First among the points to be noted in that the case could not

"'First among the points to be noted is that the case could not have been made prior to the passage of the uniform State law. The Harrison Act applies only to opium and coca leaves and their derivatives.

"'In the second place, the case affords illustration of the integration of enforcement agencies under the new law. It resulted

from the cojoint efforts of Federal, State, and city forces.

"'Again, it properly relegates the prosecution of such crime to local courts set up for handling of local problems. The Federal Bureau of Narcotics is left free to exercise its major function of controlling medical movements and smuggling.

"'Eight of the 24 cases made here strictly under the uniform law have been tried and eight convictions have been returned.

"'Scheduled for trial are two types of cases not covered pre-viously. One doctor's license is up for revocation and several addicts will be prosecuted for obtaining narcotics under false pretenses.

"'Revocation of medical licenses and restriction of drug issue misrepresentation by addicts were not provided for in former laws.

former laws.

"'Through the closing up of loopholes and the coordination of existing regulatory agencies, the new uniform State law places that control upon a higher basis of intelligence and efficiency.

"'Florida is in the vanguard of States adopting it."

"I conclude by saying that, in my opinion, all of the States should adopt the uniform narcotic drug act, so as to effectively cooperate with the Federal Government in its war against the illegal drug traffic, and, I will add, so as to secure for the people of each State the protection which we in Florida now enjoy through the adoption of this act in 1933.

"President American Bar Association."

Mr. Davis then said: "Here you have proof from experience, brief but convincing. And after hearing these words of Mr. Loftin, president of the American Bar Association, in regard to the qualifications of Hon. Clarence E. Martin, of West Virginia, that gentleman needs no further introduction. Mr. Martin."

ADDRESS OF HON, CLARENCE E. MARTIN, OF WEST VIRGINIA, FORMER PRESIDENT OF THE AMERICAN BAR ASSOCIATION

"The World Narcotic Defense Association is engaged in the public-spirited effort of backing every good movement and plan for controlling narcotics, so that they will not be used to the detriment of mankind. So effective has this world-wide movement been elsewhere, that the eyes of the world are now turned toward America in this fight to prevent the illegal and immoral use of narcotic drugs. We are compelled to accept the challenge and

measure up to, if not surpass, the standard set in other parts of the civilized world.

"Representatives of nearly all the nations met at Geneva in 1931 and formulated a convention for limiting the manufacture and regulating the distribution of narcotic drugs. This convention was submitted by President Hoover to the Senate on March 1992, and on March 21, 1992, was unanimously retified by the 1932, and on March 31, 1932, was unanimously ratified by the Senate

4, 1932, and on March 31, 1932, was unanimously ratified by the Senate.

"The uniform narcotic drug act is an outgrowth of efforts on the part of the American Bar Association to secure the passage of uniform statutes on subjects of State legislation, where modern conditions require this through the Conference of Commissioners on Uniform State Laws, composed of three or more commissioners or delegates from each State. These men are supposed to be outstanding lawyers in their respective States and meet annually for a week to deliberate upon proposed uniform statutes.

"A proposed uniform statute is not finally adopted until it is discussed by five or more sessions of the conference. Great care is taken to make the model statute cover all phases of the subject and to be as near perfect as is humanly possible. In addition, before final recommendation to the States for action, these proposed laws must be approved by the American Bar Association.

"In this manner, under modern conditions of society, the sovereignty of the States is being preserved and the perpetuity of our dual system of government insured. The uniform narcotic drug act, now before the legislatures of the many States, is the work of the Conference of Commissioners, having been completed and adopted in 1932. It is the result of 5 years' work by the committee in charge, and by experts connected with various organizations and associations, which were and are interested in the subject. In drafting this act, which covers not alone a social but also an economic problem, it was essential to determine the legal use of narcotic drugs and to protect that use, and to fix what is to be illegal use and provide punishments therefor.

"Consideration had to be given to the various functions of manufacturers, wholesalers, retailers, drugglists, doctors, dentists, nurses, and others. The committee in charge of drafting the act was compelled to familiarize itself with the medical effects of the

manufacturers, wholesalers, retailers, druggists, doctors, dentists, nurses, and others. The committee in charge of drafting the act was compelled to familiarize itself with the medical effects of the various drugs as well as other phases of the problem. This gives you an idea of the conference and of its method of formulating the uniform narcotic drug act. The following enumeration of outstanding points will give an idea of its scope and purpose. The act makes it unlawful to manufacture, possess, prescribe, administer, dispense, or compound any narcotic drug, save in conformity with the provisions of the act: requires manufacturers and The act makes it unlawful to manufacture, possess, prescribe, administer, dispense, or compound any narcotic drug, save in conformity with the provisions of the act; requires manufacturers and wholesalers to have a State license; compels applicant for license to be of good moral character (and if a corporation the officers must be of such character) and be possessed of proper land, buildings, and all paraphernalia needed for carrying on such business; authorizes officials who grant licenses to suspend or revoke them for cause; limits the manufacturer or wholesaler in the sale of the product; forbids sale by apothecaries, except on written prescriptions, which cannot be refilled, and provides for registration of the name of the purchaser and character of the drug bought; regulates administration of drugs by physicians, dentists, veterinarians, with requirements for return of unused portion to the doctor when it is no longer necessary for the patient; limits the amount that can be lawfully sold, so as to keep all purchases within the bounds of medicine and science; restricts the cultivation of raw materials capable of being used in the manufacture of narcotic drugs, so as to keep the quantity down to the actual needs of our people for medical and scientific purposes; covers, in fact, every phase of the problem, with all loopholes for improper use closed up and every safeguard for proper use provided.

"The act is, in brief, a common-sense treatment of a present-day problem, every effort being made to prevent improper acquirement or use of the narcotic drug, from the time of its manufacture down to its actual good and proper use, or to its destruction as provided in the act, when not put to proper use. As to attempted improper use, may I elaborate?

"According to the uniform crime reports for the United States and its possessions for the year 1934, issued by the United States Department of Justice, the age trend of law violators is going downward instead of upward.

"First. All lawful manufacturers, dealers, docto

compelled to attempt to ascertain, and then to comply with the meaning of various State statutes having many different and con-

flicting provisions, as at present.

"Second. There can be cooperation in enforcement among all of the agencies of justice of the States and of the Federal Gov-

ernment.
"Third. All obligations of the United States under the narcotic

"The States are what we make them. They are as strong, and as Ine States are what we make them. They are as strong, and as strong only, as the men who make, interpret, and administer their laws and conduct their affairs. It is essential for the very preservation of our form of government that there be proper and timely action by the States upon major social problems. By the adoption of this uniform narcotic drug act by all our States we of this day not only fulfill our international obligations on narcotics, but we perform a duty we owe to society here at home and make a we perform a duty we owe to society here at home and make a complete answer to those who believe that local self-government is

"It is in this spirit that all persons are asked to urge their legislators to give serious consideration to and secure the passage of the uniform narcotic drug act by their own State."

#### WAR DEPARTMENT APPROPRIATIONS

Mr. COPELAND. I move that the Senate proceed to the consideration of the War Department appropriation bill.

The motion was agreed to; and the Senate resumed the consideration of the bill (H. R. 5913) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1936, and for other purposes.

Mr. McNARY. I appeal to the Senator from New York to let us at this time take a recess until tomorrow.

Mr. COPELAND. I shall be very happy to have the Senate take a recess now and proceed with the bill tomorrow.

#### RECESS

Mr. ROBINSON. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock p. m.) the Senate took a recess until tomorrow, Wednesday, March 6, 1935, at 12 o'clock meridian.

### CONFIRMATIONS

Executive nominations confirmed by the Senate March 5 (legislative day of Mar. 4), 1935

PROMOTIONS IN THE NAVY

TO BE CAPTAIN

Stephen B. McKinney

TO BE COMMANDER

Greene W. Dugger, Jr.

TO BE LIEUTENANT COMMANDERS

John E. Dingwell Emil Chourre George T. Campbell Hubert K. Stubbs John B. McGovern Elmer J. Tiernan William N. Thornton Albert McI. Wright Charles R. Will Jackson R. Tate John F. Wegforth James M. Fernald William B. Coleman Benjamin C. Purrington Harold J. Walker James H. Foskett

Anton L. Mare
Laurence Bennett
Sumner C. Cheever
Horatio G. Sickel, 4th
Raymond W. Holsinger
Virgil E. Korns
Edmund T. Wooldridge
Charles B. Momsen
Marcy M. Dupre, Jr.
Edgar P. Kranzfelder
Elwood M. Tillson
Alva J. Spriggs
Norman R. Hitchcock
Daniel F. Worth, Jr.
Lemuel P. Padgett, Jr.

### TO BE LIEUTENANTS

Hugh B. McLean Richard S. Moss William L. Erdmann John M. Sweeney Frederick J. Ilsemann Lewis E. Coley Joseph J. Woodward Harold B. Edgar Joshua C. Shively Arthur B. Dickie Charles L. Lee George Edward Peterson Henry Plander Clifton G. Grimes Victor D. Long Philip S. Creasor Frederick K. Loomis Paul W. Hord

Stanley P. Moseley John H. Long Paul A. Hartzell David R. Hull James A. McNally John R. van Nagell Bruce D. Kelly Stirling P. Smith Jeane R. Clark Horace W. Blakeslee Chester C. Smith George C. Wright Homer O. Dahlke Robert H. Gibbs DeVere L. Day Clarence E. Haugen Kenneth V. Dawson

TO BE LIEUTENANTS (JUNIOR GRADE)

James D. Grant Hepburn A. Pearce

TO BE PASSED ASSISTANT SURGEON

Leland J. Belding

#### TO BE PAYMASTERS

Charles E. Leavitt Harrison W. McGrath Josephus M. Lieber Charles W. Fox William H. Phillips Lamar Lee Andrew C. Shiver Carl W. Seitz Cyrus B. Kitchen Charles D. Kirk Walter W. Mahany John H. Davis David W. Robinson

TO BE CHIEF GUNNERS

Clarence W. White Gardner J. Douglass

TO BE CHIEF MACHINISTS

Joseph A. Oehlers Sam B. Ezell

### MARINE CORPS

John H. Russell to be major general. Richard P. Williams to be brigadier general. Thomas Holcomb to be brigadier general. Charles F. B. Price to be colonel. Karl I. Buse to be lieutenant colonel. Donald J. Kendall to be major. Lewis B. Reagan to be major. Lawrence R. Kline to be captain. William W. Paca to be captain. Shelton C. Zern to be captain. John E. Curry to be captain. Louis C. Plain to be first lieutenant.

### PUBLIC HEALTH SERVICE

Oscar Mikkelsen to be passed assistant dental surgeon. Mark E. Bowers to be passed assistant dental surgeon.

POSTMASTERS

AT ARAMA

Robert E. Bowdon, Jr., Calera. Clarence C. Calhoun, Jackson. Henry G. Sockwell, Tuscumbia. Edgar A. Tatum, Valley Head. Alma Cardwell, Vredenburgh.

CALIFORNIA

Clayborne L. Boren, Bell. Lela Opal Houghton, Newhall. George H. Gischel, Tracy. John J. Madigan, Vallejo.

GEORGIA

Herman E. Malaier, Chattahoochee.

TLLINOIS

Chrystal W. Beckett, Golden. Clem Wiser, Martinsville. Cora G. Rutherford, Medora. Milton O. Harriss, Pinckneyville. Alfred H. Barrow, Roodhouse.

KANSAS

William L. Brumbaugh, Portis.

MATNE

Walter E. Hurd, Berwick. Mollie M. Armstrong, Cape Cottage. John H. Gilbert, Monson. Grover Cheney, Wells.

MONTANA

Mary A. Fetterman, Saco.

NEVADA

Elva I. Hermansen, East Ely. Cyrus E. Hutton, Ruth.

NEW HAMPSHIRE

Frank J. Young, Hinsdale.

NORTH DAKOTA

Peter Meier, Napoleon. Julius C. Pfeifer, Richardton. Emma Kittelson, San Haven. OREGON

Harold R. White, Wasco.

SOUTH CAROLINA

Paul M. Davis, Donalds. John H. Payne, Johnston. Helen DuPre Moseley, Spartanburg.

VIRGINIA

Rosalie H. Mahone, Amherst. E. LeRoy Smith, Appomattox. Lavone A. Baker, Cartersville. Dewey Arrington, Cleveland. Robert B. Spencer, Dillwyn. James F. Walker, Fort Defiance.

WASHINGTON

Marie L. Wenberg, East Stanwood. Gladys E. Gillmore, Medical Lake. Tolaver T. Richardson, Northport. Andrew J. Cosser, Port Angeles. Clifford L. Thomas, Sumas. M. Berta Start, Winslow.

WISCONSIN

Dey E. Clemons, Brule.

James W. Harkin, Shullsburg.

Blanche Delany, Sinsinawa.

Alice M. Clinton, Sullivan.

WYOMING

George J. Snyder. Glendo.

## HOUSE OF REPRESENTATIVES

TUESDAY, MARCH 5, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, we look up to Thy throne of mercy with thanksgiving and praise. Thy benefactions are like a goodly river that flows in soft and gentle radiance through the fields of our lives. In faith may we be dedicated to our ideals and be true to our immortal convictions. Heavenly Father, crown us with that soul power that keeps looking upward to the open skies. Hasten the day, speed the hour when industry shall rejoice and labor be glad and every man shall sit under his own vine and fig tree. O may Dives and Lazarus soon come together, heart to heart, and each claim the privilege of carrying the heavier burden. Keep before us the unveiled heavenly hills where the great ones of earth stand clothed in the light eternal and where we hope to rest some day and unfurl the signal of victory. In our Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 147. An act to alter the amount apportioned to certain States for public employment offices affiliated with the United States Employment Service;

S. 209. An act for the relief of Carmine Sforza;

S. 236. An act for the relief of the heirs of Burton Stearns Adams, deceased:

S. 243. An act for the relief of Curtis Jett;

S. 279. An act to extend the time for the refunding of certain taxes erroneously collected from certain building-and-loan associations:

S. 428. An act authorizing adjustment of the claim of Korber Realty, Inc.;

S. 535. An act for the relief of William Cornwell and others;

S. 537. An act for the relief of C. O. Meyer;

S. 713. An act granting jurisdiction to the Court of Claims to hear the case of David A. Wright;

S. 741. An act for the relief of the Union Shipping & Trading Co., Ltd.;

S. 743. An act to carry out the findings of the Court of Claims in the claim of the Morse Dry Dock & Repair Co.;

S. 857. An act to authorize the Department of Labor to continue to make special statistical studies upon payment of the cost thereof, and for other purposes;

S. 872. An act for the allowance of certain claims for extra labor above the legal day of 8 hours at the several navy yards and shore stations certified by the Court of Claims;

S. 937. An act for the relief of the J. M. Dooley Fireproof Warehouse Corporation, of Brooklyn, N. Y.;

S. 998. An act to carry out the findings of the Court of Claims in the case of George Lawley & Son Corporation, of Boston. Mass.:

S. 1037. An act authorizing adjustment of the claims of Sanford A. McAlister and Eliza L. McAlister;

S. 1038. An act authorizing adjustment of the claim of Elda Geer:

S. 1056. An act authorizing adjustment of the claim of Schutte & Koerting Co.:

S. 1180. An act to amend section 4865 of the Revised Statutes, as amended;

S. 1266. An act for the relief of Robert E. Masters; S. 1360. An act for the relief of Teresa de Prevost;

S. 1392. An act conferring upon the United States District Court for the northern district of California, southern division, jurisdiction of the claim of Minnia C. de Back against the Alaska Railroad;

S. 1472. An act for the relief of the First Camden National Bank & Trust Co., of Camden, N. J.;

S. 1694. An act for the relief of C. B. Dickinson; and

S. J. Res. 21. Joint resolution authorizing the President to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski.

### SOPHIE DE SOTA

Mr. RUDD. Mr. Speaker, I ask unanimous consent for the present consideration of a concurrent resolution which I send to the desk.

The Clerk read as follows:

### House Concurrent Resolution 14

Resolved by the House of Representatives (the Senate concurring), That the President of the United States be, and he is hereby, requested to return to the House of Representatives the enrolled bill H. R. 330, entitled "An act for the relief of Sophie de Sota"

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. SNELL. Mr. Speaker, reserving the right to object, as I understand, this pertains to the spelling of a word?

Mr. RUDD. That is all.

The SPEAKER. Is there objection?

There was no objection.

The resolution was agreed to.

### PERMISSION TO ADDRESS THE HOUSE

Mr. SNELL. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SNELL. Mr. Speaker, I read an article in the Post this morning much to my astonishment and with some amusement. I refer to its portrayal of the consideration of the "clerk-hire bill" yesterday. The article stated that it was a victory for the Democratic leadership. As I remember the exact wording, it stated, "The Democratic leadership cracked the whip and emerged victorious" to the tune of 242 to 146.

Mr. Speaker, let us look at the facts. If I remember correctly, the gentleman from North Carolina [Mr. Warren] told me the other day when I propounded a question to him that this bill was brought in because the Democratic steering committee requested that it be presented to the House. In looking over the record vote that was cast, I find there were only four or five Republicans who voted for the bill.

I find that the gentleman from Colorado, Mr. Taylor, the leader of the majority; the gentleman from New York, Mr. O'Connor, the Democratic chairman of the Rules Committee; the gentleman from Illinois, Mr. Sabath, the chairman of the Democratic steering committee; and the gentleman from Pennsylvania, Mr. Boland, the Democratic whip of the House, all voted for this bill. If these men are not the leaders on the majority side, I respectfully request that the leaders' names be published in tomorrow's Record. If this was a victory for the Democratic leadership, I do not understand procedure in the House.

Mr. Speaker, may I further say that if the Post would take a suggestion from me, I think the man who wrote this article should give his time to writing for the "funnies" and not act as the political dopester of the House of Representatives.

Mr. COCHRAN. Will the gentleman yield?

Mr. SNELL. I yield to the gentleman from Missouri.

Mr. COCHRAN. Will the gentleman kindly tell the House how many Republicans voted against the bill yesterday and at the same time were praying that the bill pass?

Mr. SNELL. So far as I know, none.

[Here the gavel fell.]

### EXTENSION OF REMARKS

Mr. COX. Mr. Speaker, on yesterday the House was kind enough to grant unanimous consent to print in the Record the evidence given by Mr. Fahey, Chairman of the Home Owners' Loan Corporation, before the Rules Committee. The Public Printer has returned the statement of Mr. Fahey, calling attention to a regulation of the Joint Committee on Printing which limits the matter permissible for insertion in the absence of estimate of cost. It seems that the statement violates this rule, because it contains more matter than is permissible. The Printing Office gives an estimate as to the cost of the printing of the statement, which is \$270.

Mr. Speaker, for the more than 10 years that I have been a Member of this body I have never made a unanimous-consent request of this character. I think the statement is well worth the cost of the printing, and I therefore ask unanimous consent to extend my remarks in the Record and to include therein the statement of Mr. Fahey.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. SNELL. Mr. Speaker, reserving the right to object, does the gentleman think on his own responsibility that this is worth that amount of money?

Mr. COX. I do.

Mr. SNELL. I am willing to take the gentleman's word. Mr. BLANTON. Mr. Speaker, reserving the right to object, there has been complaint universally from the Members of this House against this H. O. L. C. Board since Mr. Fahey was placed at the head of it. If this arrogant head of that Board had done like other heads of departments and had subjected himself to questioning before a committee by the Membership of this House, that might alter somewhat his situation. There are Members here, for instance like the gentleman from Ohio [Mr. Sweeney], who requested permission, as I understand it, to ask this gentleman some questions. He had a right to do this as a Representative of the people of the United States. The hearing was on his resolution. He was not accorded that privilege, and now to put in a one-sided ex parte statement here of 23 pages of manuscript at this great cost, when the Membership had no opportunity whatever to question Mr. Fahey, I doubt the wisdom of, and I doubt that his statement has any public

I have not yet had an opportunity to read this 23-page statement, but from information I have from others about it, I understand that Mr. Fahey has misrepresented the facts regarding Hon. Fred Cockrell, of Abilene, Tex., and that several statements he made about Judge Cockrell are absolutely false. Mr. Fahey has not a man in his entire organization who will outclass Judge Cockrell in any respect.

I object, Mr. Speaker.

### PERMISSION TO ADDRESS THE HOUSE

Mr. KRAMER. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. KRAMER. Mr. Speaker, the gentleman from California [Mr. Hoeppel] made the statement yesterday that the gentleman from Montana [Mr. Monaghan] had placed on the Speaker's table a petition to relieve the Committee on Ways and Means from consideration of the McGroarty bill in reference to the Townsend old-age-pension plan.

I want to say to my colleague from California that either his eyesight is bad or else he has been misinformed. The petition was filed by the gentleman who is now addressing

the House.

Mr. CARTER. Mr. Speaker, will the gentleman yield?

Mr. KRAMER. Yes; I yield.

Mr. CARTER. Did not the gentleman from Montana [Mr. Monaghan] announce, however, that he proposed to file that petition and sent the gentleman from California [Mr. Kramer] and a number of other Members a letter to that effect?

Mr. KRAMER. I do not know what the gentleman from Montana [Mr. Monaghan] announced, and I received no letter from him. I am just correcting the Record so far as the statement of the gentleman from California [Mr. HOEPPLE] is concerned.

Mr. CARTER. I understand from the gentleman from Montana [Mr. Monaghan] that a letter was delivered to each and every Member of Congress, including the gentleman from California [Mr. Kramer]. These letters were delivered through the post office in the usual course of mail delivery. While I do not want to accuse the gentleman from California [Mr. Kramer] unjustly, it would seem to me that he must have had knowledge of the intentions of the gentleman from Montana [Mr. Monaghan], not only by reason of the delivery of the letter but also from his contact with the Clerk of the House.

I have been informed by the gentleman from Montana [Mr. Monaghan] that the gentleman from California [Mr. Kramer] contacted the Clerk of the House for the first time in reference to this matter on Monday, March 4, which was after the date of the delivery of the letter.

The gentleman from California [Mr. Knamer] did not confer with the author of the bill. The author of the bill desired to have the gentleman from Montana [Mr. Monaghan] file the petition. Personally I am not concerned about which gentleman should file the petition, but I did regret to see the gentleman from California [Mr. Kramer]—aware, as he apparently was, of the intentions of the gentleman from Montana [Mr. Monaghan]—rush in and file the petition ahead of him. I do not believe that such tactics should be countenanced by the Membership of the House of Representatives.

PRESERVE FROM DESTRUCTION OUR NATURAL RESOURCES BY PASSING THE PUBLIC WORKS BILL

Mr. BEITER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. BEITER. Mr. Speaker, in the language of one of the greatest sages and statesmen of this Union, Grover Cleveland, today, "A condition and not a theory confronts us." On January 24, 1935, we heard a message to Congress from the vigorous and patriotic President of the United States concerning our duty in conserving our resources; that something must be done, and done at once, to preserve the natural resources of this great Nation.

Now, Mr. Speaker, what has produced this condition? If you have listened attentively to his message; you have learned that our forests are being denuded; our land is being washed away and made worthless; our water powers are exhausted; our harbors are filling up with silt, thereby paralyz-

ing our commerce; and something must be done to stop this waste and extravagance and to bring forward a remedy, else this great Nation cannot go forward in the future.

What is the most serious of all these terrible conditions now confronting our people? I can answer in almost a word. It is the failure of the people throughout the States to preserve from destruction our natural resources. Few countries possess natural wealth of so varied a nature and of such immense value, yet nowhere has the use of this wealth been marked with less foresight and more indifference on the part of the public. For years scientists and students of our natural resources have sought to call attention to the early exhaustion of our forests, coal and mineral beds, and oil wells, to the great permanent injury of the people. But they, busily engaged in the pursuit of their various occupations and inspired by optimism, feeling that somehow matters would be corrected, have postponed their consideration to the time when the evil should have taken a more concrete and urgent form.

Each generation should be willing to leave after it more than it finds at its beginning. There would be little left in the world for us today if the policy had been for one age to exhaust and destroy and leave but little to the succeeding one.

Our ambition during our short stay in the world should be to accomplish much and to husband our own resources and the resources of our country. We should help ourselves, those dear to us, and our neighbors, and leave behind us for the generations that shall succeed us for a valuable heritage. It is true and often quoted: "We brought nothing into the world, and we can take nothing out of it", but it is our privilege and it is in our power to make the world better and richer by our having lived in it, and make it easier for those who shall follow us.

It is my conviction that the great prosperity of our country rests upon the abundant resources of the land chosen by our forefathers for their homes and where they laid the foundation of this great Nation.

I look upon these resources as a heritage to be made use of in establishing and promoting the comfort, prosperity, and happiness of the American people, but not to be wasted, deteriorated, or needlessly destroyed.

I agree, in the light of facts, brought to my knowledge by the National Resources Board, appointed by the President June 30, 1934, and from information received in the report made by the Mississippi Valley Committee of the Public Works Administration, which committee has also acted as a water-planning committee.

For the coming 18 months the President has asked the Congress for \$4,000,000,000 for public projects. A substantial portion of this sum will be used for objectives suggested in the reports.

We, as a body, should commend the wise forethought of the President in sounding the note of warning as to the waste and exhaustion of the natural resources of the country, and signify our high appreciation of his action through cooperation of the Nation and the States.

This cooperation should find expression in suitable and immediate action by that body located on the other end of the Capitol.

Mr. Speaker, we as an English-speaking people, have been planted on this continent 328 years. As a nation, we are 158 years old. In this time we have substantially conquered the natural difficulties of this rugged continent. We have attained a large degree of national wealth, a large degree of national comfort, and a large degree of national culture. We have attained a stage of civilization where we need, for the highest development of our people, the conservation of the natural beauties of this—

Land where my fathers died, Land of the Pilgrims' pride,

of which we sing in one of our national anthems. May the Senate pass the public-works bill so much desired by the President, that we may go on with other important legislation, with a deeper love for our native land and a stronger determination to protect, so far as we may, her "rocks and

rills", her "woods and templed hills", her "mountain heights" whence "freedom rings."

ALCOHOL AS A MOTOR FUEL

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record.

The SPEAKER. Is there objection?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, back in 1932 a young man named Paul Beshers, of Gridley, Ill., while pondering on the depression and on what might be done to relieve the farmers of the Corn Belt of the plight of ruinous prices, began in a local way to agitate the idea of converting corn into alcohol and compelling the use of such alcohol by law as an admixture to gasoline motor fuel. Mr. Beshers addressed local luncheon clubs and farm organizations on the plan and in the course of these addresses cited figures to show that this Nation was consuming about 17,000,000,000 gallons of gasoline annually and that if 10 percent of this amount could be displaced by alcohol made from domestic grains and other farm products, it would create an outlet for the equivalent of six to seven hundred million bushels of grain annually, and by the operation of the law of supply and demand, bring about not only an enlarged market but a much better price for farm commodities.

So appealing was this idea to farmers and to those business enterprises that were entirely dependent upon farm purchasing power for their continued existence, that in a little while the idea spread from coast to coast. Farm organizations, implement dealers, farm-machinery manufacturers, luncheon clubs, and many other organizations began to promote this idea as a sound method of farm relief. Pamphlets, circulars, and booklets were sent out in great quantities, and in the course of the Seventy-second Congress several bills were introduced in Congress seeking to make the use of alcohol-gasoline blends compulsory.

Obviously, this movement, as it gained momentum and strength, engaged the attention of motor-car manufacturers, motorist associations, and petroleum companies. House organs such as the Texaco Star began to ridicule the idea. The American Automobile Association and the American Motorist Association attacked the feasibility of alcohol gasoline as a motor fuel by pointing out how expensive it would be to motorists and farmers as well. The Sun Oil Co., of Pennsylvania, prevailed upon Mr. Lowell Thomas, radio news-commentator, to attack the idea in his most engaging fashion over the air. Cartoons appeared in newspapers and trade journals, showing motor cars, using alcohol-gasoline blend, staggering (if motor cars can stagger) in and out among trees, billboards, and bridges. Experts, in the employ of petroleum companies, solemnly inveighed against the proposal and pretended to prove how unsound and impractical it was. A great barrage of ballyhoo, made possible by the expenditure of vast sums of money, was concentrated on the alcohol-gasoline blend idea in the hope of giving it a death stab, but like the soldier who fooled the doctors, the idea refused to be killed or remain dead.

The American Automobile Association was particularly active in its opposition to the idea and published fine glossprint brochures and pamphlets which it sent out to its many members, warning them of the exorbitant tax that would be imposed on motorists if alcohol-gasoline came into general use through legal compulsion. I believe the association was sincere in its contentions, but, to one standing on the outside, it looked as if this intensive attack on the alcoholgasoline idea might have been inspired by petroleum companies. As the result of some direct questions propounded to the American Automobile Association, requesting a statement as to whether all or any portion of the pay of officers and directors of that association was paid by petroleum companies and a further statement as to what percentage of the advertising of the association came from petroleum companies, there crystallized an arrangement to have a demonstration of the merits of alcohol gasoline as motor fuel, to be staged under the direction of all interested parties.

This demonstration was held on the Mount Vernon Memorial Highway, just south of Alexandria, Va., on June 9, 1933.

The interested parties first gathered in front of the Department of Agriculture, where group photographs were made. Included in the group were Hon. Henry A. Wallace, Secretary of Agriculture; Dr. Rexford Guy Tugwell, Under Secretary; Col. E.V. Rickenbacker, distinguished World War ace; and many others.

Included in the groups which attended the demonstration were Members of Congress from Illinois, Iowa, Indiana, Minnesota, and Kansas; members of the United States Department of Agriculture; chemists and experts from many petroleum companies which were members of the American Petroleum Institute, members of the National Grange, the National Automobile Chamber of Commerce, the American Automobile Association, the United States Bureau of Standards; and others.

An arrangement was concluded between myself and Mr. Ernest N. Smith, executive vice president of the American Automobile Association, whereby the contest board of the American Automobile Association would supervise the demonstration, and a joint committee consisting of Dr. Leo Christensen, of Ames, Iowa; Dr. J. F. T. Berlinger, of the E. I. du Pont de Nemours Co. of Delaware; Dr. P. J. Piccirilli, former naval expert on airplane fuels, from New York City; Dr. Sydney Bevins, of the Tidewater Oil Co., of New York City; and Dr. G. G. Brown, of the University of Michigan, were to supervise and arrange for the compiling of the report.

Using stock automobiles, consisting of a Chrysler, Ford, Rockne, and an Oldsmobile, the tests on the highway were made to determine mileage on regular gasoline and alcohol blend, as well as fuel consumption for a fixed distance of several miles. At the Bureau of Standards laboratory in Washington, dynamometer tests were made, together with other tests, to determine the separation of alcohol and gasoline, and improvement in the octane number by adding alcohol to gasoline.

Several factors entered into the demonstration to prevent it from being a really representative test. In the first place. the temperature was 100 degrees and the discomforts so great that everybody worked under difficulties. Secondly, the course over which the tests were made was very short. Thirdly, the dynamometer at the Bureau of Standards broke down and caused further difficulty. The results were released before the right kind of a canvass could be made, because many of those who participated were compelled to return home, so that all in all it was by no means a conclusive demonstration. Had a proper and deliberate break-down of the figures been made, it would have easily disclosed the superiority of alcohol-gasoline blend as a motor fuel. Yet, on the basis of this demonstration, reports appeared in the newspapers in all sections of the country to the effect that alcohol-gasoline blend was not a practical and feasible motor fuel. The same old arguments were put forth, but since that time many researches have been conducted, notably by the Bureau of Agricultural Economics of the United States Department of Agriculture. These have been published as Senate Document No. 57 of the Seventy-third Congress, and it contains much authoritative information on the subject.

From the subject matter of this document and from the exhaustive independent researches conducted by Dr. Leo Christensen, of Iowa State College, and many others the opponents of alcohol gasoline as motor fuel have taken a different tack. They no longer seriously contend that anhydrous alcohol will separate from a gasoline mixture or that it will absorb moisture from the air and cause cars to stall. They no longer maintain seriously that alcohol-gasoline blends will corrode engines, fuel lines, and fuel tanks. They no longer set forth that alcohol gasoline is an inferior fuel that will not deliver the mileage or the efficiency claimed for it by its proponents. They no longer insist that the use of alcohol-gasoline motor fuel will require a special carburetor or other gadgets before it will work.

The experience of Australia, Austria, Germany, China, the Philippines, Poland, Sweden, Chile, Brazil, England, France, Hungary, Jugoslavia, Czechoslovakia, Latvia, and other nations, where hundreds of millions of gallons of alcohol gasoline have been sold by the same companies that have

subsidiaries in those nations as well as in the United States, is the answer to their vapid and unwarranted contentions. For the Shell Petroleum Co. to market millions of gallons of alcohol-gasoline blend in Australia under the trade name of "Shellkol" and in the same breath contend that it would not be technologically feasible in the United States, or for the Cities Service Co. to market hundreds of millions of gallons of their "Koolmotor" brand of alcohol-gasoline blend in England as a premium fuel for motor boats, motor cars, and airplanes, and then contend that it would not work in the United States, was becoming so transparent that the opponents have desisted from this line of attack and now state that such a fuel would be too expensive for the American motorist.

involved, and mysterious figures that alcohol-gasoline blend would be costly to the American motorist and to the American farmer, they are grasping at a straw. Any intelligent person can at once break these figures down and show that they have been pulled out of a hat and prove exactly nothing. But such is the opposition of the petroleum industry—which for years has been driving the farmers' horses and mules from the market by displacing them with oil-burning tractors, trucks, and automobiles and now refuses to relinquish a portion of that gallonage in the interest of relief for the farmer. The technical and fiscal arguments of the opponents of alcohol-gasoline blend will not stand scrutiny, but they will continue to oppose the idea just the same. It is now a most propitious time for the farmers of the Corn Belt to start developing a strong, irresistible movement to place legislation on the statute books of the Corn Belt States, which shall provide for the use of alcohol-gasoline blend and, by indirection, gradually expand the consumption of this fuel through the levy of a tax differential.

At this point let me say a word about the future prospects for the farmers of the Corn Belt. Within a few hundred million bushels, we raised as much corn in 1895 as we did in 1930. At that time our population was about 75,000,000. We have gained about 50,000,000 in population, have not increased our production of corn materially, and yet we had such a surplus in 1933 that the price went to 15 cents per bushel. The reason is not far to seek.

The forces which have been operative to produce a surplus did not come into being overnight. They have been in operation for many years and will continue to operate. An outlet must be found.

For years our agricultural colleges have been teaching scientific feeding and showing how to get a farm animal to market with less feed. Whatever cumulative saving on feed is effected, therefore, goes into our surplus. For the last quarter of a century the horse and mule population of the farms and in the cities has decreased by more than 11,000,000. They have been replaced by iron and steel animals which eat gasoline, kerosene, and crude oil instead of hay, oats, corn, rye, wheat, and barley, and the millions of bushels of grain used for this purpose now go into the marketable surplus to be sold so that the farmer can buy liquid feed for the iron animals. From 85 to 90 percent of the corn formerly remained on the farm to be marketed in the form of beef and pork. The domestic consumption of pork and beef has materially decreased in the last generation, so that this outlet has been partially destroyed, and whatever grain was marketed in the form of meat for domestic consumption has been diminished and can be added to surplus. Every year we import from the Dutch East Indies and from Cuba, Puerto Rico, and elsewhere large quantities of tapioca starch and blackstrap molasses.

Almost 200,000,000 pounds of tapioca starch are imported annually. It comes in duty free, it is produced on cheap land with cheap labor, and is therefore much cheaper than cornstarch. This tapioca starch is used to make glue and adhesives, in confectionaries, and in the sizing of textiles, and for other purposes. Every pound that enters this country curtails the industrial outlet for corn. Similarly, blackstrap molasses, which is a byproduct of sugar refining, is now used to produce alcohol and thereby displaces corn and other cereals. In 1932, of a total of 142,000,000 gallons of indus-

trial alcohol produced in this country, less than 5,000,000 | gallons were produced from grain. Here again the industrial outlet for grains has been curtailed, and what was formerly used for that purpose can now be dumped into surplus. Finally, our exports of meat and lard and bacon have gradually decreased. In 1933 we exported 200,000,000 less pounds of lard and pork products than we did in 1910. There is no mystery about the reason for this reduction in exports. After the war, Germany, Sweden, Denmark, and other countries were anxious to get on a self-contained basis and began to encourage their farmers to expand agriculture and the production of meat by offering protection against imports and by direct subsidies to the farmers. These nations not only have enough for their own use, but a surplus, and are now bidding for trade in the world market. In a pamphlet issued in January of 1935, by the Honorable Henry A. Wallace, Secretary of Agriculture, under the title "Agriculture's Interest in America's World Trade", he states, on page 18, that:

Excessive exports of pork products from practically all hogproducing countries into the United Kingdom (England, Ireland, Scotland, Wales) in 1932 led to a quota being placed on British imports under which the United States now supplies 8.1 percent of the ham and bacon, tinned or otherwise, and salt pork now received in Great Britain.

The table which follows this statement is eloquent of the loss of our foreign outlet for hogs and pork products, which is another way of saying the loss of our corn outlet.

	American	ican exports to Great Britain		
	1924-25 to 1928-29	1931–32	1932-33 (first quota year)	
Bacon Ham	Pounds 64, 747, 000 140, 761, 000	Pounds 6, 048, 000 52, 201, 000	Pounds 3, 089, 000 67, 426, 000	

Then Mr. Wallace makes this significant observation: "The obstacles to getting back America's pork markets are serious, though possibly less serious in the case of pork than of wheat."

The future of the Corn and Hog Belt is apparently not so rosy. More improved ways of getting meat to market with less feed will be found as time goes on. That accords with the law of progress and betterment. The truck, motor car, and tractor are here to stay. There may be a slight increase in the numbers of horses and mules as years go by, but it will not be material. Moreover, neither the farmer nor the urban dweller cares to go back to horse and buggy days and relinquish the speed and the delights of the automobile. Tapioca and blackstrap imports continue to enter our country and displace farm commodities. Domestic consumption of beef and pork products is always directly proportional to purchasing power, the standard of living, and to the fads which sweep the country periodically and cause consumers to abstain from meats or curtail the consumption of meat. High prices for meat set up consumer-resistance, and they switch to cheaper substitutes. And, finally, the hope of finding a substantial export outlet holds forth small assurance for a long time to come.

What, then, shall be done to provide a remedy for this condition? Shall we sit idly by and twiddle our thumbs, hoping that something will happen? Shall we subscribe to a permanent system of regimentation whereby acreage reduction, which began as a necessary emergency measure, shall be continued year after year or even enlarged? Or shall we seek an outlet-a new outlet-for farm commodities so that all acreage that was cultivated before the acreage-reduction program became effective can once more be brought back into tillage, at commodity prices that will be fair to the farmer? It can be done by converting our agricultural commodities into alcohol, mixing it with gasoline in proper proportions, and thus burning up the corn crop efficiently and constructively by letting it go through the exhaust pipes of millions of internal-combustion engines which propel our trucks, tractors, and automobiles. A 10-

percent mixture of alcohol in gasoline would provide an outlet for the equivalent of 700,000,000 bushels of corn annually, and if this can be effected, the farm problem will be solved for many years to come.

It is economically sound, technically practical, and fundamentally justifiable. Moreover, it is fair and equitable. It merely asks the petroleum industry to surrender 10 percent of the gallonage which the truck, tractor, and motorcar have taken away from the farmer in the last 30 years. Too, it would be a distinct contribution to the conservation of our natural resources. The Natural Resources Board, appointed by President Roosevelt, which made a comprehensive report to him on December 1, 1934, states: "Known supplies of oil, natural gas, and certain metals are sufficient for, at most, a few decades." We are fast depleting our mineral resources, and, when once exhausted, they cannot be replaced. The use of alcohol-gasoline blend as a motor fuel would aid in conserving those resources.

Now, how is this to be accomplished? By sitting at the wishing well? Wishing puts no laws on the statute books. By depending on the voluntary adoption of the alcoholgasoline blend idea? Where human selfishness is concerned, that would require a generation. By law? Yes. If a lower tax is imposed on alcohol-gasoline blend in the public interest and particularly in the interest of the farmer, than on other kinds of motor fuel, it will mean the gradual expansion of the sale of alcohol-gasoline blend as motor fuel and gradually enlarge the outlet for the commodities of the farm.

This movement can best be started on a State scale. If such legislation is adopted by the States which are most affected thereby, namely, the agricultural States, it can be progressively expanded until it embraces the entire Nation. Bills are now pending before various midwestern legislatures, and, if these can be enacted into law, it will mean that other States will soon follow suit and thus set the alcohol-gasoline blend idea in motion.

Try as we will, we cannot set the law of supply and demand aside. It is as fundamental and as necessary today as it was in the days of the Caesars. The sensible thing to do in perfecting our own internal economy is not to work at cross-purposes with sound economic law but to work with it. Prices will appreciate to fair and proper levels only when demand counterbalances supply. We have the supply. We can by proper legislation, compelling the use of alcoholgasoline blend motor fuel, create the demand.

Why not throw the solid weight of agriculture and of everybody who depends upon agriculture for a livelihood behind this type of legislation and write upon the statute books of the States a sane, sensible, and fundamental kind of farm relief that will actually relieve and continue to relieve for many years to come.

### PERMISSION TO ADDRESS THE HOUSE

The SPEAKER. Under the special order of the House, the gentleman from Nebraska [Mr. BINDERUP] is recognized for 20 minutes.

Mr. BINDERUP. Mr. Speaker, whither are we drifting as a nation? Sometimes I wonder.

I would, indeed, be negligent of my duty and wasting a great privilege if I should ever fail to respond to an opportunity to come to the rescue of the farmers of our Nation—our greatest industry.

I have come this afternoon to amplify the voice of the great agricultural outdoors of the Nation.

I have come to amplify the warnings of the custodians of the great cupboard that feeds the Nation.

And I come with a specific message, a definite plan, and unquestionable theory; I have come to present the Frazier-Lemke bill, for liquidating and refinancing farm mortgages at 1½-percent interest and 1½-percent payment on principal for 47 years. I have come with a plan to build millions of small homes, wherein shall dwell the tillers of the soil. A peaceful people, the bulwark of the Nation, the Gibraltar of government—agriculture, the home.

I have come to plead the cause of the holy fountain of all prosperity—labor combined with the natural resources of the earth; the source, and the only source, from which all wealth comes. After labor has turned the natural resources into blessings, you can shift it from Peter to Paul, you can gamble with it on the board of trade, but you cannot add the smallest unit to its value. I speak in behalf of this worthy class, with whom I have breathed the air from childhood until the present time; with this class with whom I ate and drank and starved together as a childhood pioneer on the prairies of Nebraska; that class with whom I have always been proud to stand up and be counted.

We do not ask for gold and silver; we do not ask for donations or doles. Ours is a business proposition; we ask only for kind consideration and attention; and for such favors as we may receive, we shall obligate ourselves to return in full. We will pledge our honor and our homes, the most sacred things we own—our homes—part of God's green earth, our part of our Nation's great domain. We will pledge all this and our great Nation shall also grow stronger, for we will thereby be strengthening the very foundation of our Government—agriculture, our Nation's principal industry. In the words of Goldsmith:

Ill fares the land, to hastening ills a prey, Where wealth accumulates and men decay; Princes and lords may flourish or may fade; A breath can make them, as a breath has made; But a bold peasantry, their country's pride, When once destroyed can never be supplied.

We ask only that Uncle Sam will extend to us the same credit he so willingly did under the Federal Land Bank Act, where he undersigned for the bondholders who used his credit without pay; and as under the Emergency Farm Mortgage Act of 1933, where he undersigned for the farmers on miserable, poor, second farm mortgages, at this time practically worthless when it comes to collections.

I speak with considerable knowledge and information along this line, because in my office at home it is my business to write mortgages for the Federal Land Bank and the Commissioner of Mortgages. I know that in the last summer only 1 out of 19 was granted a mortgage and I live in a good State, a fine agricultural State. It has become a very miserable failure—this bright, shining light we looked forward to a few years ago that would relieve the farmers has become a desolate failure.

At home my office has been filled from morning until night with people who have come with their plea for assistance that they might save their homes. Application after application I have carried with me to Omaha, where they have been refused. There was only one bright, glimmering light of hope I held out to my people at home. I said, "You have only one chance, and that is if we can pass the Frazier-Lemke bill that they are considering down in Washington." Thus I have become so intensely interested in this piece of legislation that shall bring to the farmers that long-looked-for relief.

We want to bring Uncle Sam out of this hole with the Frazier-Lemke farm-loan bill. We do not even ask Uncle Sam to expand his credit responsibility only just for a short time, as we will, by the Frazier-Lemke Loan Act, using Uncle Sam's credit as a revolving fund, gradually liquidate and relieve Uncle Sam of his obligations or surety or guaranty on these Federal land-bank bonds and take up these second farm mortgages made under the Government Commissioner's loans and using the Federal land-bank machinery perhaps, we will give Uncle Sam in turn first-class first mortgages on our homes and farms.

But we will do much more than this, we will pay Uncle Sam in place of asking alms, as the Federal land bank does. We want to go into partnership with Uncle Sam 50-50 and liquidate and refinance farm mortgages. There is a potential profit in this deal of \$12,492,500,000 in refinancing farm mortgages. We want to pay Uncle Sam a net profit of \$6,345,000,000; no money invested, only his credit slowly shifted to the Frazier-Lemke plan from the Federal land bank. That ad bank and second-mortgage plan and large insurance companies that need the money. We want to give Uncle Sam a profit for the use of his credit thus shifted, amounting to

earth; the source, and the only source, from which all wealth comes. After labor has turned the natural resources into blessings, you can shift it from Peter to Paul, you can gamble with it on the board of trade, but you cannot add the smallest unit to its value. I speak in behalf of this worthy class,

The farmers will also have a gain almost as large by reducing their interest to  $1\frac{1}{2}$  percent and  $1\frac{1}{2}$  percent amortized payments on principal, paying Uncle Sam cash for the use of his credit; and we are not selfish about this gain. We are willing and desirous of passing this gain on to others—oh, for paper and lumber from Maine, shoes from Massachusetts, clothing from the cotton mills from the South and East; for, remember, by saving the farmer this difference in interest charge you have increased their consuming power and ability to buy and pay; you have revived the great American market to a nation that is becoming more and more self-contained.

There are eight outstanding reasons why we should pass the Frazier-Lemke bill this session:

First. Because it is right and just. We cannot make paupers out of our farmers and turn our farmer, by fore-closure, over to the large insurance companies and loan companies and institute a serf system of landowner and land slave.

Second. Because 28 legislators have petitioned this Congress to pass this Frazier-Lemke loan bill this session, and, besides this, seven houses or senates have sent in individual petitions.

Third. The leading farm organizations, as well as many other organizations, realizing the necessity of this farm relief, have sent in petitions to this Congress asking that this bill become a law at once.

Fourth. Because it will not cost the Government one cent in cash—only the use of Government credit while we are slowly paying up and liquidating the Federal land bonds and relieving the Government of this obligation in exchange for ours.

Fifth. Because the Federal land bank is not helping the farmers in distress, because it is a double-jointed affair—half fish and half fowl, half Government and half private bank.

Sixth. Because it would increase the buying and consuming power of the farmer, which is half the consuming power of the Nation. It would start once more the factories of the East. Remember the farmer is 50 percent of the purchasing power of the articles of eastern industries.

Seventh. Because there is not a soul on God's green earth that can give one reason why it should not be passed.

Eighth. Because it will put into circulation, down the line among the farmers, \$3,000,000,000 new money, the crying need of the Nation today, not interest-bearing, tax-exempt bonds.

I have listened with much interest and at times with much distress to the discussion of the military bill on the floor of this Congress the past few weeks, when we, as a nation at peace with the world, made an appropriation of \$400,000,000, and contemplate an appropriation almost as large for the Navy, and added to this the expected allotment from P. W. A., which, according to the public press, will total an amount over \$1,000,000,000—by far the largest appropriation ever made by any nation in the world in time of peace, and few nations in the world have ever made so large an appropriation even in times of war—and this at a time when we are talking disarmament among nations of the world, a movement in which we have earlier been proud to take leadership. Oh, I am not criticizing our Committee on Military Affairs; I am not criticizing anyone, even though I considered it my duty to vote against this large appropriation.

And I stop to mention the fact that Uncle Sam is now furnishing the same credit that we are asking for to the Federal land bank. That act was passed in the last session of Congress, when the Farm Act was passed, and the Federal land bank was allowed to take these bonds to the R. F. C. and receive cash in full.

We are willing and desirous, furthermore, of passing this gain to the farmers to others. We want to buy fruit from California and shoes from Massachusetts and a lot of those cotton goods you men from the East and the South have been telling us about, where your factories are closed down. We want to pass this money on to you, for by saving the farmer this difference in interest you have increased his consuming power to purchase goods from the industrial East by \$6,149,-000,000. You have created an ability in the great farming class to buy and pay. You have revived the great American market of the Nation, a Nation so fast becoming self-

Mr. COLDEN. Mr. Speaker, will the gentleman yield? Mr. BINDERUP. Yes.

Mr. COLDEN. Does the Frazier-Lemke bill make any distinction as between landlords, the commercial farmer, and the man who actually lives and rears his family on a farm?

Mr. BINDERUP. No; it does not. The matter has been talked about for the last year, and especially for the last few days, as to whether it is advisable at this time to make a distinction. My own opinion is a good deal like I think the gentleman's is. I should like to see the Frazier-Lemke bill provide for one thing, and that is for building little homes limited to a certain piece of land; but at the present time most of the speculative land is land that does not have much mortgage on it, and, furthermore, the distributing of these mortgages, the taking up of these mortgages, will be determined by the board of the Frazier-Lemke bill. Secondly, we do not have to issue these mortgages unless we want to.

Mr. COLDEN. I do believe there should be a great distinction between the farmer who lives on his farm and the landlord or the commercial farmer.

Mr. LUNDEEN. Mr. Speaker, will the gentleman yield?

Mr. BINDERUP. Yes. Mr. LUNDEEN. The Frazier-Lemke petition, as I understand it, was placed on the Speaker's desk this noon.

Mr. BINDERUP. Yes. Mr. LUNDEEN. It is there for signatures for all the Members of the House.

Mr. BINDERUP. Yes.

Mr. TRUAX. Mr. Speaker, will the gentleman yield?

Mr. BINDERUP. Yes.

Mr. TRUAX. Under the present set-up of the Farm Administration it is difficult for the landowner to secure a loan from the Government unless he lives on his farm. The Frazier-Lemke bill, if enacted into law, which I hope it will be, will merely employ the mechanics and machinery of the Farm Credit Administration?

Mr. BINDERUP. That is true. As I have said, 28 legislatures in 28 different States of the United States have sent petitions to this Congress petitioning it to pass this bill. Nebraska and some of the others were not satisfied to send petitions from the legislatures once, but they have sent them twice, and a number of other States have sent petitions to this Congress either through the House or the Senate.

Further, to repeat somewhat, the leading farm organizations of the Nation are favoring this, and sending petitions to pass the Frazier-Lemke bill. As to cost, it will not cost our Government one cent. It will not even cost our Government more credit risk or surety, because eventually we are taking over the land-bank mortgages, relieving the Government of its responsibility to the Federal land bank and shifting it over to the Frazier-Lemke bill.

In the past years my experience has been that the Government was always handed the ragged end of the deal. The Federal land bank fixes the mortgages so low that when the second mortgage was added it was not as much as the first mortgage was originally. At the present time there is only one price for a farm, and that is what the first mortgage is, and it does not make any difference how high or low it is. Consequently the Federal land bank, that is, a private institution, when foreclosing on the Federal land-bank mortgage now, gets the equity of the farmer and then gets the equity of Uncle Sam, so that it must be a safe proposition for them, but a risky thing for the farmer and a risky thing for Uncle Sam.

Mr. CARPENTER. Mr. Speaker, will the gentleman yield? Mr. BINDERUP. Yes.

Mr. CARPENTER. The gentleman represents a great agricultural district?

Mr. BINDERUP. Yes.

Mr. CARPENTER. The same as I do. Mr. BINDERUP. Yes.

Mr. CARPENTER. Representing that district, the gentleman is in touch with the farmers of that district. Does the gentleman know of any piece of legislation before the Congress in which the farmers are more interested or more desirous to have enacted than the Frazier-Lemke bill?

Mr. BINDERUP. Absolutely not. The farmers are looking forward to the Frazier-Lemke bill. There is not a bill in the United States as well known among the farmers as the Frazier-Lemke bill. It is their only hope at the present time to keep their farms.

Mr. CARPENTER. Will the gentleman yield for one other question?

Mr. BINDERUP. I yield.

Mr. CARPENTER. The farmers are not asking something for nothing in this bill, are they?

Mr. BINDERUP. They are not. Mr. CARPENTER. They are willing to put up their own possessions and their own land for this relief?

Mr. BINDERUP. Yes. They put up their homes. We as a nation have always recognized that the home was the greatest security. We said to land companies, to insurance companies, "We will only allow you to loan the people's money for one thing-the home-because it is the greatest security there is." The home, for which a man will sell his shirt and give his life. That is what we are giving to the Government in security—not for money, but just for the credit of our Nation in order that our Nation may live and our farmers may keep their homes. [Applause.]

Mr. CARPENTER. They are not asking for any contribution from the Government in this bill?

Mr. BINDERUP. Not at all; not a bit.

Mr. DUNN of Pennsylvania. Will the gentleman yield?

Mr. BINDERUP. I yield.

Mr. DUNN of Pennsylvania. Is the gentleman able to give any statistics as to the number of farms sold under sheriff's sale during the past year?

Mr. BINDERUP. No; I do not have that in my memory at the present time.

I want to give a little comparison. I have been a silent student among you, listening with the most intense interest in these days that I have walked so silently among you. I want to make a comparison with the loan that we are asking for. I have listened with much interest and at times with much distress to a discussion of the military bill on the floor of this Congress during the past few weeks when we, as a nation at peace with the world, made an appropriation of \$400,000,000; and we are contemplating, I understand, an appropriation almost as large for the Navy.

Perhaps it is necessary. Added to this are the expected allotments from the P. W. A., which, according to the public press, will constitute an amount over one billion. figures are appalling. They paralyze the mind. They startle the imagination. A billion dollars, Mr. Speaker, for preparation for war at this time when we are at peace with all nations. But let me not criticize. Perhaps it is necessary, even though I could not support the measure. This, Mr. Speaker, is at a time when we are talking disarmament among the nations of the world, a move in which we have earlier been proud to take leadership. So I am not criticizing our Committee on Military Affairs. I am not criticizing anyone. I am simply drawing to your attention these facts, as a matter of comparison, and I am anxious that I may not create any prejudice and not render any judgment that is not exactly right. Continuously I am reminded, since I came to this Congress especially, of President Hoover when he said, and when President Roosevelt, who honorably and nobly repeated these same warning words in his radio speech in New York during the campaign:

Our Nation is facing a crisis more serious than war.

The SPEAKER. The time of the gentleman from Ne- | braska [Mr. BINDERUP] has expired.

Mr. CARPENTER. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

Mr. DOUGHTON. Reserving the right to object, and I shall not object, I have been granted permission to address the House for 30 minutes following the gentleman's address. I must attend a funeral at 1:45. The gentleman can see where I am.

The SPEAKER. Is there objection to the request of the gentleman from Kansas [Mr. CARPENTER]?

There was no objection.

Mr. GILLETTE. Will the gentleman yield for a question? Mr. BINDERUP. I yield.

Mr. GILLETTE. As I understand, the discharge petition which the gentleman has placed on the Clerk's desk today is not to discharge a committee from consideration of the Frazier-Lemke bill?

Mr. BINDERUP. No; not at all. Mr. GILLETTE. But is is a petition to discharge the Rules Committee from consideration of a resolution, which will bring it up for debate on this floor?

Mr. BINDERUP. I am glad the gentleman made the suggestion. He is correct.

Mr. MICHENER. Will the gentleman yield? Mr. BINDERUP. Yes; I yield.

Mr. MICHENER. In the gentleman's time will he not discuss how this is to be financed, because I think that is really the thing the House is interested in. We all know about the condition of agriculture, but if the gentleman will just tell us how this is going to be financed, we will all be interested. That is what is bothering us.

Mr. BINDERUP. In making my discussion and presentation of the Lemke bill this morning I will not go into all of those details, because those will be discussed later. This is a bill of great importance, so I beg of you the privilege of going on at this time with the outline of my talk, and I will take up the matter to which the gentleman referred a little later, if you please.

We hear the echo of these words again in the report of the Committee on Military Affairs. At first we wondered, for the committee said:

From the witnesses before them no information had been dis-closed that there was any immediate danger from Mexico on the south nor Canada on the north, or invasion of any foreign enemy.

But at least one of the committee said, rather reluctantly, "If you had heard the testimony of adjutant general from this or that State "-and they mentioned the State-" if you had heard of threatened anarchy and uprising, you would not now vote to reduce this amount." And then we understand what the committee meant. Then we heard the echo of the warning given by President Hoover and President Roosevelt-"that our Nation was facing a crisis more serious than war." Then we understood that there had been considered in this huge appropriation the possibility of having to protect our Government against our own people. No wonder it made us shudder and tremble for the safety of our people and our

Oh, I know, my friends and fellow Congressmen, many of you are condemning me for saying this; but you would not appreciate me among you as a counselor if I feared to tell you the truth in this people's forum, the people's court, where we may speak frankly and freely. But, Mr. Speaker, I want to ask unanimous consent that if there is anything in these remarks that might imperil peace in the least it be expunged from the RECORD.

We knew it was true, for did we not hear the distant rumbling of the wheels of revolution in 1932? Did we not see the black cloud of discontent on yonder horizon, and did we not hear the roaring and the rumbling of the approaching

Thank God, it passed over us. Did we not hear, Mr. Speaker, at that time the murmurings of a great but outraged farming class out in my country-people who were government of its power and divides a people so that one-

being deprived of their homes, out on the public highway tipping over milk trucks, produce trucks, stock trucks, and hindering traffic on the public highway? We knew that was revolution because our Nation was depriving those people of their homes. But the clouds passed over. Why? Because we passed in Iowa and Nebraska the moratorium to save the homes, and later the Nation came to their rescue and passed the Frazier-Lemke Moratorium Act, and their homes were saved. God's sanctuary on earth to man. This should be to us, the people's representatives, a powerful warning, for we also know that when you rob a man of his home you rob him of his pride and his individuality; you rob him of his patriotism and his loyalty; you leave a mere skeleton where before there was a great citizen; and you leave a Communist where before you had a great warrior. You turn a victory into a defeat, peace into chaos, when you rob a man of his home. Once more, Mr. Speaker, I say that the object of the Frazier-Lemke bill is to prevent that thing, the sacrifice of the home, and to preserve the homes of the people of our Nation.

In conclusion, Mr. Speaker, let us remember that true democracy must not go into partnership with shot and shell, that liberty and justice to the toiling masses in its power and omnipotence spurns the cooperation and futile efforts so insignificant and so unworthy as a sword and gun. A mighty nation, my friends, is not a nation of mighty armies, navies, and forts; a mighty nation is a nation of a million little homes, because there is where patriotism reigns supreme. Patriotism does not echo from the roaring sound of a cannon; that is militarism. Patriotism, Mr. Speaker, was never born of the tyranny of war; that is despotism. Patriotism, Mr. Speaker, is born in a million homes; it is born of the spirit of human love. Patriotism is born in the home. The home for which a man will sell his shirt and give his life-the home, God's sacred sanctuary to man on earth. The home-that is the unit of the great foundation of our Government, the home wherein is created the character of your child and mine; the home wherein is bred the peaceful dispositions of our citizens. Mr. Speaker, that is where patriotism is born. That is what makes a mighty nation. I repeat it, Mr. Speaker, because it is emphatic, that a powerful nation is not a nation with great, big standing armies, forts, and fortifications; it is a nation with a million homes which men will fight to the last ditch to

Then let us make our Nation strong once more. Let us build millions of homes for the tillers of the soil, the creators of wealth and happiness. I come with the specific plan and governmental machinery, the Frazier-Lemke bill, that provides for 11/2-percent interest and 11/2-percent amortized payments, paying out in 47 years. That is the silver lining of the dark clouds; that is the only hope for the farmers of our Nation who purchase 50 percent of the products of the industry of the East. The eastern industrialists cannot live without them. You will benefit just as much as they. We are desirous that it be scattered around. It is a national issue, a cornerstone of the Nation; but all will profit by the Frazier-Lemke plan of refinancing farm loans. [Applause.]

Then let us rather use \$400,000,000 to build homes under the Frazier-Lemke bill to protect our Government against its own and then we will not need armies and navies.

For, my friends, no army or navy is strong enough to kill communism and anarchy, but you can choke it to death with liberty and justice; communism cannot grow in such environments. Communism grows out of injustice, despotism, and tyranny, but it dies when associated with liberty and justice.

May I take the liberty to advise you, my fellow Congressmen, that the greatest and only duty we are asked to perform, the only reason we were sent to Congress, the only reason we have government is for the one purpose—for the protection of the worthy weak against the mighty

The only enemy of mankind we are asked to combat is human greed, the centralization of vast capital, that robs half is ruined by lust and luxury and the other is destroyed by poverty, privation, and starvation; and when our people are thus divided, the Nation dies.

By the combination of wealth you can, through the instrumentality of hunger, warp the brain and sear the conscience and make out of your most worthy citizen a raving Communist.

But give this man a home, under the Frazier-Lemke plan, and you can again bring back his love for his Government and his patriotism; the environs of a home is the Government's only guaranty of safety.

[Here the gavel fell.]

UNADDRESSED ADVERTISING MATTER AND THE UNITED STATES MAILS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. REED of New York. Mr. Speaker, the Postmaster General, Hon. James A. Farley, has issued an official order that strikes a severe blow at the newspapers and the small business man. It places the Government and the mail-order houses in partnership. This combination of Government and big business will bring ruin to the small merchant and local dealer. At the same time it will weaken the financial structure of the newspapers by destroying their revenues. Furthermore, in his zeal to put his official order into effective operation the Postmaster General has suffered and permitted a violation of the postal laws of the United States by Government officials.

On October 12, 1934, the Postmaster General, yielding to the demands of the mail-order houses, issued order 6338, which permits the direct-by-mail advertising groups to send their advertising broadsides into the cities for delivery without requiring that such mail matter bear either the name or the address of the person to whom it is sent. To be more specific, all that a mail-order house has to do, under this order, is to request from the Post Office Department the number of city routes and the number of patrons on each route; then it sends its unaddressed advertising circulars to the postmaster of that city who superintends the delivery of this unaddressed advertising matter. Thus the city mail carriers become glorified hand-bill distributors for the mail-order houses.

The "throw-away advertising sheets" are one of the keenest forms of competition with which the newspapers have to contend. When the delivery of such matter is extended through the post offices, it means disaster to their advertising revenues. To deprive them of this revenue can only result in the ultimate destruction of a free press.

Now, as to the violation of the postal laws of the United States by Government officials. A campaign was launched with the approval of the Postmaster General, by the postmaster at Washington, D. C., as an initial experiment upon which to base a Nation-wide drive, similar in character, to bring this governmental advertising plan to the attention of the "direct-by-mail advertising" groups. I have before me a circular which was sent out through the mail by the local postmaster and delivered by the letter carriers to 5,000 business men in Washington. There was not a word of official character printed on the face of the circular, either inside or out, to bring this advertising matter within the purview of the postal laws of the United States. On the face, or outside of this unaddressed circular, appear these words: "The first of its kind in Washington" and "It can help you increase your business."

Let us examine the postal laws of the United States. Title IV, Domestic Mail Matter, section 615 specifically states:

It shall be lawful (for all officers of the United States Government) to transmit through the mail, free of postage any letters, packages, or other matters relating exclusively to the business of the Government of the United States, \* \* the envelops of such matter in all cases to bear appropriate endorsement containing the proper designation of the office from which or officer from whom the same is transmitted with the statement of the penalty for their misuse. Every such letter or package to entitle it to pass free shall bear over the words "official business" an endorsement

showing also the name of the department, and if from a bureau or office (or officer) the name of the department and the bureau or office (or officer), as the case may be, whence transmitted (with a statement of the penalty for their misuse).

Here is what the Washington postmaster did with his highly colored, artistic propaganda. As I have stated, he delivered or caused to be delivered through the mail 5,000 copies of this circular to "Washington businessmen." The circular does not relate "exclusively to the business of the United States." It was not mailed in a "penalty envelop." It contained no "description of the office from which, or officer from whom, it was transmitted." It did not contain any statement "of the penalty for its misuse." It did not contain the words "official business."

With the approval of the Postmaster General the Washington postmaster has ignored, defied, and violated the provisions of the postal laws. If this usurpation of power is not challenged, then further misuse will be made of the mails to the destruction of private business.

The Tennessee Valley Authority "yardstick" is now sending its monthly bills to consumers under Government frank, as well as its advertising and propaganda, which is a gross abuse of postal privileges in competition with private business.

I know, and every Member of the House knows, that it will be futile for the small business man, hampered as he is now with codes and regulations of all kinds, to meet the competition of the highly organized mail-order houses. With the special dispensation of the Postmaster General, the mail-order houses can nullify whatever efforts the small merchants may make, individually or collectively, to meet such competition as will result from this order.

A Nation-wide campaign on the part of the Government to encourage the city distribution of unaddressed advertising broadsides is a cruel blow to thousands of small merchants who are fighting to exist.

The recent appointment of the head of Sears, Roebuck & Co. to dispense the \$4,880,000,000 under the work-relief bill, if and when it is passed, is not without significance. This danger has not been overlooked by the merchants and manufacturers of the country. I have on my desk protests from merchants and manufacturers in my district against the appointment of the president of Sears, Roebuck & Co. to administer this vast sum, if and when it is placed at his disposal. Those who are familiar with the practices of large monopolistic concerns are quite well aware how anxious those concerns are to place their executives in key positions that will enable them to expand the business of the firms which they represent, and all at the expense of the taxpayers of the country.

It is well known that more than 500,000 small business men have been destroyed during the past 2 years. Many of those that have so far survived are threatened with prosecution for alleged violations of the N. R. A. They are taxed under numerous codes, and they are flooded with official documents demanding detailed reports as to the conduct of their business.

This Congress is fully cognizant of the disaster the Postmaster General has brought to the Mail Service. The air mail scandal, resulting in the death of Army aviators, the unlawful distribution of stamps to his personal friends indicate the callous indifference of this high and all-powerful official.

When oppression stains the robe of state, and power's a whip of scorpions in the hands of heartless knaves, to lash th' o'erburthen'd back of honest industry, the loyal blood will turn to bitterest gall, and th' o'ercharged heart explode in execration.

### PERMISSION TO ADDRESS THE HOUSE

Mr. DOUGHTON. Mr. Speaker, on yesterday the House was kind enough to grant me the privilege of addressing the House today for 30 minutes. I find it will be almost impossible to talk today.

I ask, therefore, Mr. Speaker, unanimous consent that it be transferred to Thursday; that on Thursday next after the reading of the Journal and disposition of business on the Speaker's table I may be permitted to address the House for 30 minutes. Mr. TAYLOR of Colorado. Mr. Speaker, reserving the right to object, may I say that I have objected to the requests of several gentlemen to make speeches on Thursday and Friday. I did this because I understood the Home Owners' Loan Corporation bill will be taken up at that time; and if it is taken up, it will undoubtedly take practically the rest of the week. If that bill is not brought in for consideration, I have no objection to the gentleman's request. It is unfortunate that the gentleman from North Carolina [Mr. Doughton] allowed the other speeches to come in ahead of him and now has a very serious and important engagement which prevents him from making his speech.

Mr. DOUGHTON. I may say to the gentleman from Colorado [Mr. Taylor] that I am not particular about any one day. If it does not fit in with the program on Thursday, a later day will be acceptable. I desire to accommodate myself to the convenience of the House.

Mr. TAYLOR of Colorado. If we are going to take up the Home Owners' Loan Corporation bill, I feel that I should not permit numerous speeches to interfere with that important matter. I cannot consistently object to other gentlemen's speaking and permit the Chairman of the Ways and Means Committee to make a 30-minute speech.

Mr. MARTIN of Massachusetts. When are we going to know whether that bill will be taken up?

Mr. SABATH. May I suggest that the gentleman change his request and ask permission to speak tomorrow?

Mr. DOUGHTON. Mr. Speaker, I modify the request and ask unanimous consent that tomorrow, after the reading of the Journal and disposition of matters on the Speaker's table, I may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the majority leader tell us when we are going to have this Home Owners' Loan Corporation bill up for consideration? Does he not know whether it is coming up Thursday or not?

Mr. TAYLOR of Colorado. The committees in charge of that bill have come to no agreement about it.

Mr. O'CONNOR. Mr. Speaker, reserving the right to object, I may state that we have arranged to hear the Committee on Banking and Currency tomorrow before the Rules Committee for a rule. If we grant a rule tomorrow, the matter should be brought up on Thursday.

Mr. MARTIN of Massachusetts. The gentleman does not have any serious question but that the organization could bring it up on Thursday if they had the desire? I think the Membership of this House ought to know something about the matter.

Mr. O'CONNOR. It is in the hands of the Banking and Currency Committee, to a certain extent, whether or not the bill will be brought up Thursday.

Mr. FISH. The Banking and Currency Committee reported that out some days ago, and they would like to have it brought up immediately.

Mr. O'CONNOR. As I stated yesterday, so far as I am personally concerned, the buck is not going to be passed to the Rules Committee, because yesterday was the first indication we had that the rule would be requested, and immediately we set a hearing for tomorrow in order to hear the application.

Mr. FISH. That is because the chairman was away.

Mr. O'CONNOR. I do not know the reason, but that is the

Mr. MICHENER. Why cannot the gentleman get his information from the steering committee? You have such an organization which is supposed to arrange the program here. May I suggest that the gentleman inquire of the steering committee so that we may have an idea when the House will consider this important piece of legislation?

Mr. O'CONNOR. If I had my way about the matter, it would be taken up Thursday.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

### PERMISSION TO ADDRESS THE HOUSE

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes in reference to the Private Calendar.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Will the gentleman yield before he starts his speech?

Mr. O'CONNOR. This is not going to be a "speech"; but I yield to the gentleman from New York.

Mr. FISH. Well, call it an address. Can the Chairman of the Rules Committee inform the House when they expect to bring up for consideration the bill to take profit out of war?

Mr. O'CONNOR. I understand the gentleman from South Carolina [Mr. McSwain] is out of the city. That is why that matter has not been brought up heretofore. The rule has been granted, and the bill will be brought up whenever the Committee on Military Affairs desires and as it fits in with the program of the House. As far as the Rules Committee is concerned, it is willing to bring the matter up at any time.

Mr. FISH. Is the Rules Committee willing to bring it up, if the author, the gentleman from South Carolina [Mr. McSwain], wants it brought up?

Mr. O'CONNOR. Any time the distinguished gentleman from South Carolina wants it brought up.

Mr. Speaker, last June our distinguished majority leader, the gentleman from Alabama [Mr. Bankhead], then Chairman of the Rules Committee, appointed a subcommittee, consisting of myself, the gentleman from Indiana [Mr. Greenwood], the gentleman from Virginia [Mr. Smith], the gentleman from Michigan [Mr. Mapes], and the gentleman from New Jersey [Mr. Lehlbach], to investigate the rules pertaining to the consideration of the Private Calendar and to attempt to devise a more satisfactory method of handling that calendar. Since that time we have done considerable research and given a great deal of study in reference to some solution of this problem that has been with us for at least a generation. We have had researches made of all methods of handling this matter in similar parliamentary bodies.

We have communicated with all the Members of the House on several occasions and have received many valuable suggestions. The gentleman from New Jersey [Mr. Lehlbach] introduced a resolution which was very helpful. The gentleman from Illinois [Mr. Sabath] introduced a resolution which we considered. The gentleman from Ohio [Mr. Harlan] has given a great deal of study to the matter of handling tort claims which are reported from the Claims Committee.

With all these suggestions before us the Rules Committee, through its subcommittee and the whole committee, has considered this problem on several occasions, and we have worked out what we think may be a solution of the problem for the time being, at least. Maybe we have not solved the problem at all. Maybe when we put the plan to work, it will not be satisfactory. We hold no brief for this plan as the last word on what ought to be done with the Private Calendar, but we offer it as a possible solution.

Mr. Speaker, today I introduced House Resolution 148, and the reason I take the floor at this time is to request the Members, if they are interested in the matter of handling the Private Calendar, to get a copy of this House Resolution 148 and give it some study.

The resolution is as follows:

## House Resolution 148

Resolved, That rule XXIV of the House of Representatives be, and is hereby, amended by striking paragraph 6 thereof and inserting in lieu thereof:

"6. On the first Tuesday of each month after disposal of such business on the Speaker's table as requires reference only, the Speaker shall direct the Clerk to call the bills and resolutions on

the Private Calendar. Should objection be made by three or more Members to the consideration of any bill or resolution so called, it shall be recommitted to the committee which reported the bill or resolution and no reservation of objection shall be entertained by the Speaker. Such bills and resolutions, if considered, shall be considered as in Committee of the Whole. No other business shall be in order on this day unless the House by two-thirds vote on motion to dispense therewith shall otherwise determine. On such motion debate shall be limited to 5 minutes for and 5 minutes against said motion.

"On the third Tuesday of each month after disposal of such business on the Speaker's table as requires reference only, the Speaker may direct the Clerk to call the bills and resolutions on the Private Calendar, preference to be given to omnibus bills containing bills or resolutions which have previously been objected to on a call of the Private Calendar. All bills and resolutions on the Private Calendar so called, if considered, shall be considered in the House as in the Committee of the Whole. Should objection be made by three or more Members to the consideration of any bill or resolution, other than an omnibus bill, it shall be recommitted to the committee which reported the bill or resolution and no reservation of objection shall be entertained by the Speaker.

"Omnibus bills shall be read for amendment by paragraph, and no amendment shall be in order except to strike out or to reduce amounts of money stated or to provide limitations. Any item or matter stricken from an omnibus bill shall not thereafter during the same session of Congress be included in any omnibus bill.

matter stricken from an omnibus bill shall not thereafter during the same session of Congress be included in any omnibus bill.

"Upon passage of any such omnibus bill, said bill shall be resolved into the several bills and resolutions of which it is composed, and such original bills and resolutions, with any amendments adopted by the House, shall be engrossed, where necessary, and proceedings thereon had as if said bills and resolutions had been passed in the House severally.

"In the consideration of any omnibus bill the proceedings as set forth above shall have the same force and effect as if each Senate and House bill or resolution therein contained or referred to were considered by the House as a separate and distinct bill or resolution."

The resolution has not yet been reported by the Rules Committee. We want the reaction of the House, and we will set down a hearing within a few days, at which time any Member of the House interested either in opposition to the resolution or having any suggestions may appear and give his or her views as to how the resolution might be perfected or what different method should be followed.

There have been many methods proposed. A very usual suggestion from the Members has been to increase the number of objectors. Another method proposed was to call the bills in the regular way under the general rules of the House. This has been tried, in part, under the existing rule, subsection 6, of rule XXIV, which was perfected by the gentleman from Indiana [Mr. Greenwood]. That rule provides that when a bill is objected to, it is placed on a deferred list. This deferred list was to be taken up on a later day in the month, and the bills on that list were to be considered under the general rules of the House.

On the one day this deferred list was tried out, only about three bills were passed, because the opportunity of filibustering to prevent bills further down the list from being reached was obvious to the objectors. This rule therefore did not work, and ever since the Private Calendar has been considered under unanimous consent and not under any rule of the House

Our present thought as to the way the Private Calendar might better be handled is this—and as the resolution is not very long I shall read it to you. It is House Resolution 148 which I have introduced today, and which I hope you will study carefully:

On the first Tuesday of each month, after disposal of such business on the Speaker's table as requires reference only, the Speaker shall direct the Clerk to call the bills and resolutions on the Private Calendar.

You will note this provision is mandatory on the Speaker, as with the Consent Calendar. He must call the calendar on the appointed day.

Should objection be made by three or more Members to the consideration of any bill or resolution so called, it shall be recommitted to the committee which reported the bill or resolution \* \* \*.

You will note that 3 objections are required in the first instance; and you will note that if there are 3 objections, the bill is then recommitted to the committee—the

Claims Committee or the Military Affairs Committee or the Naval Affairs Committee, or some other committee.

And no reservation of objection shall be entertained by the Speaker.

It is the opinion of many Members who have given thought to the subject that the reservation of objection on the call of the Private Calendar—and, in fact, generally in the House—takes up too much time and accomplishes very little purpose except to permit some Members to make a speech or some comments, very often not pertinent to the bill or the subject matter. When the Private Calendar is called on the first Tuesday, objection must be made, and the Speaker cannot entertain any reservation or objection. When objection is made by three Members, the bill is recommitted to the committee which reported it.

Such bills and resolutions, if considered, shall be considered in the House as in the Committee of the Whole.

This provision is principally to save the time of going in and out of the Committee of the Whole. In the House, as in Committee of the Whole, the bill would be considered under the general rules of the House—the 5-minute rule, for instance.

No other business shall be in order on this day unless the House, by two-thirds vote on motion to dispense therewith, shall otherwise determine. On such motion debate shall be limited to 5 minutes for and 5 minutes against such said motion.

This same rule applies to Calendar Wednesday. Calendar Wednesday cannot be dispensed with by less than a two-thirds vote of the House. Of course, usually it is done under unanimous consent, but on this first Tuesday of the month it is mandatory to take up the Private Calendar, and this could not be dispensed with unless a two-thirds vote of the House was obtained.

On the third Tuesday of each month, after the disposal of such business on the Speaker's table as requires reference only, the Speaker may direct the Clerk to call the bills and resolutions on the Private Calendar, preference to be given to omnibus bills containing bills or resolutions which have previously been objected to on a call of the Private Calendar.

The plan of this rule, as developed in the Rules Committee, is to take bills which are objected to on the Private Calendar, have them recommitted to the committees which reported them for further study, and a real study, and, if the committee on review sees fit, they may include them in omnibus bills.

We discussed with the Claims Committee here the ideal way for the committees to handle this review, and we hope if this rule goes into effect the committees will each try to set up a subcommittee of about five members to review bills which have been objected to.

Preferably on the subcommittee there should be no Member who has reported any of the bills objected to. This committee would determine whether any of the bills objected to should be included in the omnibus bill to be brought again before the House.

On the third Tuesday the Speaker may direct the Clerk to call the calendar, and the omnibus bills are taken up.

All bills or resolutions on the Private Calendar, if considered, shall be considered in the House as in Committee of the Whole.

On the third Tuesday, in case the omnibus bills do not require the whole time, individual bills on the Private Calendar can be called.

They would be treated in the same way that individual bills on the Private Calendar are considered on the first Tuesday.

Should objections be made by three or more Members to the consideration of any bill or resolution, other than an omnibus bill, it shall be recommitted to the committee which reported the bill or resolution and no reservation of objection shall be entertained by the Speaker.

Omnibus bills shall be read for amendment by paragraph, and no amendment shall be in order except to strike out or reduce amounts of money stated or to provide limitations.

An attempt to prevent filibustering on omnibus bills is the reason that this limitation is put in. In other words, an amendment could be offered striking out one paragraph, say,

"House bill 29, for the relief of John Jones" or any other item, or the amount for "the relief of John Jones" being \$5,000, an amendment reducing it to \$2,500 would be in order, but no amendment would be in order increasing the amount.

Any item or matter stricken from an omnibus bill shall not be thereafter during the same session of Congress included in any omnibus bill.

In other words, a private bill has two chances-it is considered on the Private Calendar first and if objected to by three Members it may then be included in an omnibus bill, and if that particular item is stricken out of an omnibus bill it cannot then be reported again during that session of Congress in any omnibus bill.

Upon passage of any such omnibus bill, said bill shall be resolved into the several bills and resolutions of which it is composed, and such original bills and resolutions, with any amendments adopted by the House, shall be engrossed, where necessary, and proceedings thereon had as if said bills and resolutions had been passed in the House severally.

That is, the bills composing the omnibus bill shall be broken down again into individual bills rather than sending the omnibus bill to the President to be signed as one bill.

The reason for that provision is that if you send an omnibus bill to the President to be signed, he has no power to veto a particular item, and if the President did not feel inclined toward some particular item in the omnibus bill he would be compelled to veto the entire bill.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended for 10 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'CONNOR. Further quoting from House Resolution 148:

In the consideration of any omnibus bill the proceedings as set forth above shall have the same force and effect as if each Senate or House bill or resolution therein contained or referred to were considered by the House as a separate or distinct bill or resolution.

The consideration of Senate bills in an omnibus bill has caused us some trouble. We think the last clause will protect the procedural situation as to those bills.

I shall be glad now to answer any questions, if I am able. Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. Yes.

Mr. BLANTON. With reference to the provision that in the first instance it requires three objections, I call the attention of the gentleman from New York to what was well known in this House during the last 18 years as the Sevier heirs claim. During the last 18 years that bill was reported favorably by the committee a number of times. One time it had the unanimous committee report-21 members. The claim was 100 years old and involved with interest over \$100,000,000. The objection that stopped that bill each time was one objection, until it was finally killed on its merits.

In looking up the matter in the Department, down here in old, musty files, I found the receipt that old Governor Sevier, who was the first Governor of Tennessee, had himself signed, written with his own handwriting, and over his own signature, wherein he acknowledged that he had received from this Government every dollar that the Government owed him, and gave a full release to the United States of all claims

If it required three objections and you could not reserve the right to state what was behind that bill, and show why it should not pass, how on earth could you stop a bill of that kind. We did stop it, and we finally beat that bill on its merits here in the House.

Mr. O'CONNOR. I know nothing about that particular

Mr. BLANTON. The gentleman will find lots of bills. involving tremendous sums, aged, hoary with the years, that are wholly without merit. Unless, by reserving the right to object, you could tell colleagues something about them how could you stop them? You could not get three objections. It would mean passing all private bills, and you might as well

take the Treasury door off of its hinges, and invite everybody to help themselves.

Mr. O'CONNOR. If there is anything that is unanimous in the opinion of the people who have studied this subject, it is that reservations of objections must be stopped. Personally I do not think there is any material difference between requiring one objection or three objections. I think it is as easy to get three objections as it is to get one, but it may be more difficult to get three arbitrary objections. If there are three sincere objections to the bill on its merits, there will be no difficulty getting the three.

Mr. BLANTON. During my 18 years in Congress I have never yet made an arbitrary objection. I have stopped many private bills, but the ones I have stopped were wholly

unmeritorious.

Mr. TRUAX. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. Yes.

Mr. TRUAX. I call the attention of the gentleman to the fact that last year in the last session of the Seventythird Congress there was approximately \$20,000,000 of private bills stopped by the objecting committee. When you prohibit the right of Members who stand up here for a mark to be shot at by disgruntled Members to state why they object to another Member's private bill, I think it is wrong. The Member objects because that bill is either unworthy, vicious, or is a plain grab into the Treasury. Under a reservation of objection, a Member can explain to other Members and to the country at large why this vicious bill is objected to. In that way they are stopped. Under this proposed change in the rules there will be no opportunity for a Member who has given these bills careful study and who desires to object to a bill because it ought to be objected to, to explain why he does it. There is no opportunity for him to say that the bill has not been recommended by the Department affected.

Mr. O'CONNOR. I yielded for a question, and the speech the gentleman is now making is typical of a reservation of objection.

Mr. TRUAX. That is true, and I am glad to say that I stopped \$469,000 worth of Senate bills on the last day of the Seventy-third Congress.

Mr. O'CONNOR. And at the same time the gentleman may have done a great injustice to a number of citizens of the United States.

Mr. TRUAX. Not so far as the bills that we stopped are concerned. The gentleman is simply attempting to cram down the throats of this House another gag rule, one of the worst of all.

Mr. O'CONNOR. Oh, it is not my rule, nor is it a gag rule. It is a proposed rule to expedite the business of the House with fairness to its Members and to our citizens without lodging in the hands of any one Member the right to arbitrarily interfere with the conduct of the business of the House of Representatives of the United States.

Mr. SABATH. Mr. Speaker, will the gentleman yield? Mr. O'CONNOR. Yes; I yield to my distinguished colleague on the Rules Committee.

Mr. SABATH. As I understand it, the subcommittee has agreed tentatively on the draft and is ready to give the Members an opportunity to come before it and present any and all objections to any provision in the resolution.

Mr. O'CONNOR. That is correct.

Mr. SABATH. I did not have an opportunity of seeing the subcommittee's report. Is there a limitation to bills that are to go on the omnibus bill?

Mr. O'CONNOR. A limitation as to what?

Mr. SABATH. As to amount.

Mr. O'CONNOR. No; the committee feels that a claim for \$1,000,000 which has merit should be paid just as quickly by the United States Government as a claim for \$100.

Mr. HANCOCK of New York. Do I understand that the omnibus bill is to be considered under unanimous consent?

Mr. O'CONNOR. Oh, no.

Mr. HANCOCK of New York. That comes up under the rule and is to be discussed in the House?

Mr. O'CONNOR. It is called up by the Speaker. It is read by paragraphs like an appropriation bill for amendment.

Mr. HANCOCK of New York. And each item is subject to amendment?

Mr. O'CONNOR.

Mr. FITZPATRICK. And a majority vote will pass the

Mr. O'CONNOR. Yes.

Mr. GREENWOOD. Mr. Speaker, will the gentleman vield?

Mr. O'CONNOR. Yes; I yield gladly to my distinguished colleague on the Rules Committee, who has given this subject so much study.

Mr. GREENWOOD. I have been impressed with the work that has been done by the official objectors. In fact, I was at one time one of the official objectors myself; but I think the gentleman from Ohio [Mr. TRUAX] is laboring under somewhat of a misapprehension. After objections have been made and a bill is referred back to the committee, it is my understanding that a subcommittee will permit the objector or his colleague to appear before it, as well as the proponent of the bill, and if the Committee on Claims, for instance, has been misinformed, that gives the gentleman who raised the objection or the three gentlemen, the opportunity to present an argument before the subcommittee of the Claims Committee, along with the proponent of the bill. It does not necessarily follow that the bill will be reported back into the omnibus bill or that there will be further hearings on it. Then when it comes up in the omnibus bill it is like any other legislation. The House majority can work its will, and every objector will have his opportunity, under the rules of the House, to rise and offer his objection and his argument. I think that is all any of us ought to desire or ought to ask. If the House has an opportunity to consider the bill on its merits, and the person who is opposed to it presents his argument and the gentleman who is the proponent of the bill presents his argument, and the House votes on it, that ought to take care of all interests, the claimant, the committee's pride, the objector, and everybody else, because the House has spoken its will.

Mr. O'CONNOR. I now yield to the distinguished gentleman from New York, my colleague [Mr. Bloom.]

Mr. BLOOM. Did I understand the gentleman to say that on the third Tuesday the Speaker "may" or "shall"?

Mr. O'CONNOR. The proposed rule says "may." The idea of that is that we cannot arbitrarily set aside 2 days in the month for consideration of the Private Calendar. That might interfere with other more important legislation. We thought it was safe to leave the second day to the discretion of the Speaker, because there is such a unanimous demand for the consideration of the Private Calendar, unless there was some legislation of tremendous importance, undoubtedly the Speaker would call the bills on that date.

Mr. BLOOM. But there is no assurance that he will call them up? It is in the discretion of the Speaker?

Mr. O'CONNOR. The second day is left within the discretion of the Speaker.

Mr. BULWINKLE. Will the gentleman yield?

Mr. O'CONNOR. I yield. Mr. BULWINKLE. Does the gentleman not think that the only way to cure this is through the committees?

Mr. O'CONNOR. Does the gentleman mean by giving better consideration to bills?

Mr. BULWINKLE. By the committee giving better consideration to them?

Mr. O'CONNOR. We do not agree with that. We have given that matter a great deal of thought. Objections are made sometimes to certain types of bills because they are types, rather than because of the merits of the bill.

Mr. BULWINKLE. I was a member of the Claims Committee for 8 years. There are claims running from 1804 on down to the present time. If the committee will, by the rules of the committee, eliminate a lot of those old claims and thoroughly consider what they have before the subcom-

mittees, I venture to say there will not be much trouble in the House or much trouble from objectors on the floor.

The SPEAKER. The time of the gentleman from New York [Mr. O'CONNOR] has expired.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent that the gentleman have 3 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. NICHOLS. Will the gentleman yield?

Mr. O'CONNOR. I gladly yield to one of the most conscientious members of our Claims Committee.

Mr. NICHOLS. I wish to say to the gentleman that there has been a rule adopted in the Claims Committee, and we do not consider bills back of 1916 in that committee.

Mr. BLANTON. Will the gentleman yield for a question? Mr. O'CONNOR. I yield.

Mr. BLANTON. Is it not a fact that on several occasions when the Private Calendar was considered at a night session, we have passed as many as 50 or 60 or 70 meritorious bills? That is one question. I wish to ask the gentleman the further question, if it is not a fact that every time we have made any attempt to change the rules respecting the Private Calendar, which have been in force and effect for the last 75 years, we have gotten into deep water and made things

Mr. O'CONNOR. I know of only one occasion on which we tried to change the rules. I thing this proposal may be an advance in that direction.

Mr. MILLARD. Will the gentleman yield?

Mr. O'CONNOR. I yield. Mr. MILLARD. Does not the gentleman think that any claim over 5 or 6 years old should not be allowed in an omnibus bill?

Mr. O'CONNOR. I do not agree with the gentleman. There are many people around this Capitol who have been driven to nervous prostration and mental collapse because they have been continuously here, pounding at the doors of this Capitol for 20 or 25 years in some instances, unable to get a meritorious claim against their own Government granted by Congress.

Mr. BULWINKLE. Will the gentleman yield further?

Mr. O'CONNOR. I yield.

Mr. BULWINKLE. Does the gentleman not think that whenever we have an omnibus bill from the Claims Committee it will be pretty much of a "pork barrel" proposition?

Mr. O'CONNOR. We hope not, because if that situation develops the Rules Committee would be inclined to try to change the rule again. We hope the committees, before putting bills in an omnibus bill, will eliminate many of the bills objected to, and that there will be no member of the reviewing committee which reports the omnibus bill, who previously reported a bill so included-

Mr. MEAD. Will the gentleman yield for a question?

Mr. O'CONNOR. I yield.

Mr. MEAD. I should like to ask the gentleman if he has explained to the House how these omnibus bills will be broken down and entered and reported to the Senate?

Mr. O'CONNOR. I have spent 40 minutes doing that. The gentleman was not present, apparently. The omnibus bill will be broken down and the items reported as individual bills.

Mr. TRUAX. Will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. TRUAX. Has the gentleman any plan to obtain better attendance of the Membership at these sessions of the Private Calendar? The night sessions to which the gentleman from Texas [Mr. Blanton] referred to a moment ago are usually attended by about a corporal's guard of this House.

Mr. O'CONNOR. May I suggest to the distinguished gentleman from Ohio, the full-pedigreed watchdog of the Treasury, that the matter he mentions had best be taken up with the Sergeant at Arms of the House. [Applause and

The SPEAKER. The time of the gentleman from New | York [Mr. O'Connor] has again expired.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. DELGADO. Mr. Speaker, I ask unanimous consent that on tomorrow after the conclusion of the special orders I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the Resident Commissioner of the Philippine Islands?

There was no objection.

Mr. FISH. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Speaker, on the 24th of January there was introduced into this House the \$4,880,000,000 bill practically without any consideration by any committee in the House, rushed through almost without a hearing because of the avowed desire for speed for purposes of relief. That was 6 weeks ago, yet the bill is still pending on the other side of the Capitol.

I rise, Mr. Speaker, for one purpose and one purpose alone, and that is to ask for consideration of the measure introduced by the gentleman from New York [Mr. SNELL] the Republican floor leader, to divide the bill and put through this House at least the \$880,000,000 bill which transfers funds and makes them immediately available for relief purposes. We were told when the bill came to us that it was absolutely essential to pass it immediately and that unless we did so all relief funds would be exhausted by the 10th of March and that Mr. Hopkins, the Relief Administrator, would have to shut down on relief. The House, acting upon that advice, practically did not give any consideration to the bill, but rushed it through, and, as I said before practically without any hearings at all.

We find that 6 weeks have gone by and nothing has been done to afford immediate relief to those people who are dependent for their livelihood on relief from the Government. In order to make the position at least of the minority side evident, that we are not trying to block relief, I want to emphasize that every Member on the minority side, and I believe every Member on the Democratic side as well, is ready and has been ready for more than a month to provide that \$880,000,000 and make it immediately available.

Everyone on your side and everyone on our side knows perfectly well the reasons for the \$880,000,000 bill, but the people back home do not. This I know because I get letters from my people, and I suppose you do from yours. They think that the \$4,000,000,000 bill, the public-works bill, has something to do with relief, that it is for relief purposes, and that unless it passes and is enacted into law immediately that these millions of people who are now receiving relief will be cut off the relief rolls. That is what these people actually believe; and I think the time has come to clarify the issue and let them know that no Republican or no Democrat wants to block making the money available immediately to carry on this relief to the 1st of July. This is the purpose of the \$880,000,000 relief bill introduced by my colleague [Mr. SNELL].

Mr. McREYNOLDS. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. McREYNOLDS. Did the gentleman vote for this bill when it was before the House?

Mr. FISH. I certainly did not vote for it when it was before the House, and I shall give the reason for not voting for it. I am glad the gentleman brought it up. I voted against it because you attached onto this \$880,000,000 relief proposal the \$4,000,000,000 public-works bill, turning over the entire power and authority without limitation or qualification to the President. They never should have come up together. There was no reason in the world for their being combined together except sheer politics in order to give that power to the President. It was tied to the \$880,000,000 relief bill in order to expedite favorable consideration of the public-

works bill, which robs Congress of its legislative functions and control over the purse strings.

Mr. McREYNOLDS. Mr. Speaker, will the gentleman yield further?

Mr. FISH. Certainly. Mr. McREYNOLDS. Is not the gentleman just playing sheer politics when he addresses the House in this way at the present time?

Mr. FISH. No; not at all.

Mr. MILLARD. Mr. Speaker, will the gentleman yield for one question?

Mr. FISH. I would rather proceed.

In my opinion, it is just playing politics with human relief when you tie up a public-works bill without any plan for the purpose of turning legislative power over to the President. This relief fund of \$880,000,000 should have been considered by itself on its own merits; and the Democratic leaders on this side of the House are responsible for not passing it a month ago. You cannot blame the Senate of the United States, because the House made the original blunder. The people back home, according to the authorities in Washington, will be cut off the relief rolls on the 10th of March.

Who is responsible? Is the minority side responsible because you tack on a \$4,000,000,000 bill for public works without a single plan except to give the President autocratic power? That is the only reason I am speaking today-not politics—because I honestly believe that the gentleman from Tennessee and every other Democrat on this side wants to make that money available immediately. I believe the gentleman from Tennessee and every other Democrat would have voted for it 6 weeks ago, when it should have come in here as a separate measure. At least, we on this side are not responsible.

I did not start out by making a political speech; but as long as the gentleman from Tennessee injected that remark, I will proceed and conclude by making a political speech. [Applause.] The entire responsibility for the failure of relief funds, if they are exhausted on March 10, will rest squarely on the leadership of this House and upon the Senate of the United States; and there is no alibi, no excuse, and no way of getting out of it. The Democratic majority accepted the combined bill as it came from the White House without hearings worthy of the name and jammed it through at the request of the President by means of a vicious gag rule.

Mr. FITZPATRICK and Mr. COCHRAN rose.

Mr. FISH. I shall have to recognize my colleague from New York first.

Mr. FITZPATRICK. Is the gentleman in favor of appropriating money for direct relief or appropriating money for a public-works program that will give employment? does the gentleman prefer?

Mr. FISH. I personally prefer a public-works program; but we should have a plan before us that does not rob the House of its legislative powers.

Mr. FITZPATRICK. All of the criticism in reference to the public-works program comes from the gentleman's side.

Mr. FISH. It is not against any reasonable public-works program, but because the gentleman's party has no program. Bring in a program here and we may vote for it.

Mr. FITZPATRICK. The gentleman will get it. Mr. FISH. You have nothing but a planless plan.

Mr. FITZPATRICK. What is the gentleman's program? Mr. FISH. I am in favor of permitting this House, as it has in the past, control appropriations, and have something to say about the make-up of a public-works program.

Mr. FITZPATRICK. What public-works program has the gentleman in mind?

Mr. FISH. I have exactly the same program in mind that this House has had for 50 years; that is to control appropriations itself and have something to do with formulating legislation instead of legislating away all of our power to one man in the White House.

Mr. COCHRAN. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Missouri.

Mr. COCHRAN. I understood the gentleman to say the Senate of the United States is not to blame.

Mr. FISH. No: it is not.

Mr. COCHRAN. Does the gentleman know of any rule in the Senate that will prevent the Senate from dividing the question immediately and sending the bill back here with only the relief program incorporated?

Mr. FISH. I am reminded of the fact that the Senate of the United States has a majority of Democrats. If they would do that and stop playing politics with this bill and with human misery and report it back they would be serving a useful purpose and the best interests of the country. [Applause.]

Mr. COCHRAN. Does not the gentleman feel that in view of the promises made in the last election the Democrats in the other body should go ahead and pass the bill? How can the House be blamed when we passed the bill as the President desired?

Mr. FISH. And take away the power from Congress to legislate and control appropriations? I certainly do not.

Mr. Speaker, although the prevailing wage-scale issue has not yet reached the House, and I do not know whether it will or not, I do not mind stating where I stand on the matter, because from the time the President sent over his message on January 24, asking for this \$4,880,000,000, the cost of living has gone up anywhere from 10 to 15 percent on the necessities of life.

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

Mr. BLANTON. Mr. Speaker, I reserve the right to object, merely for the purpose of asking a question. The gentleman objected to this being turned over to the President for administration. May I ask the gentleman who, other than the President of the United States, is the chief administrative officer of this Government?

Mr. FISH. I am not questioning the fact he is the Ex-

Mr. BLANTON. He is the one who administers the laws which the Congress passes?

Mr. FISH. And we are supposed to write the laws here on a constitutional basis and not turn over the control of the purse strings to the President.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Speaker, since the President sent in this message some 6 weeks ago, the cost of living has gone up on the necessities of life from 10 to 15 percent. If any fair-minded man thinks that \$50 a month is a living scale for a wage earner with a family to buy meat, butter, and the necessities of life, then he does not know anything about what a wage earner and a consumer has to do in order to support a family with three or four children under present conditions with the necessities of life skyrocketing as they have in the last 6 weeks.

Who is responsible? The Democratic Party. The Democratic Party has claimed to be the party of the consumers all of its existence; it claims to have protected the consumers; it has stood for free trade and for the lowering of the tariff in order to protect the consumers. Now, it comes in here and throws all of its principles overboard and for the first time establishes, by act of Congress, processing taxes within our country on meat and foodstuffs so that we have a tariff between States, which increases the cost of living to all wage earners and consumers. The fact is that the Democratic Party is no longer the party of the consumer.

Today you have to bear the responsibility for the administration of the A. A. A., which has increased the cost of foodstuffs to all the consumers of the United States. When you go before the people and say that \$50, according to your President, is a living wage, you and I know it is not a living wage and it does not come anywheres near being a living wage because of the high cost of living since the first of this year, which is steadily rising and reducing the standard of living of 90 percent of the American people.

Mr. BLANTON. Will the gentleman yield for just a question?

Mr. FISH. I yield to the gentleman from Texas.

Mr. BLANTON. Regarding the Government supplying work as a gratuity and the beneficiary demanding the highest commercial wage, if one without an overcoat would ask the gentleman to give him an overcoat and the gentleman from New York gave him a good warm overcoat, should the one so favored object because the gentleman from New York had not given him his main fur-lined favorite overcoat? Apropos there is an old saying "Never look a gift horse in the mouth."

Mr. FISH. I do not own a fur-lined overcoat and have not been able to get one under this administration.

Mr. BLANTON. Well, I referred to the handsome coonskin coat the gentleman used to wear at Harvard.

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, I ask unanimous consent to proceed for 2 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. May I answer the gentleman from Texas [Mr. BLANTON] in this way: This is an old story, supposed to have been told by Abraham Lincoln. He said that two men with overcoats on fought so hard that they fought into each other's overcoat. That is what has happened between the Republican and Democratic Parties. The Democratic Party has fought so hard that it has fought itself into the Republican overcoat of centralized government. The Jeffersonian party of democracy has fought itself into the Republican overcoat of centralized government, but has not stopped there but has gone much farther than that, far, far beyond into Government ownership, regimentation, bureaucracy, collectivism, and State socialism. That is the answer to the gentleman's question about overcoats, and I might add that the antics of the administration and its frantic efforts to raise commodity prices without increasing wages has alienated the consuming population which it has ceased to represent.

The only reason I rose today, getting back to my original purpose, was to call the attention of the House to the fact that 6 weeks ago we were called upon to rush legislation through for immediate relief. This was the avowed reason, and many of you did this without asking any questions whatever. Six weeks have gone by and nothing has been done, and relief funds will be exhausted on the 10th of March. I am making my appeal for consideration of the Snell resolution, if the Senate does not act within the next few days or before the 10th of March. The resolution ought to be reported unanimously. It ought to have the name of the Chairman of the Appropriations Committee on it and that of its sponsor, Mr. SNELL, and it ought to be presented as a nonpartisan bill and should be acted on immediately and by a unanimmous vote. [Applause.]

[Here the gavel fell.]

(Mr. Carter asked and was given permission to revise and extend his remarks in the Record.)

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM. Mr. Speaker, I can well appreciate the predicament in which my friend from New York and other gentlemen find themselves, as they are beginning to get letters from back home complaining because they have obstructed the recovery program of the President.

The gentleman from New York [Mr. Fish] complains very bitterly over the fact that the people back home seem to think he voted against relief, and that those people who are hungry, when the food gives out on March 10, are going to blame him for this, when, as a matter of fact, he was willing to vote for the relief but not for the work-relief part of the bill.

I know how shrewd and ingenuous the gentleman from New York is, and I do not believe he failed, or that any gentleman here failed, to catch the high point in the President's message on the work-relief bill. My friend says that the with the \$4,000,000,000. Why, it was an integral part of it. It was almost an incidental part of it, because the President said that "the time has come when this Government must and shall quit the business of direct relief"; but, realizing the fact it could not be done by a waving of a magic wand, that it could not be done overnight, and that there had to be a period between which the direct relief would cease and the work-relief program would start, it was therefore estimated that \$880,000,000 would carry the direct-relief program until July 1, and that if Congress would speedily give the President the authority, there were already approved public-works projects that had been surveyed and for which estimates had been made that could be got under way, and that the \$880,-000,000 for direct relief would be sufficient to ease off of direct relief and take the three and a half million able-bodied men off of the relief rolls and put them to work.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. RICH. How much of the \$4,000,000,000 was to put the Government in business in electrical fields all over the country, thus robbing those who are now honestly engaged in that field and putting them out of business?

Mr. WOODRUM. Well, that is like the question that was asked by the judge: "Do you still beat your wife like you used to?" [Laughter.] I do not admit that that fund is to put the Government in business in order to put any legitimate concern out of business.

Mr. RICH. They are doing it right along, every day.

Mr. WOODRUM. You cannot go out and build a bridge or a viaduct or dig a ditch that you do not, at least to some extent, theoretically, compete with private business. Everyone knows this. It is utterly impossible for the Government to go out with any sort of a work program that does not, to some extent, compete with private business, but the President said that projects would be selected that would, to a great extent, stay away from the field of private industry.

My friend over here complained because we did not bring in a work-relief bill setting out exactly what was to be done and naming the projects. Now, in all fairness and in all justice, are they sincere in that and would they have voted for such a measure? They would not.

Some of you gentlemen were perhaps here a few years ago at the beginning of this depression, so called, and you will recall the famous Garner bill. It turned out to be termed an "infamous" bill by some of these gentlemen. They called Garner "Pork Barrel Jack", because he brought in that bill. What was it? The author of that bill got the list of approved projects that had been passed on by the interdepartmental committee, made up mostly of Republican officials, who had passed on the projects, and said, "These public buildings and these public projects ought to be constructed." He put them all in a bill and brought it in here and offered it as a work-relief bill, and our friends hollered to high heaven about it as being a pork-barrel bill, and defeated it. This is what they would have done in this instance, and every man who has had a month's experience in this body knows it. You could sit here until the crack of doom, and you would never bring in a real workrelief bill, naming the projects. Has the gentleman from New York any work-relief bill? What would you do? What would you do with these three and a half million ablebodied American citizens who are begging you for what they have the right to expect of their Government-a job on which they can live?

Mr. FISH. Mr. Speaker, will the gentleman yield? The gentleman has asked me a question.

Mr. WOODRUM. I asked the gentleman what he would do and I pause for an answer.

Mr. FISH. I shall tell the gentleman what I would do. I would restore confidence in America. [Applause.]

Mr. WOODRUM. By electing the Republicans again? [Laughter and applause.]

This is an evidence of what we get from that side—restore public confidence. Now, if I were to press the inquiry further have to.

\$880,000,000 for direct relief should not have been hooked up and ask how we would restore confidence, the gentleman would say, "By electing him President or some other good Republican." [Laughter and applause.]

Personally, if such a calamity has to come, I cannot think of any Republican I would rather see there. [Laughter and applause.]

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I also want to call attention to the fact that in the last administration the Republicans opposed direct Federal relief, while the present administration has given it, and now we find our friend from New York advocating something which the last Republican administration and his colleagues absolutely opposed.

Mr. MAY. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. MAY. How long in the gentleman's career has he been hearing it said that this confidence is necessary?

Mr. WOODRUM. Yes; now one word as to prevailing rate of wages. My friend is wrong when he said it did not come up in the House. It did come up in the House, and we voted it out of the bill, refused to adopt an amendment. or perhaps it went out on a point of order. I do not recollect which.

Mr. O'CONNOR. The amendment was introduced by the gentleman from Massachusetts [Mr. Connery] and was held in order but voted out under a teller vote in the House.

Mr. WOODRUM. By no stretch of the imagination can you make out that this is militating against the rights of organized labor. What is the living standard of the man who takes his basket to the relief station and gets his bag of flour or his pound of coffee? He has no standard of living.

This bill says that Admiral Peoples testified that the average rate would be about \$50 a month. To the ordinary laborer \$30 a month and to the skilled mechanic \$75 a month. It is not on the basis of a living wage. It is compensation for honest labor that they may feel when they get their provisions or clothing or their money they were working for and thus saved their respect as an American citizen.

I want to say to my friend that it is a tragedy; that this great program of the President is being held up because of intellectual or theoretical argument. We are confronted with a condition and not a theory.

I believe that the American people have confidence enough in the President to believe that he can and will work the thing out if given an opportunity to do so. I want to express the hope that the differences will be wiped out and that the gentlemen will be able to compose their views and permit that which means so much to the American people to go forward without further delay. [Applause.]

Mr. GIFFORD. Will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. GIFFORD. Last year the administration demanded the prevailing wage for men in my part of the country. Is it any wonder that Senators-even the Senator from Virginia—are confused at the somersault and change of opinion on the prevailing wage?

Mr. WOODRUM. I do not know that there has been any somersault by the administration in trying to hold up the rate of wages in industry. I do not think there is any comparison in the prevailing rate of wages and the feeding and clothing of the man.

Mr. RICH. The whole thing is intended as a relief measure?

Mr. WOODRUM. It is relief work.

Mr. GIFFORD. Will the gentleman explain the change of attitude?

Mr. WOODRUM. I would not undertake to explain changes occurring in this kaleidoscopic situation.

Mr. GIFFORD. The somersaults have been so many.

Mr. WOODRUM. Well, we had good training in that from the gentleman's side.

Mr. GIFFORD. Is that the gentleman's alibi?
Mr. WOODRUM. I do not have any alibi; I do not

ginia has expired.

AIDE DE CAMP TO THE GOVERNOR OF KENTUCKY

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. TREADWAY. Mr. Speaker, there are times when I wish the rules did not apply that former Members of the House may not be heard on this floor. There is serving for this body as clerk a former Member. He served for three terms as a Member of the House before some of the present Members were born. Also, he was speaker of the House of Representatives of the State of Kentucky and has been elected for the seventh term as Clerk of this House. I need not comment on his efficiency as Clerk, but today I wish he could perform a very pleasant task which he has asked me to do in his stead. Possibly one of the reasons why South Trimble is as popular with both sides of the House as he is, results from the fact of his fairness to all, whether in the majority or the minority. [Applause.]

It happens that occasionally he has an opportunity to do honor and courtesy to a member of the minority. So at this time he has asked me to convey to the leader of the minority

the following commission, which I read:

IN THE NAME AND BY THE AUTHORITY OF THE COMMONWEALTH OF KENTUCKY

RUBY LAFFOON, GOVERNOR OF SAID COMMONWEALTH

To all to whom these presents shall come, greeting: Know ye, that Hon. Bertrand H. Snell, Potsdam, N. Y., having Know ye, that Hon. Bertrand H. Snell. Potsdam, N. Y., having been duly appointed as aide de camp on the Governor's staff, with the rank and grade of colonel, I hereby invest him with full power and authority to execute and discharge the duties of the said office according to law. And to have and to hold the same, with all the rights and emoluments thereunto legally appertaining, for and during the term prescribed by law.

In testimony whereof, I have caused these letters to be made patent, and the seal of the Commonwealth to be hereunto affixed. Done at Frankfort, the 1st day of March, in the year of our Lord nineteen hundred and thirty-five and in the one hundred and forty-third year of the Commonwealth.

(Signed) Ruby Laffoon.

(Signed) RUBY LAFFOON, Governor.

By the Governor.

SARA W. MAHAN Secretary of State. By C. W. Wilson, Assistant Secretary of State.

The great seal of the State of Kentucky is duly affixed

So, Colonel SNELL, acting in behalf of Mr. South Trimble, I have the pleasure and honor of handing you herewith your commission on the staff of Governor Laffoon, of Kentucky. [Applause.]

Mr. SNELL. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. The gentleman from New York, Colonel SNELL, asks unanimous consent to proceed for 2 minutes. Is there objection?

There was no objection.

Mr. SNELL. Mr. Speaker, this is one of the greatest and least expected honors I have ever had conferred upon me. In the presence of the House of Representatives and all of the duly elected Representatives from the great State of Kentucky, let it be known that I accept with pleasure this great and distinguished honor. [Applause.]

I have always known that the State of Kentucky was famous for its gallant men and beautiful women, and it is a great honor to be even an adopted son of so distinguished a constituency. Also, as it is well known that this State and the Governors thereof have always been very careful of the character and standing of men selected for this high honor, it is specially appreciated. Considering the fact that the Governor of this great State has at this time gone a long ways from home, about as far as he could, in this instance to find a suitable man upon whom to confer this coveted honor, I congratulate him and his officials on the good judgment shown in selecting a man with proper military attainments. I have always been for preparedness. I have voted

The SPEAKER. The time of the gentleman from Vir- | for every measure of that character that has ever been presented on the floor of the House, and, of course, there is no doubt about my future actions.

In conclusion, I simply want to extend my happiest felicitations to the distinguished Governor of the State of Kentucky and assure him that I am ready at any time to bear arms for that great State, and that I accept, with deep humility, this distinguished honor. [Applause.]

Mr. KVALE. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. KVALE. Mr. Speaker, in view of the fact that acceptance of a commission of this kind involves an obligation to attend the Kentucky Derby, can the Chair advise us as to the program of the House of Representatives during the time that great event is being run?

The SPEAKER. The Chair will refer that to the Kentucky

colonel.

## SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 46. Joint resolution authorizing and directing the Federal Communications Commission to investigate and report on the American Telephone & Telegraph Co. and on all other companies engaged directly or indirectly in telephone communication in interstate commerce, including all companies related to any of these companies through a holdingcompany structure, or otherwise.

#### ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 2 minutes p. m.) the House adjourned until tomorrow. Wednesday, March 6, 1935, at 12 o'clock noon.

## COMMITTEE HEARINGS

COMMITTEE ON IMMIGRATION AND NATURALIZATION

Hearing on Wednesday, March 6, 10:30 a. m., room 445, old House Office Building, on bills H. R. 4340 and H. R. 6083, providing for restriction of habitual commuting of aliens from foreign contiguous territory.

## COMMITTEE ON MERCHANT MARINE AND FISHERIES

Hearings Wednesday, March 6, 10 a. m., room 219, old House Office Building, to consider following bills: H. R. 2893, H. R. 9208, H. R. 5494, H. R. 6035, H. R. 6037, H. R. 6038, H. R. 6042, and H. R. 6043, on safety of life at sea.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

244. A letter from the Chairman of the Reconstruction Finance Corporation, transmitting report of its activities and expenditures for January 1935, together with a statement of authorizations made during that month, showing the name, amount, and rate of interest or dividend in each case (H. Doc. No. 120); to the Committee on Banking and Currency and ordered to be printed.

245. A letter from the Secretary of War, transmitting draft of a proposed bill for the relief of certain disbursing officers of the Army of the United States; to the Committee

on Claims.

246. A letter from the Secretary of War, transmitting draft of a proposed bill for the relief of the Bell Telephone Co. of Pennsylvania; to the Committee on Claims.

247. A letter from the Secretary of War, transmitting draft of a proposed bill for the relief of Ludwig Larson; to the Committee on Claims.

248. A letter from the Secretary of War, transmitting draft of a proposed bill for the relief of Mrs. William E. Smith and Miss Clara Smith; to the Committee on Claims.

249. A letter from the Secretary of the Navy, transmitting draft of a proposed bill to authorize the Secretary of the Navy to acquire a suitable site at Pearl Harbor, Territory of Hawaii, for a rear range light; to the Committee on Naval Affairs.

250. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1936, to be immediately available, for the War Department, for United States High Commissioner to the Philippine Islands, amounting to \$225,000 (H. Doc. No. 121); to the Committee on Appropriations and ordered to be printed.

# REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. WERNER: Committee on Indian Affairs. H. R. 5229. A bill directing the Secretary of the Interior to investigate, hear, and determine claims of the individual members of the Stockbridge and Munsee Tribe of Indians of the State of Wisconsin; without amendment (Rept. No. 288). Referred to the Committee of the Whole House on the state of the Union.

Mr. WERNER: Committee on Indian Affairs. H. R. 5230. A bill to confer jurisdiction upon the Court of Claims to hear claims of the Stockbridge and Munsee Tribe of Indians; without amendment (Rept. No. 289). Referred to the Committee of the Whole House on the state of the Union.

Mr. KRAMER: Committee on Immigration and Naturalization. H. R. 3023. A bill to provide for citizenship to persons born in the United States, who have not acquired any other nationality by personal affirmative act, but who have heretofore lost their United States citizenship through the naturalization of a parent under the laws of a foreign country, and for other purposes; with amendment (Rept. No. 290). Referred to the House Calendar.

## REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SMITH of Washington: Committee on Claims. H. R. 2466. A bill for the relief of John E. Click; without amendment (Rept. No. 291). Referred to the Committee of the Whole House.

Mr. STACK: Committee on Claims. H. R. 3337. A bill for the relief of James Akeroyd & Co.; with amendment (Rept. No. 292). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 4031. A bill for the relief of Stanley T. Gross; with amendment (Rept. No. 293). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 4290. A bill for the relief of Harriet V. Schindler; without amendment (Rept. No. 294). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 4610. A bill for the relief of John J. Moran; with amendment (Rept. No. 295). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 4630. A bill for the relief of William A. Ray; without amendment (Rept. No. 296). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 4699. A bill for the relief of Estelle M. Gardiner; with amendment (Rept. No. 297). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 4718. A bill for the relief of Yamato Sesoko; with amendment (Rept. No. 298). Referred to the Committee of the Whole House.

Mr. DALY: Committee on Claims. H. R. 4798. A bill to authorize the settlement of individual claims of military personnel for damages to and loss of private property incident to the training, practice, operation, or maintenance of the Army; without amendment (Rept. No. 299). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 4799. A bill to provide for the reimbursement of certain officers and enlisted men or former officers and enlisted

men of the Navy and Marine Corps for personal property lost, damaged, or destroyed as a result of the earthquake which occurred at Managua, Nicaragua, on March 31, 1931; with amendment (Rept. No. 300). Referred to the Committee of the Whole House.

Mr. DALY: Committee on Claims. H. R. 4833. A bill for the relief of Ciriaco Hernandez and others; without amendment (Rept. No. 301). Referred to the Committee of the Whole House.

Mr. HOUSTON: Committee on Claims. H. R. 4845. A bill to provide for the reimbursement of certain enlisted men and former enlisted men of the Navy for the value of personal effects lost, damaged, or destroyed by fire at the naval training station, Hampton Roads, Va., on February 21, 1927; without amendment (Rept. No. 302). Referred to the Committee of the Whole House.

Mr. BLOOM: Committee on Foreign Affairs. S. 267. An act for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of catastrophes of nature; with amendment (Rept. No. 303). Referred to the Committee of the Whole House.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DOXEY: A bill (H. R. 6424) to continue the Cotton Control Act, to exempt a limited quantity of cotton from the tax thereunder, to provide for the better administration of such act, and for other purposes; to the Committee on Agriculture.

By Mr. BLAND: A bill (H. R. 6425) to provide for a technical staff in the Bureau of Marine Inspection and Navigation in the Department of Commerce, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. DINGELL: A bill (H. R. 6426) to provide for the coinage of 2- and 3-cent pieces; to the Committee on Coinage, Weights, and Measures.

By Mr. KRAMER: A bill (H. R. 6427) to prohibit statements and publications advocating overthrow of the Government by violence, and for other purposes; to the Committee on the Judiciary.

By Mr. SANDERS of Texas: A bill (H. R. 6428) to regulate the manufacture and sale of stamped envelops; to the Committee on the Post Office and Post Roads.

By Mr. CITRON: A bill (H. R. 6429) for the improvement of village delivery service and also the working conditions of village delivery carriers; to the Committee on the Post Office and Post Roads.

By Mr. DOCKWEILER: A bill (H. R. 6430) to amend the act entitled "An act to amend the act entitled 'An act for the retirement of employees of the classified civil service, and for other purposes', approved May 22, 1920, and 'Acts in amendment thereof'", approved July 3, 1926, and May 29, 1930; to the Committee on the Civil Service.

By Mr. DOXEY: A bill (H. R. 6431) to restore the 2-cent rate of postage on first-class mail matter; to the Committee on Ways and Means.

By Mr. NICHOLS: A bill (H. R. 6432) to create a separate bureau in the Department of the Interior to be known as the "Soil Erosion Service"; to the Committee on the Public Lands.

By Mr. ROGERS of Oklahoma (by departmental request); A bill (H. R. 6433) for the relief of certain Indians of the Flathead Reservation killed or injured en route to dedication ceremonies of the Going-to-the-Sun Highway, Glacier National Park; to the Committee on Indian Affairs.

Also (by departmental request), a bill (H. R. 6434) to provide for the leasing of restricted Indian lands of Indians of the Five Civilized Tribes in Oklahoma; to the Committee on Indian Affairs.

Also (by departmental request), a bill (H. R. 6435) to transfer certain lands from the Veterans' Administration to the Department of the Interior for the benefit of the Yavapai Indians, Arizona; to the Committee on Indian Affairs.

By Mr. MEAD: A bill (H. R. 6436) to amend section 3342 | of the Revised Statutes to modify the requirements with respect to affixing internal-revenue stamps on containers of fermented liquors; to the Committee on Ways and Means.

By Mr. HOEPPEL: A bill (H. R. 6437) to amend Private Act No. 5, Seventy-third Congress, entitled "An act to convey certain land in the county of Los Angeles, State of California"; to the Committee on Military Affairs.

By Mr. CANNON of Wisconsin: A bill (H. R. 6438) providing that congressional investigations be held only when Congress is not in session; to the Committee on the Judiciary.

By Mr. DEMPSEY: A bill (H. R. 6439) to provide for the protection of land resources against soil erosion, and for other purposes; to the Committee on the Public Lands.

By Mrs. GREENWAY: A bill (H. R. 6440) to provide for the protection of land resources against soil erosion, and for other purposes; to the Committee on the Public Lands.

By Mr. O'CONNOR: Resolution (H. Res. 148) amending rule XXIV of the House of Representatives; to the Committee on Rules.

By Mr. COLDEN: Resolution (H. Res. 149) to change the designation of the Committee on the Disposition of Useless Executive Papers to the Joint Committee on the Preservation of the Public Archives; to the Committee on Rules.

By Mr. HOUSTON: Joint resolution (H. J. Res. 194) proposing an amendment to the Constitution of the United States relative to taxing of incomes; to the Committee on the Judiciary.

### MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Wisconsin, urging the support of a relief program adequate to maintain a decent standard of living and to accomplish other purposes; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Arizona, praying for the relief of certain property owners of Santa Cruz County: to the Committee on Claims.

Also, memorial of the Legislature of the State of Wisconsin, regarding jobs for those who have borrowed from the Home Owners' Loan Corporation and are unable to meet the required payments; to the Committee on Banking and

Also, memorial of the Legislature of the State of Arizona, regarding an import duty to protect the asbestos-mining industry in the United States; to the Committee on Ways and Means

Also, memorial of the Legislature of the State of Arizona, regarding the construction of a highway to link reclamation projects on the Colorado River and connect with the proposed deep-sea channel to the Gulf of California; to the Committee on Roads.

Also, memorial of the Legislature of Puerto Rico; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of Georgia, regarding aid to distressed school districts; to the Committee on Education.

Also, memorial of the Legislature of the State of California; to the Committee on Roads.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CARTWRIGHT: A bill (H. R. 6441) to extend the benefits of the Employees' Compensation Act of September 7, 1916, to J. C. Wilkinson; to the Committee on Claims.

By Mr. COCHRAN: A bill (H. R. 6442) for the relief of James H. Taylor; to the Committee on Military Affairs.

By Mr. DOCKWEILER: A bill (H. R. 6443) to extend the provisions of an act entitled "An act for the retirement of employees in the classified civil service, and for other purposes approved May 22, 1920, and all acts in amendment spect to hunting and fishing privileges, and other matters

thereof, to Lycurgus Williams: to the Committee on the Civil Service.

By Mr. EKWALL: A bill (H. R. 6444) for the relief of Jane Alice Everson; to the Committee on Claims.

Also, a bill (H. R. 6445) granting a pension to Mark Baldwin; to the Committee on Pensions.

By Mr. HEALEY: A bill (H. R. 6446) for the relief of George Norman Higgins; to the Committee on Naval Affairs.

By Mr. SAMUEL B. HILL: A bill (H. R. 6447) granting a pension to Catherine King; to the Committee on Invalid Pensions.

By Mr. LAMNECK: A bill (H. R. 6448) for the relief of George Presley Rhodes; to the Committee on Military Affairs.

Also, a bill (H. R. 6449) for the relief of Clyde G. Allen: to the Committee on Military Affairs,

## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers werelaid on the Clerk's desk and referred as follows:

2626. By Mr. BEITER: Petition of the Common Council of the City of North Tonawanda, N. Y., favoring passage of the General Pulaski Memorial Day resolution; to the Committee on the Judiciary.

2627. By Mr. BERLIN: Petition adopted by the city of New Kensington, Pa., at a regular meeting of the council held February 19, 1935, praying for the enactment of House Joint Resolution 81 or Senate Joint Resolution 11, providing that the President proclaim October 11 of each year as Gen. Casimir Pulaski Day; to the Committee on the Judiciary.

2628. Also, petition of Groups 1241, 2791, 2226, and 791 of the Polish National Alliance of the United States of North America, praying for the enactment of House Joint Resolution 81 or Senate Joint Resolution 11, providing that the President proclaim October 11 of each year as Gen. Casimir Pulaski Day; to the Committee on the Judiciary.

2629. By Mr. BUCKLER of Minnesota: Petition of Alphonse E. Johnson, secretary, in behalf of the Happy Corner Unit of Stephen, Minn., American Farm Bureau, praying for support and passage of the Patman bonus bill (H. R. 1), and opposing the issuance of interest-bearing or tax-exempt bonds for the purpose of payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

2630. Also, petition of Alphonse E. Johnson, secretary, in behalf of the Happy Corner Unit of Stephen, Minn., American Farm Bureau, praying for support of a fully adequate old-age pension act; to the Committee on Ways and Means.

2631. By Mr. COLDEN: Resolution adopted by the City Council of Gardena, Calif., expressing approval of the President's plan of relief by the construction of worth-while projects in order to provide employment to those in need, as opposed to the dole system; to the Committee on Appropria-

2632. Also, resolution dated February 26, 1935, of the City Council of the City of Torrence, petitioning Congress to provide for payment of adjusted-service certificates; to the Committee on Ways and Means.

2633. Also, resolution adopted by the City Council of Torrence, Calif., expressing approval of the President's plan of relief by the construction of worthwhile projects in order to provide employment to those in need, as opposed to the dole system; to the Committee on Appropriations.

2634. By Mr. CROWE: Letter from the Crawford County Conservation Club, English, Ind., by L. L. Land, president, urging the passage of the Crowe resolution (H. J. Res. 157) to authorize a compact or agreement between Kentucky and Indiana with respect to hunting and fishing privileges, and other matters relating to jurisdiction on the Ohio River, and for other purposes; to the Committee on the Judiciary.

2635. Also, letter from the Elnora Kennel Club, Elnora, Ind., by Harry R. Stalcup, secretary, urging the passage of the Crowe resolution (H. J. Res. 157) to authorize a compact or agreement between Kentucky and Indiana with rerelating to jurisdiction on the Ohio River, and for other purposes; to the Committee on the Judiciary.

2636. Also, letter from the Bicknell Conservation Club, Bicknell, Ind., by C. G. Ballard, president, urging the passage of the Crowe resolution (H. J. Res. 157) to authorize a compact or agreement between Kentucky and Indiana with respect to hunting and fishing privileges, and other matters relating to jurisdiction on the Ohio River, and for other purposes; to the Committee on the Judiciary.

2637. Also, letter from the Izaak Walton League of Evansville, Ind., by Harry L. Nussmeier, president, urging the passage of the Crowe resolution (H. J. Res. 157) to authorize a compact or agreement between Kentucky and Indiana with respect to hunting and fishing privileges, and other matters relating to jurisdiction on the Ohio River, and for other

purposes; to the Committee on the Judiciary.

2638. Also, letter from the Spencer County Fish and Game Association, Rockport, Ind., by M. B. Savage, secretary, urging the passage of the Crowe resolution (H. J. Res. 157) to authorize a compact or agreement between Kentucky and Indiana with respect to hunting and fishing privileges, and other matters relating to jurisdiction on the Ohio River, and for other purposes; to the Committee on the Judiciary.

2639. Also, letter from the Patoka Valley Fish and Game Club, Winslow, Ind., by John P. Vinyard, secretary, urging the passage of the Crowe resolution (H. J. Res. 157) to authorize a compact or agreement between Kentucky and Indiana with respect to hunting and fishing privileges, and other matters relating to jurisdiction on the Ohio River, and for other purposes; to the Committee on the Judiciary.

2640. By Mr. DEMPSEY: Petition of the New Mexico State Legislature; to the Committee on Ways and Means.

2641. Also, petition of the New Mexico State Legislature; to the Committee on Interstate and Foreign Commerce.

2642. Also, petition of the New Mexico State Legislature; to the Committee on Roads.

2643. By Mr. FISH: Petition of 123 citizens of New York State, protesting against religious persecutions in Mexico, and petitioning the recall of the American Ambassador, Josephus Daniels; to the Committee on Foreign Affairs.

2644. Also, memorial of the Common Council of the city of Poughkeepsie, N. Y., favoring the proclamation of October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

2645. By Mr. FITZPATRICK: Resolution of Group 1749 of the Polish National Alliance of the United States of North America, urging the adoption of House Joint Resolution 81 and Senate Joint Resolution 11, directing the President of the United States to proclaim October 11 of each year as General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

2646. By Mrs. KAHN: Petition of the Board of Supervisors of the City and County of San Francisco, urging the immediate development of Sunnyvale in part as a heavier-than-air naval base; to the Committee on Naval Affairs.

2647. By Mr. LAMNECK: Resolution in behalf of national defense, submitted by the board of directors of the Columbus Chamber of Commerce, Columbus, Ohio, urging that the United States Government make further and adequate provision for the national defense by greatly expanding the air force of the Nation, establishing a system of air frontier defense bases along our coasts and inland frontiers, etc.; to the Committee on Military Affairs.

2648. By Mr. LUNDEEN: Petition of the Minnesota State Bar Association, urging repeal of certain legislation which restricts the right of attorneys to practice before certain Federal departments and limits the fees of attorneys for the performance of certain services, and that the enactment of similar legislation in the future be prevented; to the Committee on the Judiciary.

2649. Also, petition of the Minnesota State Federation of Labor, urging the passage of House bill 5450, calling for a reduction in taxes on 10-cent packages of cigarettes; to the Committee on Ways and Means.

2650. By Mr. MEAD: Petition of Group No. 255 of the Polish National Alliance of the United States, Buffalo, N. Y., requesting the President of the United States to proclaim October 11 of each year as General Pulaski Memorial Day; to the Committee on the Judiciary.

2651. By Mr. MILLARD: Petitions signed by residents of New York State, opposing the enactment of the holding company bill; to the Committee on Interstate and Foreign Commerce.

2652. By Mr. MILLER: Petition of Henry Taylor and numerous other citizens of Pocahontas, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2653. Also, petition of Henry Cox and numerous other citizens of Holly Grove, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2654. Also, petition of E. L. Sisson and numerous other citizens of Holly Grove, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2655. Also, petition of J. M. Jenkins and numerous other citizens of El Paso, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2656. Also, petition of A. J. McCall and numerous other citizens of Swifton, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2657. Also, petition of W. B. Huddleston and numerous other citizens of Batesville, Moorefield, and Pfeiffer, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2658. By Mr. O'CONNELL: Joint resolution of the City Council of Providence, requesting passage of resolution now pending in the present session of the United States Congress providing for the President of the United States of America to proclaim October 11 of each year as General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

2659. By Mr. RICH: Petition of citizens of Knoxville, Pa., protesting against House bill 5423 and Senate bill 1725; to the Committee on Interstate and Foreign Commerce.

2660. Also, petition of citizens of Wellsboro, Pa., protesting against House bill 5423 and Senate bill 1725; to the Committee on Interstate and Foreign Commerce.

2661. Also, petition of citizens of Potter County, Pa., protesting against House bill 5423 and Senate bill 1725; to the Committee on Interstate and Foreign Commerce.

2662. Also, petitions of citizens of Mansfield, Pa., protesting against the passage of House bill 5423 and Senate bill 1725; to the Committee on Interstate and Foreign Commerce.

2663. Also, petition of citizens of Westfield, Pa., protesting against the passage of House bill 5423 and Senate bill 1725; to the Committee on Interstate and Foreign Commerce.

2664. By Mr. ROGERS of Oklahoma: Petition of W. D. Watts and numerous other citizens of Gordo, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2665. Also, petition of W. H. Chambers and numerous other citizens of Double Springs, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2666. Also, petition of R. E. McIntyre and numerous other citizens of Winn, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age

and Means.

2667. Also, petition of D. B. Allmon and numerous other citizens of Clarkesville, Ga., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2668. Also, petition of Benie Griffin and numerous other citizens of Mitchell Station, Ala., favoring House bill 2856, by Congressman WILL Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2669. Also, petition of Rance Brownage and numerous other citizens of Tuskegee, Ala., favoring House bill 2856, by Congressman WILL Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2670. Also, petition of L. V. Pleasant and numerous other citizens of Fort Necessity and Winnsboro, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2671. Also, petition of Arthur Rabon and numerous other citizens of Simsboro, Arcadia, and Bienville, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2672. Also, petition of Ira Warren and numerous other citizens of Kingbee, Ky., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2673. Also, petition of Peter Philips and numerous other citizens of Texarkana, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2674. Also, petition of Frank Easter and numerous other citizens of Melrose and Edgemont, Ark., favoring House bill 2856, by Congressman WILL Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2675. Also, petition of A. L. Bryan and numerous other citizens of Bellwood and Geneva, Ala., favoring House bill 2856, by Congressman WILL Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2676. Also, petition of Wain Jacson and numerous other citizens of Littlefield and Amherst, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2677. Also, petition of Louis Wesley and numerous other citizens of Washington, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2678. Also, petition of Ray Allbright and numerous other citizens of Des Moines, Iowa, favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2679. Also, petition of W. A. Bates and numerous other citizens of Jumbo and Miller, Okla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2680. Also, petition of Robert Laningham and numerous other citizens of Philadelphia, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2681. Also, petition of E. D. Norwood and numerous other citizens of Mendenhall, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal

pensions of \$30 to \$50 a month; to the Committee on Ways | old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2682. Also, petition of Monroe Berry and numerous other citizens of Clark and Union Church, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2683. Also, petition of J. D. Lewis and numerous other citizens of Simsboro, La., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2684. Also, petition of Roy Lutz and numerous other citizens of Clark and Gibson City, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month: to the Committee on Ways and Means.

2685. Also, petition of A. J. Richey and numerous other citizens of Mountain Grove, Mo., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2686. Also, petition of John W. Miller and numerous other citizens of Idabel, Okla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2687. Also, petition of J. W. Adair and numerous other citizens of Moyers, Okla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2688. Also, petition of Arch C. Rubin and numerous other citizens of Tishomingo, Madill, and Wewoka, Okla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month. to the Committee on Ways and Means.

2689. Also, petition of J. H. Dorsey and numerous other citizens of Dossville and Kosciusko, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2690. Also, petition of Ellis Mallard and numerous other citizens of Georgetown, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2691. Also, petition of B. J. Burray and numerous other citizens of Louisville, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2692. Also, petition of W. B. Fairchild and numerous other citizens of Ellisville and Moselle, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2693. Also, petition of John Barron and numerous other citizens of Star and Braxton, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2694. Also, petition of J. M. Moore and numerous other citizens of Mize, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2695. Also, petition of Frank B. Webb and numerous other citizens of Lansing, Mich., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2696. Also, petition of W. C. Ivey and numerous other citizens of Augusta, Ga., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2697. Also, petition of Jack Homes and numerous other citizens of Woodbury, Ga., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2698. Also, petition of John W. Harris and numerous other citizens of Woodbury, Ga., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2699. Also, petition of E. J. Belcher and numerous other citizens of McComas, W. Va., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2700. Also, petition of Noah Harris and numerous other citizens of Wake Forest, N. C., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2701. Also, petition of Luther Anderson and numerous other citizens of Seneca and West Union, S. C., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2702. Also, petition of Steve Saul and numerous other citizens of East Radford, Va., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2703. Also, petition of Henry McArthur and numerous other citizens of Wallace, N. C., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2704. Also, petition of Frank Clenton and numerous other citizens of Wilmington, N. C., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2705. Also, petition of John A. Adams and numerous other citizens of Etta, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2706. Also, petition of J. B. Seal and numerous other citizens of Tupelo, Miss., favoring House bill 2856, by Congressman Will Rocks, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2707. Also, petition of John A. Bell and numerous other citizens of Summerfield, La., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2708. Also, petition of John Moody and numerous other citizens of Cypress and Bermuda, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2709. Also, petition of E. D. Collin and numerous other citizens of Hosston, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2710. By Mr. RUDD: Petition of Harry Denzler Richard Roberts, of Brooklyn, N. Y., regarding the income-tax publicity provision in the tax law of 1934; to the Committee on Ways and Means.

2711. Also, petition of the Chamber of Commerce of the Borough of Queens, city of New York, favoring the Brunner bill for a 2-cent postal rate in the Borough of Queens; to the Committee on the Post Office and Post Roads.

2712. By Mr. SANDERS of Texas: Petition of Thomas Anderson and numerous other citizens of Spurger, Tex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2713. Also, petition of John A. Harris and numerous other citizens of Longview, Tex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2714. By Mr. SMITH of Connecticut: Resolution of District 152 of the Polish National Alliance of the United States, memorializing Congress to enact legislation proclaiming October 11 as General Pulaski's Memorial Day, signed by Marion Budney, president; S. S. Chenichinski, secretary; and K. J. Kawiski, treasurer; to the Committee on the Judiciary.

2715. By Mr. SMITH of Washington: Petition signed by 2,472 residents of Clark, Cowlitz, Grays Harbor, Lewis, Mason, Pacific, Skamania, Thurston, and Wahkiakum Counties, State of Washington, urging favorable action by Congress on House bill 3977, known as the "Townsend old-age revolving pension bill"; to the Committee on Ways and Means.

2716. By Mr. SUTPHIN: Petition of the Santa Monica Stamp Club; to the Committee on the Post Office and Post Roads.

2717. By Mr. WERNER: Resolution of citizens of the Black Hills of South Dakota, endorsing the Townsend oldage revolving pension bill; to the Committee on Ways and Means.

2718. Also, Senate Concurrent Resolution No. 5 of the Legislature of South Dakota, memorializing the Congress of the United States to pass legislation for the development of the hydroelectric and irrigation sites upon the Missouri River within the boundaries of the State of South Dakota; to the Committee on Military Affairs.

2719. By the SPEAKER: Petition of the City Commission of Fort Lauderdale, Fla.; to the Committee on the Judiciary. 2720. Also, petition of the City Commission of the City of Manistee, Mich.; to the Committee on the Judiciary.

2721. Also, petition of the city of Dearborn, Mich.; to the Committee on the Judiciary.

2722. Also, petition of the Common Council of the City of St. Cloud, Minn.; to the Committee on the Judiciary.

2723. Also, petition of the Common Council of the City of Mishawaka, Ind.; to the Committee on the Judiciery

2724. Also, petition of the City Council of Providence, R. I.; to the Committee on the Judiciary.

2725. Also, petition of the board of trustees of the village of Port Chester, N. Y.; to the Committee on the Judiciary.

2726. Also, petition of H. C. Hahn and others; to the Committee on the Judiciary.

2727. Also, petition of the Board of Supervisors of San Francisco, Calif.; to the Committee on Interstate and Foreign Commerce.

## SENATE

WEDNESDAY, MARCH 6, 1935

(Legislative day of Monday, Mar. 4, 1935)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

## THE JOURNAL

On request of Mr. Robinson, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, March 5, was dispensed with, and the Journal was approved.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had agreed to a concurrent resolution (H. Con. Res. 14) requesting the President of the United States to return to the House of Representatives the enrolled bill (H. R. 330) for the relief | necessarily do environment, culture, and learning cause those of Sophie de Sota, in which it requested the concurrence of

#### CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll. The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Costigan	La Follette	Robinson
Ashurst	Couzens	Logan	Russell
Austin	Cutting	Lonergan	Schall
Bachman	Dickinson	Long	Schwellenbach
Bailey	Dieterich	McAdoo	Sheppard
Bankhead	Donahey	McCarran	Shipstead
Barbour	Duffy	McGill	Smith
Bilbo	Fletcher	McKellar	Steiwer
Black	Frazier	McNary	Thomas, Okla.
Bone	George	Maloney	Thomas, Utah
Borah	Gerry	Metcalf	Townsend
Brown	Gibson	Minton	Trammell
Bulkley	Glass	Moore	Truman
Bulow	Gore	Murphy	Tydings
Burke	Guffey	Murray	Vandenberg
Byrd	Hale	Neely	Van Nuys
Byrnes	Harrison	Norbeck	Wagner
Capper	Hastings	Norris	Walsh
Carey	Hatch	Nye	Wheeler
Clark	Hayden	O'Mahoney	White
Connally	Johnson	Pope	
Coolidge	Keyes	Radcliffe	
Control of the Contro			

Mr. AUSTIN. I wish to announce that the Senator from Pennsylvania [Mr. Davis] is necessarily detained from the

Mr. DIETERICH. I desire to announce that my colleague the senior Senator from Illinois [Mr. Lewis] is necessarily absent.

Mr. ROBINSON. I announce that my colleague the junior Senator from Arkansas [Mrs. Caraway] and the junior Senator from Louisiana [Mr. Overton] are absent because of illness, and that the Senator from Nevada [Mr. PITTMAN] and the Senator from Kentucky [Mr. BARKLEY] are necessarily detained from the Senate.

The VICE PRESIDENT. Eighty-nine Senators have answered to their names. A quorum is present.

## DEATH OF OLIVER WENDELL HOLMES

Mr. WALSH. Mr. President, I consider it most appropriate that the Senate of the United States should pause at the very beginning of its deliberations today in order that tribute may be paid to Oliver Wendell Holmes, who died here in the Capital City of the Nation early this morning in his ninety-fourth year.

Few men have been spared to give such fullness of years to the service of their fellow countrymen as has this distinguished citizen of the United States. A soldier in the Civil War, dropping from his hand his Harvard degree for the musket, he served 4 years as a young officer in that momentous struggle. Shot through the breast at Balls Bluff, shot through the neck at Antietam, shot through the heel at Maryes Heights, his military record alone is a patriot's monument.

A lawyer of the highest integrity, law professor, and authoritative author in jurisprudence for 15 years, he became a member of the Supreme Judicial Court of Massachusetts. to serve on that body for 20 years, 3 of those years as its chief justice. That service and, until January 1932, his distinguished labors of 29 years as Associate Justice of the Supreme Court of the United States, made a total activity in the highest judicial tribunals of his State and Nation of more than 49 years. No man in our Nation's history served the cause of justice more devotedly and continuously.

It is not merely his many years of service that his fellow countrymen have always proclaimed with pride but especially the character of his service. The clarity of his vision, the tolerance and broad-mindedness of his outlook, his championing of the cause of liberality, impartiality, and truth; in a word, his untrammeled and discerning legal opinions, coupled with great courage, made him a national figure both conspicuous and beloved. He demonstrated, perhaps better than any other man in American life, that not

born to ease and blessed with the advantages of educational and social accomplishments to be diverted from sympathy with the struggles of the average citizen and from the display of such sympathy, even when it required standing alone and against his own social class for the fullest protection of the legal rights of the humble. Truly this man was a veritable soldier for the right all his life.

The 93 years of honorable, useful, and patriotic life that speak to us today from his death chamber, in life earned Oliver Wendell Holmes the affection and gratitude of the Nation; in death his memory should inspire all who are called to public service, in peace or in war, to emulate his industry, independence, intelligence, integrity, and unflinching devotion to his country's welfare.

The Senate of the United States, the Commonwealth of Massachusetts, justly proud of her noble son, and 120,000,000 of grateful Americans join in thanking the God of Nations for having given us Oliver Wendell Holmes, one of the most able, cultured, and patriotic Americans of our generation. May the noble soul of the grand old man of the judiciary rest in peace! Oliver Wendell Holmes, hail and farewell!

#### SOPHIE DE SOTA

The VICE PRESIDENT. The Chair lays before the Senate a concurrent resolution coming over from the House of Representatives, which will be read.

The Chief Clerk read the resolution (H. Con. Res. 14), as

Resolved by the House of Representatives (the Senate concurring), That the President of the United States be, and he is hereby, requested to return to the House of Representatives the enrolled bill (H. R. 330) entitled "An act for the relief of Sophie de Sota."

Mr. ROBINSON. Mr. President, as will be observed, the concurrent resolution adopted by the House, which has just been laid before the Senate, requests the President to return to the House House enrolled bill 330, for the relief of Sophie de Sota. I ask unanimous consent for the present consideration of the concurrent resolution.

The VICE PRESIDENT. Is there objection?

There being no objection, the concurrent resolution was considered and agreed to.

## WHITE HOUSE POLICE FORCE

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Treasury, submitting a draft of proposed legislation amending section 2 (a) of the act entitled "An act to create the White House police force" proved September 14, 1922 (42 Stat. 841), as amended, to provide necessary police and to establish additional police posts in and about the White House and grounds so as to insure protection of the new and enlarged executive offices, which, with the accompanying paper, was referred to the Committee on Public Buildings and Grounds.

## PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of the State of California, which was referred to the Committee on Civil Service:

## Senate Joint Resolution 5

Relating to retirement of Federal employees who have been in the service for 15 to 30 years or more and restoration of pay of said employees as of January 1, 1935

Whereas employees who have attained the age of 60 years and have rendered at least 15 years' service should be eligible for retirement, and all civil-service employees who have rendered at least 30 years' service, regardless of age, should be allowed to retire at their option with adequate pensions to insure their proper care during the balance of their lives; and

Whereas the President of the United States has determined that

Whereas the President of the United States has determined that the percentage of reduction of Government employees' salaries shall continue to be 5 percent to and including June 30, 1935; and Whereas it is believed that such reductions should be discontinued and that full pay of Government employees should be restored as of January 1, 1935: Now, therefore, be it Resolved by the senate and assembly, jointly, That the Legislature of the State of California at its fifty-first regular session urges that the Congress of the United States adopt such legislation as will enable this to be done; and be it further

Resolved, That copies of this resolution be forwarded by the secretary of the senate to the President of the United States, to the Secretary of Labor of the United States, and to each Member of Congress and the United States Senate from the State of California.

GEORGE J. HATFIELD, President of the Senate. EDWARD CRAIG, Speaker of the Assembly.

Attest:

J A BREK Secretary of the Senate.
ARTHUR A. OHNIMUS,
Chief Clerk of the Assembly

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of California, which was referred to the Committee on Military Affairs:

Senate Joint Resolution No. 6

Relative to accepting amendments to permit from the Government of the United States for the construction of approach roads and toll areas over certain rights-of-way leading to the Golden Gate Bridge in the Presidio of San Francisco Military Reservation, and relating to the retrocession by the Congress of the United States of jurisdiction over said rights-of-way and toll areas as relocated

Whereas, on February 13, 1931, the Secretary of War, pursuant to authority in him vested by section 6 of the act of Congress approved July 5, 1884 (23 Stat. 104), granted to the Golden Gate Bridge and Highway District a right-of-way for the extension, maintenance, and operation of a State road across the Presidio of San Francisco Military Reservation, Calif., and across the Fort Baker Military Reservation, including space for toll booths and facilities for regulating traffic, and also the right to erect, operate, and maintain the ends of the Golden Gate Bridge with cable anchorages, upon the said military reservations; and

Whereas said grant has been accepted by the Golden Gate Bridge and Highway District and also by the Legislature of the State of California under the terms of Senate Joint Resolution No. 11, of the forty-ninth session of the Legislature of the State of California; and

California; and
Whereas the said permit and grant were amended by amendments dated April 1, 1931, May 1, 1933, and July 21, 1933, which said three amendments have been accepted by the Golden Gate Bridge and Highway District and approved and accepted by joint resolutions of the Legislature of the State of California; and

resolutions of the Legislature of the State of California; and
Whereas, on the 19th day of March 1934, the Secretary of
War did grant to the Golden Gate Bridge and Highway District a
further modification of said permit as amended, and being a modification providing for the enlargement of the toll area theretofore
granted under the original permit in the Presidio of San Francisco
Military Reservation, which said amendment and modification of
the date last mentioned is hereby expressly referred to; and
Whereas it was in said last-named modification and amendment,
expressly provided that the amendments and modifications therein

expressly provided that the amendments and modifications therein contained should not become effective and the original permit of contained should not become effective and the original permit of February 13, 1931, should remain unchanged thereby, unless and until the said Golden Gate Bridge and Highway District should have accepted said amendment, and unless and until the State of California should have, with respect to said amendment, taken the same formal action which it was required to take with respect to the original permit, and which is set forth in paragraph 11 and subparagraphs 11a, 11b, and 11c of that instrument, as a condition precedent to the taking effect thereof: Now, therefore, be it

condition precedent to the taking effect thereof: Now, therefore, be it

Resolved by the Senate and Assembly of the State of California, fointly, That said modification and amendment, dated the 19th day of March 1934, to said permit dated February 13, 1931, as amended by amendments dated April 1, 1931, May 1, 1933, and July 21, 1933, granted by the Secretary of War to the Golden Gate Bridge and Highway District, be and the same hereby is, together with each, all, every, and singular the terms, conditions, limitations, reservations, and requirements therein contained, accepted by and on behalf of the State of California; and be it further

Resolved, That the State of California does hereby make application to the Congress of the United States for a retrocession of jurisdiction over the rights-of-way and toll area as relocated and amended by said modification, dated the 19th day of March, 1934, in leu of and superseding the application for retrocession of jurisdiction over the right-of-way heretofore granted across the Presidio of San Francisco Military Reservation in the original permit of February 13, 1931, in case said relocation of the right-of-way and toll area is finally granted to the Golden Gate Bridge and Highway District; and be it further

Resolved, That the State of California will, in case such retrocession of jurisdiction is granted by Congress, accept such retrocession of jurisdiction, and will assume the responsibility of managing, controlling, policing, and regulating traffic thereon, all subject to the following limitations and to such other limitations as Congress may prescribe.

(a) That nothing in said permit contained shall be construed

as Congress may prescribe.

(a) That nothing in said permit contained shall be construed to give to the State of California or any of its agents, authority at any time to regulate traffic of military personnel or vehicles upon the said bridge or roads. All traffic upon said roads and

upon said bridge shall be free from any tolls, charges, or any form of obstruction by State or other agencies, against military and naval personnel and their dependents, civilians of the Army and Navy traveling on Government business under military au-

thority, and Government traffic.

(b) That whenever in the judgment of the Secretary of War or his authorized representative any emergency exists which justifies it, he may assume exclusive control and management of said bridge and roads and may then in his discretion prohibit,

limit, or regulate traffic thereon.

limit, or regulate traffic thereon.

(c) That nothing in said permit contained shall be construed to confer upon the State courts the right to try persons subject to military law for crimes or offenses committed on said roads, or upon said bridge within the boundaries of the respective military reservations involved, but the courts of the United States or military tribunals as now or hereafter provided by law, shall retain exclusive jurisdiction to try such persons for such offenses; be it further

Resolved, That the State of California does hereby agree to make such relocated right-of-way and toll area in the Presidio of San Francisco Military Reservation in said amended permit described a part of the system of public highways of the State; and be it

Resolved, That copies of this resolution be transmitted to the President of the United States, to the Secretary of War, to each House of Congress, and to the Senators and Representatives in Congress of the State of California.

GEORGE J. HATFIELD. President of the Senate. EDWARD CRAIG, Speaker of the Assembly.

Attest:

J. A. Brek,
Secretary of the Senate.
ARTHUR A. OHNIMUS,
Chief Clerk of the Assembly.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Nevada, which was referred to the Committee on Education and Labor:

Assembly joint resolution to the honorable the President of the United States relative to the policy of establishing a reasonable and equitable preferential basis in connection with certain contracts and works in favor of Nevada contractors, Nevada materials and Nevada laborations. rials, and Nevada labor

To the honorable the PRESIDENT OF THE UNITED STATES:

Whereas the Thirty-seventh Legislature of the State of Nevada, in regular session, represents: The State of Nevada, in common with every State in the Union, is confronted with the important task of providing employment for its citizens. Funds are appropriated from time to time by the Congress of the United States for the construction of Federal public buildings and the constructhe construction of receral public buildings and the construction of national forest, national park, and national monument highways within the State of Nevada, upon which considerable numbers of men are employed. Many of the contracts for such works are let to contractors located outside of Navada, who, usually, if not invariably, import into the State the labor required for their construction. The employment of needy citizens of this State on such work would in some measure alleviate the scrious upenployment situation in Navada, would be a just policy in unemployment situation in Nevada; would be a just policy, in that it would avoid adding to Nevada's duties in the matter of police protection and the legal rights of persons permanently or temporarily residing within its borders; would be a justifiable policy from an economic standpoint, since it would obviate the

policy from an economic standpoint, since it would obviate the expense of transporting employees from other parts of the United States; and would work no injustice to any community; and

Whereas the Federal law, being section 6 of "An act to provide that the United States shall aid the States in the construction of rural post roads, and other purposes", approved July 11, 1916, reads, in part, as follows: "That in the expenditure of this fund for labor preference shall be given, other conditions being equal, to honorably discharged soldiers, sailors, and marines, but any other preference or discrimination among citizens of the United States in connection with the expenditure of this appropriation

other preference or discrimination among citizens of the United States in connection with the expenditure of this appropriation is hereby declared to be unlawful"; and Whereas it is advisable for the better carrying out of the intent and purpose of the said law to restrict this preference to the citizens of the State in which said work is being performed; and Whereas said section 6 should be amended to give preference to the citizens of the State in which any of the work under the said act is being performed. Now therefore he it

Whereas said section 6 should be amended to give preference to the citizens of the State in which any of the work under the said act is being performed: Now, therefore, be it Resolved by the Assembly and Senate of the State of Nevada, That departments of the United States Government having under their charge and control the awarding of contracts for the construction of public works within the State, or the supervision of such works, if any, by force account, pursue the policy of establishing a reasonable and equitable preferential basis in connection with such contracts and works in favor of Nevada contractors, Nevada materials, and, in particular, of Nevada labor; and that the good offices of the President of the United States be exerted to this end: be it further

Resolved, That copies of this resolution be transmitted forth-with by the secretary of the State of Nevada to the President of the United States Senate, to the Speaker of the House of Repre-

sentatives, to our Senators and Representative in Congress, and to the Chief of the Bureau of Public Roads, and a copy, under the great seal of the State of Nevada, to the President of the United

FRED S. ALWARD, President of the Senate. EDWARD A. DUCKER, Jr., Secretary of the Senate.
WILLIAM KENNETT, Speaker of the Assembly. LEONARD A. WILSON, Chief Clerk of the Assembly.

State of Nevada, executive department. Approved February 27,

RICHARD KIRMAN, Governor.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of North Dakota, which was referred to the Committee on Banking and Currency:

## Senate Concurrent Resolution R

Whereas the Bank of North Dakota is organized and estab-

Whereas the Bank of North Dakota is organized and testab-lished by the State of North Dakota and is part of the State of North Dakota functioning in its sovereign capacity; and Whereas the Bank of North Dakota is backed and guaranteed by all resources of the State in its sovereign capacity and is one of the soundest financial institutions in the United States; and

Whereas the State of North Dakota in due course of its business whereas the State of North Dakota in due course of its business issues bonds and securities for the proper financing of its business and its institutions, which said bonds and securities are all within the limitations prescribed by the laws of the State of North Dakota and are guaranteed and backed by the integrity and all the resources of the State; and

Whereas the State of North Dakota makes use of the Bank of North Dakota to handle and purchase these bonds and securities;

Whereas the Bank of North Dakota has on hand and does handle a large amount of these State bonds and securities as part of its resources and reserve; and

Whereas it would be of great advantage and benefit to the State of North Dakota in the proper financing of its business enterprises and its institutions, that the Bank of North Dakota should be authorized, empowered, and permitted to pledge with the United States Treasury such of the bonds and securities of the State of North Dakota handled by the Bank of North Dakota, and be further authorized and permitted to issue currency in place thereof. In this matter the Bank of North Dakota would not be required to begrow money for short-time financing and pay inrequired to borrow money for short-time financing and pay interest thereon: and

Whereas an act of Congress is necessary to qualify the Bank of orth Dakota to take advantage of this medium of financing:

Now, therefore, be it

Resolved by the Senate of the State of North Dakota (the house of representatives concurring therein), That we petition the United States Congress now assembled, to enact the proper and necessary law qualifying the Bank of North Dakota to participate in the facilities of the United States Treasury for the issuing of currency in the name of the Bank of North Dakota, secured by a deposit of the bonds of the State of North Dakota and acceptable State securities; and be it further State securities; and be it further

Resolved, That we petition the United States Treasury and Comptroller of the Currency to make such rules and regulations as will give to the Bank of North Dakota, as a sovereign institution of the State of North Dakota the facilities for issuing of currency; and be it further

Resolved, That the secretary of state of the State of North Dakota be and is hereby instructed to forward an authenticated copy of this resolution to the President of the United States, the copy of this resolution to the President of the United States, the Honorable Franklin D. Roosevelt, to the President of the United States Senate, to the Speaker of the House of Representatives at Washington, D. C., to the Secretary and to the Comptroller of the United States Treasury, and to the two United States Senators and two Representatives from North Dakota in Congress.

A. S. Marshall,

President are tempore of the Senate

President pro tempore of the Senate.

F. E. TUNNELL,

Secretary of the Senate.

WILLIAM M. CROCKETT, Speaker of the House.
WALTER S. MARTIN,
Chief Clerk of the House.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Michigan, which was ordered to lie on the table:

A concurrent resolution memorializing the Congress of the United States to pass, and the President of the United States to approve, if passed, the General Pulaski Memorial Day resolution now pending in Congress

Whereas a resolution providing for the President of the United States to proclaim October 11 of each year as "General Pulaski Memorial Day" for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski is now pending in the present session of Congress; and

Whereas the 11th day of October 1779 is the date of the heroic death of Brig. Gen. Casimir Pulaski, who died from wounds received on October 9, 1779, at the siege of Savannah, Ga.; and

on October 9, 1779, at the siege of Savannah, Ga.; and
Whereas the States of Arkansas, California, Connecticut, Delaware, Illinois, Indiana, Kentucky, Louisiana, Maryland, Kansas,
Massachusetts, Michigan, Minnesota, Missouri, Nebraska, New
Hampshire, New Jersey, New York, Nevada, Ohio, Pennsylvania,
South Carolina, Tennessee, Texas, West Virginia, Wisconsin, and
other States of the Union have, through legislative enactment,
designated October 11 of each year as "General Pulaski Memorial
Day".

designated October 11 of each year as "General Pulaski Memorial Day"; and

Whereas it is fitting that the recurring anniversary of this day be commemorated with suitable patriotic and public exercises observing and commemorating the heroic death of this great American hero of the Revolutionary War; and

Whereas the Congress of the United States has by legislative enactment designated October 11, 1929, October 11, 1931, October 11, 1932, and October 11, 1934, to be "General Pulaski Memorial Day" in the United States: Now, therefore, be it

Resolved by the senate (the house of representatives concurring), That we hereby memorialize and petition the Congress of the United States to pass, and the President of the United States to approve, if passed, the "General Pulaski Memorial Day" resolution now pending in Congress; and be it further

Resolved, That suitable copies of this resolution be sent forthwith to the President of the United States, the Vice President of the United States, the Vice President of the United States, the Vice President of the United States, the Speaker of the House of Representatives,

the United States, the Speaker of the House of Representatives, and to each of the United States Senators and Representatives in

Congress from the State of Michigan.

Adopted by the senate, February 5, 1935.

Adopted by the house of representatives, February 26, 1935.

The VICE PRESIDENT also laid before the Senate a resolution adopted by the State executive committee of the Patriotic Order Sons of America, in the State of Pennsylvania, protesting against communistic teachings and propaganda in the schools and colleges of the United States, which was referred to the Committee on Education and Labor.

He also laid before the Senate the petition of Annie E. Miller, of Lovettsville, Va., praying for the enactment of old-age-pension legislation, which was referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by the State executive committee of the Patriotic Order Sons of America, in the State of Pennsylvania, protesting against ratification of the World Court protocols, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a resolution adopted by the General Missionary Council of the Methodist Episcopal Church South, at Little Rock, Ark., protesting against an investigation of alleged religious persecutions in the Republic of Mexico, which was referred to the Committee on Foreign Relations.

He also laid before the Senate petitions of sundry colored citizens of Little Rock, Ark., praying for the enactment of the so-called "Costigan-Wagner antilynching bill", which were referred to the Committee on the Judiciary.

He also laid before the Senate a letter from Hilda Phelps Hammond, chairman Women's Committee of Louisiana, of New Orleans, La., transmitting petitions of citizens of the States of California, Illinois, Kentucky, and New York, praying for an investigation of charges filed by the Women's Committee of Louisiana relative to the qualifications of the Senators from Louisiana [Mr. Long and Mr. OVERTON], which, with the accompanying papers, was referred to the Committee on Privileges and Elections.

He also presented petitions of sundry citizens of the States of Kansas, Maryland, Indiana, Ohio, and Maine, praying for an investigation of charges filed by the Women's Committee of Louisiana relative to the qualifications of the Senators from Louisiana [Mr. Long and Mr. OVERTON], which were referred to the Committee on Privileges and

He also laid before the Senate a resolution adopted by the State Executive Committee of the Patriotic Order Sons of America, in the State of Pennsylvania, favoring the enactment of legislation calling for Federal participation in the celebration of the one hundred and fiftieth anniversary of the adoption of the Constitution of the United States. which was referred to the Committee on Rules.

He also laid before the Senate a resolution adopted by the Common Council of the City of Lebanon, Tenn., favoring the enactment of pending legislation proclaiming October 11 in each year as General Pulaski's Memorial Day, which was ordered to lie on the table.

He also laid before the Senate a telegram from Arthur Higgins, secretary of convention, quoting a resolution adopted by the International Brotherhood of Paper Makers, at Buffalo, N. Y., favoring the adoption of the so-called "McCarran amendment" providing for the payment of prevailing wages in connection with proposed appropriations for public works relief, which was ordered to lie on the table.

He also laid before the Senate a telegram in the nature of a petition from John P. Burke, president-secretary, International Brotherhood of Pulp Sulphite and Paper Mill Workers, assembled in convention at Buffalo, N. Y., praying for the adoption of the so-called "McCarran amendment" providing for the payment of prevailing wages in connection with proposed appropriations for public works relief, which was ordered to lie on the table.

Mr. CAPPER presented a resolution adopted by Ellsworth Post, No. 174, American Legion, of Ellsworth, Kans., favoring the passage of legislation known as the "Patman bill", being the bill (H. R. 1) to provide for the immediate payment to veterans of the face value of their adjusted-service certificates and for controlled expansion of the currency, which was referred to the Committee on Finance.

Mr. WALSH presented the following resolution of the General Court of Massachusetts, which was referred to the Committee on the Judiciary:

Resolutions memorializing the Congress of the United States relative to the prevention or punishment of the crime of lynching

Resolved, That the General Court of Massachusetts respectfully represents to the President and the Congress of the United States the necessity of the more strict enforcement of existing Federal statutes, whereunder the crime of lynching may be punished, and of the passage of additional Federal statutes effectively prohibiting and punishing such crime; and be it further

Resolved, That copies of these resolutions be forwarded forthwith by the secretary of the Commonwealth to the President of the United States, to the presiding officers of both branches of Congress, and to the Members of Congress from Massachusetts.

In house of representatives, adopted February 11, 1935.

In house of representatives, adopted February 11, 1935. In senate, adopted in concurrence February 18, 1935. A true copy. Attest:

[SEAL]

F. W. Co

F. W. Cook, Secretary of the Commonwealth.

Mr. WALSH also presented the memorial of employees of F. S. Payne Co., of Cambridge, Mass., remonstrating against the enactment of legislation providing a 30-hour-work week in industry, which was referred to the Committee on the Judiciary.

He also presented a petition of sundry citizens of Plymouth, Mass., praying for the enactment of legislation providing for the improvement of the banks of the Cape Cod Canal, which was referred to the Committee on Commerce.

He also presented a letter in the nature of a petition from Harry Badmington, of Rockland, Mass., praying for the enactment of legislation repealing the 10-percent tax on furs, which was referred to the Committee on Finance.

He also presented the petition of the Pulaski Club, of East-hampton, Mass., praying for the enactment of legislation known as "The Workers' Unemployment Old-Age and Social Insurance Act", which was referred to the Committee on Finance.

He also presented the memorial of members of the faculty of the Walnut Hill School, of Natick, Mass., remonstrating against the enactment of legislation providing for payment of adjusted-service certificates of World War veterans, which was referred to the Committee on Finance.

He also presented resolutions adopted by the mayor and City Council of Brockton; Lorraine Post, No. 29, Veterans of Foreign Wars, of Haverhill; and Benjamin D. Cushing Post, No. 2425, Veterans of Foreign Wars, of Marion, all in the State of Massachusetts, favoring the enactment of legislation providing immediate payment of adjusted-service certificates

of World War veterans, which were referred to the Committee on Finance.

He also presented petitions of sundry citizens of the State of Massachusetts, praying for the publication at Government expense of all testimony taken by the Federal Communications Commission, broadcast division, in relation to the broadcasting of programs of interest, convenience, and necessity, together with the report of the Commission, which were referred to the Committee on Interstate Commerce.

He also presented memorials of sundry citizens of the State of Massachusetts, remonstrating against the passage of House bill 3971, to regulate sales in interstate commerce by taxation, which were referred to the Committee on Interstate Commerce.

He also presented the memorial of Henry K. Barnes Co., of Boston, Mass., remonstrating against amendment of section 16 of the Interstate Commerce Act providing for the shortening of the present 3-year period for recovering freight overcharges, which was referred to the Committee on Interstate Commerce.

He also presented the memorial of the board of directors of the Dorchester (Mass.) Board of Trade, remonstrating against taking jurisdiction from the Interstate Commerce Commission over freight rates in competing sections of the country, which was referred to the Committee on Interstate Commerce.

He also presented a resolution adopted at Worcester, Mass., by Scandinavian residents of that city and vicinity, protesting against war and excessive preparations for war purposes, which was referred to the Committee on Military Affairs.

He also presented the petition of members of R. H. Dowling Camp, No. 35, United Spanish War Veterans, of Pittsfield, Mass., praying for the passage of House bill 100, providing for the reenactment of provisions of law relating to pensions for Spanish War veterans, which was referred to the Committee on Pensions.

He also presented the petition of the Ladies' Auxiliary Division, No. 2, Ancient Order of Hibernians, of Holyoke, Mass., praying for the enactment of legislation providing for the issuance of a special commemorative stamp in honor of Commodore John Barry, which was referred to the Committee on Post Offices and Post Roads.

Mr. BORAH presented a joint memorial of the Legislature of the State of Idaho, favoring ascertainment of a fair and equitable contract between the beet-sugar grower and processor, and in the making of sugar sales allotments to the off-shore and domestic processors, preference to be given to the domestic industry, which was referred to the Committee on Agriculture and Forestry.

(See joint memorial printed in full when presented by Mr. Pope on Feb. 25, 1935, p. 2518, Congressional Record.)

Mr. BORAH also presented a joint memorial of the Legislature of the State of Idaho, favoring the enactment of legislation creating price-fixing terminals in each State and imposing a processing or consumer's tax on commodities in commerce out of which freight charges shall be paid from the terminal point of destination for the relief of the livestock and agricultural industries, which was referred to the Committee on Agriculture and Forestry.

(See joint memorial printed in full when presented by Mr. Pope on Feb. 11, 1935, p. 1779, Congressional Record.)

Mr. BORAH also presented a joint memorial of the Legislature of the State of Idaho, favoring the enactment of legislation to remonetize silver at the ratio of 16 to 1, which was referred to the Committee on Banking and Currency.

(See joint memorial printed in full when presented by Mr. Pope on Feb. 18, 1935, pp. 2061–2062, Congressional Record.)

Mr. BORAH also presented a joint memorial of the Legislature of the State of Idaho, protesting against any change in existing tariff regulations affecting importations of cherries, which was referred to the Committee on Finance.

(See joint memorial printed in full when presented by Mr. Pope on Feb. 25, 1935, p. 2518, Congressional Record.)

Mr. BORAH also presented a joint memorial of the Legislature of the State of Idaho, favoring the making of adequate appropriations for the Bureau of Mines, which was referred to the Committee on Mines and Mining.

(See joint memorial printed in full when laid before the Senate on Mar. 5, 1935, by the Vice President, p. 2958, Con-

GRESSIONAL RECORD.)

Mr. BORAH also presented a joint memorial of the Legislature of the State of Idaho, favoring adequate marking of the western boundary line of the Yellowstone National Park in Idaho, which was referred to the Committee on Public Lands and Surveys.

(See joint memorial printed in full when presented by Mr. Pope on Feb. 25, 1935, p. 2518, Congressional Record.)

Mr. KEYES presented the following joint resolution of the Legislature of the State of New Hampshire, which was referred to the Committee on Commerce:

Joint resolution for the procurement of Federal cooperation in the stabilizing of the Merrimack River

stabilizing of the Merrimack River

Whereas it appears to be the policy of the Federal administration in pursuance of its purpose to relieve unemployment, to extend full cooperation or assume complete responsibility in the work of establishing water-storage projects which shall be permanent in their character and which will contribute to the stabilization of water flow in important streams; and

Whereas the Merrimack River is among the most important streams in the eastern section of the country, serving two States with highly developed industrial centers which are dependent upon that river's water flow: Now, therefore, be it

Resolved by the senate and house of representatives in general court convened: That His Excellency the Governor be requested to lay before the proper authorities in the Federal Government the problem of bringing about the stabilization of water flow in the Merrimack River and that our Senators and Representatives in Congress be requested to cooperate with the Governor in such steps as he may take to this end, and that they be requested to seek, if necessary, the sanction of Congress for the purpose of effecting this highly desirable object.

WILLIAM J. AHERN.

WILLIAM J. AHERN,
Acting Speaker of the House of Representatives.
HUSAN C. ALEXANDER,
Acting President of the Senate.
H. STYLES BRIDGES, Governor.

Approved February 28, 1935.

Mr. BARBOUR presented the following joint resolution of the Legislature of the State of New Jersey, which was referred to the Committee on the Judiciary:

Joint Resolution 1 Joint resolution memorializing the Congress of the United States to adopt measures directed against mob violence and lynching

Whereas in many sections of the United States crimes of violence

are rapidly increasing both in numbers and in seriousness; and Whereas one of the most deplorable types of crime is the wanton

whereas one of the most deplotable types of trime is the wanton destruction of human life, public and private property, by mobs under so-called "lynch law"; and

Whereas such crimes strike at the very fundamentals of our constitutional rights and our system of democratic government, tending, if unchecked, to result in an absolute disregard for and defence of duly constituted agreement, with the approximation of the constituted agreements. defiance of duly constituted agencies charged with the protection of life and property and with the proper enforcement of our criminal laws; and

Whereas a continual disregard of the taking of human life and the destruction of property by irresponsible individuals banded together under the influence of excitement to usurp the preroga-tives of legal agencies devoted to the apprehensions, prosecution, and punishment of criminals can but encourage the rising tide of

and punishment of criminals can but encourage the rising tide of violence; and
Whereas a stable government can only be maintained where the courts, operating under due process of law, shall be the only agency or power permitted to deprive any citizen of his constitutional rights to life and liberty; and
Whereas we firmly believe that this unfortunate situation can be best curtailed and eradicated through the power of our Federal Government: Therefore be it

Resolved by the Senate and General Assembly of the State of

New Jersey—

1. That the Congress of the United States now in session be memorialized and requested to as speedily as possible adopt and pass some remedial measure, and to take such other action as may be necessary, fit, and proper to curtail as far as possible under Federal laws this growing national evil of mob violence and lynching to the end that everyone in the United States of America may be accorded and guaranteed full protection of life, liberty, and property under our Constitution; be it further

\*Resolved\*, That copies of this joint resolution be transmitted to the Vice President of the United States, to the Speaker of the House of Representatives, and to the Senators and Representatives in the Congress of the United States from the State of New Jersey.

2. This joint resolution shall take effect immediately.

2. This joint resolution shall take effect immediately. Approved February 21, 1935.

## ADDITIONAL JUDGES IN CALIFORNIA

Mr. ASHURST presented resolutions adopted by the Bar Association of San Francisco, Calif., which were referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

Resolution relating to the appointment of a fifth circuit judge to the United States Circuit Court of Appeals, Ninth Circuit

Whereas in connection with the increase of the business of the United States Circuit Court of Appeals for the Ninth Circuit the following salient facts appear:

(a) That the territory comprising the circuit contains 1,372.461

square miles;
(b) That the population of the circuit for the decade, 1920-30, increased 40 percent (the State of California alone increased 65.7

percent);
(c) That the number of cases docketed for the decade 1920-30 increased 62 percent, or at a rate 22 percent greater than the

rate of increase in population;

(d) That the industrial development of the circuit, particularly that of the State of California, has increased in direct ratio to the increase in population;

(e) That the drain upon the time of circuit judges has been enormously increased by reason of the three-judge cases arising under Twenty-eight United States Court of Appeals, sections 380 and 266, Judicial Code, as amended in 1925, in traveling and sitting in cases;

(f) That the present docketing of cases is at the rate of 380 per year, resulting in the requirement that each judge dispose of 95 cases, participate in 282 cases, and write 60 opinions each year—a burden beyond the power of any judge long to endure;
(g) That the new deal has increased the work of the three-

judge court, and likewise present regulation by the States of matters heretofore not regulated by public authority has increased litigation in the Federal courts;

(h) That at the present time 96 percent of all judgments of the court are final, which fact emphasizes the importance of time for the careful consideration of opinions; and

Whereas there is now pending in the Congress H. R. 5917, which measure has already received the approval of the House of Representatives Judiciary Committee: Now, therefore, by reason of the foregoing salient facts, and by further reason of a consideration of the volume of business of said court as set forth in a résumé thereof hereby referred to and attached to this resolution: Be it, and it is hereby

"Resolved by the Bar Association of San Francisco, That the Congress of the United States be, and it is hereby respectfully petitioned and urged to provide an additional, that is to say, a fifth circuit judge of said United States Circuit Court of Appeals, Ninth Circuit, by the immediate passage of H. R. 5917.

"Resolved further, That certified copies of this resolution be transmitted, respectively, to the President of the United States, to the Chief Justice of the United States, to the Attorney General of the United States, to the Chairman of the Judiciary Committee of the Senate and to the Chairman of the Judiciary Committee of the House of Representatives of the United States."

ARTHUR W. BROUILLET,
President Bar Association of San Francisco.

GEO. J. MARTIN, Secretary.

The above resolution was authorized at a special meeting of the board of governors of the Bar Association of San Francisco called for that purpose and held on February 26, 1935.

GEO. J. MARTIN, Secretary.

## REPORTS OF COMMITTEES

Mr. NORRIS, from the Committee on the Judiciary, to which was referred the resolution (S. Res. 64) requesting the Department of Justice to investigate the advisability of redistricting the State of Michigan with reference to judicial districts, reported it with an amendment and submitted a report (No. 253) thereon.

Mr. WHITE, from the Committee on Claims, to which was referred the bill (S. 1854) giving jurisdiction to the Court of Claims to hear and determine the claim of the Cherokee Fuel Co., reported it without amendment and submitted a report (No. 254) thereon.

Mr. HARRISON, from the Committee on Finance, to which was referred the bill (S. 1079) authorizing the Secretary of the Treasury to execute a certain indemnity agreement, reported it with an amendment and submitted a report (No. 256) thereon.

Mr. BAILEY, from the Committee on Claims, to which was referred the bill (S. 1817) conferring jurisdiction upon the Court of Claims of the United States to hear, consider, and render judgment on the claim of Squaw Island Freight Terminal Co., Inc., of Buffalo, N. Y., against the United States in respect of loss of property occasioned by the breaking of a Government dike on Squaw Island, reported

He also, from the same committee, to which was referred the bill (S. 283) for the relief of Beatrice I. Manges, reported it with amendments and submitted a report (No. 258) thereon.

Mr. SCHWELLENBACH, from the Committee on Claims, to which was referred the bill (H. R. 593) for the relief of Fred C. Blenkner, reported it without amendment and submitted a report (No. 259) thereon.

Mr. BURKE, from the Committee on Claims, to which was referred the bill (S. 1856) for the relief of Arthur Smith, reported it with amendments and submitted a report (No.

Mr. GIBSON, from the Committee on Claims, to which was referred the bill (S. 43) for the relief of Lucile A. Abbey, reported it without amendment and submitted a report (No. 261) thereon.

He also, from the same committee, to which was referred the bill (S. 896) for the relief of Anna W. Ayer, widow of Capt. Asa G. Ayer, deceased, reported it with an amendment and submitted a report (No. 262) thereon.

He also, from the same committee, to which was referred the bill (S. 1386) for the relief of Duke E. Stubbs and Elizabeth S. Stubbs, husband and wife, both of McKinley Park, Alaska, reported it with amendments and submitted a report (No. 263) thereon.

Mr. TOWNSEND, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 712. A bill for the relief of A. H. Marshall (Rept. No. 264): and

H. R. 426. A bill for the relief of Jacob Santavy (Rept. No. 265).

Mr. TOWNSEND also, from the Committee on Claims, to which was referred the bill (S. 906) for the relief of Chellis T. Mooers, reported it with amendments and submitted a report (No. 266) thereon.

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (S. 391) for the relief of Ralph E. Woolley, reported it without amendment and submitted a report (No.

He also, from the same committee, to which were referred the following bills, reported them severally with an amendment and submitted reports thereon:

S. 685. A bill for the relief of the Sanford & Brooks Co. (Rept. No. 268);

S. 1041. A bill for the relief of Cohen, Goldman & Co., Inc. (Rept. No. 269); and

S. 1051. A bill for the relief of the Western Union Telegraph Co. (Rept. No. 270).

Mr. LOGAN also, from the Committee on Claims, to which was referred the bill (S. 780) for the relief of the Standard Dredging Co., reported it with amendments and submitted a report (No. 271) thereon.

it without amendment and submitted a report (No. 257) | the first time by its title and the second time at length, as follows:

> Resolved, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$25,000, or so much thereof as may be necessary, to be expended by the Federal Power Commission for printing and binding the preliminary report of said Commission and such other reports as may be hereafter made pursuant to Public Resolution No. 18, Seventy-third Congress, approved April

> The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

> There being no objection, the joint resolution was considered, ordered to be engrossed for a third reading, read the third time, and passed.

> Mr. HAYDEN. I ask to have printed in the RECORD, following the passage of the joint resolution, a letter from the Commission relating to it.

> There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> > FEDERAL POWER COMMISSION, Washington, February 21, 1935.

Hon. CARL HAYDEN.

Chairman Senate Committee on Printing, United States Senate, Washington, D. C.

United States Senate, Washington, D. C.

My Dear Senator: In response to your request I submit the following statement outlining in brief the reports of the electric rate survey which remain to be submitted by the Federal Power Commission in compliance with the terms of Public Resolution No. 18, approved April 14, 1934, together with an estimate of the number of pages.

of pages.

1. Rates and typical bills for domestic and residential service: This report, which will cover the residential rates in every city, town, and village in the United States, will be submitted State by State. It will show the essential facts for more than 15,000 separate communities. Publication by States will greatly reduce the cost of publication. The number of copies should be determined separately for each State, perhaps upon the basis of 100 copies for each congressional district and 500 copies for each Senator. A proportionate number of additional copies should be printed for the use of newspapers. I understood from our telephone conversation that about 500 copies were required for Government depositions. the use of newspapers. I understood from our telephone conversation that about 500 copies were required for Government depositaries and another 500 copies should be made available for distribution through the Federal Power Commission to the State public service commissions and other public bodies. This would mean editions ranging from, say, 2,500 copies for the smaller States to, say, 6,000 copies for New York.

say, 6,000 copies for New York.

The reports for the separate States will average about 12 pages, folio size, ranging from about 5 or 6 pages in the case of the smaller States to about 25 pages in the case of New York.

The cost of printing will, however, be greatly reduced because of the fact that the explanatory text for each of the States will be substantially the same and the headings of the tables of rates and typical bills will be the same throughout all of the State reports.

2. Rates and typical bills for commercial and industrial light and power: This report will cover the rates charged for light and power to stores, shops, factories, mines, and other large industrial users in cities and towns of more than 5,000 population.

It will require about 125 pages, a large part of which will be tabular matter, but with substantially unaltered headings for all tables.

3. Rates and typical bills for farms and other rural service: This report will cover the rates and other charges to rural customers throughout the United States. It is estimated that it will require approximately 100 folio pages, about half of which will be text and half tabular matter.

a report (No. 271) thereon.

PROHIBITION OF MEMBERS OF CONGRESS ACTING AS ATTORNEYS

Mr. BORAH. Mr. President, I ask unanimous consent to file a report to accompany the bill (S. 574) relative to Members of Congress acting as attorneys in matters where the United States has an interest, heretofore reported by me from the Committee on the Judiciary. The report was not filed at the time the bill was reported, and I now ask permission to submit the report.

The VICE PRESIDENT. Without objection, the report will be received.

PRINTING AND BINDING FOR FEDERAL POWER COMMISSION Mr. HAYDEN. Mr. President, by direction of the Committee on Printing, I report a joint resolution and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The joint resolution will be read.

The joint resolution (S. J. Res. 77) authorizing printing and binding for the Federal Power Commission, was read

Because of the many variable factors which have been pointed out above, it is impossible at this time to submit even an approxi-

mate estimate of the aggregate cost

In view of the impossibility of determining at this time the exact number of copies of the various reports that will be required and the proportion of text and tabular matter, it is recommended that the concurrent resolution, introduced by Senator Norms, be amended so as to provide for printing such number of copies of each of the reports other than the preliminary report as may be approved by the Joint Committee on Printing and to provide that the aggregate cost shall not evered \$55,000.

wide that the aggregate cost shall not exceed \$25,000.

I have been called out of town unexpectedly and am just about to catch a train, but am asking Dr. William E. Mosher, director of the Electric Rate Survey, to present this letter to you and make such explanations as may be necessary to give you a clear picture

of the entire situation.

With sincere appreciation of your very great interest in this matter, I am,

Very truly yours,

Basil Manly, Vice Chairman.

#### ENROLLED JOINT RESOLUTION PRESENTED

Mr. LONERGAN (for Mrs. CARAWAY), from the Committee on Enrolled Bills, reported that on March 5, 1935, that committee presented to the President of the United States the enrolled joint resolution (S. J. Res. 46) authorizing and directing the Federal Communications Commission to investigate and report on the American Telephone & Telegraph Co. and on all other companies engaged directly or indirectly in telephone communication in interstate commerce, including all companies related to any of these companies through a holding-company structure or otherwise.

#### BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GEORGE:

A bill (S. 2170) for the relief of Preston Brooks Massey; to the Committee on Claims.

By Mr. BACHMAN:

A bill (S. 2171) granting an increase of pension to Rufus M. Barnes; to the Committee on Pensions.

By Mr. SHEPPARD and Mr. CONNALLY:

A bill (S. 2172) to amend the act of May 13, 1924, entitled "An act providing for a study regarding the equitable use of the waters of the Rio Grande", etc., as amended by the public resolution of March 3, 1927; to the Committee on Foreign Relations.

By Mr. ROBINSON (for Mrs. CARAWAY):

A bill (S. 2173) granting an increase of pension to Albert E. Longman; to the Committee on Pensions.

By Mr. JOHNSON:

A bill (S. 2174) to provide means by which certain Filipinos can emigrate from the United States; to the Committee on Immigration.

A bill (S. 2175) to grant to the State of California a retrocession of jurisdiction over certain rights-of-way granted to the State of California over certain roads about to be constructed in the Presidio of San Francisco Military Reservation and Fort Baker Military Reservation; to the Committee on Military Affairs.

Mr. BLACK. I introduce a bill, for reference to the Judiciary Committee, which is intended to expedite appeals to the Supreme Court of the United States for the granting of injunctions.

By Mr. BLACK:

A bill (S. 2176) providing for appeals from orders of Federal courts prohibiting compliance with Federal laws; to the Committee on the Judiciary.

## CHANGE OF REFERENCE

On motion of Mr. HARRISON, the Committee on Finance was discharged from the further consideration of the bill (S. 2014) for the relief of Alexander Gilchrist, Jr. (introduced by the Senator from New York [Mr. COPELAND]), and it was referred to the Committee on Civil Service.

AMENDMENT TO INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. CAPPER submitted an amendment proposing to authorize and direct the Secretary of the Interior to pay to the Sac and Fox Tribe of Indians of Missouri the amount of \$9,158.20, representing the amounts remaining in the Treasury in two separate funds, plus \$273.71 interest, which have

accrued to and including December 31, 1934, on the amount of \$1,141.70 now in the Treasury derived from the sale of lands of these Indians, etc., intended to be proposed by him to House bill 6223, the Interior Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

### WORK-RELIEF PROGRAM-AMENDMENTS

Mr. STEIWER submitted amendments intended to be proposed by him to the joint resolution (H. J. Res. 117) making appropriations for relief purposes, which were ordered to lie on the table and to be printed, as follows:

On page 3, line 12 (in the committee amendment), before the word "and", to insert the word "bridges";
On page 3, line 20 (in the committee amendment), before the word "and", to insert the words "rivers and harbors"; and On page 3, to strike out the proviso of the committee amendment commencing in line 5 and insert in lieu thereof the following:

following:

"Provided, That except as to such parts of the appropriation made herein as the President may deem necessary for continuing relief as authorized under the Federal Emergency Relief Act of relief as authorized under the Federal Emergency Relief Act of 1933, as amended, this appropriation shall be available for the following classes of projects, the amounts to be expended for each class shall not, except as hereinafter provided, exceed the respective amounts stated, namely: Highways, roads, streets, bridges, and grade-crossing elimination, \$780,000,000; rural rehabilitation and relief in stricken agricultural areas, \$487,500,000; rural electrification, \$97,500,000; housing, \$438,750,000; projects for professional and clerical persons, \$292,500,000; Civilian Conservation Corps, \$585,000,000; public projects of States or political subdivisions thereof, \$877,500,000; sanitation, prevention of soil erosion, reforestation, forestation, flood control, and miscellaneous projects, \$341,250,000; rivers and harbors, \$100,000,000."

On page 3, to strike out the further proviso commencing in line 21 of the committee amendment and insert in lieu thereof the

of the committee amendment and insert in lieu thereof the

following

"Provided further, That the President may, in his discretion, in order to effectuate the purpose of this joint resolution, increase the allocation for any one or more of the classes of projects specified in this section by an amount not to exceed 20 percent of the amount allocated for such classes of projects; and to provide such increase, the President may reduce the allocations hereinabove set forth in an amount not to exceed 20 percent of the amounts provided for any such classes." vided for any such classes

Mr. McCARRAN. Mr. President, I send to the desk an amendment to the joint resolution (H. J. Res. 117) making appropriations for relief purposes, the amendment being what is sometimes referred to as the "McCarran amendment." I ask that it may be printed and lie on the table.

I also ask leave to have inserted in the RECORD at this point an editorial appearing in the Fallon Eagle, of Fallon, Nev., which, while I may not agree in every respect, appears to me to have the spirit of fairness with reference to the amendment which I have just offered. This paper is outstanding for its independence and the writer of this editorial has always displayed his ability to analyze public matters.

There being no objection, the amendment was ordered to be printed and to lie on the table, as follows:

Strike out all of section 6 of the committee amendment and

insert in lieu thereof the following:

"Src. 6. The President is authorized to prescribe, and shall give full publicity to, rules and regulations necessary to carry out the purpose of this joint resolution: Provided, however, That (a) such rules and regulations shall stipulate that the rates of wages paid to rules and regulations shall stipulate that the rates of wages paid to all laborers and mechanics employed by any contractor or subcontractor or by the public officer in charge for the United States or for the District of Columbia, for work done under this joint resolution, whether by contract or otherwise, involving the expenditure of any money appropriated by the resolution, need not be uniform throughout the United States but shall not be less than the prevailing rates of wages paid for work of a similar nature at the time of the approval of this resolution in the city, town, village, or other civil division of the State in which the work is located, or in the District of Columbia: Provided, however. That nothing in other civil division of the state in which the work is located, or in the District of Columbia: *Provided, however*, That nothing in this section shall apply to the administration of the Civilian Conservation Corps; (b) rules and regulations prescribed under this section shall not abrogate any existing law."

The editorial presented by Mr. McCarran was ordered to be printed in the RECORD, as follows:

[From the Fallon (Nev.) Eagle, Mar. 2, 1935] PERHAPS M'CARRAN IS RIGHT

Nevada critics of Senator Pat McCarran, who charge that he has blocked passage of proper relief measures by the Federal Government because he insisted on his prevailing-wage amendment to the \$4,800,000,000 public-works bill, seem to overlook the fact that what the Senator is trying to do is maintain a decent standard of living wages for labor.

As anyone who has to support a family of average size on \$50 a month will testify, the sum named is sufficient for a bare existence—nothing more. That is the sum proposed in the administration measure as the monthly wage allowance calculated to provide subsistence relief for the largest number of unemployed. It is quite true that \$50 a month is better than nothing. But it is equally true that the man who is drawing no more than that has no money to spend beyond what he must spend for bare necessities, and is certainly not able to stimulate recovery of business any more than if he and his family were on direct relief.

If there were no other course open, it would be better to provide work for the unemployed at \$50 a month than to provide direct relief in an equal amount, and most men would probably be better satisfied with work relief than with direct relief, particularly with really worth-while projects under construction, as the larly with really worth-while projects under construction, as the public-works bill contemplates.

But Senator McCarran reasonably contends that work provided

for as many men as can be employed with the funds available, at the prevailing rate of wages, will enable those who are so em-ployed to become consuming factors to the extent that private industries which produce consumer goods can increase their employment because of improved demand, thus making up for the difference in the number of men who can be employed on public works. He also contends that low wages on public works will tend to hammer down all wage scales, and this, too, seems reason-

The administration contends that if prevailing wages are to be paid on public works, there will be no incentive to workers to seek private employment. On the other hand, as McCarran contends, if the prevailing wage on public works is to be only \$50 a month, private employers will pay only enough more than that to get the labor they need, and a general trend of wages downward will be the result, with strong resistance of attempts to maintain high wage standards under codes which the Government would itself disregard in its employment policy.

gard in its employment policy.

In other words, Senator McCarran believes—and he was supported by enough of his colleagues to balk the administration bill at least temporarily—that it will be better all the way around to employ a million men at \$4 a day than to provide a scanty existence for 2,000,000 men at \$2 a day, and in so doing demoralize wage standards in private industry. The 1,000,000 men at \$4 a day will have enough to spend to improve private industry and stimulate private employment at increasing wages as profits improve. The 2,000,000 men at \$2 a day will have nothing more to spend than the Government is already providing in direct relief, with no net gain in private employment made possible and a strong likelihood that private wage standards would drop.

There is increasing doubt, as shown by the two major defeats

There is increasing doubt, as shown by the two major defeats recently suffered by the administration at the hands of the Senate, recently suffered by the administration at the hands of the Senate, which before it approved the McCarran amendment had rejected the World Court, as to where the whole plan of the administration is leading us. But there is little difference of opinion as to the necessity of widespread employment at wages sufficient to enable the workers to buy what they produce. A public-works wage scale of \$50 a month can hardly be anything more than another stopgap, and the combined result of all the stopgaps so far employed has not been permanent improvement in the accomplisations status of has not been permanent improvement in the economic status of those most deeply affected by the depression.

Mr. McCARRAN. Mr. President, I also ask leave to have printed in the RECORD a statement of the Farmers Union endorsing the amendment known as the McCarran amend-

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

## FARMERS UNION ENDORSES PREVAILING WAGES

Joint statement by E. H. Everson, president, and E. E. Kennedy, secretary, National Farmers Union

The Farmers Educational and Cooperative Union of America

secretary, National Farmers Union

The Farmers Educational and Cooperative Union of America (the National Farmers Union), most powerful Nation-wide organization of farmers in America, supports the McCarran amendment to the administration's work-relief program, according to a statement issued today by its two authorized legislative representatives in Washington, D. C., Mr. E. H. Everson, president of the union, and Mr. Edward E. Kennedy, national secretary.

"The administration's proposal to pay prevailing rates of interest to the money changers and prevailing prices to manufacturers for material and to pay less than prevailing wages to labor out of the \$4,880,000,000 proposed work-relief program appropriations is as indefensible and as un-American as it is for the Government through the A. A. A. to require farmers to produce food and fibre for less than cost of production prices.

"Both are destructive of American standards of living.

"Both will continue to deadlock recovery.

"The interests of farmers and laborers are inseparable. The American farmer, receiving cost of production prices for his products, is the best potential customer of labor and the laborer, who receives a 'living wage' is the best potential customer of the farmers. When farmers receive less than cost of production prices, labor is penalized with unemployment and low wages, because the home market for its products and services is destroyed. When labor receives less than a living wage or is unemployed, the home market for agriculture is destroyed and farmers are penalized with low prices.

"So-called 'parity prices' to farmers and \$50 a month to labor are both in exactly the same category of 'subsistence wages.' Both proposals provide for inadequate 'wages.'

"The National Farmers Union is opposed to reducing in any manner the standard of living of either farmers or laborers in America. The National Farmers Union is for the McCarran amendment to the administration's work-relief program. The National Farmers Union is for the payment of prevailing wages on Public Works projects." Works projects.

#### ARRESTING OF SOIL EROSION

Mr. GORE submitted the following resolution (S. Res. 94), which was ordered to lie on the table:

Resolved, That the Secretary of the Interior be directed to submit to the Senate a report showing the results of efforts or experiments heretofore made to arrest soil erosion and to submit any recommendations upon the subject which might be serviceable to the Congress in preparing legislation to promote soil conservation.

GRANTS OF SUBSIDIES TO PUERTO RICAN SUGAR PRODUCERS

Mr. VANDENBERG. Mr. President. I submit a very simple resolution which seeks information from the Secretary of the Interior, which it is rather important to procure promptly. Therefore, I ask unanimous consent for the present consideration of the resolution.

The VICE PRESIDENT. The clerk will read the reso-Intion.

The legislative clerk read the resolution (S. Res. 95), as follows:

Resolved, That the Secretary of the Interior is requested to inform the Senate (a) regarding contemplated plans for new loans, grants, or subsidies to sugar producers in Puerto Rico; (b) regarding any pending proposals for supporting sugar production in Puerto Rico with public money drawn either from the sugar processing tax or from the Public Works Administration or from any new instrumentality which may be created under the so-called "work-relief" bill.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. McKELLAR. Mr. President, I do not know that I shall have any objection, but I ask the Senator to let the resolution go over until the Senator from Arkansas [Mr. ROBINSON] returns to the Chamber. He has been called from the Chamber temporarily.

Mr. VANDENBERG. Very well.

Mr. VANDENBERG subsequently said: Mr. President, earlier in the day I submitted a resolution (S. Res. 95) asking briefly for some information from the Secretary of the Interior. Consideration of the resolution was held up at the suggestion of the Senator from Tennessee [Mr. McKellar] until the Senator from Arkansas [Mr. Robinson] might be present. I wonder if the Senator from Arkansas has any objection to it? It is simply a request for information which I am very anxious to procure as soon as possible.

Mr. ROBINSON. I shall not object to the consideration of the resolution.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

## MARY G. WALSH-WITHDRAWAL OF PAPERS

On motion of Mr. HALE, it was

Ordered, That the papers accompanying the bill S. 583 granting an increase of pension to Mary G. Walsh (74th Cong., 1st sess.) be withdrawn from the files of the Senate, no adverse report having been made thereon.

## PREVAILING WAGE-RATE LAWS (S. DOC. NO. 27)

Mr. McCARRAN. Mr. President, I ask leave to have printed as a Senate document a paper prepared by the United States Bureau of Labor Statistics, bearing on the subject of the prevailing wage-rate laws as they exist in the several States. I want to say in this respect that I have conferred with those in charge of the printing. The document will comprise less than 50 pages, and to have it printed as a Senate document will cost much less than to have it printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

WORK-RELIEF PROGRAM-STATEMENT OF CLERGYMEN

Mr. WHEELER. Mr. President, I ask to have printed in the RECORD a statement on the work-relief bill by Catholic, Protestant, and Jewish clergymen. Preceding the statement is a paragraph in which it is stated:

A group of prominent Catholic, Protestant, and Jewish clergymen issued a statement yesterday expressing their personal support for a program of public works as opposed to a mere relief dole, and favoring the payment of prevailing wage scales, but suggesting that by limiting the total number of relief work hours per month it would be possible not to exceed the total proposed amount of \$4,000,000,000 for work relief.

The statement is signed by some of the leading Methodist, Catholic, and Jewish preachers in the United States. I ask that the statement, with the list of the signers, be printed

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

STATEMENT ON RELIEF BILL BY CATHOLIC, PROTESTANT, AND JEWISH CLERGYMEN

A group of prominent Catholic, Protestant, and Jewish clergymen issued a statement yesterday expressing their personal support for a program of public works as opposed to a mere relief dole, and favoring the payment of prevailing wage scales, but suggesting that by limiting the total number of relief-work hours per month it would be possible not to exceed the total proposed amount of \$4,000,000,000 for work relief.

Among the signers were the following:

per month it would be possible not to exceed the total proposed amount of \$4,000,000,000 for work relief.

Among the signers were the following:

Rt. Rev. Mgr. John A. Ryan, professor of moral theology, Catholic University of America, Washington, D. C.; Bishop Francis J. McConnell, Methodist Episcopal Church, New York City; Rabbi Bidney E. Goldstein, chairman Social Justice Commission, Central Conference of American Rabbis, New York City; Rev. James Myers, New York City; Rev. Francis J. Haas, director National Catholic School of Social Service, Washington, D. C.; Rabbi Edward L. Israel, Har Sinai Congregation, Baltimore; Prof. Reinhold Neibuhr, Union Theological Seminary, New York City; Rabbi Stephens S. Wise, Free Synagogue, New York City; Rev. Frederick K. Stamm, Brooklyn; Rev. Lawrence J. Shehan, assistant director of Catholic Charities, Washington, D. C.; Rev. Albert E. Day, Baltimore; Rabbi Abba Hillel Silver, the Temple, Cleveland; Rev. John Haynes Holmes, the Community Church, New York City; Rev. Clair E. Ames, Minneapolis Church Federation, Minneapolis; Rabbi Joseph L. Baron, Milwaukee; Rabbi Solomon N. Bazell, Louisville; Rev. John P. Boland, rector St. Columba's, Buffalo; Rev. Dr. Charles A. Bruehl, professor Seminary of St. Charles, Overbrook, Pa.; Rev. John P. Boland, Petor St. Joseph's College, Philadelphia; Rev. J. Henry Carpenter, Brooklyn Church and Mission Federation, Brooklyn; Rev. John M. Cooper, Washington, D. C.; Rev. Jones I. Corrigan, S. J., professor of social ethics, Boston College, Boston; Rev. John Maurice Deyo, Danbury, Conn.; Rev. Dorr Diefendorf, Madison, N. J.; Rev. Joseph P. Donovan, C. M., Webster Groves, Mo.; Rabbi Victor Eppstein, Madison Avenue Temple, Scranton, Pa.; Rev. George B. Ford, Chaplain Newman Club, Columbia University, New York City; Rev. Theodore Ainsworth Greene, New Britain, Conn.; Rev. Joseph Huffleis, S. J., St. Louis; Rabbi F. M. Isserman, St. Louis; Rev. Bord, Chapian Newman Club, Columbia University of America, Washington, D. C.; Rev. John H. Webster Groves

The full text of the statement follows:

"The latest and most reliable statistics indicate that there are about 12,000,000 men and women in America out of work whole about 12,000,000 men and women in America out of work whole time. The standard of relief in every section of the country is inadequate to maintain the families of the unemployed upon a normal level of life. This in itself is a serious indictment of our social system in an age of surplus and abundance. But more serious than this is the danger that America will develop a relief program as an answer to the problem of unemployment.

"We believe that relief is necessary to meet an emergency and to mitigate the suffering of the unemployed. No government, however, has the right to place 12,000,000 and more self-respecting workmen upon the rolls of relief and to assume that the problem

is solved. What the unemployed need and want is work and wages and not a dole.

"In view of the fact that private enterprise is apparently unable to provide employment in this crisis, work and wages for all the unemployed will come only through a fundamental and comprehensive program on the part of the cities and States and Federal Government. When private enterprise fails government enterprise must come to the rescue.

"We are convinced that Congress should at once pass a bill providing not only relief but work for the unemployed; and that this work should be paid at a wage equal to the prevailing scale in every section of the country. This can be accomplished through the simple device of limiting the hours of labor per month and without increasing the appropriation of \$4,000,000,000 for construction."

Copies of the statement were forwarded to Members of the Senate and to the President.

WORK-RELIEF PROGRAM-THE PREVAILING WAGE

Mr. McCARRAN. Mr. President, I ask leave to insert in the RECORD an excerpt from the American Federation of Labor Weekly News Service setting out the speech of President Green, of the American Federation of Labor, on the McCarran amendment.

In addition to the speech of President Green, there is in this same excerpt a telegram sent by President Green to William Randolph Hearst.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

[From the American Federation of Labor Weekly News Service, Saturday, Mar. 2, 1935]

PREVAILING WAGE RATES ON RELIEF PROJECTS ARE NECESSARY TO PRO-TECT WAGES OF ALL WORKERS, PRESIDENT GREEN DECLARES IN RADIO ADDRESS—MCCARRAN AMENDMENT IS DISCUSSED IN TERMS THAT ALL MAY UNDERSTAND

("The issue is not a political one", A. F. of L. head states, "nor is it in any sense a partisan or sectional issue, for it concerns equally the wage earners in every part of the country and in every line of work.")

("In their desire to defeat the prevailing-wage principle, special

("In their desire to deteat the prevailing-wage principle, special pleaders and pressure groups have not hesitated to resort to every possible means of obscuring the real issue", says labor official.)

(Facts are brought out which definitely refute allegations against proposed amendment and show clearly the pressing need for it; no additional appropriation required; no change of policy, as prevailing rates apply now on Federal projects; subject is of "crucial importance.")

Washington .- A vigorous defense of the McCarran prevailing wage amendment to the \$4,800,000 work-relief appropriation bill now before the United States Senate was made here by William Green, president of the American Federation of Labor, in an address over the coast-to-coast network of the National Broadcasting Co.

Declaring that the purpose of the McCarran amendment "is to protect and maintain wage standards and wage rates established in the different communities of the Nation through years of struggle and effort of organized labor", Mr. Green insisted that paying less than the prevailing wage on the vast projects contemplated by the appropriation would inevitably result in an onslaught on wage rates in private industry.

To substantiate his position, President Green declared that, although as the depression advanced, wage rates paid by private employers were driven to a level "where the worker could not earn enough even to pay for his subsistence", nevertheless when the Government in 1933 slashed the wages of Government employees 15 percent "another wholesale lowering of wages throughout private industries took place."

He insisted that "in the light of these facts it is inevitable that payment of wages below the prevailing rate on Government projects will result in another wave of wage cutting in private industries, undermining the gains we have accumulated under the recovery program." Declaring that the purpose of the McCarran amendment "is to

recovery program.

The fact that those who oppose the prevailing wage rate for labor do not propose to apply the same subversive policy to prices for construction material was stressed by Mr. Green. Declaring that at least \$2,000,000,000 of the big appropriation will be paid for materials, he said: "Does the Government propose to pay for the material used on these projects at less than the prevailing price? No; and for the very obvious reason that the payment of such prices would destroy the price structure throughout the country and drive private industrial enterprise out of business."

He was equally emphatic in his denial of propaganda to the

country and drive private industrial enterprise out of business."

He was equally emphatic in his denial of propaganda to the effect that applying the prevailing wage principle would recuire the expenditure of billions of dollars in excess of the \$4,800,000,000 carried in the relief measure. "Not a single dollar need be added to the present appropriation in order to carry out the entire program on the basis of prevailing wage payments", he said, adding: "It will not cost the Government one additional dollar to pay the prevailing wage rate."

He also stressed the fact that the prevailing wage rate is now paid on Government construction projects including those controlled by the Federal Emergency Relief Administration and the Tennessee Valley Authority.

In conclusion Mr. Green declared that in giving its solid support to the McCarran amendment the American Federation of Labor was animated by the determination to protect the wage standards and rates built up by the organized workers during many years. He said the great mass of workers know that slashing wage rates by the Government on vast construction projects will result in their wages being lowered, and that for this reason it was imperative for them to raise their voice "in support of the prevailing-wage principle incorporated in the McCarran amendment" and insist that it be retained in the \$4,800,000,000 work-relief measure.

ment and insist that it be retained in the \$4,800,000,000 work-relief measure.

The text of Mr. Green's address follows:

"Fellow citizens, I want to speak to you tonight about an issue which is more vital to the economic welfare of the Nation than any other issue that has faced us since the inception of the recovery program. This issue is of crucial importance, for on its settlement depends the economic status of every wage earner in the

country.

"This issue is not a political one. Nor is it in any sense a par-"This issue is not a political one. Nor is it in any sense a partisan or sectional issue, for it concerns equally the wage earners in every part of the country and in every line of work. This issue before the Congress of the United States and before the country is whether under the proposed public-works program involving the expenditure of \$4,000,000,000, wage rates prevailing in your community will be maintained on public works or whether lower wage rates will be paid.

"The principle providing for the payment on public projects of wage rates which prevail in the community was embodied in the amendment to the appropriation bill advocated by Senator McCarran. Although the McCarran amendment was approved by the Senate of the United States on February 21, an attempt is being made to eliminate this amendment from the bill at the risk of jeopardizing the entire emergency public-works program.

#### THE PROPOSED AMENDMENT

"The language of the McCarran amendment is simple and straightforward. I quote it in full, so that you may fully appreciate its purpose and meaning:

"'SEC. 6. The President is authorized to prescribe, and shall give full publicity to, rules and regulations necessary to carry out the purpose of this joint resolution: Provided, however, That (a) such rules and regulations shall stipulate that the rates of wages resid to all leborars and mechanics employed by a proportion of the purpose of the state of the st such rules and regulations shall stipulate that the rates of wages paid to all laborers and mechanics employed by any contractor or subcontractor, or by the public officer in charge for the United States or for the District of Columbia, for work done under this joint resolution, whether by contract or otherwise, involving the expenditure of any money appropriated by the resolution, need not be uniform throughout the United States, but shall not be less than the prevailing rates of wages paid for work of a similar nature at the time of the approval of this resolution in the city, town, village, or other civil division of the State in which the work is located, or in the District of Columbia: Provided, however, That nothing in this section shall apply to the administration of That nothing in this section shall apply to the administration of the Civilian Conservation Corps; (b) rules and regulations prescribed under this section shall not abrogate any existing law."

"In their desire to defeat the prevailing-wage principle, special pleaders and pressure groups have not hesitated to resort to every possible means of obscuring the real issue. This is why it is so important that wage earners—those employed and those now out of work and all their friends—have a thorough understanding of the real, unassailable facts. These are the facts you must know:

## FACTS ARE CITED

"1. Labor has given and will give its unqualified support to the President's program of unemployment relief through public works, designed to create future new wealth for the Nation.

"2. Labor is fully in accord with the principle that in the administration of public projects under this program aggregate monthly compensation should be limited in order to make effective the purpose of the bill, which is the reemployment of three and one-half million wage earners now out of work.

"3. This objective can and will be attained without jeopardizing the existing wage structure in the communities where such projects are to be undertaken. To preserve the wage structure of the country, prevailing wage rates must serve as a basis for compensation. This does not mean, however, that the total monthly earnings on these projects should be in excess of the limits which the administration might find it necessary to impose.

"4. I want to deny most emphatically any statement alleging

"4. I want to deny most emphatically any statement alleging that the acceptance of the prevailing wage principle would require the expenditure of additional billions of dollars. Not a single dollar need be added to the present appropriation in order to carry out the entire program on the basis of prevailing wage

payments.

"5. Payment of wage rates lower than those prevailing in the community will inevitably undermine the entire wage structure throughout the country. This is not a matter of theory but of concrete and repeated experience. There is no question but that the rejection of the prevailing-wage amendment will completely destroy every gain made by the wage earner during the past 2 years of recovery, will weaken the very foundation of our economic structure, and will send the country back to a state of chaos and economic disorder, such as was experienced in March 1933.

## MEANING IS CLEAR

"Slow and painful steps are bringing this country out of the depths of economic depression. Following the blueprints of recovery legislation, we have patterned a solid framework around which recovery and future standards of economic life are being built.

This structure, yet unfinished, rests squarely upon the existing wages. On the maintenance of wages depends our immediate economic future.

"I am confident that the American people will avert the danger of the gains of recovery being swept down amidst the wreck of the existing framework of wages to bring the country back to the darkest days of depression.

"It is clear that those who have opposed the prevailing-wage amendment have not grasped the full significance of its purpose, "First of all, what is meant by the term 'prevailing wage rate'? The term 'prevailing wage rate' means just what it says. It refers to the hourly or daily rate of wages which prevails in similar occupations or on similar operations in any given community in the country. It is a term which has been incorporated in Federal legislation for a number of years.

PREVAILING RATES EFFECTIVE

## PREVAILING RATES EFFECTIVE

"At present there is not an activity of the Government that does not provide for the payment of the prevailing rate of wages within the meaning of the definition I have just given. The payment of such wages was accepted as a basic principle by Congress in the Davis-Bacon bill, which became law in March 1931.

"This law provided that every contract to which the United States is a party and which requires the employment of laborers and mechanics in the construction of public buildings throughout the Nation should contain a provision to the effect that the rate of wages for all laborers and mechanics employed by a contractor or subcontractor on the public buildings covered by the contract shall not be less than the prevailing rate of wages for work of a similar nature in the city, town, village, or other civil division of the State in which the public buildings are located.

"Shortly after the National Industrial Recovery Act became effective the Federal Board of Public Works, created under the act, prescribed certain hourly wage rates to be paid on construction projects in established geographical zones. This Board also provided that whenever the prevailing hourly rate rises above the minimum set for any district within the zone, such prevailing rate is to be paid to workers on Federal construction projects.

"The Tennessee Valley Act, approved May 18, 1933, also requires all contracts to contain a provision that not less than the prevailing rate of wages for work of a similar nature in a given community is to be paid to workers.

"On October 30, 1933, Mr. James J. McEntee, Assistant Director of Emergency Conservation Work, issued a statement that the prevailing rate of wages is to be paid on construction work in all C. C. C. camps.

C. C. C. camps.

## ESTABLISHED PRACTICE

"On March 6, 1934, Administrator Harry L. Hopkins, of the Federal Emergency Relief Administration, issued the following

Federal Emergency Relief Administration, issued the ionowingorder:

"'Wages will be at the prevailing rate for the occupation and
the locality in which work is done, and in no case will the pay be
less than will yield 30 cents per hour, provided, however, that
the hours shall be limited so that the maximum weekly earnings
shall not in any case exceed the amount necessary to meet
budgetary requirements."

"In his testimony before the Senate Committee on Appropriations a few days ago, Mr. Hopkins, the Federal Emergency Administrator, stated: 'We now pay the prevailing hourly rate of
wages.' This testimony brings out a significant fact—that in all
the work which is being done under the Federal Emergency Relief
Administration the prevailing wage is being paid.

ECONOMIC NECESSITY

## ECONOMIC NECESSITY

"This order gives full recognition to the prevailing-wage principle which has been closely adhered to by Congress and the Government at every step taken to build up the national recovery program. This principle, which has been impressed by every agency of the Federal Government concerned with the payment of wages, has been and must remain fundamental. Its repudiation at this time would mean the destruction of the very cornerstone of recovery.

"Now, the question naturally arises, Why has Congress and the Federal administration adhered so completely to the principle of the prevailing wage? This adherence is the result of economic necessity tested by long experience, which has fully demonstrated that existing wages in private industries cannot be maintained if lower wages are paid for the same work by the Government.

"The wage structure of the entire Nation rests upon the rate of pay on the hourly or daily basis. Any arbitrary change in this rate inevitably affects the entire wage structure.

"It has been a matter of concrete experience that the wage level prevailing in the industry is highly sensitive to downward changes in any major wage group. We have had repeated experience showing that each wage cut effected by the United States Steel Corporation during the depression years was immediately followed by a wholesale reduction in wages in all of the major industries. This experience in itself gives undisputed evidence of the fact that the entire industrial wage level is reduced automatically when a sufficient stimulus is given by arbitrary wage cutting in a substantial section of the country. section of the country.

## EXPERIENCE TEACHES

"The 15-percent wage reduction carried out by the railroads throughout the country in 1932 had the same depressing effect upon wages in other industries.

"When the depression low was reached, wage rates appeared to be at a level where the worker could not earn enough even for his subsistence. There was hardly room for further reductions, yet we saw that when the Government slashed wages of all Government

employees by 15 percent in 1933, another wholesale lowering of wages throughout the private industries took place.

"In the light of these facts, it is inevitable that payment of wages below the prevailing rates on Government work projects will result in another wave of wage cutting in the private industries, undermining the gains we have accumulated under the recovery program.

"Is it conceivable that the Government, constructing buildings in a community, should pay wages at a lowered relief scale and an employer in the same community should be generous enough to pay wages at a higher scale to his employees performing the

work?

"Like water finding its lowest level and draining the reservoirs above that level, so the reservoir of existing wages is bound to be drained as soon as an outlet at a lower level is opened. Experience has taught us that we cannot establish and maintain two different wage standards in any community. That is economically impossible.

#### HUMAN VERSUS PROPERTY

"Two billion dollars, or half of the proposed appropriation, is expected to be paid for the materials to be used under the pro-

rwo binon donars, or han of the proposed appropriation, is expected to be paid for the materials to be used under the program. Does the Government propose to pay for the materials used on these projects at less than the prevailing prices? No. And for the obvious reason that the payment of such prices would destroy the price structure of materials throughout the country and drive private industrial enterprise out of business.

"What, then, is the justification of applying the same principle to wages? Is it that the wage earner does not exert the same financial power as is exerted by the corporate interests? Or is it because the wage earner is expected to sacrifice his immediate economic interest and to jeopardize the buying power that he could command in private employment in the future, that the elimination of the prevailing-wage principle is urged by its opponents? American business shall never consent to the payment of prices by the Government for materials and supplies at less than the prevailing-price schedules. For identical reasons American labor cannot consent to the payment of wages on these projects at less than the prevailing-wage scales.

OPPONENTS' FALSE CLAIM

## OPPONENTS' FALSE CLAIM

"Opponents of the prevailing-rate proposal argue that workers would be drawn into the works projects from private employment. There is no evidence indicating that such a tendency would

develop.

"Our experience with the C. W. A. showed that workers were not diverted from private employment and that the existing reserves of unemployed are much too great to give this possibility any serious consideration at the present time.

NO EXTRA EXPENDITURE

## NO EXTRA EXPENDITURE

"It is quite possible, however, to establish safeguards against diverting workers from private employment without resort to the antisocial and uneconomic method of wage reductions. Men may be given work at a reduced number of hours per week with a maintained scale of wages. The difference between the number of hours worked on works projects and the number of hours offered in private employment will be certain to provide a sufficient incentive for the worker to return to private and full-time employment when such employment becomes available.

"By reducing the hours instead of wages, the Government could put to work the desired number of three and a half million unemployed for the entire period of 1 year as contemplated in the bill without exceeding the amount of the appropriation.

"In this way, the benefits of the program would be distributed equitably among the workers affected; their employment on the works projects would have greater stability during the life of the program; they would be given the benefits of the plan without lowering the rates of compensation in the industry as a whole, and the workers' own earning capacity would not be jeopardized through the lowering of compensation in similar employment from private sources.

"Another argument has been advanced that the type of workers." "It is quite possible, however, to establish safeguards against

private sources.

"Another argument has been advanced that the type of workers

"Another argument has been advanced that the type of workers available for works programs does not meet the requirements of normal private employment because of lack of skill and experience. It is, therefore, argued that employment at the prevailing wage scale is not justifiable.

"The figures furnished by the F. E. R. A. show, however, that 63 percent of those employed on work relief have more than 4½ years' experience at their usual occupation.

"It is obvious that the major portion of the present unemployment reserves possesses high qualifications of skill and that these qualifications can fully justify the payment of the prevailing rate.

"Opposition to the prevailing rate comes at a time when concrete experience has been built up of public employment on Government-supervised projects. The prevailing wage amendment is not a venture into unexplored territory. The amendment must be viewed in the light of experience at Muscle Shoals. It follows the lessons learned under the Tennessee Valley Authority. It comes after the spending of \$720,000,000 on C. W. A. Not one but many concrete precedents have been established in the experience of the Government which point to the need of its unqualified acceptance. fied acceptance.

## AVOID CONFUSION

"The country must not be confused with the idea that in order to pay the prevailing wage it would be necessary to appropriate several billion dollars more. The McCarran amendment does not propose to encroach upon the Federal Treasury for an additional appropriation.

"The prevailing wage can be paid on these Public Works projects with the same appropriation as provided in the bill. It will not cost the Government one additional dollar to pay the prevailing wage rate.

"If the prevailing wage scale is maintained, there is no objec-

"If the prevailing wage scale is maintained, there is no objection to limiting the monthly compensation on this work to a specific sum. It may be fully practicable to establish a maximum limiting average monthly pay to \$50, or a sum best suited to carry out the objective of reemployment of 3,500,000 people under the terms of the proposed appropriation.

"Careful estimates made by the American Federation of Labor show that if a \$50 monthly maximum is established and the prevailing rate of wages is maintained, it would be possible to give work to 3,500,000 unemployed for a full year at the total cost of \$3,943,200,000, which is well within the proposed appropriation. Under this plan 125 hours of employment can be given each month on the average, and the program can be carried out to the fullest extent without endangering the existing wages of the workers.

### CONGRESS NOT STAMPEDED

"Such, then, are the facts. Supporters of the measure have stated their purpose in plain language firmly founded on fact. It is the language keenly understood by every laborer, mechanic, and office worker upon whose combined pay envelop rests our entire national income.

"Opponents of the amendment have presented no valid argument, have declared no sound principle, but have attempted to destroy the amendment amid the smoke and confusion of a gen-

"But Congress has shown that it will not be stampeded into legislating out of existence a measure designed to protect the economic status of the great mass of wage workers. It refused to be captured under the cover of noise and evasion.

#### PRESS EVASIVE

"A certain section of the press has strained every effort to obscure the issue and to distort the real meaning of this legislation. This group has sought to serve special interests by pandering to popular prejudices at the risk of jeopardizing the economic future of the common weal. For this reason I speak to you, the citizens of the Republic vested with power to determine the form and character of legislative measures.

"Labor endorsed and approved the President's annual message to Congress, in which he pleaded for a public-works program for the sole purpose of putting three and a half million people to work.

work.

"The objective of this program is to create 'future new wealth for the Nation.' The measure we are discussing was designed to relieve unemployment and to attain recovery by making available earned purchasing power for those who must otherwise depend on the dole.

"This objective cannot be attained if the McCarran amendment is stricken from the bill. Without this amendment whatever purpose the modified measure would accomplish, it would call for the payment of a price the Nation cannot afford to pay.

## ACTIVE SUPPORT ESSENTIAL

"The American Federation of Labor has given solid support to the McCarran amendment with only one purpose in mind. That purpose is to protect and maintain wage standards and wage rates established in the different communities of the Nation through

established in the different communities of the Nation through years of struggle and effort on the part of organized labor.

"Increases in wages and salaries which have resulted from the organized effort over this period of years have brought about a higher standard of living in America and higher compensation for work performed by every wage earner in this country. We stand justly guarding those standards, and we cannot believe that the Congress of the United States will adopt any legislative plan that would tend to lower or impair those standards.

"The overwhelming majority of the people are vitally interested in the maintenance of the wage scale in this country, and in seeing that they are lifted, not lowered.

in the maintenance of the wage scale in this country, and in seeing that they are lifted, not lowered.

"This great mass of workers know that if the Government embarks on a program of construction and improvement for which labor is to be paid a low wage scale, the effect will be a lowering of their own wages. Undoubtedly it would be so.

"That is why it is not only important but imperative that you raise your voices in support of the prevailing wage principle incorporated in the MCCountry among their the state of the st

porated in the McCarran amendment, so that it shall be adopted and maintained."

HEARST PAPERS' VITRIOLIC ATTACK IS CONDEMNED BY PRESIDENT GREEN—STRING OF NEWSPAPERS DEVOTED TO CAMPAIGN AGAINST PROPOSED MCCARRAN AMENDMENT TO WORKS RELIEF BILL, RESORTS TO VILIFICATION OF SENATORS AND LABOR AND EXCEEDS "ORDINARY

WASHINGTON.—The energetic and vitriolic campaign of several newspapers in different parts of the country controlled by William Randolph Hearst, against the McCarran amendment to the works relief bill, climaxed by an especially shocking editorial in the Hearst papers, entitled "Reckless Demagogy", elicited a strong reply from William Green, President of the American Federation of Labor.

While reiterating past friendship, President Green was constrained to set forth sound and established facts, in a special telegram sent direct to Mr. Hearst. The editorial was referred to as "shocking to all decent men's sense of justice and to one's ordinary conception of fair play."

As this telegram sets forth important facts, it is reprinted herewith as a matter of public record:

[Western Union telegram]

WASHINGTON, D. C., February 25, 1935.

W. R. HEARST,

Los Angeles Examiner, Los Angeles, Calif.:

Because I have always held you in high regard it is difficult to reconcile myself to the belief that you sponsored the shocking editorial entitled "Reckless Demagogy" published in the Hearst

papers today.

The characterization in this editorial of labor and labor representatives as demagogues and a large number of United States Senators who are known to be honest, upright, conscientious men as renegades is shocking to all decent men's sense of justice and to one's ordinary conception of fair play. The one who wrote this editorial charges labor representatives who are fighting to maintain wage rates established as a result of years of struggle and effort and to destroy the influence of subversive elements in our national life as demagogues and brilliant, patriotic Senators who effort and to destroy the influence of subversive elements in our national life as demagogues, and brilliant, patriotic Senators who voted their honest convictions upon the prevailing wage rate amendment, which provided for the maintenance of American standards of living, as renegades.

This is going far beyond the limits of ordinary decency, good sportsmanship, and fair play. I resent this editorial and am doing all I can at the moment by submitting to you my solemn protest. It is the working people of America and not the favored class who have suffered hunger, distress, and oppression during the past 5 years of unemployment.

have suffered hunger, distress, and oppression during the past 5 years of unemployment.

It ill becomes those who have not been forced to endure the pangs of hunger, who are more fortunately situated, to charge these hungry men and women and those who represent them as being demagogues, when they seek to protect them and to maintain for them the wage standards and wage rates established in every community throughout the land.

The special attack which your editorial writer made upon Senator Wagner, a brilliant, devoted, honest, incorruptible, patriotic American citizen, marked a climax to the loose writing and vituperation engaged in. Your attack upon this distinguished Senator from New York has solidified the strength of the mass of people in New York and throughout the Nation behind him.

I repeat my solemn protest against the unjustifiable and reprehensible editorial attack which appeared in the Hearst papers today against labor and loyal, patriotic United States Senators. I trust I may receive a reply to this message assuring me of your personal disavowal of sponsorship of this wicked editorial.

WILLIAM GREEN,

President American Federation of Labor.

## STABILIZATION BY SPECIE PAYMENT

Mr. THOMAS of Oklahoma. Mr. President, I ask permission to have printed in the RECORD an article appearing in Scribner's, for March, entitled "Stabilization by Specie Payment", by Edward Tuck.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

## STABILIZATION BY SPECIE PAYMENT By Edward Tuck

Throughout the world there is at the present time a universal demand on the part of governments, chambers of commerce, and mercantile bodies for the stabilization of currencies. Even as recently as in December last a leading conservative speaker, during an important monetary debate in the British House of Commons,

an important monetary debate in the declared:

"We shall never get international trade going on a wide scale unless we have currency stabilization. The whole future of our economic system, and possibly civilization, depends on the cooperation between this country and the United States, and if we cannot get that we may as well throw up the sponge."

ation between this country and the United States, and if we cannot get that we may as well throw up the sponge."

These are strong and truthful words, but how is it proposed to effect this great reform? Thus far it has been planned to accomplish it only by the establishment of so-called "stabilization funds" to buy and sell the different paper moneys (which are really not money at all, but only dishonored promises-to-pay money on demand), under the control of Government committees or agents seeking to regulate the exchange markets at fixed rates in accordance with their personal judgment and direction. This would be a monetary experiment unique in the world's history, having no scientific basis. There never has been complete stabilization of the currencies, there can be none, except with countries which are on a specie-paying basis, when it is fixed by the comparative weight of the precious metals—gold and silver coins. Stabilization of irredeemable fiduciary money, which is the only currency in use the world over today, the varying, uncertain product of the printing press, is a mathematical impossibility. In the United States, Government notes, called "greenbacks", and bank notes, specie payments being suspended, were our national currency from 1862 till 1879. A "gold room" was established in New York alongside the stock exchange, where the metal was bought and sold daily, at fluctuating premiums in currency value, to satisfy the demands of merchants in payment for their foreign importations and for duties at the customs.

On January 1, 1879, we resumed specie payments "in coin"

importations and for duties at the customs.

On January 1, 1879, we resumed specie payments "in coin", under acts of Congress passed in January 1875 and in February

1878. The latter contained the following important provisions as to the part that silver should take in accomplishing resumption:

"Section 1. There shall be coined at the several mints of the United States silver dollars of the weight of 412½ grains troy of standard silver, as provided in the act of January 18, 1837, which shall be legal tender at their nominal value for all debts and dues, public and private.

"Sec. 2. That immediately after the passage of this act the President shall invite the governments and countries composing the Latin union, and of such other European nations as he may

President shall invite the governments and countries composing the Latin union, and of such other European nations as he may deem advisable, to join the United States in a conference to adopt a common ratio between gold and silver for the purpose of establishing internationally the use of bimetallic money and securing fixity of relative value between these metals. The President shall appoint three commissioners to attend such conference."

The President called the conference as the law required. It was held in Paris in 1878. France was ready to join the United States and England in an international agreement for the remonetization of silver, but England refused and the conference was a failure.

and England in an international agreement for the remonetization of silver, but England refused and the conference was a failure.

In partial fulfillment of section 1, the Bland-Allison Act was passed in 1878, under which 2,000,000 silver dollars were coined each month. In 1890 the Sherman law increased the silver coinage to something over \$4,000,000 monthly. Later on, however, President Cleveland, a bitter and uncompromising opponent of silver, secured a repeal of the latter bill and this limited silver coinage thereupon ceased. Meantime the unprecedentedly severe panic of 1893 took place, and its ill effects continued hopelessly until the prodigious development in the late 1890's of the newly discovered gold mines of the South African Rand and of Alaska and Cripple Creek—the production of the Rand increasing yearly with great rapidity until 1915—filled the void in the world's needed additional metallic money and general prosperity ensued. This certainly was inflation, but only in proportion to the constantly growing requirements of increasing population, industry, and commerce in all countries.

It is estimated that the Rand mines have produced up to date

merce in all countries.

It is estimated that the Rand mines have produced up to date at least five thousand million dollars of gold, the bulk of which was added during 20 years to the existing money in circulation, thereby maintaining values and prices. Since that period, however, while public and private debts have been augmenting enormously, uncounted tons of gold have gone and are continuing to go into Government and individual hoards, where the metal is of no more benefit commercially and financially, in raising prices, than when previously embedded in the bowels of the earth. Gold has ceased to be a current medium of exchange, which is the first requisite of money. Values have continuously declined, and idleness and suffering have increased to the danger point.

The monetary system of the United States was established, not upon gold or silver alone, but upon the two metals, at a fixed ratio to each other, with no limitation upon the coinage of either, each standing on an equal footing before the law. This bimetallic

ratio to each other, with no limitation upon the coinage of either, each standing on an equal footing before the law. This bimetallic system (then called the "double standard"), prevailing at that time in both England and France, adopted by Hamilton, sanctioned by Washington and Jefferson, its wisdom and justice questioned by none, endured until 1873, when the coinage of silver dollars at the mint, under its new regulations, was stopped, and bimetallism in our country thereby unwittingly destroyed.

The present law, under which our Government is coining monthly a limited amount of silver dollars, will never reestablish true bimetallism. It has become manifest to all competent authorities that gold alone is insufficient to maintain the world's

thorities that gold alone is insufficient to maintain the world's monetary currency upon a metallic basis. To insure the resumption of specie payments in the United States, which has now become an economic necessity, and is within our reach, we must ourselves return to the full and unlimited monetization of silver

ourselves return to the full and unlimited monetization of silver as of old.

It is gratifying to know that the people of the United States are now going through a process of reeducation on the whole question of monetary standards, although it is still considered in hidebound banking circles, and even in colleges and universities, that it is bad form to introduce the subject of bimetallism for discussion, the conspiracy of silence still persisting. The vis inertiae of banking and academic public opinion on the question of money since the Bryan campaign has been astounding. It is encouraging, however, that thinking business men generally are becoming more open-minded and receptive of the thought that their fixed ideas in favor of a single gold standard are subject to revision. It is most significant, too, that Walter Lippmann, an eminent exponent of intelligent public opinion, should have declared:

"Make silver legal money exchangeable for gold and it will produce the same effect as if the world had discovered new gold. It will cheapen gold, raise world prices, make further paper inflation unnecessary, and restore solvency."

All this is very true, and it is the only enduring remedy for the universal "monetary morbus" with which the world was afflicted in the later 1880's and for 10 years thereafter, until the new South African gold furnished the needed curative. The same monetary morbus now endangers the entire world again, with much greater severity than before, and threatens to lead to disastrous political consequences.

Silver monetization, once readopted and established in the United States, restoring full specie payments in both metals, the two coins, or coin certificates, having the same debt-paying power, would be of identical value, as is now the case. There would be no flood of silver to fear from abroad or from the mines, as predicted by the gold monometallists. India and China have from time immemorial been annual absorbers of silver and will never

cease to be such. They could no more divest themselves of their silver money than they could of the clothes on their backs. As regards silver mines, those of the United States have been very largely exhausted, with no important new discoveries, and this is likewise true of the world at large.

Forty years ago the United States was heavily indebted to Europe, and the adoption of bimetallism by our country alone at that time might have been hazardous. Today the reverse is the case. We are a creditor nation as regards the world. We owe virtually nothing abroad. The trade movement is in our favor. Our independent action would be successful, and a blessing to all the nations, by furnishing the vitally needed large augmentation of the world's metallic real money, accompanied by a considerable diminution of the paper assignats which are now affoat in all countries. countries.

Our purchases of silver for full legal-tender coinage should at

countries.

Our purchases of silver for full legal-tender coinage should at once be largely and rapidly increased, with the consequent result of an approaching legal parity in market value of the two metals, in preparation for the passage of the final resumption act, under which our present depreciated and dishonored paper money would be stabilized at par in coin and in the foreign exchanges.

It was Salmon P. Chase who said, in an oft-quoted phrase: "The way to resumption is to resume." We are now abundantly prepared for resumption as regards gold, but the amount of silver coin, at the present rate of purchase, will be totally inadequate. Its coinage must be free and unlimited. We cannot have too much full legal-tender money of the precious metals, money of ultimate redemption, provided by Nature's mines and not by the unlimited fertility of the printing press.

The legal weight of the silver dollar will be a most important problem to be decided upon. The old ratio of 16 to 1, based upon the world's estimated comparative annual production. It is today probably nearer 13 to 1, and very rarely, if ever, has been as high as 16. The statistics of all the great mints confirm this.

The present is a crucial moment in our history and also in the affairs of the entire world. Europe, almost in despair, is turning more and more to the United States as the predominant power which can with its enormous wealth and progressive spirit solve this vital problem. We are given an opportunity to lead in this great movement for monetary reform. Let us not allow the occasion to slip past us. I doubt if our people, even the keenest silver protagonists, are fully aware of the sympathy and support Mr. Roosevelt's action as regards silver coinage is meeting with in Europe. In England, Lord Desborough has written:

"I believe America can do this great thing alone, and other countries will be obliged to follow."

Numerous financiers, economists, and leaders of public opinion have expressed themselves to the same effect. Lord Greenway, th

bimetallism, I hope it will not be long before concrete proposals are made to this country to follow suit, with a view to securing greater stability in international exchanges."

We cannot ourselves too often meditate upon these words of Daniel Webster, the great expounder of our Constitution, pronounced in the United States Senate in 1836:

"Gold and silver is the money of the Constitution. The constitutional standard of value is established and cannot be overturned. To overturn it would shake the whole system. Gold and silver, at rates fixed by Congress, constitutes the legal standard of value in this country, and neither Congress nor any State has authority to establish any other standard or dispose of this."

#### OUR NEW ORDER IN TRANSPORTATION-ADDRESS BY SENATOR REYNOLDS

Mr. TYDINGS. Mr. President, the junior Senator from North Carolina [Mr. REYNOLDS] was kind enough to go to Baltimore and address the Traffic Club of Baltimore on February 5, 1935. He made a very interesting address upon the subject Our New Order in Transportation. I ask that it may be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Toastmaster, members of the Traffic Club of Baltimore, and guests, I deeply appreciate your invitation to be with you and appear on your program this evening. I have been a frequent visitor to your delightful and historical city. Each time I come here I am impressed with the charm of your people, your key position in the field of industry and commerce, and the progressive way in which you endeavor to meet new conditions. You seem to have ever before you the desire that Baltimore shall continue to develop and prosper and that your people shall enjoy the highest standards of living.

highest standards of living.

In appearing before you tonight, I do so as a substitute. As some of you here know, I am attempting to fill the place of your distinguished Senator and my good friend and colleague, Millard E. Typings. Thus you will readily see that I have undertaken a most difficult assignment, for I know that he is well equipped from the standpoint of both training and experience to deal with the broad subject of transportation. I also know that he is vitally concerned with the effort now under way to improve our national system of distribution.

system of distribution.

However, I have always been intensely interested in transportation. I have used every modern, and I might say some of the medieval, forms of travel. I have studied the distribution methods of many lands. I have watched new means of transportation replace old. Not so long ago I stood silently on the main street of my home city of Asheville, N. C., and saw the last electric car traverse the streets of that city. There came to my mind a vivid memory of the day when the first electric-powered car was operated in Asheville. It was one of the first in the country, and the event attracted widespread attention. And as I saw the last car move on its steel rails I realized that within the brief span of my own lifetime a significant change in transportation had taken place.

place.

Fortunately, from a national standpoint, we are not faced today with the problem of discarding our older forms of transportation to make way for new forms. Instead, we are simply confronted with the task of coordination. Every means of travel and distribution in existence today has distinct advantages. The job before us is simply to eliminate the weakness in each and preserve the best so that our country may continue to enjoy the most efficient and economical transportation. And in my opinion, the most efficient is the most economical.

At the outset, let me say that I accepted your invitation with

most efficient is the most economical.

At the outset, let me say that I accepted your invitation with a certain degree of hesitancy. I realized that I would be addressing men who have made transportation their life work, men who are experts in this field, whether they represent the railroads, highway carriers, rate bureaus, or whether they are shippers. So in selecting as a subject for my address, "Our new order in transportation", I did not intend to imply that I hope to give you an accurate prediction of what our new order will be. It is not that easy. I shall not even try to offer a panacea for our transportation ills.

Rather, I shall talk to you as an individual Monkey.

Rather, I shall talk to you as an individual Member of the United States Senate concerned with the problem before us, assure you of my unfailing interest and support in the effort to arrive at a solution, and appeal to you as experts to give freely of your time and your energy to the movement designed to bring common sense into our mediums of travel and transportation. We are certainly not using common sense in allowing existing conditions

At the risk of boring you gentlemen, let me exercise the privi-lege of a speaker and trace in a few words what has happened in

At the risk of boring you gentlemen, let me exercise the privilege of a speaker and trace in a few words what has happened in our country.

In the early days our few and scattered communities were along the Atlantic seaboard and navigable streams pouring into the sea. These settlements were almost, if not entirely, self-sufficient. Westward expansion began with the building of canals, and their effect on the country was almost as profound as the coming of the railroads in later years.

Following the Civil War, rail lines spread their network in many directions. This development may be truly said to have been the most important nineteenth-century influence in the social and economical life of our country. The West was opened and new frontiers beckoned to our American man power. Towns and cities were located on railroads or where one would eventually be. Communities began to lose some of their self-sufficiency. Steel rails became a powerful arbiter in settling industrial rivalries between communities. Equally as important the connecting of towns and cities transformed the minds of men and extended the horizon of their imagination. Along with many of you here, I thrill to the boyhood memories of the desire to be a locomotive engineer; the social importance of the daily arrival of a passenger train and of my parents discussing the trip of some neighbor to a nearby community or to some distant point. The railroads were not only woven into the fabric of American life, but in many respects reconstructed that life in the process. Thus for many years the railroads dominated the transportation picture. The stage coach and the canals had lost their prestige and our people locked to the future along ribbons of steel. No one questioned the future of the railroad and its place in our economic scheme seemed secure. Then came the motor era. Off to a slow start as our people hesitated to accept this individual means of transportation, motor transportation soon proved its advantages from the standpoint of convenience and flexibi

Then came the motor era. Off to a slow start as our people hesitated to accept this individual means of transportation, motor transportation soon proved its advantages from the standpoint of convenience and flexibility. From 8,000 private passenger cars in 1900, the number had increased to more than 20,000,000 at the end of 1933. From 410 in 1904, the number of motor trucks had increased to 3,225,000 in 1933, and the year-to-year increase in improved road mileage over which moves highway transportation, has almost kept pace with gains in the number of units of operation. Our country has invested, roughly speaking, \$15,000,000,000 in highways, with the result that nearly 1,000,000 miles of surfaced highways are now available for the use of not one class of our people but all our people. Here let me sound the solemn warning that by no turn of the imagination can the expenditures for highways be called a subsidy to any form of highway transportation. Our people paid and are still paying for these highways through motor taxes, gasoline taxes, property taxes, and other forms of taxes. And the American people cannot subsidize themselves. You can only subsidize private interests.

Simultaneously with the motorization of our country there came other important developments vitally affecting our whole economic and social structure. New frontiers waiting for development ceased to exist. Our rural communities began to enjoy all of the advantages of modern improvements and invention. Residents of cities turned to outlying areas, and thus enjoyed city advantages while virtually living in the country. More recently the trend of population has been away from large metropolitan areas and toward smaller communities. The result has

been a revolutionary change in our distribution requirements. From large warehouses modern chain stores serve retail outlets in areas 100 and 150 miles from the warehouse.

These things I have mentioned have to do with the cause of

These things I have mentioned have to do with the cause of the conditions confronting virtually every form of transportation. That we must better the conditions is obvious. But how? We cannot say to motor transportation that the railroads were here first, nor can we say to the railroads that they have outlived their usefulness. Such an approach to the problem would only bring economic disaster. Instead we must, fully respecting the rights of each, make an adjustment so that the railroads and highway transportation can each fill their niche in our modern scheme and render maximum service to our people.

It is also obvious that our people are looking to the Federal Government to bring order out of chaos in all fields of transportation and eliminate the wasted effort, useless expenditures, and

Government to bring order out of chaos in all fields of transporta-tion and eliminate the wasted effort, useless expenditures, and costly duplication of service. Some time ago it was my privilege to read an address delivered by the Federal Coordinator of Transpor-tation, Joseph B. Eastman. I regard Mr. Eastman as one of the country's outstanding and most fair-minded transportation ex-perts, and I fully agree with him as to the fundamentals we must consider in arriving at the details for solving our transportation problem. Let me cite these fundamentals, as viewed by Mr. Eastman:

First. The country ought to have the best and cheapest means of transportation. If a new agency develops which is better than the old one, that is unfortunate for the latter, but progress cannot be halted for its protection. It would have been a crime if the railroad had been stopped for the benefits of the stagecoach and

"Second. The country ought to be protected against unnecessary duplication or waste in transportation, whether by the older or the newer agencies. Some waste cannot be avoided, but there is much which can be, and in one or another way all pay for it. It cannot be quarantined, or can the evil effects be confined to the guilty

which can be, and in one or another way all pay for it. It cannot be quarantined, or can the evil effects be confined to the guilty party.

"Third. The country ought to have at all times safe, convenient, and efficient service by reliable and responsible operators. In the long run, these conditions cannot be met unless carriers are able to operate at a reasonable profit and with fair treatment of labor.

"Fourth. The rates charged for transportation ought to be known, dependable, and reasonable, and relatively fair to all shippers, places, and localities, whether they be big or little."

In my opinion the above can be accepted as a new bill of rights in the field of transportation. It offers a basis for approaching the present-day problems in an eminently fair manner, without prejudice to any form of transportation. It has been wisely said that in our past efforts in regulation we have concentrated on attempted cures, rather than included in our regulatory measures any method for orderly planning. Such mistakes must not be made again. However, there are established facts that must be taken into consideration. For example, our railroads have a definite place in our national social economy. Through investments, public and private, their financial status is closely linked with the well-being of all our people. Their relationship with the balance of our economic structure is such that disruption might vitally affect every citizen.

Despite this condition, it is only during the last 2 or 3 years that we have given any adequate attention to considering coordination as a possible means of maintaining the benefits of our new methods of transportation and still retain the advantages of the old. And it would be a most short-sighted policy to allow selfish interests or differences of opinion as to details to prevent the American people from reaping the fruits of what we have learned.

Unfortunately, a wave of propaganda has been allowed to con-

learned.

Unfortunately, a wave of propaganda has been allowed to confuse the mind of the public. Competing forms of transportation have been active in blaming each other for the present conditions. Schools of thought have clearly reflected controlled opinions rather than desire for the public good. In this campaign every form of transportation has had a part. We may expect it to continue. Let me hasten to say, however, that many of the sponsors of propaganda have believed that they were justly representing their cause. But it offers fresh evidence of one of the evils of our system of allowing private thought to influence public welfare. The American people should be given the facts and allowed to draw their own conclusions.

The real problem in any effort to improve transportation con-

The real problem in any effort to improve transportation conditions, aside from the betterment of rail operations through maximum efficiency at the lowest reasonable cost lies, of course, in

First, there is the private passenger automobile. No one seriously contends that any effort should be made to deprive people of their right to own a car so as to increase the passenger business of commercial lines. Thus this form of transportation may be eliminated in approaching the question of regulation.

Second, there is the truck, the most important factor to be considered in any plant for regulation.

sidered in any plans for regulation. As I have said, there are some sidered in any plans for regulation. As I have said, there are some 3,000,000 trucks in use today. By far the greater number are privately owned and operated and therefore not subject to regulation in its accepted sense. The remainder represents common carriers, interstate and intrastate, and contract carriers. How much success we may expect in regulation of the latter is problematic. And the common carrier trucks comprise only a small preportion of those in operation. Some experts place the number at between 150,000 and 200,000. Figures given to Congress by the Coordinator place the number of trucks subject to regulation at approximately 203,000.

In my desire to secure some information with reference to high-way carriers, I recently conferred with Charles P. Clark, Deputy Administrator, in charge of all transportation codes of the National Recovery Administration. Mr. Clark is one of the ablest men in the highway-transportation field. It was surprising to me to learn of the definite achievements to date under the transportation codes. tion codes.

Anyone familiar with trucking operations knows of the sadly disorganized state of affairs within the industry prior to the advent of the codes. Therefore, any gains under the N. R. A. codes were distinct advances, and I am convinced that many have been made. They may be cited briefly as follows:

Approximately 300,000 "for hire" trucks have been registered under the trucking code and their owners have assented to code provisions.

provisions.

These trucks have been classified as to class of operation, common carrier, etc., body types, load limits, and so on. Thus we are securing for the first time in history accurate information. It is most essential as a prerequisite to any form of regulation. It is also essential from the standpoint of our national defense

to know just what mediums of transportation might be available In case of an emergency. As a member of the Senate Military Affairs Committee, I can readily appreciate the advantages of and necessity for the data regarding highway transportation now available, for the first time.

available, for the first time.

Uniform wages and hours have been established, and there is every evidence that success is being attained in otherwise improving labor conditions. The trucking industry was long conducted on a 60-hour basis. Today it is on a 48-hour basis.

Trade-practice agreements have been set up as another indication of healthier conditions within the industry. There is every reason to believe that it is operating on a higher plane of business ethics than ever before.

Now remember, gentlemen, that all this has been accomplished through self-regulation, the American ideal. Through the National Code Authority for the Trucking Industry and 49 State code authorities, including the District of Columbia, the industry is endeavoring to solve its own problems. There is, of course, a minimum control by the Government, which acts as umpire in the administration of the control of th ministration of codes as a means of protecting labor and the public interest.

I mention the trucking code only because it has a more vital bearing on my subject. But gains have been made under the other transportation codes. The motor-bus industry, for example, has been ready and urging sound Federal regulation for many years, and has strengthened its place in the transportation picture under

It is my sincere hope that whatever steps we may take to improve transportation, we shall not fall to preserve the gains we have made under the codes. They offer a fertile basis for self-regulation and when this is attained supervision by agencies of Government is simplified and is more in keeping with our American

system.

It is my intention to make further studies of code activities and administration in connection with the proposal for coordinating our transportation system now before the Congress. They must not be overlooked. Naturally, Government supervision under codes is largely based on self-regulation and therefore may not be as effective as direct Federal regulation. My point, however, is that code administration does offer background experience in approaching the problem of deciding the best form of regulation.

Obviously, if gains can be made through self-regulation in the transportation field more can be accomplished through incorporating the same principles into a sound plan for Government regulation.

ing the same principles into a sound plan for Government regulation. The relationship of the self-regulated agency to other transportation units must also be considered. We cannot in fairness regulate or control one and leave the other free to use any sort of competitive methods.

It is not unusual to find truck and bus lines which have thrived as a result of their freedom in fixing rates, appealing to Government agencies for protection when the railroads sought to meet the competition with even lower rates. Thus it is evident that rate stabilization is desirable.

Recently there has been submitted to the President and the Con-

recently there has been submitted to the President and the Congress a broad program designed to coordinate our various units of transportation. It represents the most advanced thought and is based on intensive studies made by the Federal Coordinator of Transportation. The report is a most constructive document.

It is my hope that the Congress will give careful attention to the recommendations of Coordinator Eastman and write these into the statutes. Most of you present have undoubtedly considered

the statutes. Most of you present have undoubtedly considered the report in detail and formed your own opinions as to its merit.

However, it seems significant to me that while the members of the Interstate Commerce Commission subscribe to the plan advanced and urge the enactment of the legislation necessary to carry it out, they object to enlargement of the Commission. In other words, they, with one exception, feel that the present I. C. C. is composed of honorable and fair-minded men. Quite likely the members are not entirely "railroad-minded" as some of the proposes of new forms of the proposes of new forms of the proposes. likely the members are not entirely "railroad-minded" as some of the sponsors of new forms of transportation claim. But if the motor carriers, air transport, and water lines are to be asked to submit to Federal regulation, they are perfectly fair in asking that those who attempt to handle their problems be thoroughly qualified in their respective fields. It would seem obvious that railroad interests have in the past, and will continue in the future, to carefully check the qualifications of new appointees to the Interstate Commerce Commission.

be little more than examiners, and privileged to vote in the disposition of but a limited class of cases. While theoretically they will be equals with the Commissioners who are to sit as members of the Control Board they will have no voice in any matters of administration; they cannot advise with their colleagues, except through courtesy; and they will not join in the reports of the Commission to Congress. Such a form of organization must result in discord and inefficiency and lack of concert of action."

That declaration seems to have all the earmarks of a desire to have a new order in transportation handled by old methods. It might be done efficiently. But one of the most frequent charges leveled at our Federal bureaus is "red tape", and I am one of those who believe that when we attempt to meet new conditions we should not plan to rely entirely on those who have perhaps become too much accustomed to old ways. The merit of my contention has been amply demonstrated in our experience of the last 2 years. Sometimes I fear that the unwillingness of agencies of government, Federal and State, to abandon some of their prerogatives and power is as much against the public interest as the unwillingness of private interests to consider the public good. It is high time that Washington learned that new agencies designed to meet modern problems are as important as those steeped in hallowed traditions by reason of their prior creation.

In regulation of motor carriers particularly it will be necessary to deal with many thousands of operators, most of them small. Serious practical difficulties will be encountered in securing adherence to rates, in keeping highway carriers limited to their respective fields, and in securing necessary dats. These are not, of course, insurmountable difficulties. But it is most important due to the fiexibility of highway carriers that they should have regulation will not be in the public interest.

Take, for example, the railroads after many years of experience in regulation. At present ultimate

more effective action.

I have stressed the principal objections raised to the coordinator's report, designed to be the basis of "our new order in transportation", because of the feeling that the methods to be used in applying regulation should not be allowed to jeopardize the public good to be accomplished through a sound program. Perhaps I have stressed it too much. But it is hardly necessary to say that the personnel of any Federal agency, whether it affects transportation or any other field of activity, is, when all is said and done, the vital thing and will have a profound effect on the quality of regulation.

In conclusion, let me say that I have every confidence that our

quality of regulation.

In conclusion, let me say that I have every confidence that our transportation problems will be solved. The magnitude of the task is such that we must proceed with care. The economic welfare of a nation largely depends on the results. Public hearings will, of course, precede congressional action. In these I hope we shall have the spirit of cooperation that is reflected in this organization and others like it. Such a spirit will do more than anything else to make possible speedy action along sound lines.

## WAR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 5913) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1936, and for other purposes.

The VICE PRESIDENT. The pending amendment, reported by the Committee on Appropriations, will be stated. The amendment was, under the subhead "Expenses of courts martial", on page 16, line 24, to strike out "\$35,000" and insert "\$50,000", so as to read:

For expenses of courts martial, courts of inquiry, military commissions, retiring boards, and compensation of reporters and witnesses attending same, contract stenographic reporting services, and expenses of taking depositions and securing other evidence for use before the same, \$50,000.

## PROGRESS OF THE SHIP OF STATE

Mr. HASTINGS. Mr. President, on Monday night the distinguished Secretary of Commerce, Mr. Roper, delivered an address over the radio which I am sure attracted great attention. I did not hear the radio address, but I read it carefully

Let me read a paragraph from the letter from the I. C. C. transmitting the Coordinator's report. It says:

"But we do not agree that any such radical reorganization is now called for or is desirable. The plan seems to us to have positive disadvantages. The so-called 'Control Board', proposed to be set up from among the members of the Commission will in essence be the Commission. The remaining members, more than a majority of the whole number, while still to be called Commissioners, will be little more than examiners, and privileged to vote in the disposition of but a limited class of cases. While theoretically they will be equals with the Commissioners who are to sit as members of the Control Board they will have no voice in any matters of that I may explain why it was thought by some that the Secretary of Commerce was speaking to children. I quote:

The 4-year voyage of the Ship of State, which set forth upon an adventurous and challenging journey on March 4, 1933, with Franklin D. Roosevelt at the helm, today has reached the half-way point in its time schedule.

I have been asked to read the ship's log for the first part of the voyage, to interpret the ship chart, to report on whether the ship is behind or ahead of schedule, the direction in which the vessel is now moving, the condition of the passengers and crew, and, finally, the distance to, and the probable time of arrival at the port of destination.

Let us remember the terrific storm in which the ship set sail, the relatively uncharted waters through which it had to pass, the constant danger of hidden reefs and shoals, and the serious state of desperation and panic among the passengers. There was no time to remain in port and make vitally needed functional repairs. That job had to be done while the ship was under way and in the midst of a battle with the forces of a violent storm.

The outline chart for the course of the voyage was presented in 1932 by Roosevelt as the nominee for President. The people expressed their confidence overwhelmingly in the course as he charted it, and as the ship's log for the first 2 years is read and interpreted, brief reference will be made to the promises set forth and the extent to which they have been fulfilled.

Mr. President, as I view that ship, either as a passenger or a member of the crew, I should like to comment for a moment upon the condition which existed at the beginning. We find the great pilot of this great ship in the first instance selecting his first officers. We find him selecting those whom he placed upon his right hand. We find an entirely different group whom he selected, who were to sit on his left hand as he undertook the important job of navigating the Ship of

In my State there is a little stream running north and south which is so crooked-and it is a navigable streamthat after one has started south and sailed for a half hour or so, he finds himself some distance farther north than when he began to time himself. But the particular ship, of which this great pilot is in charge, is on a vast sea without any channel in it. The pilot is at perfect liberty to go in any direction he thinks wise. His first officers on his right are insisting that he turn the ship to the right. The officers who sit at his left insist that he ought to turn the ship to the left; and, not knowing just where he ought to go, he shifts from the right to the left, and has steered a zigzag course during this whole period of 2 years.

But the Secretary of Commerce, one of the officers, who is reading for the benefit of the country the ship's log, inquires, "What is the condition of the passengers during this period of 2 years?" He insists that at the beginning there was a panic among the passengers. That is true; there was. But what happened? In the first place, we found the purser of the ship, Mr. Morgenthau, insisting that everybody on board should give up his gold, bring it to the purser, and let him put it in the ship's safe. Most people did so. Occasionally an old lady may have slipped a 20dollar gold piece in some place where no decent man would try to find it; but, generally speaking, the passengers gave up their gold, and the gold was placed in the safe of the ship. The passengers were a little uncertain what would happen to them after they had given up their gold, but they still had confidence in the pilot. Some of them had confidence in the first officers sitting on the left. Others had confidence in those sitting on the right.

Having given up their gold, the passengers sailed along for a little while; and then came the order that the next morning 40 cents out of every dollar should be taken from every passenger, leaving him only 60 cents, with no gold, and with his paper dollar only worth 60 cents; but being loyal passengers, having faith in the pilot as well as in the officers, they continued to sail on and on for many more days and many more weeks.

After a while, however, as they reach the end of this 2-year journey—the half-way point—the passengers find themselves in this position: Not only has their gold been taken away from them, not only has 40 cents been taken from the dollar, but the bonds which the master of this great ship agreed to pay in gold at maturity have been tendered to the purser, and he has said, "No; we pay not at all in gold." "Why not? You promised to pay in gold." "Well, that is true; but we are on a difficult voyage. We shall have to repudiate our promise in order that we may be certain to bring to port this great ship with all its passengers. We are not going to pay you in gold; and you, passenger, had better go back to your bunk or the first thing you know we will take 10 cents more from your dollar."

The passengers go on and on; and at the end of 2 years, being concerned about the dollar and what it will buy, they find that the cost of their meals has gone up. In the meantime the purser has boosted the price of all their meals, and they are concerned about that.

That is the condition of the passengers at the end of 2 years; but I desire to call attention for a moment to the condition of the crew about whom Secretary Roper talks.

The crew is located on two decks of the ship. There is the lower deck, which has something like 435 sailors in it. With them the great pilot has no difficulty at all. With the upper deck, where there are only 96 sailors, and where they have signed for a longer time, he has much more difficulty. It must be borne in mind, too, that this ship is controlled by the papers of the ship. There are certain rules and regulations laid down which the pilot himself must follow. So, therefore, while ordinarily the crew has nothing to do with such matters, it is important, from the pilot's own point of view, that he go to the crew occasionally in order to get sufficient funds to continue to run the ship. He sends a request to that effect to the crew on the lower deck. They get the request one day and the next day they pass a resolution approving, without debate and without discussion, all that has been recommended by the pilot.

Then the request comes to this body, and here the situation is a little different. The crew on the upper deck is constituted a little differently than that on the lower deck. Its organization is a little different. For instance, it has at its head a distinguished-looking man, who is distinguished not only for his looks but for what he does not say. He acts as a referee in case the sailors get into a fight.

On one side we find what is called the minority—and a very small minority it is, indeed—low in voice, morale all gone, with but few votes; led, however, when we permit him to lead, by an attractive and intelligent man, who has some definite ideas about how things ought to be done on a ship. The minority, however, is unimportant. It is the majority of the sailors on the upper deck that count.

What do we find on the majority side? We find that they are led by a distinguished man, who has been a sailor for a long while. In repose he folds his arms and is as placid as can be; but when necessity requires he is as vociferous as it is possible for any other person to be. He confers with the pilot. We do not know, but we have an idea that he has differences of opinion with the pilot. Finally, however, the pilot convinces the leader that the pilot is right. Then this great leader of the majority of the sailors comes back here; but his trouble is not half over. The mere fact that he has agreed with the pilot does not mean that the leader has all the crew agreeing with him; and he goes forth doing the best he can to get the crew to agree with him. Sometimes they offer to help, and he cries out, "Give me help; the Lord knows I need it!"—and so it goes on from there.

Then we find, in one corner, one of the sailors who has been in the service for a long while, who does not agree at all with what the pilot is doing. He is afraid the ship is sailing to the Sea of Sargasso, the limbo of lost ships. He protests, but he does not advocate that there be mutiny among the sailors. I have no doubt that he hopes and prays every night that the ship and all its passengers and crew may be saved.

Then we find in the majority the son of an Irishman, large in frame, genial in appearance, vigorous in protest. He does

not always agree with what the pilot says or with what his leader says, but he expresses his disagreement with much geniality and with much charm, comparable to those qualities of the new deal itself.

Over there, too, is a man who we are told is ignorant, egotistical, and autocratic. We may agree with that or we may not, but we know one thing that is beyond any question: He makes more noise than any other member of the crew. [Laughter.] He talks longer and he talks louder than any of the rest.

We find over there also one of those placid, genial persons whom everybody likes. He is comparatively a new sailor, but the pilot has more confidence in him than in anybody else. He calls this sailor to the pilot house, and the sailor goes. The pilot says, "What are the crew talking about? How do they feel about the way the ship is going?" The sailor proceeds to tell him. "Well, take back word that I want it done in this way." Back the sailor comes, and among his group of sailors he goes about and says, "This is what the chief wants; this is what he wants; this is what he does not want." "Well, what do you think about it?" "I have no mind at all with respect to it." [Laughter.] "I tell you what the pilot says is good for us, and I am following the pilot."

I remember that these same sailors at one time were on a ship piloted by another man. I remember particularly that senior sailor from Mississippi, and the senior sailor from Kentucky, and the junior sailor from Texas, and I listened to them for 4 long years complaining about the way the ship was being run.

After they had a new man at the helm, we heard not a word from them, either of complaint or praise. We cannot tell whether they agree with the pilot or not, except when it comes to casting the votes. When it comes to casting the votes, we can gamble before they are cast that they will do what the crown prince of the White House tells them the pilot wants done.

Mr. President, I have given this little history of the job of the crew in order that I may find out how serious this speech of the Secretary of Commerce may be with respect to this ship. I do not disagree with anything the Secretary said. I am not here complaining about what he said. However, when such a distinguished man, for whom I have the highest regard, goes on the radio and starts off as I have indicated, in order that he might get the women and children and everybody else to listen, I complain about him telling only half the truth.

I have understood heretofore that those who undertook to show that this ship was sailing in the right direction went upon the theory that the pilot of the ship found it necessary to change his course after he took the helm. Not so with Secretary Roper. He tells us in no uncertain language that that is not true. He says:

But even with these extenuating circumstances exerting such a basic influence on the course of national events and problems, the chart for the recovery voyage as outlined by Franklin D. Roosevelt in 1932 comprises a blueprint of promises, principles, and philosophy which has been applied with consistency and effectiveness since March 4, 1933.

The speech of the Secretary occupies several columns of the newspaper. It must have taken him an hour to deliver it on the radio. He undertakes to show that everything that has been done by his great pilot was done in accordance with a blueprint made and signed by the pilot away back in 1932.

I am not at all certain that the quotations he made from the President's speech do not justify him in saying that because of the promises made these things are justified, but I desire seriously to call to the attention of the Senate one fact, two facts, three facts, which the Secretary does not mention in his speech at all, and when I call attention to them, I will ask Senators to ask themselves the question whether or not this great first officer of this great pilot has not left out the most important things that were promised in that blueprint created by and approved by this great pilot.

I will mention the two or three things. The first seems to me to be of some importance, although I doubt whether

many people agree with me; I have not found many people agreeing with me that the cost of the Government means anything at all to anybody any more. It used to be an important issue in every campaign whether or not those who were seeking the votes of the electorate would run the Government economically or whether they would not. So far as I know, nobody in particular is paying any attention to that feature. Certainly the majority of this crew, speaking generally, is not doing so; there are a few exceptions. And certainly the minority-I started to say might not be heard; but certainly, if they are heard, very few people pay any attention to them.

It seems to me that a ship which has arrived at the halfway point, with 2 years yet to go, and with the hope of 4 more years after that, must some time, somewhere, find out and tell the passengers on the ship what the trip is going to cost them.

I am not at all certain, notwithstanding what I have said about people paying no attention to it, that the passengers of this ship are not going to begin to inquire very shortly what the trip is going to cost; and I hope that may be true. At the end of the 2 years, and before we start on the third year of the trip, this crew is asked to appropriate to the pilot the huge sum of \$5,000,000,000, without any assurance that that \$5,000,000,000 will take him over another year of the trip.

Mr. President, I refer to the promises made by the pilot in his blueprint, and I want to take a little time of the Senate in finding out and refreshing the memories of Senators as to whether the Secretary is entirely fair when he leaves out this part of the blueprint. It is not news, I know, but it seems to me that if we keep on repeating it, and doing so from day to day, after a while we will strike the conscience of somebody who is in authority and stop some of this business.

Let me call attention to the platform upon which this great pilot ran, to the blueprint which was prepared for him and which he agreed to support 100 percent. It says:

We believe that a party platform-

And Secretary Roper agrees-

is a covenant with the people to be faithfully kept by the party when entrusted with power.

The Democratic Party solemnly promises by appropriate action put into effect the principles, policies, and reforms herein advocated.

Mr. President, here is the next promise made, which got more votes than any other promise made in the platform:

We advocate an immediate and drastic reduction of governmental expenditures by abolishing useless commissions and of-fices, consolidating departments and bureaus, and eliminating ex-travagance, to accomplish a saving of not less than 25 percent in the cost of Federal Government.

Look through Secretary Roper's speech, the log of this ship, and call his attention, if you will, particularly those who are close to him, to the fact that he left this out of his radio speech, and see if you can find out why he left it out. See if you can find out why it was not fair to the American people to tell them that this was one part of the pilot's promise which he had not kept.

We favor maintenance of the national credit by a Federal budget annually balanced on the basis of accurate executive estimates

I shall quote extracts from speeches of this great pilot, but they have been heard so often that it is not necessary to refer to the dates.

The platform which you have adopted is clear. I accept it a hundred percent.

A platform is a proposal and at the same time a promise binding on the party and its candidate. Now even the partisan opposition had found it hard to criticize

the Democratic platform this year. It is forthright and genuine-honest to the core.

Let us have courage to stop borrowing to meet continuing de-Stop the deficits.

Revenues must cover expenditures by one means or another. Any government, like any family, can for a year spend a little more than it earns. But you and I know that a continuation of that habit means the poorhouse.

Now the credit of the family depends chiefly on whether that family is living within its income. And this is so of the nation. If the nation is living within its income, its credit is good. If, in some crisis, it lives beyond its income for a year or two it can usually borrow temporarily on reasonable terms.

But if, like a spendthrift, it throws discretion to the winds, is willing to make no sacrifice at all in spending, extends its taxing to the limit of the people's power to pay, and continues to pile up deficits, it is on the road to bankruptcy.

But when we come to consider prodigality and extravagance in But when we come to consider producinty and extravagance in the Federal Government—as distinguished from State or local gov-ernment—we are talking about something even more dangerous, for upon the financial stability of the United States Government depends the stability of trade and employment, and of the entire banking, saving, and insurance system of the country.

Our Federal extravagance and improvidence bears a double evil. First, our people and our business cannot carry its excessive burdens of taxation. Second, our credit structure is impaired by the unorthodox Federal financing made necessary by the unprecedented magnitude of deficits.

Commercial credit has continuously contracted and is contracting now. Most of the Government's newly created credit has been taken to finance the Government's continuing deficits. The truth is that our banks are financing these stupendous deficits and that the burden is absorbing their resources.

Then the President says:

I quote one paragraph from a document published a week ago and

signed by both Alfred E. Smith and Calvin Coolidge:
"All the costs of local, State, and National Government must be reduced without fear and without favor. Unless the people, through unified action, arise and take charge of their Government, they will find that their Government has taken charge of them. Independence and liberty will be gone, and the general public will find itself in a condition of servitude to an aggregation of organized and selfish minorities." selfish minorities."

Then the President continued:

Every word of that warning is true, and the first and most important necessitous step is balancing our Federal Budget to reduce expenses.

I shall carry out the plain precept of our party, which is to reduce the cost of the current Federal Government operations by 25 percent.

I have been scrupulously careful to make no idle promises, to raise no false hopes. \* \* Instead I have offered the practical common sense of the Democratic platform, a document which will live in history as a model for brevity and clarity

And I may add, Mr. President, it will live in history as a platform which has been more abused, and has been ignored more nearly 100 percent than any platform that was ever adopted by a political party.

Mr. President, I shall not read all these extracts from the pledges of the Democratic Party with reference to bureaucrats.

Mr. Roosevelt said:

We must abolish useless offices. • • • We must merge, we must consolidate subdivisions of government, and \* \* \* give up luxuries which we can no longer afford. \* \* \* I propose that government of all kinds, big and little, be made solvent, and that the example be set by the President of the United States and his Cabinet. (Acceptance address, Chicago, Ill., July 2, 1932.)

Further along he said:

It (the Republican Party) is committed to the idea that we ought to center control of everything in Washington as rapidly as possible. Now, ever since the days of Thomas Jefferson that has been the exact reverse of the Democractic concept—which is to permit Washington to take from the States nothing more than is necessary to keep abreast of the major changes in our economic struction. situation.

Of course that means a complete realinement of the unprecedented bureaucracy that has assembled in Washington in the past 4 years. But I am no stranger to Washington. I knew it at first hand during the administrations of Theodore Roosevelt and William H. Taft. I served at Washington for 7½ years during the Wilson administration. I have some familiarity with the psychological aspects of the administration of our National Government. More than that I have conducted for 4 years the administrative and executive affairs of a State that has 13,000,000 inhabitants.

I regard reductions in Federal spending as one of the most important issues of this campaign. In my opinion, it is the most direct and effective contribution that government can make to business.

business.

I have sought to make two things clear: First, that we can make savings by reorganization of excess departments, by eliminating functions, by abolishing many of the innumerable boards and commissions which over a long period of years have grown up as excrescences on the regular system. Those savings can properly have made to total many hundred of millions of dellars. be made to total many hundreds of millions of dollars a year.

Mr. President, let me now call the attention of the Senate to an article by W. M. Kiplinger, appearing in Nation's Business which came out last week, giving certain figures. I verified these figures and I desire to place them in the RECORD at this particular point. This is published in the Nation's Business for February:

#### BUDGET IN RED FOR 6 YEARS

The heart, the meat, the focal point of most major government policies is in the budget. The blood of private business is credit, and the credit policies of the Nation are now made pretty much by the Government, and the Government's credit course is influenced largely by its own needs. Thus the Federal Budget's influence cuts deeply into your own business.

Look first to the past. The last year in which our Government ran in the black was 1930. In that and previous years the expenditures were in the neighborhood of four billions a year, and the receipts were more than that. Surpluses were used to retire the public debt, which got down as low as sixteen billions by the end of 1930, fiscal year.

Then came the red-ink years, 1931, 1932, 1933, 1934, and now

Then came the red-ink years, 1931, 1932, 1933, 1934, and now 1935 and 1936. Six years of unbalanced Budgets.

Net result of the 6 years: Increase of the public debt from sixteen to thirty-four billions (anticipated).

Mr. President, at that particular point I desire again to call to the attention of the Senate the President's message to the Congress under date of March 10, 1933, in which he asked the Congress to give him authority to reduce the pay of Federal employees, and to reduce the payments made to the soldiers. The act passed in pursuance of his request was known as the "economy act." He called attention to the fact that the appropriations already made for the fiscal year 1933 would indicate a \$1,000,000,000 deficit unless that authority was given, making a total deficit of \$5,000,000,000, and in that very speech he called attention to the fact that the country was on the road to bankruptcy. The Congress gave him the authority which he asked, Congress gave him full authority, and he did what he claimed he was going to do with respect to the Federal employees and the soldiers. Now let us see what happened:

And, as yet, no end in sight, for there is no promise to balance the Budget in 1937. It could be done, but I doubt it will be done before 1938.

## BUDGET FOR 1935, 1936

I can give you no facts which have not already been published, but perhaps I can give you a bit of perspective and proportion.

First, 1935, the current fiscal year, ending next June 30:

Receipts, mainly from taxes		billions
Expenditures, more than half emergency	- CONTRACTOR (1997)	billions
Deficit, the largest of the depression		billions
Public debt by next June 30	31.0	billions

Now take 1936, fiscal year, starting in the middle of this calendar year, running to the middle of the calendar year 1936—the year for which Congress is now making appropriations:

Receipts, mainly from taxes	4.0	billions
Expenditures, about same as in 1935	8.5	billions
Deficit, to be covered by borrowings	4.5	billions
Public debt by June 30, 1936		billions

In 1936, where the money comes from:	
Income taxes, individual and corporate	1.2 billions
Sales taxes of one kind or another, although not so	2 0 billions

ous." They include excise taxes on certain specific commodities. They include processing taxes, which are essentially sales taxes with proceeds earmarked for farm benefit payments. The point is that our tax revenues at present are lightly weighted on incomes, and heavily weighted on commodity sales. We already have "sales taxes" on a big scale.

Here's what we will get in 1936 from taxes on commodities, apart from income taxes: Processing taxes on farm stuff, 570 millions; liquor, 430 millions, including 225 from beer, 180 from distilled spirits, and very little from wines; tobacco, 466 millions; other excise taxes, 500 millions; total nearly 2 billions, see above.

The average man pays much more in taxes when he buys these four articles—cigarettes, beer, whisky, and gasoline—than he pays in income taxes. It's a point which is not generally recognized. Other relatively minor sources of Government income, 1936: Customs, 300 millions (they've shrunk); estate and gift taxes, 215 millions; capital stock and excess profits, 100 millions. Now turn to where the money goes, 1936:

Ordinary "regular" Government expenditures without any public-debt retirement sum In 1930, a normal year, regular expenses, without debt 3. 3 billions

(Thus the Roosevelt administration, in fact, has not reduced the usual Government expenses materially, despite its campaign pledge to cut them 25 percent.)
Add to the 3.3 billions of "regular" expenses the budgetary item

for debt retirement, 636 millions, making:

Total ordinary or "regular" expenses. Add, also, the emergency expenditures. 4 6 billions

Total Budget, regular and emergency\_\_\_\_ Deficit, to be covered by borrowing\_\_\_\_\_ \_ 8.5 billions 4.5 billions

Mr. President, I think it is worth while to have those facts in the RECORD, but there is one other matter to which I desire to call the attention of the Senate with respect to the speech of Secretary Roper. I did not know that the N. R. A. had been planned in 1932, but Secretary Roper says that it was. He calls attention to the fact that in Chicago on July 2, 1932, the President said:

"So as to spread the point of all kinds as widely as possible, must take definite steps to shorten the working day and the working week."

In other 1932 addresses Roosevelt advocated the initiation of a program that would provide for minimum wages, maximum hours, and collective bargaining. Virtually every major promise of the N. R. A. was clearly enunciated during the campaign.

Mr. President, I think that will be a surprise to many people. I had no idea that the President had the N. R. A. in mind, although I do remember a speech made by Mr. Farley in Detroit to the effect that nothing had been done by the administration which Mr. Roosevelt did not have in his mind when he was running the campaign in 1932. I should like to inquire today why Mr. Roper referred to the N. R. A. at all? If there is any Member of this body or of the other House of Congress who is ready to stand up and defend the N. R. A., I should like to know who he is.

I realize that the President has sent to the Congress a message with respect to the N. R. A., urging that it be continued for another two years; but, Mr. President, if you should undertake to ascertain what the President really wants you would find that he wants to destroy at least 90 percent of the N. R. A. as it exists today; and it is to his credit that he does want to destroy it. But why should Mr. Roper undertake to make the country believe that N. R. A. has been a good thing, when everybody who has had any experience with it knows that it has been a miserable failure? It occurred to me that instead of calling it N. R. A. or N. I. R. A., or whatever it is-National Industrial Recovery Act-it might well be called the National Infernal Recovery Act, because I know of no one who agrees in principle with all the things that have been done under the N. R. A. If anyone wanted to get a definite notion about how this body feels regarding it he should have attended an executive meeting of the Finance Committee of the Senate vesterday.

There may have been some person present who was in favor of it; but, if so, it did not appear from anything that he said, and we all got the distinct impression—and I think it is true; I hope it is true—that the President himself is now ready to admit that the N. R. A. as it exists today is not the proper thing for this country and that it ought to be limited in operation perhaps to those industries engaged in interstate commerce and perhaps another class, as I understand, engaged in activities in connection with natural resources. Confined to those two fields, perhaps the Congress will agree with the President and we will be able to work out something that will be worth while; but to say that the President in 1932 had in his mind the N. R. A. is, I submit, no credit to the President and no credit to Secretary Roper, who gives that new information to the country.

Mr. President, I shall detain the Senate but a moment or two longer, but, in order that we may find out something about the condition of the passengers on this great ship, and what is to be done with them on this further 2 years' voyage, I desire to read to the Senate extracts from an article which appeared in the magazine Time of the issue of March 4, 1935, the second anniversary of the pilot who has this ship. The article is headed-

#### -" BOOTLEG SLAVERY " FARMERS-

Last week the crusading Scripps-Howard newspaper chain started a stark series of articles by Correspondent Hugh Russell Fraser about the "peonage of 8,000,000 share croppers in the South."

The sensational New York Post published an even starker series on the same subject by earthy Author Erskine Caldwell (God's Little Area Tobacoa Bead)

tle Acre, Tobacco Road).

From Cincinnati, earnest Socialist Norman Thomas broadcast:
"The most wretched conditions on any large scale anywhere to be
found in exploited America exists in the cotton country. \* \* \* These share croppers and casual day laborers of the cotton fields are the forgotten men of the new deal. A. A. A. has practically washed its hands of them and their problem."

In Georgia and Mississippi, approximately 70 out of every 100 farmers work somebody else's land as tenants or share croppers. The share cropper trades his services and those of his family for The share cropper trades his services and those of his family for a shack and half the crop he makes, less 10 cents an acre ditch and road-maintenance fee, 10 cents on every dollar's worth of supplies bought at the plantation commissary (patronage obligatory) for "management fee", further deductions depending on the character of the landlord. It was estimated that the average cash income of a southern share cropper and his family in an average year is \$100.

To maintain at least a medium individual farm-income level To maintain at least a medium individual farm-income level was the purpose of the cotton acreage reduction program, launched in 1933 and continued last year. The landowner pledged himself "insofar as possible to maintain on this farm the number of tenants and other employees" which he had maintained in the past. He was also supposed to pass along pro rata the share croppers' share of the reduction-benefit payments.

But a number of southern landlords, correctly informed by their lawyers that the cotton-reduction contract has no level testly and

But a number of southern landlords, correctly informed by their lawyers that the cotton-reduction contract has no legal teeth and does not bind them to maintain the normal number of tenants or to pass their benefit shares along impartially, found means of withholding the reduction fee, ousting tenants from the land. A. A. A. now admits that whereas the "prenew deal" cotton income went 40 percent to landlords, 60 percent to tenants, the reverse ratio may now hold true. From a class and country where letter-writing comes hard, some 7,000 share croppers had by last week scrawled out despairing protests to Agricultural Adjustment Administrator Chester Davis. And so impartial an observer as the Federal drought relief director of Arkansas has reported wholesale "unloading" of tenants onto relief rolls by their former landlords. By last week a vast stretch of the South was the scene of humanity hit bottom. No statistics could picture the pallid acres from

ity hit bottom. No statistics could picture the pallid acres from Georgia to Arkansas, pocked with the burnt stumps of slash pine, gully-gutted, unfertilized; where the whitewash peeled from treeless shacks; where hatchet-faced tenants were not even able to get the three M's—meal, molasses, and meat—a diet that nourishes pellegra but not men. pellagra but not men.

Two vignettes of life under the new deal for landless, dole-less, hopeless share croppers 25 miles from Augusta, Ga., as seen by Erskine Caldwell:

"In 1934 a tenant farmer in Jefferson County was unable, because of old age and illness, to work out his crop. A physician prescribed for his ailment, but the man could not buy the medicine, and no relief agency would supply it. A 4-year-old girl in the family died at the end of the year of anemia. The tenant moved several miles away to another farm, but after several weeks the landowner decided that he was too old and ill to work a crop on a tenant-farmer basis, or on any other basis, and he was evicted.

The household goods were carried to the land limits and deposited by the side of the road. Another tenant took the goods under shelter, and the landowner gave notice that if they were not removed from his land he would come into the house and

burn them.

burn them.

"In the meantime the old man had gone off into the swamp, without ax, hammer, or saw, with the intention of felling trees and building a log house for his family. He has not been heard from since he left. \* \* \*"

"Near Keysville a 2-room house is occupied by 3 families, each consisting of man and wife and from 1 to 4 children each. \* \*

each. \* \* \*

"In one of the 2 rooms a 6-year-old boy licked the paper bag
the meat had been brought in. His legs were scarcely any larger
than a medium-sized dog's leg, and his belly was as large as that
of a 130-pound woman's. Suffering from rickets and anemia, his
legs were unable to carry him for more than a dozen steps at a
time; suffering from malnutrition, his belly was swellen several
times its normal size. His face was bony and white. He was starving to death.

"In the other room of the house, without chairs, beds, or tables,
a woman lay rolled up in some quilts trying to sleep. On the

a woman lay rolled up in some quilts trying to sleep. On the floor before an open fire lay two babies, neither a year old, sucking the dry teats of a mongrel bitch. A young girl, somewhere between 15 and 20, squatted on the corner of the hearth trying to

keep warm.
"The dog got up and crawled to the hearth. She sat on her haunches before the blazing pine knots, shivering and whining.

After a while the girl spoke to the dog, and the animal slunk away from the warmth of the fire and lay down again beside the two babies. The infants cuddled against the warmth of the dog's flanks, searching tearfully for the dry teats."

## INFECTION CENTER

To date Georgians have struck no blow against what shocked

To date Georgians have struck no blow against what shocked Under Secretary of Agriculture Rexford Guy Tugwell has called their state of "bootleg slavery." Not so the lean tenant farmers of Arkansas, whose memorable bread riot at England, Ark., 4 years ago (Time, Jan. 12, 1931) made the country sit up and take notice. Encouraged by Socialist Thomas and Prof. William R. Amberson, of the University of Tennessee, who interrupted his noteworthy researches into artificial blood transfusions (Time, July 23), the Poinsett County share croppers last summer formed a protective association, the Southern Tenant Farmers' Union. Program: No evictions; no forced trading at plantation commissaries; direct payment of reduction benefits; representation on all agricultural control boards; cooperation of white and black share croppers. In spite of further evictions for union participation, in the face of ostentatiously armed "plantation riders", the union now numbers 5,000. 5.000.

All the elements of a rip-snorting class conflict were present in the little town of Marked Tree in January when a youngster of 24 named Ward H. Rodgers, on the executive committee of the union, addressed an outdoor gathering of hungry, disgruntled, and dispossessed tenant farmers. Ward Rodgers, a socialistic Texan with theological degrees from Vanderbilt and Boston Universities, was already in bad odor with the landlord class because he had been calling Negroes "mister." And as an instructor in F. E. R. A.'s adult education service, he had been mixing Karl Marx with the A B C's. He was quoted as saying he was willing, if share croppers were not fed, to "lynch every plantation owner in Poinsett County." Clapped into jail, he was speedily brought to trial, convicted of "anarchy." He has taken an appeal.

#### WHAT TO DO?

Just before the Rodgers trial the A. A. A. dispatched red-headed Mary Connor Myers, a Boston lawyer who helped the Department of Justice jail Al Capone, to Arkansas to see what all the trouble was about. Last week she reported to Washington. It was announced that the written part of her report was confidential, and the oral part was for the ears of Chester Davis alone. The United Press said: "Mrs. Myers, it was understood, uncovered contract violations which caused cruel hardships to part of the farm population. She found share-croppers straggling along the highways, homeless and unable to obtain relief."

The Myers report, soon to be amplified by an A. A. A. share-cropping investigation in every southern county, was withheld, explained Administrator Davis, "because it may lead to legal action."

action."

Meantime the Administration's agriculturists cast about for means of remedial legislative action. Best bet, according to Dr. Tugwell, was a bill recently introduced in the Senate by Alabama's BANKHEAD to set up a farm tenant homes corporation financed by the sale of \$1,000,000,000 worth of bonds. F. T. H. C. would try to establish share croppers on land they could acquire for themselves by easy payments within 50 years. Under Secretary Tugwell, whose mind never lacks for invention, thought the homes might be established in little villages, European peasant style, because the share-croppers "like to be together."

Mr. President, if we turn to other pages of this magazine we will find how very closely the conditions there described come to what is going on in Russia just now. I call attention to it merely for the purpose of showing it to the distinguished Secretary of Commerce, who says that the time has come when we must make inquiry as to the condition of the passengers and the direction of the course of this great ship. I give him these facts as to the condition of the passengers, 8,000,000 of them, in order that he may know, in order that he may further investigate, in order that he may go further in the effort to relieve the distress among the passengers of this great ship.

I hope it is true that progress has been made. I hope greater progress will be made in the next 2 years which are to follow, but I should feel very much safer if I knew where the ship was going.

The Secretary started out to lead us to believe he was going to tell us where it was going and how and when it would arrive. I challenge any person to read his address from the beginning to the end and reach any other conclusion than that which I reached, that neither the first officer of the ship nor the pilot himself has much idea where it is going or how or when it is going to land.

Mr. DICKINSON. Mr. President, I ask unanimous consent to have inserted in the RECORD at this point an editorial which appeared in the Sioux City (Iowa) Journal of February 27, 1935, entitled "Ground Lost."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Sioux City (Iowa) Journal Feb. 27, 1935] GROUND LOST

Drew Pearson and Robert S. Allen, writing in the daily Washing-Drew Pearson and Robert S. Allen, writing in the daily Washington Merry-Go-Round, published in newspapers throughout the country, recently emphasized what everybody already knew, that the Roosevelt administration has lost ground in the country at large and in the councils of the Democratic Party. This has been apparent for some time; in fact, it has been patent to everybody since Congress convened in regular session early in January. Observers everywhere are commenting on it, not necessarily in a partisan way. It happens that in this administration the American people for the most part fervently and ardently desire the "new deal's" triumph in behalf of the success of the country, for they know the one is dependent upon the other. Mr. Pearson and Mr. Allen offer the following:

deal's" triumph in behalf of the success of the country, for they know the one is dependent upon the other. Mr. Pearson and Mr. Allen offer the following:

"One of the tragic things about every White House incumbent is a condition which best can be summarized in the advertising slogan. 'Even his best friends won't tell him.' No one of a President's many friends and advisers seems ever to be quite willing to step up and tell him that he is slipping. This was particularly true of Hoover; and already it is beginning to be true of one of the shrewdest political observers ever to sit in the White House, Franklin Roosevelt. Within the last month there has been a sickening feeling in the stomach pits of a host of "new dealers" which told them that with the country at large their leader had lost ground. \* \* \* The sardonic thing is that the Democrats apparently don't realize that he who destroys his leader destroys himself. For the Democrats are doing most of the under-cover knifing. \* \* All he [Mr. Roosevelt] hears is the raucous voice of that machine politician, James Aloysius Farley, who thinks that to win in 1936 he has to appoint an Irish Democrat as postmaster and another as county chairman throughout the United States of America, and who already is bragging: 'Nineteen thirty-six? Aw, it's already in the bag!"

Looking back over the 2 years of the administration observers may wonder whether, after all, President Roosevelt was the finished politician, astute, careful, shrewd, and omniscient, he was proclaimed to be. One may conclude that he has erred within his own party by attempting to force legislation through Congress of his own design, instead of yielding in a degree to the men chosen to make the laws. He lost the World Court issue. The Democratic Senate has astonished the country with its treatment of the Roosevelt relief and recovery bill. Two months of the session of Congress will have elapsed by March 3, and no major legislation has been enacted into law. The White House so far has been powerless to contro

has been powerless to control and dominate Congress.

Mr. Roosevelt is slipping. He already has slipped perceptibly, not only with Members of Congress but with the people in the hinterland. Anyone may determine this for himself. Ask the man in the street, behind the counter, at the desk, in the shop, on the farm, anywhere. Many who were strong for the new deal last November have changed since the off-year elections when their votes were counted in another Roosevelt landslide. Heartbreaking as this must be to the man in the White House when he does discover it, it yet may be described as a natural, logical process. In 1932 Mr. Roosevelt was elected to the Presidency in the hope and belief that he would rescue the people from the depression. He was given every chance to rescue them. He has not made much headway. Improvements effected have not been enough. There still are some 11,000,000 unemployed. The cost of living is climbing steadily. Industrial production is still at a low

enough. There still are some 11,000,000 unemployed. The cost of living is climbing steadily. Industrial production is still at a low figure. The depression continues.

On top of all this the country sees the mountainous debt increasing in billions. The people know, that cannot go on without an increase in taxes. They know their burden is to be increased, and they dread it. They wish to protect their property, their competence, and they feel that what they have is menaced. They wonder whether ruin of the country instead of rescue is on the way.

way.

The American electorate is thinking things over now with an eye on 1936. The election may not be in the bag as Mr. Farley insists. At least it may not be in his bag.

Mr. McKELLAR. Mr. President, if the Senator from Delaware [Mr. Hastings] had read the succeeding paragraphs to those which he did read, he would have found the full answer to every complaint he has made against Mr. Roper and the administration. In order that the record may be clear, I ask at this point that, as a part of my remarks, the entire address of the Secretary of Commerce, Mr. Roper, be placed in the RECORD.

The PRESIDING OFFICER (Mr. MURPHY in the chair). Without objection, it is so ordered.

The address is as follows:

TWO YEARS WITH ROOSEVELT

(Radio address by Daniel C. Roper, Secretary of Commerce, Monday, Mar. 4, 1935)

Good evening, my friends of the radio audience, the 4-year voyage of the ship of state, which set forth upon an adventurous and challenging journey on March 4, 1933, with Franklin D. Roosevelt at the helm, has today reached the halfway point in its time schedule. I have been asked to read the ship's log for the first part of the voyage, to interpret the ship charts, to report on whether the ship is behind or ahead of schedule, the direction in

which the vessel is now moving, the condition of the passengers and crew, and, finally, the distance to and the probable time of arrival at the ports of destination.

et us remember the terrific storm in which the ship set sail, the relatively uncharted waters through which it had to pass, the constant danger of hidden reefs and shoals, and the serious state of desperation and panic among the passengers. There was no time to remain in port to make vitally needed functional repairs. That job had to be done while the ship was under way and in the midst of a battle with the forces of a violent storm.

job had to be done while the ship was under way and in the midst of a battle with the forces of a violent storm.

The outline chart for the course of the voyage was presented in 1932 by Roosevelt as a nominee for President. The people expressed their confidence overwhelmingly in the course as he charted it, and as the ship's log for the first 2 years is read and interpreted, brief reference will be made to the promises set forth and the extent to which they have been fulfilled.

In the field of medicine the question is sometimes asked as to whether a patient would have recovered without the application of rational treatment by a competent doctor. After the treatment has been applied and the patient is on the road to recovery, no question could be more beside the point than to suggest that the recovery would have taken place without the help of the doctor. The same principle is applicable in relation to our national economic recovery. Psychologically, from a viewpoint of national welfare, we recognize the utter futility of even raising the question as to whether recovery would have been possible without the new-deal program. We do know that no period of recovery in our history has shown the degree of improvement and betterment that has taken place since March 4, 1933, when the ship of state set forth upon its recovery voyage. In a letter received recently from a prominent business man, I quote his appraisal, as follows:

"I do not hold with those critics who maintain that the upturn was bound to come anyway and that the administration is in no way responsible for it. There is too close a correlation between the beginning of the upward trend and the inception of the President's policies to admit of anything but the fact that they are

way responsible for it. There is too close a correlation between the beginning of the upward trend and the inception of the President's policies to admit of anything but the fact that they are directly responsible." This unsolicited comment is typical of a great many communications received from business men, who analyze the recovery program from the broad viewpoint of general results and benefits. It goes without saying that anyone can find in every city and section of the country individual business enterprises which are wonderfully improved, and also others which are in a worse position today than they were in the early spring of 1933. Thus we cannot properly depend for our conclusions and appraisals about recovery results solely upon the limited basis of individual experience and individual observation. We must seek to visualize the entire Nation-wide scope of recovery purposes, methods, and results. A program for recovery which none would criticize, a program perfect in conception and application and productive of maximum possible results, would be divine in origin and in execution. and in execution.

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"A little philosophy," said Lord Bacon, "inclineth man's mind to atheism, but depth in philosophy bringeth men's minds about to religion." In a similar way a little information may incline a man's mind to skepticism, while a breadth of information leads the mind to conviction. I invite you to examine with me briefly this evening the general record of experiences and results, what has been accomplished, and what still remains under the program to be done. to be done.

As I read the log of the first 2 years of the recovery voyage, I visualize a balance sheet which contains both assets and liabilities. This balance sheet is expressed in terms of factual and statistical measurements and results and in terms of principles, public opinion, and social and moral issues.

Statistically I find 30 major economic indexes, which, on the basis of the percentage of gain and betterment recorded between March 1933 and December 1934, support factually my statement that no period of recovery in our country's history has shown the degree of improvement comparable to that since March 1933. I degree of improvement comparable to that since March 1933. I wish to cite a few of the improvements recorded and salutary gains registered between March 1933 and December 1934. They are as follows: Industrial production, 45 percent; manufacturing production, 51 percent; electric-power production, 20 percent; retail sales in department stores, 33 percent; variety stores, 18 percent; rural general stores, 98 percent; sale of new passenger automobiles, 57 percent; freight-car loadings, 28 percent; factory employment, 34 percent; factory pay rolls, 70 percent; life-insurance sales, 30 percent; stock prices based on 421 issues, 60 percent; bond prices based on 60 leading issues, 30 percent.

Now let's state the situation from another angle. In the Ameri-

based on 60 leading issues, 30 percent.

Now let's state the situation from another angle. In the American political system campaigns are conducted on party platform promises, to which the national candidates are committed, thus forming the basis upon which the people register their will at the polls. Some of these promises can be applied specifically and de facto; others must necessarily represent the statement of a principle, motive, or intent. No Presidential candidate has the prophetic vision to determine in concrete form or in detail many of the problems that may be encountered throughout a 4-year period. Particularly was this true in 1932, when this country faced the severest peace-time challenge in its history.

A noted student of human affairs has pointed out that before

the severest peace-time challenge in its history.

A noted student of human affairs has pointed out that before the World War a young person in the United States entered a social and economic order in which the expectancy of continuity was greater than the expectancy of change. After the World War, and particularly within the past 3 or 4 years, a young person has begun his life career in a society in which the expectancy of change is far greater than the expectancy of continuity. This distinction is vital and fundamental. Forces of change following

the World War created a complexity of problems which culminated in the economic collapse beginning in 1929. Then the depression itself brought on with geometric rapidity an entirely new series of problems which this country by tradition and experience was unequipped to meet. But even with these extenuating circumstances exerting such a basic influence on the course of national events and problems, the chart for the recovery voyage as outlined by Franklin D. Roosevelt in 1932 comprises a blueprint of promises, principles, and philosophy which has been applied with consistency and effectiveness since March 4, 1933.

During the summer and fall of 1932 the ghastly spectre of unemployment constituted a dominant social and economic issue. In a series of clear-cut statements during the campaign, Roosevelt stated his position on the mandatory requirements for relief. He said:

He said:
Chicago, July 2: "The Federal Government will assume bold leadership in distress relief."
Boston, October 31: "As to immediate relief, the first principle is that this Nation owes a positive duty that no one shall be permitted to starve. That means that while immediate responsibility for relief rests with local, public, and private charity insofar as these are adequate, the States must carry the burden, and whenever the States are unable adequately to do so, the Federal Government owes the positive duty of stepping into the breach. In addition to providing emergency relief, the Federal Government should provide temporary work whenever possible. The first is clearly and inescapably the task of the Federal Government. To this Federal action, therefore, I pledge my administration."

clearly and inescapably the task of the Federal Government. To this Federal action, therefore, I pledge my administration."

No one can say that this pledge has not been carried out to the letter of the stated promise. The relief problem, however, has been a far heavier burden than could possibly have been estimated in 1932, because State, local, and private action proved inadequate to meet their share of the responsibility. Furthermore, it is evident that the extent of unemployment was also considerably underestimated, thus enlarging the task of emergency relief. As we face future requirements for continued relief, certain definite principles must guide our course of action. Work relief must be placed upon a basis that will not be competitive with private business and thereby deter normal restoration. To administer it otherwise will obstruct the normal processes of reemployment in business and industry, and require a much larger work-relief appropriation over a far longer period of time, thus increasing the national debt burden unnecessarily and retarding the further development of confidence and constructive private action.

action.

Federal employment on various work projects was proposed by Roosevelt in the campaign as a corollary measure for reducing unemployment while accomplishing other salutary and needful objectives at the same time. In this respect he said:

Chicago, July 2: "I have favored the use of certain types of public works as a further emergency means of stimulating employment and the issuance of bonds to pay for such public work, but I have pointed out that no economic end is served if we merely build without building for a necessary purpose."

Albany, N. Y., October 13: "If funds can be properly provided by the Federal Government for increased appropriations for public works, we must examine the character of those public works. I have already spoken of the type which is self-sustaining. These should be greatly encouraged. In the national forests, on flood prevention, and on the development of waterway projects \* \* \* thousands can be given at least temporary employment."

Also at Chicago on July 2: "I propose a wide plan of converting many millions of acres of marginal and unused land into timberland through reforestation. In so doing employment can be given a million men."

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The record is clear on the fulfillment of these promises. On planned Federal projects such as those devoted to flood control, soil-erosion prevention, river and harbor work, reforestation and other projects designed to preserve, develop, and utilize the natural resources of the United States, approximately 1,000,000 people have been given direct employment. While such Federal publicworks projects cannot be appraised as "self-sustaining" by any accurate dollars-and-cents accounting, they may be fairly considered as vital to national welfare and development and productive of long-range pecuniary benefits.

Of over \$1,000,000,000 allocated to non-Federal projects more than 75 percent is in the form of loans, repayable to the United States at 4 percent interest. The experience of the Public Works Administration has shown conclusively the lack on the part of most States and localities of any systematic fact-finding and planning for public works. Hence, much impetus was lost through the delay in preparing and submitting projects. Federal funds could not be granted on the basis of wholly inadequate plans and proposals. But even in view of these difficulties the direct and indirect employment, and the purchases of raw materials and proposals. But even in view of these difficulties the direct and indirect employment, and the purchases of raw materials and manufactured products for public works have constituted a real contribution toward the encouraging recovery that has taken place. In addition, the comprehensive experience gained in the administration of public works provides a reservoir of data and information which can be drawn upon to increase the effectiveness and efficiency of future public-works activities.

The downward spiral of unemployment in business and industry between 1929 and 1932 had reached alarming proportions. Functional weaknesses in the system of industrial employment, as well as general depression causes, contributed to the rapidly diminishing total of gainfully employed. While emergency relief and work relief on Federal projects were largely defensive in character, it was evident that offensive attacks against the depressed-

employment problem were necessary in the form of specific corrective and rehabilitative processes. Again in this connection, Roosevelt stated in 1932 the principles and policies his administration would pursue to attain these objectives of industrial reconstruction.

tion would pursue to attain these objectives of industrial reconstruction.

San Francisco, September 23: "Private economic power is, to enlarge an old phrase, a public trust as well. This implication is, briefly, that the responsible heads of finance and industry, instead of acting each for himself, must work together to achieve the common end. They must, where necessary, sacrifice this or that private advantage, and in reciprocal self-denial must seek a general advantage. It is here that formal government—political government, if you choose—comes in."

Chicago, July 2: "So as to spread the points of all kinds as widely as possible, we must take definite steps to shorten the working day and the working week."

In other addresses in 1932 Roosevelt advocated the initiation of a program that would provide for minimum wages, maximum hours, and collective bargaining. Virtually every major promise of the N. R. A. was clearly enunciated during the campaign. Perhaps the chief criticism that can be made of the N. R. A. is that too much was attempted in a limited period of time. As a result, administrative confusion was bound to result. Mistakes naturally followed. But the good accomplished far outweighs the evil. The followed. But the good accomplished far outweighs the evil. The N. R. A. resulted in the reemployment of approximately 4,000,000 people. Child labor was abolished. Minimum wages and maximum hours are on the way to be established. Methods have at least been discovered whereby good business can successfully restrain the abuses and malpractices of unfair and unjust minorities. Many other similar constructive benefits could be

merated.

Twenty months of intensive and comprehensive N. R. A. experience defines and clarifies the future course for refinements and improvements. Administrative procedures and regulations must be simplified. Many code provisions must have the necessary flexibility for individualistic treatment in administration. Additional protective features are required to safeguard against monopolistic tendencies. The relationship of the small business unit must be so adjusted that restrictions which might be necessary for large-scale endeavors will not impose handicaps on the small operator. However, even the small producer cannot be granted the freedom to keep his business going by penalizing those who work for him through long hours and at uneconomic wages. Neither can the inefficient marginal producer expect to have his business maintained through government paternalism. Thus, the future program of the N. R. A. must seek to correct existing inequities and to establish the fair treatment for all with maximum benefits for all.

all.

President Roosevelt, in a speech at Seattle in September of 1932, said, "I continue to advocate a tariff policy based in large part upon the simple principle of profitable exchange arrived at through negotiated tariffs with benefit to each nation." In other addresses the necessity for reciprocal and trade-bargaining arrangements was definitely stipulated. The President again made good his word to the American people and recommended to Congress the enactment of the Reciprocal Trade Agreement Act, which was approved June 12, 1934. Treaties with Belgium, Brazil, and Cuba have already been consummated, and extensive trade-treaty negotiations with a score of other nations are under way.

No summation of the first 2 years of the Roosevelt administration would be complete without mention of the indispensable work done by the Reconstruction Finance Corporation. To date, \$9,000,000,000 has been allocated by the R. F. C. Over one billion

tration would be complete without mention of the indispensable work done by the Reconstruction Finance Corporation. To date, \$9,000,000,000 has been allocated by the R. F. C. Over one billion has been put into bank capital in almost 7,000 banks. More than \$1,000,000,000 has been loaned to bank receivers for distribution to depositors in closed banks. More than \$1,500,000,000 of R. F. C. money has been made available to farmers through the Farm Credit Administration. R. F. C. refinancing has prevented a complete collapse of the great railroad system of the Nation. The benefits in many other industrial fields have been far-reaching in their contribution to recovery. It is most encouraging to note that repayments to the R. F. C. have already exceeded \$2,500,-000,000.

My limited time tonight does not receive.

My limited time tonight does not permit of a further-detailed analysis of promises and fulfillments. However, before passing from this may I quote from Roosevelt's speech of October 7, 1932, in Albany, in which he said:

"Whenever income in any great group of the population becomes so disproportionate as to dry up purchasing power within any one group, the balance of economic life is thrown out of order. It is a proper concern of the Government to use wise measures of regulation such as will bring this purchasing power back to normal. This emergency exists among the farmers in the Nation today, and I have not hesitated to say that the Government owes a duty with respect to the restoration of their purchasing power."

As a result of the President's agricultural program the farm As a result of the President's agricultural program the farm group in relation to income and purchasing power has been brought into a sounder and better-adjusted position with respect to the income and purchasing power of the business and industrial group. On the basis of prices received for what he sold and prices paid for what he bought, with the average from 1909 to 1914 as a pre-war average, the farmer in March 1933 was receiving in prices for what he sold about one-half as much as the prices he paid for what he bought. The prices the farmer received for what he sold in December 1934 showed an 83-percent increase over the prices he received for what he sold in March 1933. At the

same time the prices he paid for what he bought increased only 26 percent. Thus the wide spread existing between prices received and prices paid is being effectively reduced. Furthermore, the total income for the farm group, excluding rental and benefit payments, has shown an increase of 32 percent between March 1933 and December 1934. The Farm Credit Administration, the organization of which was promised by the President in his July 2 speech in Chicago, has also brought great relief and benefits to the agricultural segment of the Nation.

A brief summary of other promises made by Roosevelt to the American people in 1932 shows that the administration's tariff- and reciprocal-trade agreement program was pledged in speeches made in Chicago, Seattle, Topeka, and Sioux City; that the social-security program recommended to this session of Congress was described in addresses made in Albany and Boston; the repeal of prohibition was made at Seagirt, N. J.; constructive publicutility regulation at Portland, Oreg.; railroad rehabilitation and transportation coordination at Salt Lake City; securities and stock-exchange regulation at Columbus, Ohio; and home-owner's mortgage relief at St. Louis.

This enumeration is indicative rather than comprehensive, for

mortgage relief at St. Louis.

This enumeration is indicative rather than comprehensive, for the entire body of the underlying principles and philosophy of the new deal was defined and outlined in the category of 1932 promises to the American people. The significant fact is that with the ship of state at its half-way mark on the recovery voyage, a majority of these promises have already been translated into action. I cannot recall a comparable record in the first 2 years of any previous President.

With this necessarily brief review of the ship's log as a basis, and the omission of any detailed consideration of financial and credit rehabilitation through the Treasury Department, Federal Reserve System, and R. F. C., let us now turn briefly to a consideration of the next half of the 4-year journey.

credit rehabilitation through the Treasury Department, Federal Reserve System, and R. F. C., let us now turn briefly to a consideration of the next half of the 4-year journey.

While none of us wishes to countenance foolish optimism, a Pollyanna attitude, or any blanket agreement with everything that is being done, we must recognize the vital necessity of a constructive psychological approach to our present and future recovery problems. I am reminded in this connection of a doctor who, when asked by a patient who had a curable disease what the doctor thought of his case, answered: "I have seen patients not as ill as you die." You probably could not find a more flagrant psychological mistake on the part of a doctor. We all observe many similar instances as related to economic recovery. The defeatist attitude has repeated itself in precisely the same manner throughout history. Such defeatism today takes the form either of a failure to take the full facts into consideration or the willful misrepresentation of true conditions in all of their aspects for the purpose of obstruction or partisan advantages.

There are many who would have us believe that conditions today are as dire as they were represented to be in Harper's Weekly of October 10, 1857, in an analysis which said: "It is a gloomy moment in history. Not for many years has there been so much deep apprehension; never has the future seemed so incalculable as at the present time. In our own country there is universal commercial prostration and panic, and thousands of our poorest fellow citizens are turned out against the approach of winter without employment and without the prospect of it." This analysis by one of the leading observers of 78 years ago paints a still more grave and gloomy picture. I find many similar commentaries on the depression of the seventies and the eightles of the last century. The panic of 1907 elicited the same doleful warnings. During the depression of the seventies and the eightles of the last century. The panic of 1907 elicited the

existing problems.

There are concrete and fundamental concepts and principles which will serve to guide us today in our appraisal of the state of our Nation and what we can expect as to the future of the American people. I offer a few of these principles for your consideration:

people. I offer a few of these principles for your consideration:

First. To meet these conditions constructively, the extremes of radicalism on the one hand and the extremes of conservatism on the other must be avoided. Without an appreciation of this fundamental situation, people are easily made the prey of partisans and demagogues, who appeal to class dissension and hatred. Our people must be kept correctly informed as to what the real objectives are and concerning the methods necessary to attain these objectives. At best, the solutions offered under such conditions are, and of necessity must be, fragmentary and sometimes experimental, but they must not promise great advantages to one group at the unfair expense of other groups. Every citizen should examine loose promises in the light of the principles of Americanism as practiced by Washington, Jefferson, Lincoln, Cleveland, Theodore

Roosevelt, Wilson, and the President you elected on November 6, 1932.

Second. Assess fairly and completely the balance sheet of your country's assets and liabilities. Study the real conditions and analyze recovery from the broad viewpoint of the problems involved and seek results and benefits for the common good rather than solely from the angle of your personal desires, experiences, and observations.

Third The linking of individual creative initiative under proper

and observations.

Third. The linking of individual creative initiative under proper competition with constructive collective endeavor is the challenge and necessity of our times. If we are to be successful in the fullest realization of these social objectives, we must resist the inroads of the high salesmanship of group pressure, bloc action, and those factions which seek special and preferential advantages.

Fourth. Individual and cooperative action must be directed in economic, educational, and spiritual endeavors which will eliminate fears concerning our future. To this end schools, colleges, business organizations, patriotic clubs, rural and spiritual units must cooperate to provide those internal defenses which will protect and safeguard the sanctity and blessings of inheritances.

There is a certain amount of reform that each generation can obtain or effect with security for the future. To go beyond this in a given era is to endanger the very objectives and security sought. Therefore patience and deliberation in reaching results are vital to the defense of all concerned.

In our efforts at reform we must not go so far as to get into presents and security are the controlled radicalizer are

are vital to the defense of all concerned.

In our efforts at reform we must not go so far as to get into uncontrolled radicalism, or in our efforts to control radicalism we must not go to the other extreme of destructive crystallized conservatism. What we wish to obtain in this generation is the amount of progress that informed people desire and will support. To proceed on any other basis at this time would be to endanger the advantages of the liberalism which we have already gained.

Liberalism seeks constantly to adjust to changing conditions and is thus able to offer a philosophy and a category of principles pertinent to existing circumstances. Liberalism per se never becomes crystallized but endeavors at all times to maintain a discipline of thought and action which prevents the extremes of radicalism on the one hand and the extremes of conservatism on the other.

the other.

the other.

We should stand, therefore, for that liberalism which is essential to maintain the esprit de corps of passengers on the ship of state at this time and not go so far in our efforts at impossible conservatism as to lose our opportunity of wise and successful guidance on the part of the pilot of the boat or so radical as to overlook the necessary discipline and, hence the necessary respect, for all segments of society.

In the light of this we should expect just what we are now having—fluctuations in progress. Even in a period of recovery we have in each 12 months the same seasonal variations and fluctuations that we have in any normal period, so we must expect in times like these that our recovery is not going to be uniform in any annual period.

any annual period.

any annual period.

The fundamental question is: Have we the breadth of vision, the experience, the patience, the knowledge, and cooperative spirit to demonstrate under the conditions through which we are now passing that the people are capable of ruling themselves; that is, of comprehending the interrelationship and interdependence of the various segments of society and of so coordinating those who believe in our form of government as to make themselves impregnable against the assaults of those who would destroy us. To this end we need leadership, nationally and locally, that is in sympathy with such a program, sincere and genuine in its intentions, and also so conditioned as to receive and utilize correct information with regard to conditions as developed from time to time among our people. time among our people.

information with regard to conditions as developed from time to time among our people.

President Roosevelt, speaking at William and Mary College in October 1934, said: "The pioneer does not call his life a failure if he comes to the end of one path. He knows that there are others, and with a sense of direction and a will to persevere, his life can go on with confidence into the uncertainty of the future." My friends, we are pioneers today in a new social order. Our great responsibility is to retain those institutions founded by our fathers which have stood the test of economic storms and vicissitudes. Those which have grown ineffective with the rapid changes of the past 15 years must be replaced with new mechanisms which will meet the demands of new complexities and exigencies of a more intricate and complex civilization. The half-way mark of the voyage of the Ship of State presents a log of tangible and heartening accomplishments registered during the most troublesome and exacting peace-time period in our history. Even though much has been accomplished, there are still great tasks before us. They can and will be surmounted if we enlist our patience, cooperation, and decisive action in the last half of our 4-year recovery voyage. In this way only can we reach the ports of destination which assure a perpetuation of great heritage that the struggles and victories of American history have given us today and now rest in our keeping for tomorrow. Are we equal to the test? I believe that we are and that we will prove true to that trust. that trust.

Mr. COPELAND. Mr. President, I thought I had the floor.

Mr. McKELLAR. No; the Senator is mistaken. The Chair recognized the Senator from Tennessee.

Mr. COPELAND. Then, will the Senator yield to me? Mr. McKELLAR. Certainly.

Mr. COPELAND. It is more or less ancient history, but the fact is that I am chairman of the subcommittee on appropriations having in charge the War Department appropriation bill, which 3 days ago we started to have considered by the Senate. I appeal to Senators to let consideration of the bill go forward. It is necessary that other matters of legislative concern be brought before the Senate. I hope there may be an opportunity within a few minutes to proceed with the bill. I cannot take the Senator from Tennessee off the floor, and have no desire to do so even if I could, but I do ask that, so far as possible, speeches be limited in order that we may proceed with this important appropriation bill

Mr. McKELLAR. I quite agree with the Senator from New York and promise him that what I have to say will be very brief. I sympathize with the Senator in his efforts to have the military appropriation bill passed, and shall be glad to help in every way possible, because I am entirely in favor of the bill. I think, however, it is important that some reply to the Senator from Delaware [Mr. HASTINGS] should be made.

Mr. President, I may say to the Senator from Delaware that we have not forgotten the condition of the country 2 years ago when his pilot, Mr. Hoover, gave up his direction of national affairs. The banks of the country were closed or closing. Business houses had failed and were failing in tremendous number all over the country. Business itself was practically at a standstill. Agricultural products were bringing not even the cost of production. The economic situation was not only involved in every way, but we were virtually looking disaster and ruin in the face when Mr. Roosevelt came into power 2 years ago.

If the Senator from Delaware had just read what Secretary Roper said about what has been done since that time, he would not, in my judgment, have made the speech he did make. I am going to read an excerpt, a very short one, from Mr. Roper's speech which contradicts everything the Senator from Delaware said on the subject. Said Mr. Roper:

We cannot properly depend for our conclusions and appraisals we cannot properly depend for our conclusions and appraisals about recovery results solely upon the limited basis of individual experience and individual observation. We must seek to visualize the entire Nation-wide scope of recovery purposes, methods, and results. A program for recovery which none would criticize, a program perfect in conception and application and productive of maximum possible results, would be divine in origin and in execution.

Here is what has been done by the present administration, by the pilot, President Roosevelt, if you please. All honor and respect to him for having gotten us out as well as he has of one of the worst difficulties in which this country was ever involved.

Mr. LONG. Mr. President-

Mr. McKELLAR. I decline to yield. We were in a condition of despair, distress, and ruin.

I read:

"A little philosophy", said Lord Bacon, "inclineth man's mind to atheism, but depth in philosophy bringeth men's minds about to religion." In a similar way a little information may incline a man's mind to skepticism, while a breadth of information leads the mind to conviction. I invite you to examine with me briefly this evening the general record of experiences and results, what has been accomplished, and what still remains under the program

And here the Secretary gives the accomplishments, which evidently the Senator from Delaware did not read:

Statistically, I find 30 major economic indexes, which, on the basis of the percentage of gain and betterment, recorded between March 1933 and December 1934, support factually my statement that no period of recovery in our country's history has shown the degree of improvement comparable to that since March 1933. I wish to cite a few of the improvements recorded and salutary gains registered between March 1933 and December 1934. They are as follows:

Industrial production-

No State in the Union, perhaps, according to its population, industrially produces more than the Senator's own State of Delaware; and what has been the improvement there and throughout the country?

Industrial production, 45 percent; manufacturing production-

And there, again, the Senator's State is involved-

manufacturing production, 51 percent; electric power production, 20 percent; retail sales in department stores, 33 percent; variety stores, 18 percent; rural general stores, 98 percent; sale of new passenger automobiles, 57 percent; freight-car loadings, 28 percent; factory employment, 34 percent; factory pay rolls—

And probably there is no State in the Union which is more affected by factory pay rolls than the State of Delaware, which the Senator in part represents in this body-

factory pay rolls, 70 percent; life-insurance sales, 30 percent; stock prices, based on 421 issues, 60 percent; bond prices, based on 60 leading issues, 30 percent.

Mr. HASTINGS. Mr. President, will the Senator yield? Mr. McKELLAR. In just a moment.

Mr. President, these figures are not taken from newspaper or magazine stories. They are taken from the official documents. A survey has been made by the Department of Commerce, and the head of the Department has given these facts as the result. What is that result? Enormous increases in every line of business except agriculture; and everybody knows that the condition of agriculture has improved tremendously during the past 2 years.

Mr. HASTINGS. Mr. President, will the Senator yield? Mr. McKELLAR. I yield.

Mr. HASTINGS. Does the Senator think the increase in the public debt from \$16,000,000,000 to \$34,000,000,000 in the meantime has had any influence on the record he has just read?

Mr. McKELLAR. Perhaps so; I think, unquestionably, our borrowings and expenditures have an effect, and I think a good effect. The debt would not have been increased if it had not been thought that the increase would have a beneficial effect upon the conditions prevailing in the country. The Senator, of course, knows that to be so. The Senator read just a few sentences from the speech of Secretary Roper, and he left out all of that which contradicts every word the Senator had to say. Does the Senator mean to say that business conditions in this country have not improved during the past 2 years?

Mr. HASTINGS. Mr. President, will the Senator yield? Mr. McKELLAR. I yield to the Senator to answer the question.

Mr. HASTINGS. My only complaint was that Secretary Roper told only part of the truth. I did not accuse him of saying anything that was not true.

Mr. McKELLAR. This is the first time I have heard any reference to its being part of the truth. Quite the contrary is the case.

Mr. HASTINGS. He did not tell the whole truth, to which the public is entitled. If the Senator will now go on and tell the whole truth, and make it part of the RECORD, it will be helpful.

Mr. McKELLAR. The Senator from Delaware put only part of Secretary Roper's address in the RECORD. If he had put all the address in the RECORD he would have found that all the truth, so far as it can come from the records of the Department of Commerce, was incorporated in it; but even if the Secretary had put the Ten Commandments in his address, they would not have pleased the Senator from Delaware

Mr. HASTINGS. The point I made-perhaps I did not make myself clear to the Senator from Tennessee-was that Secretary Roper was undertaking to show that the pilot of this great ship had created for himself a blueprint and had followed it. I merely pointed out that the Secretary overlooked the fact that we are about \$18,000,000,000 more in debt than we were a little while ago. That is a matter which it seems to me is of some importance. It may not be of importance to the Senator from Tennessee: but going into debt at the rate of five or six billion dollars a year, unless we are going at some time to repudiate the debt, it seems to me is of some importance and is a matter to which the country ought to give weight.

Mr. McKELLAR. All of this, however, seems not to be of sufficient importance to induce the Senator from Delaware to answer my question. My question is a perfectly simple one. Are not business conditions, are not economic conditions, infinitely better today than they were 2 years ago? I yield to the Senator again to answer my question. Does the Senator deny that business and economic conditions are better? I yield again to my distinguished friend from Delaware to answer my question. He sits silent.

Mr. HASTINGS. Mr. President, if sixteen or eighteen billion dollars of the Government's money is spent among the industries of the country, it is perfectly silly to say that somebody is not going to get some benefit from it. That is my answer to the Senator's question. If that money had not been borrowed, if we had gone along in a normal way, God knows where we would have been. I do not know anything about it.

Mr. McKELLAR. The Senator means if we had gone along under Mr. Hoover for 4 more years there is no telling where we would have been. That is what the Senator means. [Laughter and manifestations of applause in the galleries.]

Mr. HASTINGS. No; I heard the Senator from Tennessee talk about Mr. Hoover until I got sick and tired of it. I know that we have changed captains of the ship, and I can understand how the Senator from Tennessee will object to anybody pointing out any of the infirmities of the present captain of the ship; but so long as I am here I propose to keep on doing so.

Mr. McKELLAR. The Senator from Delaware may do that, but I am unwilling to prognosticate a little for the future. I wonder if the Senator from Delaware is going to favor putting up Mr. Hoover again, so that other Senators on this side may discuss his former management of the country's affairs. I do not believe so.

Mr. LONG. Mr. President, will the Senator yield?

Mr. McKELLAR. I shall be through in just a moment, if the Senator will indulge me.

Mr. LONG. I wanted to ask a question.

Mr. McKELLAR. I know what the Senator wants.

Mr. LONG. I wanted to ask what is the difference between them? [Laughter.]

Mr. McKELLAR. If the Senator from Louisiana has so little sense, if he has so little knowledge of public affairs, as to think there is no difference between Herbert Hoover and Franklin D. Roosevelt, then I cannot give him the information, and I do not believe anybody who lives can give him information.

Mr. LONG. Mr. President, will the Senator permit me to say that Roosevelt has only a few million more unemployed and \$9,000,000,000 more debt than Hoover. The condition is about the same.

Mr. McKELLAR. That is in line with what the Senator from Louisiana says, but, of course, it is not the fact. It is not the truth. The Senator, however, does not care anything about the facts. As we all know, he merely makes assertions. He has made assertions here for a long, long time about the present President of the United States, and about anybody else to whom he takes a dislike; so I am not concerned with the mere assertions of the Senator from Louisiana.

Mr. LONG. The Senator and I are not in disagreement. Mr. McKellar. Oh, no; I know the Senator and I are not in disagreement, except as far apart as the poles! I do not believe in the Senator's philosophy. I do not believe in his constant nagging of his brother Senators. I do not believe in his constant nagging of probably the best President this country has ever had. I do not believe in the wild theories and vagaries that constantly float through the Senator's mind, and are constantly given to the Senate and the country on the floor of the Senate.

I desire to say that the Senator and I do disagree. If I thought my views of public policy were like those of the Senator from Louisiana, I would resign my seat and go back to Tennessee.

Mr. LONG. Mr. President-

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Louisiana?

Mr. McKELLAR. I yield.

Mr. LONG. I am talking about facts instead of views.
Mr. McKELLAR. The Senator does not know a fact when
he sees it in the middle of the road. [Laughter.]

Mr. LONG. The fact I am trying to state comes from the President of the United States.

Mr. McKELLAR. Oh, no; it does not. The Senator from Louisiana does not have anything to do with the President of the United States. He does not know any facts concerning the President of the United States. I have served here with the Senator for the past 2 years, and so far as I can recall he has never uttered a fact about the President of the United States.

Mr. LONG. Now, will the Senator permit me to tell him what that fact is—that the public debt under Hoover was \$19,000,000,000, and under Roosevelt it is \$30,000,000,000—\$11,000,000,000 more.

Mr. McKELLAR. That is not a fact coming from President Roosevelt. It has nothing to do with this discussion. We borrowed money under the present administration, and what have we done? We have not put our country in a worse condition, as suggested by the Senator from Delaware, and as believed by the Senator from Louisiana. They seem to be together on this matter of abusing the Democratic administration. The fact is, as everybody knows, that there has been a wonderful improvement in all kinds of business, in banking, in commerce, in trade, in agriculture; and our country is getting out of the depression. The only trouble with the Senator from Delaware and the Senator from Louisiana is that they seem greatly to regret that improvement, and to desire to charge those who are bringing the country out of the depression with all kinds of crimes and misdemeanors.

Mr. LONG. Mr. President, I will not interrupt the Senator any more if he will let me make just one remark. I note that the Senator from Tennessee accuses me of political kinship with the Senator from Delaware, and the Senator from Delaware intimates the same thing. I want to take this public position: I deny any political kinship with either one of them. [Laughter.]

Mr. McKELLAR. I think both will probably make the same denial, so there we are. [Laughter.]

Mr. President, I have said more than I should have said. I think the argument of the Senator from Delaware was entirely unfounded. I think by his silence a while ago, and by his failure to answer the question as to whether or not conditions in the country had actually improved in the past 2 years, he has shown that he himself did not believe what he was saying.

The Senator from Delaware made a statement about another matter to which I desire very briefly to reply. He read an article to the effect that the tenant farmers of the South were in a worse condition than ever before under the present administration.

From personal knowledge, I desire as emphatically as I know how to say that there is not any truth in that statement. I know from my personal knowledge of the tenant farmers in my State and the adjoining States of Arkansas and Mississippi, especially, which States I have personally visited within the past year and 2 years, that the statement read by the Senator from Delaware is wholly without foundation. I say wholly without foundation; I do not mean that there may not be individual cases of suffering down there, such as those depicted by the Senator, but when he talks about that being representative of conditions in that section of the country, it is just not true, and I say that from personal knowledge. I know it is not true. I know that the tenant farmers in the South, on the contrary, although their condition may not be as good as it ought to be-and I want to continue to help to improve it—is infinitely better than it was 2 years ago.

If it had been 2 years ago when the investigation referred to was made, the Senator might have accurately stated that the illustrations he gave described the general condition at that time, under Mr. Hoover, but under the leadership of this pilot, President Roosevelt, whom the Senator seems to

Mr. HASTINGS. Mr. President-

Mr. McKELLAR. Under the leadership of Franklin D. Roosevelt, and under the laws enacted under his leadership, the position of the tenant farmer in the South is infinitely better than it was 2 years ago.

Mr. HASTINGS. Mr. President, I wish the Senator would not make that remark.

Mr. McKELLAR. What remark? Mr. HASTINGS. I have never said in the Senate or in any other place anything that would lead anybody to believe that I despised the President of the United States.

Mr. McKELLAR. I am very happy that the Senator makes that statement. My only reason for saying what I did was the very vicious remarks in which the Senator indulged this morning. If I misunderstood them, I am happy to be corrected, and I am happy the Senator has called my attention to it; but I got the impression that the Senator was vigorously assailing the pilot of our present administration.

Mr. HASTINGS. I did not say anything vicious about anybody.

Mr. McKELLAR. If the Senator feels that way, I take his word for it.

Mr. HASTINGS. Feels that way? There is nothing that would justify the remark of the Senator that I felt vicious about anybody.

Mr. McKELLAR. I am glad to hear that the Senator is now in a better humor, anyway.

Mr. HASTINGS. I never was in a bad humor about it at all.

Mr. McKELLAR. I thought it was one of the most vicious attacks-with the exception of those of the Senator from Louisiana; of course I always except him in such matters [laughter]—I thought it was one of the most vicious attacks I ever heard against Roosevelt since I have been on the floor, and I have been here nearly all the time.

Mr. HASTINGS. I will say to my dear friend the Senator from Tennessee that he never heard me say a word that was vicious about the President, not a single word.

Mr. McKELLAR. About his administration.

Mr. HASTINGS. Nor about his administration.

Mr. McKELLAR. I should not want to be President and have the Senator say about me what he said about Roosevelt. That is all I can say.

Mr. HASTINGS. The Senator had better read the REC-He evidently did not hear my remarks.

Mr. McKELLAR. I should not want to have the Senator "turn loose" on me, as the Senator from Oklahoma suggests to me aside. However, of course, I accept the Senator's correction.

Mr. President, having made this statement, I desire to yield the floor to my friend, the Senator from New York, and to thank him and to apologize to him for having taken this much time. But after the speech of the Senator from Delaware attacking the present administration and the section of the country from which I come, I could not remain silent under such an attack.

# ALLOCATION OF FUNDS UNDER N. I. R. A.

Mr. BYRD. Mr. President, I ask unanimous consent for the present consideration of Senate Resolution 91, which calls upon the Secretary of the Treasury for certain information with respect to the expenditure from the appropriation of \$3,200,000,000 that was authorized on June 16, 1933. Such information will be very valuable in the consideration of the public-works joint resolution which will come before the Senate tomorrow, I understand. Therefore, I ask for the present consideration of the resolution.

The PRESIDING OFFICER. Is there objection?

Mr. McNARY. Mr. President, I suggest that the resolution be read before consent is given.

The PRESIDING OFFICER. The clerk will read the resolution.

The Chief Clerk read the resolution (S. Res. 91) submitted by Mr. Byrn on the 4th instant, as follows:

Resolved, That the Secretary of the Treasury of the United States is requested to furnish immediately to the Senate an itemized statement of allocations made for projects out of the appropriation of \$3,300,000,000 authorized by an act entitled "An act to encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain useful public

works, and for other purposes", and approved June 18, 1933; and shall furnish to the Senate the following information, to wit: First. Total cash disbursed to March 1, 1935.

Second. Balance unexpended out of the amount appropriated. Third. A list of projects, both Federal and non-Federal, and their locations on which disbursements have been made, the amount of such disbursements, and an estimate of the cost of completing each project.

Fourth. A list of future allocations authorized, both Federal and non-Federal, which the Government of the United States is obligated to make and on which no expenditures have as yet been made.

Fifth. A list of projects to which allocations of money were made and the money subsequently impounded, and why impounded.

Sixth. A list of allocations of money for public works that have been diverted to pay ordinary or other expenses of the Government.

Seventh. Copies of memoranda or agreements committing the United States Government to the building of public works upon which no expenditures have as yet been made.

Mr. ROBINSON. Mr. President, is the Senator asking for consideration of the resolution at this time?

Mr. BYRD. I am asking for present consideration of the resolution.

Mr. ROBINSON. I do not see any objection to the resolution. It calls for information which may take some days to prepare.

Mr. BYRD. For that reason I am asking for the consideration of the resolution today, so that the information may be available as quickly as possible.

Mr. ROBINSON. My attention has just been called to line 3, calling for an itemized statement of allocations made for projects out of the appropriation. Does the Senator feel that that provision is necessary in order to have supplied the information which he wishes?

Mr. BYRD. It provides for a list of the allocations: an itemized statement of the allocations, not of expenditures.

Mr. ROBINSON. I do not desire to make objection to the resolution. I had indicated previously to the Senator from Virginia that I would not object to it.

Mr. BYRD. Mr. President, I desire to modify the reso-

The PRESIDING OFFICER. The Senator from Virginia desires to modify the resolution, and the clerk will read the proposed modification.

The CHIEF CLERK. It is proposed to modify the resolution by adding a new section, as follows:

Eighth. If allocations of money have been made to other departments of the Government, state unexpended balances of such allocations.

The PRESIDING OFFICER. The question is on agreeing to the resolution, as modified.

Mr. GORE. Mr. President, I desire to offer an amendment to the pending resolution, which I think its author will accept. The amendment is intended to elicit information which I believe will be of service with relation to the workrelief bill.

The PRESIDING OFFICER. The clerk will state the proposed amendment.

The CHIEF CLERK. At the end of paragraph 3, substitute a comma for the period after the word "project" and add the following:

Including the following data: in cases where an estimate at to Including the Iollowing data: in cases where an estimate at to total labor costs in connection with the project was made in advance and was in excess of \$1,000,000, a statement showing the total expenditure for the item of labor when the project was completed; and in respect to projects not yet completed, a statement showing the proportion of the disbursements already made in pursuance of such estimates and the proportion of the work already accomplished on such project as compared with the project as a whole.

Mr. ROBINSON. Of course, Mr. President, that amendment very greatly broadens the resolution. I shall have to ask that the resolution go over for the present.

Mr. BYRD. Mr. President, if that is the position of the Senator from Arkansas, I hope the Senator from Oklahoma will withdraw his amendment.

Mr. GORE. Mr. President, in view of the statement of the Senator from Arkansas, I withdraw the amendment which I offered. I do not desire to defeat or delay the adoption of the resolution. The amendment which I offered, however, I think would bring forth information the Senator from Arkansas and other Senators would like to have, because I think it would shed light upon the amendment pending to the work-relief bill.

Mr. ROBINSON. Mr. President, if the Senator will yield, I suggest that the resolution go over for the present; and sometime this afternoon the Senator from Virginia may call it up again, after an opportunity has been afforded Senators to take note of it. Of course, the resolution is not

in order.

Mr. BYRD and Mr. LONG addressed the Chair.

The PRESIDING OFFICER. Has the Senator from Arkansas concluded? If not, does he yield; and if so, to whom? Mr. ROBINSON. Mr. President, I have concluded.

Mr. GORE. Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The Senator from Oklahoma withdraws his amendment.

Mr. LONG. Mr. President, the Senator from Oklahoma has withdrawn his amendment. I was going to suggest that the Senate adopt the resolution of the Senator from Virginia [Mr. Byrn], and if the Senator from Oklahoma later wishes to offer his amendment, we can take it up.

Mr. GORE. Yes.

Mr. ROBINSON. Mr. President, if the Senator wishes to have his resolution considered, I think it would be well to incorporate them in one; but no one has had an opportunity to see the amendment, and it broadens the resolution very

Mr. BYRD. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield.

Mr. BYRD. The Senator from Oklahoma has withdrawn his amendment. Unfortunately, I am obliged to leave the city now and shall not be back before tomorrow. I should like to have the resolution considered today, because the information requested will be of importance when the public-works joint resolution is considered by the Senate

Mr. ROBINSON. Very well; I will not object to its consideration.

The PRESIDING OFFICER. The question is on the adoption of the resolution of the Senator from Virginia [Mr. Byrd] as modified.

The resolution, as modified, was agreed to.

# WAR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 5913) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1936, and for other purposes.

Mr. COPELAND. Mr. President, I hope we may now

proceed with the bill.

The PRESIDING OFFICER. The clerk will state the pending amendment.

The amendment pending was, under the subhead "Expenses of courts martial", on page 16, line 24, after the words "the same", to strike out "\$35,000" and to insert in lieu thereof "\$50,000."

Mr. McNARY and Mr. LONG addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New York yield; and if so, to whom?

Mr. COPELAND. I yield first to the Senator from Oregon. Mr. McNARY. Mr. President, the Senator from Minnesota [Mr. Schall] wishes to be recognized for a moment.

Mr. LONG. Mr. President, can I not influence the Senator from Minnesota to yield to me for a moment, so that I may submit a document to be read to the Senate which I propose thereafter to submit to the Senate Committee on Post Offices and Post Roads, which is meeting at 2 o'clock. Will not the

Senator from Minnesota permit me to send this document to the desk to be read, so that it may be sent to the committee immediately?

# APPOINTMENTS OF POSTMASTERS IN MINNESOTA

Mr. SCHALL. I will be very brief. Mr. President, in the CONGRESSIONAL RECORD of the proceedings of yesterday my attention has been called to the statement made by the Senator from Tennessee [Mr. McKellar], the Chairman of the Committee on Post Offices and Post Roads, in which he reiterates that notice had been sent to the senior Senator from Minnesota [Mr. Shipstead] and myself as to appointments of postmasters in Minnesota. I desire to say that I have had no such notice. The Senator from Tennessee says that two letters were sent to me. Perhaps Mr. Farley is not through looking them over; at any rate, I have not received them as yet.

## IN RE JAMES A. FARLEY AND OTHER MATTERS

Mr. LONG. Mr. President, I should like the privilege of sending to the desk and having read a letter which is not very long. It is addressed to the Chairman of the Committee on Post Offices and Post Roads and is in response to a letter from him. I ask that it be read. I suppose it will take about 5 or 6 minutes. It is not too long. I ask the Senator from New York to yield to me for that purpose.

The PRESIDING OFFICER (Mr. CLARK in the chair). Does the Senator from New York yield to the Senator from

Louisiana?

Mr. COPELAND. I yield to the Senator from Louisiana for the purpose of having his letter read at the desk.

The PRESIDING OFFICER. The letter will be read.

The Chief Clerk read as follows:

MARCH 6, 1935.

COMMITTEE ON POST OFFICES AND POST ROADS,

Washington, D. C.
Gentlemen: In response to the letter received from your chair-Gentlemen: In response to the letter received from your chairman, Senator McKellar, asking for information as to names of witnesses and what they would testify relative to James A. Farley and his connections and transactions handled under and with his authority, I beg leave to submit the following:

Your committee, I am sure, on reflection will not come to the conclusion that I should expose all witnesses and persons who are prepared to give testimony with regard to Mr. Farley, but who must of necessity be protected if there is to be an investigation.

Further, some of these witnesses have asked that they be called and placed under oath before their names are in any manner disclosed.

Gisclosed.

Further, surely your committee will understand that to a large extent the verification of the charges which I make, and others which could be made, would be shown from public and private records, the production and examination of which would be asked

in ordinary course.

However, in order that this committee may know that to some extent I can offer to be specific, I stated the following which I

expect to produce and prove:

1. Witnesses: Officers of the concerns listed on the building directory at 205 East Forty-second Street, as occupying office no. 1701 (being the private headquarters of James A. Farley), to show that more than twenty-odd concerns there operating, including six holding companies, have been organized, combined, and affiliated for practically the sole purpose of transacting and dealing in matters with which the United States Government is identified for the purpose of making private profit, a large part of which inures to James A. Farley, in violation of four criminal statutes of the United States insofar as concerns said Farley; said witnesses to prove the said purpose of concerns affiliated with said Farley and occupying said purpose of concerns affiliated with said Farley and occupying space in his office by reason of the same, and that they were in position of financial bankruptcy prior to Farley's ascendency and since that time have become financially affluent; to prove that Farley interposed his brother-in-law as a poor simulation as the head of concerns, and that any pretense to show the disposition of his interests is a further simulation; to prove that through the various concerns there enumerated as affiliated with James A. Farley, contracts for materials have been listed in advance of the awarding of contracts by the United States Government, and that contracts to low bidders have been refused until the bids could be awarded to firms buying materials from the concerns of the said James A. Farley. In this connection the officers and records of Stewart & Co., of Driscoll & Co., and of Severn & Co. will be produced. The testimony of Commissioner Robert Moses of New York, and the data which he has assembled will be called for the purpose of proving such sales have been made by firms with which Farley is identified, of the appropriation of funds on the jobs where Farley's firms were furnishers of materials, for the expansion of Farley's firms were furnishers of materials, for the expansion of subdivisions under the guise of being projects for slum removal; for the paying of excessive prices for property and retaining its frontage so its enhanced value may be enjoyed by interests with

which Farley is affiliated, even after the work has been done and the development made. Numerous witnesses I do not here mention will be produced to show, along with public records, that each and every appointment, directly or indirectly had the approval of Farley if the same were connected with the building projects above mentioned.

We further expect to show from said witnesses and the production of their records, papers, and accounts, that these concerns and persons have manipulated manifold market transactions, reaping large profits, by taking advantage of information which could only be had by one close to the authority of Government and which would have made them aware of sudden falls and rises on

exchanges.

would have made them aware of studies lais and lises of exchanges.

2. Witness A, and if necessary Witness B, whom we expect to testify that an important official of the Baltimore & Ohio Railroad previously with no connection with James A. Farley, received a telephone call from the said Farley, informing him that he desired him to support one Clem Shaver for the United States Senate from West Virginia. The records of the Reconstruction Finance Corporation will show that about the time there had been pending, and for causes otherwise unexplained, there had been held up a decision relative to a loan to be made to the Baltimore & Ohio Railroad for approximately \$50,000,000. Witness A, and if necessary Witness B, to further testify that party called by said Farley hesitated, hoping the loan would come through, but finally disclosed that action on the same was held in abeyance and that he had no way to dodge the responsibility, but would have to declare for Shaver in accordance with Farley's instructions, and immediately upon so doing, the Reconstruction Finance Corporation loan of \$52,000,000 was announced. announced.

announced.

3. While the report of the Seoretary of Interior states they have no records showing contractors and subcontractors in matters wherein the P. W. A. is participating, none the less the "Manual for Engineer Inspectors, Inspection Division, P. W. A., July 3, 1934", on pages 25 and 26, requires the pay rolls, unpaid bills, invoices, youthers, etc., for both materials furnished and persons hired, vouchers, etc., for both materials furnished and persons hired, from contractors, subcontractors, on plant equipment, rental and maintenance, bond and insurance premiums, and requiring the same to be neatly arranged and forwarded to the Director of the Inspection Division at Washington for final audit. By reason of the neglect of the Secretary of the Interior to locate such source wherefrom information might be had, we expect to call for production of such papers and their examination.

It is commented on in said Manual for Products of the Secretary of the Interior Technology.

It is commented on in said Manual for Engineer Inspectors that a break-down report is required whereby everything is segregated to the smallest item and units, and if it is too difficult for same to be examined by the Secretary of the Interior, and he is not so fully aware of the exact concerns and firms with which James A. Farley is identified, as to recognize the connection with firms and items found on said rolls, we propose to examine the same and orderly and regularly ascertain information that may be disclosed on such matters as are not forwarded by Mr. Ickes, and as to which witnesses, whom we will not mention, have given us to understand do exist.

That nearly all engineers of influence in charge of and supervising public works, or in which the United States Government is in ing public works, or in which the United States Government is in any manner concerned, is engineered through a combination which the said Farley has effected through the firm of Stone & Webster, who are operating the various Farley firms above named and mentioned, have formed a network of supervision of projects to inure to the advantage and control of said Farley, extending even to the N. R. A. and its functions. Examination of the records of said concerns will bear out said facts. Witnesses whose names cannot be given will be offered for said purpose.

be given will be offered for said purpose.

4. Letters, checks, vouchers, and witnesses, including Mr. Edwin P. Knotts and others, to show that Clyde O. Eastus, now United States attorney in Texas, while in Washington, D. C., in the month of April 1933, arranged for his appointment as said United States attorney in consultation with Mr. Farley, wired Edwin P. Knotts and otherwise gave to understand that the said Edwin P. Knotts' case was being arranged through Mr. Farley, provided said Edwin P. Knotts wired immediately \$1,000 to go to Mr. Farley for politics; that in connection with the said matter a telegram was sent by said Eastus saving:

said Eastus, saying:

"Everything looks good."
And at another time the said Eastus wired, saying:
"Case continued. Must have \$1,000 I wired you about Saturay. Wire now, and I don't mean maybe."

day. Wire now, and I don't mean mayne."

And when the said Knotts sent the money requested the same was acknowledged in writing by the said James A. Farley. Later the said Eastus was made United States attorney and assured the said Knotts that matters were going all right, even suggesting that he enter a plea of guilty, which he assured the said Knotts would be a mere formality; but upon securing the said plea, having already turned the money over to Farley, the said Knotts was left to the mercies and sent to jail. The witnesses to swear to these matters came to Washington and interviewed me, and while I did not announce their names, but gave certain facts shout it these matters came to Washington and interviewed me, and while I did not announce their names, but gave certain facts about it on the floor of the Senate, when they had returned to their homes they were immediately set upon by post-office inspectors sent there through the efforts of James A. Farley, giving them a scare, their records and papers were called for, and all such manner of things done as to prevent the disclosure of the facts and to put said Farley in position to suppress development of the truth. These witnesses inform me they are standing firm, regardless of such

efforts, but this should be a fair reason why this committee should not require too many disclosures before investigation starts.

5. Witnesses: Richard M. Atkinson, former Attorney General in the State of Tennessee; Wayne Williams, former United States attorney in the State of Tennessee, and A. V. McLane and many others, including four former members of a United States grand jury in the State of Tennessee, who will testify that in the affairs of the American National Bank in Nashville, Tenn., one Paul N. Davis and his brother, Norman Davis, organized many groups for floating and financing matters and concerns, including one called the American National Co.; that through multifarious violations of the law, stockholders of the bank were caused to lose large sums of money; that the said multifarious concerns organized and floated through the said banks blew up in smoke with a terlarge sums of money; that the said multifarious concerns organized and floated through the said banks blew up in smoke with a terrible loss to everybody except the Davis brothers and their inside associates; that hundreds of forgeries, erasures, false statements, publications, and representations were made by the said Davises and their associates; some of the same were published and some were sent to Government agencies, and that as a result thereof, prosecutions were being instituted; that the Government started on the prosecutions and the Department of Justice in Washington and the United States Attorney in Nashville declared that indictments must be had immediately; that there suddenly stepped into the picture James A. Farley, who immediately began to maneuver the personnel and conduct of the personnel of those connected with the Department of Justice having the matter in hand, both in person and through agents whom he selected, and as a result thereof on the eve of the matter being presented to the United States grand jury in Nashville, the United States Atas a result thereof on the eve of the matter being presented to the United States grand jury in Nashville, the United States Attorney was removed and a special man sent at Farley's instance from Washington, D. C., who went before the United States grand jury and made a long and vigorous speech as to the harm that it would do to have the individuals guilty of violating the law indicted; that said agent after making said address to the grand jury for more than 1 hour, called several witnesses to be heard, interfered with their testimony and threw the matter out within a day's time. That the said witnesses have in their possession and have exhibited to me, Huey P. Long, photostats and innumerable documents and records and point to the source where others may be had, showing the admitted state of affairs, showing

numerable documents and records and point to the source where others may be had, showing the admitted state of affairs, showing rampant violations of the law, protected in the manner aforesaid.

6. That further to prove the extent of the said Farley's control of the Department of Justice and the purposes to which it is manipulated, that when a gangster was about to be indicted in Kansas City by the United States grand jury, appeal was made to Farley to prevent the same, and Farley took the same in hand, upturned the course of justice, caused agents to be sent to Kansas City, so much so that the grand jury was informed that it could not indict the party, whereupon grand jurors went into open court and informed the court of said interference, whereupon the court instructed the jury it could return the indictment, which was done, and conviction resulted. That T. J. Pendergast and James A. Farley will be called to substantiate statements heretofore made, admit the foregoing to be true, and further that records of the Department of Justice will be searched, proving said state of affairs.

7. That witnesses have been hounded, telephones have been tapped, every device and scare cloud used to browbeat and intimidate witnesses against the production of such facts as are above disclosed, and it should not be the purpose of the committee to now require same. If investigation is ordered, proof will follow in rapid consequence.

Respectfully submitted to you in my humble and official capacity, and for the cause of public good in this country.

Sincerely,

HUEY P. LONG. United States Senator.

Mr. LONG. Mr. President-

Mr. McKELLAR. Mr. President, if the Senator will yield, let me enquire if he desires the document just read to go before the Committee on Post Offices and Post Roads?

A meeting of the Committee on Post Offices and Post Roads, considering the Long charges against Mr. Farley has been called for 2 o'clock p. m. It is now past that hour and members of the committee are waiting. I am obliged to go to that meeting. I merely want it understood why I shall be absent from the Senate.

Mr. LONG. Mr. President, will the Senator from New York yield to me?

The PRESIDING OFFICER. Does the Senator from New York yield further to the Senator from Louisiana?

Mr. COPELAND. I yield to the Senator.

The PRESIDING OFFICER. The Senator from Louisiana. Mr. LONG. Mr. President, I also send to the desk two telegrams which I have received this morning, substantiating in part what has just been read, and I ask that they may be read by the clerk.

The PRESIDING OFFICER. Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

OKLAHOMA CITY, OKLA., March 6, 1935.

Hon. Hury P. Long,

Senate Office Building, Washington, D. C.:

One postal inspector from Fort Worth, where district attorney spread out thousand dollars on table, paying Farley. Inspector said had received complaint against me because had attacked Federal court, and I told him had right to print truth and fight. Will go ahead regardless of intimidation.

HOWARD A. TUCKER.

OKLAHOMA CITY, OKLA., March 5, 1935.

Hon. HUEY LONG, United States Senate:

Two post-office inspectors spent hour interviewing myself and F. B. Imboden at my office, asked to see letters and photostats. We placed all cards face upward; they left apparently satisfied. Refused to pass on mailability of charges; we expect to flood Texas with data. Please keep good work going.

OKLAHOMA CITY OIL JOURNAL.

Mr. LONG. Mr. President, I send to the desk two articles for the RECORD, and ask that the Secretary read only the headlines as marked.

The PRESIDING OFFICER. The Senator from Louisiana asks unanimous consent that the Secretary read the headlines of two articles which he asks unanimous consent to insert in the RECORD. Is there objection? The Chair hears none, and it is so ordered.

The Chief Clerk read the headlines as follows:

Only Arkansas loses relief-Hopkins irate over Davey charge of

waste in Ohio.

"Hungry mobs face Arkansas," says Governor—ato vote emergency aid—United States cancels relief. asks legislature

(For the articles ordered to be printed in the RECORD on request of Mr. Long see exhibit A.)

Mr. LONG. Contrary to the advice which was given or rather the statement which was made about my return to Louisiana, I want to advise my friend from Arkansas that I will make no criticism under these circumstances if he will deny us his masterful presence and go back to Arkansas to help there.

Now, Mr. President, I want to send another document to the desk and ask the clerk to read. Then I will be through with documents, and I will conclude in a moment.

The PRESIDING OFFICER. Without objection, the clerk will read the document presented by the Senator from Louisiana.

The Chief Clerk read as follows:

[Extract from Martindale's Directory, 1930]

Robinson, House & Moses: J. T. R., '72 '94 a v l g U. S. Sen.; J. W. H., Jr., '86 '11 a v l g; C. H. M., '87, '10 a v l g. Associates: Harry E. Meek; W. H. Holmes; J. F. McClerkin; Ray-

mond Roddy; Frank Bird.

mond Roddy; Frank Bird.

Attorneys for: Arkansas Power & Light Co.; Louisiana Power & Light Co.; Mississippi Power & Light Co.; Southern Power & Light Co.; Southern Ice & Utilities Co.; Little Rock Gas & Fuel Co.; Southwest Dairies Products Co.; Southwest Ice & Cold Storage Co.; Southwest Joint Stock Land Bank; Pioneer Reserve Life Insurance Co.; Southwest Telephone; Graysonia, Nashville & Ashdown Railway; Louisiana & Arkansas Railway Co.; Hollenberg Music Co.; Arkansas Portland Cement Co.; Terminal Warehouse Co.; The Texas Co.; Twin City Bank; Guaranty Savings & Loan Co.; the Gus Blass Co.; Kempner Realty Co.; American Building & Loan Association; Boyle-Farrell Land Co.; Cox Cash Stores Co.; Equitable Surety Co.; Associated Employers Liability Co.; Columbian Mutual Life; Southern Surety Co.; Marion Hotel; Lafayette Hotel; Capital Hotel; Merchants Transfer & Storage Co.; Arkansas Transfer Co.; Union Bond & Mortgage Co.; Southern Securities Co.; Southern Mutual Savings Co.; Southern Investors, Inc.; Smith Arkansas Traveller Co.; City Delivery Co.; H. L. Doherty & Co.; Charles E. Gibson & Sons, Inc.; American Surety Co.; Ocean Insurance Co.

Mr. LONG. Mr. President, I wish to make this observation: These companies operate in Arkansas and some of them in Louisiana. I have presented the plight of Arkansas today. I want to defend the attacks made against Louisiana's policy.

I find the H. L. Doherty Co. on this list. In Louisiana the H. L. Doherty Co. has to pay for refining oil. It does not have to pay for refining oil in Arkansas. It has to pay a kind of income tax in Louisiana that it does not have to pay in

We find the Southwestern Bell Telephone Co. That company in Louisiana is the same thing as it is in Arkansas, except, I believe, it is the Southern Bell in Louisiana and the Southwestern Bell in Arkansas. In Louisiana that concern has to pay 2 percent gross on its business and 4 percent on its net income. Last week, on one of the trips which I took to Louisiana, I acted as the attorney for the people and the commission of that State, and notwithstanding that the rates in Louisiana were usually lower than they were in Arkansas, notwithstanding the fact that we voted a 2-percent tax on the gross income and 4 percent on the net, our commission further reduced Louisiana rates by \$650,000 per year. That was the cause of one of my trips to Louisiana that was mentioned in the Senate.

Mr. President, I come now to the Louisiana Power Co., which I find on this list. That concern is operated by a friend of mine. He operates in Louisiana and he operates in Arkansas. In Louisiana that concern has to pay a 4-percent net income tax and 2-percent tax on gross, and even beyond that we are now proceeding to have made a material reduction in many of the power rates and are preparing to make up a reduction in the power rates. That has been a part of the necessity for my having journeyed backward and forward between Washington and Louisiana in the accomplishment of that effort.

The point I wish to make is this. I recommend Louisiana's policy to her sister State of Arkansas. I recommend to the States from whom we are receiving these messages that their State governments are bankrupt and that their schools must have from \$2,500,000 to \$3,000,000 to keep open. I recommend that they adopt the Louisiana policy.

I do not have to go any further than the concerns I have already read here and say to those States, "If you will proceed to lower your costs among your people as Louisiana has done, if you will proceed to tax these big interests as Louisiana has done, if you will thereafter take the taxes you have levied on the big people off of the backs of the little people as much as you can, then you can operate your schools 9 months in every year, then you can give your children free school books, then you can take care of the insane with a reduced cost and an efficient administration, then you can take care of the helpless in your charity hospitals, then you can provide for a solvent and sound State government, then you can compare yourself to the beneficent benefits that Louisiana has, because you have the identical concerns and the identical industries, and you can cure much trouble all simply by following the Louisiana policy."

I wish to say to my colleagues, to those of them who have been misled by propaganda, that I hope they will look up Louisiana's system and profit thereby. If I could volunteer my services even by going to another State to assist someone who might ask me to accompany him there, I might even take the chance of losing the associations I enjoy here.

# EXHIBIT A

[From the Washington Herald, Mar. 6, 1935] ONLY ARKANSAS LOSES RELIEF-HOPKINS IRATE OVER DAVEY CHARGE OF

WASTE IN OHIO

WASTE IN OHIO

The Federal Emergency Relief Administration announced last night that Federal unemployment-relief funds for March were being withheld from only one State—Arkansas.

"Money will not be forthcoming," said Administrator Harry L. Hopkins, "unless the State contributes \$250,000 a month of its own funds." He said money would be advanced to Minnesota when he receives formal notification that the State legislature has appropriated \$10,000,000 for relief this year.

Mr. Hopkins announced he had refused the request of Governor Martin L. Davey that the Federal Government take over the administration of relief in Ohio. He said he was "certain the legislature will raise the \$24,000,000" he has required of that State.

Governor Davey charged there is "much waste in the present Ohio relief program", and that he "cannot in good conscience have the legislature enforce upon the people of Ohio an additional tax."

tax.

Mr. Hopkins, irate at Governor Davey's letter, denied charges the Ohio relief set-up is "loaded down with redtape", and said administration costs in the State were 8.4 percent.

[From the Washington Post, Mar. 6, 1935]

"HUNGRY MOBS FACE ARKANSAS", SAYS GOVERNOR—ASKS LEGISLATURE TO VOTE EMERGENCY AID; UNITED STATES CANCELS RELIEF

LITTLE ROCK, ARK., March 5.—Governor J. Marion Futrell today asked the State legislature to pass emergency-relief taxes, saying "mobs will be running loose in this State" unless hungry mouths of those on relief rolls are fed.

The Governor warned the assembly "public disorders" threat-ened as a result of the withdrawal of all Federal relief March 1. He listed twoscore special items to be taxed to provide relief funds, ranging from telephone poles to lipsticks.

The Governor estimated his emergency bill would raise \$6,850,000 in the next 2 years and asked for its final passage without amendment "within the next 3 or 4 days to relieve a tense

Governor Futrell promised to veto if the legislature should adopt other revenue-raising measures. Sales-tax and liquor bills have been pending since the start of the session in Janua

He said the State needed to raise at once \$1,500,000 a year for unemployables and \$1,500,000 a year for work relief in order to interest Federal authorities in resumption of Federal relief in this

His proposed taxes ran the gamut of luxuries from radios and electric refrigerators to chewing gum, and included also special excise levies on bank checks, electrical energy, natural-gas pipe lines, and virtually every form of amusement.

COLUMBUS, OHIO, March 5.—The question of who is to care for Ohio's 1,200,000 needy citizens became perplexing tonight as the Federal Relief Administration refused to shoulder all the respon-

Less than 12 hours after Governor Davey made known he had appealed to Harry L. Hopkins, Federal Relief Administrator, to take over the State relief administration, Hopkins, in Washington, flatly rejected the request.

Hopkins also insisted Ohio must contribute \$2,000,000 a month to match the approximately \$8,000,000 of Federal relief funds which have been poured into the State.

In a letter to Hopkins, Davey charged that the Ohio relief set-up is wasteful and inefficient.

Hopkins answered Davey's charge of waste and inefficiency with

an assertion that "the Governor doesn't know what he is talking about."

Mr. ROBINSON. Mr. President, I shall not take the time of the Senate to enter into a prolonged discussion of the subject which the Senator from Louisiana [Mr. Long] has precipitated at this juncture. I realize that the Senator from New York [Mr. COPELAND] and other members of the Appropriations Committee have hardly had a square deal in the consideration of the measure which is now the unfinished business before the Senate. The Senator from Louisiana and I have taken a great deal of time and our discussions have not been relevant to the subject matter of the War Department appropriation bill.

Mr. President, several times the Senator from Louisiana has put into the RECORD and discussed the relationship between myself and clients. I have never felt that was a matter for the decision of my colleagues. It has always seemed to me that I had as much right as the Senator from Louisiana to practice law. As a matter of fact, during the last 10 years my duties here have been so numerous and my public responsibilities have seemed so great that I have only had the opportunity of trying one or two law suits.

It is true that I had a limited partnership. The partnership was that I should take fees and compensation only in cases in which I accepted employment. I think that is known to the Senator from Louisiana and has been for all the time since he began to put these "advertisements", as he calls them, into the RECORD. My partnership was so limited that I only accepted compensation in cases which I myself accepted and tried. It is true that my name was in the firm. I had an office when I was at home, and I had stenographic service.

Mr. H. C. Couch, to whom the Senator from Louisiana has often referred, the head of the power companies in that part of the world, Louisiana and Arkansas, is a personal friend of mine as well as of the Senator from Louisiana. It happens to be true that I have never represented Mr. Couch or any power company or other company in which he was interested, in any lawsuit or in any matter. It is also true that I have never received one dollar in fees or other compensation, either directly or indirectly, from him or any of his companies. It is also true that corporations which are advertised here as clients of the firm of which I am a member, having a limited partnership, have never been my clients, and I have not represented them.

But I wish to say, Mr. President, that I do not think there is anything improper in a lawyer representing a corporation so long as it does not interfere with the performance of his duties in a public capacity. I am perfectly willing, now and at all times, to leave with those with whom I have served here the question as to whether I have been biased or prejudiced by my professional relations. It has been my object and my aim to perform my duties in this body creditably, and with absolute loyalty to the public interests. I realize that one is never the judge—at least, not the final judge—of his bias or his prejudice; but I certainly would not be willing to constitute the Senator from Louisiana as the judge in such particulars.

The Senator from Louisiana yesterday in his remarks first stated that I had brought from Louisiana, and put in a position here, someone who had threatened his life and planned to kill him, and when I modestly challenged that statement he said that the administration had done that.

What happened, according to my understanding, was that a Member of the House from the Senator's own State, being allowed a certain amount of what the Senator and I call "patronage", placed the individual on his patronage roll, and the administration had no more to do with it than had the Senator from Louisiana or I. That is a sample of the mental processes of the Senator from Louisiana.

I am not willing that the Senator from Louisiana shall make himself the judge of when one shall be permitted to serve in the Senate. Yesterday he announced that he expected to come into Arkansas; and then, when he asked the Senator from North Carolina [Mr. Balley] a question, and the Senator from North Carolina did not answer the question to suit him, the Senator from Louisana said, "Oh, well, you won't be back, either "-implying that he is not only dictator in Louisiana politics, but dictator in other jurisdictions as well.

Questions of that sort are not of interest to the Senate. I have found my services here, for the most part, exceedingly agreeable; but I am prepared to say now that if I have to continue to look at the Senator from Louisiana every day, if I have to hear him speak three or four times a day, as I have during the past few months, if I have to listen to his criticism and condemnation of everyone who does not agree with him, I think it would be a godsend to me if in some way I got out of the Senate of the United States. [Laughter in the galleries.1

The PRESIDING OFFICER. The Chair admonishes the occupants of the galleries that they are here as guests of the Senate. Expressions of approval or disapproval, or laughter, are strictly prohibited by the rules of the Senate.

Mr. LONG. Mr. President, will the Senator from New York permit me to say

The PRESIDING OFFICER. Does the Senator from New York further yield to the Senator from Louisiana?

Mr. COPELAND. I yield. [Laughter in the galleries.]

The PRESIDING OFFICER. The Chair will repeat his admonition to the occupants of the galleries. If necessary, the Chair will order the galleries cleared.

Mr. LONG. Mr. President, I did not ask the Senator from North Carolina [Mr. Balley] a question yesterday, and the RECORD will not show it, and the RECORD has not been corrected as it came from the hands of the official reporters. The Senator from Arkansas is mistaken in that respect.

Furthermore, the Senator says he thinks it would be a great relief for him to get out of the Senate because of my being here. I did not know whether I would run for Governor of Louisiana or whether I would run for the Senate: but I now announce that I will run for reelection to the Senate.

Mr. ROBINSON. That is very interesting. Will the Senator from New York indulge me for just a moment?

Mr. COPELAND. I yield. Mr. ROBINSON. The last time I heard from the Senator from Louisiana he was running for Governor. The next to the last time I heard from him he was running for President. Now he is running for the Senate.

Mr. LONG. Mr. President-

The PRESIDING OFFICER. Does the Senator from New York further yield to the Senator from Louisiana?

Mr. COPELAND. I do.

Mr. LONG. There was no such announcement of public ! good that could be done by coming back to the Senate as there is now. [Laughter.]

Mr. ROBINSON. God save the Senate! [Laughter in the galleries 1

The PRESIDING OFFICER. The Chair instructs the doorkeepers in the galleries to enforce order.

#### WAR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 5913) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1935, and for other purposes.

The PRESIDING OFFICER. The clerk will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the subhead "Quartermaster Corps", on page 22, line 21, after the word "reasons", to strike out "\$4,388,-423 " and insert " \$4,450,221 ", so as to read:

Clothing and equipage: For cloth, woolens, materials, and for the purchase and manufacture of clothing for the Army, including retired enlisted men when ordered to active duty, for issue and for sale; for payment of commutation of clothing due to warrant saie; for payment of commutation of clothing due to warrant officers of the mine planter service and to enlisted men; for altering and fitting clothing and washing and cleaning when necessary; for operation of laundries, existing or now under construction, including purchase and repair of laundry machinery therefor; for the authorized issues of laundry materials for use of general prisoners confined at military posts without pay or allowances, and for applicants for enlistment while held under observation; and for applicants for enlistment while held under observation; for equipment and repair of equipment of existing dry-cleaning plants, salvage and sorting storehouses, hat-repairing shops, shoe-repair shops, clothing-repair shops, and garbage-reduction works; for equipage, including authorized issues of toilet articles, barbers' and tailors' material, for use of general prisoners confined at military posts without pay or allowances and applicants for enlistment while held under observation; issue of toilet kits to recruits upon their first enlistment, and issue of housewives to the Army; for expenses of packing and handling and similar necessaries; for a suit of citizen's outer clothing and, when necessary, an overcoat, the cost of all not to exceed \$30, to be issued each soldier discharged otherwise than honorably, to each enlisted man convicted by civil court for an offense resulting in confinement in a penitentiary or other civil prison, and to each enlisted man a penitentiary or other civil prison, and to each enlisted man ordered interned by reason of the fact that he is an alien enemy, or, for the same reason, discharged without internment; for indemnity to officers and men of the Army for clothing and bedding, etc., destroyed since April 22, 1898, by order of medical officers of the Army for sanitary reasons, \$4,450,221, of which amount not exceeding \$60,000 shall be available immediately for the procurement and transportation of fuel for the service of the fiscal year

The amendment was agreed to.

The next amendment was, on page 25, line 17, after the word "trucks", to strike out "two hundred and sixty-seven" and insert "three hundred and ninety"; in line 20, after the figures "1935" to insert a comma and "and at the discretion of the Secretary of War, such other vehicles as in his opinion are required to meet an existing military necessity. or are capable of being economically operated and maintained", so as to read:

tained", so as to read:

Army transportation: For transportation of Army supplies; of authorized baggage, including packing and crating of horse equipment; and of funds for the Army; for the purchase or construction, not to exceed \$10,000, alteration, operation, and repair of boats and other vessels; for wharfage, tolls, and ferriage; for drayage and cartage; for the purchase, manufacture (including both material and labor), maintenance, hire, and repair of pack saddles and harness; for the purchase, hire, operation, maintenance, and repair of wagons, carts, drays, other vehicles, and horse-drawn and motor-propelled passenger-carrying vehicles required for the transportation of troops and supplies and for official military and garrison purposes; for hire of draft and pack animals; for travel allowances to officers of National Guard on discharge from Federal service as prescribed in the act of March 2, 1901 (U. S. C., title 10, sec. 751), and to enlisted men of National Guard on discharge from Federal service, as prescribed in amendatory act of September 22, 1922 (U. S. C., title 10, sec. 752), and to members of the National Guard who have been mustered into Federal service and discharged on account of physical disability; in all, \$9,191,981, of which amount not exceeding \$250,000 shall be available immediately for the procurement and transportation of fuel for the service of the fiscal year 1936: Provided, That not to exceed \$1,000,000 of this appropriation shall be available for the purchase or exchange of motor-propelled passenger-carrying vehicles and trucks, of which amount not to exceed \$40,000 may be expended for the purchase of light and medium passenger-carrying automobiles at a unit cost of not to exceed \$750 for light automobiles

and \$1,200 for medium automobiles, including the value of any vehicles exchanged, and not to exceed \$75,000 may be expended for the purchase or exchange of motor-propelled ambulances and motorcycles: Provided further, That no appropriation contained in this act shall be available for any expense of any character, other than as may be incident to salvaging or scrapping, on account of any motor-propelled vehicle procured prior to January 1, 1920, except tractors, ambulances, fire trucks, 390 modernized class B trucks, and vehicles in use by Reserve Officers' Training Corps units on February 19, 1935, and at the discretion of the Secretary of War, such other vehicles as in his opinion are required to meet an existing military necessity, or are capable of being economically operated and maintained:

The amendment was agreed to.

The next amendment was, under the subhead "Horses. draft and pack animals", on page 26, line 24, to strike out "\$222,155" and insert "\$372,155", so as to read:

For the purchase of draft and pack animals and horses within limits as to age, sex, and size to be prescribed by the Secretary of War for remounts for officers entitled to public mounts, for the United States Military Academy, and for such organizations and members of the military service as may be required to be mounted, and for all expenses incident to such purchases (including \$72,155 for encouragement of the breeding of riding horses suitable for the Army, in cooperation with the Bureau of Animal Industry, Department of Agriculture, including the purchase of animals for breeding purposes and their maintenance), \$372,155.

The amendment was agreed to.

The next amendment was, under the subhead "Barracks and quarters and other buildings and utilities", on page 28, line 22, after the word "posts", to strike out "\$10,-049,104" and insert "\$11,049,104", so as to read:

For all expenses incident to the construction, installation, op-For all expenses incident to the construction, installation, operation, and maintenance of buildings, utilities, appurtenances, and accessories necessary for the shelter, protection, and accommodation of the Army and its personnel and property, where not specifically provided for in other appropriations, including personal services, purchase and repair of furniture for quarters for officers, warrant officers, and noncommissioned officers, and officers' messes and wall lockers and refrigerators for Government-owned buildings as may be approved by the Secretary of War, care and improvement of grounds, flooring and framing for tents, rental of buildings, including not to exceed \$900 in the District of Columbia, provided space is not available in Government-owned buildings, and grounds for military purposes and District of Columbia, provided space is not available in Government-owned buildings, and grounds for military purposes and lodgings for recruits and applicants for enlistments, water supply, sewer and fire-alarm systems, fire apparatus, roads, walks, wharves, drainage, dredging channels, purchase of water, disposal of sewage, shooting galleries, ranges for small-arms target practice, field, mobile, and railway artillery practice, including flour for paste for marking targets, such ranges and galleries to be open as far as practicable to the National Guard and organized rifle clubs under regulations to be prescribed by the Secretary of War; warehouse and fuel handling equipment; stoves required for use of the Army for heating offices, hospitals, barracks, quarters. clubs under regulations to be prescribed by the Secretary of War; warehouse and fuel handling equipment; stoves required for use of the Army for heating offices, hospitals, barracks, quarters, recruiting stations, and United States disciplinary barracks, also ranges and stoves for cooking food at posts, for post bakery and bake-oven equipment and apparatus and appliances for cooking and serving food when constituting fixed installations in buildings, including maintenance and repair of such heating and cooking appliances; for furnishing heat and light for the authorized allowance of quarters for officers, enlisted men, and warrant officers, including retired enlisted men when ordered to active duty, contract surgeons when stationed at and occupying public quarters at military posts, officers of the National Guard attending service and garrison schools, and for recruits, guards, hospitals, storehouses, offices, the buildings erected at private cost, in the operation of the Act approved May 31, 1902 (U. S. C., title 10, sec. 1346), and buildings for a similar purpose on military reservations authorized by War Department regulations; for sale of fuel to officers; fuel and engine supplies required in the operation of modern batteries at established posts, \$11,049,104, and \$2,500,000 of this appropriation shall be available immediately for the procurement and transportation of fuel for the service of the fiscal year 1936:

The amendment was agreed to.

The amendment was agreed to.

The next amendment was, under the subhead "Arms, uniforms, equipment, etc., for field service, National Guard", on page 49, line 25, after the word "increasing", to strike out the comma and "at the discretion of the President and in such increments as he may deem necessary from time to time,"; so as to read:

To procure by purchase or manufacture and issue from time to time to the National Guard, upon requisition of the governors of the several States and Territories or the commanding general, National Guard of the District of Columbia, such military equipment and stores of all kinds and reserve supply thereof as are necessary to arm, uniform, and equip for field service the National Guard of the several States, Territories, and the District of Columbia, including motor trucks, field ambulances, and station wagons, and to repair such of the aforementioned articles of equipage and military stores as are or may become damaged when, under regulations prescribed by the Secretary of War, such repair may be determined to be an economical measure and as necessary for their proper preservation and use, \$6,387,638, together with such additional sums as may be necessary under the several subappropriations contained in this act under the National Guard to defray the cost of increasing the present appropriated for enlisted strength of the National Guard by 5,000, and all of the sums appropriated in this act on account of the National Guard shall be accounted for as one fund and of the total of such sums \$1,500,000 shall be available immediately.

The amendment was agreed to.

The next amendment was, on page 51, after line 7, to strike out:

No appropriation contained in this act shall be available for any expense for or on account of a larger number of mounted and medical units, and military police, wagon and service companies of the National Guard than were in existence on June 30, 1932.

The amendment was agreed to.

Mr. KING. Mr. President, I desire to ask the Senator from New York whether, in the consideration of the bill, the provision has been reached for increasing the number of members of the Military Establishment.

Mr. COPELAND. Yes; we have already passed that provision in the first part of the bill.

Mr. KING. That was not an amendment?

Mr. COPELAND. No; that was in the bill as it came from the House.

Mr. KING. So it is not subject to consideration at the present time?

Mr. COPELAND. Not now.

Mr. CLARK. Mr. President, will the Senator from New York yield?

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from New York yield to the Senator from Missouri?

Mr. COPELAND. I do.

Mr. CLARK. I should like to ask the Senator from New York to explain wherein lies the necessity for the increase of \$50,000,000 in this appropriation bill over the bill of last year.

Mr. COPELAND. Mr. President, it will be found by a study of the bill and the report of the House committee that about \$21,000,000 of the increase comes from the increase in the development of the Air Service, the building of planes, and the equipment of existing planes with safety devices and with radio; \$19,000,000 of the amount carried by the bill is put in because of the necessity of providing for the 5-percent increase in pay; \$2,500,000 has been inserted because of the increased cost of subsistence; \$6,000,000 is due to the mechanization of ordnance; and for the National Guard there is an increase of \$5,000,000 in the appropriation. The total increase over last year is about \$55,000,000.

Mr. DICKINSON. Mr. President-

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Iowa?

Mr. COPELAND. I yield.

Mr. DICKINSON. I call attention to the language near the bottom of page 10, where the bill says:

Pay of enlisted men of the line and staff, not including the Philippine Scouts, \$51,069,333—

And then the following language:

together with such additional sums as may be necessary under this and other appropriations contained in this act to defray the cost of increasing the enlisted strength of the Regular Army from an average of 118,750 to an average of 165,000 enlisted men.

It is my understanding that the pay of the Army costs about \$425 per enlisted man. If the Army is to be increased by 45,000 men, an additional \$20,000,000 ought to be provided here. Otherwise, according to the wording of the bill, the pay of any increased number of enlisted men will have to be found by taking some appropriation away from some other item in the bill.

I should like to know what the theory of the chairman of the committee is with reference to that matter.

Mr. COPELAND. Mr. President, the reply to the question is that not all of this addition will be made overnight. A gradual addition will be made to the number of men in the Army. I concede that this is a rather unusual form of legislation—that is, the provision as to additional sums. The language in question is found near the bottom of page 10:

\* \* together with such additional sums as may be necessary under this and other appropriations contained in this act.

That is to say, if there should be such an increase as was suggested by the Senator from Iowa, immediately it would require subtraction, or would require the acquisition of these sums from other items in the bill.

Mr. DICKINSON. There are two particular phases of this bill to which I wish to call the attention of the Senate. In the first place, I think it would be unfortunate if any official of the War Department should assume to claim that the Department would be authorized to incur a deficit in excess of the appropriation by reason of this provision of the bill. In the second place, and I do not know whether or not it is covered by the bill, suppose there has been or should be made from the public-works appropriation an allotment for rivers and harbors of \$60,000,000—and I understand the river and harbor item is found on another page of the bill—could \$20,000,000 be taken out of that item and put into the pay of the Army?

Mr. COPELAND. It could not be. If the Senator will read the language on line 23, page 10, he will see that it reads, "appropriations contained in this act", so the money would have to come from appropriations included in the pending bill.

Mr. DICKINSON. But \$25,000,000 is provided in this bill. Suppose, instead of spending that money on rivers and harbors, an allocation is obtained from the Public Works Administrator to cover the works on rivers and harbors, and then the \$25,000,000 provided in this bill is used to the pay of the Army, and we have the Army increased and the increase paid for. I do not know that the Senate would have any right to object, because we ought not to excuse ourselves by attempting to pass indefinite legislation of this kind.

Mr. NYE. Mr. President, will the Senator yield to me? Mr. COPELAND. I yield.

Mr. NYE. The Senator from Iowa insists that the Senate might be held responsible, or that the Congress might be held responsible, for the very thing which he says might occur. Let me direct the attention of the Senator from Iowa to the fact that the Senate committee has amended the language of the bill as passed by the House, which originally provided that the question of the increased personnel should be left to the discretion of the President. The Senate committee struck out that language and made mandatory what originally was intended to be a matter for the discretion of the President. Assuredly the blame will be on Congress if the very things which the Senator from Iowa suggests shall come to pass.

Mr. DICKINSON and Mr. CLARK addressed the Chair.
The PRESIDING OFFICER. Does the Senator from New
York yield; and if so, to whom?

Mr. COPELAND. I still yield to the Senator from Iowa. Mr. DICKINSON. It is my contention that there should not be any provision of this kind in the bill. If the Senate believes we ought to increase the Army by 40,000 men, let us increase it and appropriate the money. Why not bring it up as a direct issue? If, on the other hand, we should not increase it, let us eliminate this provision from the bill.

I contend that, regardless of whether we leave in the language inserted by the House that it shall be in the discretion of the President, or whether we take it out, there is no difference with reference to the allocation of the funds which I have been suggesting, and that the Secretary of War would have the right to increase the Army under the bill.

Mr. COPELAND. Mr. President, if the Senator will permit me to ask him a question, in all good nature—Is the Sen-

Appropriations?

Mr. DICKINSON. I am.

Mr. COPELAND. Did the Senator raise these questions in the committee?

Mr. DICKINSON. This matter was passed over before I reached the meeting of the committee; it was not called to my attention, and I did not think of it until I noticed it here on the floor of the Senate.

I do not intend to offer an amendment; I am simply trying to get this phase of the matter into the RECORD, so that what has been said may, I hope, afford some guidance in connection with what is to be done under the measure if we shall pass it in its present form.

Mr. CLARK. Mr. President, will the Senator from New York yield to me?

Mr. COPELAND. I yield.

Mr. CLARK. If the Senator will yield for the purpose, I desire to give notice of a motion to reconsider the vote by which the amendment at the bottom of page 10, lines 24 and 25, and line 1 on page 11, was adopted.

I may say, further, if the Senator will yield for just a moment, that I agree thoroughly with the Senator from Iowa in his position. It seems to me the first thing to do is to reconsider the vote by which that committee amendment striking out the House language was adopted, and at the proper time I shall make such a motion.

The PRESIDING OFFICER. The Senator does not make the motion, but simply gives notice of the motion?

Mr. CLARK. I give notice that I will move to reconsider. and at the proper time I shall make the motion.

Mr. COUZENS. Mr. President, I should like to ask the Senator from New York [Mr. COPELAND] if he has stated the purpose of increasing the Army and the necessity for it. If he has done so, I shall read it in the RECORD, but, so far as I recall, I have heard no explanation of the proposed increase of the Army nor how the increase is to be allocated or how the number is to be determined.

Mr. COPELAND. Mr. President, the Senator from Missouri [Mr. Clark] has given notice that at the proper time he will ask for a reconsideration of that item. If the Senator from Michigan does not mind, I should prefer to wait until we come to that time.

Mr. COUZENS. Does the Senator contemplate finishing the bill tonight with the possible exception of that item?

Mr. COPELAND. Yes; I should like to get the details out

Mr. COUZENS. Very well; I shall wait.

Mr. FLETCHER. Mr. President, I may not be able to be here when the motion of the Senator from Missouri [Mr. CLARK) is submitted. In that connection I want to say, and I think it is time to say it now, that I shall oppose the motion, because I think we should not put that kind of responsibility on the President. Congress should say whether we shall increase the Army, and not leave it to the President. He cannot inquire into the various details and subjects. Let us take a little responsibility ourselves. It belongs to us. It is a matter of legislation, and I think we ought not to put the responsibility on the President to say that the Army shall take in 10,000 men this week and 5,000 men next week, and all that sort of thing. I think the committee has done well to strike that language from the bill.

Mr. COPELAND. Mr. President—
The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from New York?

Mr. FLETCHER. Certainly. Mr. COPELAND. The Senator from Missouri goes further than intimated by the Senator from Florida. He proposes to question the entire proposal to increase the number of soldiers.

Mr. CLARK. Mr. President, will the Senator from Florida vield?

Mr. FLETCHER. I yield.

Mr. CLARK. It is my intention first to move to reconsider the committee amendment beginning at the bottom of page | should not be the sole basis for increasing the Army. The

ator who is now speaking a member of the Committee on | 10, and then to move to strike out the provision increasing the Army.

> Mr. FLETCHER. I simply want to say in that connection that I was very greatly impressed by the statement of General MacArthur to the committee. Aside from the question of national defense and military need for the increase at this time, it is the most economical and, I think, the best way we can provide for care of many of the unemployed. Let me read what he said:

> On the cost of these men, to digress from the military necessity of the situation, I should say that there is no way in which unemployment can be relieved so cheaply as by inducting these men into the service of the Army. They will come in as second-class privates. The strength of companies, troops, and batteries now has been so curtailed that instead of having the normal strength of from 100 to 120 privates and noncommissioned officers, we have only from 60 to 75, so that these men would merely fill in the gaps in the echelons in the lowest grade of the Army. The actual cost of these men would be their pay, which is \$20 a month; it would be a ration, which is 37 cents a day; and it would be between \$30 and \$35 a year for their clothing. There would be practically no other expense involved in the case of these men, so that the total cost per capita would be in the neighborhood of

> that the total cost per capita would be in the neighborhood of \$400 a year.
>
> There is no method that I know of which has been devised in the efforts the Government has made to relieve unemployment that would do it so cheaply. I am talking now about relief not only from the standpoint of work relief but from the standpoint of dole relief. I do not believe you will find that even those men who are on the dole, who are being supported by straight relief measures, without returning any concomitant of work in return for it, can be supported as cheaply as these men would be supported. We would handle them for a little over a dollar a day.

It seems to me that is quite an important matter to con-

Mr. COUZENS. Mr. President, will the Senator from Florida yield?

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Michigan?

Mr. FLETCHER. I yield.

Mr. COUZENS. The Senator from Florida will remember that we adopted an amendment to the War Department appropriation bill several years ago in an effort to take care of some 88,000 boys who were roaming the streets by putting them into the C. M. T. C. camps. That proposal was rejected by the Congress. The argument advanced by General MacArthur is the most absurd, ridiculous, and indefensible argument I ever heard of for an increase in the Army. If this is a sound basis for increasing the size of the Army, why not put all of the unemployed into the Army? Why not do that in all the other countries where there is a large number of unemployed? It seems to me it is the most absurd argument I ever heard an intelligent man make.

Mr. FLETCHER. I do not claim that is the sole justification for the increase. I am simply pointing out that if the increase is made that would be one of the consequences.

Mr. CLARK. Mr. President-

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Missouri?

Mr. FLETCHER. I yield.

Mr. CLARK. I agree thoroughly with what the Senator from Michigan has said. In the munitions investigation we found that the Navy, to put the shoe on the other foot for a moment, rushed in and got an allocation of \$238,000,000. which was later increased to \$278,000,000, which was taken out of the Public Works Administration fund before the Administration was even created. As soon as they got the money they proceeded to get a ruling from the Comptroller General to the effect that the money would be available until expended, and they have made no effort to carry out the program of putting men to work. They were simply interested, as the admirals who appeared before the committee said, in naval building rather than in the relief of unemployment.

I agree thoroughly with what the Senator from Michigan has said, that the argument of General MacArthur is absolutely preposterous.

Mr. FLETCHER. I not only think that the Army ought to be increased in this way, but that it is a possible means or potential means of work relief in the first place, though that military need for it is another thing. I believe the Navy ought to be increased for the same reason. I do not believe we could take care of many young men under better conditions at less cost to the Government and with greater benefit to the men than by allowing them to enlist in the Army and the Navy.

Mr. CLARK. If that is the correct theory, then why should the increase of the Army be limited to 10,000? Why not take in 1,000,000 or 2,000,000 or 3,000,000 or 4,000,000 men, and in that way relieve unemployment to a greater degree?

Mr. FLETCHER. Of course, we must fix a limit. It is unreasonable to expect that we would open the door and take in everybody who is in need of employment. That is out of the question. We have to fix the limit somewhere, and I think this is a reasonable limit. It does not increase the appropriation as provided by the House, either.

Mr. KING. Mr. President, I think the Senator is in error in assuming that if this increase should be made it would not increase the appropriation. The able Senator from Iowa [Mr. Dickinson] just a short time ago challenged attention to the fact that there would be a deficit of at least \$20,000,000.

Mr. DICKINSON. Mr. President-

The PRESIDING OFFICER (Mr. McGill in the chair).

Does the Senator from Utah yield to the Senator from Iowa?

Mr. KING. I do.

Mr. DICKINSON. Let me suggest that this item has to do only with the pay of the Army, which means about \$400 or \$430 per man; but for every man who is added we must have subsistence. We must have all the other increases that go with an increase in the Army. So, if this item is increased, there is no money in the bill to pay for it unless the authorization here to increase the number of men would give the War Department the right to overdraw its appropriations or create a deficit; or it might be done by transferring river and harbor items to some other item, and then supplementing that item with public-works funds.

Mr. CLARK. Mr. President, will the Senator yield? Mr. KING. I yield to the Senator from Missouri.

Mr. CLARK. As the Senator from Iowa [Mr. Dickinson] has pointed out, an increase in the size of the Army from 125,000 to 165,000 men, or approximately 20 percent, not only means an increase in pay, but it means an increase in the appropriation for the Quartermaster Corps, the Ordnance Department, the Motor Transport Department; in fact, the appropriation for every other bureau in the Army is naturally increased in proportion as the size of the Army is increased. We cannot escape that fact.

Mr. KING. The Senator is absolutely correct. There will be demands that we appropriate perhaps fifty to one hundred million dollars for new cantonments and buildings and new forts and places for housing and maintaining this increased Army. No one can foretell what the result will be. In addition to that, if we induct these men into the Army, we may not dismiss them overnight. We are bound to have casualties; we are bound to have conditions that will result in pensions which the Government will have to pay. We are embarking upon a program the consequences of which, in dollars and cents, it is impossible to determine. It will cost millions and tens of millions of dollars before the program shall be completed.

Mr. FLETCHER. Mr. President, will the Senator yield to me?

Mr. KING. I yield.

Mr. FLETCHER. I simply desire to call attention to what General MacArthur said:

We have practically all the housing facilities and everything necessary to take care of them now. They merely go into the company, troop, or battery units which have been decimated by the gradual process of attrition. Most of the barracks that house these companies now at a strength of from 60 to 80 can very easily accommodate the added strength of 30 or 40 riflemen which they would get if this proposition is approved.

Further, he said:

I want to emphasize that what we are suggesting does not increase at all what the House appropriated in money.

Mr. CLARK. Mr. President, will the Senator yield? Mr. KING. I yield to the Senator from Missouri.

Mr. CLARK. I do not wish to interrupt the Senator unnecessarily; but, with reference to the quotation from General MacArthur which has just been read by the Senator from Florida, I should like to say that in the course of the past couple of years I have had occasion more or less accidentally to visit some seven or eight Army posts in this country, and in every one of those posts I was shown by the commandant the inadequacy of the present accommodations to take care of the present garrisons. In other words, the commandant of each Army post I visited was able to show, and I think to show very fairly and very clearly, that the accommodations at those posts are inadequate to take care of even the present garrisons; and in each case they are asking for appropriations from publicworks funds or from some other funds to improve the accommodations in those posts and make them adequate for their present garrisons.

On the one hand, General MacArthur comes before the committee of Congress and testifies to the great need for increase in the accommodations at Army posts. On the other hand, he comes before the committee of Congress and asks for an increase in the personnel of the Army, asserting that there are already accommodations sufficient to take care of a much larger number than we have.

Mr. KING. The Senator is absolutely correct in his statement; and we know that demands are to be made now for increased appropriations to take care of the Army, and for increased accommodations. Demands have been made; persons have come to see me in opposition to an amendment which they understood I was to offer to the public-works joint resolution, to the effect that not a penny should be spent for the Army or for the Navy, and contended that that amendment was too broad; that hundreds of the forts and other places where soldiers are to be maintained imperatively need large sums for repair and for increasing the accommodations that are absolutely required for the Army.

Mr. DICKINSON. Mr. President-

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Iowa?

Mr. KING. I yield.

Mr. DICKINSON. Supplementing the statement of the Senator from Utah, I desire to suggest that before the Appropriations Committee the junior Senator from California [Mr. McADOO] presented an amendment—as I understand, with the approval of the War Department-asking for \$132,000,-000 to provide additional permanent barracks at the various Army posts in this country. The question to which I desire especially to call the attention of the Senator from Utah is, if we wish to increase the Army, why do we not do it in the regular way by saying, "So many men shall be enlisted, and we appropriate so much for them "? Why put in a provision that is of the pig-in-a-poke type? Nobody knows what will be done under it. There is no estimate as to what the expense will be. No money is provided, and yet there is an implied authorization here that will permit the Secretary of War to create a deficiency in order to carry on the authorization here given.

Mr. CLARK. Mr. President, the Senator has not any doubt, has he, that if this provision should be passed as it is in the pending bill it would be taken as an authorization, and that an appropriation would not be subject to a point of order next year?

Mr. DICKINSON. I have no doubt whatever of that.

Mr. KING. Mr. President, I recur to the subject to which I devoted a moment's attention at the outset in reply to the Senator from Florida [Mr. Fletcher]. He has repeated his argument that one of the best ways of dealing with unemployment is to put a large number of the unemployed into the Army. I repeat what the Senator from Michigan [Mr. Couzens] said in opposition to that argument, as well as the observations which I submitted in my first reply to the Senator.

Let me say in conclusion in respect to that matter that if it is important that we take care of more young men than will be taken care of by the C. C. C. camps, why not put them in school? They can be put in school for \$30 per

month. If it is imperative to take care of 45,000 young men, instead of putting them into the Army at a cost, I insist, of more than \$1,000 a year per man, let us put them into the schools at \$30 per month, or \$360 a year, and they will learn more in the schools than they would learn in the Army. I am not disparaging the benefits that might result from the military training they would obtain in the military camps of the United States; but I wish to repudiate the thought that the Senate or the Congress of the United States plans to care for the unemployment situation by increasing its Army, and putting thousands of the unemployed into military camps, and drilling them for the life of a soldier.

The PRESIDING OFFICER. The clerk will continue the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the subhead "Organized Reserves", on page 52, line 14, after the name "Organized Reserves", to insert a comma and "and for travel of dependents, and packing and transportation of baggage of such personnel"; and on page 53, line 8, after the words "in all ", to strike out " \$6,372,178 " and insert "\$8,258,528", so as to read:

and insert "\$8,258,528", so as to read:

For pay and allowances of members of the Officers' Reserve Corps on active duty in accordance with law; mileage, reimbursement of actual traveling expenses, or per diem allowances in lieu thereof, as authorized by law: Provided, That the mileage allowance to members of the Officers' Reserve Corps when called into active service for training for 15 days or less shall not exceed 4 cents per mile; pay, transportation, subsistence, clothing, and medical and hospital treatment of members of the Enlisted Reserve Corps; conducting correspondence or extension courses for instruction of members of the Reserve Corps, including necessary supplies, procurement of maps and textbooks, and transportation and traveling expenses of employees; purchase of training manuals, including Government publications and blank forms, subscriptions to magazines and periodicals of a professional or technical nature; establishment, maintenance, and operation of divisional and regimental headquarters and of camps for training of the Organized Reserves; for miscellaneous expenses incident to the administration of the Organized Reserves, including the maintenance and operation of motor-propelled passenger-carrying vehicles; for the actual and necessary expenses, or per diem in lieu thereof, at rates authorized by law, incurred by officers and enlisted men of the Regular Army traveling on duty in connection with the Organized Reserves, and for travel of dependents, and packing and transportation of baggage of such personnel; for expenses incident to the use, including upkeep and depreciation costs, of supplies, equipment, and matériel furnished in accordance with law from stocks under the control of the War Department, except that not to exceed \$845,725 of this appropriation shall be available for expenditure by the Chief of the Air Corps for the production and purchase of new airplanes and their equipment, spare parts, and accessories; for transportaof the Air Corps for the production and purchase of new airplanes and their equipment, spare parts, and accessories; for transportation of baggage, including packing and crating, of Reserve officers ordered to active duty for not less than 6 months; for the medical and hospital treatment of members of the Officers' Reserve Corps and of the Enlisted Reserve Corps, who suffer personal injury or contract disease in line of duty, as provided by the act of April 26, 1928 (U. S. C., Supp. VII, title 10, secs. 451, 455), and for such other purposes in connection therewith as are authorized by the said act, including pay and allowances, subsistence, transportation, and burial expens

The amendment was agreed to.

Mr. SHIPSTEAD. Mr. President, I desire to ask the Senator from New York a question.

I observe that the only appropriation made in this bill for rivers and harbors is for maintenance. I observed yesterday that in the break-down of the so-called "relief joint resolution", the big appropriation measure, there are no items allocating funds for the construction of river and harbor works.

I should like to know if it is the intention of those in charge of that measure to discontinue the construction of river and harbor work, and simply continue the maintenance of existing works. If the Senator from New York will tell me, I should like to know about that.

Mr. COPELAND. Mr. President, I have always understood that it was the intention, in the various public-works activities, to do a lot of river and harbor work. There is no item in this bill for new work. This bill has to do only with the maintenance of regular work; but I think some sort of a hearing is going on in the House of Representatives with reference to increasing the activities in this direction.

Mr. SHIPSTEAD. Is any member of the Appropriations Committee present who can tell us whether it is the intention, in the public works joint resolution, to provide for the construction of river and harbor works?

Mr. COPELAND. I hope the Senator from Minnesota will not ask me that question.

Mr. FLETCHER. Mr. President, I hope the Senator from Minnesota will offer an amendment to that effect, either to this bill or to some other bill. I think this bill ought to be amended or certainly such provision ought to be made in some bill. We cannot stop river and harbor work that has been going on for a hundred years. I wish the Senator would look up the matter. It may be necessary either to amend House Joint Resolution 117 or possibly to amend this bill so as to cover the subject. We certainly ought to take care of river and harbor work.

Mr. COPELAND. Mr. President, since the question has been raised, I should like to call attention to the language of the pending measure known as House Joint Resolution 117. On page 3 of the joint resolution as recently reported from the committee the Senator will find a list of projects. The \$4,000,000,000 is broken down into various projectseight of them, I think-and then, on line 21, the joint resolution says:

Provided further, That not to exceed 20 percent of the amount herein appropriated may be used by the President to increase any one or more of the foregoing limitations if he finds it necessary to do so in order to effectuate the purpose of this joint resolution.

And in one of these clauses there is a sort of blanket provision, "or other purposes."

I am not expressing any approval of this particular part of the joint resolution, because, frankly, I am not impressed by it; but I should say that there is ample power there for the President to do with the money whatever he wishes to do with it.

Mr. FLETCHER. Mr. President, the Senator will find in line 20 a provision for "flood control, and miscellaneous projects."

Mr. SHIPSTEAD. Three hundred and fifty million dollars is provided for that purpose.

Mr. COPELAND. That is \$920,000,000.

Mr. FLETCHER. Three hundred and fifty million dollars is provided in line 20 for "flood control, and miscellaneous projects." Probably river and harbor improvements, and that sort of work, can be taken care of under that

Mr. COPELAND. And to that can be added 20 percent of the entire appropriation, which would be \$800,000,000; so, if the President so chose, he could make the amount \$1,150,000,000.

Mr. SHIPSTEAD. Mr. President, I think the Senator for once in his life is mistaken. As I understand that language, it permits the President to use-

20 percent of the amount herein appropriated \* \* \* to increase any one or more of the foregoing limitations.

It is limited to the category enumerated here, as I understand.

Mr. COPELAND. The Senator from Florida just answered the question raised. On line 19, page 3, appears the lan-guage, "sanitation, prevention of soil erosion, reforestation, forestation, flood control, and miscellaneous projects,

Mr. SHIPSTEAD. It seems to me that, with a program which has been discussed and announced as being the administration's program for soil erosion, for forestation, reforestation, and flood control, and including miscellaneous projects, \$350,000,000 is a very small sum compared with the allocations made.

Mr. COPELAND. Let the Senator read the remainder of it, "But not to exceed 20 percent of the amount herein appropriated"; 20 percent of the entire amount, which would be 20 percent of \$4,000,000,000, may be added to any one of these items.

Mr. VANDENBERG. That has to be taken away from one of the other items.

Mr. COPELAND. Yes.

Mr. RUSSELL. Mr. President, I think it would go further and apply to the entire appropriation of \$4,880,000,000. Therefore, it would be \$976,000,000 which the President, if he saw fit, could apply to any one of the purposes enumerated on page 3 of the joint resolution. I think there is no question about that.

Mr. COPELAND. Mr. President, I appeal to Senators to allow us to finish the details of the bill. Then, at the close of the consideration of the committee amendments there is to be a reconsideration of the provision for the number of soldiers in the Army, and opportunity to discuss that matter will be afforded. If there is any amendment to be offered by any Senator, it may be offered at that time.

The committee has spent a tremendous amount of time on this bill; it has been trying for 3 days to get it through the Senate, and will not Senators please give us a chance to complete the consideration of the committee amendments? Then we will be happy to give the Senators all the time they desire to offer further amendments to the bill.

Mr. KING. Mr. President, just one word in reply. think we have been given a very limited amount of time for consideration of a bill carrying more than \$400,000,000. It is true the bill has been before the Senate for several days, but extraneous matters have taken up the time of the Senate, and but very few hours have been given to the consideration of the bill. Whenever we have military or naval appropriation bills before us, it has been the habit to let them go through with a limited protest by two or three Senators, and I know that any protest which may be made now against these enormous appropriations for military and naval expenditures will be unheeded.

I wish to say to the Senator that before we get through with the bill I shall move to recommit it, with instructions to reduce the amount of the appropriation by \$50,000,000.

The PRESIDING OFFICER. The clerk will state the next

The next amendment was, on page 53, line 8, to strike out "\$6,372,178" and to insert in lieu thereof "\$8,258,428", so as to read:

In all, \$8,258,428; and no part of such total sum shall be available for any expense incident to giving flight training to any officer of the Officers' Reserve Corps unless he shall be found physically and professionally qualified to perform aviation service as an aviation pilot, by such agency as the Secretary of War may designate.

The amendment was agreed to.

The next amendment was, on page 54, line 7, after the name "Government of the United States", to insert a colon and the following proviso:

Provided, That nothing in this provision shall be so construed as to prevent the application of funds herein contained to the pay, allowances, or traveling expenses of any officer or enlisted man of the Reserve Corps who may surrender said pension, disability allowance, disability compensation, or retired pay for the period of his active duty in the Reserve Corps.

So as to read:

No appropriation made in this act shall be available for pay, allowances, or traveling or other expenses of any officer of the Organized Reserves who may be drawing a pension, disability allowance, disability compensation, or retired pay from the Government of the United States: Provided, That nothing in this provision shall be so construed as to prevent the application of funds herein contained to the pay, allowances, or traveling expenses of any officer or enlisted man of the Reserve Corps who may surrender said pension, disability allowance, disability compensation, or retired pay for the period of his active duty in the Reserve Corps. Reserve Corps.

No appropriation made in this act shall be expended for the No appropriation made in this act shall be expended for the pay of a reserve officer on active duty for a longer period than 15 days, except such as may be detailed for duty with the War Department General Staff under section 3a and section 5 (b) of the Army Reorganization Act approved June 4, 1920 (U. S. C., title 10, secs. 26, 37), or who may be detailed for courses of instruction at the general or special service schools of the Army, or who may be detailed for duty as instructors at civilian military training camps, appropriated for in this act, or who may be detailed for duty with tactical units of the Air Corps, as provided in section 37a of the Army Reorganization Act approved June 4, 1920 (U. S. C., title 10, sec. 369): Provided, That the pay and allowances of such additional officers and nurses of the Medical Reserve Corps as are required to supplement the like officers and nurses of the Regular Army in the care of beneficiaries of the

United States Veterans' Administration treated in Army hospitals may be paid from the funds allotted to the War Department by that administration under existing law.

The amendment was agreed to.

The next amendment was, under the heading "Citizens' Military Training—Reserve Officers' Training Corps", on page 57, line 19, after the word "vehicles", to strike out \$3,452,304" and insert "\$4,896,078", so as to read:

For the procurement, maintenance, and issue, under such regulations as may be prescribed by the Secretary of War, to institutions at which one or more units of the Reserve Officers' Training Corps are maintained, of such public animals, means of transportation, supplies, tentage, equipment, and uniforms as he may deem necessary including cleaning and laundering of uniforms and clothing supplies, tentage, equipment, and uniforms as he may deem necessary, including cleaning and laundering of uniforms and clothing at camps; and to forage, at the expense of the United States, public animals so issued, and to pay commutation in lieu of uniforms at a rate to be fixed annually by the Secretary of War; for transporting said animals and other authorized supplies and equipment from place of issue to the several institutions and training camps and return of same to place of issue when pressery; for purpose of return of same to place of issue when necessary; for purchase of training manuals, including Government publications and blank forms; for the establishment and maintenance of camps for the further practical instruction of the members of the Reserve Officers' Training Corps, and for transporting members of such corps to and from such camps, and to subsist them while traveling to and from such camps and while remaining therein so far as appropriations will permit, or, in lieu of transporting them to and from such camps and subsisting them while en route, to pay them travel allowance at the rate of 5 cents per mile for the distance by the shortest usually traveled route from the places from which they are authorized to proceed to the camp and for the return travel thereto, and to pay the return travel pay in advance of the actual performance of the travel; for expenses incident to the use, including upkeep and depreciation costs, of supplies, equipment, and matériel furnished in accordance with law from stocks under the control of the War Department; for pay for students attending advanced camps at the rate prescribed for soldiers of the seventh grade of the Regular Army; for the payment of commutation of subsistence to members of the senior division of the Reserve Officers' Training Corps, at a rate not exceeding the cost of the garrison ration prescribed for the Army, as authorized in the act approved June 3, 1916, as amended by the act approved June 4, 1920 (U.S.C., title 10, sec. 387); for medical and hospital treatment until return to their homes and further medical treatment after arrival at their homes, subsistence during hospitalization and until furnished transporta-tion to their homes, and transportation when fit for travel to their homes of members of the Reserve Officers' Training Corps who homes of members of the Reserve Officers' Training Corps who suffer personal injury or contract disease in line of duty while en route to or from and while at camps of instruction under the provisions of section 47a of the National Defense Act approved June 3, 1916 (U. S. C., title 10, sec. 441), as amended; and for the cost of preparation and transportation to their homes and burial expenses of the remains of members of the Reserve Officers' Training Corps who die while attending camps of instruction as provided in the act approved April 26, 1928 (U. S. C., Supp. VII, title 10, sec. 455); for mileage, traveling expenses, or transportation, for transportation of dependents, and for packing and transportation of baggage, as authorized by law, for officers, warrant officers, and enlisted men as authorized by law, for officers, warrant officers, and enlisted men of the Regular Army traveling on duty pertaining to or on detail to or relief from duty with the Reserve Officers' Training Corps; for the maintenance, repair, and operation of motor vehicles, \$4,896,078; of which \$400,000 shall be available immediately.

Mr. FRAZIER. Mr. President, I should like to ask the Senator in charge of the bill what this increase of \$1,743,774 is for?

Mr. COPELAND. This is to increase the number of R. O. T. C. units in colleges by 65.

Mr. FRAZIER. It has been a long time since I was in school. I wish the Senator would use the English language, instead of the alphabet.

Mr. COPELAND. I confess I am somewhat confused by the alphabet, too, of late. I do not know whether it is a matter of what I learned or did not learn in school. But we afford military training for the Organized Reserve officers. That is language which we can all understand.

Mr. FRAZIER. Does the Senator mean the R. O. T. C., or the citizens' military training camps?

Mr. COPELAND. I stand corrected. This is for the summer camps of the R. O. T. C. units. They go to Plattsburg and similar places. This is to provide for the training there.

Mr. FRAZIER. Another inquiry. Is this for the summer camps for the boys from the colleges, or the citizens' military training camps?

Mr. COPELAND. This is not the item for the citizens' military training camps. That is another item, which we have already passed, I think.

Mr. KING. The citizens' military training camps item is on page 59.

Mr. COPELAND. On page 60, line 20, appears the provision for an increase in the number of trainees at the citizens' military training camps.

Mr. FRAZIER. There is an increase of \$1,560,000 there?

Mr. COPELAND. Yes.

Mr. FRAZIER. That is for citizens' military training?

Mr. COPELAND. No; that is for the Reserve officers' training, of students who go from the colleges.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, under the subhead "Citizens' military training camps", on page 60, line 20, after the words "in all", to strike out "\$1,000,000" and insert "\$2,-560,000 ", so as to read:

For furnishing, at the expense of the United States, to warrant officers, enlisted men, and civilians attending training camps maintained under the provisions of section 47d of the National Defense Act of June 3, 1916, as amended (U. S. C., title 10, sec. 442), uniforms, including altering, fitting, washing, and cleaning when necessary, subsistence, or subsistence allowances and transportation, or transportation allowances, as prescribed in said section 47d, as amended; for such expenditures as are authorized by said section 47d as may be necessary for the establishment and maintenance of said camps, including recruiting and advertising therefor, and the cost of maintenance, repair, and operation of passenger-carrying vehicles; for expenses incident to the use, including upkeep and depreciation costs, of supplies, equipment, and matériel furnished in accordance with law from stocks under the control of the War Department; for gymnasium and athletic supmateriel furnished in accordance with law from stocks under the control of the War Department; for gymnasium and athletic supplies (not exceeding \$20,000); for mileage, reimbursement of traveling expenses, or allowance in lieu thereof as authorized by law, for officers of the Regular Army and Organized Reserves, and for the travel expenses of enlisted men of the Regular Army, traveling on duty in connection with citizens' military training camps; for purchase of training manuals, including Government publications and blank forms; for medical and hospital treatment, subsistence, and transportation, in case of injury or disease contracted in line of duty, of members of the citizens' military training camps and for transportation and burial of remains of any such members who die while undergoing training or hospital treatment, as provided in the act of April 26, 1923 (U. S. C., Supp. VII, title 10, secs. 454, 455); in all, \$2,560,000.

Mr. FRAZIER. Mr. President, this amendment is for the citizens' military training camps?

Mr. COPELAND. That is correct.

Mr. FRAZIER. Does the Senator know how many more would be included?

Mr. COPELAND. It would increase the number by about 20,000, would increase the number to 37,500, which is the maximum number we have trained in any one year.

Mr. FRAZIER. Previously the number has been about

Mr. COPELAND. No; about fourteen or fifteen thousand. The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, under the heading "Title II-Nonmilitary activities of the War Department-Corps of Engineers—Rivers and harbors", on page 66, line 25, after the word "law" to strike out "\$34,057,270" and insert "\$24,057,270", so as to read:

To be immediately available to be expended under the direction of the Secretary of War and the supervision of the Chief of

For the preservation and maintenance of existing river and harbor works, and for the prosecution of such projects heretofore authorized as may be most desirable in the interests of commerce and navigation; for survey of northern and northwestern lakes and other boundary and connecting waters as heretofore authorized, including the preparation, correction, printing, and issuing of charts and bulletins and the investigation of lake levels; for prevention of obstructive and injurious deposits within the harbor and adjacent waters of New York City; for expenses of the California Débris Commission in carrying on the work authorized by the act approved March 1, 1893 (U. S. C., title 33, sec. 661); for removing sunker vessels or craft obstructing or endangering navremoving sunken vessels or craft obstructing or endangering navigation as authorized by law; for operating and maintaining, keeping in repair, and continuing in use without interruption, any lock, canal (except the Panama Canal), canalized river, or other public works for the use and benefit of navigation belonging to the United States; for examinations, surveys, and contingencies of rivers and harbors; and for printing, including illustrations, as may be authorized by the Committee on Printing of the House of Representatives, either during a recess or session of Congress, of surveys under House Document No. 308, Sixty-ninth Con-

gress, first session, and section 10 of the Flood Control Act, approved May 15, 1928 (U. S. C., Supp. VII, title 33, sec. 702j), and such surveys as may be printed during a recess of Congress shall be printed as documents of the next succeeding session of Congress, and for the purchase of motor-propelled passenger-carrying vehicles and motor boats, for official use, not to exceed \$155,150: Provided, That no funds shall be expended for any preliminary examination, survey, project, or estimate not authorized by law,

Mr. COPELAND. Mr. President, this item was reduced by the committee by \$10,000,000, on the theory that \$24,~ 000,000 was about the amount they had last year. I have had a very appealing letter from the Chief of Army Engineers pointing out that if this provision should be cut by \$10,000,000, it would be \$8,000,000 less than they think they absolutely must have in order to carry on the Delaware and Chesapeake canal work, and work on other projects which come under the Corps of Army Engineers.

It is not my business to suggest changes in the item, but the appropriations in the bill as reported to the Senate are \$3,000,000 under the appropriations carried in the bill as it passed the House. Personally, I should be pleased if we could increase this item by \$3,000,000, and then take the whole matter to conference.

Mr. FLETCHER. The Senator would suggest that we disagree to the committee amendment?

Mr. COPELAND. That we increase the amount carried in the committee amendment by \$3,000,000.

Mr. McNARY. Mr. President, I have a letter from the Chief of Engineers of the Army which is very explicit to the effect that the amount recommended by the Senate committee is not sufficient for their work. When we consider that the provision is a reenactment of old legislation, and only brings the amount up to the figure necessary for maintenance of work the engineers are doing, to the extent the Senator from New York has suggested, I have no difficulty in concurring in his present recommendation. However, I should like to have inserted in the RECORD a letter I have received from the Chief of Army Engineers discussing this particular amendment.

The PRESIDING OFFICER. Is there objection? There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WAR DEPARTMENT,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, March 5, 1935.

Hon. CHARLES L. McNARY,

United States Senate, Washington, D. C.

My Dear Senator: I have been advised that the Appropriations Subcommittee which conducted hearings on the War Department appropriation bill, in its report on this bill reduced the appropriations. tion item for the preservation and maintenance of river and harbor works by \$10,000,000.

appropriation bill, in its report on this bill reduced the appropriation item for the preservation and maintenance of river and harbor works by \$10,000,000.

I believe that this reduction was due to a misunderstanding that the appropriation of \$34,057,270, as provided in the House bill, appears to represent an increase of approximately \$10,000,000 over the appropriation for last year. This increase is only apparent, and does not represent an increase in the funds which will be made available to this Department, as it includes all funds formerly provided under the permanent appropriations. These permanent appropriations which in the past have provided for the operation and care of locks and dams, the removal of sunken wrecks, the maintenance and operation of dams, etc., have aggregated approximately \$8,500,000 per year during recent years, and in the appropriation for the fiscal year 1936 the amounts reported necessary for this purpose were estimated at \$8,218,017. Congress during its last session, in Public, No. 473, Seventy-third Congress, repealed the permanent definite and indefinite appropriations in order that the estimates formerly cared for by these appropriations might thereafter be included in the regular annual Budget estimates.

The appropriation of \$34,057,270 provided in the House bill contains \$8,218,017 hitherto provided by the permanent appropriations, making the comparable appropriation for the maintenance of river and harbor works for the fiscal year 1936, \$25,839,253, as compared to the appropriation last year of \$23,965,645. As the unobligated balance at the end of this fiscal year will be less than that at the end of the preceding fiscal year, the total funds made available to the Department under the appropriation in the House bill would be approximately the same as made available last year, although these funds will have to provide for the increased maintenance of completed river and harbor projects authorized by the Administration of Public Works. The reduction of \$10,000,000 would leave

going basis, with serious consequences to our commercial navigation.

It is not practicable to obtain funds for this purpose from the Administration of Public Works. That Administration has provided funds for the new work undertaken by the Department of the new work undertaken by the Department during the past 2 years, but maintenance operations must be cared for with regularly appropriated funds. The importance of assuring continuous maintenance in the interests of navigation renders it essential that funds for this purpose be at the disposal of the Secretary of War for immediate application as needed.

Very truly yours,

E. M. MARKHAM. Major General, Chief of Engineers.

Mr. COPELAND. Mr. President, I take it that the motion should be to increase the amount recommended by the committee by \$3,000,000, making it \$27,057,270.

Mr. KING. Mr. President, I should like to be advised as to the reason for increasing the appropriation. There must have been some testimony before the committee or some valid reason inducing them to reduce the appropriation from \$34,000,000 plus to \$24,000,000 plus. It seems to me that, before we consent to an increase over the amount recommended by the Senate committee, we ought to know the

Mr. COPELAND. Unfortunately there was no testimony whatever before our committee as to the item, and I think some of us misunderstood the penciled annotations as to the amount appropriated last year, which is very apparent from a copy of the letter from the Chief of Army Engineers which I have had. He makes a very good case that they ought to have more money for maintenance of their various activities. This does not provide for any new item; it is simply for carrying on activities now in progress.

Mr. KING. In addition to the \$24,000,000, would there be \$15,000,000 for the Mississippi River and its tributaries, and additional appropriations for emergency funds for flood

control, and so forth?

Mr. COPELAND. That was the only change we made in the bill as it came from the House relating to the Army Engineers. I am satisfied that we went further than we should have gone.

Mr. FLETCHER. Mr. President, what does the Senator from New York now propose?

Mr. COPELAND. I propose that the figure should be changed on line 25 to \$27,057,270 instead of \$24,057,270. I move that the committee amendment be amended to increase the amount by \$3,000,000.

Mr. FLETCHER. Making it \$27,000,000 plus?

Mr. COPELAND. Yes. Mr. FLETCHER. That is \$7,000,000 less than the House appropriated.

Mr. COPELAND. The Chief of Army Engineers, in the letter sent to the Senator from Oregon, and also to me, indicates that he could get along with a little less than \$8,000,000 more, but since we had no testimony on the matter, and the House committee had, I thought we would give them the benefit here of \$3,000,000 more than the committee had provided for, take the item to conference, and then, in conference, the Army engineers could be called before us to say whether or not the Senate would be justified in a further

Mr. FLETCHER. Mr. President, with the understanding that the matter may be adjusted in conference, I do not object to that; but my own idea is that we should simply reject the committee amendment.

Mr. COPELAND. I desire to say for myself, as one member of the committee, that I should not be willing to do that because we had no testimony whatever on the subject.

Mr. FLETCHER. No; that is the reason why we should not venture to change the House provision. We have nothing to support us in making the change.

Mr. COPELAND. Mr. President, I leave the question to the Senate to decide.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The CHIEF CLERK. On page 66, line 25, it is proposed to strike out "\$34,057,270", and in lieu of the committee amendment to insert "\$27,057,270."

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from New York to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. COPELAND. Mr. President, we have some other amendments which are legislative in their nature. We did not care to incorporate them in the bill as committee amendments, but I will frankly state that they are legislative in their nature.

Mr. HARRISON. Mr. President, will the Senator object to my offering an amendment which does not relate to any legislative matter?

Mr. COPELAND. I suggest to the Senator from Mississippi that he let us finish the amendments we have. There are only two or three.

I send to the desk the first of the amendments to which I have referred.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 66, line 19, after the word printed" where it occurs the second time, it is proposed to insert the words "with illustrations", so as to read:

And such surveys as may be printed during a recess of Congress shall be printed with illustrations as documents of the next succeeding session of Congress.

Mr. President, I make a point of order. I should like to hear an explanation of that amendment from the Senator from New York.

Mr. COPELAND. Mr. President, the Chairman of the Committee on Printing, the Senator from Arizona [Mr. HAYDEN]. is present in the Chamber and can make the explanation requested.

Mr. HAYDEN. Mr. President, a provision was contained in the Army appropriation bill of last year authorizing the reports of Army engineers to be printed. Some of those reports have illustrations, and we desire to include the words with illustrations."

Mr. CLARK. I have no objection. Mr. GLASS. Mr. President, there is a standing order of the Appropriations Committee with regard to legislative matters.

Mr. HAYDEN. A motion was made in the committee directing the chairman to offer this amendment on the floor. and he is doing so pursuant to the direction of the committee.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York.

The amendment was agreed to.

Mr. COPELAND. The next amendment is offered because the House committee overlooked inserting this language in the bill, and sent it to us with the request that it be included in the bill, so that it may be considered in conference.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 22, after line 24, it is proposed to insert the following:

Provided, That laundry charges, other than for service now rendered without charge, shall be so adjusted that earnings in conjunction with the value placed upon service rendered without charge shall aggregate an amount at least equal to the cost of maintaining and operating laundries and dry-cleaning plants.

Mr. COPELAND. The purpose of this amendment is to do what the House thought it had done—to make clear that the charge for laundry service in the Army should cover its cost. There is no appropriation involved, but an admonition to the Army to make the laundry pay.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from New York.

The amendment was agreed to.

Mr. COPELAND. Mr. President, I offer another amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 10, line 20, after the numerals "\$9,257,465", it is proposed to insert:

Provided, That notwithstanding the suspension during the fiscal years 1933, 1934, and 1935 of the longevity pay increases provided for in the tenth paragraph of section 1 of the Pay Adjustment Act of 1922, the personnel (active or retired) so affected shall be credited with service rendered subsequently to June 30, 1932, in computing their active or retired pay accruing subsequently to June puting their active or retired pay accruing subsequently to June 30, 1932, in computing their active or retired pay accruing subsequently to June 30, 1935: Provided further, That this section shall not be construed as authorizing the payment of back longevity pay for the fiscal years 1933, 1934, and 1935, which would have been paid during such years but for the suspension aforesaid.

Mr. KING. Mr. President, I make a point of order against that amendment, but I will reserve it pending an explanation. Mr. COPELAND. The explanation given by the War Department is as follows:

When the Congress took the 15 percent, the 10 percent, and the 5 percent away from all Federal employees it likewise took an additional amount away from the commissioned personnel of the Army, Navy, Marine Corps, Public Health, Coast and Geodetic Survey, and Coast Guard by depriving them of counting service for longevity pay, so that this personnel were unfortunately discriminated against by having a double cut in their pay. This is because the whole principle of pay for the commissioned personnel of the above services is based on a small initial salary, gradually increased by length of service, and to eliminate from an officer's life the 3 years 1933, 1934, and 1935, as contemplated unless this restriction is removed and overcome the Comptroller's decision of June 29, 1934, is manifestly unjust. manifestly unjust

The President in his Budget message recommended the removal of this double cut and submitted the language he desired to accomplish this purpose, and which is the language proposed to include in the bill now under consideration, as follows: Page 10, line 20, following numerals:

following numerals:

"Provided, That notwithstanding the suspension during the fiscal years 1933, 1934, and 1935 of the longevity increases provided for in the tenth paragraph of section 1 of the Pay Adjustment Act of 1922, the personnel (active or retired) so affected shall be credited with service rendered subsequently to June 30, 1932, in computing their active or retired pay accruing subsequently to June 30, 1935: Provided further, That this section shall not be construed as authorizing the payment of back longevity pay for the fiscal years 1933, 1934, and 1935 which would have been paid during such years but for the suspension aforesaid."

The inclusion of this language does not increase the Budget rec-

The inclusion of this language does not increase the Budget recommendations one cent, nor the committee recommendations one cent, and is merely to carry out the recommendations of the Presi-

dent in the matter.

The entire matter is to correct or, rather, make clear the intent of Congress. Certainly there was no thought of permanently reducing the pay of any selected group of employees, which will be the case if we do not allow the counting of this service, already performed, and not allow him to count 3 years of his life.

No other group of Federal employees are now so discriminated

against, our commissioned officers of all the uniformed services being the only ones so affected.

It is not known why this provision was not inserted in the House of Representatives. However, as the War Department bill is the first one to come before the Senate carrying payments for this class of personnel, it is thought to be the proper plan to correct this

That is the reason why the Secretary of War sent down the amendment.

Mr. GLASS. Mr. President, I do not recall that that matter was discussed in the committee.

Mr. COPELAND. It was not. That is frankly stated here.

Mr. GLASS. Then, not having been discussed in the committee, and being without question legislative in character, I feel compelled to make a point of order against the amendment. I do not know anything about it, and other members of the committee do not know anything about it. They just come to me and say that it was not discussed in the committee; and under the resolution of the committee the Senator from New York is obligated to make a point of order against his own amendment.

Mr. COPELAND. I am submitting the amendment. I realize that it is subject to the point of order.

Mr. GLASS. I shall be obliged to make the point of order.

The PRESIDING OFFICER. The point of order is sustained.

Mr. COPELAND. I send to the desk another amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 12, line 7, after the numerals "\$5,841,118", it is proposed to insert the following:

Provided further, That, effective from and after July 1, 1935, the value of one subsistence allowance, as that term is used in section 5 of the Pay Readjustment Act of June 10, 1922 (42 Stat. 628), as amended, shall be and remain fixed at 60 cents per day; and the rate for one room for the purpose of computing the money allowance for rental of quarters authorized in section 6 of said act shall be and remain fixed at \$20 per month.

Mr. GLASS. Mr. President, I make a point of order on that amendment.

Mr. COPELAND. This matter was considered by the committee, Mr. President.

Mr. GLASS. It was?

Mr. COPELAND. Yes. The other amendment which I presented was not considered by the committee. This amendment, however, was considered by it. Argument was presented, and the amendment was recommended by the committee.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York.

The amendment was agreed to. Mr. KING. Mr. President, was the last point of order

sustained? The PRESIDING OFFICER. The point of order was not

insisted upon. Mr. GLASS. No; under the circumstances I did not feel that I could insist upon the point of order, though it clearly

lies against the amendment. Mr. KING. Mr. President, will the Senator from New York state the reasons for the amendment? If they are valid reasons, I shall have no objection. I do not know why the amendment was not considered by the committee.

Mr. COPELAND. Mr. President, it was considered by the committee.

Mr. KING. I think it is a vice to load down appropriation bills with independent new legislation. In the House it cannot be done. There is a rule against it.

Mr. COPELAND. This particular matter was given consideration by the committee, and testimony taken on it.

Mr. GLASS. The hazard of the thing, Mr. President, is that under rule XVI of the Senate, if the point of order should now be made and the Chair should sustain the point of order, the whole bill would have to go back to the committee, and I suggest to the Senator from New York that he is taking a great risk when he offers such an amendment.

Mr. COPELAND. Mr. President, let me say to my friend from Virginia that this amendment is not printed in the bill. This is a legislative item, frankly conceded by the committee to be a legislative item.

Mr. GLASS. If it is a legislative item, the Senator should know that it is subject to a point of order.

Mr. COPELAND. I know that.

Mr. GLASS. Then suppose the point of order is made. The bill goes right back to the committee.

Mr. COPELAND. I do not think so, because this is not one of the regular items in the bill. This is a matter which is presented entirely outside of the bill.

Mr. GLASS. I do not feel like taking the responsibility of making the point of order when the Senator himself is under instructions from the committee to make a point of order against amendments proposing legislation. I do not know anything about this item.

Mr. McNARY. Mr. President, I am not familiar with the character of the amendment but I should like to say to the Senator from Virginia that I think he is mistaken with regard to the application of the rule. If the amendment should be adopted, the bill would not go back to the committee. The rule merely operates upon the amendment which is offered.

Mr. GLASS. If the amendment should be adopted; but suppose the Chair should hold it to be out of order?

Mr. LA FOLLETTE. Mr. President, if the Senator from Virginia and the Senator from Oregon will permit me to interrupt, the rule regarding the automatic recommittal where a point of order is made against legislation on an appropriation bill—

Mr. GLASS. Refers to matters incorporated in the bill.
Mr. LA FOLLETTE. Refers to matters incorporated in
the bill by the committee. If a point of order should be
made against any of the amendments, the Senator from
New York is offering from the floor, it would not invoke that
portion of the rule which relates exclusively to amendments
adopted by the committee in committee. So there would
be no hazard that the bill would have to be recommitted
if against some of the amendments points of order were
raised.

Mr. KING. Mr. President, I should like to ask the Senator if the adoption of this amendment will not necessitate an increase in the appropriation for subsistence or in the general appropriation in the bill?

Mr. COPELAND. It will not. The law prescribes now exactly what is proposed by the amendment, that is, 60 cents a day for subsistence and \$20 a room for rent, but the Economy Act made a sort of sliding scale. It left to the Secretary of Labor the finding of a place where cheaper quarters or cheaper subsistence could be obtained. There have been found places in some sections of the country where the rental may be \$13 instead of \$20. In practical operation that is extremely embarrassing to the Army, and so it is desired to write into the appropriation bill what is now the law, namely, that the rate shall be 60 cents a day for subsistence and \$20 for rent.

Mr. GLASS. Mr. President, I will not make the point of order. I attended the meeting of the Appropriations Committee, but I have no recollection whatever that this matter was presented there or discussed. However, the Senator from New York being chairman of the subcommittee, and having devoted a great deal of time to the matter, I do not feel like embarrassing him by making points of order. So that if the Senate wants to adopt these amendments, it may go ahead and do so.

Mr. AUSTIN. Mr. President, I should like to inquire if the amendment now pending is not identical with Senate bill 1940 which is on the calendar as an independent measure?

Mr. COPELAND. Which bill has been reported by the Military Affairs Committee?

Mr. AUSTIN. Yes.

Mr. COPELAND. I presume that it is. I am not a member of the Military Affairs Committee, but I do not think there is any question about it. The matter has even been submitted to the Bureau of the Budget and the Budget Bureau says that it is not in conflict with the financial program of the President. There is not anything involved in it except the occasional prospect that an officer somewhere may be so stationed that, instead of being able to pay \$20 per person for quarters for himself, his wife, and family, he would have to put it down to \$13 or \$18 because the Secretary of Labor found a way to do it. The provision is similar to the bill which has been recommended by the Military Affairs Committee.

Mr. AUSTIN. That being true, is it not also true that the amendment is not within the inhibition of the rule?

Mr. FLETCHER. There has been no point of order made against it.

Mr. COPELAND. I do not think that a point of order has been made against it, as a matter of fact.

The PRESIDING OFFICER. It has been announced by the Chair that the amendment has been agreed to.

Mr. COPELAND. Very well.

Now, I wish to call attention to page 11, line 10, because of a letter I have had from some flight surgeons saying that by striking out certain language in line 10 there will be no more flight surgeons. As a matter of fact, the committee struck out this language in order that the medical officers of the Army may be on exactly the same plane as the nonmedical officers of the Army, and so that the Army may, if it wishes, assign any number of surgeons to air-flight service. In any event, it is not intended to restrict the number of flight surgeons. I wanted the Record to show that that was the intent of the committee. The last amendment I have to offer is the one which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 45, line 20, after the word "purpose", it is proposed to insert:

: Provided further, That hereafter there shall be allowed at the United States Military Academy 3 cadets for each Senator, Representative, Delegate in Congress, and Resident Commissioner from Puerto Rico, 5 for the District of Columbia, and 132 from the United States at large, in addition to the number now authorized to be appointed from the enlisted men of the Regular Army and National Guard, and the sons of deceased officers, soldiers, sailors, and marines.

Mr. KING. I raise the point, of order against that amend-

The PRESIDING OFFICER. The point of order is sustained.

Mr. COPELAND. Mr. President, I should not be quite satisfied not to make a plea for the amendment, if the Senator will withhold his point of order for a moment.

Mr. KING. Mr. President, the amendment may embrace a very meritorious provision, but we have discovered in the past many evils resulting from legislation general in character upon appropriation bills. Appropriation bills ought not to be the vehicle upon which to secure general legislation, even though the legislation may be meritorious.

Mr. AUSTIN. Mr. President, my recollection is that this amendment is in the same language as a bill which has been reported favorably by a standing committee of the Senate.

The PRESIDING OFFICER.. The point of order is sustained.

The bill is still before the Senate and open to amendment. Mr. HARRISON. Mr. President, I offer an amendment, to come in on page 50, line 3, after the numerals "\$5,000."

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 50, line 3, after the numerals "\$5,000", it is proposed to insert the following:

And such increase shall include an air squadron for the State of Mississippi.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Mississippi.

Mr. HARRISON. Mr. President, I merely desire to say that the amendment will merely enable the National Guard of Mississippi to have an air squadron. Unfortunately, it now has none. The officers of the National Guard there have taken it up many times with the Department here, and they are all in favor of it, including General MacArthur, with whom I talked, and General Leech, Chief of Militia, and so I am very anxious to have this provision incorporated in the bill.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. HARRISON. There is one other amendment, Mr. President, which I desire to offer.

Mr. COPELAND. Mr. President, just a moment before the Chair rules. I have no disposition to object to what the Senator from Mississippi proposes, but I want the Senator to know that this is not like buying a package of peanuts.

Mr. HARRISON. I appreciate that. I may say to the Senator that if the war council objects to it in conference, I shall feel impelled in that event not to insist upon it.

Mr. GLASS. The war council is not going to object to anything that will cost the Government \$375,000. Of course, they are not going to object to it.

Mr. HARRISON. If it does not appeal to the members of the conference committee, then I shall have no further recourse. Permit me to say, however, that I am very much obliged to the Senator from New York and to the Senate for having accepted the amendment.

Mr. KING. Mr. President, I should like to ask the Senator from New York, in view of this grant, not considered and not having come before the committee, to the great State of Mississippi, will not corresponding grants be made to all other States? My State has not an air station, and I have many letters in favor of an air base there. There is no better place to be found for such a base for the protec-

tion of the defenses of the United States than in that fine ! intermountain region, and I would suggest that in our spirit of generosity, the State of Utah, the State of Nevada, and other States also be permitted large appropriations for the establishment of air bases.

Mr. CLARK. Mr. President, will the Senator yield? The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Missouri?

Mr. HARRISON. I yield.

Mr. CLARK. Would the Senator be willing to accept an amendment to his amendment to include three air squadrons for the State of Missouri? [Laughter.]

Mr. HARRISON. Let me go to another very important amendment. [Laughter.] I have another amendment to

offer. I certainly thank my colleagues.

Vicksburg is a great city. There is a historic national cemetery there, but unfortunately there is room left for the interment of only a few more persons. A few more acres of ground are needed, and for the purpose of obtaining additional land I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be reported.

The CHIEF CLERK. It is proposed, on page 6, between lines 21 and 22, to insert the following new paragraph:

For purchase of additional land for the extension of the Vicksburg National Cemetery, \$82,000.

The amendment was agreed to.

Mr. CLARK. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. It is proposed by the Senator from Missouri, on page 42, line 6, to strike out the numerals "\$79,530" and to insert "\$5,000,000", so as to make the paragraph read:

# GAGES, DIES, AND JIGS FOR MANUFACTURE

For the development and procurement of gages, dies, jigs, and other special aids and appliances, including specifications and detailed drawings, to carry out the purpose of section 123 of the National Defense Act, approved June 3, 1916 (U. S. C., title 50, sec. 78), \$5,000,000.

Mr. CLARK. Mr. President, the purpose of the amendment is to increase the allowance for the purchase by the Secretary of War, as a matter of national defense, of jigs, dies, and gages, and other special devices and appliances.

It has been discovered by the Munitions Investigation Committee that the principal excuse frequently offered for the maintenance of private manufacture of munitions is as a stand-by matter in time of war. In other words, it is universally asserted by the War Department as well as others that it is impossible for the Government to have sufficient plant capacity to manufacture its own munitions and expand it in the event of war.

It is also in evidence before that committee that the principal reason for a lack of the ability to expand in the event of war lies in the lack of jigs, dies, and gages, and the particular elements necessary for the manufacture of munitions. For instance, at the beginning of the last war there were being manufactured in Government arsenals the very best military rifles ever devised in the history of the world, as is admitted by the common consent of all military authorities. But the capacity of the Government arsenals for the manufacture of Springfield rifles was inadequate for the needs of the Government during the war when the Army was expanded to war strength. Therefore, because the Remington Arms Co. and the Winchester Arms Co. had been tied up in the manufacture of the British Enfield rifles, it was necessary for 2,000,000 American troops in France to employ, throughout the whole period of the war, an extremely inferior rifle, as all military authorities admitted.

One of the principal features of the National Defense Act was the provision that the Secretary of War might be empowered to purchase jigs, dies, gages, and other tools which would enable the Government in the event of war to take

over ordinary manufacturing plants and equip them for the manufacture of munitions. That feature of the National Defense Act has been consistently and universally ignored by the Congress. When we had Colonel Harris, Chief of the War Plans Division of the War Department before us, I asked why that feature of the National Defense Act had not been put into effect, and he stated very frankly that it was because the Congress had not appropriated the money. I asked if he did not believe, from the standpoint of war planning, that the very best and most economical and most efficient money Congress could spend would be under that provision of the National Defense Act. He said he thought it undoubtedly was. He said the Congress had been appropriating about \$60,000 a year for a project on which the Department could profitably and well spend at least \$5.000,-000 a year with the prospect of saving the Government hundreds of millions of dollars in the event of war.

Therefore, I have offered the amendment for the purpose of answering the argument that the maintenance of private manufacture of munitions is necessary in order to put the Nation in a state of preparedness for war. I offer the amendment very seriously, and in contemplation of a vote I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Costigan	La Follette	Robinson	
Ashurst	Couzens	Logan	Russell	
Austin	Cutting	Lonergan	Schall	
Bachman	Dickinson	Long	Schwellenbach	
Bailey	Dieterich	McAdoo	Sheppard	
Bankhead	Donahey	McCarran	Shipstead	
Barbour	Duffy	McGill	Smith	
Bilbo	Fletcher	McKellar	Steiwer	
Black	Frazier	McNary	Thomas, Okla.	
Bone	George	Maloney	Thomas, Utah	
Borah	Gerry	Metcalf	Townsend	
Brown	Gibson	Minton	Trammell	
Bulkley	Glass	Moore	Truman	
Bulow	Gore	Murphy	Tydings	
Burke	Guffey	Murray	Vandenberg	
Byrd	Hale	Neely	Van Nuys	
Byrnes	Harrison	Norbeck	Wagner	
Capper	Hastings	Norris	Walsh	
Carey	Hatch	Nye	Wheeler	
Clark	Hayden	O'Mahoney	White	
Connally	Johnson	Pope		
Coolidge	Keyes	Radcliffe		
Copeland	King	Reynolds		

Mr. DIETERICH. I announce that my colleague [Mr. LEWIS] is necessarily detained from the Senate.

Mr. ROBINSON. My colleague the junior Senator from Arkansas [Mrs. Caraway] and the junior Senator from Louisiana [Mr. Overton] are detained from the Senate by

The Senator from Nevada [Mr. PITTMAN] and the Senator from Kentucky [Mr. Barkley] are necessarily detained.

The PRESIDING OFFICER. Eighty-nine Senators having answered to their names, a quorum is present. The question is on the amendment offered by the Senator from Missouri [Mr. CLARK].

Mr. CLARK. On that I call for the yeas and nays.

The yeas and nays were not ordered.

Mr. LA FOLLETTE. Mr. President, this is an important amendment. I feel that we ought to have a record vote upon it. I hope we may have a sufficient second to have

Mr. McNARY. Mr. President, I do not think the amendment has been stated from the desk. At least, I am not familiar with its provisions. May it not first be stated?

The PRESIDING OFFICER. The amendment will be

The LEGISLATIVE CLERK. On page 42, line 6, it is proposed to strike out "\$79,530" and insert in lieu thereof "\$5,000,-000", so as to read:

# GAGES, DIES, AND JIGS FOR MANUFACTURE

For the development and procurement of gages, dies, jigs, and other special aids and appliances, including specifications and detailed drawings, to carry out the purpose of section 123 of the National Defense Act, approved June 3, 1916 (U. S. C., title 50, sec. 78), \$5,000,000.

Mr. McNARY. Mr. President, I observe that the amendment proposes an increase of nearly \$5,000,000. Will the Senator state the reasons for offering the amendment?

Mr. CLARK. Mr. President, I explained the amendment at some length before the quorum call, but I shall be glad to explain it again.

I will state to the Senator from Oregon and to the Senate that the National Defense Act contained a provision which authorized the Secretary of War to prepare, or cause to be prepared, to purchase or otherwise procure, gages, dies, jigs, tools, and other things which might take the place of stand-by factory units in the event of war. That provision in the National Defense Act has been largely ignored. The purpose of inserting that provision in the National Defense Act, as I pointed out a little while ago, and which I am glad to repeat, was to take care of such a situation as this. At the declaration of war in 1917 there was being manufactured in the arsenals of the United States what by common consent of all military authorities was regarded as the best rifle in the world. Of course the capacity of those arsenals was entirely inadequate to supply the needs of an Army which was expanded to 4,000,000 men, but when the effort was made to bring into operation private factories, private makers of munitions, it was discovered, for instance, that the Remington Arms Co. and the Winchester Arms Co. were jigged and tooled up for the manufacture of the British Enfield rifle, by common consent a far inferior rifle to the Springfield rifle, and throughout the war American troops were forced to fight with a rifle inferior to that which was already in existence and in process of manufacture in the United States.

Mr. McNARY. Mr. President, I should like to ask the Senator whether this proposal was submitted to the Appropriations Committee of the Senate.

Mr. CLARK. It was not. This situation was brought out in the hearings of the Special Committee Investigating the Manufacture of Munitions.

When Colonel Harris, the head of the War Plans Division of the War Department, was before the committee, I asked him why this provision had never been carried into effect. He stated to the committee that it was because Congress had never been willing to appropriate the money for it. I then asked him if he did not believe that such an appropriation would be absolutely the best, the cheapest, the most economical, and the most efficient method of providing for the national defense, and he replied that he certainly thought it would be. I then asked him how much money, in his opinion, could be profitably spent by the War Department under that provision of the National Defense Act, and he replied that he thought \$5,000,000 could be profitably expended in the first year.

I will say further to the Senator from Oregon that my particular purpose in offering this amendment was to answer the argument which has been constantly and universally made in this country that it is necessary to promote and keep alive and to be subservient to the private manufacturers of munitions because they are necessary as stand-by units in time of war. This provision of the National Defense Act was originally designed for the purpose of making the Government, as far as possible, independent of such agencies in time of war; and it is for that purpose that I offer the amendment.

Mr. McNARY. May I ask the Senator if this matter was ever brought to the attention of the War Department? Hasthe amendment been submitted to the Director of the

Mr. CLARK. It has not been submitted to the Director of the Budget. I will say to the Senator from Oregon, however, that it is authorized by law; and it was on the testimony of the representatives sent before the Munitions Committee by the War Department itself, brought to a meeting of the committee by the Secretary of War, the Chief of Staff, and The Assistant Secretary of War, that this amendment was offered.

Mr. McNARY. Mr. President, indisputably the amendment is subject to a point of order; but, not being in charge of the bill, I do not desire to invoke it.

Mr. CLARK. I shall be glad if the Senator will state why the amendment is subject to a point of order. It simply increases, for a purpose authorized by law, an amount carried in the bill. I shall be glad, therefore, if the Senator will explain why the amendment is subject to a point of order.

Mr. McNARY. I think that can be done in a very few words. It is an item which has not been approved by or submitted to the Director of the Budget.

Mr. CLARK. It has to do with a subject authorized by law. I think the Senator is in error as to the Senate rule on the subject. If the Senator desires to make a point of order, I shall be glad to have it ruled on by the Chair.

Mr. McNARY. I stated, and I still cling to that view. that in my judgment the amendment is subject to a point of order. At this time, however, I refer the matter back to the Senator in charge of the bill.

Mr. COPELAND. Mr. President, I should dislike to raise the point of order against this amendment. I find myself personally very much in sympathy with what the Senator from Missouri has in mind; but it is a matter which we have not considered of late in the Senate. I suppose it was considered years ago.

The Senator from Missouri, and several other Senators, have had the benefit of the testimony before the Munitions Committee. I know how earnest these Senators have been in studying this great problem. I have no question that one of the recommendations they will ultimately make to us will include this item, but I do not think a matter which involves \$5,000,000, which was not estimated for, which was given no consideration in the committee, should be added to the bill.

Mr. CLARK. Mr. President, if the Senator will yield, the Senator speaks of \$5,000,000. The Senator's own committee made a change in the House bill, in the amendment which I have given notice I am going to move to reconsider, which will certainly amount to at least 10 times \$5,000,000.

Mr. COPELAND. The Senator certainly would think it was a very commendable act if we struck out something of that kind

Mr. CLARK. No; the committee agreed to the amend-

Mr. COPELAND. The item for the increase of the Army came to us from the House.

Mr. CLARK. Yes; but a change was made by the Senate committee which certainly will increase the expenditure at least tenfold.

Mr. COPELAND. At any rate, regardless of all that, I do not think this is an amendment which should be favorably acted upon now. I am not a parliamentarian. I am not sure what the parliamentary situation is. I desire to ask the Chair, if I raise the point of order against this proposal, in view of the fact that it violates rule XVI, what will be the ruling of the Chair?

Mr. CLARK. Mr. President, if the Senator from New York desires to put a moot question up to the Chair, I should like to be heard on it.

Section 123 of the National Defense Act provides:

Section 123 of the National Defense Act provides:

Procurement of gages, dies, jigs, and so forth, necessary for manufacture of arms, and so forth: The Secretary of War be, and he is hereby, authorized to prepare or cause to be prepared, to purchase or otherwise procure, such gages, dies, jigs, tools, fixtures, and other special aids and appliances, including specifications and detailed drawings, as may be necessary for the immediate manfacture, by the Government and by private manufacturers, of arms, ammunition, and special equipment necessary to arm and equip the land forces likely to be required by the United States in time of war: Provided, That in the expenditure of any sums appropriated to carry out the purposes of this section the existing laws prescribing competition in the procurement of supplies by purchase shall not govern, whenever in the opinion of the Secretary of War such action will be for the best interest of the public service. of the public service.

The pending measure, as passed by the House and reported to the Senate committee, carries, in pursuance of section 123, an appropriation of \$79,530. My amendment only goes to striking out certain numerals and inserting other numerals. This matter has been estimated for, it has been passed by the Bureau of the Budget, it has been passed by the House of Representatives, it has been reported by the Senate committee, and this is simply a proposal to strike out one sum and insert another sum.

I invite the Senator from Oregon, or the Senator from New York, to point out any rule which prohibits the Senate of the United States from increasing a sum estimated for.

Mr. FLETCHER. Mr. President, the Senator said something about this matter having been passed by the Bureau of the Budget and having been estimated for. I do not understand that this \$5,000,000 has ever been estimated for.

Mr. CLARK. That is perfectly true, but I am now discussing the point of order.

Mr. FLETCHER. The Senator has said that the estimate that passed the Budget was for \$79,530.

Mr. CLARK. Does the Senator contend that there is any rule of the Senate against increasing an amount estimated by the Bureau of the Budget?

Mr. McNARY. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. McNARY. I call the able Senator's attention to rule XVI of the standing rules of the Senate. Clearly, in all cases of appropriation bills where an item is increased without the sanction of a standing committee or a select committee, or an estimate of the Budget, it falls within the rule, unless it is to carry out an existing statute. That, I think, is sufficient answer to the Senator.

Mr. CLARK. Mr. President, that is precisely the situation. This amendment falls exactly within the proviso just referred to by the able Senator from Oregon. I thank the Senator for calling my attention to that, because it exactly explains my position.

Mr. McNARY. If an existing law justifies the amendment, it does not fall within the rule. I am not familiar with any such existing statute.

Mr. CLARK. That is the reason why I invited the attention of the Senator from Oregon to the statute. I read the statute a few moments ago. The citation of the statute is contained in the paragraph which I have proposed to amend.

Mr. McNARY. I have not read the statute, nor have I had it before me. The mere fact that a statute on the books has some reference to a subject matter does not bring it within the rule.

Mr. CLARK. Mr. President, if the Senator will permit me, the specific statute referred to in the appropriation bill itself, at the page 42, is a specific authorization for the specific proposition for which the item of \$79,530 is to be appropriated, and the act itself is a specific authorization for as much appropriation as Congress may see fit to make. In other words, it comes completely within the proviso to which the Senator himself just referred. The rule reads, in part:

All general appropriation bills shall be referred to the Committee on Appropriations, and no amendments shall be received to any general appropriation bill the effect of which will be to increase an appropriation already contained in the bill, or to add a new item of appropriation, unless it be made to carry out the provisions of some existing law.

Mr. President, that is precisely the situation. Just a moment ago I read the provision of section 123 of the National Defense Act, which specifically authorizes this appropriation, and the same section, section 123 of the National Defense Act, is cited in the terms of this proposed act itself as the authority for the appropriation. If any Senator desires to make the point of order, I should be glad to have him do so.

Mr. COPELAND. Mr. President, it is so interesting a point that I should like to have the Chair rule upon it. I make the point of order.

The PRESIDING OFFICER (Mr. McGnl in the chair). The Chair sustains the point of order.

Mr. CLARK. Mr. President, I appeal from the decision of the Chair.

The PRESIDING OFFICER. The Senator from Missouri appeals from the decision of the Chair. The question is, Shall the decision of the Chair stand as the judgment of the Senate? The Clerk will call the roll.

The Chief Clerk called the roll.

Mr. TYDINGS (after having voted in the affirmative). On this vote I have a pair with the senior Senator from Rhode Island [Mr. Metcalf]. I transfer that pair to the senior Senator from Nevada [Mr. Pittman] and allow my vote to stand.

Mr. LOGAN. I have a pair with the senior Senator from Pennsylvania [Mr. Davis]. I do not know how he would vote were he present, and I transfer my pair to the senior Senator from Illinois [Mr. Lewis] and vote "nay."

Mr. GIBSON (after having voted in the negative). I inquire if the junior Senator from California [Mr. McApoo] has voted?

The PRESIDING OFFICER. That Senator has not voted. Mr. GIBSON. I have a general pair with the junior Senator from California, and in his absence I withdraw my vote. Were I permitted to vote, I should vote "nay."

Mr. ROBINSON. I regret to announce that my colleague [Mrs. Caraway] is detained from the Senate on account of illness.

I also regret to announce that the Senator from Louisiana [Mr. Overrow] is detained from the Senate on account of illness.

I desire to announce the following general pairs on this question: The Senator from Virginia [Mr. Byrd] with the senior Senator from Minnesota [Mr. Shipstead], and the Senator from Montana [Mr. Wheeler] with the junior Senator from Minnesota [Mr. Schall].

I also wish to announce that the Senator from Arizona [Mr. Ashurst], the Senator from Kentucky [Mr. Barkley], the Senator from Mississippi [Mr. Bilbo], the Senator from Virginia [Mr. Byrd], the Senator from Georgia [Mr. George], the Senator from Oklahoma [Mr. Gorge], the Senator from Mississippi [Mr. Harrison], the Senator from Illinois [Mr. Lewis], the Senator from California [Mr. Mc-Addol, the Senator from Nevada [Mr. Pittman], the Senator from North Carolina [Mr. Reynolds], the Senator from Oklahoma [Mr. Thomas], the Senator from Florida [Mr. Trammell], the Senator from New York [Mr. Wagner], the Senator from Massachusetts [Mr. Walsh], and the Senator from Montana [Mr. Wheeler] are necessarily detained from the Senate on official business.

The result was-yeas 18, nays 48, as follows:

		TEAS—18	
Adams Austin Burke Byrnes Carey	Coolidge Copeland Dickinson Fletcher Hale	Keyes King McNary Norbeck Sheppard	Townsend Tydings White
	can borrondo N	IAYS-48	
Bachman Bailey Bankhead Barbour Black Bone Brown Bulkley Bulow Capper Clark Connally	Costigan Couzens Cutting Dieterich Donahey Duffy Frazier Gerry Glass Guffey Hastings Hatch	Hayden La Follette Logan Lonergan McCarran McKellar Minton Moore Murphy Murray Neely Nye	O'Mahoney Pope Radcliffe Robinson Russell Schwellenbach Smith Steiwer Thomas, Utah Truman Vandenberg Van Nuys
		VOTING-29	110,5
Ashurst Barkley Bilbo Borah Byrd Caraway Davis George	Gibson Gore Harrison Johnson Lewis Long Maloney McAdoo	McGill Metcalf Norris Overton Pittman Reynolds Schall Shipstead	Thomas, Okla. Trammell Wagner Walsh Wheeler

So the decision of the Chair was not sustained.

The PRESIDING OFFICER. The question now is on agreeing to the amendment proposed by the Senator from Missouri [Mr. Clark].

Mr. GLASS. Mr. President, it will be noted that on the appeal from the ruling of the Chair I voted "nay" because

I frankly thought the ruling of the Chair was in error; and although I am utterly opposed to the appropriation. and shall vote against it, and sincerely trust that the Senate will vote against it. I think the contention of the Senator from Missouri [Mr. CLARK] was correct from the parliamentary point of view. But, Mr. President, if we may without any estimate from the Budget, without any authorized recommendation from any source, increase this appropriation in the bill by \$5,000,000, we may increase it in the same way by \$50,000,000 or \$150,000,000. I think it is a bad practice, and one in which the Senate should not indulge, to make appropriations of millions of dollars without any estimate whatsoever, or without any authorized recommendation whatsoever, merely upon the basis of a statement of some Army officer to some member of a committee investigating munitions.

Mr. CLARK. Mr. President, I merely desire to say before the vote is taken on the amendment that whether or not the amendment is agreed to, it is my purpose, immediately after the vote is taken on it, to make a motion which will have the effect of saving many times more than the increase now advocated, and possibly to save the American people, in the long run, billions of dollars and millions of lives by the diminution of danger of another war. I intend, as soon as this vote shall have been taken, to move to strike out the provision providing for the increase in the United States Army.

Mr. GLASS. But the Senate may not agree with the Senator and we may lose the \$5,000,000 which is proposed to be appropriated under the amendment of the Senator from Missouri.

Mr. CLARK. Mr. President, if we are going to undertake to precipitate a war by continuing the present vicious circle of increasing armament, then, in my opinion, the cheapest and most economical method of providing for the national defense, according to all the testimony that has been given, is through an appropriation for gauges, dies, and jigs for the most efficient prosecution of war if it should come.

Mr. GLASS. I am not an optimist about many things, but I do not believe we are going to have a war at any time soon.

Mr. CLARK. I hope the Senator from Virginia is right. I ask for the yeas and nays on this question.

Mr. COPELAND. Mr. President, although I have discovered that the Chair and I are wrong about the rule—and I have been in the Senate long enough to have known a question to be decided both ways at one session—nevertheless, on its merits, I think this is an unreasonable request to make of the Senate.

I am not competent to discuss the merits of the proposal. I have such confidence in the Senator from Missouri [Mr. Clark] that I know he would not recommend anything which did not appeal to him. The others of us are entitled to have the facts, however, and a standing committee of the Senate is entitled to know the particulars and to know why this additional amount should be provided.

I think we are reversing the procedure which should be followed when we insert in this casual way an item so large as \$5,000,000 without any recommendation from the Department, without any estimate from the Budget, and without a single word of testimony in the committee.

I hope the amendment will fail.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Missouri [Mr. Clark].

Mr. CLARK. On that question I demand the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. GIBSON (when his name was called). I have a pair with the junior Senator from California [Mr. McApool. Not knowing how he would vote, I withhold my vote. If permitted to vote, I should vote "yea."

Mr. LOGAN (when his name was called). Making the same announcement as on the previous vote, I vote "nay."

Mr. TYDINGS (when his name was called). Making the same announcement that I made on the last vote, I vote "yea."

The roll call was concluded.

Mr. GLASS. My colleague, the junior Senator from Virginia [Mr. Byrn], is necessarily detained from the Senate. If present he would vote "yea."

Mr. ROBINSON. I wish to announce that the junior Senator from Arkansas [Mrs. Caraway] and the junior Senator from Louisiana [Mr. Overton] are detained by illness.

I also wish to announce that the following Senators are necessarily detained: The Senator from Arizona [Mr. Ashurst], the Senator from Kentucky [Mr. Barkley], the Senator from Mississippi [Mr. Bilbo], the Senator from Georgia [Mr. George], the Senator from Oklahoma [Mr. Gore], the Senator from Illinois [Mr. Lewis], the Senator from California [Mr. McAdoo], the Senator from Nevada [Mr. Pittman], the Senator from Oklahoma [Mr. Thomas], the Senator from Florida [Mr. Trammell], the Senator from New York [Mr. Wagner], and the Senator from Montana [Mr. Wheeler].

The result was announced—yeas 35, nays 40, as follows:

ESIGNATURES STA	Y	EAS-35	
Barbour Black Bone Brown Bulkley Capper Clark Costigan Couzens	Cutting Duffy Frazier Guffey Harrison Hatch La Follette Long McCarran	McGill McKellar Moore Murray Neely Norris Nye O'Mahoney Pope	Reynolds Schall Schwellenbach Shipstead Thomas, Utah Truman Tydings Vandenberg
Charles Harry	N N	AYS-40	
Adams Austin Bachman Bailey Bankhead Bulow Burke Byrnes Carey Connally	Coolidge Copeland Dickinson Dieterich Donahey Fletcher Gerry Glass Hale Hastings	Hayden Keyes King Logan Lonergan McNary Maloney Minton Murphy Norbeck VOTING—20	Radcliffe Robinson Russell Sheppard Smith Steiwer Townsend Van Nuys Walsh White
Ashurst Barkley Bilbo	Caraway Davis George	Johnson Lewis McAdoo	Pittman Thomas, Okla. Trammell

So Mr. CLARK's amendment was rejected.

Gibson

Mr. CLARK. Mr. President, I move to reconsider the vote by which the committee amendment in lines 24 and 25, page 10, and line 1, page 11, was agreed to.

In addition to making the motion to reconsider that amendment I should like to give notice that, whether the motion prevails or not, it is my intention to move to strike out the provision applying to the increase of the standing Army

Mr. COPELAND. Mr. President, it is now so late that I suggest we let the Senator's motion be pending until tomorrow.

Mr. CLARK. Very well, that is entirely agreeable to me.

Mr. GLASS. Mr. President, I desire to give notice to Senators that tomorrow, upon the completion of the consideration of the pending War Department appropriation bill, it is my purpose to call up House Joint Resolution 117, dealing with relief and work relief.

# EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

# EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters.

Mr. ROBINSON, from the Committee on Foreign Relations, reported favorably the following nominations:

John J. Muccio, of Rhode Island, now a Foreign Service officer of class 6 and a consul, to be also a secretary in the Diplomatic Service; and

William P. Cochran, Jr., of Pennsylvania, now a Foreign Service officer, unclassified, and a vice consul of career, to be also a secretary in the Diplomatic Service.

The PRESIDING OFFICER (Mr. McGill in the chair). The reports will be placed on the Executive Calendar.

The calendar is in order.

### THE CALENDAR-POSTMASTERS

The legislative clerk proceeded to read the nominations of sundry postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmasters on the calendar may be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

That completes the calendar.

#### RECESS

As in legislative session,

Mr. ROBINSON. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock p. m.) the Senate, in legislative session, took a recess until tomorrow, Thursday, March 7, 1935, at 12 o'clock meridian.

#### CONFIRMATIONS

Executive nominations confirmed by the Senate March 6 (legislative day of Mar. 4), 1935

POSTMASTERS

ARKANSAS-TEXAS

A. Judson Pryor, Texarkana.

### MINNESOTA

N. Elmie Lewis, Bertha. Emily M. Drexler, Brandon. James F. Doherty, Buhl. Ingval Lynner, Clarkfield. John K. Sloan, Coleraine. Helen I. Gervais, Currie. Edward A. Buckley, East Grand Forks. Catherine I. Ackerman, Eden Valley. Edward R. Siem, Elgin. LeRoy M. Schwartz, Evansville. Henry J. Widenhoefer, Fisher. Herbert C. Whaley, Fosston. Raymond E. Garden, Gary. Bertha T. Bot, Ghent. Carleton H. Leighty, Glenville. Charles B. Seipp, Hanley Falls. Michael E. Thompkins, Hector. Edith A. Marsden, Hendrum. Fritz von Ohlen, Henning. Florence D. Markham, Hopkins. William V. Kane, International Falls. Harry W. Simpson, Jasper. Hattie G. Haas, Lamberton. Peter J. Vasaly, Little Falls. Ole C. Olson, Littlefork. Jacob Ohlsen, Luverne. James V. Sweeney, Mahnomen. Fred E. Joslyn, Mantorville. Maude E. Williams, Mora. Justin I. Brown, Nevis. Leo F. Groos, North St. Paul. Frank S. Averill, Ogilvie. Harold T. Colbjornsen, Parkers Prairie. Linus E. Dougherty, Pine River. Raymond A. Linnihan, Red Lake Falls. William H. Wilson, Rushmore. Edward M. Swanson, Russell. John A. Henry, St. Cloud. William F. Krueger, Wykoff.

NORTH CAROLINA

Mortimer H. Mitchell, Aulander. Robert Lee Bridger, Bladenboro. Tasker T. Hawks, Norlina. Elias Carr Speight, Rocky Mount. G. Glenn Nichols, Sparta.

SOUTH DAKOTA

Lewis E. Smith, Alpena. Ian H. Maxwell, Delmont. Regina Trinen, Letcher. James R. Crowe, Yankton.

TEXA

Robert Rowntree, Bartlett.
Otto Hicks, Blum.
Earl B. Hopkins, Brazoria.
Theodore A. Low, Jr., Brenham.
Stanley F. Labus, Falls City.
Wallace J. Bludworth, Flatonia.
James F. Atkinson, Florence.
Robbie G. Ellis, Fort Davis.
Leonadis E. Eubanks, Groesbeck.
Sam H. Amsler, McGregor.
E. Otho Driskell, Mansfield.
Richard J. Bradford, Pettus.
Willis C. Giffin, Sabinal.

UTAH

John M. Bernhisel, Lewiston. Andrew J. Judd, Manti.

# HOUSE OF REPRESENTATIVES

WEDNESDAY, MARCH 6, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Eternal and loving Father, on this day so filled with holy memories and with immeasurable teaching, we would withdraw to the secret place of God's pavilion. These are moments of solemn thoughts and we bend low in humility at the altar of mercy. We humbly confess our sins; the remembrance of them is grievous unto us; do Thou have mercy and forgive and let us hear Thy "depart in peace." Overturn the tables of traffic in the temples of our breasts, compass our grief, impress us with our mortality, and bless us with the song of deliverance. Strengthen us with a constant, assuring, spiritual power as a stream that breaks from the mountain side. O God of Bethel, pour into our minds wisdom and courage undaunted, and into our hearts mercy unrestrained; may they sound on the ivory pavement of truth and sincerity. Grant that the labor of this day bear the mark of distinction and intensity of desire to serve our beloved land. In our Savior's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

# MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had concurred without amendment in a concurrent resolution of the House of the following title:

H. Con. Res. 14. Concurrent resolution requesting the President of the United States to return to the House of Representatives the enrolled bill (H. R. 330) entitled "An act for the relief of Sophie de Sota."

# MEETING OF COMMITTEE ON AGRICULTURE

Mr. DOXEY. Mr. Speaker, I ask unanimous consent that during the remainder of the week the Committee on Agriculture be permitted to sit during the sessions of the House.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. Doxey]?

There was no objection.

### CURBING WAR PROFITS

Mr. DUFFEY of Ohio. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address given by my colleague from Ohio, Hon. FRANK L. KLOEB, over a Nation-wide hook-up on the subject of curbing war profits.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. DUFFEY]?

There was no objection.

Mr. DUFFEY of Ohio. Mr. Speaker, under leave to extend my remarks in the RECORD I include a radio address delivered by my colleague, Hon. Frank L. Kloeb, of Ohio, on invitation by the National Broadcasting Co., over a Nationwide hook-up, on March 5, 1935.

The radio address follows:

My friends, the Senate munitions investigation and the universal draft week of the American Legion have again brought before Congress and the people the question of curbing war profits in event of another war. This question involves primarily the study of the most effective method of curbing war-time inflation of prices, for from this evil naturally flow the resultant evils of profiteering, exorbitant cost to the Government, loss of morale to the men in the field and to the civilian population, and the inevitable depression that follows post-war deflation.

Profiteering in time of war by those who would take advantage of their government and of their fellow citizens is as old as civilization.

tion.

General Washington wrote of the Revolutionary War profiteers:
"No punishment is too great for the man who can build his greatness upon his country's ruin."
Some of our large fortunes were built during the Civil War upon the blood and the suffering of the manhood of America.

During the Spanish-American War we remember the scandal over embalmed beef, and the terrible suffering and death that

followed its use.

After the declaration of these wars, the public and the soldiers in the field complained bitterly at the inflated prices of all necessary commodities and the inordinate profits of those who would take advantage of their fellow men. After the close of these wars, the prevention of a recurrence of these evils in the event of another war was seriously debated. Always time served to deader the recurrence of these wars, the prevention of these wars, the prevention of these wars, the subject consider the server of these wars. the memory of these outrages, until the subject ceased to be discussed and another war was upon us.

During the World War the American soldier carried a gun for \$1 per day. I was one of them. The mechanic who fashioned the gun received \$15 per day; the man who owned the factory received \$15,000 per day. It was this inequity that affected the men in the service.

The American Legion, at its first convention in 1919, conceived the idea of the so-called "universal draft." It desired a law that would compel industry and labor to serve equally and without profit in time of war.

In 1931 Congress created the War Policies Commission, "to in restigate and report a feasible plan to promote peace and to equalize the burdens of war." The McSwain bill, now before the House, is the result of the efforts of that Commission. The American Legion, the Veterans of Foreign Wars, and the Disabled American Veterans have worked for what this measure substantially provides.

In past major wars history tells us that immediately after the declaration of war, because of speculation and a vastly increased demand, there comes a sudden stampede in prices. During the demand, there comes a sudden stampede in prices. Duri Civil War our efforts to control the stampede were feeble. we had entered the World War our effort was to so control the stampede as to bring the price leaders back on a level with their fellows. This we sought to accomplish through an excess-profits tax and a price-fixing commission. Some price leaders were checked by these means.

In studying this question of war-time infiation and its resultant evils, we must first arrive at the basic conclusion either of seeking to control the price stampede or of striking at the heart issue and preventing any stampede.

Either the device of an excess-profits tax or the commandeering by the Government of so-called "war industries" is advocated by those who see a price stampede as inevitable upon declaration of war.

war.

The excess-profits tax during the war did not prevent inflation. It helped to pyramid inflation. For example, the iron-ore producer had levied upon him an excess-profits tax. He, in turn, passed this on to the pig-iron producer as an element of cost. The pig-iron producer paid an excess-profits tax out of his profits and passed this on to the steel producer. Eventually, at the peak price, the Government, as the purchaser, paid the excessive cost, and thereby paid for the excess-profits taxes that it had previously collected. collected.

In the final analysis, it was the ultimate consumerpayer and the Government—who paid the excess-profits tax into the Treasury. This tax during the war penalized efficiency and rewarded inefficiency. It did not recover the excess profits; it did not keep prices down; it did not stimulate production. It did the opposite.

The excess-profits tax alone would not solve the problem.

Of those who advocate that the Government commandeer all -called "war industries", I ask this pertinent question: "What so-called are war industries?"

In a modern major war, practically every product contributes its part to the winning of the war. The economic strength of a nation is just as important as is its military strength. Assuming that we could define "war industries" and that the Government would commandeer these industries, it then must have the money to pay the men who expected the industries. the men who operate the industries. Government receives its money through taxation. Taxes are levied upon property and earnings. Every industry that is commandeered is so much property taken from under taxation. Eventually we arrive at complete socialization of all industry. After the close of the war endless problems would confront the Government in returning these properties to their rightful owners.

The first problem the Government would face in commandeering would be a constitutional one. The fifth amendment proing would be a constitutional one. The fifth amendment provides for reasonable compensation for property taken. When this power is exercised, the Government is required by the courts to pay reasonable compensation, which is the market price. If we permit the stampede of prices at the beginning of a war and then attempt the commandeering process, the Government becomes a purchaser of property at—or near—the peak of inflation.

I am not going into the question of the ability of the Government to operate industrial plants. For the Government to attempt to do so would so disrupt the economic structure of the Nation as to retard production seriously and thus interfere with winning the war.

the war

The third method proposed, which I consider the best solution The third method proposed, which I consider the best solution of the problem, is embodied in the McSwain bill now before the House. Under this bill the Executive is authorized to freeze prices as of a date prior to the declaration of war. By so doing, he would fix prices as of a date when business was being transacted under the normal law of supply and demand. A price ceiling would thus be established beyond which no prices could go, but under which prices might fluctuate. A price-fixing commission would then be established, with power to conduct hearings and raise or lower prices in order to correct inequities in the price structure. No man would have cause to complain, because reasonable compensation, considering the entire price level, would be received by everyone. evervone.

The speculator, knowing of the provisions for the freezing of prices, would refrain from speculation in advance of the declaration of war. There would ensue no undue inflation of prices and no deflation of the currency. The cost of living would remain fairly stable. All men would be working toward a common end—the same end toward which the men in the field were working—victory for the Nation.

No corruption of public officials—which follows unreasonable profits—would be experienced. The morale of the military and civilian population would be enhanced. There would be no demand for adjusted compensation or bonus to the service men after the war. Should the low-cost producer of a commodity in great demand receive inordinate profits, then an excess-profits tax could restore that profit to the Treasury. Operating under these conditions the tax would not pyramid prices because the price ceiling would prevent that. There would be no reaction and consequent depression at the close of the war, which always accompanies falling prices. The Nation would move from peace to war and from war to peace without serious disjointment of the economic structure. Business men would feel more confident in contracting for goods or services, knowing that prices would remain relatively stable. Labor would not complain when the cost of living did not increase. corruption of public officials—which follows unreasonable of living did not increase.

By the prevention of inflation the desired objectives would be accomplished. Peace, we desire above all else. By equalizing the burdens of war we enhance the probability of peace.

# TWO YEARS OF DEMOCRATIC CONTROL

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include an address I delivered over the radio last night in conjunction with the gentleman from Ohio [Mr. KLOEB].

The SPEAKER. Is there objection to the request of the gentleman from Massachuetts [Mr. TREADWAY]?

There was no objection.

Mr. TREADWAY. Mr. Speaker, 2 years ago yesterday the present Democratic administration took over the reins of government. It is therefore time that we take account of stock, balance the books of accomplishment and failure, and decide whether the administration has made good.

We all know that the election of 1932 came at a time of world-wide depression, and that there was a definite, psychological tendency toward a change of party control. Employment was scarce. It was easy to appeal to the husband out of a job and to the housewife lacking the needs of home. It was easy to persuade them to condemn the existing administration and to pin their faith to the assurances of prosperity to be gained by a change. Failure in this respect is apparent from the statistical returns showing that there are more than 10,000,000 unemployed and 19,000,000 on relief rolls.

Business is unable to make any substantial recovery because of Government interference. The basis of business prosperity is confidence. The uncertainty caused by daily changing policies necessarily breeds lack of confidence. A recent editorial written by one of the best known newspaper owners emphasized the fact that the Government should attend to its business and allow private business to manage its own affairs. A very excellent suggestion, but one far from reality at this time.

In his inaugural address President Roosevelt freely admitted that the legislation which he would propose would be an experiment. How long must business suffer from experiments? It is an interesting fact that the only new legislation tending toward permanent recovery was inherited from the last administration in the form of the Reconstruction Finance Corporation law. This Finance Corporation, created during the previous administration over the opposition of the then Democratic leaders, has done more to save the country from complete collapse than all the other alphabetical establishments combined.

Let me quote a brief paragraph from the Democratic platform of 1932:

We believe that a party platform is a covenant with the people to be faithfully kept by the party when entrusted with power, and that the people are entitled to know in plain words the terms of the contract to which they are asked to subscribe.

Listen to some of the contents of the covenant. It provided, among other things, for a reduction in the cost of government, for a balanced budget, for the elimination of extravagance, for the preservation of a sound currency at all hazards, for strengthening the antitrust laws, for the removal of Government from all field of private endeavor.

This covenant was endorsed in his acceptance speech by Candidate Roosevelt 100 percent. Promises are one thing and accomplishments are another. Besides failing to keep these promises, the Democratic Party under the Roosevelt leadership has brought about fundamental changes in our methods of legislation which never were submitted to the people for their consideration.

The Democratic administration has tremendously increased the cost of government by creating a monster Federal bureaucracy and adding to the Government pay roll nearly a hundred thousand new employees who have been appointed on a spoils basis rather than on a merit system. It has debased the dollar, nullified the antitrust laws, and is gradually putting the Federal Government into nearly every field of private enterprise.

These are only a few of the Democratic Party's broken pledges. The effort to control private enterprise is not limited by the size of the business involved. In fact, the small business man seems to be the hardest hit and the system of code control aids the big fellow.

To illustrate, there was in my district a small concern in a small community which cured hams and manufactured pork products. It took the surplus hogs from the nearby farmers and it gave employment, particularly in the wintertime, to about 30 or more people. The Government's control over business has caused this firm to fail, and the homes represented by those employees must resort to welfare aid. However, this incident accords with the testimony of Secretary of Agriculture Wallace, who said that the smaller and what he termed "inefficient" industries must give way.

There was no suggestion in the Democratic platform that constitutional government in this country would be suspended and that the Nation would undergo a "peaceful revolution" in which the governmental structure would be overhauled by a professorial "brain trust" not responsible to the people.

The Democratic Party has failed to keep faith with the American people in accordance with its platform and its campaign promises of 1932. During the campaign Mr. Roosevelt several times stated that the cost of Government must be reduced. In one speech he accused the last Republican administration of being the "greatest spending administration in peace times in all our history."

However, upon examining the records of the past 2 years we find that the present administration has increased expenditures from \$5,143,000,000 in 1933 to \$7,105,000,000 in 1934, with an estimated increase to \$8,581,000,000 in 1935. This latter figure is 60 percent in excess of the 1933 cost. The Budget for 1936 indicates an expenditure of not less than \$8,520,000,000, so it is evident the upward trend will be continued.

The preelection ledger hardly agrees with the postelection results. The figures I have cited, which are taken from official Government sources, give President Roosevelt's own administration, rather than the previous Republican one, the rather dubious distinction of being what he termed the "greatest spending administration in peace times in all our history."

Mr. Roosevelt, in one of his campaign speeches, said:

It is my pledge that this dangerous kind of financing shall be stopped and that rigid governmental economy shall be forced by a stern and unrelenting administration policy of living within our income.

At another time Mr. Roosevelt said:

Let us have the courage to stop borrowing to meet continued deficits. \* \* \* Stop the deficits. \* \* \*

Worse than the record of extravagance which I have cited is the fact that the billions spent have brought about no permanent recovery. The administration's attempt to squander the Nation back to prosperity has utterly failed, and the country is left with nothing to show for the experience but a tremendous increase in the public debt, which eventually must be paid by the taxpayers.

The Democratic administration has burdened industry and agriculture with all sorts of restrictions, and yet it wonders why they do not recover. Its legislative enactments work at cross purposes with one another.

Under the A. A. A. the administration sought to raise the farmer's income, but under the N. R. A. it took the increase away from him in the form of higher prices for what he had to buy

Under the N. R. A. the administration sought to raise the wage level, but under the A. A. A. it took any increase away in the form of higher prices for food and clothing by means of the burdensome and excessive processing taxes.

The N. R. A. has driven many a small businessman to the wall, and the processing taxes imposed under the A. A. A. have put many a producer out of business, like the small packing-house firm which I mentioned.

Under the A. A. A. the administration has curtailed the production of agricultural commodities, but under the recent act authorizing the President to make tariff bargaining arrangements with foreign countries, it has paved the way for increased importations of such commodities from abroad, seriously damaging our own farmers.

Under the N. R. A. the administration has increased production costs, but under the Reciprocal Tariff Act it is reducing tariffs and allowing greater competition from foreign producers who pay starvation wages and who are not subject to control in hours of employment, working conditions, and so forth.

Only recently a trade agreement was concluded with Cuba. The negotiations were conducted in secret, and not until the agreement was signed did its terms become public. Among other things, the President granted reductions in our duties on Cuban sugar, tobacco, potatoes, tomatoes, and other products. Under this agreement, 300,000 tons more sugar will be imported from Cuba to displace cane and beet sugar produced in this country, and the garden truck business of Southern States will be injured by the other items. Negotiations are now under way with some 14 other foreign countries which produce commodities in competition with ours. The one just concluded with Belgium still further injures our industrial recovery.

As a Republican, I believe that the interests of this country can best be promoted by maintaining the protective tariff, rather than by destroying it. The unemployed never can be put back to work by increasing our purchases abroad, nor can the condition of agriculture be improved by allowing a greater importation of farm products. After all, it should be remembered that the United States is the greatest home market on the face of the earth. We normally consume within our own borders 90 percent of what we produce, and export only 10 percent. Our prosperity is dependent upon the 90 percent and not upon the 10 percent. Even in 1929, the value of our exports was only \$5,000,000,000 as compared with a national income of \$90,000,000,000. The place for American dollars is at home.

In conclusion, I want to point out that domestic recovery depends upon a revival of business. That must be the foundation upon which reemployment and everything else depends. Business cannot and will not revive as long as the Democratic administration is permitted to put stumbling blocks in its way. The American people have it in their power to say whether the present policies shall be continued. I am sure that the day is not far distant when the electorate will be clamoring for a return to power of the Republican Party.

This brief résumé of 2 years of Democratic control shows that in taking inventory the liabilities greatly exceed the

### HOME OWNERS' LOAN CORPORATION

Mr. O'CONNOR, from the Committee on Rules, submitted the following privileged report for printing in the RECORD:

### House Resolution 150

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for concommittee of the whole house on the state of the Union for consideration of H. R. 6021, a bill to provide additional home-mortgage relief, etc. That after general debate, which shall be confined to the bill and shall continue not to exceed 4 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the hill for enveloped the committee shall rise of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. O'CONNOR. Mr. Speaker, the rule I have just presented is for the consideration of the Home Owners' Loan Corporation bill. The plan is to call up the rule tomorrow. The rule provides for 4 hours' general debate. That is in addition to the 1 hour on the rule. It is desirous, if possible, that all general debate be completed tomorrow; that tomorrow be used entirely in general debate. With the 1 hour under the rule and 4 hours of general debate, it makes a fairly long day unless we start at 11 o'clock. Therefore I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. O'CONNOR]?

Mr. SNELL. Reserving the right to object, to ask the gentleman from New York a question. I would not have any objection to meeting at 11 o'clock if it were necessary, but for the last several days there has been practically no business before the House and we have been adjourning early. As I understand the situation, there is not much business before the House today. Let me make this suggestion to the Chairman of the Rules Committee. We would be willing to waive the provision whereby the rule must lay over for 24 hours and grant consent to call that up this afternoon, and finish part of the debate today and meet at the regular time tomorrow. What does the gentleman say about that?

Mr. O'CONNOR. That has not been suggested. I do not know whether the committee members would be ready for that. I understand they are meeting now on some other matters, and I think that might take them unawares. The plan is, if possible, to finish the bill Friday night; that 2 days will be used on the bill, 1 day for general debate and 1 day reading the bill for amendment. I think it would be too short notice to take it up today. If that suggestion had been made earlier, we would have tried to work it out.

Mr. SNELL. I shall not object to meeting tomorrow at 11 o'clock.

The SPEAKER. The gentleman from New York [Mr. O'CONNOR] asks unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow. Is there objection?

There was no objection.

#### ONE MILLION ALIENS ON OUR RELIEF ROLLS.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a brief report appearing in the morning press on a splendid address on aliens being supported by our Government, delivered by my colleague from Texas [Mr. Dies] at a D. A. R. dinner in Washington last night.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. BLANTON]?

Mr. COX. Reserving the right to object, of course I shall not object.

Mr. BLANTON. I thank my friend from Georgia.

There was no objection.

The report of the dinner speech of Hon. MARTIN DIES, of Texas, reported in the Washington Herald for Wednesday, March 6, 1935, is as follows:

Immigration Curb Demanded by Dies—Million Now on Relief, Member of Congress Tells D. A. R. Dinner

Immigration doors of this country must be closed, for the protection of those who already have been afforded asylum here, Representative Dies, of Texas, said last night in a speech on Immigration Conspiracy.

America is the only country in the world, he said, which takes the taxpayer's money to pay relief to aliens, of whom there are now 1,000,000 on relief rolls.

#### SINISTER INFLUENCES

Representative Dies spoke at the dinner of the District confer-nce of the Daughters of the American Revolution and charged sinister influences" under different colors and different names,

"sinister influences" under different colors and different names, are at work to undermine the State Department and Consular Service and to place in the hands of the Labor Department discretionary powers in regard to immigration.

Radicals, sentimentalists, internationalists, and the aliens themselves, shed crocodile tears, heedless of the warnings America must stay on its own shores and protect its own people. The time is coming, he averred, when America will have to adopt the motto of George Washington, for the purpose of self-preservation. His motto was "None but Americans on guard."

At the present time, Representative Diffs said there are 3,500,000 aliens illegally in this country, Altogether there are 16,000,000 foreign born in America, 7,000,000 of them aliens, and of these aliens 6,000,000 have jobs which should have gone to American citizens.

citizens

# 750,000 EXCLUDED

In Germany, Mexico, France, England, Switzerland, and most other countries, he pointed out, there are laws prohibiting jobs being given to aliens as long as citizens of the country in question are available for the job. But they, he said, perhaps are not motivated by the "lofty ideals of the professors" of this country. He lauded the Government for its work in excluding 750,000 aliens within the last few months, on the grounds they might become public charges, and said that recently of 564,000 foreigners who have applied for visas from our consuls abroad, more than 400,000 have been rejected on the same grounds.

# SOLDIERS' BONUS

Mr. STACK. Mr. Speaker, I have a communication from my own district back home and I am convinced that my idea about Government is that I as a Congressman from the Sixth District of Pennsylvania should, when I can, express the sentiment of my district. I have a short communication that I think is of interest to all districts of the country, which I will be glad to read, with your permission.

The SPEAKER. How much time does the gentleman desire?

Mr. STACK. About 1 minute.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to proceed for 1 minute. Is there objec-

There was no objection.

Mr. STACK (reading):

MY DEAR MR. STACK: As a citizen and taxpayer and a nonveteran, I wish to let you know my views on the "soldiers' bonus" ques-

I am against the Belgrano bankers' bonus bill (Vinson bill). The bankers and Wall Street gamblers got their bonus in the years 1917 and 1918.

I am in favor of the Patman bill, H. R. 1. Please vote for it and vote against the Vinson bill. Respectfully.

HERMAN A. DYKE.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. SABATH. Mr. Speaker, I ask unanimous consent that I may address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, on yesterday the minority leader, the gentleman from New York [Mr. Snell], requested unanimous consent that he might address the House for 2 minutes to correct certain statements in one of the newspapers of the city of Washington.

The article that he referred to was one which gave the Democratic leaders credit for a victory; and in the 2 or 3 minutes granted to the gentleman he pointed out that the article was not correct, that he felt the Nation should know that it was not a victory for the Democratic leadership.

I want to say to the gentleman from New York that if the Democrats on this side were to rise and ask unanimous consent to correct misstatements whenever they appear in the newspapers they would be obliged to rise half a dozen or perchance a dozen times every day to correct the misstatements that are printed by the press against the Democratic Party. I want to say to the gentleman further that although someone might have stated to him that the steering committee made a recommendation on the bill, the gentleman was not correctly informed, for the steering committee made no such recommendation. The steering committee tries to act only when it is for the best interest of the House and for the best interest of the Nation, and they do not take part in any minor measures like the one that was before the House on Monday.

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question?

Mr. SABATH. Yes; I yield to the leader on the Republican 'side.

Mr. SNELL. I thought I was stating the position correctly, because I understood from the Chairman of the Accounts Committee that a subcommittee of the steering committee appeared before the Accounts Committee with the request that the bill be reported out. If I am in error about that, then I am mistaken about the statement made by the gentleman from North Carolina [Mr. WARREN].

Mr. SABATH. The gentleman from New York, as well as the gentleman from North Carolina, is misinformed.

Mr. SNELL. I am very glad to get that information.

Mr. SABATH. But I say this, as I understand the bill, it was reported by votes of the Democrats as well as of the Republicans. I find that nearly every day members of committees reporting bills vote for them in the committees. We have unanimous votes in the committees, and then when the bill comes on the floor of the House, under the whip and domineering influence of the Republican leader, Members are obliged to change their position and vote against their own convictions and against the interest of the membership, as it was Monday, and against the best interests of the

I voted for that bill, but not as the chairman of the steering committee. I voted for it because I realized, notwithstanding the statement of the gentleman from North Carolina, that the work has not increased; I voted for it because I knew that the work of this House had doubled since the war days. I was a member of two important committees in 1917 and 1918. I know what the work was then and I knew that the work has increased at least 200 percent. The gentleman from New York knows this as well as I. It is for that reason that I voted for the bill; and that is the reason others voted for it. [Applause.]

[Here the gavel fell.]

# COMMITTEE ON WAYS AND MEANS

Mr. CULLEN. Mr. Speaker, I ask unanimous consent that I may have until midnight tonight to file a report from the Committee on Ways and Means.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

## PERMISSION TO ADDRESS THE HOUSE

Mr. FORD of Mississippi. Mr. Speaker, I ask unanimous consent that immediately after the disposition of business on the Speaker's table and the special orders for today I may address the House for 20 minutes.

Mr. SUMNERS of Texas. Mr. Speaker, reserving the right to object, if this request is granted, will the gentleman from Mississippi address the House before the Committee on the Judiciary is reached on the call of the calendar?

The SPEAKER. If the request is granted, it will precede the call of the calendar.

Mr. SUMNERS of Texas. Mr. Speaker, I suggest that the gentleman wait until we shall have disposed of at least three of the bills of the Judiciary Committee.

Mr. FORD of Mississippi. Then, Mr. Speaker, I modify my request.

Mr. Speaker, I ask unanimous consent that after the Committee on the Judiciary has yielded the floor today I may address the House for 20 minutes.

Mr. SNELL. Mr. Speaker, reserving the right to object, will the Chair kindly inform the House what the program will be this afternoon? Then we shall know better how to consider these requests.

The SPEAKER. This is Calendar Wednesday.

Mr. SNELL. Which committee has the call, and how far down the calendar is it intended to go?

The SPEAKER. The gentleman will find the list printed in the calendar. The Election Committees are at the head of the list, then follow the Committee on Ways and Means, the Committee on Appropriations, and the Committee on the Judiciary.

Mr. SNELL. Is it understood that none of the committees ahead of the Committee on the Judiciary have bills ready?

The SPEAKER. That is the understanding of the Chair. Mr. SNELL. And there will be no other committees called after the Committee on the Judiciary?

The SPEAKER. The Chair would not say that. It depends on how much time is consumed by the Committee on the Judiciary; and that, of course, depends upon the action of the

Mr. SNELL. I thank the Speaker.

The SPEAKER. The gentleman from Mississippi asks unanimous consent that after the Committee on the Judiciary has completed its business on the calendar for today, that he be permitted to address the House for 20 minutes. Is there objection?

There was no objection.

# WASHINGTON AND THE VERMONT HERITAGE

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein an address delivered by Hon. John Spargo, president of the Vermont Historical Association, on Washington and the Vermont Heritage.

Mr. RANKIN. Mr. Speaker, reserving the right to object, who is the gentleman who made the speech?

Mr. PLUMLEY. Hon. John Spargo, president of the Vermont Historical Association, and the subject is Washington and the Vermont Heritage, delivered on Washington's Birth-

Mr. RANKIN. Has the gentleman from Vermont scrupulously consulted the gentleman from Pennsylvania [Mr. RICH] on this request?

Mr. PLUMLEY. I have not. Mr. RANKIN. I suggest that he consult that guardian of the RECORD, and if it is all right with him I have no objection.

Mr. RICH. I have a large number to look after, and if the gentleman will look after the Members on that side we will take care of the insertions not Members' own remarks in the RECORD over here.

Mr. RANKIN. Mr. Speaker, in reply to the gentleman from Pennsylvania [Mr. Rich], may I say that if he will look after his minority we will take care of the majority.

Mr. RICH. If we on this side put in the RECORD as much as the gentleman from Mississippi [Mr. RANKIN], we would have to increase the size of the RECORD and put on another shift in the Printing Office.

Mr. RANKIN. If the gentleman from Pennsylvania [Mr. Rich] would put in as much, according to the number of words he uses, that might help considerably toward improving the quality of the RECORD.

ing the quality of the Record.

Mr. GREEN. Mr. Speaker, reserving the right to object, I think the gentleman from Vermont and the people of Vermont should have anything within reason that they desire. I shall not object.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, under the leave to extend my remarks in the Record I include the following address of John Spargo, president of the Vermont Historical Society, at the annual dinner of the United Patriotic Societies of Vermont, held at Burlington, February 22, 1935:

Vermont, neld at Burlington, February 22, 1935:

The day we celebrate as the birthday of Washington has come to hold a place in our national life as unique and as exalted as that of the man himself. To a greater extent and in a profounder sense than any other day in the year, it may be said to have become our annual feast of patriotic dedication. In every part of the civilized world, wherever American citizens foregather, reflection upon the life and character of Washington evokes a sense of patriotism of rare spiritual quality. Influenced by the majestic greatness of the man himself, his freedom from cant, from insincerity and vaingloriousness, on this day our expressions of patriotic pride and consecration have a nobler quality than we commonly attain.

Even as we gather here, representatives of various patriotic so-

commonly attain.

Even as we gather here, representatives of various patriotic societies and organizations of Vermont, so in every part of this great Nation similar gatherings of patriotic citizens have assembled throughout this day to pay homage to Washington's memory and to rededicate themselves to those patriotic principles so gloriously and inseparably associated with his name. Year after year for a hundred and fifty years now, his countrymen have celebrated Washington's birthday and made of it a day of patriotic consecration. In that period there have been sunshine and storm, prosperity and adversity, triumph and disaster, and through all the spirit of Washington has been potent in guidance and inspiration. We need both the guidance and the inspiration today more than ever before.

ever before.

It is not generally realized, I think, that the custom of holding public celebrations of Washington's birthday began during his lifetime. The newspapers of the time recorded great celebrations in New York and in Richmond, Va., in 1784. Although I have observed no earlier accounts of the formal public celebration of the day, it is worthy of note that the New York Gazetteer, in its account of the celebration in that city, refers to it as being according to an "annual custom."

Those early observances were held on the exact birth data—that

Those early observances were held on the exact birth date—that is, on February 11—and that was the custom for many years. Thus in 1790 in Baltimore there was much celebration of the anniversary. The account appeared in the Pennsylvania Packet and Dally Advertiser, February 22, 1790. It is dated from Baltimore February 16, and describes the observances as being held "on Thursday last", which was the 11th. In his mother's Bible Washington himself inscribed the date of his birth as February 11. The adoption of the Gregerian calendar by the British Parliament by the act of 1750 brought a good deal of confusion into local and family records. That act of Parliament decreed that in 1752 October 3 should be reckoned as October 14 throughout the British possessions. Thus in all records October 2 would be immediately followed by October 14. Moreover, the new law provided that New Year's Day, which had always been April 24, was henceforth to be January 1.

that New Year's Day, which had always been April 24, was henceforth to be January I.

This revision of the calendar did not come into effect until Washington had grown to manhood. When he was born, the old style of reckoning by the Julian calendar was in use. Had the new style then been in use, the date would have been February 22, 1732. That is why we commemorate this date and not the earlier one. The actual date is of no importance, of course. Any day set apart for the purpose of honoring Washington's memory and recalling the greatness of his service to his country would of necessity become a holy day. Washington himself is a symbol. From the beginning he has been revered as the examplar of great virtues, rather than loved for personal traits and charms. None ever regarded him with the intimate, personal affection with which millions have regarded Jefferson and Jackson and Lincoln. Awed reverence, rather than personal affection and familiar understanding marks our thoughts and our speech shout Washington.

millions have regarded Jefferson and Jackson and Lincoln. Awed reverence, rather than personal affection and familiar understanding, marks our thoughts and our speech about Washington. When we consider the life of the English gentleman of Virginia whose destiny it was to become the First American and to be placed among the great immortals, what deed or event shall we select as best exemplifying his greatness? Some will turn to the majesty of his agony at Valley Forge. Others will turn to the moment when he left the Second Continental Congress in shy confusion, as John Adams eulogized him and proclaimed his unique fitness to command the Continental Army. Still others will choose as the greatest expression of his genius the stern imperiousness of his rebuke to those who would make him king.

Probably there are few who, if challenged to make such a choice, would select his presidency of the Constitutional Convention of 1787 as the supreme manifestation of his greatness as a leader. Yet such a choice would have great merit to commend it. It has always seemed to me that the calm wisdom and the intellectual and moral integrity of Washington contributed greatly to the success of that body of able and illustrious men, who for 4 months struggled with the task of fashioning the structure of an enduring National Government. The importance of Franklin's wise counsel has been fully recognized. The brilliant genius of Hamilton and the learning of Madison have been universally acclaimed. But it is exceedingly doubtful whether the contributions of these giants, and of others like Edmund Randolph, Robert Morris, Roger Sherman, and Charles C. Pinckney were of greater importance than the influence of the almost silent Washington. There is reason to believe that but for his matchless leadership—a leadership of undisputed moral prestige—the Convention would have ended in a disastrous increase of dissention.

of dissention.

When the fate of the Constitution hung in the balance, a visitor at Mount Vernon wrote to Thomas Jefferson concerning Washington: "I never saw him so keen for anything in my life as he is for the adoption of the new scheme of government." It is impossible for any candid mind to study the contemporary records of the conditions prevailing at the time without reaching the conclusion that Washington's influence and leadership made possible the adoption of the great instrument which made us a nation, and which for almost a century and a half has sustained the greatest system of popular government and personal freedom in all human history.

At this time, when all thoughtful men and women are conscious of the fact that the Constitution is being subjected to serious and unprecedented strains, and many of us are convinced that both the Constitution and the whole body of rights it sustains are in danger of quick destruction, it is well to remind ourselves of the heroic past. It is well to remind ourselves that the Constitution was the consummation of the Revolution and the War of Independence. Without it the Declaration of Independence would be no more than a fanciful essay, and Saratoga and Yorktown memorable only as theaters of stupendous folly.

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orable only as theaters of stupendous folly.

Recently, at my suggestion, our good friend Col. Robert McCuen introduced in the Legislature of this State a joint resolution providing for the appointment by the Governor of a commission to arrange for the commemoration of the bicentennial anniversary of the birth of Ethan Allen. I hope that when that commission is appointed the members of the various patriotic organizations of the State will throw themselves into the work with enthusiasm and zeal. Despite all that has been written about the most romantic personage in Vermont history, I am convinced that much remains to be revealed. Dramatic and bizarre episodes and eccentricities have obscured qualities and services of greater importance and worth.

Moreover, I hope that the commission will be empowered, and far-visioned enough on its own account, to so broaden the scope of its work as to provide for a commemoration at the same time of the one hundred and fittleth anniversary of the formation of the Constitution. The sesquicentennial anniversary of an event of such transcending importance ought not to be passed by without notice under any conditions. The conditions now prevailing, and likely to prevail, make the sober and solemn commemoration of the anniversary a special obligation which you here assembled cannot in decency and honor shirk.

out notice under any conditions. The conditions now prevailing, and likely to prevail, make the sober and solemn commemoration of the anniversary a special obligation which you here assembled cannot in decency and honor shirk.

Within the present week a distinguished member of the Supreme Court of the United States, speaking for four members of that great tribunal, declared that "It does not seem too much to say that the Constitution is gone" and that the fundamental rights and guarantees of that instrument have been "swept away." Admittedly only a serious jeopardy of the Constitution and of the personal and property rights rooted in the Constitution could have called forth such a serious declaration by 4 of the 9 members of the Supreme Court.

I submit that there is in that declaration a challenge to every citizen, and a special challenge to every member of each of the great patriotic bodies here represented. If the Constitution has in fact been so violated that it has ceased to be effective, and is to all practical purposes destroyed, it must be restored and reinstituted. If, on the other hand, we hold that the dramatic declaration of the four Justices contains large elements of emotional exaggeration, it is still clearly evident that the Constitution is in grave peril and needs stout and determined defense. Whichever view of the matter we take, it seems to me, there lies at the very heart of it a challenge we must not evade. I wish that from this gathering there might proceed a movement to make Vermont's answer to that challenge. It would be well if between now and 1937, every man and woman in Vermont would wear, as a badge of loyalty and consecration, the outward and visible sign of an inward grace and purpose, a simple button with the motto "Preserve the Constitution" inscribed upon it. With that preparation, we could make 1937 forever memorable as the year in which the Constitution was restored and the Republic preserved.

I shall not here discuss the issues raised in the conflicting opinions of the members of the Supreme Court in the cases just decided arising out of the legislation of Congress affecting the so-called "gold clauses" in contracts, save only to make a single observation. The majority opinion, equally with that of the minority, holds that the Congress violated the Constitution when it abrogated the gold clause in Government bonds. Stripped of non-essential terminology, that is what the entire Supreme Court de-

That finding is in full consonance with the principle long cided. ago laid down by Alexander Hamilton, and uniformly followed throughout our history. As Hamilton forcibly pointed out, the idea that Congress can itself enter into an obligation and then at will make a law changing the obligation is repugnant both to reason and morality. But the majority of the Court, having emphasized this sound principle, proceeded to reduce it to a mere pious admonition, of no practical value to the citizen, by holding that the citizen holding a Government bond whose value is impaired by the unconstitutional action of Congress has no redress at law, because a citizen cannot sue the Government without the

at law, because a citizen cannot sue the Government without the Government's consent.

The principle that the sovereign may not be sued by the citizen without the sovereign's consent is sound law, essential probably in a democratic republic, to the existence of sovereignty itself. But for all that, its application in such a set of circumstances as are comprised in this case, is brutally oppressive, repugnant to morals, and inimical to stable government. It is quite plain that the present Congress will not enact legislation enabling the victims of its own unconstitutional and invalid action to seek redress. It is no less certain that had the majority opinion of the Supreme Court left open and undetermined the question of the right of citizens to sue the Government for the enforcement of contractual obligations illegally abrogated, Congress would have been called upon to pass legislation specifically denying that right.

In short, we have the most flagrant and shameful repudiation

upon to pass legislation specifically denying that right.

In short, we have the most flagrant and shameful repudiation by the Government of its obligations to its own citizens, repudiation which the Supreme Court declares to have been improperly and unlawfully accomplished, but with no redress for the citizen. Regardless of our opinions upon any of the grave questions which are intermingled with the great problems of currency and credit, I believe that there is no thoughtful man or woman of good faith and good will in all this land who does not feel humiliated and shamed by the cynical unrighteousness of this phase of our Government's policy. Governor Pownall once described certain principles and plans proposed for the regulation of relations between Great Britain and the Colonies as "mere useless opprobrious theory." So those who are responsible for the conduct of our Government seem to regard the universally accepted principles of honorable and honest dealing.

This is no occasion for partisan criticism or attack, and I shall

of honorable and honest dealing.

This is no occasion for partisan criticism or attack, and I shall not commit the offense of attempting to discuss those issues which are being contested by the political parties in our land. It is unfortunately true that in both the great political parties there are many who approve the shameful policy of repudiation. And it is fortunately true that the policy is as sternly repudiated in the party of the administration as in the party of the opposition. What I am concerned to point out is the serious, and perhaps, irreparable, damage that the repudiation has done to the Nation, and to other nations, damage which will be felt long after those now living shall have passed away.

As a student of economics and political science. I cannot close

As a student of economics and political science, I cannot close my eyes to the fact that this policy of repudiation has taken the stabilizer out of the economic mechanism of the Nation. In times past prudent and cautious men, relying upon the soundness of government obligations, have always preferred government securities with comparatively low returns over other types of securities with larger returns in sufficient number and investment volume a stabilizer, a counter balance to the constant pres of speculation. The great fiduciary investments, based to a large extent upon the confidence that our Government obligations were

of speculation. The great fiduciary investments, based to a large extent upon the confidence that our Government obligations were beyond failure whether by accident or design, have been an important part of that stabilizing mechanism. Repudiation of the obligations of the Government can have no other result than to destroy that confidence, remove all Government obligations from the position they have heretofore held unchallenged, and make those securities as speculative as those of private issue.

It is a favorite device of crators speaking upon occasions like this in commemoration of Washington, Lincoln, Cleveland, or other great leaders of the past, to ask what that leader would do if he were alive today, challenged by today's problems. The answer is always the same, namely, that he would do just what the orator himself believes should be done. I shall not resort to that device. I do not presume to say that Washington, if he were reincarnated and returned to us in this year 1935, would do this or that thing. Whether he would support our entry into the World Court or the League of Nations, whether he would favor returning to the gold standard, or experimenting with inflation, who shall say?

What I do assert, however, is that if he came with the same austere rectitude of mind and conscience, the same selfless purpose, the same high regard for the constitutional principles he did so much to bring to reality in 1787, he would be foremost among those who now are fighting to preserve those principles and the institutions founded upon them. Certainly, Washington would find himself in a bewilderingly changed world. He would see mighty mills with throbbing motors where he had known small workshops. Instead of travel by stage or horseback he would

see mighty mills with throbbing motors where he had known small workshops. Instead of travel by stage or horseback he would see swift transportation through the skies. Instead of waiting months to get a simple exchange of communications with France or England, he would be able to make the exchange in a few minutes, more easily than it was in 1787 to communicate with his

next-door neighbor.

Yet these marvelous changes, and others not less striking, would perplex him less, I think, than the changes in our Government which have taken place during the past few years. I have an idea that he would find it much easier to accommodate himself to the mechanical changes than to the political changes. The

tremendous increase in the functions and powers of the Federal Government; the invasion of the rights and sovereigntles of the States; the abdication of its legislative functions by the Congress states; the abdication of its legislative functions by the Congress and the assumption of those functions by the President and by agents appointed by him; the steady march of the Nation toward a lock-step regimentation of its citizens; the levying of billions in taxes to be expended at will by the President, without direction or limitation or accounting—surely these things would stagger the immortal Washington, who is still "first in the hearts of his countrymen!"

There is no evidence that Washington ever set foot in Vermont. When preparations were being made for the celebration of the bicentennial anniversary of his birth, I made an exhaustive search to find out if possible whether there was any evidence that he had been in Vermont at any time. Other investigations were made under the direction of Dr. Albert Bushnell Hart, the great histories. No such evidence was found. Of course, there are historian. No such evidence was found. Of course, there are legends. There is the silly story of his supposed visit to Bennington, to confer with Governor Tichenor, when he is alleged to have come "disguised as a groom." There are other legends hardly less silly, but there is not a single shred of credible evidence

that he ever came to Vermont at any time.

We know that he was deeply and profoundly interested in getting Vermont into the Union. We know, too, that in the darkest hours of the Revolution he was cheered by the heroism of the Green Mountain boys and the victory of Stark's army at Bennington. It was fitting that Vermont should come into the Union during his Presidency, the first State to be added to the original thirteen. Because of these things, we of Vermant feel that we have special reason to cherish Washington's fame and memory. We feel that our kinship with him is second only to that of Virginia, whose son he was. And today the principles and ideals which were his are still cherished here to such an extent that from coast to coast the very word "Vermonter" is held synonymous with the title, "Defender of American Liberty."

Paraphrasing a noble declaration by Calvin Coolidge that will

Paraphrasing a noble declaration by Calvin Coolidge that will live as long as our language itself, I venture to say here: If the faith and the ideals of Washington should vanish in every other part of the Union, and loyalty to the institutions of liberty he helped to make should elsewhere perish, all could be replenished and restored from the generous store held by the people of Vermont

#### IMPRESSIONS OF A NEW CONGRESSMAN

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by inserting a radio address made by the gentleman from Nebraska [Mr. Stefan] over the Columbia Broadcasting System on February 28.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MARCANTONIO. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address by Representative Karl Stefan, Republican, of Nebraska, over the Columbia Broadcasting System Thursday, February 28, at 11:30 p. m. Representative Stefan discussed his impression of Congress from a new Congressman's viewpoint. He is the only radio announcer in Congress. He spoke from the studios of WJSV, Columbia's station for the Nation's Capital.

The address is as follows:

I have been given this opportunity by the Columbia Broad-casting System to talk to you from the standpoint of a new Mem-ber of the Seventy-fourth Congress and, also, as the only practical radio man in the House of Representatives.

Feeling that I know what a radio listener wants to hear and realizing how you feel about long-winded speeches, I beseech you to be tolerant with my efforts to tell you some of my impressions of Congress from the viewpoint of a "rookie" Member.

One of the inevitable first impressions of the House of Representatives that comes to a new Member and to the visitor in the gallery is that there is usually a great deal of confusion in the Chamber and that it is very difficult for Members and visitors to hear what is going on. The truth is that bad acoustic conditions in the Chamber militate against good order. However, better sound conditions in the House Chamber would contribute to the improved decoration of the House as well as to the ease with which

sound conditions in the House Chamber would contribute to the improved decorum of the House as well as to the ease with which business is transacted, and because of the obvious need for the improvement one of my first acts here was to discuss the existing situation on the floor of the House and to introduce a resolution for the purpose of having modern scientific appliances installed in the Chamber for the perfection of sound transmission.

I want to repeat what I said over this great radio chain on the opening day of this session of Congress—that the people are not interested in politics or politicians right now. As a new Congressman, I have listened eagerly for constructive legislation from men who have been in Congress for many years. Because I believe I have some constructive ideas, I have endeavored to take my part early in the session by putting some of these ideas into motion, and have introduced a few bills which I feel are constructive, such as my bill to take the Postal Service and the Post Office Department out of politics; my bill to authorize and direct a special commission to make a study of the "farm dollar" and

to devise ways and means to restore and maintain an equitable and stable purchasing power of the farm dollar; also, my bill to authorize farmers to repay crop-production loans in commodities in kind, after harvest, bushel for bushel, rather than in money, notwithstanding the intervening fluctuations of farm-commodity prices, etc.

I have never been a public-office holder before; never before have I been a candidate for public office. Although elected on the Republican ticket—the only Republican from my State—I am not interested in partisan politics and look at Congress from an ordinary layman's viewpoint. I realize that the United States is not contained entirely in the District of Columbia. I realize that we must represent 48 States and our Territories and island possessions. I realized early after coming to Washington that a dewe must represent 48 States and our Territories and island possessions. I realized early after coming to Washington that a depression brings something of a boom to Washington; that it may be easy for a human being to forget that there is a depression when thousands of officeholders in this city display wealth and prosperity. I talk daily with great statesmen who are learned in legislative tactics and parliamentary law. Knowing the misery which exists outside of the city of Washington, I am amazed how quickly some of these men take advantage of partisan politics.

I have read a great deal about minority and majority parties.

quickly some of these men take advantage of partisan politics.

I have read a great deal about minority and majority parties. Today, I am a member of that smaller group. I listen carefully to partisan politicians and I wonder why these leaders forget so quickly who they really represent; who really made the present majority in Congress and why.

You who are listening to me know who the forces are that made this majority, do you not? You know what forces made Franklin D. Roosevelt our leader. To refresh your memory, that force includes 3,500,000 people who are unemployed. Some say that force is closer to 10,000,000. It also includes the millions on relief; the million young men and women out of our educational institutions walking the streets looking for jobs; the thousands of young people who become of age each month. That, in my opinion, is the force which made this majority and leadership, and that is people who become of age each month. That, in my opinion, is the force which made this majority and leadership, and that is the force which gave commands, and that is the force which can take away that majority and that same leadership unless relief

take away that majority and that same leadership unless relief based upon common sense and permanency is forthcoming. Knowing this to be true, I feel that the biggest answer to that force came from the House when it voted to turn over to the President about 5 billions of dollars to bring permanent recovery. Of course, that bill is now in the Senate for remodeling, and that it is being remodeled, you well know.

I can't imagine how much \$5,000,000,000 is. Can you? But I

and that it is being remodeled, you well know.

I can't imagine how much \$5,000,000,000 is. Can you? But I can imagine the plea for help from millions of human beings and I pray that this money which belongs to you will be spent in such a way that it will do the most good for the most number of people, and that it will be spent from a nonpartisan point of view and kept free from the palms of the spoilsman.

The Seventy-fourth Congress has been in session 2 months. What have we, a legislative body, accomplished to the end that the economic and social ills of the country may be cured? I am impressed by the fact that about all we have done so far is to appropriate money. Insofar as the House is concerned, we have passed five of the regular annual supply bills—thirty-nine millions for the District of Columbia; seven hundred and seventy-seven millions for the independent offices; ninety-eight millions for the State, Justice, Commerce, and Labor Departments; nine hundred and three millions for the Treasury and Post Office Departments; three hundred and seventy-eight millions for the War Department; and about \$1,000,000 of "urgent" appropriations near the beginning of the session. We have yet to pass the appropriation bills for the Interior Department, the Navy Department, the Department of Agriculture, and the legislative establishment. These, of course, will aggregate additional hundreds of millions of dollars. Notwithstanding that we have yet to pass four of the major appropriation bills of the year, the House has already appropriated \$7,076,000,000, in round numbers, since January 3, 1935. This, of course, includes the \$4,830,000,000 carried in the Emergency Relief Appropriation Act of 1935. I cannot avoid the conclusion that two questions are now very pertinent. First how long can we continue that prodigal rate of expenditure of public money; and, second, are we not going to have to do much more and different than appropriate money to lift ourselves out of our present trouble? The challenge is out to this Congres

as mammoth appropriation bills.

From observation and participation in the proceedings of this historic Congress, I realize that public sentiment has much to do with legislation; that the voice of the people, if that voice is loud enough, usually sways action in Congress. Therefore, I feel that the force which made this majority party and this leadership will not stand for spoilsmanship in this our hour of distress; that spoilsmen will not take advantage of this the greatest moneyspending program in the history of our Nation or any other nation

spending program in the history of our Nation or any other nation on the face of the globe.

Most of the representatives have various ideas. They come from every State in the Union with the problems of people from their various districts. Naturally, their ambitions to serve their people are based upon the present demands of the people in their particular districts. These ideas are contained in the various bills and through committees, conferences, etc., there is that exchange of views for the purpose of bringing to all of the people that mixture of legislation which in the minds of their representatives is essential to their welfare.

I am working for legislation toward the betterment of my dis-

am working for legislation toward the betterment of my disct. Every Congressman has his program for legislation which believes will help his district. That's why the exchange of

ideas seems to help us new Members. We are getting considerable help from older Members, but they have their own troubles. After interviewing scores of Members of the House of Representatives, Democrats and Republicans alike, I believe that every Member has the interest of his district at heart and everyone is, first, an American and is here fighting for your welfare, and while some things are done which may look to the contrary, I believe that the United States Congress is still a representative body of men and women. I believe that everyone in the House today wants to save this Nation and to keep intact our constitutional Government.

ment.

We are at the half-way mark of the present national administration. The last 2 years have witnessed many changes, some of them fundamental. Not a few of these changes occurred with the admission, express or implied, that they were temporary in nature and were induced only by the emergency. The next 2 years will do much to initiate the removal of temporary expedients or to cultivate them into fixed forms incapable of displacement. Of this situation the American people should be fully aware, and the American people should tell its Congress now whether or not it wants these far-reaching changes perpetuated. I want to thank Ted Church and staff and the Columbia Broadcasting System for the use of its great radio facilities.

It has been my privilege to walk along with radio from almost its infancy, and I am amazed at the strides of this great science. As one radio fan to another, I wonder if we take all of this wonderful service for granted? Those of us who know the tremendous expense and the tremendous amount of scientific research which is behind this service appreciate it all.

behind this service appreciate it all.

And to those of you who have been so patient I want to thank you for listening to me tonight. Might as well be happy, folks, because everything is going to be all right.

### JUSTICE OLIVER WENDELL HOLMES

Mr. PETTENGILL. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes to pay a brief tribute to Justice Holmes.

Mr. SUMNERS of Texas. Mr. Speaker, reserving the right to object, I give notice that I will object to the granting of any further special privileges today.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. PETTENGILL. Mr. Speaker, Justice Oliver Wendell Holmes is dead. The great dissenter is gone. He dissented from old thought patterns in favor of new ones. It is my belief that if his dissents of 10, 20, 30 years ago had been accepted as the true guide posts to our development, much of the trouble of today would have been spared us. and Brandeis dissent." Historic words!

From my days in law school he has been a sort of spiritual godfather of mine. This is not the time to appraise his achievement, but it is certain, as he once said, "We will leave our spirit in those who follow, and they will not turn back. All is ready; bugler, blow the charge."

On the day that his death is announced to the world I would like to point out just one, perhaps the major part of his creed-his belief in experiment.

Justice Holmes knew that growth is the law of life; that only change is changeless; that "time makes ancient good uncouth"; that men must be free to pioneer new pathways to new El Dorados.

Justice Holmes always believed in a new deal. He would, without doubt, have upheld the major purposes of the new deal of today. For 94 years he remained "invincibly young" as Justice Hughes once said. He brought to the Nation's altar the winnowed wisdom of years, but his heart was a boy's heart to the end. He never put life in a pigeon hole, nor the Constitution in a straight-jacket.

This is easily proved by his own words and I here set down "little fragments of my fleece that I have left upon the hedges of life ".

In the first chapter of his first book, The Common Law, he said: "The life of the law has not been logic; it has been experience", and of course experience comes from experiment.

The provisions of the Constitution are not mathematical formulas having their essence in their form; they are organic living institutions transplanted from English soil. Their significance is vital, not formal.

The fourteenth amendment (and he would have said the same thing of any other part) is not a pedagogical requirement of the impracticable.

The fact is that legislation in this country, as well as elsewhere, is empirical.

There is nothing I more deprecate than the use of the fourteenth amendment beyond the absolute compulsion of its words to prevent the making of social experiments that an important part of the community desires, in the insulated chambers afforded by the several States, even though the experiments may seem futile or even noxious to me and to those whose judgment I most respect.

If there is any principle of the Constitution that more imperatively calls for attachment than any other, it is the principle of free thought—not free thought for those who agree with us, but freedom for the thought that we hate.

We see nothing in the Constitution that compels the Government to sit by while a food supply is cut off and the protectors of our forests and our crops are destroyed.

As any line of adjustment between conflicting rights must be drawn on practical grounds, there is no doubt that it may vary under different circumstances. For instance, in England, in view of the national importance of their great manufacturers, juries are instructed that, in counties where great works are carried on, parties must not stand on extreme rights.

When 20 years ago a vague terror went over the earth and the word "socialism" began to be heard, I thought, and still think, that fear was translated into doctrines that had no proper place in the Constitution or the common law. Judges are apt to be naive, simple-minded men, and they need something of Mephistopheles. We, too, need education in the obvious—to learn to transcend our own convictions and to leave room for much that we hold dear to be done away with, short of revolution, by orderly change of the law.

We know too much to sacrifice good sense to a syllogism.

The law is the witness and external deposit of our moral life. Its history is the history of the moral development of the race.

He believed in the "oughtness" of the law.

Many more like these few excerpts from his wisdom might be given, but these are here set down "in order that we may remember all that buffoons forget." He did not believe in wild swings of the pendulum because he once said, "Historic continuity with the past is not a duty, it is only a necessity." But he did believe that the past is not the present, nor the present the future.

He once wrote to a Hoosier friend of mine, Oswald Ryan, of the Federal Power Commission:

Life is a romantic business. It is painting a picture, not doing a sum; but you have to make the romance. And it will come to the question, How much fire have you in your belly?

As he once said of an associate who had passed on, so we may say of him:

Sooner or later the race of men will die, but we demand an external record. We have it. What we have done is woven forever in the great vibrating web of the world. The eye that can read the import of its motion can decipher the story of all our deeds, of all our thoughts. To that eye I am content to leave the recognition and memory of this great head and heart.

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SUMNERS of Texas. Mr. Speaker, I should like to add one sentence to what has just been said. Mr. Justice Holmes was a great jurist, who believed in a democracy in government based upon a democracy in opportunity and in responsibility. We of the South recognize him as a valiant soldier during the tragic war between the States and as a generous friend when the war was over.

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. TREADWAY. Mr. Speaker, as one of the Massachusetts delegation, I think I should add a brief word of sympathy, respect, and admiration in memory of Mr. Justice Holmes.

In the death of Mr. Justice Holmes the State of Massachusetts has lost one of its most illustrious citizens and the Nation its most preeminent jurist. Although he is gone from our midst, his spirit will never die. He has left his "footprints in the sands of time."

Oliver Wendell Holmes, Jr., was born in the city of Boston on March 8, 1841. On the ninety-fourth anniversary of his birth he will be laid to rest in Arlington National Cemetery beside the remains of his beloved wife, who preceded him in death by some 6 years.

Nothing can be more fitting than that every possible respect should be shown to his memory. I am unable to say whether Congress has ever paused in its deliberations to officially pay tribute to a person no longer holding any public position, but, Mr. Speaker, in the present instance there is a very unusual situation. There probably never has been a parallel case, so we do not need to look for any precedent. Therefore, I propose to present a concurrent resolution to extend an invitation to Mr. Chief Justice Hughes to address a joint meeting of the two bodies of Congress in commemoration of the life and services of the late Justice.

As a boy Oliver Wendell Holmes lived under the influence of his poet father—another famous son of Massachusetts—whose full name he bore. In 1861, at the age of 20, he was graduated from Harvard University with the degree of bachelor of arts.

Shortly thereafter young Holmes volunteered with the Twentieth Massachusetts Regiment for service in the Civil War. He was commissioned a lieutenant, and served his country with distinction, being thrice wounded. He was mustered out of service in 1864 with the brevet of colonel, a title which in his later years he revered above all others. At that time he was but 23 years of age.

There is an interesting story in connection with his Civil War service that illustrates the close relationship of young Holmes with his father. During the Battle of Antietam he was wounded in the neck.

Upon learning of his son's injury, the elder Holmes set out at once to find his boy, traveling some 500 miles, only to be directed from one place to another in Maryland and nearby Virginia. Finally he found young Holmes, who was then a captain, in a railway train at Harrisburg, Pa.

After the war young Holmes returned to Harvard and entered upon the study of law, receiving his degree in 1866. Following a lengthy vacation in Europe, he formed a law partnership with his brother, Edward, and later became a member of the firm of Shattuck, Holmes & Munroe.

In 1870, 4 years after obtaining his law degree, he went back to Harvard as an instructor in constitutional law. Subsequently he delivered a series of lectures before the Lowell Institute on the common law, which were later printed as a textbook. This book at once established Mr. Holmes as a master of legal jurisprudence and after 54 years is still in wide use.

In 1882, shortly after he had been appointed to a new professorship at Harvard, he was named by Governor Long of Massachusetts to be an associate justice of the State supreme court. Seven years later he was made chief justice.

He served upon the supreme bench of his beloved State for a period of 20 years, during which time he wrote many scholarly opinions, running through 45 volumes of legal reports, which marked him as a jurist far above the average.

His reputation became so great that in 1902 he was named by President Theodore Roosevelt to be an Associate Justice of the United States Supreme Court. At that time he was 61 years of age, and although some question was raised as to the advisability of appointing a man of such advanced years, the wisdom of President Roosevelt's choice has been more than vindicated. Although most men have passed the zenith of their careers at that age, Mr. Justice Holmes was but entering upon what was to become 29 years of further distinguished service. When he retired from active duty in 1932 on the occasion of his ninety-first birthday, he had firmly established himself as one of the most brilliant jurists of all time.

Mr. Speaker the Psalmist wrote:

The days of our years are threescore years and ten; and if by reason of strength they be fourscore years, yet is their strength labor and sorrow; for it is soon cut off, and we fly away.

Oliver Wendell Holmes not only reached fourscore years, but was within striking distance of fivescore when his busy, useful, and brilliant earthly existence was terminated. He died as he lived, calmly and peacefully, and retained his strong mental faculties and his hopeful philosophy until the end. His last years were not years of "labor and sorrow." Age did not wither him, but on the contrary lent luster to his brilliant mind.

Oliver Wendell Holmes is a name that will ever be connected with the best in American life—the best in literature, in poetry, in philosophy, in law, and in jurisprudence, and yet above all, the best in human sympathy to his fellow man. In nearly a half century upon the bench Justice Holmes sought to dispense equal justice without fear or favor; and if in some of his decisions he leaned toward so-called "liberalism", it was not as a dissenter but as one who preferred to err, if he erred at all, on the side of those whose rights he felt it his bounden duty to safeguard.

Justice Holmes was the oldest justice ever to actively sit upon the Supreme Court bench, and only eight justices in the entire history of the Court exceeded his record of 29 years of service. These were Justice Bushrod Washington, of Virginia, 31 years; Chief Justice John Marshall, of Virginia, 34 years; Justice William Johnson, of South Carolina, 30 years; Justice Joseph Story, of Massachusetts, 34 years; Justice John McLean, of Ohio, 32 years; Justice James M. Wayne, of Georgia, 32 years; Justice Stephen J. Field, of California, 34 years; and Justice M. Harlan, of Kentucky, 34

Mr. Speaker, the people of the Commonwealth of Massachusetts loved and admired Justice Oliver Wendell Holmes. and were justly proud of him as one of their illustrious native sons. In fact, he was loved and revered by his fellow men everywhere, not alone for his works which live after him, not alone for his great learning, not alone for his deeds with sword and pen, and not alone for his culture and versatility, but because he was a man of exalted and noble character.

Permit me to quote an appraisal of Mr. Justice Holmes by one of his former associates, Mr. Justice Stone, who often joined him in dissenting opinions. Justice Stone said:

It may fairly be said that no judge in the entire history of Anglo-American law has written opinions exhibiting as profound an insight, with such crystalline clarity of thought and such literary grace, as Justice Holmes, and few have exercised a more profound influence on the law and on legal thinking. In this, his dissenting opinions have been quite as influential as his opinions for the Court. Many of the latter have already become the law of the land, and many more will ultimately become so.

Mr. Speaker, on the occasion of his ninety-first birthday, following his resignation from the Court, Mr. Justice Holmes was showered with the praises and tributes of the bar of the Nation, led by Chief Justice Hughes. His response to that ovation was characteristic and gave an insight into his true feelings regarding life and death. I quote his words in conclusion of my remarks. Mr. Justice Holmes then said:

In this symposium my part is only to sit in silence. To express one's feelings as the end draws near is too intimate a task.

But I may mention one thought that comes to me as a listener-in.

But I may mention one thought that comes to me as a listener-in. The riders in a race do not stop short when they reach the goal. There is a little finishing canter before coming to a standstill. There is time to hear the kind voice of friends and to say to oneself: "The work is done." But just as one says that, the answer comes, "The race is over, but the work is never done while the power to work remains." The canter that brings you to a standstill need not be only coming to rect. It cannot be while you still live. not be only coming to rest. It cannot be, while you still live. For to live is to function. That is all there is in living.

And so I end with a line from a Latin piet, who uttered the message more than 1,500 years ago:

'Death plucks my ear and says: "Live—I am coming."

The SPEAKER. Under the special order of the House the gentleman from Texas [Mr. MAVERICK] is recognized for

Mr. MAVERICK. Mr. Speaker, my subject today is "Freedom of Speech"; and as an example I cite the talks made

by the gentleman from Texas [Mr. Sumners] and the gentleman from Massachusetts [Mr. TREADWAY]. [Applause.]

I begin with a very fine example of tolerance and freedom myself [laughter]. That is because I agree with the ideas of one of the gentlemen and disagree with the ideas of the other, and the Members may guess with which I agree and disagree. But I yield to both! I am going to speak on an attitude that has been assumed by some American people. We have what is called another "red" scare. Some of us are worried to death by Communists, taking over this Government. Some of us have the jitters. We are afraid that the Communists are going to corrupt our soldiers and sailors, and that the Communists are going to take over the Army. the Navy, Marine Corps, and, as stated the other day, the Coast Guard, the Reserve Corps, and Reserve Officers' Training Corps. It is all bunk. The American people have too much sense, and moreover, cannot be driven like cattle.

Mr. Speaker, I am not worried about that situation, I am not afraid of it, and I am tired of hearing about Communists all day long. It reminds me of a story that is said to have happened at one time in Tammany Hall when Pat was making a speech. He was pouring it on the Republicans, and somebody said: "Pat, you may say anything you please about them, because there are not any of them here."

Now, we may talk here about Communists, and be as brave as we please, all we want, because there is not a single Congressman who is a Communist nor a sympathizer of Communists; and, as a matter of fact, there are very few of either in the whole of the United States.

The gentleman who preceded me here, the able gentleman from Indiana [Mr. Pettengill], made a very brilliant speech on the life of Justice Holmes. He was a grand old man and loved liberty. I hope his soul goes marching on with us. had several things in my mind to say about his beliefs, but the gentleman from Indiana [Mr. Pettengill] did it better than I can. However, I want to repeat one of his quotations from the opinions of Justice Holmes:

If there is any principle of the Constitution that more imperatively calls for attention than any other, it is the principle of free thought—not free thought for those who agree with us—but freedom for thoughts that we hate

I am not going to lecture this Congress, because I am not a wise man, and there are wise men in this body. However, I am going to read the first amendment to the Constitution of the United States, which states:

Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof—

It did not set out any particular sect. Then it says: or abridging the freedom of speech, or of the press.

It did not designate the character of speech, and does not say Republican papers or Communist papers or any other kind of papers. It says "freedom of speech and press" and that is what it means, and for a very good reason. If you suppress one philosophy or idea, you can suppress others; therefore, the only guaranty we have of free government is free speech.

In the last few weeks there have been various examples of violations of the right of freedom of speech, and I am going to give some of them, taken from the press.

Out in California the other day a newspaperman went into that State to write a story of the lettuce pickers, and was summarily thrown out and illegally deported. said he had "Communist literature on him." He did have Communist literature in his possession, because he had collected all kinds of literature for his story in order to give the whole story. He even had chamber of commerce literature in his possession. According to their rule out there in California, if we pass any of this gag legislation, if a Congressman were to go to New York, as I did the other night, and buy a daily paper called "The Daily Worker", they could arrest such Congressman and put him in jail and say he was a Communist because he had a copy of the Daily Worker. As a matter of fact, I bought the paper, and it was a very dull paper. It was not worth reading, and I

threw it away, but, accidentally, someone might have come up to me and arrested me if we had such gag laws.

I am going to read here part of an editorial from the New York Post concerning this arrest out in California. It stated:

Feudal tyranny walks through the great agricultural valleys of

The arrest and illegal deportation of James Rorty, nationally known poet and writer, from the Imperial Valley lights up the rapidity with which American liberties are being destroyed there.

It should have added, "and in many other States." Then it says:

In the process the destruction of civil liberties has reached the stage where a writer cannot enter a town to gather material for a book without being jailed on a trumped-up charge of communism, and then driven out of the State.

Then it says further:

Unless Congress and the Federal courts intervene soon, a ruling-class dictatorship will be firmly established in rural California on European models, and the success of strong-arm methods there in crushing labor is likely to bring the same methods into use

Then the editorial mentions hired guamen and sheriffs, and I want to call particular attention to this fact—the use of so-called "peace officers" committing illegal acts. When a sheriff or other peace officer illegally knocks a man in the head and deports him out of a State or county, little is said about it and nothing is done about it; but if some poor, weak-minded Communist says something to which no attention is paid, we all begin to shout and holler all over the country about it.

When this alleged peace officer illegally arrested this news reporter, who was an American citizen legally traveling in his own country, he, the sheriff, "violently overthrew the government", at least temporarily. Suppose some so-called 'radical" had deported the sheriff? The Governor would have ordered out troops, and, if that had not been enough, a section of the Army would have been sent there. That is the reason that I say we should require our peace officers to obey the law just as any other citizen, and there is no law on earth that gives a sheriff the right to deport an American citizen out of a given State because the sheriff does not happen to like the thoughts of the visitor.

Mr. COLLINS. Mr. Speaker, will the gentleman yield?

Mr. MAVERICK. I yield.

Mr. COLLINS. The gentleman is aware that the so-called "abduction" he is speaking about was at the request of this Communist. He asked to be escorted out of the State by the sheriff.

Mr. MAVERICK. The gentleman is not talking about Rorty?

Mr. COLLINS. I am talking about Sheriff Ware's taking this man down to Yuma.

Mr. MAVERICK. If he was given a request of that kind, he was given an illegal request. No sheriff should pay any attention to an illegal request; and if he is asked to do something that is illegal, he should refuse to do it.

Mr. COLLINS. This man asked for protection so he might be escorted out of this area.

Mr. MAVERICK. No; I would not say the gentleman is not telling the truth, but the facts do not show that.

Mr. COLLINS. That is what the sheriff states, at any rate.

Mr. MAVERICK. That is not what any of the facts show in the case. This article tells the whole story of this California episode. I have no desire to embarrass any of my colleagues from California, and I do not think California is the worst State in the Union. I served there during the war. I think there has been violation of civil liberties in practically every State of the Union, and I am talking more about the psychological attitude than I am about particular facts anyhow. The facts in the Rorty case, however, are that he was illegally and against his will deported out of the State of California. I did not understand at first; I thought you meant someone else asked for Rorty's deportation. course, Rorty did not ask it.

The story is contained in the New York Post and in the other New York papers. In line with this I am going to mention something that was said the other day by a member of our Cabinet. Mr. Harold L. Ickes stated:

I think it disgraceful that recently Norman Thomas, the Socialist, was prohibited from speaking in Illinois by a tear-gas barrage thrown by police; and of all places, in Abraham Lincoln's home

In freedom of the press, freedom of speech, and free assemblage lies the safeguard of liberty.

Instead of spending excessively for the upkeep of large police forces and bigger and better courts, funds should be spent on the uplift of the people from the slums-

I have many clippings on this which show public opinion: and I think intelligent public opinion and the big majority of the press are exactly right about it. They oppose such gag laws. Let us try to be leaders for calm thought and intelligent action; let us stop this "red" scare.

There will, perhaps, come before this House various and sundry proposed statutes—which are gag laws—and I think this is in line with the same old "red" scare we had in 1920. Let me mention some of them. One of these bills goes on to define a Communist as a person believing in common ownership. Common ownership, for instance, would take in the Tennessee Valley Authority, and, of course, in some of these bills you could drive trucks through them and use them for any purpose you want, and if a man were in favor of the Tennessee Valley Authority he would be a Communist, and then, I am afraid, they would get the Honorable John RANKIN, of Mississippi, and he could not talk about Tupelo, Miss., or public ownership, any more, and they would even get the President of the United States and put him in prison.

Then there is a military bill, and this military bill makes it illegal to influence a soldier in almost any way, and I have an opinion on this subject. It is another bill through which you can drive a 10-ton truck and do anything you want with The bill sounds very patriotic, but it is bound to lead to grave abuses. Our Army and Navy have gotten along 150 years without such laws, and we do not need them now.

Some of these gag laws introduced seem to make it a felony to criticize the Government or any foreign government; at least it might be so construed, and this would also bring on the gravest of abuses.

If a man should come to this country, say from Germany, and complain of the way Hitler had treated him, it would be prison or deportation for him. If some Jew should come here and express an opinion against Hitler, he could be put in jail. If a rebel, a priest, a nun, or any political or religious refugee came from Mexico complaining of that country, it appears from the reading of the statute, that such person could be jailed and fined here for expressing hatred for, and a desire to overthrow, the Mexican Government.

Those are the things which appear to be suggested in these bills.

If the King of England should come here and advocate a monarchy, we would have to put him out, or in jail-or deport him. If Darwin were alive, and came here and attempted to talk about evolution—he would not have to go to Tennessee, but in New York he could be fixed up right there. If Charles Dickens, the great English author, should be alive and visit, and talk as he did on his visit here, it would be jail or deportation.

I have got the laws here, but I am not going to read them for it is too tiresome. I refer to a reading of these lawswe have plenty of laws.

Now, if we have able officers, able generals, able admirals, who have courage and intelligence enough, they can control the Army of the United States and the Navy of the United States. It has been done up until this time. They are not supposed to be a bunch of sissies coming to Congress and begging for the enactment of laws to tell them how to run the Army or execute its discipline. If they do not trust their men, and are afraid of them, it is an indication of lack of ability to command troops.

We have the postal laws making it a felony to send out information which will lead a person to violate the law and the postmaster can stop almost anything he wants.

If the Army and Navy are worrying about Communist literature being sent through the mail, they can stop it through the Postmaster General and send people to the penitentiary and fine them a few thousand dollars. Personally, even if it is true that soldiers and sailors are receiving Communist literature, it will have no effect on them. But, in any event, the military and naval forces have every protection on earth, and if we enact more legislation than is necessary and put into effect repressive measures, we pass control of the Government from a civil over to a military authority. This was obnoxious to the minds of our forefathers and is obnoxious to Americans today. Some of the military bills give all kinds of rights of search and seizure. I think these so-called "rights" are unconstitutional, and it is better not to enact them. If the law goes into effect, in any event, it would put a dangerous power in the hands of the military, which they might use indirectly to persecute whom they pleased among the civilians. According to the war-time interpretation of various military statutes, it was not necessary to show any effect on the persons affectedin this case, soldiers. It was not even necessary to show that a publisher actually sent the so-called "improper mail", and such statements that soldiers were being mistreated, not fed, nor getting proper medical attention were held to be in violation of the law.

In other words, when we enact laws of this kind it leads to all kinds of excesses and abuses and, inasmuch as we have enough laws now, it is better not to enact any more. We have had the same old treason laws for 150 years, and treason is still punishable by death.

All these statutes are written in such a way as to put the person opposing them in an embarrassing position, because the bills are couched in most bizarre language, mentioning assassination and murder, overthrow of government by force, and so on. But excesses will be committed under them. Such laws have been enacted before, the first being the alien and sedition acts, in the early days of our Republic. The excesses were so great they had to be repealed; but there are enough laws on the statute books now to save this country.

Mr. DUNN of Pennsylvania. Will the gentleman yield?

Mr. MAVERICK. Yes.

Mr. DUNN of Pennsylvania. Is it not a fact that we hear broadcast over the radio that those who believe in an oldage pension and unemployment insurance, as well as those who believe that the Government should purchase the public utilities, are advocating a brand of communism?

Mr. MAVERICK. Of course. They are branded as Communists, but when a man is a Communist one day, he may be something different later on. Governments change; that is what liberty is for. It is not what a man is called. Patriots are often branded by opprobrious names.

Mr. DUNN of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. MAVERICK. I shall yield only on the subject of the freedom of speech. If it involves freedom of speech I yield to the gentleman.

In fact, Mr. Speaker, I decline to be interrupted further on the freedom of my time. I am glad for all persons to have freedom of speech, but not on my time. [Laughter.]

The subject I have talked about today is in my opinion the most serious thing that we have before us. How much serious, fundamental legislation have we passed during this session of Congress? It is easy enough to talk about these 24,500 Communists, which constitute two in every 10,000 population, but what about the 3,000 people out of every 10,000 that constitute the families of the unemployed, and what about all the various sections of our population? I do not mind differing on how this question is to be handled. I do not care what gentlemen on this side—the Democratic—say; and I do not care what they say on the other—the Republican—side—insofar as the subject of freedom of speech

is concerned; but I believe that we should not pass these repressive and gag statutes which, however nicely they are couched in language, prohibit the freedom of speech in general. Likewise, let us remember that this is not a military nation and that the Army is not supreme; we have given the Army and Navy protection enough and money enough to run their organizations efficiently and let us tell these officers of the Army and Navy to attend to their own business and to go back and maintain discipline. If we pass any statutes at all on that subject, let us pass statutes to protect labor and the people of this country in organizing for their own rights. Let us stop police brutality, deportations, and illegal actions by officers. [Applause.]

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. MARTIN of Colorado. Mr. Speaker, I ask unanimous consent that the time of the gentleman may be extended for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. MARTIN of Colorado. In order that I may relate a brief incident that will be a contribution, I think, to his speech.

Mr. MAVERICK. I yield to the gentleman.

Mr. MARTIN of Colorado. The best thing I ever heard in my life, and the most helpful thing with relation to communism and the freedom of speech, was related to me by a friend in Colorado, who is a very able civil engineer and a very conservative man. He said that at one time when in Seattle he went down to the water front, where there is a section of 2 or 3 blocks-and I have been in that section myself—given up to "soap boxers." While strolling along he stopped in front of one of these men on a box who was tearing down the Government and destroying the Constitution. A big Irish cop was standing by. Of course, if there was a cop standing by, he was an Irishman and he was big. In the excitement of listening to what this fellow had to say, uninterrupted by the officer, my friend ran up and grabbed the officer by the arm and said, "Officer, are you standing here listening to such disloyal, anarchistic stuff as that?" He said the big cop looked down at him with a forbearing smile, tapped him on the shoulder, and said, "Get a box, me boy, get a box." [Laughter.]

Mr. MAVERICK. My friend the gentleman from Pennsylvania [Mr. Rich] just gave me a clipping to read, and it shows that the gentleman from Pennsylvania and I agree on this subject of the freedom of speech, at least. This is a quotation from Woodrow Wilson which I read:

Woodrow Wilson: "If there is one thing we love more than another in the United States, it is that every man should have the privilege, unmolested and uncriticized, to utter the real convictions of his mind. I believe that the weakness of the American character is that there are no growlers and kickers among us. We have forgotten the very principle of our origin if we have forgotten how to object, how to resist, how to agitate, how to pull down and build up, even to the extent of revolutionary practices, if it be necessary to readjust matters."

[Applause.]

Mr. Speaker, there is little more than can be said on this subject. Although I have not gone into all the statutory details, I have presented the main idea and some of the recent facts concerning the violation of civil liberties. What I desire, I repeat, is to impress upon this House that our duty is to discuss freely and to enact fundamental legislation. It is very necessary that we do fundamental things for the restoration of world trade, for agriculture, for the rejuvenation of business and, in general, putting 11,000,000 men back to work. If we begin to enact hysterical legislation, hunting "reds", and talking about war, we give too much free advertising to the "reds", and talk too much about things which might endanger our international relations. So let me urge again that we always maintain the freedom of speech and press, and the liberty of conscience and religion. [Applause.]

Mr. Speaker, I desire to offer for printing in the RECORD a few editorials:

[From the Washington Post, Monday, Mar. 4, 1935] COMMUNISM AND JITTERS

From Moscow comes word that the Communist Party is defi-nitely ascending in the United States. In the opinion of the New York correspondent of the official Soviet newspaper, Pravda, the revolutionary party during the past year has succeeded in making substantial advances into the ranks of American workers, particular gains being noted in Negro neighborhoods. The dispatch further indicates that the party has taken the leadership along a broad front in a fight for social insurance and that its ideas are now considered sober and its method practical by the broad masses. The popular fear of the "red" has disappeared, the article concludes

Except for the conclusions, this round-about news fibes in some measure with the mounting outcry, particularly legislative, heard daily in this country. The correspondent erred, however, in reporting that the popular fear of the "red" is subsiding. As a matter of fact, the reaction toward communism tends more toward the hysterical.

In these circumstances, it is refreshing to hear the calm words of Representative Maverick, of Texas. Speaking in Congress the other day, he declared that no extraordinary legislation is required, as certain of his colleagues are demanding. The American people have a case of jitters, he said, pointing out that there are only 24,500 Communists in the country and they are all crackpots. Specific assertions that Communist influences are penetrating

Specific assertions that Communist influences are penetrating the Army and Navy may not be too blandly dismissed, however. Revolt and sedition in defense lines is a serious business under any circumstances. But certainly hysterical legislation would only add to the danger, if any. A little less drill and a little more attention to teaching buck privates citizenship and history might be the best insurance. Failing this, the guardhouse or kitchen police cannot yet be defunct items of military organization.

In the New York Herald Tribune on March 2, 1935, there appears an editorial entitled "Through Red Spectacles." It explains that the Moscow correspondent is given a report of the advance of communism, especially among the Negroes.

Then the editorial says, "This is very interesting for several reasons, but it is impossible to find it very disturbing."

In the New York Times on the same day it mentions a congressional committee discovering propaganda by American Communists being distributed in tracts in the Army and Navy. The editorial goes on to say the Russians think that the United States is just about to fall before the "red" revolution.

The editorial comments:

This is what comes of overdoing it in the news at home and immensely exaggerating it in foreign reports. To the authorities—Federal, State, and municipal—familiar with the actual status of the agitation and the numbers engaged in it the peril seems almost nonexistent. It is true that a good deal of seditious literature is printed and scattered about where it is thought it will do the most harm. It is also true that some hotherds and scattering are harm. It is also true that some hotheads and scatterbrains are talking glibly, though guardedly, about an impending revolution in this country. But no outburst that the police alone are not able to cope with is in the slightest degree likely to occur anywhere.

In our case also sedition, whether red or any other color, should be punished according to the terms of the law. But it is a thing to go about coolly. We should not give the agitators and incendiaries the satisfaction of knowing that their goings on can even momen-tarily frighten us out of our seven senses.

The following is a portion of a telegraphic article wired the New York Post of Tuesday, March 5, 1935, by James Rorty from San Antonio, Tex., entitled "Imperial Valley Labor Reduced to Peonage; Glassford Declares":

General Glassford went into the Imperial Valley in April 1934 as special conciliator, representing the United States Department of Labor, the United States Department of Agriculture, and the National Labor Board. At the conclusion of his investigation, in a report signed at Brawley, Calif., 14 miles north of El Centro, on June 13, 1934, he wrote:

"After more than 2 months of observation and investigation in Imperial Valley, it is my conviction that a group of growers have exploited a Communist hysteria for the advancement of their own interests; that they have welcomed labor agitation, which they could brand as "red", as a means of sustaining supremacy by mob rule, thereby preserving what is so essential to their profits—cheap labor; that they have succeeded in drawing into their conspiracy certain county officials who have become the principal tools of their machine."

Coming from a former Army officer of high rank and a representative of the Federal Government, this is strong language. Back of it lies the personal experience of General Glassford and his secretary, now Mrs. Glassford, during their 2 months' stay in the valley. Their telephone line was tapped.

They had reason to believe that the confidence that is supposed surround telegraphic communications by Western Union and

to surround telegraphic communications by Western Union and Postal Telegraph was violated.

During their brief stay in the valley they lived surrounded by an atmosphere of fear and of espionage. Few persons would talk; those who did insisted that they be not quoted. Those who wrote rarely signed their communications. Mrs. Glassford told me that only after they had left the valley did she feel able to draw a free breath—this from the assistant of a special investigator, acting with the full authority of the Federal Government.

[Editorial from the Baltimore Sun, Mar. 4, 1935] A MAVERICK, FO' SHO'!

A MAVERICK, FO' SHO'!

That an effort is being made to dragoon the Army and Navy into the current "red" hunt is proved by the fact that high officials have urged the House Military Subcommittee to take prompt steps to save American doughboys and gobs from communism. Secretary Swanson declared that "existing law is inadequate to control it."

But evidence that at least one member of the full House Military Committee is not taking orders from the "red" hunt generals is shown by the prompt statement of Representative Maurx Maverick, Texas Democrat, who "ridiculed suggestions that corrective legislation was necessary because, he said, the American people are getting jittery over nothing." After listening to "red" scare statements endorsed by Brig. Gen. Harry E. Knight and others, Representative Maverick remarked that there are only 24,500 Communists in the country, and "they are all crackpots", adding:

"If the colonels and generals had tact, courage, loyalty, and brains enough they would keep the soldiers from disloyalty."

Obviously this Texas Maverick's background is worth looking into. Is he just out of Russia? Is he a cringing pacifist? Well, as it happens, the biographical notes of the latest Congressional Directory reveal that he was born in San Antonio, was educated in Texas

and Virginia, served in France as a company commander, Twenty-eight Infantry, First Regular Division, was badly wounded October 4, 1918, cited for "gallantry in action and extremely meritorious service." Silver Star, Purple Heart, etc., etc., etc.

One is hardly surprised, then, to discover that he is the grandson of old Samuel Maverick, Texas patriot, signer of the Texas Declaration of Independence, a cattleman whose rambunctious yearlings wore no man's brand, and hence gave rise to the term "maverick" (see any good dictionary), meaning, in latter-day parlance, a "sho' nuff independent."

The SPEAKER. Under a special order the gentleman from North Carolina [Mr. Doughton] is recognized for 30 minutes. Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent

that I be permitted to extend my remarks in the RECORD. The SPEAKER. Is there objection?

There was no objection.

Mr. DOUGHTON. Also, I ask that I be not interrupted until I have completed my main statement, after which, if I have time, I shall be very glad to yield to any questions.

Several days ago I said I would reply to some of the wild statements that have been made in the last 2 or 3 weeks by my colleague and friend, the gentleman from Massachusetts [Mr. TREADWAY] regarding the trade agreements of the present administration under the 1934 Tariff Act. The gentleman from Massachusetts [Mr. TREADWAY] on day before yesterday, I believe, referred to the 1934 Tariff Act, authorizing the President of the United States, under certain conditions, to negotiate trade agreements with foreign countries as in iniquity. I believe as it appeared in the RECORD it appeared as "in equity", but I think the gentleman meant to say and did say "iniquity." I would say in that respect that if the Tariff Act of 1934 is an iniquity, the Smoot-Hawley-Grundy Tariff Act is an abomination that has produced more desolation and more ruination and more economic damnation than any act that has ever been placed on the statute books of the United States.

The penetrating mind and prophetic vision of my good friend as to what may occur in the future is far superior to his memory as to what has occurred in the past under the Smoot-Hawley tariff law.

The gentleman from Ohio [Mr. HARLAN] has, in my estimation, ably answered the gentleman from Massachusetts [Mr. TREADWAY] relative to this matter. I have such a strong feeling, however, in relation to the reciprocal tariff measure that I desire to express a few observations on this subject and to further answer the gentleman from Massachusetts. Anything I may say in favor of the program, of course, will be in answer to the gentleman from Massachusetts, because he apparently opposes every phase of this program, even though his own State is in a position to benefit in exports to Cuba, Brazil, and Belgium as a result of the trade agreements with those countries.

I wish to begin my observations upon the tariff-bargaining program by repeating some statements I made nearly a year ago when the bill was before the House. The events since the passage of the act convince me that my summary of the program was substantially correct. I wish now to first repeat those observations with some minor changes.

## OBJECTIVES OF THE TARIFF-BARGAINING PROGRAM

First. To round out the recovery program. This act merely gives the President the authority in foreign trade which the Congress had already vested in him in domestic commerce and trade. The recovery program cannot be fully effective without the execution of the authority granted to the President in the Trade Agreements Act.

Second. To reopen the markets of the world to the products of American farms and factories, or otherwise face the prospect of adopting as permanent the policy of curtailing acreage and of reducing manufacturing capacity in many of our most efficient industries.

Third. To exchange the surpluses which we have built up for surpluses which other countries have accumulated of commodities which we do not produce in sufficient quantity to keep our industries going. Until channels of trade are developed so that these surpluses can move, normal recovery in America cannot take place.

Fourth. To plan our commerce and industry so as to direct our labor and resources into the most profitable channels conducive to American standards of living and efficient and effective production.

Fifth. To provide for the intelligent and enlightened application of the protective principle whereby the maximum opportunity of employment and production may be assured to our industries, large and small alike, as well as to agriculture.

Sixth. To provide for mitigation of those irritating restrictions contained in the Hawley-Smoot-Grundy Tariff Act which have antagonized the rest of the world to our serious injury.

Seventh. To support the President in the only effective method for meeting the current international trade situation. Almost all important commercial powers are following such a program.

Almost all of the nations of the earth have granted their executives authority similar to that granted the Executive of the United States.

Only through reciprocity agreements can America participate in the commercial negotiations for the benefit of American agriculture and industry.

Eighth. To rejuvenate world trade which will increase the purchasing power of foreign countries as well as our own people and thereby provide greater opportunity for the sale of American agricultural and industrial products.

# TRADE OF MASSACHUSETTS

Since the gentleman from Massachusetts is an extreme isolationist, I should like to call his attention to the dependence of his own State on foreign trade. I hold in my hand a card entitled "Who Says Isolation?":

[From poster by Massachusetts branch Women's International League for Peace and Freedom]

Materials, imported from: Canada, calfskins; Mexico, cochineal; Central America, cochineal, divi-divi; West Indies, mangrove; Argentina, heavy hides; South America, goat and sheep skins, divi-divi, mangrove; Newfoundland, cod oil; England, Glauber, Epsom salts; Scotland, linen thread; France, horsehide, calfskin; Belgium, flax; Netherlands, calfskin; Germany, Glauber, Epsom salts; Italy, sumac; Baltic shores, amber; South Africa, wattle bark; West Mediterranean, myrobalans; Africa, sandarak; eastern Europe, valonia; Persia, tragacanth; India, heavy hides; China, heavy hides, albumen; Dutch East Indies, buffalo hides; East Indies, gambier, mangrove; Australia, sheepskins, kangaroo; New Zealand, sheepskins.

Are sold to Canada, Mexico, Panama, Jamaica, Cuba, West Indies, Colombia, United Kingdom, Netherlands, China, Philippines. (National Council for Prevention of War, 532 Seventeenth Street, Washington, D. C.)

This card shows that some 20 or 25 materials which go into Massachusetts shoes come from 25 or 30 foreign countries; it further shows that Massachusetts shoes go to at least 11 countries throughout the world. Isolation indeed! It is true that a large percentage of the total production of shoes do not go abroad. Under the infamous tariff act sponsored by the gentleman's party and ably, but disastrously championed by him, that percentage has further dwindled and had it not been for a reversal in spirit toward foreign trade brought about by the Democratic administration, that trade would have all but vanished by now.

Let us look a bit more in detail at the importance of export trade to Massachusetts, the State probably more dependent than any other in the Union on foreign commerce, both imports and exports.

Before the depression during 1929, the value of exports from Masschusetts was \$111,531,000. In 1932 the latest year for which export statistics by States are available, exports decreased to \$32,256,000, or a loss of 71 percent. How many jobs would a gain of \$75,000,000 or \$30,000,000 furnish to wage earners in that State? How many workers would this export trade, were it redeemed, take off the streets and off relief rolls? How much happiness would this trade bring to many families of Massachusetts? Let those from that State now opposed to tariff bargaining and some other administrative measures make those calculations. They are responsible for those conditions to some extent.

In reply to the above questions, it may be suggested that in tariff bargaining, some industries of Massachusetts would be injured by imports as a result of concessions made to other countries; that has been the argument of the opposition all along the line. If perchance the revenue duty on coal, petroleum, or some other raw materials needed in Massachusetts were reduced for the benefit of enlarging export trade, how, it may be asked, does Massachusetts stand to lose? It would seem that such reductions in duty for which other countries are willing to make concessions would be a great aid to Massachusetts as well as other New England States. Why does the gentleman from Massachusetts assume that industries of his State are to lose in tariff bargaining? Does he admit that the rates are too high?

Let us look at some of the largest items of export trade from Massachusetts. Take leather, a product of the gentleman's district. In 1929, some \$14,000,000 worth went out from that State. This was reduced to \$5,000,000 in 1932. It so happens that leather is one of the items of export which has been increased to Cuba as a result of lower duties made by that country in the reciprocal trade agreement. Exports of machinery, rubber manufactures, safety-razor blades, paper and manufactures, and even lard have been increased since the signing of the Cuban agreement. These are all products exported from Massachusetts.

The gentleman may say there is no surplus of lard produced in Massachusetts; but, anyway, it goes through Massachusetts and is exported from the ports of Massachusetts, and thereby gives employment at least to some labor.

Submitted with my remarks is a table showing the value of the first 15 items of export, in order of importance, from Massachusetts. It will be noted that each of these 15 items amounted to more than a million dollars in 1929; only 5 of them exceeded a million dollars in 1932.

From the table it is seen that the decrease in exports of individual items, from 1929 to 1932, ranged from 57 percent to nearly 90 percent.

The falling off in exports under the Smoot-Hawley tariff law of goods produced by factories in the gentleman's own State amounted to 57 to 97 percent. This to me would cause any man in his position to think seriously of such a policy.

These figures indicate that many producers in Massachusetts will gain in a tariff-bargaining program which increases export trade.

Classification	1929	1932	Percent of de- crease (or in- crease) 1929-32
Total exports	\$111, 531, 000	\$32, 256, 000	71. 1
Leather Machinery Safety-razor blades Rubber and manufactures Paper and manufactures Other machinery, vehicles, and parts Cotton cloth, duck, and tire fabric Leather footwear Other electrical machinery and apparatus. Cotton mill waste. Other iron and steel manufactures Abrasives Lard Optical goods. Books, maps, pictures, etc.	5, 978, 000 5, 512, 000 4, 279, 000 4, 233, 000 3, 606, 000 3, 504, 000 2, 985, 000 2, 985, 000 2, 787, 000 2, 381, 000 1, 772, 000 1, 382, 000	5, 000, 000 3, 017, 000 875, 000 1, 691, 000 781, 000 781, 000 360, 000 820, 000 695, 000 574, 000 574, 000 574, 000	64.8 73.3 85.4 69.3 64.1 81.5 65.3 89.7 75.4 73.3 76.1 70.8 67.7 58.8

Official data.

A few typical newspaper excerpts from Massachusetts indicate that the people of that enlightened State do not share the opinion of some of its representatives in Congress, particularly those who continue to oppose the tariff bargaining program, in spite of its favorable reception and admitted benefits to the country.

The Courier Citizen, Lowell, Mass., after reciting the benefits that have already resulted from the treaty, says:

The advantage to our export trade is likely to exceed by far any loss that special industries may suffer. Benefits to our shipping are expected to be equally great.

The Boston Daily Globe, of Boston, Mass., states:

Nevertheless, it is heartening to learn that within the month elapsed since the new reciprocal treaty between the two countries went into operation its benefits have proved greater than the fondest champions of a new trade relationship expected. The figures tell the story with emphasis.

# HOW TARIFF AGREEMENTS ARE MADE

A great deal of misinformation regarding the manner of negotiating the reciprocal tariff agreements is being disseminated. Some of it is willfully propagated with ulterior motives, and some of it is disseminated solely because of lack of complete knowledge of the situation.

There has been a great deal said about tariff agreements being made in star-chamber proceedings and in the dark. I will give you the history of how they are made, in order to correct such erroneous statements.

An example of apparently deliberate misstatement is that these agreements are concocted by the Department of State, in secret, with foreign countries, and then, when completed, perfunctorily shown to the Committee on Foreign Trade Agreements. The gentleman from Massachusetts has repeated this notion from time to time.

Nothing could be further from the fact. That is a pretty bold statement. In the first place, the Committee on Foreign Trade Agreements is composed of representatives not only of the Department of State but also of the Treasury, Agriculture, and Commerce Departments, the Tariff Commission, and of the office of the Special Adviser to the President on Foreign Trade. The representatives of a number of these departments or agencies on the committee are not fully in accord with the tariff program of the administration, and thus we can rest assured that all points of view are considered on each and every item involved in a trade agreement. What could be fairer than this?

In this committee, all questions relating to the agreements are fully discussed. When it is learned, through the usual diplomatic channels, that a foreign country wishes to enter into a reciprocal tariff agreement with the United States, formal notice of intention to negotiate such an agreement is given by the Department of State, to which the world can have access, so that everyone can have knowledge. At the same time, dates are set for the presentation of views by those interested in the commerce between the two countries

to the Committee for Reciprocity Information, which has been set up for that purpose. A final date is set for the filing of briefs and another for a public hearing, which is usually a week later than the limit for filing briefs.

Meanwhile, a subcommittee, called a country committee, is formed to make a thorough and expert study of the trade between the United States and the country concerned. On this subcommittee, as on the parent committee, are representatives of the different departments. This committee uses all available material and examines with the utmost care all the briefs and testimony submitted to the Committee for Reciprocity Information. When the study, which requires weeks, has been completed, a report is made to the full committee. In the formulation of this country's case, the Department of Commerce suggests what concessions should be asked of the other country, and the Tariff Commission suggests what concessions can be made by us without injury to domestic industries. Thus, not only is the fullest opportunity given to everyone to be heard, but every aspect of the question is given most careful consideration by every department of the Government concerned.

While the United States is preparing its case, the other country is doing the same for itself according to its own methods. When both are ready, actual negotiations begin, and through these the final agreement is reached.

Nothing could be less captious and summary than the process of making these agreements. Notice this-instead of being framed hastily in the dark, they are the result of painstaking labors by experts with open minds who represent all parts of the Government.

In his discussion of the Cuban agreement (Record, p. 592, Jan. 17), the gentleman from Massachusetts spoke of potatoes as being on the losing end of the Cuban agreement. The gentleman from Maine [Mr. Brewster] whose State exported the greatest quantity of potatoes in recent history as a result of the Cuban agreement, also has waxed warmly and wrathfully against trade agreements, seemingly against increasing exports of potatoes from his own State.

The following excerpt from the Habana Post (Wednesday, Oct. 17, 1934) indicates how at least some Maine farmers felt about the agreement with Cuba:

MAINE FARMERS GET CUBAN TRADE-ISLAND BUYING MORE POTATOES FROM UNITED STATES, LESS FROM CANADA

Houlton, Maine, October 16 .- An unprecedented demand from Cuba for Maine potatoes brought encouragement today to the distressed planters in Aroostook County, Maine's vast potato

With their product bringing only 50 cents a barrel, less than the cost of raising, and 15 percent of the crop snowed under by last Friday's storm, the outlook heretofore this season has been gloomy indeed

But the central potato inspection office announced today that a Cuban tariff on Canadian potatoes and a prospective duty on American exports to become effective November I has resulted in a sudden demand for 80,000 sacks of Maine "spuds."

Sixty-two carloads are now being loaded on board a vessel at

Searsport, and buyers now in the county have orders for 100 carloads more.

The rush of export business prompted Commissioner of Agriculture Frank P. Washburn to increase the size of the inspection staff here. Washburn said the demand was the outstanding export business for Aroostook County in the past few years, and expressed the hope that it might be retained under the new tariff arrangements.

Last year Cuba bought most of its potatoes in Canada. While the temporary advantage which American producers now enjoy as a result of the tariff on Canadian exports will be reduced after November 1, the duty on shipments from the United States is expected to be less than that on exports from the Dominion.

The gentleman from Maine will probably say that the reduced seasonal rates of duty on Cuban potatoes more than offset any benefit to be derived from Cuba's reductions. Tariff hogs, of course, are never satisfied.

Recent official dispatches state that there is little possibility of potatoes being exported from Cuba in any substantial quantities during 1935. The imports from Cuba in 1934 were not enough to supply the city of Washington with potatoes for one day—a mere pittance of 157,400 pounds. Those opposed to any liberality in trade are forever filling the roads full of ghosts which in reality are not seen.

## HEARINGS ON TARIFF MAKING

The gentleman from Massachusetts states that interested parties appearing before the Committee for Reciprocity Information are having to "shoot in the dark" in presenting their views. They do not have to "shoot in the dark" any more than they do when they appear before the Ways and Means Committee before a tariff bill is introduced in the House.

I respectfully submit that everyone appearing before the Ways and Means Committee in 1928-29, before the Hawley-Smoot bill had been introduced into the House, had to "shoot in the dark", just as they do before the Committee for Reciprocity Information. In the hearings in 1928-29 they were preparing for Mr. Hoover's limited tariff revision. Limited to what, I ask the gentleman from Massachusetts? Limited to "everybody's feet in the trough!" That is the method the Republican Party applies in its frequent revision of tariffs, the grand old logrolling scheme where the largest contributors to the party campaign fund collect tariff graft in proportion, as was expressed by Mr. Grundy. This method is not now evident in making reciprocal tariff agreements. The opposition is bewailing the fact that such methods of tariff making are past, and we hope past forever, from the American legislative scene.

When questioned by the gentleman from Missouri [Mr. Cochran] on February 5 on the floor of the House, the gentleman from Massachusetts evaded the issue as to recent methods of fixing tariffs by legislation. He knows full well that the committee works behind closed doors after the hearings until the bill reaches the floor. That does not prevent interested lobbyists from getting the ear of certain people. Their tactics are not working at present.

If some of the special interests have not received what they asked for or have been promised, the Halls of Congress swarm with lobbyists. They set about to see that they obtain tariff grafts in proportion to their campaign funds or ability to manufacture propaganda. This is really the matter that is hurting the gentleman from Massachusetts and those schooled in his tariff philosophy. They do not like to see the old tariff graft system pass away. It was too rich in political favoritism. The G. O. P. can no longer project itself into power through tariff lobbying under the present scheme. Thus we may expect to hear the continued lamentations and swan song of the gentleman from Massachusetts. He cannot become adjusted to the new order, and therefore spreads his discontent. He continues his campaign of fear from week to week. He does not seem to be interested in letting business settle down; he does not want business confidence as long as his party is not in power.

[Here the gavel fell.]

Mr. OLIVER. Mr. Speaker, I ask unanimous consent that the time of the gentleman from North Carolina be extended 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. DOUGHTON. The gentleman from Massachusetts [Mr. Treadway], who now seems so concerned about the rights of the representatives of the people to enact tariff levies, utterly disregarded the rights of the Members of the House during the consideration of the Hawley-Smoot-Grundy bill. Let us review the record in this respect and see what opportunity was afforded the representatives of the people to have a voice in the enactment of that bill. In all 19 hours and 6 minutes were given for the consideration of this bill, which contained 434 pages. The fact of record is that only 82 lines out of 10,681 contained in the bill were read under the 5-minute rule; of the 183 sections contained in the bill only a fraction of one of them was read and considered.

The tactics employed by the gentleman from Massachusetts [Mr. Treadway] and his Republican colleagues on the Ways and Means Committee absolutely denied representation to the other Members of the House in the framing of the Hawley-Smoot-Grundy bill. In this connection let me quote what a distinguished ex-Member of the House from

Maine, Mr. Beedy, a member of the gentleman's party, had to say during the consideration of this bill. Mr. Beedy stated:

The relation between the Ways and Means Committee and the Members of the House which exists now is something akin to that of the king and his subjects.

Of course, he had reference only to the Republican members of that committee. Just before he made this statement the same gentleman, who frequently manifested the spirit of a free man, said:

I want to suggest there are a good many farmers in New England who are apparently forgotten by the Ways and Means Committee.

The gentleman from Massachusetts [Mr. TREADWAY] speaks of our allowing foreigners to dictate what rates of duty we shall levy on imports into this country, and speaks of the star-chamber methods of tariff making now being practiced, as he alleges, in the making of trade agreements. The gentleman from Massachusetts would have us return to the old logrolling method of enacting tariffs and to the star-chamber methods he and his party have employed in tariff legislation. Would the gentleman have us return to the practice of having the secretary of the Connecticut Manufacturers Association in attendance at the executive sessions of the committee, dictating the rates that should be levied? Does the gentleman want us to return to the method of tariff making whereby those seeking special privilege wrote in their own rates, with no regard whatever to what effect it would have on the consuming public?

Speaking of star-chamber methods, let us review the star-chamber methods employed by the gentleman from Massachusetts [Mr. Treadway] and his colleagues on the Ways and Means Committee at the time the nefarious Hawley-Smoot-Grundy Act was being written. Under the steam-roller tactics resorted to by the gentleman from Massachusetts and the other Republican members of the Ways and Means Committee, the minority members were driven from the committee room while the bill was being framed, and then by a gag-rule process were not permitted even to offer an amendment during the consideration of the bill in the House.

Under the rule adopted, and under which the House considered the Hawley-Smoot-Grundy tariff bill framed in starchamber sessions above referred to, it was provided—

That the bill shall be considered for amendment under the 5-minute rule, but committee amendments to any part of the bill shall be in order at any time; that consideration of the bill for amendment shall continue until Tuesday, May 28, 1929, at 3 o'clock p. m., at which time the bill, with all amendments that shall have been adopted by the Committee of the Whole, shall be reported to the House, whereupon the previous question shall be considered as ordered on the bill and all amendments to final passage without intervening motion except one motion to recommit.

# FALLACY OF SELF-CONTAINMENT

There has been so much said recently as to the importance of the home market and how we are independent of foreign countries, I wish to go into the fallacy of self-containment in some detail.

The gentleman from Massachusetts keeps harping on the home market as taking 90 percent of the production. A school child in the South realizes the fallacy of such a statement when applied to cotton. This is the doctrine of the self-contained school.

It is a common impression that the United States produces nearly everything that it requires and is thus very largely self-sufficient. Those opposed to the reciprocal tariff act are making much of this point. They are going to considerable pains to stress the self-containment doctrine—a defensive alibi for legislation the Republicans sponsored which has almost destroyed American foreign trade. They take the position that we have largely lost our export trade and that it was never important—not worth the attempt to regain through any method of tariff bargaining.

Furthermore, it has been suggested that we need to import few products; that we are so self-contained and that about the only product we really need to import during peace times is rubber. We are told that synthetic rubber is being made, of course, at a much higher price than the natural

imported product, but that we shall soon be self-sufficient |

The fallacy of this doctrine is obvious to anyone who is capable of analyzing it. Those who take this position of self-sufficiency do not understand the fundamentals of trade between different regions, areas, sections, States, or nations. These bases of trade are the factors underlying the law of comparative costs-an economic law which the reciprocal tariff act takes into consideration, a law which the Republicans either cannot or will not understand.

It may be well to once more briefly review these fundamental bases of trade, in the hope that our friends on the other side may have a better understanding as to what we are attempting to do in carrying out this important measure. These elemental reasons for trade may be roughly divided into three categories.

#### 1. DIFFERENCES IN RACIAL CHARACTERISTICS

Every race of people produces articles of its particular civilization. Massachusetts produces a number of excellent products desired by other countries; for example, boots and shoes, machinery, and electrical apparatus, and trade is thereby originated. Certain artistic goods of Italy, the brass articles of Chinese handicraft, and the carvings from India illustrate this point. The American Indians were producing articles characteristic of their civilization when they were discovered in the new world. Immediately, these articles served as a basis of trade between the white man and the redskin. It is not necessary to further stress this point. Examples will occur to anyone-even to Republicans-who reflect upon this basis of trade. The administration's tariff program aims to make such trade possible. It is foolish for the opposition to whine that trade of this nature will unbalance any domestic industry.

#### 2. DIFFERENCES IN INDUSTRIAL DEVELOPMENT

Since the first half of the nineteenth century, the differences in industrial development have been important factors in the development of foreign trade between nations, or between different sections of the same country. This basis of trade may be illustrated in the difference in the occupations of, say, a New England mechanic and a western herdsman. This difference is largely a matter of the density of population or difference in industrial development. The sparsely populated area calls upon nature or the extractive industries for a living, while the densely populated country must depend on the skill of its workers to add value to raw materials. The difference in industrial development is not always as clearly distinguished as between the New England worker and western rancher, or between the agricultural and the industrialized sections of a country.

Even between highly developed industrial countries there is a sort of international division of labor. For example, the United States imports considerable quantities of cotton cloth and also exports substantial amounts. These cotton cloths are largely of a different class or grade, the imports being of the finest countable cloths, the exports of the coarser grades. The United States also exports certain chemicals to Germany in spite of the fact that that country has a reputation of being one of the world's most efficient chemical producers. Many other examples of a similar nature could be cited. Much profitable trade has its origin in the differences and unequal industrial development of various countries. Those opposed to the present tariff program would further wreck this fast-vanishing trade.

#### 3. DIFFERENCES IN NATURAL RESOURCES

The differences in natural resources are the most fundamental basis of trade. It is true that the other two bases. just mentioned, tend to equalize or even up over a period of time. Those who maintain that the United States is and should be self-contained must hold that this equalizing process has already taken place. They go further and claim that the differences in natural resources are not important. They would even rob us of our morning cup of coffee, or at least make us drink it without sugar, two important products

upon these differences in natural resources. Within our own country we know that cotton will not grow in the Spring Wheat Belt, semitropical fruit will not thrive in New England, nor will the fine fur-bearing animals of Alaska flourish in the Southern States. This basis of commerce is frequently referred to as North-South trade. The difference in temperature, however, is only one phase of the differences in natural resources. Differences in rainfall, in the topography, fertility of the soil, nearness to bodies of water, and so on, play an important part in bringing about trade between areas, regions, sections, States, or nations,

Former President Hoover apparently had this kind of trade in mind when he said in his Boston speech of October 15, 1928-and I hope those on the other side of the House. who still see some hope in Mr. Hoover, may note well these

Without continued interchange of tropical products with those of the Temperate Zone, whole sections of the world, including our own country, must stagnate and degenerate in civilization. We could country, must stagnate and degenerate in civilization. We could not run an automobile, we could not operate a dynamo, or use a telephone were we without imported raw materials from the Tropics. In fact, the whole structure of our advancing civilization

would crumble and the great mass of mankind would travel back-ward if the foreign trade of the world were to cease.

Under our present depressed conditions, with the falling off of foreign trade, we admit that Mr. Hoover was somewhat of a prophet. We have been traveling backward. He apparently forgot his own prophecy, however, when later as President he signed the infamous Hawley-Smoot tariff bill, which we are attempting to correct in a perfectly logical and reasonable manner.

Let us once more examine some of the more necessary articles of import trade of the United States. During the World War the War Department found that it was necessary to import 30 commodities in substantial quantities in order to carry on war. That Department classified them as strategic products. Some were not produced in the United States at all; others were not produced in sufficient quantities even for peace-time purposes.

Some may ask why, if the Smoot-Hawley-Grundy Tariff Act is so nefarious and has produced such adverse effects, it is not repealed. Of course, everyone knows that foreign countries, copying our example, are beating us at our own game, and have erected trade barriers, embargo restrictions, and countervailing duties until now their rates in many instances are even higher than ours; and unless we can get them reduced by international agreements, we cannot lower our own exorbitant high tariff rates.

The 30 commodities classified by the War Department were antimony, camphor, chromium, coffee, cork, flaxseed, graphite, hemp, hides, iodide, jute, manganese, manila fiber, mica, nickel, nux vomica, opium, platinum, potassium salts, quicksilver, quinine, rubber, shellac, silk, sodium nitrate, sugar, tin, tungsten, vanadium, and wool.

All of these articles are necessary. They are articles of import, without which we could not possibly have carried on our part in the great World War.

Some of these articles are now produced in the United States in larger quantities than during the war, substitutes are manufactured for some of them, but substantial quantities of imports of most of these are still needed in our industrial and commercial life. Chromium, for example, is indispensable to the steel industry and to industries making firearms, airplanes, motor cars, cutlery, and others. Manganese is absolutely essential for the production of open-hearth steel. Nickel has many uses, hundreds of alloys being made from it. Tungsten is also required for steel, particularly tool steel. The steel industry, it has frequently been pointed out, imports in varying quantities no less than 40 commodities from some 57 different countries.

Raymond B. Fosdick, a well-known statesman, summed up the fallacy of the self-containment doctrine in the following succinct manner:

A country that could not make a locomotive, an automobile, or whose trade originates from differences in natural resources.

It is probably true that the trade of the world, owing to certain equalizing tendencies, must more and more depend

A country that could not make a focundative, an automobile, of an airplane without material from abroad can scarcely be called self-contained. A country that could not even carry on war without the aid of 30 essential commodities from other countries cannot boast of its national independence. By the same token, a

country whose excess wheat and cotton are rotting in fields and storehouses because its foreign market has gone to pieces is not in position to talk in terms of Washington's Farewell Address.

What would have become of the South if our exports of cotton and tobacco were cut off? What would have become of the industries of New England and the industries of other sections of the country if the purchasing power of the South, made possible by the production and sale of cotton. had been cut off-as would be the case if we followed the nationalistic system and concluded we were self-containedand our foreign markets forever lost? It is not only the lifeblood of the South but essential to New England industries and to the industries in every section of this great country.

Mr. TREADWAY. Will the gentleman yield for a question?

Mr. DOUGHTON. I yield to the gentleman from Massachusetts.

Mr. TREADWAY. The gentleman has asked me several questions in the course of his address, which I greatly enjoy listening to.

Mr. DOUGHTON. I am glad of that. Mr. TREADWAY. I would ask the gentleman when it is agreeable to him to have me reply to the numerous questions which he has asked me. I shall be glad to take those questions up at his convenience at a later date.

Mr. DOUGHTON. May I say in reply the gentleman did not consult me as to my convienience when he made his five or six speeches on the floor of the House. He knows that the courtesy of the Members of the House will grant him permission at any time to answer the speech made by myself or anyone else.

[Here the gavel fell.]

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent that the time of the gentleman be continued until he completes his speech.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. DOUGHTON. I thank my friend for his courtesy.

## NECESSITY FOR FOREIGN MARKETS

Those advocating a self-contained United States argue that not more than 10 percent of our production is shipped abroad and that, therefore, we are 90 percent self-contained, implying that it will be only a matter of time until we shall be 100 percent. The gentleman from Massachusetts keeps reverting to this statement.

The use of this 10-percent general average for this purpose is fallacious. The vital organs of the body weigh less than 10 percent of the whole; could we gradually remove the heart, lungs, and so forth, and go on functioning as if nothing had happened? As a matter of fact, foreign markets are of vital importance to many basic American industries. A much greater percentage of the production is shipped abroad in many instances.

Cut off all our foreign trade and take that business from the manufacturers and producers in the United States, and you will find those people out of employment and they will be placed on the relief rolls. This would result if we lost our foreign markets. Imagine the misery, sorrow, and the destitution which would follow.

In 1929, for example, nearly 55 percent of our cotton, more than 40 percent of our tobacco, 33 percent of our lard, and about 18 percent of our wheat were exported. These relatively large percentages are not limited to agricultural products. More than 40 percent of the typewriters, 29 percent of the printing machinery, 28 percent of the sewing machines, 23 percent of the agricultural machinery, 21 percent of the locomotives, and 14 percent of the passenger automobiles were sent abroad in the same year.

In such lines of production as those noted above, and others, the loss of export trade is a matter of great concern. The administration has set about to correct this situation. The decline in the foreign demand for cotton, it has been reliably estimated, might readily make the difference between 16- and 6-cent cotton.

In other words, were we to lose our export trade in cotton, I doubt if it would sell for 6 cents a pound, and 6-cent cotton means devastation and ruination of the South, which would in turn be reflected in every part of the American Union.

It is a fundamental principle that the price of export surplus in some of the above lines may determine the price of the entire home product. Whether it is 10 percent or 50 percent of the production, the existence of the outlet may be the balance wheel or "margin of safety" for a nation's industries.

Those who point to our much-vaunted self-sufficiency base their ideas upon a fundamental misconception of the workings of industry. The large and thriving domestic markets generally depend upon foreign markets for a measure of their prosperity. To repeat, it is misleading to argue that since our export trade as a whole constitutes only 10 percent of the total trade, it is relatively unimportant. The effect of the change upon the fundamental conditions in each industry is the important point. A 10-percent loss of business does not indicate that the remaining 90 percent of the total trade is left in first-class condition: it usually means the opposite. The last 10 percent of production, in many lines, means the difference between a profit and a loss in the whole business.

The conclusion that the export trade of the United States, because it is no more than 10 percent of the total, is not justifiable. The Honorable Cordell Hull, while he was in the Senate, had the following to say regarding this fallacious

Whether or not you agree with Cordell Hull. Secretary of State, a former Member of this body and of the United States Senate, you all recognize his outstanding ability and his high and patriotic determination to better our present economic conditions.

No economic falsehood ever deceived as many credulous people as the stock phrase that America only exports about 10 percent of her production and that home consumption of the 90 percent completely controls our economic situation. In the first place, instead of all American industries exporting 10 percent each of their production, a few dozen of our greatest industries, on the prosperity of which the prosperity of the entire Nation absolutely depends, are obliged to export not 10 percent but a large proportion of their production. tion of their production.

If this fallacy of self-sufficiency had not received such wide-spread attention, sometimes falsely disseminated by propagandists, it would not be necessary to further labor the point, to show how essential it is for opening markets for our commodities produced in abundance; to make arrangements for receiving those products essential to our domestic economy-numerous products which would have little effect in unbalancing any domestic industry, a number used in the industries of Massachusetts.

The export figures do not tell the whole story about the interrelation of industries. For example, the conditions of the automobile industry are reflected in a number of other industries whose materials it purchases in large quantities. This industry consumes in its production, to mention only a few, 19 percent of the steel of the United States. and has largely accounted for the recent activity of that industry. The automobile industry uses about 68 percent of the alloy steel and varying percentages of other steel products, 55 percent of the malleable iron, 23.5 percent of the aluminum, 15 percent of the copper, 33 percent of the lead, 7 percent of the zinc, 11 percent of the tin, 24 percent of the nickel, about 7 percent of the cotton, 54 percent of the upholstery leather, 14 percent of the hardwood lumber, 40 percent of the plate glass, 73 percent of the rubber, and 85 percent of the gasoline produced in the United States.

If the conditions of the automobile industry, which furnishes employment directly or indirectly for some 4,000,000 people, could regain a substantial portion of the foreign market which took more than \$500,000,000 worth in 1929, the effect on American industry in general is self-evident. In all the above industries, as well as in others, additional employment would result. It may be added that the automobile industry utilizes products from every State in the Union. Whatever retards this important industry affects numerous other industries. By the same logic any improvement in the conditions of such an industry has far-reaching effects in the industries noted above. Thus the fallacious notion that 10 percent of such an industry may be lopped off without evil effects becomes obvious.

We on this side of the House are just as anxious for our country to be self-sufficient as those on the other side if it can be done at a reasonable cost. During the past 10 or 12 years we have had to realize that our economy is inextricably interwoven with that of other countries. As has been said on other occasions, we are faced with a reality and not a theory, a reality which the Republicans have ignored during the past 10 or 12 years.

There is one other point brought up by the gentleman from Massachusetts [Mr. TREADWAY] on the floor on February 20 which I desire to comment upon. The gentleman belabors himself to show that there is no relationship between branch factories going abroad and the last Republican tariff. He has very obligingly placed in the RECORD (p. 234) of that date the number of branch factories moving into Canada for many years past. Of course, he could not see any connection between the fact that, in 1928, only 14 branch plants went into Canada and the greatly increased number which have been going into Canada since that time. For example, in 1929, 38 American branch plants located in Canada. It will be recalled that by the middle of 1929 the nature and extent of the tariff increases in the Hawley-Smoot Act were fairly well determined. Canada and other countries promised retaliation if the act should be passed in its 1929 form. This threat of retaliation drove American plants across the border. The number of plants going into Canada since 1929 has been more than twice as great as before the Tariff Act of 1930 was being considered and went into effect.

Of course, no one will expect the gentleman from Massachusetts [Mr. Treadway] to draw such a conclusion. Everyone else who has given any serious study to the problem realizes that a continued high-tariff system for the world, with the self-sufficiency doctrine, will drive American industries abroad. The gentleman's party must assume considerable responsibility in the world nationalistic drive. Instead of producing at home, using materials and employing domestic labor in the vicinity in which the plants are located, and exporting surpluses, large and ably financed United States industries will start a branch plant in other countries behind tariff walls. I do not here maintain that the tariff is the only reason that these industries have located in foreign countries. There are various other reasons, but the intense nationalism advocated by the gentleman from Massachusetts and his colleagues has been an important factor.

# THE BELGIAN AGREEMENT

On March 4 the gentleman from Massachusetts [Mr. Treadway] dwelt in some detail on one side of the Belgian trade agreement. That is to be expected, since Republicans can only see one side of foreign trade. The value of the exports on which we obtained concessions from Belgium amounted to more than \$16,000,000 in 1933, or about one-third of our exports to that country. We granted them concessions on imports amounting to less than \$6,000,000, or one-fourth of the imports from that source for the same year. Of course, the gentleman from Massachusetts [Mr. Treadway] can see no good in any trade agreement whatever, even if the United States gains two or three times as much as the other country involved.

The gentleman from Massachusetts [Mr. Treadway] went into a rage about the comparatively small reduction made in the duty on cement. The reduction in the Belgian agreement was from 6 to 4.5 cents per 100 pounds. Even in time of free trade in cement—that is, before the Tariff Act of 1930, imports were insignificant. Imports of cement do not ordinarily go beyond trucking distance from the port of importation under any conditions.

The people of this country will long remember the predicament in which they found themselves after 12 years

of control of these carping critics who are doing everything possible to defeat the new-deal policies of the present administration.

They will not lose sight of the distress, suffering, and misery caused by the Smoot-Hawley-Grundy tariff law, and other policies adopted during the reign of special privileges.

In retrospect, let us visualize, lest we forget, the situation that existed in America on March 4, 1933, the day that President Roosevelt assumed the duties of the Presidency. At that time the economic barometer of the country registered the lowest mark in all our history. It was the zero hour in the life of the Nation. The financial system had collapsed, credit had been destroyed, industry had become paralyzed, agriculture had reached the brink of bankruptcy, and the farmers were in the depths of despair and were being forced to dispose of the fruits of their toil at ruinous prices. Millions of farmers had lost their homes, through no fault of their own, as a result of tax sales and mortgage foreclosures. Fifteen million working people were out of employment and unable to procure support for themselves and their dependents, making an army of around 45,000,000 needy and suffering people, with all the evils attending such conditions. Actual starvation stared many in the face and terror had seized the public mind.

Conditions were so serious that many of the States had already closed all State banks by official mandate and those that were not closed, had lost, or were rapidly losing, the confidence of the public. Old financial institutions that had weathered all previous storms were headed for ruin at a velocity that bewildered the mind and staggered the imagination. All lines of business were at the lowest ebb in the history of the Republic. The old order had failed utterly. The attempt to restore prosperity by dumping millions of dollars into failing banks, in which people had no confidence, defunct corporations, and big business generally had completely failed.

The last 2 years of the Hoover administration will go down in history as the darkest and most devastating period of American life.

It appears to me that those who were responsible, or who were in control, when these perilous times were brought upon the country could well afford to refrain from so much criticism, at least until the policies being tried, or that will be tried, to restore or rescue the country from the awful plight in which they left it, can be tried out.

Former President Hoover has more adequately defined the conditions which the present administration inherited from its predecessor than any other person. In his Cleveland, Ohio, speech in 1930, he referred to these conditions as an "economic pestilence", and in his speech of acceptance in 1932, as an "unparalleled calamity in the history of our Nation."

The gentleman from Massachusetts [Mr. Treadway] stated in his speech this week, referring to the debate he had with the gentleman from Ohio [Mr. Harlan] that he would endeavor to have the last word on the subject. I do not blame the gentleman from Massachusetts for this, as his speeches are so barren of facts and so pregnant with errors and misstatements that he must continue to explain and defend the best he can in support of a weak case.

Truth once stated, stands of its own strength, but deception and error must continuously be buttressed.

I shall not leave the work of my committee and my other important duties to take the time of the House every 2 or 3 days, or each week, in defense of the reciprocal tariff act of 1934, or the policies of the present administration. However, I felt that inasmuch as I introduced this bill in the House I should give some attention to the attacks made upon it.

As to what may be the effect of the 1934 act is a matter of opinion and guesswork, but the disastrous results following the 1930 Smoot-Hawley-Grundy Tariff Act is a matter of knowledge that will not fade out of the minds of the American people for many generations.

In spite of the almost daily outpourings of the gentleman from Massachusetts [Mr. Treadway] and other vocal oppo-

sition, the administration has taken a step forward in carrying out the basic objectives of a new foreign trade policy, as expressed in the Reciprocal Tariff Act.

I desire to end my remarks by quoting part of the message of the President in submitting the tariff legislation to the Congress. He said, in part:

You and I know that the world does not stand still; that trade movements and relations once interrupted can, with the utmost difficulty, be restored; that even in tranquil and prosperous times

difficulty, be restored; that even in tranquil and prosperous times there is a constant shifting of trade channels. \* \* \*

If the American Government is not in a position to make fair offers for fair opportunities, its trade will be superseded. If it is not in a position at a given moment rapidly to alter the terms on which it is willing to deal with other countries, it cannot adequately protect its trade against discriminations and against bargains injurious to its interest. Furthermore a promise to

bargains injurious to its interest. Furthermore a promise to which prompt effect cannot be given is not an inducement which can pass current at par in commercial negotiations. \* \* \* The exercise of the authority which I propose must be carefully weighed in the light of the latest information so as to give assurance that no sound and important American interest will be injuriously disturbed. The adjustment of our foreign trade relations must rest on the premise of undertaking to benefit and not to injure such interests. In a time of difficulty and unemployment such as this, the highest consideration of the position of the different branches of American production is required. \* \*

[Applause.]

#### PERMISSION TO ADDRESS THE HOUSE

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent that on Monday next, following the reading of the Journal and the disposition of business on the Speaker's table, I may be permitted to address the House for 30 minutes.

Mr. CULLEN. Mr. Speaker, reserving the right to object, Monday is going to be a busy day, I imagine. What does the gentleman want to talk about?

Mr. KNUTSON. I wish to speak on the state of the Union.

Mr. CULLEN. That is a broad subject.

Mr. KNUTSON. Well, this is a broad country.

Mr. CULLEN. If it is on the tariff, I have no objection.

Mr. KNUTSON. It will be on the tariff.

Mr. CULLEN. I have no objection.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

#### THE IRVING SCHAM PLAN FOR REEMPLOYMENT

Mr. ALLEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a short statement of a constituent of mine on a proposed plan of recovery. It just consists of a half page.

Mr. CULLEN. Mr. Speaker, reserving the right to object, of course, I am one of those who do not believe in clogging up the RECORD with a lot of immaterial stuff which does not give information to the Members of the House. If this has reference to a speech which the gentleman himself made, I have no objection.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ALLEN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following short statement of a constituent of mine on a proposed plan of

The problem of putting America back to work nears a solution with the adoption of the following plan submitted herewith.

As there are approximately 5,000,000 men out of work at the present time who are solely dependent upon relief, I propose:

1. That every person receiving money through relief be classified according to profession, trade, or vocation.

2. That these unemployed persons be placed for 6 months (or a longer period, if necessary) at a job to which they are fitted; their salary to be determined by the N. R. A. wage existing in each respective territory and paid by the Government.

a. Only N. R. A. approved concerns are to receive extra help.

b. Regular employees must not be discharged unless a tangible

b. Regular employees must not be discharged unless a tangible reason exists.

3. That the present relief commission be placed in charge of classifying, and placing the unemployed in N. R. A. approved shops, business houses, etc.

Let'us take a specific case of both a manufacturing concern and a business house:

A man is placed in my shoe store. I do not need him to wait on trade, consequently, I keep him busy by dusting boxes, clean-ing up, and doing odd jobs.

Now, the existing condition that has come about putting everyone back to work has increased my business. At the end of 6
months, the Government, according to this plan, ceases paying
this man. But, my business, having increased necessitates keeping
this man to wait on trade. He is already an experienced shoe
salesman from past employment. There is no alternative; I put
this man to work this man to work

2. Now let us take the case of a manufacturer: In each locality each manufacturer will receive an allotted number of men according to the unemployment condition of the locality and determined by the commission set aside to classify those on relief.

It being absolute folly for a manufacturer to create an over-

It being absolute folly for a manufacturer to create an oversupply, he puts his Government-paid men to work doing the
numerous odd jobs that can be done in any plant.

With the elapse of a short period of time an increased demand is created for his products, due to an inevitable increase
in business conditions. With a flood of orders for his commodities, he uses his Government-paid men for the increased
production that has been brought about by a marked gain in the
business trend ss trend.

At the end of the allotted period the manufacturer will have regular place on the pay roll for every man placed in his emby the Government

With the adoption of this plan every newspaper and periodical in the United States would be eager to carry the screaming headlines: America Goes Back to Work.

Mr. GREEN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

Mr. SUMNERS of Texas. Mr. Speaker, I hope the gentleman from Florida will not insist upon his request. This is Calendar Wednesday, and we hope to get on call, and we have now taken up 2 hours.

Mr. GREEN. I shall be pleased to ask for the 1 minute later on.

Mr. CULLEN. Mr. Speaker, reserving the right to object, the Chairman of the Judiciary Committee is anxious to get the floor with some bills, and I think probably it would be well to allow the bills to come up as soon as possible.

Mr. GREEN. I shall withdraw the request and submit it

Mr. HOOK. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes following the remarks of the gentleman from Mississippi [Mr. Forn] this afternoon.

Mr. SUMNERS of Texas. The gentleman means after the Committee on the Judiciary is through?

Mr. HOOK. Yes.

Mr. SUMNERS of Texas. I have no concern about that. Mr. McREYNOLDS. Mr. Speaker, I shall have to object. There are other committees on call.

The SPEAKER. Objection is heard.

Mr. CULLEN. Mr. Speaker, I ask for the regular order. The SPEAKER. The regular order is recognition of the

Commissioner from the Philippines [Mr. DELGADO] to address the House for 15 minutes.

Mr. DELGADO. Mr. Speaker, I rise today to pay a welldeserved tribute to a typical American, a man who, in the comparatively short space of 40 years, has risen from a cabin to the Governor General's palace in Manila, and to testify to his contribution to the greatest task, the grandest task that a great and mighty Nation has ever undertaken for the benefit of a young and small but hopeful country.

I have no set speech prepared, although I have jotted down a few notes, because I should like to let the sentiments of my heart flow freely this afternoon. Therefore, I plead for your indulgence if there should be lack of coherence or lack of elegance in my expressions.

Mr. Speaker, I know I would not be representing the true feelings of the 14,000,000 souls whom I have the honor to represent here, were I not to preface my first effort in this, the greatest of all popular assemblies in the world, with a reiteration of the loyalty and gratefulness of the Filipino people to America and to you, gentlemen. [Applause.]

I can say with absolute certainty that this loyalty and devotion is inspired neither by fear nor by mercenary motives, but by that lofty feeling—one of God's greatest gifts to the human heart—the purest sense of gratitude for favors past and present. [Applause.]

Also, I wish to be permitted to digress for a few moments from my subject and indulge in some personal reminiscences so that I may the better illustrate why I feel that my first | words now should be devoted to what America has done for the Philippines and for me.

Mr. Speaker, it has been my privilege to be one of the first 100 students sent by the Philippine government to the United States, in 1903, upon the initiative of that illustrious American, Gov. William Howard Taft. I have gone through some of the finest schools and colleges here. I have worked as a common laborer in one of your tin-can factories, and I have sold scopes and pictures out in northern Ohio and southern Michigan, in that rich farming country, and I have a living witness in this very Congress of some of my activities of that time. I refer to the distinguished gentleman from Ohio [Mr. KNIFFIN], who still remembers how I worked on his kindly grandfather in the summer of 1907, to persuade him to buy a scope and a few pictures from me, so that I might further pursue my studies in this country. I am not ashamed of these humble incidents of my student days in this country; on the contrary, I am proud to say that the greatest of all lessons I have learned here from a stay of over 5 years as a student, was the experience I gained as a common laborer in a tin-can factory and as a peddler of scopes and stereopticon views. They are among the most cherished memories I have held down to this

So I feel that I have come to learn your likes and dislikes, have acquired from my association with you many good habits and some not so very good; but I am equally proud of each and every one of them. [Laughter and applause.]

Therefore it is most fitting, Mr. Speaker, that my first effort in this body should be one of thanksgiving and appreciation of what you have done for my country, for my people, and for me personally, because I yield to no one of my countrymen in attachment and devotion to this country, which I have regarded, now regard, and shall always regard as my second home, because of the many favors I have received here. [Applause.]

How can I more appropriately express that thankfulness for and appreciation of your benefactions than by telling you of the magnificent and able stewardship of your highest representative in the Philippines? First of all, he has translated into action your enactments, your desires, your orders, even your idealism in regard to the Philippines. In other words, he brought to our beautiful oriental isles the spirit of true Americanism as first enunciated in the policy laid down by McKinley and subsequently followed by all the Presidents of the United States and by all the Congresses, and which I know will be followed by this Congress and all future Congresses. [Applause.]

Governor Murphy has signally succeeded in bringing into the hearts of the Filipinos the conviction that nothing but altruism has moved this country and its great people in undertaking the task that is about to come to a glorious completion.

There have been 11 Governors General in the Philippines since the American occupation, and it is a privilege, gentlemen, for me to be able to state that each and every one of them represented the very best type of American manhood and statesmanship. [Applause.]

Every one of the 10 illustrious predecessors of Governor Murphy-Taft, Wright, Ide, Smith, Forbes, Harrison, Wood, Stimson, Davis, and Theodore Roosevelt, Jr.-had contributed, during his administration, to the progress and wellbeing of the country over which he ruled, and the sum total of their contributions stands as a living monument there of America's unparalleled altruistic colonial policy. I regret that time does not permit, nor does the occasion warrant, an enumeration of the great accomplishments of each of these able administrators.

However, the mention of the creditable part taken by some of them in the formation and development of the Philippine government is inevitable, for there are three epochal periods in the development of democratic government in the Philippines which stand in bold relief as the turning points in each step taken toward the establishment of a truly popular government there. It was under Mr. Taft, the first civil Governor, that the foundations of that government were laid, for it was he who first carried out the instructions of President McKinley and later put into actual operation the plan embodied in the first Philippine bill enacted by the Fiftyseventh Congress in 1902. The era of real participation by the Filipino people in the operation of their government was ushered in by Governor General Harrison. He was the first to carry into execution the provisions of the Jones law (Public Act 240) enacted by the Sixty-fourth Congress in 1916. But it remained for Mr. Murphy, the present American Governor General in the Philippines, to combine the achievements of his predecessors and add greatly to the solidity of the edifice wherein the new Commonwealth government provided for in the Tydings-McDuffie Act. passed by the last Congress, shall be safely lodged.

To Governor General Murphy belongs, therefore, the credit of bringing to a happy culmination a great task greatly performed.

That Governor Murphy performed this most difficult function in the manner in which I know each and every one of you would wish and expect him to perform is abundantly shown by the unanimous praise made of his administration by all the different elements in the Philippines.

The leaders of all political parties have supported his administration and have lauded his accomplishments. I am sure I can do no better, to give an idea of this general approval, than to request, as I do, Mr. Speaker, unanimous consent to incorporate and make a part of my remarks the speech delivered by the President of the Philippine Senate, Hon. Manuel L. Quezon, the outstanding leader of the Filipino people, at the farewell banquet tendered Governor Murphy before his departure from Manila. I quote:

Two days ago, at a banquet given in my honor by the Philippine Columbian Association, the president of the association, in the course of his remarks, gave me the impression that the banquet was given in his honor and not in mine. I hope that you did not get the impression, after listening to my friend Mr. Luz here, that this banquet is the result of a conspiracy between him and me to launch publicly my candidacy for the presidency of the Commonwealth. wealth

Gentlemen, this is a great occasion and a happy one; a great occasion because it is a banquet given by a great people to a great man. And a happy one for you, Mr. Governor, and for us, your friends, for this is a very sincere demonstration of affection and admiration for you, both as a man and as a Governor.

and admiration for you, both as a man and as a Governor.

Governor General Murphy was appointed Governor General of the Philippine Islands at a most critical period in Philippine history. The Congress of the United States had just enacted a law determining the future relations between the United States and the Philippines. And this act was to be submitted to the Filipino people for their acceptance or rejection, and it was a question for the Governor General to decide what part, if any, he was to take. It was important that the decision of the Filipino people should be right, but from the standpoint of the United States, the question was not whether the decision of the Filipino people was to be right, but whether that decision was to be the result of an absolutely free determination on the part of our people; and Governor Murphy at once saw where his duty lay. There was an act approved by Congress. In the passage of that act, leaders of his own party had taken a very important part. The temptation must have been great for him to so act, at least indirectly, as to facilitate the acceptance by the Filipino people of that act of Congress, his own Congress, an act in which his friends and political associates had been interested. ates had been interested.

But Governor Murphy saw his duty, saw that his duty was to keep neutral in the controversy that was going on amongst the Filipino leaders. He saw that it was in the interest of the Filipino people as well as the United States that the determination as to whether the act should be accepted or not should be freely made by the people of the Philippine Islands themselves. So Governor Murphy, from the minute that he arrived on these shores, has allowed no one to have any misgivings as to where he would stand in this controversy. He told our nearly multily and told every in this controversy. He told our people, publicly, and told every one of us, those of us who were taking a very active part in the controversy, that he had made up his mind to be neutral, and that he was going to allow no one to use his office, directly or indirectly, to influence the decision of the Philippine Legislature in accepting or rejecting that law.

or rejecting that law.

I want to say to you gentlemen that from that time on, I have admired Governor Murphy. He kept his word. He was neutral and he remained neutral until the legislature had spoken. And after the legislature had spoken, he still remained neutral until the question was again decided by the Congress of the United States and passed upon by the Philippine Legislature. Then, when the legislature had taken action he was ready to cooperate with it so that the necessary steps might be taken to carry out the provisions of the law as accepted by our legislature. No Governor General has, in my opinion, interpreted both the letter

and the spirit of the Jones law better than the present Governor General has. He remained neutral in the last elections. He allowed no public official to use the prerogatives of his office in influencing the results of the elections. But when the results were known, he at once accepted them as final and consulted in the affairs of this Government with the leader of the party that had won the election.

When Governor General Murphy arrived in the Philippines it was not only the question of the acceptance or rejection of the law by the people of these islands that confronted him. There were, in addition, the everyday problems that any government has to meet. And at that particular time, as it is still now, the most important problem before the Philippine government is the balancing of its budget. Before the Governor General arrived the Philippine Legislature already had in its previous session balanced our budget, so that he did not find here a bankrupt government. On the contrary, he found a government on a sound financial condition, unlike the state of many of the governments on earth today. Governor Murphy not only continued this policy of keeping our budget balanced—the insular budget—but he went forward and encouraged every provincial government to also keep their expenditures within their income.

Moreover, during the short period that he has been at the head of this government the surplus of the government has increased. I believe sincerely that if Governor Murphy had done nothing else in the Philippines this alone would give him credit for being one of the best executives in the world today.

But he has done more than that. Within the resources of our government he has interested himself in giving our people new services. His heart is with the helpless, with the poor, with the needy. And so he has given a large part of his time to the consideration of our social problems, and he has started and worked along these lines which, I hope if continued by the government which is to succeed the present government, will make this country very soon one of the most progressive governments upon the face of the earth.

I have had occasion to know Governor Manual Late.

the face of the earth.

I have had occasion to know Governor Murphy intimately. It has been one of the happiest moments of my life to have met our Governor at this particular time. My conferences with him on public questions have not only been pleasant on all occasions, but have been very instructive and inspiring. I am sure that I am paying him inadequate tribute when I say that he has but one purpose, and that is to serve the best interests of the people of the Philippine Islands in everything he does and at every moment.

I am not now endorsing everything that has been done by the Governor. As a matter of fact, we have had some disagreements and I have been vain enough to think that when he had not agreed with me, he was wrong and I was right. But what I want to make public now is, that whether the Governor has agreed with me or not, I know that whenever he has made a decision, he has done it because he thought it was right, because he thought it was just, because he thought it was honest, because he thought it was for the best for the government and people of the Philippine Islands.

The Governor is going to America. He himself has said that he is going to America because the President of the United States desires to confer with him. I shall refrain from surmising about the subject or subjects of that conference. But I feel perfectly safe in saying that the Governor General, in that conference with the President, will give him the best information as to the conditions prevailing in the Phillippine Islands; will tell the President what he honestly believes to be the wishes of our people, and will do what he can to promote our best interests.

and will do what he can to promote our best interests.

In this connection I wish to take advantage of this opportunity to say one thing to the people of these islands, and that is, that everybody should settle down to work upon the assumption that nothing will happen that will stop the program as agreed upon between the Congress of the United States on the one hand, and the Filipino people on the other, when the act approved by Congress was accepted by the Philippine Legislature. We will gain nothing by deluding ourseives into believing that something may happen or will happen that will change the course of events that will necessarily follow the acceptance on the part of the legislature of the law enacted by Congress.

Let no one think that the government of the Commonwealth

Let no one think that the government of the Commonwealth will not be established. The government of the Commonwealth will be established just as soon as the constitutional processes as determined in the McDuffie-Tydings law have taken place. The only thing left undone is to improve the provisions of that law, if they can be improved, in the interest both of the United States and of the Philippines. I do not know whether the trip of the Governor has any connection whatever with the provisions of this law. Nor do I know whether at the next session of Congress there is any plan or idea of reconsidering some or any of the provisions of that law. But this, as I said, I am prepared to state: If and when the opportunity should present itself for improving those provisions as they affect the Philippine Islands and the Filipino people, I have no doubt that the Governor General will do his best to help us. And knowing this, I feel Mr. Governor, that we are not doing enough for you. I feel that every evidence of affection and confidence in you that the people of the Philippine Islands may give you before your departure, is not sufficiently expressive of the feelings they have in their hearts.

Personally, I want to say that I have no better friend in this world than you. And I want to add that I have not admired any

man more than I admire you. Gentlemen, I want to offer a toast for the health of the Governor, his happy trip and quick return to the Philippine Islands.

The SPEAKER pro tempore. The Commissioner from the Philippines asks unanimous consent to revise and extend his remarks so as to include a speech delivered upon the occasion of the farewell banquet tendered Governor Murphy in Manila and newspaper and other comments. Is there objection?

There was no objection.

Mr. DELGADO. Business men in the Philippines—American, foreign, and Filipino—all praise the administration of Governor Murphy.

The press, which, in the Philippines as here, is ever vigilant of the conduct of public men, have also unanimously praised Governor Murphy's administration. And their appraisal of his accomplishments have been so just and fair, that Senator Hayden has seen fit to have printed in the Congressional Record (Feb. 21, 1935) an editorial of the Tribune of Manila, which is an organ of the opposition party in the Philippines. The Herald of Manila, in its issue of January 23, 1935, said the following:

The peace and contentment of the people in general—that is Governor General Murphy's definition of governmental stability. It is, in fact, the only test of good government. We have been peaceful, and we have been contented. Why? Because we have lived within our income, have remained united in spite of our political antagonisms, have advanced educationally, have improved in health, and have enjoyed the full measure of our democratic rights.

Of Governor Murphy, personally, the same paper said:

Here indeed is a noble man, gifted with the culture of truth and possessing a character that refuses to step out of itself in the interest of expediency. All those who have known him here know that he has worn no mask, that he is what he is rather than what he might be represented to be. There is, in other words, not the least trace of sham and pretense in his personality and his mind.

The SPEAKER pro tempore. The time of the Commissioner from the Philippines has expired.

Mr. STEFAN. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended for 5 minutes.

The SPEAKER pro tempore. Is there objection? There was no objection.

Mr. DELGADO. Mr. Speaker, I regret exceedingly that time will not permit an adequate enumeration of the accomplishments of Governor Murphy in the Philippines; but I may say, in the briefest way possible, that Governor Murphy has brought financial stability to the Philippine government to the extent that we have not only lived within our income during the 2 years of his administration but he has laid the foundations for the government's financial security in the future.

A long speech can be delivered on each of Governor Murphy's splendid achievements in the Philippines. If I had enough time, I could describe to you at length his systematic plan to solve many social problems in our country. In an admirable spirit of helpfulness he eradicated, in the short span of less than 2 years, the unhealthy slum districts in the city of Manila and he raised to an unprecedented degree of efficiency our hospital standards and health service. The Philippine government under him has always been ready to extend relief to needy families. Not even the unfortunates behind the prison bars were overlooked. The indeterminate sentence and parole systems were instituted that hope for social rehabilitation may still be theirs.

He brought with him that sympathy, that understanding of Filipino aspiration and ideals that have caused the people out there fully to realize the truth of that famous Jeffersonian principle—" that no government can be just unless its powers are derived from the consent of the governed"; and, last but not least, because of his faith in the Filipinos, because of his sympathy with our ideals and aspirations, he has revived good will and has made each and every one of our people feel, as never before, that America can always be depended upon for its justice, for its equity, for its fairness. These were his reassuring words:

This country is not going to ruin. This civilization is not going to crumble. There is not any necessity for this nation to slip

back. This is not a political task; it is a task of service, through and through, and we must have courage to meet it. \* \* \* I likewise predict that there will be nothing to fear in the future for the Philippine Islands.

Mr. Speaker, if the present administration had done for the Philippines no more than to send Governor Murphy to the Philippines—and there are many other things that it has done—we feel that the Filipinos have enough to thank for. Governor Murphy's policies, not unlike the new deal here, have brought faith and confidence, new hopes to our people, which have moved them to go on and face all the problems that beset our country with confidence, with trust in God, and trust in the idealism of this Nation, which will send us onward to the goal we have set for ourselves long ago.

Again I wish to thank you for all you have done in the Philippines and will close by saying that the Philippines are the vanguard of Christianity in the Far East. They represent a civilization founded on three centuries and a half of Spanish influence. With the fine superstructure that America has built over that foundation along the lines of twentieth century Anglo-Saxon ideas of progress and human betterment, we believe that we shall forever remain the outpost of Christianity and of western civilization in the Far East, and the supporters of everything you stand for and the principles that you taught us and you so well love. [Applause.]

## CALENDAR WEDNESDAY

The SPEAKER. Today is Calendar Wednesday and the Clerk will call the committees.

Mr. BLANTON. Mr. Speaker, before the calendar is called I make the point of order that there is no quorum present. There are bills of importance to come up and I think the Membership of the House should be here.

The SPEAKER. The gentleman from Texas makes the point of order that there is no quorum present.

Mr. SUMNERS of Texas. I wish the gentleman would not do that.

Mr. BLANTON. I regret that my duty compels me to do it. There is one bill on the calendar that sets a very bad precedent, and it is something that just now, with the present national atmosphere, could not be properly explained to the country. I think the Members ought to be here when the bill is taken up. I refer to the bill to pay a pension of \$20,000 a year for life to Justices of the Supreme Court after they have reached 70 years of age.

Mr. DUFFEY of Ohio. That is not the intent or the language of the bill.

Mr. BLANTON. That is just what it means and it ought not to pass. And if we can get the Members here so they will understand it, they will not pass it.

Mr. SUMNERS of Texas. It is a good bill and we ought to pass it and we are going to pass it.

Mr. CULLEN. I hope the gentleman will not press his point of order.

Mr. BLANTON. I feel compelled to make the point of order from a sense of duty. The Membership ought to know when a bill of that kind is coming up, and ought to be here during the debate, and I insist upon my point of order.

The SPEAKER. The Chair will count. (After counting.) One hundred and eight members present, not a quorum.

Mr. CULLEN. Mr. Speaker, I move a call of the House. The motion was agreed to.

The doors were closed.

The Clerk called the roll, and the following Members failed to answer to their names:

#### [Roll No. 22]

	[1001	1 NO. 22]	
Andresen	Claiborne	Fish	Johnson, W. Va
Bacharach	Clark, Idaho	Flannagan	Kahn
Bankhead	Coffee	Fulmer	Keller
Beam	Colmer	Gambrill	Kinger
Bell	Cooley	Gasque	Kleberg
Biermann	Cooper, Ohio	Gilchrist	Kramer
Boehne	Cummings	Gillette	Lambertson
Boileau	DeRouen	Goldsborough	Lamneck
Brooks	Disney	Goodwin	Larrabee
Buckley, N.Y.	Duffy, N. Y.	Greenway	Lea, Calif.
Bulwinkle	Dunn, Miss.	Hamlin	Lee, Qkla.
Carden	Eckert	Hancock, N. C.	Lewis, Md.
Casey	Fernandez	Hart	Lloyd

McGehee	Meeks	Robinson, Utah	Shannon
McLaughlin	Montet	Rogers, N. H.	Thom
McLean	Nelson	Romjue	Thomason
McSwain	O'Brien	Schaefer	Thompson
Maloney	Peyser	Schneider	Tobey
May	Pierce	Schuetz	White

The SPEAKER. Three hundred and fifty-five Members have answered to their names. A quorum is present.

Mr. CULLEN. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to. The doors were opened.

#### N. R. A.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. REED of New York. Mr. Speaker, the National Industrial Recovery Act was passed June 6, 1933. No time was lost to put the small business man under the lash of the dictator. Men who had their backs to the wall struggling to keep their men employed were driven into bankruptcy; others were fined heavily; others were imprisoned.

It is interesting to observe how tenderly some of the favorite monopolistic corporations and their officers were treated by the master dictator. Take the cigarette manufacturers as an example. Time and again during the past year, the newspapermen at the White House conference have inquired what progress was being made with the proposed cigarette code, only to be told that it had not appeared in the wire basket. Now, after a period of 20 months since the enactment of the N. R. A., the cigarette code appears.

The history of the transactions of some of the large tobacco companies who have been basking in the sunshine of political favor is not without interest to those who have felt the blade of the dictator's ax. I am informed that the president of the American Tobacco Co., Mr. George Washington Hill, was paid \$825,000 for his year's work in 1931. He received about \$16,000 per week. His workers received less than \$14 per week.

The four big tobacco companies showed earnings of 10.1 percent on their invested capital. These companies during the 12 succeeding years reinvested \$270,000,000, or about one-fourth of their profits, in further mechanization, an amount far in excess of what they paid out in wages. This large expenditure in mechanization only added to the problems of unemployment. It is interesting to note that by 1931 their earnings amounted to 16.3 percent on their augmented investment, or 25.5 percent on their 1920 investment.

Testimony given before a subcommittee of the Ways and Means Committee in 1934 reveals an astounding situation as to the profits of the so-called "Big Four." What does the testimony disclose? It shows that during the year 1931, the year of the depression, the aggregate net profits were \$110,-000,000, which was 30 percent greater than the aggregate net profit for 1929. The testimony further shows that during a period when the tobacco growers were unable to realize the cost of production, the manufacturers' profits were \$147,000,000, or 69 percent, while the growers received only \$66,000,000, or 31 percent.

Does any fair-minded person doubt for one minute that the key position which Mr. Clay Williams has held until his resignation today has been to the financial advantage of the Big Four monopoly and to the distinct disadvantage of the small tobacco manufacturers?

The wage earners of the industry received in 1931 only 1.9 percent of what the companies received for their products. Furthermore, let me call attention to the fact that to raise the wages of their cigarette workers 10 percent would cost the owners only a little over 1 percent of the more than \$100,000,000 they make in profits each year.

Now as to the cigarette code. Mr. Clay Williams, vice chairman of the R. J. Reynolds Tobacco Co., one of the so-called "Big Four" which completely controls the tobacco business of the country, opposed any codification under N. R. A. which might involve the slightest raise in wages. Mr.

Williams is chairman of the National Recovery Board and as such he has had tremendous influence in forming codes affecting his business. Even though 90 percent of American business had been placed under codes, yet the Reynolds Tobacco Co., until within a few days ago, has escaped codification. I may add that while Mr. Clay Williams opposed the labor policies of the N. R. A., he did not oppose its priceraising tendencies.

Furthermore, to offset a \$10,000,000 increase in costs due to the operation of the A. A. A. processing tax and the President's reemployment agreement, the cigarette industry raised its wholesale price by \$60,000,000. All that it did to meet these new burdens was to multiply the added cost by 6 and pass them on to the consumer. This clever piece of manipulation added a clear \$50,000,000 to its profits in the first year under the new deal.

The administration now asks Congress to extend the life of the N. R. A. The favored few, those who enjoy monopolistic privileges under the N. R. A., those who control and direct its policies now join the administration in urging Congress to extend the life of the National Industrial Recovery Act. Two years more of political favor will enable the large industries to drive their few surviving competitors into insolvency. This will give them a free hand to further exploit the public.

#### ATTENDANCE ON COMMITTEE

Mr. MARTIN of Massachusetts. Mr. Speaker, the members of the Committee on Agriculture are in session on business authorized by the House and could not answer to their names on the quorum call.

Mr. O'CONNOR. The majority members of the Committee on Agriculture received permission to sit this afternoon and may have been absent during this roll call.

The SPEAKER. The Clerk will call the first committee on the calendar.

The Clerk proceeded to call the committees.

## RETIREMENT OF SUPREME COURT JUSTICES

Mr. SUMNERS of Texas (when the Committee on the Judiciary was called). Mr. Speaker, I call up the bill (H. R. 5161) to amend section 260 of the Judicial Code (U.S.C., title 28, sec. 375), as heretofore amended.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 260 of the Judicial Code (U. S. C., title 28, sec. 375), as heretofore amended by the Act of March 1, 1929 (45 Stat. L., ch. 419, p. 1422), is hereby amended by adding at the end of the first paragraph thereof the following: "And, instead of resigning, any Justice of the Supreme Court, who is qualified to resign under the foregoing provisions, may retire, upon the salary of which he is then in receipt, from regular active service on the bench, and the President shall thereupon be authorized to appoint a successor; but a Justice so retiring may nevertheless be called upon by the Chief Justice and be by him authorized to perform such judicial duties, in any judicial circuit, including those of a circuit justice in such circuit, as such retired justice may be willing to undertake."

The SPEAKER. The gentleman from Texas [Mr. Sum-NERS] is recognized for 1 hour.

Mr. SUMNERS of Texas. Mr. Speaker, this is a very important bill. It is a bill with regard to which a great deal of misinformation has been spread about. Some statements have been made that are not correct.

This bill proposes to deal with the personnel of the Supreme Court of the United States. In a sentence, this bill does this, and nothing more, and any statement to the contrary is wrong. This bill gives to the Justices of the Supreme Court exactly the arrangement with regard to resignation and retirement that is now given by the laws of this country to every other Federal judge in the United States. Now, that is one point. I am going to repeat it. This bill proposed to give to the justices of the Supreme Court exactly that arrangement given by existing law with regard to all of the other Federal justices and judges in this country. That is one proposition.

Let me state another proposition. The statement has been made that this proposes a pension to Federal judges, and that is not correct. Federal judges hold office under the Constitution of the United States during life, subject to good

behavior. They do not have to quit except when death makes them separate themselves from the bench. That is another proposition. If anybody says I am not stating the facts correctly, I will yield to be corrected.

This is the third proposition: In the experience of this country it is found valuable to give to other justices who reach retirement age the privilege of retiring without having to resign. It may be that we in this Congress have a superior sort of character to that of the Justices sitting over there, but it has been found from human experience that when a man begins to slow up a little bit he would like not to quit entirely. He would not like to check out entirely. Recognizing that with regard to the circuit court justices and district court judges, we provided many years ago that when they begin to slow up, if they want to, instead of resigning they may retire. When they retire they are subject to incidental service by assignment.

With regard to the Justices of the Supreme Court, it has been deemed advisable, for reasons that are perfectly apparent, that when they get where they feel they cannot do a full day's work, instead of hanging on they may retire. That is the reason for this bill. The position they occupy requires full vigor, mentally and physically. I know there will be a great deal said about men in high places cashing out when they reach the point where they cannot do a full day's work. Maybe we all ought to have been made so that if we were getting \$18,000 or \$20,000 a year, we would just check out and quit when we reached the slowing up point, but the thing which should determine our judgment as to what human beings will do is common sense, experience, and observation. We know that human beings do not act that way. I would not risk many of the Members in this House who criticize Supreme Court Justices for not quitting. I would not risk them to get out of here and surrender their salaries because they are sick or getting a bit old.

So this bill gives this arrangement, that when the Justices of the Supreme Court have served 10 years and have reached the age of 70, instead of resigning they may retire. They are then subject to assignment in the circuits by the Chief Justice of the United States, to do incidental service.

Mr. JOHNSON of Oklahoma. Will the gentleman yield? Mr. SUMNERS of Texas. I yield for a question if it will be illuminating.

Mr. JOHNSON of Oklahoma. I am interested in the gentleman's statement that under the terms of the pending bill that after resignation of a member of the Supreme Court, the former member would be subject to call of the Chief Justice to be assigned to the circuit court?

Mr. SUMNERS of Texas. Yes; but not as a regular judge. Mr. JOHNSON of Oklahoma. But he would not be forced to accept such assignment unless he wanted to?

Mr. SUMNERS of Texas. That is right. The same provision is made with regard to the justices of the circuit court of appeals and with regard to the district justices when they shall have reached that age.

Now I will yield for questions, if some gentleman does not understand. I do not want to make a speech.

Mr. MOTT. Mr. Speaker, will the gentleman yield? Mr. SUMNERS of Texas. I yield.

Mr. MOTT. At the present time no legislation can be passed decreasing the salary of a judge while he is in office. Mr. SUMNERS of Texas. You cannot decrease it.

Mr. MOTT. But you can decrease a judge's retirement pay after he has resigned.

Mr. SUMNERS of Texas. That is right; I was going to make that statement.

Mr. MOTT. Now, if this bill is passed and instead of resigning a judge simply retires from active service on the Bench, which is to all intents and purposes the same thing as resigning, then it would be quite possible for a judge in effect to resign and the Congress could never pass any legislation lowering his salary.

Mr. SUMNERS of Texas. That is right.

Mr. MOTT. And that, I take it, is the real purpose of this bill.

Mr. SUMNERS of Texas. I would not like to say that; but I will say, and I say it very candidly, that my judgment is that if Justices feel perfectly secure in the continuation | of the salary which they may hold, they would be more disposed to retire. Do not forget they have a cinch on that salary as long as they live. Does the gentleman understand that?

Mr. MOTT. Yes.

Mr. SUMNERS of Texas. That is merely a matter of horse sense, a point to start from. We cannot take it from these judges by any law that we can enact.

Mr. MOTT. The gentleman does not mean that the

Congress cannot reduce the judge's pension upon his resignation?

Mr. SUMNERS of Texas. No; but I am talking about the judge who does not have to resign.

Mr. MOTT. That is true.

Mr. SUMNERS of Texas. I mean that we are just using horse sense here. People have common sense, let us use it.

Mr. MOTT. In other words, the purpose of the bill is to make the judge's retirement pay secure in any event, so that Congress in the future will have no jurisdiction over that

Mr. SUMNERS of Texas. That is one of the effects of the bill.

Mr. MOTT. I am glad the gentleman has so thoroughly and fully explained it.

Mr. SUMNERS of Texas. Sure; everybody knows that; and there is something rather important in that, too, perhaps. As long as a judge can hold office during life and get paid during life this sort of bill is common sense. I believe everybody in this House is bound to recognize it. If it were a question of initial legislation and legislative control over the salary of Justices after they reach the age of 70 years, we would confront a different proposition, but we have no constitutional control over their salaries during their lifetime, absolutely none on earth. Now, there may be some good in that, I am not sure about it, there is a good deal of weight on each side. For a long time we have held rather strongly for an independent judiciary in this country. There have been a long line of Anglo-Saxon practical experiences in trying to control the judges of this country and it has not been a happy experience.

When a man goes on the Supreme Court Bench he ought to take the veil insofar as any purpose to make a dollar from that time on is concerned. He ought not to have one minute's thought about a dollar. These men hold key places, and we should not quibble about \$15,000 or \$20,000 in making certain the independent uncontrolled judgment of the men whose opinion influences the Constitution of this country. It is as nothing. I am not sure that it is not a good thing for a judge who is a member of the Supreme Court to know that from the moment of his appointment on until God calls him to his reward he will not have to think a minute about a dollar-will keep himself free from every financial interest and involvement. [Applause.] Now, what are you going to do about it?

Mr. MILLARD. Pass it.

Mr. SUMNERS of Texas. Yes; that is right.

Mr. EKWALL. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. EKWALL. I do not presume that any Justice of the Supreme Court would hesitate to resign if he felt that he had gotten to the point where he could not perform his duties. Does the gentleman think so?

Mr. SUMNERS of Texas. No; but I think he would feel a whole lot better and more able to stay on the Bench if he did not have to worry about the future. I am telling the truth. I think the same thing about the gentleman who asked me this question, and I do not even know him. This is purely impersonal, understand. I think were the gentleman a Justice of the Supreme Court, and not quite up to par, he would feel a little less incapacitated and a little more willing to keep on the Bench if he was afraid his salary might be cut off entirely if he should quit. There is nothing personal about this, understand.

Mr. EKWALL. I understand, but does not the gentleman feel that the Justices of the Supreme Court are going to be

willing to rely on the fairness of the coming Congresses and that they will be willing to take their chances along that line?

Mr. SUMNERS of Texas. I will say to the gentleman that there is nothing in this bill which, if passed, would prevent a Federal judge resigning instead of retiring if he wants to. Does that answer the question? The gentleman is not dealing with theory. Nothing under this bill prevents any Justice who is willing to resign from resigning and subjecting himself to the legislative judgment.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. MOTT. The gentleman will admit, I suppose, that if this bill is passed, no Supreme Court Justice ever will resign in the future; they will all retire.

Mr. SUMNERS of Texas. I think that is true. Bear in mind this, that it is only within the last few years that it has occurred to anybody that Congress would disturb the salary of the justices of the Federal courts after they resigned.

Justice Holmes, just deceased, was the only Justice of the Supreme Court in the history of this Nation whose salary has ever been disturbed during his lifetime. May I make this further statement: I do not care what you do with this bill. I am simply making a statement here in explanation. I have no interest in it whatever which is not shared by each

Mr. CHRISTIANSON. May we be assured that there is no purpose anywhere—and I am not referring to the gentleman who is now occupying the floor—to use this bill as a means of changing the complexion of the present Supreme Court of the United States?

Mr. SUMNERS of Texas. Of course, I cannot answer that question.

Mr. CHRISTIANSON. It would have the effect of facilitating such a change if such change were desired?

Mr. SUMNERS of Texas. Possibly so. I understand there is a good deal of apprehension in certain quarters with respect

Mr. DUFFEY of Ohio. It is entirely optional with the present judges of the Supreme Court.

Mr. CHRISTIANSON. In using their discretion about resigning or retiring, they would be more likely to exercise that discretion if they were assured that their present salaries would be continued for the rest of their lives?

Mr. DUFFEY of Ohio. Why not? Mr. CHRISTIANSON. Then, the purpose of the legislation is to make it easier for the judges to exercise that discretion?

Mr. SUMNERS of Texas. May I answer the gentleman in this way?

Mr. CHRISTIANSON. The Members of the House have a right to know what the purpose is.

Mr. SUMNERS of Texas. I am going to state it exactly. May I direct attention to the section of which this bill is amendatory:

When any judge of any court of the United States, appointed to hold his office during good behavior, resigns his office after having held a commission or commissions as judge of any such court or courts at least 10 years, continuously or otherwise, and having attained the age of 70 years, he shall, during the residue of his natural life, receive the salary which is payable at the time of his resignation for the office that he held at the time of his resignation.

That applies to all justices with this exception:

But, instead of resigning, any judge other than a Justice of the Supreme Court, who is qualified to resign under the foregoing provisions, may retire, upon the salary of which he is then in receipt, from regular active service on the bench, and the President shall thereupon be authorized to appoint a successor; but a judge so retiring may nevertheless be called upon by the senior circuit judge of that circuit and be by him authorized to perform such judicial duties—

You will observe that the provision of the law of which this proposed bill is amendatory provides that any judge or justice of the United States may resign or may retire, except Justices of the Supreme Court, whenever they shall have served 10 years and shall have reached the age of 70. This bill proposes to make identical that arrangement with reference to the Supreme Court, and nothing more.

Mr. EKWALL. How many Justices are there who would be eligible if this bill passes?

Mr. SUMNERS of Texas. Three, at least.

Mr. EKWALL. May I make the statement that I was on the bench about 13 years and resigned to come to Congress. I voluntarily paid back to the State over \$2,000 of my salary as a good citizen in order to help the State. I am sure the Justices of the Supreme Court are perfectly willing to take their chances with the people of the United States, as represented by the Members of Congress, and I am sure that none of them will be harmed to any great extent if this bill does not pass. It seems to me it is rather discriminatory and personally I can see no reason for the passage of the bill.

Mr. SUMNERS of Texas. May I say to the gentleman from Oregon [Mr. Ekwall] if he is correct in his conclusions they will all do that because we are not cutting them off from the chance.

Mr. HEALEY. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Massachusetts.

Mr. HEALEY. Will the gentleman state the circumstances under which a Justice of the Supreme Court may withdraw and how his future income may be governed by congressional action?

Mr. SUMNERS of Texas. He may resign now and his salary can be cut off entirely.

Mr. HEALEY. That depends on the action of Congress?

Mr. SUMNERS of Texas. Yes. The judges of the Supreme Court of the United States are the only Federal judges that do not have the privilege of retiring instead of resigning.

Mr. CELLER. In other words, we endow the judges of the Supreme Court of the United States by this bill with the same privilege that we have already endowed the district judges and circuit judges, which has not been deemed a discrimination.

Mr. McFARLANE. Under existing law, so that we will understand just what the effect of this bill is, when a Justice of the Supreme Court resigns, his salary is automatically

Mr. SUMNERS of Texas. Congress can cut it off.

Mr. McFARLANE. Well, under existing law, has it ever been done?

Mr. SUMNERS of Texas. Congress may pass any bill it wants. We cut Justice Holmes' salary in half. I believe.

Mr. McFARLANE. Does it make any difference whether he resigns or retires?

Mr. SUMNERS of Texas. If he retires, it cannot be done. The circuit court of appeals judges have the privilege of retiring and not resigning, and their salaries cannot be disturbed.

Mr. McFARLANE. Can a Supreme Court judge now retire

Mr. SUMNERS of Texas. They may resign at full pay, but it may be cut off at any time. It is subject to congressional action. It takes the thing out of the constitutionalguaranty status and makes it subject to congressional action.

Mr. MONTAGUE. A Justice of the Supreme Court cannot retire. He must resign.

Mr. SUMNERS of Texas. That is right.

Mr. HILL of Alabama. Can the gentleman advise us what the reason was for not including Supreme Court Justices in the original act which gave these other judges the right to

Mr. SUMNERS of Texas. I think I can. I think this proposed arrangement is a thing thought out after that. The district judges and the justices of the circuit court of appeals, of course, do not hold a place of such tremendous, strategic importance as the Supreme Court Justices. For instance, it was thought that the justices of the circuit court of appeals could retire and be subject to assignment and still be justices.

May I make this statement? The Justices of the Supreme Court have two jobs. One is sitting in that room yonder, under the Constitution, and the other is going on circuit. Under this bill, when they retire, they retain the power of being sent on circuit. I think this is a thing that was thought out after the law granting privilege to the other Federal judges to retire was passed. The President may assign a district judge to perform a certain duty-

Mr. DUFFEY of Ohio. The Presiding Justice.

Mr. SUMNERS of Texas. My colleague is correct about that, of course. They may be assigned by the Presiding Justice, but it would be impracticable, it would be dangerous, if we had two or three retired Justices over here, for the Chief Justice, in a close case, to have the power of picking one of them out of two or three men to sit in the case. The Chief Justice, however impartial, could not afford to exercise such a power. You can all readily understand that. So it is deemed advisable to remove these judges who retire from opportunity to sit on the Supreme Court Bench.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. MOTT. As a matter of fact, the practice of Justices of the United States Supreme Court going on circuit has long ceased to exist.

Mr. SUMNERS of Texas. That is right.

Mr. MOTT. How many years ago was it when the last Supreme Court Justice went on circuit?

Mr. SUMNERS of Texas. I do not know. They do not go on circuit now.

Mr. MOTT. And probably never will again.

Mr. SUMNERS of Texas. If this bill is passed, they will not go on circuit in the ordinary sense.

Mr. MOTT. They will not, anyway, will they?

Mr. SUMNERS of Texas. They do not, and under this bill they would not in the ordinary sense, but it is believed that they frequently could be assigned to the circuit to do specific service—understand?
Mr. MOTT. I think I understand.

Mr. SUMNERS of Texas. I mean you understand the statement? I do not ask you to believe it.

Mr. MOTT. In the gentleman's opinion is it likely in the future that any Supreme Court Justice will ever go out on the circuit?

Mr. SUMNERS of Texas. I believe so. In my judgment, for instance, where you have a situation where one of the justices of the circuit is sick, or something of that sort, I think he would be sent out.

Mr. DRISCOLL. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. DRISCOLL. Is not this the situation? If we pass this bill, the man who retired remains a judge?

Mr. SUMNERS of Texas. That is right.

Mr. DRISCOLL. And draws a judge's salary?

Mr. SUMNERS of Texas. That is right.

Mr. DRISCOLL. But his place on the active Bench of the Supreme Court may be filled by appointment?

Mr. SUMNERS of Texas. That is right.

Mr. DRISCOLL. And by reason of his retirement, his compensation continues, under the statement in the Constitution that judges shall receive a compensation which shall not be diminished during their term of office?

Mr. SUMNERS of Texas. That is right.

Mr. DRISCOLL. That is the purpose of the bill? Mr. SUMNERS of Texas. That is the effect of it.

Mr. ANDREWS of New York. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. ANDREWS of New York. Is there any other system of retirement in our courts or in our Government service wherein a man is retired with full pay?

Mr. SUMNERS of Texas. I do not think so. I think the Federal Bench is the only place where a man is guaranteed full pay during life.

Mr. ANDREWS of New York. Is not this a rather dangerous precedent for the Government to set?

Mr. SUMNERS of Texas. I do not think so. You have set it. The Constitution has set it. That is what I have been trying to get fixed in the minds of the Members here. You do not set anything by this bill. These men have a cinch on this salary for life under the Constitution. Congress cannot disturb it. Why in the world you keep asking that question I do not understand. You do not set anything here. The Constitution gives it to them and they have got it. You are not taking any salary from them and you are not giving any salary to them. They have their salaries for life. The Constitution gives it to them and Congress cannot take it from them. Why can we not accept that proposition and go on and talk about something else?

Mr. GREEN. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. GREEN. I was very much interested in the statement of the gentleman across the aisle. It was quite noticeable that during our economy drive here, when everybody from President to charwoman took their 15 percent cut, only a half dozen or less, I understand, Federal judges would permit their salaries to be cut one penny.

Mr. SUMNERS of Texas. Yet you have nine men on the Federal Bench and you cannot cut their salaries, because

the Constitution stands between you.

Mr. BLANTON. Mr. Speaker, will the gentleman yield? Mr. SUMNERS of Texas. Mr. Speaker, I yield the gentleman from Texas 7 minutes.

Mr. BLANTON. Mr. Speaker, in my 7 minutes I want to tell my colleagues something that my good colleague from Texas has not told.

In the first place, as some of you may know, Supreme Court Justices draw \$20,000 a year. The Chief Justice draws \$500 additional as Chief Justice, or \$20,500 a year. While they hold their offices for life, subject to good behavior, they cease to hold their office when they resign. And when they resign their salary stops, and they then receive only such amount as Congress sees fit to allow. In other words, after they resign, Congress holds the purse strings and controls the situation.

If you pass this bill, Congress no longer will control the situation; and they can retire after reaching 70, having

served 10 years, at \$20,000 per year for life.

Under the Constitution and laws of this country there are only nine Supreme Court Justices. Under this bill, whenever a Justice reaches the age of 70 and has served 10 years, he can retire on \$20,000 per year for life, and you would soon have more retired Supreme Court judges drawing \$20,000 per year for life than the nine active judges on the Supreme Bench.

After being appointed, most of them would not have to wait long before retiring on \$20,000 per year for life, as most of them are over 60 years of age when appointed. I guarantee that if this bill passes and it should inveigle two Justices to retire from the Supreme Bench on \$20,000 a year for life—I guarantee that the men whom the President will appoint will be over 60 years of age. Then they will not have to wait long until they reach the retirement age and can retire for life on \$20,000 a year.

This morning we heard a deserved eulogy to a great man, one of the great Justices of our High Court, by the gentleman from Indiana, on Justice Holmes, who passed away yester-

day, and whose passing grieved us.

Tomorrow Justice Holmes would have been 94 years old—24 years after the retirement age fixed in this bill. The eulogist this morning showed you some of the most important decisions rendered by that great jurist, after he was 70 years of age; when he had reached the years of experience, when he had reached the years of ripe judgment, we had the great decisions rendered by that great jurist.

My friend and colleague from Texas [Mr. Sumners] says that you cannot call this a pension. Why can you not? What is it but a pension? When you strip away the technical language and analyze it in plain everyday language, it simply means that every judge of the Supreme Court upon reaching the age of 70 years, having served as many as 10 years, may retire on a pension, or retired pay, or a gratuity,

of \$20,000 per year for life. Because under this bill he cannot be compelled to do 1 hour of work after he retires and while he is drawing his \$20,000 per year gratuity. What is that but a pension? It is a pension pure and simple. Under this bill Mr. Holmes would have drawn this \$20,000 per year for 24 years after he had reached the age of 70, for he would have reached his ninety-fourth birthday tomorrow.

When a Justice of the Supreme Court holds his position for life, he does so by continuing to be a judge for life. When he ceases to be a judge his job stops and his salary stops. And when he ceases to be a judge, he is not entitled to a dollar under the Constitution; but, under this bill it would permit him to retire at 70 years of age and receive \$20,000 a year for the rest of his life, which might be a quarter of a century, and during that quarter of a century he need not render any service to the Government for the \$500,000 he receives in retired pay.

We have a distinguished colleague in service in this House, who actively serves with dignity and with great ability, who comes from Connecticut [Mr. Merritt], and if we had forced him to retire at 70 years of age he would have retired 11 years ago, for he is 81 years old, yet he is still one of the active, ablest, and most valuable men in this House. [Applause.] His retirement from this Congress would be a distinct loss to the country.

The many years of service performed in this House by "Uncle Joe" Cannon that were most valuable to this Nation were the years he served after he was 70 years of age.

I want to say to you again that when you permit a Justice of the Supreme Court to retire at 70 years of age on a salary of \$20,000 a year for life it is a pension. Why is it not a pension? If he draws a salary when he is not rendering any service, it is a gratuity; it is a pension from this Government.

I am not willing to pay just \$30 per month to the good women of this country and the aged men who have lived honorable citizens in the United States and been of value to their Government for over three score years, as provided in the bill that is to be brought in and passed by a committee in a few days and discriminate against them by passing this bill authorizing a Justice to retire at 70 years of age and draw a pension of \$20,000 a year for life. Are you willing to make such discrimination? I am not.

While everybody else has to pay an income tax, no Federal judge has to pay one dollar. Supreme Court Justices draw \$20,000 per year, yet do not pay one penny income tax.

Mr. Justice Holmes, if he had been retired at the age of 70, would have drawn a pension from this Government of \$20,000 a year for 24 long years, or the sum of \$480,000, and would not have had to pay one dollar income tax.

I do not think there is a man in the Nation who has a keener mind than my friend from Texas [Mr. Sumners]. I think he is one of the valuable men of this House and I would like to follow him. I think he is an ornament to the great Judiciary Committee, of which he is the Chairman. I would like to be able to follow him and support his bill, but it is a bad precedent to establish at this time, as I have said, when the country is out of gear, when people are in a condition of unrest, when there is not a proper state of mind in the people scattered throughout the United States. It is an improper time to pension certain men at \$20,000 a year for life after they reach 70 years of age, and then allow other good men and women all over the United States, just as worthy and deserving, only \$30 per month, when all are of equal importance under the law.

Mr. FADDIS. Mr. Speaker, will the gentleman yield? Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. No; I am sorry. I do not want gentlemen to intersperse my 7-minute speech with inane witti-

Mr. CELLER. He gets the same amount if he resigns. We give them that privilege now.

Mr. BLANTON. No; he would not, if he resigned.

Mr. CELLER. Certainly he does.

Mr. BLANTON. No; the gentleman is entirely mistaken.

Mr. CELLER. What does he get?

Mr. BLANTON. Only what Congress sees fit to give him. Whenever he resigns, he ceases to be a judge. The purpose of this bill is to assure him that he will thereafter get \$20,000 per year for life if he will retire at the age of 70 years. When he resigns now he gets only what Congress sees fit to give him. It behooves all of us to watch these bills closely and not let them pass. I objected and stopped this bill last Monday on the Consent Calendar. Many such bills come from committees with a unanimous report. And when the committee calls them up on Calendar Wednesday they are hard to kill, because the committee controls all time in debate. But we must watch them closely and kill the bad bills.

Oh, I know that in a generous atmosphere here, when we had a Treasury full of money, Congress has been in the mood of passing bills and paying a pension of \$5,000 a year to Presidents' widows. I have fought against all such bills. That ought not to have existed, and we ought to stop it, and we ought to kill this bill here today. [Applause.]

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. SUMNERS of Texas. Mr. Speaker, Mr. Justice Holmes could have resigned twenty-odd years ago. If he had resigned he would have drawn his full salary up until 2 or 3 years ago when Congress first began to reduce during life the pay of the resigned judges. When Justice Holmes resigned he did not have the slightest idea that Congress was going to cut his salary. You can take that from me. I do not care what you do with this bill, but if you want vigorous judges on the Federal Bench you had better pass it. I speak as a matter of general policy and with no reference to the present occupants.

I yield 5 minutes to the gentleman from New Jersey [Mr. PERKINS.

Mr. PERKINS. Mr. Speaker, if noise could make the worse appear the better reason, the gentleman from Texas [Mr. Blanton] should succeed in deceiving us all. Does the gentleman from Texas think that we are so simple and innocent that we do not now know that judges can retire or resign and receive the same compensation they received when they sat?

Mr. CELLER. That is \$20,000 a year less 5 percent?

Mr. PERKINS. Yes. There is no question about that, and the whole weight and sound argument of the gentleman from Texas depends on deceiving us all a little bit, so that we will think that we are now passing a pension bill. We are not passing any pension bill at all.

Mr. DUFFEY of Ohio. The gentleman means Mr. BLAN-TON of Texas?

Mr. PERKINS. Oh, yes. There is only one gentleman from Texas where noise is concerned.

Mr. BLANTON. Unless one can make a noise, he could not be heard in this forum. Since the gentleman is so unkind and uncouth, will he yield to me.

Mr. PERKINS. I would not be unkind and uncouth to the gentleman, and I am not. I yield to the gentleman.

Mr. BLANTON. Does not the gentleman from New Jersey [Mr. Perkins] and the gentleman from New York [Mr. Celler] know that Mr. Justice Holmes has not for a number of years drawn \$20,000, and do they not know that when a Justice resigns it is left entirely to Congress as to what he shall receive?

Mr. PERKINS. Yes, of course. Mr. BLANTON. The Chairman of the Committee on the Judiciary [Mr. Sumners of Texas] will tell the gentleman

Mr. PERKINS. Yes. Mr. Speaker, the Constitution of the United States guarantees to Justices the position during life but it does not guarantee to them health, and when a judge reaches the position where he feels he would like to resign or let up a little on his work, we all know it is human for him to continue, just the same as we do as Members of Congress, when some of us should be thinking of retiring.

Mr. JOHNSON of Texas. Can the gentleman tell us any reason why a Supreme Court Justice should not have the same right as a district judge?

Mr. PERKINS. There is no reason why they should not.

Mr. HOEPPEL. Mr. Speaker, will the gentleman yield? Mr. PERKINS. Yes.

Mr. HOEPPEL. Did the gentleman sign the petition to bring the Townsend pension plan to a vote?

Mr. PERKINS. I have not signed that petition.

Mr. HOEPPEL. In that there is a proper pension plan for a Supreme Court Justice. [Laughter.]

Mr. PERKINS. There is absolutely no reason why Justices of the Supreme Court should not be on the same basis as judges of the district courts. As far as we are able to ascertain, there was no reason why in the original law these words were placed "other than the Justices of the Supreme Court." We know that if there is any position in the whole country that should be absolutely free from any worry or disturbance or any thought of future existence, it is that of a judge of the Supreme Court of the United States, and the mere fact that he may draw a pension, if you will, or retirement pay, or whatever it is called, during the rest of his life, ought not to weigh the slightest bit when you think of the importance of the decisions being handed down from day to day.

Mr. SHORT. Will the gentleman yield?

Mr. PERKINS. If the gentleman does not ask me any-

thing about the Townsend plan, I will yield.

Mr. SHORT. I certainly would not charge that it is the motive or purpose of this bill, but will not the effect be to provide a place or a berth on the Supreme Court Bench for the distinguished Senator from Arkansas who will be replaced by the distinguished Senator from Louisiana next year? [Laughter.]

That might be an argument in favor of Mr. PERKINS. passing the bill.

Mr. Speaker, I yield back the balance of my time.

Mr. SUMNERS of Texas. Mr. Speaker, I yield 3 minutes to the gentleman from Oregon [Mr. Ekwall].

Mr. EKWALL. Mr. Speaker, it seems to me there is no particularly good purpose to be served by this bill. As I stated a few moments ago, I was on the circuit bench of Oregon for a number of years, and during the financial emergency in my State, although I had such constitutional protection as precluded the possibility of my salary being reduced during my term of office, I voluntarily, in order to help out, paid back several thousand dollars to my State. I was glad to do it, although my salary was \$6,500 a year and not \$20,000. There is nothing so sacred about the Bench that judges should be precluded from sharing in such reductions in times of emergency and stress the same as any other employees of the Government.

I have the highest respect in the world for the splendid gentleman on the Supreme Court Bench. I do not believe it would be possible to get nine finer or more competent justices in the entire country than we have, but I believe that they should, under our democratic form of government, take their chances with Congress, a coordinate branch of our Government.

I do not believe the gentlemen of the Supreme Court care particularly whether this bill is passed or not. As a matter of fact, when a judge has been on the Bench for at least 10 years at a salary of \$20,000 a year, he has a reasonable opportunity to put something aside for the day when retirement becomes necessary. It seems to me they have all the protection they should need now, and that if the necessity comes they should and, I believe will gladly, take a reasonable reduction. Personally, I do not believe these gentlemen would ask for the passage of this bill if they had a voice in the matter on this floor, and I think we should vote the bill down. [Applause.]

The SPEAKER. The time of the gentleman from Oregon [Mr. Ekwall] has expired.

Mr. SUMNERS of Texas. Mr. Speaker, this debate is going to close if my motion for the previous question is sustained. I believe we have heard about all there is to it. I hope when you come to vote you will just take this practical consideration of the question: The Supreme Court is a very important place. Prior to this bill we provided that justices of the circuit courts and district courts, upon reaching 70

years of age, with 10 years of continuous service, might retire instead of resigning. I call your attention to the fact that since the enactment of that legislation there has not been any proposition that I know of to change it. Now, we come with the same proposition exactly with reference to the Justices of the Supreme Court, providing that when those men shall have reached the age of 70 years and shall have had 10 years of service, it could be possible, if they are not well or able to do a full day's work, but may be able to do some work, to assign them to positions which they can perform, and make it possible for a man more vigorous to be put on the Supreme Bench, if those Justices are willing and want to retire.

Now, just this concluding thought: We have a concrete example of what we may expect to happen. Mr. Justice Holmes, according to the statement of my colleague from Texas, for 20 years could have resigned on full pay; but he served his country without resigning, and there is no reason for any man in this House to say that a single man on the Supreme Court, if able to serve, would be unwilling to serve. Such men do not occupy that Court.

Now, what is the converse of the proposition? It is that a man on that Court who feels he is slowing up ought to have the privilege of being given lighter work. It is not for the judges. From the arguments we hear one would imagine this is all for the judges. I am ashamed of a man who would make that sort of a statement on the floor of this House. [Applause.] It is for the courts of the United States. It is for the Supreme Court of the United States, for the people of the United States that this legislation is proposed. Will any man stand on the floor of this House and say that he does not believe we ought to have men who are vigorous mentally and physically that this country can follow? They talk about a pension. I say you are putting a pension on a man staying there when he should come off. This is not trying to buy anybody to leave by refusing to pass this bill. You are trying to have somebody stay there who ought not be there. I am not speaking of the present Justices. I am discussing this matter purely as a matter of public policy.

Mr. McFARLANE. Will the gentleman yield?

Mr. SUMMERS of Texas. I yield.

Mr. McFARLANE. Would the gentleman intimate that the men on the Supreme Court are taking the Government's money when they are not able to perform the work?

Mr. SUMMERS of Texas. No.

Mr. McFARLANE. That is what the gentleman indicated. Mr. SUMNERS of Texas. I say there are many of us fellows sitting here taking the Government's money that are not able to do the work, too. [Laughter and applause.] It cannot be measured on that score.

Mr. McFARLANE. Mr. Speaker, will the gentleman yield? Mr. SUMNERS of Texas. No. If it were measured on that score, the gentleman and I would pack our grips and get back to Texas tonight.

Mr. McFARLANE. Maybe we should.

Mr. SUMNERS of Texas. You and I both.

Mr. MARTIN of Colorado. Mr. Speaker, will the gentleman vield?

Mr. SUMNERS of Texas. I yield.

Mr. MARTIN of Colorado. We understand clearly, do we, that all Federal judges below the Justices of the Supreme Court can now retire and enjoy their active salaries?

Mr. SUMNERS of Texas. Just the same as is proposed in the pending bill.

Mr. MARTIN of Colorado. The question I want to ask. based upon this assumption, is, What was the origin of this distinction between Justices of the Supreme Court and justices of the inferior courts? There appears to be a discrimination against the Justices of the Supreme Court.

Mr. SUMNERS of Texas. It was a discrimination.

Mr. MARTIN of Colorado. What caused it? Mr. SUMNERS of Texas. I am trying to tell the gentleman, because it was more difficult I imagine—I did not write that bill-but I imagine it was more difficult to arrange to give the Supreme Court Justices some work than it was difficult to find assignment for the other justices. Since

then it has been concluded, I imagine, that they could be given assignments to the circuits.

Mr. Speaker, I move the previous question.

Mr. MOTT. Mr. Speaker, I would remind the gentleman from Texas that he promised to yield to me 3 minutes.

Mr. SUMNERS of Texas. I looked for the gentleman, but could not find him.

The SPEAKER. Does the gentleman from Texas hisist upon his motion?

Mr. SUMNERS of Texas. Mr. Speaker, I am going to yield 3 minutes to the gentleman from Oregon, because I promised it to him.

Mr. MOTT. Mr. Speaker, first I want to say that I admire the very frank way in which the gentleman from Texas has presented this bill; and I want to say, too, that from the angle from which the gentleman views this problem there is considerable merit in his contention. In my opinion, however, there are objections to this bill which far outweigh any of the merits claimed for it by the distinguished Chairman of the Judiciary Committee.

There are two serious questions that I think the House should consider when they vote upon this bill. The first is the loss of jurisdiction by Congress of a proper, legitimate subject of legislation which will necessarily follow the passage of this bill. The second is the power and opportunity which the bill will afford the executive department of the Government for determining the political and economic complexion of the judicial branch of the Government. We all admit, no matter what side of the aisle we are on, that these two branches of our Government as well as the legislative branch, ought to be kept separate and that executive influence ought to be exerted on the other two branches as little as possible.

There is only one legitimate purpose to this bill and that, I think, will be admitted by everyone; it is to secure the retirement pay of Justices of the United States Supreme Court by taking away the jurisdiction of the Congress to lower their pensions after they have retired from active service on the Bench. Retiring under the provisions of this bill amounts, for all practical purposes, to resigning. Upon the resignation of a Justice, under existing law, Congress may fix his retirement pay. Upon the retirement of a Justice under this bill, Congress would be precluded by the constitutional prohibition from either fixing or interfering with his retirement pay. Under this bill a retired Justice will draw his full salary of \$20,000 for life, and no Congress in the future can pass any law decreasing it. That is the sole estensible purpose of the bill.

Under ordinary circumstances, a Justice of the Supreme Court may not be inclined to resign when he knows that his retirement pay may be put in jeopardy by enactment of some future Congress, but that is not a sufficient reason for the Congress surrendering jurisdiction. This may be one reason why some Justices stay on the Bench after the time when, by reason of age, they ought to resign. But that is a matter with which Congress has nothing to do. Personally. I think that when a Supreme Court Justice has drawn a salary of \$20,000 per year for 10 or 20 or 30 years, and the time comes he thinks he ought to retire, that he should do so without insisting that Congress give up its right to determine the amount of his retirement pay.

I believe Congress should retain its jurisdiction over the pensions, not only of the Justices of the Supreme Court but of every Federal officer. I think it was a mistake to pass this kind of a retirement pay law with respect to district judges and circuit judges.

Now, let me discuss just for a moment my second objection to this bill, and that is that under it the Chief Executive may be placed in a position to change the personnel of the Supreme Court under circumstances never intended by the Constitution.

We do not need to tax our imaginations to visualize a situation under which the Chief Executive might want to make a new appointment to the Supreme Bench, an appointment which he could not make while the Bench was full. The gentleman from Texas has already told you how

Spence Stack

Steagall

Sullivan

Sweeney

Truax Umstead Underwood

Utterback Vinson, Ga.

Vinson, Kv.

Walter Warren

Weaver West

Wilcox

Williams

Wilson, La.

Zioncheck

Zimmerman

Terry

Sumners, Tex.

unwilling Supreme Court Justices are to resign so long as Congress has the right to fix or change the amount of their pensions, and how willing they would be to retire under this bill when the proper time for retirement comes, because the bill guarantees full pay for life after retirement.

Now, please do not misunderstand me, for I am not impugning the motives of anybody. But I simply say, and I submit it for your thoughtful consideration, that under this bill, which offers every inducement for retirement when the proper age for retirement comes, retirements from the Supreme Bench will become the usual instead of the unusual thing with those eligible for retirement, and consequently the Chief Executive will be placed in a position to fill vacancies on the Supreme Bench at much more frequent intervals than the Constitution ever contemplated.

I am not referring to any present particular situation on the Supreme Bench. I am speaking broadly of the bill, and am simply pointing out this feature of it as showing its possibilities in the direction of enlarged Executive prerogatives.

Mr. ANDREWS of New York. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. Does the gentleman from Texas yield for a parliamentary inquiry? Mr. SUMNERS of Texas.

I yeld.

Mr. ANDREWS of New York. If the previous question were defeated, could an amendment be offered which would reduce the retirement salary to two-thirds of the active salary?

The SPEAKER. Any germane amendment would be in order if the previous question were voted down.

Mr. SUMNERS of Texas. If the Chair will permit, the gentleman may not be technically confused, but he would be practically confused, because if these judges are retired instead of being allowed to resign-I want to be very candid with the House-they are still judges and under the Constitution they cannot be disturbed in their salary.

Mr. MOTT. If the gentleman will permit, the gentleman's amendment would be good as to any Justice appointed in the future, would it not?

Mr. SUMNERS of Texas. No; not at all.

I make just this statement to my friends and then shall move the previous question. I have much respect for my good friend, but in the matter of the jurisdiction of Congress, everybody knows that Congress has no more jurisdiction over the salary of these Justices than it has over the territory of the moon.

Mr. MOTT. I was not talking about salary; I was talking about retirement pay in event they voluntarily desired to retire and accept a stipulated retirement pay.

Mr. SUMNERS of Texas. I know, but Congress has no jurisdiction over their salary; you cannot disturb them; you cannot make them get off the Bench.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the

Mr. BLANTON. Mr. Speaker, on the passage of the bill I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 144, nays 210, not voting 77, as follows:

[Roll No. 231

YEAS-144				
Adair	Cary	Cravens	Dorsey	
Barden	Celler	Cross, Tex.	Doughton	
Berlin	Chandler	Crosser, Ohio	Driscoll	
Bland	Chapman	Cullen	Duffey, Ohio	
Bloom	Citron	Daly	Duffy, N. Y.	
Boland	Clark, N. C.	Dear	Duncan	
Boylan	Cochran	Delaney	Eagle	
Brennan	Colden	Dempsey	Ellenbogen	
Brown, Mich.	Cole, Md.	Dickstein	Evans	
Buck	Collins	Dingell	Ferguson	
Bulwinkle	Connery	Disney	Fitzpatrick	
Carmichael	Cooper, Tenn.	Dobbins	Frey	
Cartwright	Corning	Dockweiler	Fuller	

Gassaway Goldsborough Greenwood Greever Gregory Hancock, N. Y Hancock, N. C. Harlan Harter Healey Hennings Hess Hill. Ala Hobbs Hollister Johnson Tex Kee Kennedy, Md. Lambeth

Allen Amlie

Arends Ayers Bacon

Binderup

Blackney

Blanton

Boehne

Boilean Bolton

Brewster

Brunner

Burdick

Burnham

Carlson Carpenter

Castellow Cavicchia

Church

Cole, N. Y. Costello Cox

Crawford

Crowe Crowther

Crosby

Culkin

Darden Darrow

Deen Dies Dietrich

Ditter

Driver

Eckert

Ekwall

Dondero

Dunn, Pa.

Edmiston Eicher

Christianson

Carter

Cannon, Mo. Cannon, Wis.

Caldwell

Buckbee Buckler, Minn.

Andrew, Mass.

Andrews, N. Y.

Lesinski Lewis, Colo. McAndrews McCormack McGrath McKeough McLaughlin McMillan McReynolds Martin, Colo. Mason Massingale May Meeks Merritt, N. Y. Michener Mitchell, III. Monaghan Montague Nelson Norton

O'Connell O'Connor O'Day O'Leary O'Neal Palmisano Perkins Peterson, Fla. Quinn Ramsay Ramspeck Rayburn Rogers, N. H. Russell Sanders, La. Schulte Scrugham Shanley Sirovich Sisson Smith, Conn. Smith, W. Va. Somers, N. Y.

#### NAVS-210

Kopplemann Kvale Lamneck Engel Englebright Faddis Lehlbach Lemke Farley Fenerty Flesinger Lewis, Md. Fish Fletcher Luckey Focht Ludlow Ford, Calif. Ford, Miss. Lundeen McClellan Gavagan Gearhart McGehee McLeod Maas Gehrmann Gifford Gildea Mahon Mapes Marcantonio Gingery Goodwin Martin, Mass. Maverick Granfield Gray, Ind. Merritt, Conn. Millard Gray, Pa. Griswold Miller Guyer Mitchell, Tenn. Gwynne Halleck Moran Moritz Hamlin Higgins, Conn. Mott Murdock Higgins, Mass. Hildebrandt Nichols Oliver Hill, Knute Hill, Samuel B. Owen Parks Hoeppel Hoffman Parsons Patman Holmes Patterson Hook Patton Hope Huddleston Pearson Peterson, Ga. Pettengill Hull Imhoff Pittenger Plumley Jacobsen Jenkins, Ohio Polk Powers Rabaut Johnson, Okla. Keller Kelly Randolph Kennedy, N. Y. Kenney Kimball Ransley Reece Reed, Ill. Kinzer Reed, N. Y. Kloeb Kniffin Reilly Knutson Rich Richards Kocialkowski

Richardson Robertson Rogers, Mass. Rogers, Okla. Rudd Sadowski Sanders, Tex. Sandlin Scott Sears Secrest Seger Short Smith, Wash. South Starnes Stefan Stewart Stubbs Sutphin Tarver Taylor, S. C. Taylor, Tenn. Thomas Thomason Thompson Thurston Tinkham Tobey Tonry Treadway Turner Turpin Wadsworth Wallgren Wearin Welch Whelchel White Whittington Wigglesworth Wilson, Pa. Withrow Wolcott Wolfenden Wolverton Wood Woodruff

## NOT VOTING-77

ertson

Andresen	Cooper, Ohio	Jones
Arnold	Cummings	Kahn
Ashbrook	DeRouen	Kramer
Bacharach	Doutrich	Lambertso
Bankhead	Doxey	Larrabee
Beam	Drewry	Lea, Calif.
Beiter	Dunn, Miss,	Lee, Okla.
Bell	Fernandez	Lloyd
Biermann	Flannagan	McGroarty
Brooks	Fulmer	McLean
Buchanan	Gambrill	McSwain
Buckley, N. Y.	Gasque	Maloney
Burch	Gilchrist	Mansfield
Carden	Gillette	Marshall
Casey	Greenway	Mead
Claiborne	Haines	Montet
Clark, Idaho	Hartley	O'Brien
Coffee	Houston	O'Malley
Colmer	Jenckes, Ind.	Peyser
Cooley	Johnson, W. Va.	Pfeifer
0- 41- 1-11		

So the bill was rejected.

The Clerk announced the following pairs: Mr. Biermann (for) with Mr. Doutrich (against).

Pierce Robinson, Utah Robsion, Ky. Romjue Ryan Sabath Schaefer Schneider Schuetz Shannon Smith. Va. Snyder Taber Taylor, Colo. Thom Werner Woodrum

Young

#### General pairs:

General pairs:

Mr. Bankhead with Mr. Cooper of Ohlo,
Mr. Mead with Mr. McLean.
Mr. Drewry with Mr. Glichrist.
Mr. Romjue with Mr. Robsion of Kentucky.
Mr. Doxey with Mr. Taber.
Mr. McSwain with Mr. Andresen.
Mr. Woodrum with Mr. Hartley.
Mr. Taylor of Colorado with Mrs. Kahn.
Mr. Lea of California with Mr. Marshall,
Mr. Arnold with Mr. Lambertson.
Mr. Buchanan with Mr. Schneider.
Mr. Mansfield with Mr. Thom.
Mr. DeRouen with Mrs. Greenway.
Mr. Burch with Mr. Werner.
Mr. Montet with Mr. Houston.
Mr. Sabath with Mr. Houston.
Mr. Sabath with Mr. Cooley.
Mr. Smith of Virginia with Mr. Snyder.
Mr. Johnson of West Virginia with Mr. O'Brien.
Mr. Fulmer with Mr. Brooks.
Mr. Gasque with Mr. Lloyd.
Mr. Haines with Mr. Ashbrook.
Mr. Jones with Mr. Coffee.
Mr. Beiter with Mr. Ciark of Idaho.
Mr. Maloney with Mr. Pierce.
Mr. Gambrill with Mr. Dunn of Mississippl.
Mrs. Jenckes of Indiana with Mr. Gillette.
Mr. Schaefer with Mr. Pfeifer.
Mr. Fernandez with Mr. Schuetz.
Mr. Larrabee with Mr. Colmer.
Mr. Kramer with Mr. O'Malley.
Mr. Claiborne with Mr. Colmer.
Mr. Kramer with Mr. Dwalley of New York.
Mr. Robinson of Utah with Mr. McGroarty.
Mr. Cummings with Mr. Ryan. The result of the vote was announced as above recorded. On motion by Mr. BLANTON, a motion to reconsider the vote by which the bill was rejected was laid on the table.

#### SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 147. An act to alter the amount apportioned to certain States for public employment offices affiliated with the United States Employment Service; to the Committee on Labor.

S. 209. An act for the relief of Carmine Sforza; to the Com-

mittee on Claims.

S. 236. An act for the relief of the heirs of Burton Stearns Adams, deceased; to the Committee on Claims.

S. 243. An act for the relief of Curtis Jett; to the Committee on Military Affairs.

S. 279. An act to extend the time for the refunding of certain taxes erroneously collected from certain building and loan associations; to the Committee on Claims.

S. 428. An act authorizing adjustment of the claim of Korber Realty, Inc.; to the Committee on Claims.

S. 535. An act for the relief of William Cornwell and others; to the Committee on Claims.

S. 537. An act for the relief of C. O. Meyer; to the Committee on Claims.

S. 713. An act granting jurisdiction to the Court of Claims to hear the case of David A. Wright; to the Committee on War Claims.

S. 741. An act for the relief of the Union Shipping & Trading Co., Ltd.; to the Committee on War Claims.

S. 857. An act to authorize the Department of Labor to continue to make special statistical studies upon payment of the cost thereof, and for other purposes; to the Committee on

S. 872. An act for the allowance of certain claims for extra labor above the legal day of 8 hours at the several navy yards and shore stations certified by the Court of Claims; to the Committee on Claims.

S. 937. An act for the relief of the J. M. Dooley Fireproof Warehouse Corporation, of Brooklyn, N. Y.; to the Committee on Claims.

S. 998. An act to carry out the findings of the Court of Claims in the case of George Lawley & Son Corporation, of Boston, Mass.; to the Committee on Claims.

S. 1037. An act authorizing adjustment of the claims of Sanford A. McAlister and Eliza L. McAlister; to the Committee on Claims.

S. 1038. An act authorizing adjustment of the claim of Elda Geer; to the Committee on Claims.

S. 1056. An act authorizing adjustment of the claim of Schutee & Koerting Co.; to the Committee on Claims.

S. 1180. An act to amend section 4865 of the Revised Statutes, as amended; to the Committee on Education.

S. 1266. An act for the relief of Robert E. Masters; to the Committee on Military Affairs.

S. 1360. An act for the relief of Teresa de Prevost; to the Committee on Claims.

S. 1392. An act conferring upon the United States District Court for the Northern District of California, southern division, jurisdiction of the claim of Minnia C. de Back against the Alaska Railroad; to the Committee on Claims.

S. 1472. An act for the relief of the First Camden National Bank & Trust Co., of Camden, N. J.; to the Committee on

S. J. Res. 21. Joint resolution authorizing the President to proclaim October 11 of each year General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

#### COMPACTS BETWEEN STATES

Mr. SUMNERS of Texas. Mr. Speaker, I call up House Joint Resolution No. 146, to authorize the several States to negotiate compacts or agreements to promote greater uniformity in the laws of such States affecting labor and industries.

The Clerk read the resolution as follows:

Resolved, etc., That the consent of Congress is hereby given to the several States to negotiate and enter into compacts or agree-ments among them or any of them providing for greater uni-formity in the laws of the several States affecting the relation of

employers and employees.

SEC. 2. Upon the request of the States negotiating under this act the President may designate a representative to attend upon

such negotiations

SEC. 3. No such compact or agreement shall be binding or obligatory upon any State a party thereto unless and until it has been approved by the legislatures of each of the States whose assent is contemplated by the terms of the compact or agreement and by the Congress.

Mr. SUMNERS of Texas. Mr. Speaker, it was suggested to me a moment ago that probably the Judiciary Committee ought not to call up other bills at this time; however, I go on the theory that this House cannot be wrong all the time. so we called up another one.

I want to make only a very brief statement with regard to the character of this resolution. We have a provision in the Constitution which prohibits States from entering into contracts without the consent of Congress. This resolution is permissive only. When the Constitution was framed, there was concern evidently that the States might enter into compacts with each other and break up the Union. Therefore this provision was incorporated in the Constitution that no compact among the States would be effective unless approved by the Congress.

Under the provisions of this bill, whatever is agreed to by the different States must be brought back to Congress for approval. The gentleman from Massachusetts [Mr. HEALEY] made the report for our committee; therefore, I yield the gentleman from Massachusetts [Mr. HEALEY] such time as he may require.

Mr. HEALEY. Mr. Speaker, at the outset may I say that this measure was before the Seventy-third Congress and passed? It was too late in the session of the Congress, however, for the Senate to consider it.

The object of this resolution is to permit the several States or any of them to enter into compacts with reference to labor laws or regulatory industrial laws governing the relationship of employer and employee. The Constitution provides that any compact entered into between States must have the consent of Congress. This particular resolution provides that the Congress give consent to the various States to enter into compacts or agreements providing for greater uniformity in the laws of the several States affecting the relation of employer and employee. There is not anything obligatory or compulsory about this resolution. It is merely a permissive proposition.

Any compact drawn up between one or more States would probably be drawn up for a term of years and would undoubtedly provide a reservation permitting any one of the parties to the compact to withdraw under certain conditions; any compact entered into between the States would, after ratification by the legislatures of the States involved, require final approval of Congress thereafter.

Mr. Speaker, I understand this movement had its origin back sometime in 1931, when the now President of the United States was Governor of the State of New York, and several of the States, through their representatives or commissioners, held a conference in the State of New York. After discussion on this matter, a movement was started to bring about a greater uniformity of laws governing the relationship of employer and employee. Later in 1933 a similar conference was held in Massachusetts. This resolution is the result of a conference held by seven States, five New England States and New York and Pennsylvania.

Of course, in the highly industrialized States the labor laws and the industrial regulations are more severe than in the States which have only recently become industrialized. During the depression this situation has been accentuated. We have had a migration of factories from State to State, seeking the States that had the most lenient labor conditions. Obviously that puts the State with the more severe regulatory laws at a disadvantage. It will have a tendency to lower the standards in that State in its desire or necessity to try to compete with States that have lenient labor regulations. The result will be that the State having the lenient regulations will further lower its standards, and our whole economic situation will be affected thereby.

This legislation merely provides the opportunity for the States to get together to make agreements concerning labor laws, and then the resolution provides, if the States so desire. they may ask the President of the United States to assign a representative to meet with them while these agreements are being negotiated.

Mr. CULKIN. Will the gentleman yield?

Mr. HEALEY. I yield to the gentleman from New York. Mr. CULKIN. Do these compacts or agreements between the representatives of the different States have to go back to the legislatures of those States?

Mr. HEALEY. Yes. They will have to be ratified by the legislatures of the various States affected.

Mr. CULKIN. In other words, ultimately the agreement between the representatives of those States will be written into the statute laws of the States affected?

Mr. HEALEY. That, in my opinion, will be the ultimate result, after the respective State legislatures ratify any such compact and Congress subsequently approves.

Mr. CULKIN. And this is simply a preliminary step looking to that end.

Mr. HEALEY. Of course, this is a preliminary step. If they enter into a compact, the legislatures of the various States will have to enact legislation which will take care of the situation, and then the whole matter is brought back to Congress for its approval.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield? Mr. HEALEY. I yield.

Mr. BOILEAU. I notice in reading the resolution it states that the agreement must be approved by the State legislatures.

Mr. HEALEY. Yes; that is true.
Mr. BOILEAU. It does not say anything about approval
by the Governors. Is it the gentleman's understanding that the language "approved by the legislatures" practically assumes the enactment of the law and approval by the Governors of the States?

Mr. HEALEY. That would be determined by the provisions of the constitutions of the States involved. I think the Governors of the States affected would be authorized to delegate representatives to draw up these compacts, to sit in at these deliberations, and such representatives would bring back the compact, if they had agreed upon it, and the legislature would then act.

Mr. BOILEAU. And that compact must be approved by the legislatures?

Mr. HEALEY. Yes.

Mr. BOILEAU. And does not the gentleman also anticipate it would have to be approved by the Governors?

Mr. HEALEY. I assume that would follow, depending on the constitutions of the States involved.

Mr. CULKIN. I have assumed that is the language, although I have not had an opportunity to go into that phase of the matter

Mr. HEALEY. The arrangement provides for approval by the legislatures of the various States affected.

Mr. BOILEAU. Assuming that the legislature approved it and the Governor did not sign it-

Mr. HEALEY. The State constitution would control that situation.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. HEALEY. Yes.

Mr. MOTT. Is it proposed under this bill for certain persons to be delegated by the Governor to actually make a compact or a contract which, upon ratification by the legislatures, will be binding?

Mr. HEALEY. No. It would not be binding until after ratification by the legislatures of the States affected and after the consent of Congress.

Mr. MOTT. Let me carry that a little further. Suppose the commission delegated by the Governors of two States actually made a compact on a certain subject and it was approved by the legislatures, would that in itself have the effect of law?

Mr. HEALEY. Not until final action by Congress.

Mr. MOTT. I mean, under this bill.

Mr. HEALEY. Under this bill, it will be necessary for the ratification by the various legislatures affected of the agreement and then it would necessitate the consent of Congress.

Mr. MOTT. Under this bill? Mr. HEALEY. Under this bill.

Mr. MOTT. This bill, I understood, gives permission in advance.

Mr. HEALEY. It gives permission to enter into negotiations and when the negotiations are completed and a compact is agreed upon, it will require the final consent of Congress.

Mr. MOTT. Is there any law or series of laws on a particular subject that the legislatures of two States can enact without authority of this bill or without violating the provisions of the Constitution? In other words, would it not be possible to do the same thing at present without this law?

Mr. HEALEY. No compact or agreement can be entered into between the various States without the approval of Congress, under the Constitution.

Mr. MOTT. I understand that, but why is a compact or contract necessary?

Mr. HEALEY. In order to be a binding agreement.

Mr. MICHENER. Mr. Speaker, will the gentleman yield? Mr. HEALEY. Yes.

Mr. MICHENER. Fundamentally, under the Constitution, no State can enter into an agreement with one or more States without the consent of Congress.

Mr. MOTT. I understand that. I may say to the gentleman that we are doing that in the States of Oregon and Washington in regard to legislation on fisheries without any violation of the Constitution and without any trouble what-

Mr. HEALEY. You have an understanding in that case. Mr. MOTT. After the legislatures meet, they simply send conferees from one State or the other and they decide upon what fisheries legislation ought to be put into effect on the rivers separating the States.

Mr. MICHENER. That is a gentleman's agreement.

Mr. HEALEY. You have an understanding, but not a binding agreement.

Mr. MOTT. It is not a binding agreement, and we do not need it. We just go ahead and pass the legislation we want to, and the other State does the same thing.

Mr. MICHENER. In this case there will be something binding.

Mr. WOOD. Mr. Speaker, will the gentleman yield?

Mr. HEALEY. I yield to the gentleman from Missouri. Mr. WOOD. This is a very unique legislative proposal. I should like to ask the gentleman, in case a group of States had entered into a compact and then the Congress had to approve the compact, say, on child-labor legislation or restricting the hours of labor of women, and the Congress would approve the compact entered into by and between a number of States, then in accordance with this proposed legislation, if passed, would any State have the right, after Congress had approved this compact, or would any of the States that are parties to the compact, have the authority in succeeding sessions of the legislature to enact legislation that was not in conformity with the compact?

Suppose it was the 8-hour day for women in 7 or 8 States, then would any State which had a part in that compact have the right at the next session of the legislature to enact legislation that would either increase or decrease the restriction?

Mr. HEALEY. If States entered into a compact that would be binding on them, then, in my opinion, no future legislature could enact laws which would in effect destroy the

Mr. WOOD. I am not an attorney, but I seriously question the constitutionality of it, because it interferes with State rights. I think it is a very dangerous piece of legislation.

Mr. McCORMACK. Will the gentleman yield? I am the author of this bill, and I want to say that there seems to be a complete misunderstanding. The gentleman is no more a friend of labor than I am, and I do not want him to go off half-cocked.

Mr. WOOD. I am not going off half-cocked. I simply wanted to know who is the sponsor of the bill, and I want to know what the effect of the bill would be.

Mr. DONDERO. Will the gentleman yield? Mr. HEALEY. I yield to the gentleman.

Mr. DONDERO. Is there anything in the bill that would permit a State to withdraw from the compact?

Mr. HEALEY. That would be according to the agreement entered into. If the agreement provided for a length of time for the compact to be enforced, it probably would provide a method of withdrawal.

Mr. MICHENER. Will the gentleman yield?

Mr. HEALEY. I yield.

Mr. MICHENER. There is nothing in this except that if these States want to enter into an agreement they submit the request to Congress that they may be permitted to get together and work out the agreement, and after they work it out they bring it back to Congress and Congress determines whether or not it wants to give its consent to the compact.

Mr. HEALEY. That is true.

Mr. LEHLBACH. Will the gentleman yield?

Mr. HEALEY. I yield.

Mr. LEHLBACH. The gentleman has stated that if the legislation passed by the States is in derogation of the compact that it would be invalid.

Mr. HEALEY. I did not intend such a flat statement, but it is my opinion that subsequent legislation would not have the effect of vitiating the agreement.

Mr. LEHLBACH. If the legislature of a State that was a party to the compact passes legislation contravening the terms of the compact, how could the terms be enforced?

Mr. HEALEY. That will be a question for the courts to

Mr. BOILEAU. It seems to me that if the agreement becomes binding we will be setting up an organic law which is more organic than the Constitution as method of amendment.

Mr. HEALEY. I think the gentleman should understand that these agreements may provide methods of amendment and also for withdrawal. I am satisfied that the agreements will not be entered into unless they provide some measure to take care of the matter the gentleman from Wisconsin [Mr. Boileau] has in mind.

Mr. PERKINS. Is it not true that this resolution does not really confer any power upon the States that they have not at the present time?

Mr. HEALEY. That is true.
Mr. PERKINS. And is it not also true that the purpose of this is really expressed in section 2, that the President may designate a representative of the Federal Government to cooperate in the making of their compact?

Mr. HEALEY. That is true.

Mr. PERKINS. In answer to the gentleman from Wisconsin [Mr. Boileau], if two States now enter into a treaty, unless it is provided in the treaty that they can withdraw therefrom, they are bound, so this confers no other power. The States have now the power to enter into treaties with each other, and those treaties are not binding until approved by the Congress.

Mr. HEALEY. That is true.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. HEALEY. Yes.

Mr. DINGELL. Why is the bill limited specifically to labor compacts?

Mr. HEALEY. Of course other matters may be later dealt with by proper legislation. There have been many cases where States have entered into compacts concerning boundary lines and other matters. This, I believe, is the first time that legislation has been introduced affecting labor questions.

Mr. LEHLBACH. Mr. Speaker, I rise to a point of order.

The SPEAKER. The gentleman will state it.

Mr. LEHLBACH. It is evident that this is a matter that is not very well understood by the Members present. I make the point of order that there is no quorum present. I think the Members of the House ought to be present.

Mr. O'CONNOR. Mr. Speaker, I move that the House do now adjourn.

Mr. McCORMACK. Mr. Speaker, will the gentleman from New Jersey withhold his point of order?

Mr. LEHLBACH. The gentleman from New York moves that the House do now adjourn.

Mr. McCORMACK. There is some question I think can be explained very easily. I hope the gentleman will not press his point of order. I certainly would not do it with reference to him.

Mr. LEHLBACH. In view of my consideration and esteem for the gentleman from Massachusetts, Mr. Speaker, I withdraw the point of order.

Mr. HEALEY. I am going to yield to the author of the bill now.

Mr. DINGELL. Has the committee taken into consideration the possibility of authorizing compacts pertaining to certain features of social legislation where it might be of advantage between States to enter into a compact?

Mr. HEALEY. The committee considered only the matters that are contained in this bill.

Mr. DINGELL. Does the gentleman realize that we are going to have all of these pensions and unemployment insurance?

Mr. DUFFEY of Ohio. The several States of the Union now have the right to enter into compacts, which must be submitted to the Congress, under our Federal Constitution.

Mr. DINGELL. Why in this instance provide for this special thing?

Mr. HEALEY. This is a simple proposition. We are encouraging negotiations of compacts by the various States to the end that the standard of living may be generally

Mr. DINGELL. I have no objection to it, but I wondered about the underlying cause or reason for it.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. SUMNERS of Texas. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. McCormack].

Mr. McCORMACK. Mr. Speaker, I want to address myself to my friend from Missouri [Mr. Wood]. It is to convey to the gentleman what the resolution contains. eral States now have the right to enter into negotiations and compacts. This is nothing new. This bill does not and cannot change existing constitutional law. The procedure is for the legislatures of two or more States to pass special acts authorizing commissioners to be appointed to enter into negotiations with each other on a particular question. In the past the usual subject has been a matter of boundary line or such as the Port Authority of New York City, where New Jersey and New York have entered into a compact respecting New York Harbor. New York Harbor is in two States, and they had to do that, in order that the use of the harbor might be consistent with the best interests of the two States, and the cities bordering thereon. In the past these compacts have been confined to such limited questions. Back a few years ago five of the six New England States, New York, and Pennsylvania entered into negotiations respecting a pact relating to some of the problems pertaining to employer and employee, to try to bring about uniform laws in those States with reference to the subject considered and with reference to which there was community of interest. That right exists now under the Constitution. However, when negotiations are concluded this compact must go back to the legislatures of the several States, to have it ratified, and having been ratified, then the States have to come to Congress and Congress has to in turn ratify the compact. This resolution does not change the law at all. The only thing it does is to enable such States on matters relating to employer and employee to ask the Federal Government to send a representative to sit in on the negotiations. That is what this resolution means. It means nothing more. It means nothing less.

Mr. WOOD. Will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. WOOD. The gentleman says this does not change the present law whatsoever.

Mr. McCORMACK. The present constitutional law.

Mr. WOOD. Then why the introduction of this bill? I will have to disagree with the gentleman. It has just been explained if a group of States should enter into a compact it would have to be ratified by Congress, and that after Congress had ratified this compact, no State would have authority, in a subsequent session of the general assembly, to propose legislation that was not in accord with this pact.

Mr. McCORMACK. This is what happens: Each State, of course, in its compact reserves to itself certain rights. It makes reservations. This is nothing new.

Mr. WOOD. Is not the gentleman willing to trust this to the States? Is it necessary to have Congress ratify these pacts and tie the hands of the States so that they cannot, after entering into the pact, suggests legislation not in conformity with the pact?

Mr. McCORMACK. We do not change the existing law now. The present Constitution requires that. There is no change in this resolution.

Mr. WOOD. Then why the introduction of this bill?

Mr. McCORMACK. The introduction of this bill is to inspire.

Mr. WOOD. Oh, that is it?

Mr. McCORMACK. Yes. The introduction of this bill is to enable States entering into negotiations on matters relating to employer and employee, to ask the Federal Government simply to send a representative there to confer, so that they may sit in on the negotiations. What is wrong with that? This compact has to go to Congress sooner or later. It is proper to have representatives of the Federal Government sit in if the States request it.

Mr. CHURCH. Will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. CHURCH. The gentleman says it must come back to Congress. Where are the words in this bill which require that?

Mr. McCORMACK. To begin with, the Constitution requires it. Section 3 of this bill provides:

No such compact or agreement shall be binding or obligatory upon any State a party thereto unless and until it has been

approved by the legislatures of each of the States whose assent is contemplated by the terms of the compact or agreement and by the Congress.

The SPEAKER. The time of the gentleman from Massachusetts [Mr. McCormack] has expired.

Mr. SUMNERS of Texas. Mr. Speaker, I yield the gentleman from Massachusetts 2 additional minutes.

Mr. WOOD. I should like to ask the gentleman a ques-

Mr. MARCANTONIO. Will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. MARCANTONIO. Is section 3 part of the law now? Mr. McCORMACK. It is a part of the constitutional law, yes. If several States, through their legislatures. authorize commissioners on a particular subject, when they meet they can simply say to the Department of Labor, "We should like to have you send a representative here."

Now, my friend spoke about social legislation. This is related to employer and employee. Several industrial States might have many things in common with one another. It is a great legislative field whereby in the future State rights can be preserved against encroachment by the Federal Government. They may negotiate a compact to arrive at uniform agreement as to what the law of each State shall be with relation to a particular subject with proper reservations.

Mr. WOODRUFF. Will the gentleman yield? Mr. McCORMACK. I yield.

Mr. WOODRUFF. Does this bill provide that a Federal representative will not be sent to the States unless asked for by the States?

Mr. McCORMACK. Exactly. Mr. WOODRUFF. Then, the bill ought to become a law. Mr. McCORMACK. Exactly. That is the only thing in this bill. The only purpose is to permit it. It does not change the existing law one iota. This does not stop the several States from having negotiations and entering into a compact on a social matter. It does not stop agricultural States from considering agricultural problems. As far as this bill is concerned, it permits, upon request, a Federal representative to attend.

The SPEAKER. The time of the gentleman from Massachusetts [Mr. McCormack] has again expired.

Mr. SUMNERS of Texas. Mr. Speaker, I move the previous question on the passage of the joint resolution.

The question was taken; and on a division (demanded by Mr. Wood) there were—ayes 36, noes 53.

Mr. LEHLBACH. Mr. Speaker, in view of the fact that it is obvious from the vote on the previous question that Members desire further discussion, I make the point of order of no quorum.

#### ADJOURNMENT

Mr. O'CONNOR. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 50 minutes p. m.), the House, pursuant to its order heretofore entered, adjourned until tomorrow, Thursday, March 7, 1935, at 11 o'clock a. m.

# COMMITTEE HEARINGS

#### COMMITTEE ON THE DISTRICT OF COLUMBIA

The Subcommittee on Judiciary of the Committee on the District of Columbia meets Thursday, March 7, at 10: 30 a.m., room 345, old House Office Building, to consider bills (H. R. 5809 and H. R. 5850) providing for amendment of the liquor law.

#### COMMITTEE ON IMMIGRATION AND NATURALIZATION

Continue hearings Thursday, March 7, 10 a.m., room 445, old House Office Building, on bills providing for restriction of habitual commuting of aliens from foreign contiguous territory.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

251. A communication from the President of the United | REPORTS OF COMMITTEES ON PUBLIC BILLS AND States, transmitting schedules of claims amounting to \$381,945.63, allowed by the General Accounting Office, as covered by certificates of settlement, the numbers of which are shown in the first columns of such schedules, under appropriations the balance of which have been carried to the surplus fund under the provisions of section 5 of the act of June 20, 1874 (U.S.C., title 31, sec. 713), and for the services of the several departments and independent offices (H. Doc. No. 122); to the Committee on Appropriations, and ordered to be printed.

252. A communication from the President of the United States, transmitting a list of judgments rendered by the Court of Claims and which require an appropriation for their payment, amounting to \$165,803.06 (H. Doc. No. 123); to the Committee on Appropriations, and ordered to be

printed.

253. A communication from the President of the United States, transmitting three supplemental estimates of appropriations for the Post Office Department to provide additional funds for clerks and carriers at first- and secondclass post offices and for stationery, etc., for the fiscal year ending June 30, 1935, aggregating \$3,049,000 (H. Doc. No. 131); to the Committee on Appropriations, and ordered to be printed.

254. A communication from the President of the United States, transmitting records of judgments rendered against the Government by the United States district courts, which require an appropriation for their payment of \$181,150.74 (H. Doc. No. 124); to the Committee on Appropriations, and ordered to be printed.

255. A communication from the President of the United States, transmitting a deficiency estimate of appropriation submitted by the War Department to pay a claim of the Colt's Patent Fire Arms Manufacturing Co. certified by the Comptroller General of the United States in the sum of \$7,082.54 (H. Doc. No. 130); to the Committee on Appropriations, and ordered to be printed.

256. A communication from the President of the United States, transmitting schedules of claims allowed by the General Accounting Office pursuant to certain private acts of the Seventy-third Congress, amounting to \$1,784.92 (H. Doc. No. 125); to the Committee on Appropriations, and ordered to be printed.

257. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the payment of claims allowed and certified by the General Accounting Office for interest on amounts withheld from claimants by the Comptroller General of the United States in the sum of \$4,015.62 (H. Doc. No. 126); to the Committee on Appropriations, and ordered to be printed.

258. A communication from the President of the United States, transmitting estimates of appropriations submitted by the several executive departments and independent offices to pay claims for damages to privately owned property, in the sum of \$43,695.67, which have been considered and adjusted under the provisions of the act of December 28, 1922 (H. Doc. No. 127); to the Committee on Appropriations, and ordered to be printed.

259. A communication from the President of the United States, transmitting schedules of claims allowed by the General Accounting Office, as shown by certificates of settlement forwarded to the Treasury Department for payment, covering judgments rendered by the United States district courts against collectors of customs, amounting to \$29,601.23 (H. Doc. No. 128); to the Committee on Appropriations, and ordered to be printed.

260. A communication from the President of the United States, transmitting an estimate of appropriations submitted by the Navy Department to pay claims for damages by collisions with naval vessels in the sums of \$3,777.02 (H. Doc. No. 129); to the Committee on Appropriations, and ordered to be printed.

# RESOLUTIONS

Under clause 2 of rule XIII,

Mr. BLOOM: Committee on Foreign Affairs. H. R. 4901. A bill to authorize appropriations to pay the annual share of the United States as an adhering member of the International Council of Scientific Unions and associated unions; without amendment (Rept. No. 307). Referred to the Committee of the Whole House on the state of the Union.

Mr. DRIVER: Committee on Public Buildings and Grounds. H. R. 6290. A bill to authorize acquisition of land to provide appropriate means of access to the post-office building at Jonesboro, Ark.; without amendment (Rept. No. 308). Referred to the Committee of the Whole House on the state of the Union.

Mr. HILDEBRANDT: Committee on the Post Office and Post Roads. H. R. 5540. A bill excepting the imposition of demurrage charged on collect-on-delivery parcels exchanged between the continental and istand possessions; with amendment (Rept. No. 310). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. H. R. 6371. A bill to authorize an increase in the annual appropriation for books for the adult blind; without amendment (Rept. No. 311). Referred to the Committee of the Whole House on the state of the Union.

## REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. BEITER: Committee on War Claims. H. R. 2706. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Velie Motors Corporation; without amendment (Rept. No. 305). Referred to the Committe of the Whole House.

Mr. BEITER: Committee on War Claims. H. R. 3101. A bill to confer jurisdiction on the Court of Claims to hear and determine the claim of A. C. Messler Co.; without amendment (Rept. No. 306). Referred to the Committee of the Whole House.

Mr. HARTER: Committee on Military Affairs. H. R. 1963. A bill for the relief of Edgar H. Taber; without amendment (Rept. No. 309). Referred to the Committee of the Whole House.

Mr. SWEENEY: Committee on the Post Office and Post Roads. H. R. 4036. A bill for the relief of Ralph C. Irwin; without amendment (Rept. No. 312). Referred to the Committee of the Whole House.

## CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 6260) for the relief of Theodore John Campbell; Committee on Military Affairs discharged, and referred to the Committee on Naval Affairs.

A bill (H. R. 5633) for the relief of Sarah Abbott; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CONNERY: A bill (H. R. 6450) to accord labor proper opportunity for protection of rights granted by the Congress, and for other purposes; to the Committee on

By Mr. HARLAN (by request): A bill (H. R. 6451) providing for the taxation of receipts of street railroad companies. gas companies, electric and telephone companies in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. HOBBS: A bill (H. R. 6452) making it unlawful to use the mails to solicit or effect insurance or collect and transmit insurance premiums in any State without complying with the insurance laws thereof; to the Committee on the Post Office and Post Roads.

By Mr. WEST: A bill (H. R. 6453) to amend the act of May 13, 1924, entitled "An act providing for a study regarding the equitable use of the waters of the Rio Grande", as amended by the public resolution of March 3, 1927; to the Committee on Foreign Affairs.

By Mr. COCHRAN: A bill (H. R. 6454) to provide for the payment of veterans' adjusted-service certificates in bonds of the United States; to the Committee on Ways and Means.

By Mr. FERGUSON: A bill (H. R. 6455) to provide for the control of flood waters in the United States by creating a permanent Soil Erosion Service; to the Committee on Flood Control.

By Mr. FORD of California: A bill (H. R. 6456) authorizing the Reconstruction Finance Corporation to make direct loans for emergency relief of mortgage indebtedness on residential property, and for other purposes; to the Committee on Banking and Currency.

By Mr. GOODWIN: A bill (H. R. 6457) to authorize the coinage of 50-cent pieces in commemoration of the one hundred and fiftieth anniversary of the founding of the city of Hudson, N. Y.; to the Committee on Coinage, Weights, and Measures.

By Mr. HILDEBRANDT: A bill (H. R. 6458) to equalize employment conditions of substitute postal employees, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. MEAD: A bill (H. R. 6459) to regulate the procedure for the award of contracts by the Post Office Department; to the Committee on the Post Office and Post Roads.

By Mr. MERRITT of New York: A bill (H. R. 6460) providing for commercial and industrial loans to small industries by the Reconstruction Finance Corporation; to the Committee on Banking and Currency.

By Mr. MORITZ: A bill (H. R. 6461) to increase the salaries of chief clerks and clerks, employees of the railroad companies; to the Committee on Interstate and Foreign Commerce.

By Mr. RANDOLPH (by request): A bill (H. R. 6462) to improve the Government service, and for other purposes; to the Committee on the Civil Service.

By Mr. WADSWORTH: A bill (H. R. 6463) to make further provision concerning the method of amending the Constitution of the United States; to the Committee on the Judiciary.

By Mr. WELCH: A bill (H. R. 6464) to provide means by which certain Filipinos can emigrate from the United States; to the Committee on Immigration and Naturalization.

By Mr. DEROUEN: A bill (H. R. 6465) to accept the cession by the State of Arkansas of jurisdiction over all lands now or hereafter included within the Hot Springs National Park, Ark., and for other purposes; to the Committee on the Public Lands.

Also, a bill (H. R. 6466) to modify the homestead laws and to repeal certain provisions thereof; to the Committee on the Public Lands.

By Mr. DOBBINS: A bill (H. R. 6467) to classify certain positions in the Railway Mail Service, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. ROGERS of Oklahoma (by departmental request): A bill (H. R. 6468) to promote the development of Indian arts and crafts and to create a board to assist therein, and for other purposes; to the Committee on Indian Affairs.

By Mr. GASQUE: A bill (H. R. 6469) granting uniform pensions to widows, children, and dependent parents of persons who served the United States in time of peace or war, and for other purposes; to the Committee on Pensions.

By Mrs. NORTON (by request): A bill (H. R. 6470) to provide for the construction of an office building for the recorder of deeds of the District of Columbia; to the Committee on Public Buildings and Grounds.

Also (by request), a bill (H. R. 6471) to amend an act of Congress entitled "An act to establish a Code of Law for the District of Columbia", approved March 3, 1901, as amended, by adding three new sections to be numbered 802 (a), 802 (b), and 802 (c), respectively; to the Committee on the District of Columbia.

By Mr. PETTENGILL: A bill (H. R. 6472) to prohibit and to prevent the trade practices known as "compulsory blockbooking" and "blind selling" in the leasing of motionpicture films in interstate and foreign commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. SANDERS of Louisiana: A bill (H. R. 6473) to provide for the construction of a post-office building in Covington, La.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6474) to provide for the construction of a post-office building in Donaldsonville, La.; to the Committee on Public Buildings and Grounds.

By Mr. FULMER: A bill (H. R. 6475) to provide for the establishment of subsistence homesteads for persons with low income, and for other purposes; to the Committee on Agriculture.

By Mr. PARSONS: A bill (H. R. 6476) to amend the act of May 18, 1934, providing punishment for killing or assaulting Federal officers; to the Committee on the Judiciary.

By Mr. COLDEN: Resolution (H. Res. 151) to authorize and empower the Secretary of the Navy to appoint a commission to investigate the necessity of a naval establishment in the Los Angeles, Long Beach, and San Diego areas of California: to the Committee on Naval Affairs.

By Mr. CULKIN: Resolution (H. Res. 152) directing the Administrator of the Public Works Administration to furnish certain information to the House of Representatives; to the Committee on Ways and Means.

By Mr. LEMKE: Resolution (H. Res. 153) to make H. R. 4298, a bill to amend title I of an act entitled "Agricultural Adjustment Act" (Public, No. 10, 73d Cong.), and to provide additional relief by securing to the farmers a minimum price for agricultural commodities of not less than the cost of production thereof, and for other purposes, a special order of business; to the Committee on Rules.

By Mr. ROGERS of Oklahoma: Resolution (H. Res. 154) for the appointment of a select committee of the House to investigate special Indian problems; to the Committee on Rules.

By Mr. KELLER: Joint resolution (H. J. Res. 195) to provide for the reappointment of Frederic A. Delano as a member of the Board of Regents of the Smithsonian Institution; to the Committee on the Library.

By Mr. DUNN of Pennsylvania: Joint Resolution (H. J. Res. 196) proposing an amendment to the Constitution of the United States providing for proposing and ratifying amendments to the Constitution of the United States by the direct voice of the people; to the Committee on the Judiciary.

By Mr. DIMOND: Joint resolution (H. J. Res. 197) authorizing a preliminary examination or survey of Skagway Harbor, Alaska; to the Committee on Rivers and Harbors.

By Mr. BACON: Joint resolution (H. J. Res. 198) accepting the invitation of the Government of France to the United States to participate in the International Exposition of Paris—Applied Arts and Technique in Modern Life, to be held in Paris, France, in 1937; to the Committee on Foreign Affairs.

#### MEMORIAL

Under clause 3 of rule XXII, a memorial was presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Oklahoma, memorializing Congress to amend the Bankhead Cotton Control Act; to the Committee on Agriculture

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

Tracey O'Brien Potter; to the Committee on Naval Affairs.

By Mr. BEAM: A bill (H. R. 6478) for the relief of James W. Blair; to the Committee on Claims.

By Mr. CANNON of Wisconsin: A bill (H. R. 6479) for the relief of Paul Brinza, father of the late Anton Brinza; to the Committee on Claims.

Also, a bill (H. R. 6480) for the relief of Vincent Brenner; to the Committee on Claims.

Also, a bill (H. R. 6481) for the relief of Andrew Brenner; to the Committee on Claims.

By Mr. CHURCH: A bill (H. R. 6482) granting the Distinguished Service Medal to Albert W. J. Johnsen; to the Committee on Military Affairs.

By Mr. HILDEBRANDT: A bill (H. R. 6483) for the relief of George C. Widlon; to the Committee on Claims.

By Mr. HOOK: A bill (H. R. 6484) to provide for a basic data survey of the natural resources of the Upper Peninsula of Michigan; to the Committee on Mines and Mining.

By Mr. JOHNSON of West Virginia: A bill (H. R. 6485) granting a pension to Clara L. Dolman; to the Committee on Invalid Pensions.

By Mr. KNIFFIN: A bill (H. R. 6486) granting an increase of pension to Sarah Marks; to the Committee on Invalid

By Mr. SUTPHIN: A bill (H. R. 6487) for the relief of the High Clothing Co., Inc.; to the Committee on Claims.

By Mr. LESINSKI: A bill (H. R. 6488) for the relief of Wayne M. Cotner; to the Committee on Claims.

By Mr. McSWAIN: A bill (H. R. 6489) for the relief of J. A. Cobb: to the Committee on War Claims.

Also, a bill (H. R. 6490) for the relief of William Marion Wilcox; to the Committee on Naval Affairs.

Also, a bill (H. R. 6491) for the relief of Frank Roland; to the Committee on Naval Affairs.

By Mr. PATTERSON: A bill (H. R. 6492) for the relief of S. K. Plum; to the Committee on Claims.

Also, a bill (H. R. 6493) granting a pension to Mary J. Whistler; to the Committee on Pensions.

By Mr. PIERCE: A bill (H. R. 6494) for the relief of certain counties in the State of Oregon; to the Committee on

By Mr. RANDOLPH: A bill (H. R. 6495) for the relief of Frederick Strahin; to the Committee on Military Affairs.

By Mr. SOUTH: A bill (H. R. 6496) authorizing the Secretary of War to award a posthumous Distinguished Service Cross to John H. Stafford; to the Committee on Military Affairs.

By Mr. WEAVER: A bill (H. R. 6497) granting a pension to Mrs. William B. Raper, widow of William B. Raper; to the Committee on Pensions.

Also, a bill (H. R. 6498) authorizing the United States Employees' Compensation Commission to consider the claim of O. G. Anderson; to the Committee on Claims.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2728. By Mr. ROGERS of Oklahoma: Petition of R. M. Savage and numerous other citizens of Piedmont, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2729. Also, petition of Jack Rudulph and numerous other citizens of Benton, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2730. Also, petition of J. C. Smith and numerous other citizens of Troy, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2731, Also, petition of G. W. Faulk and numerous other citizens of Tennille, Troy, and Banks, Ala., favoring House

By Mr. ASHBROOK: A bill (H. R. 6477) for the relief of | bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2732. Also, petition of O. E. Grover and numerous other citizens of Glenwood, Andalusia, and Opp, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2733. Also, petition of Flemming Tibbs and numerous other citizens of Madison, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2734. Also, petition of Rev. J. E. Davis and numerous other citizens of Carbon Hill and Glen Allen, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2735. Also, petition of J. A. Stricklin and numerous other citizens of Carbon Hill, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2736. Also, petition of G. W. Benson and numerous other citizens of Jasper, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2737. Also, petition of John McClesky and numerous other citizens of Jasper, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2738. Also, petition of R. H. Lovelace and numerous other citizens of Florence, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2739. Also, petition of Web Richardson and numerous other citizens of Russellville, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2740. Also, petition of Lee J. Luker and numerous other citizens of Decatur, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2741. Also, petition of J. M. Vest and numerous other citizens of Hartselle, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2742. Also, petition of Albert Richardson and numerous other citizens of Rehoboth, Alberta, and Gastonburg, Ala., favoring House bill 2856, by Congressman WILL Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2743. Also, petition of Robert Smith and numerous other citizens of Nashville, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2744. Also, petition of F. H. Helm and numerous other citizens of Gates, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2745. Also, petition of Mack Weatherall and numerous other citizens of New Albany and Etta, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2746. Also, petition of Alfred J. Henry and numerous other citizens of Pascagoula, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2747. Also, petition of H. Nicholas and numerous other citizens of Harperville, Miss., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2748. Also, petition of Lim Cherry and numerous other citizens of McClain, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2749. Also, petition of G. W. Lloyd and numerous other citizens of Picayune, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2750. Also, petition of Charles Grigge and numerous other citizens of Itta Bena, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2751. Also, petition of Mitchel Stafford and numerous other eitizens of Clarksdale and Duncan, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2752. Also, petition of Josh Payton and numerous other citizens of Carrollton, Coila, and Greenwood, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2753. Also, petition of J. C. Jones and numerous other citizens of Grenada and Duck Hill, Miss., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2754. Also, petition of F. R. Taylor and numerous other citizens of Oakdale, Hattiesburg, and Hawthorne, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2755. Also, petition of H. C. McKenzie and numerous other citizens of Barnett, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2756. Also, petition of L. D. McNiece and numerous other citizens of Tremont and Smithville, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2757. Also, petition of Willis Howell and numerous other citizens of Utica, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2758. Also, petition of G. W. Davis and numerous other citizens of New Albany, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2759. Also, petition of John Bryat and numerous other citizens of Greenwood, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2760. Also, petition of Mellatha Hooker and numerous other citizens of Lexington, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2761. Also, petition of Dennis Buskin and numerous other citizens of Buena Vista and Houston, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for

direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2762. Also, petition of Taris Stockton and numerous other citizens of Bland, Loves Prairie, and Belle, Mo., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2763. Also, petition of John Transue and numerous other citizens of Orrick, Mo., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2764. Also, petition of Lawrence Ringland and numerous other citizens of Laclede and Brookfield, Mo., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pension of \$30 to \$50 a month; to the Committee on Ways and Means.

2765. Also, petition of Harry Daniel and numerous other citizens of Scott and Grady, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2766. Also, petition of Miles Vance and numerous other citizens of Parkdale, Ark., favoring House bill 2856, by Congressman WILL ROSERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2767. Also, petition of G. B. Clardy and numerous other citizens of Millport and Ethelsville, Ala., favoring House bill 2856, by Congressman Will Rocks, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2763. Also, petition of M. L. Sales and numerous other citizens of Andalusia and Gantt, Ala., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2769. Also, petition of J. E. Barnes and numerous other citizens of Pigeon Creek, Camden, and Monroeville, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2770. Also, petition of J. W. Myrick and numerous other citizens of Deatsville, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2771. Also, petition of J. J. Henderson and numerous other citizens of Speigener, Mount Creek, and Montgomery, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2772. Also, petition of Earl Kuykendall and numerous other citizens of Alpharetta and Woodstock, Ga., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2773. Also, petition of H. A. Reddoch and numerous other citizens of Troy, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2774. Also, petition of Thomas Mitchel, and numerous other citizens of Brantley, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2775. Also, petition of W. H. Hutchcraft and numerous other citizens of Flomaton and Pollard, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2776. Also, petition of T. J. Brown and numerous other citizens of Peterson, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal

old-age pensions of \$30 to \$50 a month; to the Committee on | Federal old-age pensions of \$30 to \$50 a month; to the Com-Ways and Means.

2777. Also, petition of Charles Troddy and numerous other citizens of Timpson and Tenaha, Tex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2778. Also, petition of John Legate and numerous other citizens of Cerro Gordo, N. C., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2779. Also, petition of D. A. Ivey and numerous other citizens of Fairfield and Chandler, Tex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2780. Also, petition of Emmitt Russell and numerous other citizens of Eustace, Tex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2781. Also, petition of J. M. Denison and numerous other citizens of McKinney, Tex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2782. Also, petition of Emmitt Gray and numerous other citizens of Telephone, Honey Grove, and Windom, Tex., favoring House bill 2856, by Congressman WILL Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2783. Also, petition of C. Halliburton and numerous other citizens of Dilworth and Moulton, Tex., favoring House bill 2856, by Congressman WILL Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2784. Also, petition of Roger Reid and numerous other citizens of Wortham, Tex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2785. Also, petition of C. E. Casey and numerous other citizens of Tom Ball and Shepherd, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2786. Also, petition of J. H. Moore and numerous other citizens of Warren, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2787. Also, petition of Paul Boldware and numerous other citizens of Karnack, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2788. Also, petition of W. D. Murphy and numerous other citizens of Kirbyville, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2789. Also, petition of J. C. Mater and numerous other citizens of Seymour, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2790. Also, petition of Will Smith and numerous other citizens of Holly Bluff, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2791. Also, petition of Charley Block and numerous other citizens of Pace and Clarksdale, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct

mittee on Ways and Means.

2792. Also, petition of Robert Criss and numerous other citizens of Alligator, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2793. Also, petition of Harrison Strong and numerous other citizens of West Point, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2794. Also, petition of William Baldin and numerous other citizens of Shaw, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2795. Also, petition of Frank Stemmons and numerous other citizens of Fayette and Rocheport, Mo., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2796. Also, petition of W. T. Ghess and numerous other citizens of Lilbourn, Mo., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2797. Also, petition of Elder E. L. Ganes and numerous other citizens of Joplin, Mo., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2798. Also, petition of W. M. Ballinger and numerous other citizens of Cape Girardeau, Mo., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2799. Also, petition of R. E. Lewis and numerous other citizens of Rolla and Dillon, Mo., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2800. Also, petition of Walter Dean and numerous other citizens of Hindman, Ky., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2801. Also, petition of Robert Moore and numerous other citizens of Hanson and Slaughters, Ky., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2802. Also, petition of Moorman Payne and numerous other citizens of Sample, Ky., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2803. Also, petition of James Allen and numerous other citizens of Jefferson County, Ky., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2804. Also, petition of Albert Ferguson and numerous other citizens of Jenkins, Ky., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2805. Also, petition of George Everheart and numerous other citizens of Morganfield, Waverly, and Spotsville, Ky., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2806. Also, petition of Frank E. Jordan and numerous other citizens of Topeka, Kans., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2807. Also, petition of Phillip Taylor and numerous other citizens of Cairo, Ill., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2808. Also, petition of Rudolph Weiss and numerous other citizens of Granite City, III., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2809. Also, petition of E. Davis and numerous other citizens of Murphysboro, Ill., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2810. Also, petition of Nat Hinton and numerous other citizens of Harvey, Ill., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2811. Also, petition of Everett Shoemaker and numerous other citizens of Alvin, Ill., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2812. Also, petition of M. Durden and numerous other citizens of Sandersville, Linton, and Mitchell, Ga., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2813. Also, petition of W. C. Burdine and numerous other citizens of Ball Ground, Dawsonville, and Gainesville, Ga., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2814. Also, petition of W. L. Wheeler and numerous other citizens of Lawrenceville and Decatur, Ga., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2815. Also, petition of W. E. Coley and numerous other citizens of Savannah, Ga., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2816. Also, petition of Frank Washington and numerous other citizens of Altheimer, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2817. Also, petition of James Ricks and numerous other citizens of Sherrill, Ark., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2818. Also, petition of A. N. Retter and numerous other citizens of Little Rock, Ark., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2819. Also, petition of James Scales and numerous other citizens of McGehee, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2820. Also, petition of R. F. Meeks and numerous other citizens of Hamburg, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2821. Also, petition of Allen Wills and numerous other citizens of Dermott, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-

age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2822. Also, petition of J. R. Bland and numerous other citizens of Havana, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2823. Also, petition of Wiley McRae and numerous other citizens of Waldo, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee of Ways and Means.

2824. Also, petition of Benjamin Wright and numerous other citizens of Waldo, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2825. Also, petition of J. J. Wilson and numerous other citizens of Bassett, Ark., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2826. Also, petition of C. H. O'Bryan and numerous other citizens of Cloverdale, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2827. Also, petition of C. Holmes and numerous other citizens of Jefferson County, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2828. Also, petition of Will Dale and numerous other citizens of Brickeys, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2829. Also, petition of W. L. Williams and numerous other citizens of Hodges and Hamilton, Ala., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2830. Also, petition of B. Colter and numerous other citizens of Huntsville and New Market, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2831. Also, petition of J. S. Carr and numerous other citizens of Russellville, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2832. Also, petition of Elmo White and numerous other citizens of Anderson, Athens, and Rogersville, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2833. Also, petition of W. A. Kennedy and numerous other citizens of Fairfax and Girard, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2834. Also, petition of Howard Malone and numerous other citizens of Athens, Ala., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2835. Also, petition of J. R. Stone and numerous other citizens of Troy, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2836. Also, petition of Clarence Walker and numerous other citizens of Pinson, Remlap, and Oneonta, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope

plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2837. Also, petition of Tom Wooten and numerous other citizens of Florence, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2838. Also, petition of Ben Padgett and numerous other citizens of Davidson, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2839. Also, petition of Everett Bolling and numerous other citizens of Wise and Big Laurel, Va., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2840. Also, petition of Harry Stevenson and numerous other citizens of Norton and Harrisonburg, Va., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2841. Also, petition of J. E. Reagle and numerous other citizens of Blencoe, Iowa, favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2842. Also, petition of William Gallaher and numerous other citizens of Moundsville, W. Va., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2843. Also, petition of J. W. Bailey and numerous other citizens of Cyclone, W. Va., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2844. Also, petition of Hugh G. Keenan and numerous other citizens of Knob Fork and Littleton, W. Va., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2845. Also, petition of E. L. Bean and numerous other citizens of Rock Oak and Stephen City, W. Va., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2846. Also, petition of Roy Carter and numerous other citizens of Starke and Lawtey, Fla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2847. Also, petition of W. M. Hughes and numerous other citizens of Grand Ridge, Fla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2848. Also, petition of Vernon Allison and numerous other citizens of Chandler and Phoenix, Ariz., favoring House bill 2856, by Congressman WILL Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2849. Also, petition of N. D. Vigil and numerous other citizens of Arroyo and Taos, N. Mex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2850. Also, petition of W. A. Armstrong and numerous other citizens of Gray Court, Pelzer, and Laurens, S. C., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2851. Also, petition of D. H. New and numerous other citi-

eral old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2852. Also, petition of L. J. Spear and numerous other citizens of Laplace, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2853. Also, petition of Manuel Harper and numerous other citizens of Dry Creek and Sugartown, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2854. Also, petition of Louis Blanchard and numerous other citizens of Marrero, Westwego, and Larose, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month: to the Committee on Ways and Means.

2855. Also, petition of J. W. Thames and numerous other citizens of Dry Prong and Pollock, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2856. Also, petition of Sonny Williams and numerous other citizens of Bastrop, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2857. Also, petition of E. M. Pettygrew and numerous other citizens of Shreveport and Robson, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2858. Also, petition of C. Moore and numerous other citizens of Idabel, Okla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2859. Also, petition of John Edwards and numerous other citizens of Wagoner, Okla., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2860. Also, petition of G. W. Walker and numerous other citizens of McAlester, Okla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2861. Also, petition of R. H. Mann and numerous other citizens of Sulphur and Big Canyon, Okla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2862. Also, petition of J. H. Williams and numerous other citizens of Yadkinville, N. C., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2863. Also, petition of G. O. Edwards and numerous other citizens of Furches and Stratford, N. C., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2864. Also, petition of J. S. Griffin and numerous other citizens of Cerro Gordo, N. C., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2865. Also, petition of John Phipps and numerous other citizens of Nashville, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2866. Also, petition of Frank Brasul and numerous other zens of Troy and Bradley, S. C., favoring House bill 2856, citizens of Coalmont and Pelham, Tenn., favoring House bill by Congressman Will Rogers, the Pope plan for direct Fed- 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2867. Also, petition of John Richardson and numerous other citizens of Smyrna, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2868. Also, petition of C. A. Barlow and numerous other citizens of Jonesboro, Tenn., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2869. Also, petition of Easau Roberson and numerous other citizens of Memphis, Tenn., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2870. Also, petition of Edward Tucker and numerous other citizens of Kerrville and Lucy, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2871. Also, petition of Paul Freeman and numerous other citizens of Jackson, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2872. Also, petition of Louis Palmer and numerous other citizens of Montgomery, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2873. Also, petition of Simon Hudson and numerous other citizens of Whiteville and Bolivar, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2874. Also, petition of John D. Lasater and numerous other citizens of Nashville and Dickson, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2875. Also, petition of Clifton Smith and numerous other citizens of Clarksville and Memphis, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2876. Also, petition of Joe Buford and numerous other citizens of Humboldt, Alamo, and Gadsden, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2877. Also, petition of Henry Ross and numerous other citizens of Adams, Springfield, and Cedar Hill, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2878. Also, petition of J. J. Rutledge and numerous other citizens of Taft, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2879. Also, petition of Charles Roundtree and numerous other citizens of Halls, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2880. Also, petition of Leonard Jones and numerous other citizens of East Chattanooga and Jasper, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2881. Also, petition of C. A. Goodwin and numerous other citizens of Chattanooga, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal

old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2882. Also, petition of John H. Clark and numerous other citizens of North Little Rock, Ark., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2883. Also, petition of George Hayner and numerous other citizens of Tinsman, Hampton, and Woodbury, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2884. Also, petition of W. Hampton and numerous other citizens of Parkin and Earle, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2885. Also, petition of Jim Averton and numerous other citizens of Forrest City, Round Pond, and Widener, Ark., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2886. Also, petition of George Webster and numerous other citizens of Lexa and Rondo, Ark., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2887. Also, a petition of Sam Gordon and numerous other citizens of Crawfordsville, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2888. Also, petition of B. C. Clark and numerous other citizens of Dumas, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2889. Also, petition of Louis Ollis and numerous other citizens of Wynne, Ark., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2890. Also, petition of Henry Perry and numerous other citizens of Arkadelphia, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2891. Also, petition of H. D. Davidson and numerous other citizens of Centerville, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2892. Also, petition of Hugh Johnson and numerous other citizens of Batesville, Eufaula, and Comer, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2893. Also, petition of Jim Harper and numerous other citizens of Brundidge, Ala., favoring House bill 2856, by Congressman Will Rockes, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2894. Also, petition of Tom Roberson and numerous other citizens of Courtland and Town Creek, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2895. Also, petition of Booker J. Curry and numerous other citizens of Selma, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2896. Also, petition of Joseph Matthews and numerous other citizens of Dixiana, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal

old-age pensions of \$30 to \$50 a month; to the Committee on | Ways and Means.

2897. Also, petition of J. T. Allen and numerous other citizens of Atmore, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2898. Also, petition of Edgar Darby and numerous other citizens of Florence, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2899. Also, petition of Wright J. Smith and numerous other citizens of Bessemer, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2900. Also, petition of Walter Hickerson and numerous other citizens of Murfreesboro, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2901. Also, petition of M. J. Watkins and numerous other citizens of Finger, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2902. Also, petition of R. W. Richardson and numerous other citizens of Mason, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2903. Also, petition of Preston Owens and numerous other citizens of Moscow, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2904. Also, petition of John Woody and numerous other citizens of Union City, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on

2905. Also, petition of R. L. Sneed and numerous other citizens of Milton and Lascassas, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2906. Also, petition of Chester Carr and numerous other citizens of Jackson and Bemis, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2907. Also, petition of U. O. Collier and numerous other citizens of Nashville, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2908. Also, petition of Hayes Watson and numerous other citizens of Cumberland Gap, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2909. Also, petition of Van H. Williams and numerous other citizens of Manchester, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2910. Also, petition of E. D. Lovins and numerous other citizens of Dyersburg and Friendship, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$40 a month; to the Committee on Ways and Means.

2911. Also, petition of Mose Blandon and numerous other citizens of Ripley and Halls, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Fed- bill 2856, by Congressman Will Rogers, the Pope plan for

eral old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2912. Also petition of A. C. Schroeder and numerous other citizens of Red River, Gresham, and Embarrass, Wis., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2913. Also, petition of Richard W. Peterson and numerous other citizens of Shawano, Wis., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month, to the Committee on Ways and Means.

2914. Also, petition of M. H. Cifers and numerous other citizens of Nickelsville, Va., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2915. Also, petition of Oliver Part and numerous other citizens of West Point, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2916. Also, petition of Mark Strong and numerous other citizens of West Point, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2917. Also, petition of George Harris and numerous other citizens of Scott, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2918. Also, petition of Will Rubin and numerous other citizens of Mendenhall, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2919. Also, petition of Will James and numerous other citizens of Scott, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2920. Also, petition of Dock Carter and numerous other citizens of Louisville and High Point, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2921. Also, petition of I. G. Herrin and numerous other citizens of Bragg City, Mo., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2922. Also, petition of Frank Smith and numerous other citizens of Hunter, Mo., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2923. Also, petition of Cornelus Augustus and numerous other citizens of St. Louis, Mo., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2924. Also, petition of Alvin Heitman and numerous other citizens of Jenning and St. Louis, Mo., favoring House bill 2856, by Congressman WILL Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2925. Also, petition of James F. Irvin and numerous other citizens of Goldonna, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2926. Also, petition of Paul Harries and numerous other citizens of McDade, Sligo, and Doyline, La., favoring House direct Federal old-age pensions of \$30 to \$50 a month; to the | pensions of \$30 to \$50 a month; to the Committee on Ways Committee on Ways and Means.

2927. Also, petition of Ben Fredici and numerous other citizens of Clarence and Dry Prong, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2928. Also, petition of A. C. Smith and numerous other citizens of Robeline, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2929. Also, petition of Walter Delphin and numerous other citizens of Natchez and Natchitoches, La., favoring House bill 2856, by Congressman WILL Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2930. Also, petition of Noah Pierre and numerous other citizens of Folsom and Osceola, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2931. Also, petition of Jordan Freeman and numerous other citizens of Violet, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2932. Also, petition of William Miller and numerous other citizens of Lutcher, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2933. Also, petition of Landris Louviere and numerous other citizens of Matthews and Raceland, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2934. Also, petition of John Littleton and numerous other citizens of Keatchie, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means

2935. Also, petition of W. W. Fleenor and numerous other citizens of Millstone, Ky., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2936. Also, petition of Joe Barrow and numerous other citizens of Knight and Hamlin, Ky., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2937. Also, petition of V. M. Shelton and numerous other citizens of Belton, Dunmor, and Beech Creek, Ky., favoring House bill 2856, by Congressman WILL Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2938. Also, petition of Calvin H. Jackson and numerous other citizens of Magazine, Ky., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2939. Also, petition of Sidney Goodman and numerous other citizens of Adolphus, Ky., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2940. Also, petition of Jeff Parmley and numerous other citizens of Parnell, Ky., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2941. Also, petition of J. C. Page and numerous other citizens of Canton, Ky., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age

and Means.

2942. Also, petition of J. E. Francis and numerous other citizens of Tennille, Ga., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2943. Also, petition of W. P. Henderson and numerous other citizens of Gainesville, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2944. Also, petition of John Burks and numerous other citizens of Hillsboro and Harperville, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2945. Also, petition of Eddman Montgomery and numerous other citizens of Cocoa, Fla., favoring House bill 2356, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2946. Also, petition of Newton Pitts and numerous other citizens of Williston, Fla., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2947. Also, petition of Benny Burns and numerous other citizens of Greensboro, Fla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2948. Also, petition of George King and numerous other citizens of Century, Fla., favoring House bill 2856, by Congressman WILL Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means

2949. Also, petition of G. C. Hudson and numerous other citizens of Marie and Osceola, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2950. Also, petition of G. W. Ellis and other citizens of North Little Rock, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2951. Also, petition of W. L. Sanders and numerous other citizens of Burdette, Luxora, and Blytheville, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2952. Also, petition of Earnest Taylor and numerous other citizens of De Valls Bluff, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2953. Also, petition of W. M. Kleckley and numerous other citizens of Pine Bluff, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2954. Also, petition of Warner Gossett and numerous other citizens of Camden, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2955. Also, petition of Lewis Sharpe and numerous other citizens of Hawes and Crossett, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2956. Also, petition of Filmore Copley and numerous other citizens of Dunlow and Missouri Branch, W. Va., favoring House bill 2856, by Congressman Will Rogers, the Pope plan

to the Committee on Ways and Means.

2957. Also, petition of L. Shelton and numerous other citizens of West Hamlin, W. Va., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2958. Also, petition of J. D. Bates and numerous other citizens of Rice, Va., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2959. Also, petition of John Welsh and numerous other citizens of Buck Grove, Iowa, favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2960. Also, petition of Henry C. Murphy and numerous other citizens of Jerseyville, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2961. Also, petition of Floyd Jones and numerous other citizens of Jasper and Parrish, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2962. Also, petition of L. R. Ashmore and numerous other citizens of Kenton and Rutherford, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2963. Also, petition of R. A. Brasher and numerous other citizens of Decaturville, Bath Spring, and Parsons, Tenn., favoring House bill 2856, by Congressman WILL Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2964. Also, petition of W. E. Lord and numerous other citizens of Nashville, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2965. Also, petition of E. E. Parker and numerous other citizens of Shelbyville, Tex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2966. Also, petition of Hurmon Bell and numerous other citizens of Center and Timpson, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2967. Also, petition of Howard Lyemons and numerous other citizens of San Antonio, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2968. Also, petition of Edward Strouther and numerous other citizens of Tell and Estelline, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2969. Also, petition of Preston McGowen and numerous other citizens of Blanchard and Livingston, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2970. Also, petition of J. W. Gibson and numerous other citizens of Midway and Madisonville, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2971. Also, petition of Chester Fowler and numerous other citizens of Colmesneil and Emilee, Tex., favoring House bill

for direct Federal old-age pensions of \$30 to \$50 a month; | Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2972. Also, petition of J. N. Rusamand and numerous other citizens of Elkhart and Palestine, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2973. Also, petition of D. W. Williamson and numerous other citizens of Teague, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2974. Also, petition of Joe Glenn and numerous other citizens of Pineland and Silsbee, Tex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2975. Also, petition of A. Albert and numerous other citizens of Cold Springs, Tex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2976. Also, petition of L. E. Smith and numerous other citizens of Victoria, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2977. Also, petition of David Cowe and numerous other citizens of Beaumont, Tex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2978. Also, petition of James Hollie and numerous other citizens of Washington and Brenham, Tex., favoring House bill 2856, by Congressman WILL Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2979. Also, petition of Buck Powell and numerous other citizens of Hillview and White Hall, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2980. Also, petition of James Clark and numerous other citizens of Venice, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2981. Also, petition of James Wellington and numerous other citizens of Mounds, Ill., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2982. Also, petition of J. S. Candill and numerous other citizens of Sophia, W. Va., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2983. Also, petition of Ramon Mascarenaz and numerous other citizens of Vadito, N. Mex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2984. Also, petition of E. Aragon and numerous other citizens of Cordova, N. Mex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2985. Also, petition of Bob Burgess and numerous other citizens of Buncombe County, N. C., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2986. Also, petition of E. H. Butler and numerous other citizens of Canadian, Tex., favoring House bill 2856, by Con-2856, by Congressman Will Rogers, the Pope plan for direct | gressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2987. Also, petition of Jim Montgomery and numerous other citizens of Lewisville, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2988. Also, petition of Dan Williams and numerous other citizens of Hillister, Woodville, and Georges Creek, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2989. Also, petition of J. T. Wilbourn and numerous other citizens of Commerce, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2990. Also, petition of Ezra Stout and numerous other citizens of McKinney, Renner, and Dallas, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2991. Also, petition of Jackson Busby and numerous other citizens of Kountze, Honey Island, and Woodville, Tex., favoring House bill 2856, by Congressman WILL Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2992. Also, petition of Ira Dean and numerous other citizens of Shelbyville, Tex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2993. Also, petition of Gifford Davis and numerous other citizens of Brownsville, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2994. Also, petition of E. H. Smith and numerous other citizens of Peakland, Tennille, and Decatur, Tenn., favoring House bill 2856, by Congressman WILL ROCERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2995. Also, petition of W. M. Murphree and numerous other citizens of Piedmont and Greenville, S. C., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2996. Also, petition of Jim Alls and numerous other citizens of Greenwood, S. C., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2997. Also, petition of A. P. Smith and numerous other citizens of Shamrock, Okla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2998. Also, petition of W. E. Lewis and numerous other citizens of Bowlegs and Seminole, Okla., favoring House bill 2856, by Congressman WILL Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

2999. Also, petition of J. J. James and other citizens of Osage, Okla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3000. Also, petition of Lewis Fleming and numerous other citizens of Shannon and Pontotoc, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3001. Also, petition of P. J. Walker and numerous other citizens of Brandon, Miss., favoring House bill 2856, by Con-

age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3002. Also, petition of R. E. Kitchen and numerous other citizens of Belden and Tupelo, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3003. Also, petition of Eddie Seal and numerous other citizens of Carthage, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3004. Also, petition of Mack Moore and numerous other citizens of Columbus, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3005. Also, petition of Calvin Secus and numerous other citizens of Aberdeen, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3006. Also, petition of Elliott Buchanan and numerous other citizens of Roxie, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3007. Also, petition of Willie Hinton and numerous other citizens of Waynesboro, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3008. Also, petition of Joe Taylor and numerous other citizens of Brandon, Jackson, and Pelahatchee, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3009. Also, petition of Walloc Crook and numerous other citizens of Brandon, Pelahatchee, and Morton, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3010. Also, petition of Robert L. Hammons and numerous other citizens of Tutwiler, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3011. Also, petition of James B. Erwin and numerous other citizens of Guntown and Blue Springs, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3012. Also, petition of Frank Austin and numerous other citizens of Vaiden and Carrollton, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3013. Also, petition of J. B. Townsend and numerous other citizens of Pioneer and Lake Providence, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3014. Also, petition of F. L. Campbell and numerous other citizens of Grapeland and Shaw, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3015. By Mr. ANDREWS of New York: Nineteen petitions containing approximately 300 names of residents of the Fortieth Congressional District of New York, protesting against enactment of the public-utilities bill; to the Committee on Interstate and Foreign Commerce.

3016. By Mr. BUCKLER of Minnesota: Petition of Edward D. Rydeen, of Clearbrook, Minn., president of the Leon Towngressman Will Rogers, the Pope plan for direct Federal old- ship Unit of the American Farm Bureau of Clearwater

County, Minn., John Skog, of Clearbrook, and other members of the resolution committee, urging that Federal funds be made available to provide for the continued testing of all herds of livestock and for the payment of reasonable indemnities for reacting animals, to the end that human health may be safeguarded and the livestock industry protected, and that the test for the Bang's disease be made compulsory; to the Committee on Agriculture.

3017. Also, petition of Edward D. Rydeen, of Clearbrook, Minn., president of the Leon Township Unit of the American Farm Bureau of Clearwater County, Minn., John Skog, of Clearbrook, and other members of the resolutions committee, urging that Federal funds be made available for the extension and expansion of our highway system without the matching requirements; to the Committee on Roads.

3018. By Mr. COLDEN: Resolutions of Harbor Post No. 1253, Veterans of Foreign Wars of the United States, San Pedro, Calif., endorsing House bill 1, which provides for the immediate cash payment of World War adjusted-compensation certificates, and urging that favorable action be taken on this measure; and endorsing House bill 100, providing for the restoration of previous rights of Spanish War veterans relative to pensions, hospitalization, domiciliary care, etc., and petitioning for favorable action on same; to the Committee on Ways and Means.

3019. By Mr. CONNERY: Resolution of Group No. 630, Polish National Alliance, of Lawrence, Mass., memorializing the Congress to enact House Joint Resolution 81 and Senate Joint Resolution 11, directing the President of the United States of America to proclaim October 11 of each year as General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

3020. Also, resolutions of Group No. 2383, Polish National Alliance, of Lawrence, Mass., memorializing the Congress to enact House Joint Resolution 81 and Senate Joint Resolution 11, directing the President of the United States of America to proclaim October 11 of each year as General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

3021. Also, resolutions of Group No. 967, Polish National Alliance, of Peabody, Mass., memorializing the Congress to enact House Joint Resolution 81 and Senate Joint Resolution 11, directing the President of the United States of America to proclaim October 11 of each year as General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

3022. Also, resolution of the Common Council of the City of Peabody, Mass., memorializing the Congress to enact House Joint Resolution 81 and Senate Joint Resolution 11, directing the President of the United States of America to proclaim October 11 of each year as General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

3023. Also, resolutions of the General Court of Massachusetts, memorializing Congress to repeal the cotton-processing tax or the spreading of the tax over industry in general; to the Committee on Agriculture.

3024. Also, resolution of the General Court of Massachusetts, memorializing the Congress of the United States relative to the prevention or punishment of the crime of lynching; to the Committee on the Judiciary.

3025. By Mr. CROWTHER: Petition of citizens of Schenectady, N. Y., protesting against enactment of House bill 5423; to the Committee on Interstate and Foreign Commerce.

3026. By Mr. DARROW: Memorial of the Philadelphia Board of Trade, protesting against the passage of the Rayburn utilities bill (H. R. 5423); to the Committee on Interstate and Foreign Commerce.

3027. By Mr. DEEN: Memorial of the State Legislature of Georgia, condemning the Wagner-Costigan antilynching bill, and for other purposes; to the Committee on the Judiciary.

3028. By Mr. DEMPSEY: Memorial of Legislature of New Mexico; to the Committee on Ways and Means.

3029. By Mr. DEROUEN: Petition of citizens of Beauregard Parish, La., urging Congress to enact into law House bill 2856; to the Committee on Ways and Means.

3030. By Mr. DORSEY: Petition of citizens of Philadelphia, Pa., urging support of the principles of health management as promulgated by the American Medical Association, in connection with the security bill; to the Committee on Ways and Means.

3031. Also, petition of residents of Philadelphia, Pa., urging the passage of House bill 2827, by Congressman Lundeen, providing for the establishment of unemployment, old-age, and social insurance, and for other purposes; to the Committee on Labor.

3032. By Mr. EKWALL: Senate Joint Memorial No. 16, of the Thirty-eighth Legislative Assembly of the State of Oregon, petitioning the President of the United States and the Secretary of State of the United States to refrain from declaring any reduction of the present tariff rates on filberts, shelled or unshelled, to the end that this industry of the Pacific Northwest may be protected fully and amply against destructive foreign competition; to the Committee on Ways and Means.

3033. Also, Senate Joint Memorial No. 15, of the Thirty-eighth Legislative Assembly of the State of Oregon, petitioning Congress to pass adequate laws to require that each branch of every national bank publish, at proper intervals, in like manner as bank reports now are published, statements showing the assets and liabilities of such branch bank or affiliated institutions, and setting out the total amount of deposits standing in the names of residents of the community where such branch bank is situated and the total amount of loans and discounts made to such residents; to the Committee on Banking and Currency.

3034. Also, Senate Joint Memorial No. 12, of the Thirty-eighth Legislative Assembly of the State of Oregon, petitioning Congress to refrain from reduction of present tariff on cherries; to the Committee on Ways and Means.

3035. Also, Senate Joint Memorial No. 10, of the Thirty-eighth Legislative Assembly of the State of Oregon, petitioning Congress to provide funds to clear dead timber, debris, etc., from Crane Prairie Reservoir site in Deschutes County, Oreg.; to the Committee on Appropriations.

3036. Also, Senate Joint Memorial No. 8, of the Thirty-eighth Legislative Assembly of the State of Oregon, petitioning Congress to make appropriation for the eradication of Bang's disease among cattle; to the Committee on Appropriations

3037. Also, House Joint Memorial No. 5, of the Thirty-eighth Legislative Assembly of the State of Oregon, petitioning Congress to pass appropriate legislation to provide military defense for the State of Oregon and the Pacific Northwest; to the Committee on Military Affairs.

3038. Also, House Joint Memorial No. 2, of the Thirty-eighth Legislative Assembly of the State of Oregon, providing for segregating the costs of navigation and electrical energy on the Bonneville project, Oregon; to the Committee on Military Affairs.

3039. By Mr. GOODWIN: Petition of the Parent-Teachers Association, Kingston, N. Y., urging the Office of Education of the United States Department of the Interior to encourage the use and development of motion pictures for visual instruction, and for other purposes; to the Committee on Education

3040. Also, petition of the Board of Supervisors of Columbia County, N. Y., urging the repeal of section 55 (b) of the Revenue Act of 1934, relating to the publicity of income-tax returns; to the Committee on Ways and Means.

3041. By Mr. GRANFIELD: Memorial in favor of the adoption by the Senate of the United States of a resolution now pending before it relating to religious persecution in Mexico; to the Committee on Foreign Affairs.

3042. Also, memorial of City Council of Northampton, relative to General Pulaski's Memorial Day resolution; to the Committee on the Judiciary.

3043. By Mr. HART: Resolution of the House of Assembly of the State of New Jersey (senate concurring), memorializing the Federal Congress to enact appropriate legislation extending the powers of the Home Owners' Loan Corporation; to the Committee on Banking and Currency.

3044. Also, resolution of Group No. 2787, of the Polish National Alliance of the United States of North America, memorializing Congress to proclaim October 11 of each year as General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

3045. By Mr. HIGGINS of Massachusetts: Resolution of the City Council of the City of Worcester, Mass., adopted February 18, 1935, that we hereby memorialize and petition the Congress of the United States to pass, and the President of the United States to approve, if passed, the General Pulaski's Memorial Day resolution now pending in the United States Congress; to the Committee on the Judiciary.

3046. By Mr. HILDEBRANDT: Petition of the South Dakota Senate urging the passage of legislation or allocating of funds for the development by the United States of America of the hydroelectric and irrigation sites upon the Missouri River and its tributaries, within and upon the boundaries of the State of South Dakota; to the Committee on Military Affairs.

3047. Also, petition of Mobridge Post, No. 2741, Veterans of Foreign Wars of the United States, being a representative body of the taxpayers as well as ex-service men within their community, to go on record as being solidly in support of the Patman bill (H. R. 1), to the exclusion of all others, and respectfully demand support of said bill by their respective Senators and Representatives in Congress; to the Committee on Ways and Means.

3048. By Mr. KENNEY: Concurrent resolution of the One Hundred and Fifty-ninth Legislature of the State of New Jersey, adopting a concurrent resolution memorializing the Congress to extend the powers of the Home Owners' Loan Corporation in order to liquidate tax indebtedness; to the Committee on Banking and Currency.

3049. By Mr. JOHNSON of Texas: Memorial of R. D. Elliott, Irene, Tex.; T. E. Elliott, Penelope, Tex.; and R. V. Dunbar, Malone, Tex., favoring House bill 3263; to the Committee on Interstate and Foreign Commerce.

3050. Also, petition of Wright Kincheloe, of Mexia, Tex., opposing House bill 5423; to the Committee on Interstate and Foreign Commerce.

3051. Also, memorial of Hon. J. L. Morris, Maypearl, Tex., favoring House bill 3263; to the Committee on Interstate and Foreign Commerce.

3052. Also, memorial of J. M. Dillon, secretary Tyler Division, No. 97, Benefit Association of Railway Employees, Tyler, Tex., favoring House bill 8100, the Pettengill bill; to the Committee on Interstate and Foreign Commerce.

3053. Also, petition of Joe Jefferson, city commissioner, Corsicana, Tex., and R. F. Sikes, Ennis, Tex., opposing House bill 5423, the Rayburn bill; to the Committee on Interstate and Foreign Commerce.

3054. By Mr. KVALE: Petition of 558 residents of the State of Minnesota, in the counties of Yellow Medicine, Renville, and Redwood, urging adoption of the Townsend plan of oldage pensions; to the Committee on Ways and Means.

3055. Also, petition of 386 residents of the State of Minnesota, in the counties of Lyon, Murray, and Nobles, urging adoption of the Townsend plan for old-age pensions; to the Committee on Ways and Means.

3056. Also, petition of 459 residents of the State of Minnesota, in the counties of Nobles and Lac qui Parle, urging adoption of the Townsend plan for old-age pensions; to the Committee on Ways and Means.

3057. Also, petition of 542 residents of the State of Minnesota, in the counties of Kandiyohi, Lac qui Parle, Pipestone, and Rock, urging adoption of the Townsend plan for oldage pensions; to the Committee on Ways and Means.

3058. Also, petition of 1,807 residents of Swift County, Minn., urging adoption of the Townsend plan for old-age pensions; to the Committee on Ways and Means.

3059. By Mr. LESINSKI: Senate Concurrent Resolution 5, of the Legislature of Michigan, memorializing the Congress of the United States to pass suitable legislation, or the Postmaster General take suitable action, to deed to the State of Michigan the old post-office site and building in Lansing, Mich., for the use of State purposes; to the Committee on the Post Office and Post Roads.

3060. Also, Senate Concurrent Resolution No. 6, memorializing the Congress to pass suitable legislation proclaiming October 11 as General Pulaski's Memorial Day; to the Committee on the Judiciary.

3061. By Mr. LUCAS: Petition of Rev. H. R. Brown and other citizens of Pike County, Ill., endorsing old-age pension legislation; to the Committee on Ways and Means,

3062. By Mr. MERRITT of New York: Petition of Miss Kathryn Hinnenkamp, of 923 Waltin Avenue, New York City, N. Y., and other residents of New York City and vicinity, urging Congress to defeat the Rayburn bill; to the Committee on Interstate and Foreign Commerce.

3063. Also, petition of F. A. Rutz, of 69-27 Sixty-sixth Street, Glendale, N. Y., and other residents of Glendale and vicinity, urging Congress to defeat the Rayburn bill; to the Committee on Interstate and Foreign Commerce.

3064. Also, petition of Leslie L. Lawrence, of 93-18 Two Hundred and Fortieth Street, Queens Village, Long Island, N. Y., and other residents of Queens Village and vicinity, petitioning Congress to defeat the Rayburn bill; to the Committee on Interstate and Foreign Commerce.

3065. Also, petition of Mrs. J. A. Roberts, of West New Brighton, Staten Island, N. Y., and other residents in that vicinity, appealing to Congress to defeat the Rayburn bill; to the Committee on Interstate and Foreign Commerce.

3066. By Mr. PFEIFER: Petition of the Geiger Products Co., Inc., New York City, favoring the passage of House bill 70 by Congressman Bland; to the Committee on Ways and Means.

3067. By Mr. PETTENGILL: Petition signed by Groups Nos. 2597, 1812, 2752, 1745, 2765, 2313, 2200, 759, 1612, 1461, 398, 672, 545, 924, 2163, 887, 2195, and 1792 of the Polish National Alliance of the United States of North America, directing the President of the United States to proclaim October 11 of each year as General Pulaski's Memorial Day; also like resolution of common council of the cities of Michigan City, South Bend, Frankfort, and Mishawaka, Ind.; to the Committee on the Judiciary.

3068. By Mr. PLUMLEY: Resolution of the American Legion, Hartford Post, No. 26, White River Junction, Vt., urging the passage of House bill 3896; to the Committee on Ways and Means.

3069. By Mr. POLK: Petition signed by H. A. Moore, adjutant, Pike Post No. 498, the American Legion, Piketon, Ohio, with 33 other veterans and 89 citizens not veterans, urging passage of the Patman bill (H. R. 1) for immediate payment of the adjusted-service certificates, etc.; to the Committee on Ways and Means.

3070. By Mr. RUDD: Petition of Marine Workers Metal Trades District Council, port of New York and vicinity, regarding the McCarran amendment to the work-relief bill; to the Committee on Ways and Means.

3071. Also, petition of American Federation of Government Employees, New York Naval District Lodge, No. 36, Brooklyn, N. Y., concerning House bill 200; to the Committee on Expenditures in the Executive Departments.

3072. By Mr. SADOWSKI: Petition of Council No. 15 of the Polish National Alliance, asking that October 11 of each year be set aside as General Pulaski Memorial Day; to the Committee on the Judiciary.

3073. Also, petition of Group No. 2039 of the Polish National Alliance, asking that October 11 of each year be set aside as General Pulaski's Memorial Day; to the Committee on the Judiciary.

3074. Also, petition of Group No. 2628 of the Polish National Alliance, petitioning that the resolution be passed setting aside October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

3075. Also, petition of city council, Dearborn, Mich., asking that October 11 of each year be set aside as General Pulaski's Memorial Day; to the Committee on the Judiciary.

3076. By Mr. SUTPHIN: Petition of the New Jersey Assembly, Trenton, N. J., urging Congress to enact legislation extending the powers of the Home Owners' Loan Corporation: to the Committee on Banking and Currency.

3077. By Mr. TARVER: Petition from Oscar M. Reed and 22 other citizens of Whitfield County, Ga., favoring oldage pensions; to the Committee on Ways and Means.

3078. By Mr. TINKHAM: Petition of residents of Boston, Mass., favoring Townsend plan of old-age revolving pensions; to the Committee on Ways and Means.

3079. By Mr. TOBEY: Petition of State of New Hampshire, for the procurement of Federal cooperation in the stabilizing of the Merrimack River; to the Committee on Flood Control.

3080. By Mr. TRUAX: Petition of Harold E. Bowers and other citizens of Toledo, Ohio, regarding income-tax publicity as a wanton, meddlesome, and pernicious invasion of their privacy—it being their opinion that the responsibility for apprehending violators of the income-tax laws rests upon the duly constituted agencies of the Government and not upon busybodies, meddlers, snoopers, and self-appointed spies—and protesting against a law that will permit and encourage every citizen to spy upon his neighbor and meddle in his affairs; to the Committee on Ways and Means.

3081. Also, petition of members of Toledo Stereotypers and Electrotypers, Toledo, Ohio, by their secretary, Alfred H. Hosfeld, asking support of the McCarran amendment to the public-works relief bill and also of Senate Resolution 69, sponsored by Senator Lewis B. Schwellenbach; to the Committee on Labor.

3082. Also, petition of the Montpelier (Ohio) Townsend Club of 250 members and over 2,000 petitioners, by their president, Charles M. Newell, and their secretary, Henrietta Heth, asking support in bringing the McGroarty bill (H. R. 3977) out of committee to the floor of the House and for a speedy and favorable consideration of same; to the Committee on Ways and Means.

3083. Also, petition of August W. Bankey and other citizens of Gibsonburg, Ohio, urging support of a bill obligating the Government of the United States to pay every citizen of said Government whose record is free of criminality and who has attained the age of 60 years a monthly pension of \$200 until the end of his life upon the sole condition that he agree, under oath, to spend the entire amount of the pension within the confines of the United States during the current month in which it is received; to the Committee on Ways

3084. Also, petition of Massillon Trades and Labor Assembly, Massillon, Ohio, by their secretary, Robert J. Siffrin, urging support of the prevailing-wage amendment to the public-works relief bill; to the Committee on Labor.

3085. Also, petition of Canal Zone Women's League, by Mrs. M. F. Bradney, urging support of Senate bill 3241, granting annuity to widows of Canal Zone employees, and urging the retention of the Panama Railroad Steamship Line and the maintenance of cheap fares for employees and their families as it is of vital importance to every American civilian employee on the Isthmus because it is necessary for them to spend vacations in a cooler climate and they naturally, in most cases, prefer the United States; to the Committee on Ways and Means.

3086. Also, petition of the First Ward Democratic Club of Akron, Ohio, by their secretary, J. T. McCaffney, urging support of the Patman bill (H. R. 1), which provides for immediate cash payment of the veterans' adjusted-service certificates, as they believe the certificates should be paid in full at once in order to settle a debt that is long past due, and believing that the Patman bill should be passed, as its enactment will not cause additional taxation and will provide for a needed expansion of the currency; to the Committee on Ways

3087. Also, petition of John Paulding Post, Veterans of Foreign Wars, Paulding, Ohio, by their post commander, A. F. | mittee on Foreign Affairs.

Ptak, urging Congress to pass legislation that will provide for the immediate payment in cash of said certificates in the amount of their face value, with cancelation of accrued interest and refund of interest paid, as the payment of the certificates at this time will not create an additional debt and would reduce by an equal amount the debt owed by the Government; to the Committee on Ways and Means.

3088. Also, petition of General Marion Council, No. 162, Junior Order United American Mechanics, Marlboro, Ohio, by their recording secretary, Harry Wearstler, favoring the passage of House Joint Resolution 69, creating in the Department of Justice a bureau for deportation of aliens; to the Committee on Immigration and Naturalization.

3089. Also, petition of Trumbull County Building Trades Council, Warren, Ohio, by their secretary, Lawrence Elston, requesting support of the Davis-Bacon prevailing rate of wage law; to the Committee on Labor.

3090. Also, petition of E. A. Gildea and 11 other citizens of Gibson, Ohio, urging favorable consideration of the Frazier-Lemke refinancing bill; to the Committee on Agriculture.

3091. Also, petition of Arizona Joint Legislative Board of Transportation Brotherhoods by their secretary, Leroy Magers, Tucson, Ariz., endorsing the bill which will prohibit the employment of noncitizen labor on private works as there are now gainfully employed in the United States millions of noncitizen workers and many others who do not intend to become citizens: to the Committee on Immigration.

3092. Also, petition of 167 veterans and voters of Wadsworth, Ohio, by Ralph S. Robinson, urging full support and passage of House bill 1, providing for the immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

3093. Also, petition of Clan Stewart 274, Order of Scottish Clans, Canton, Ohio, by their secretary, Harval B. Stewart, asking favorable consideration of unemployment-insurance bill (H. R. 2827), as they consider it the only bill that deals adequately with the problem and has the merit of liquidating the expense incurred; to the Committee on Labor.

3094. Also, petition of workers, organized and unorganized, employed and unemployed, 500 in number, of Bellaire, Ohio, vigorously protesting against the passage of any unemployment and social-insurance bill other than the House bill 2827, and demanding their Congressmen to support and endorse House bill 2827 when it comes up for consideration; to the Committee on Labor.

3095. By Mr. TURNER: Petition of Ray Tucker and numerous other citizens of Iron City and Ethridge, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3096. Also, petition of Mack Martin and numerous other citizens of Lawrenceburg, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3097. Also, petition of Leonard N. Fox and numerous other citizens of Lawrenceburg and Leoma, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3098. Also, petition of John Hunt and numerous other citizens of Loretto, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3099. Also, petition of T. G. Cook and numerous other citizens of Columbia, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3100. By Mr. WIGGLESWORTH: Petition of General Court of Massachusetts, in favor of the adoption by the Senate of the United States of a resolution now pending before it relative to religious persecution in Mexico; to the Com-

# SENATE

# THURSDAY, MARCH 7, 1935

(Legislative day of Monday, Mar. 4, 1935)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

#### THE JOURNAL

On request of Mr. Robinson, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, March 6, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF JOINT RESOLUTION AND BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following joint resolution and acts:

On February 28, 1935:

S. J. Res. 49. Joint resolution authorizing the use of public parks, reservations, and other public spaces in the District of Columbia; and the use of tents, cots, hospital appliances, flags, and other decorations, property of the United States, by Washington, D. C., 1935 Shrine Committee, Inc.; and for other purposes.

On March 4, 1935:

S. 31. An act to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. Chester C. Groff; and

S. 402. An act to amend section 824 of the Code of Laws for the District of Columbia.

#### CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll. The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Costigan	La Follette	Radcliffe
Ashurst	Couzens	Lewis	Reynolds
Austin	Cutting	Logan	Robinson
Bachman	Dickinson	Lonergan	Russell
Bailey	Dieterich	Long	Schall
Bankhead	Donahey	McAdoo	Schwellenbach
Barbour	Duffy	McCarran	Sheppard
Bilbo	Fletcher	McGill	Shipstead
Black	Frazier	McKellar	Smith
Bone	George	McNary	Steiwer
Borah	Gerry	Maloney	Thomas, Okla.
Brown	Gibson	Metcalf	Thomas, Utah
Bulkley	Glass	Minton	Townsend
Bulow	Gore	Moore	Trammell
Burke	Guffey	Murphy	Truman
Byrd	Hale	Murray	Tydings
Byrnes	Harrison	Neely	Vandenberg
Capper	Hastings	Norbeck	Van Nuys
Carey	Hatch	Norris	Walsh
Clark	Hayden	Nye	White
Connally	Johnson	O'Mahoney	
Coolidge	Keyes	Pittman	
Copeland	King	Pope	

Mr. LEWIS. I announce the absence of the junior Senator from Arkansas [Mrs. Caraway] and the junior Senator from Louisiana [Mr. Overton], caused by illness, and the absence of the Senator from Kentucky [Mr. BARKLEY], the Senator from New York [Mr. Wagner], and the Senator from Montana [Mr. Wheeler], who are necessarily detained.

Mr. AUSTIN. I announce that the Senator from Pennsylvania [Mr. Davis] is absent on account of illness. I ask that this announcement stand for the day.

The VICE PRESIDENT. Eighty-nine Senators have answered to their names. A quorum is present.

# PETROLEUM PRICES

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Federal Trade Commission, in relation to a formal report not having been made in response to Senate Resolution 339 (submitted by Mr. Thomas of Oklahoma and agreed to on Feb. 25, 1933), calling for certain information from the Federal Trade Commission concerning petroleum prices, and transmitting information bearing on the general subject, which, with the accompanying paper, was ordered to lie on the table.

#### PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the Legislature of the State of New Jersey, which was referred to the Committee on Agriculture and Forestry:

#### Assembly Concurrent Resolution 4

STATE OF NEW JERSEY.

(Introduced Jan. 28, 1935, by Mr. Cunard; referred to committee on agriculture)

Concurrent resolution requesting that the Congress of the United States, without further delay, pass the Frazier-Lemke farm refinance bill, S. 212 and H. R. 2066

Whereas unless immediate relief is given, hundreds and thousands of additional farmers will lose their farms and their homes and millions more will be forced into our cities and villages and the army of the unemployed will necessarily increase to alarming

whereas there is no adequate way of refinancing existing agricultural indebtedness and the farmers are at the mercy of their mortgagees and creditors throughout this State and Nation; and Whereas the Frazier-Lemke refinance bill, being S. 212 and H. R. 2066, in the Congress of the United States, provides for the liquidating and refinancing of agricultural indebtedness at a reduced rate of interest through the Farm Credit Administration and the

rate of interest through the Farm Credit Administration and the Federal land banks; and
Whereas the Frazier-Lemke bill has the endorsement of 22 State legislatures and, in addition, the lower Houses of the States of New York and Delaware and of many commercial clubs, chambers of commerce, bank organizations, and of business and professional men and women, as well as the great majority of the farmers of this Nation; and

Whereas the enactment of this bill will have a vital effect not only upon agriculture but upon all classes of industry; and Whereas agriculture is the basic industry of this country, and there can be no recovery until agriculture is put upon a sound basis: Now, therefore, be it

Resolved by the House of Assembly of the State of New Jersey (the senate concurring)

Resolved by the House of Assembly of the State of New Jersey (the senate concurring)—

1. That the Congress of the United States should enact the Frazier-Lemke bill without further delay.

2. That a copy of this memorial, duly authenticated, be sent by the secretary of state to the President of the Senate and the Speaker of the House of Representatives of the United States, and to each Senator and Representative in Congress from this State, to the President of the United States, and to United States Senator Lynn J. Frazier and Congressman William Lemke.

Filed March 5, 1935.

Filed March 5, 1935.

A true copy.

THOMAS A. MATHIS, Secretary of State.

The VICE PRESIDENT also laid before the Senate the petition of William Blackmon, of Chance, Va., praying for the enactment of old-age pension legislation, which was referred to the Committee on Finance.

He also laid before the Senate the petition of Elizabeath Rodolph, of Tyler, Ala., praying for the enactment of oldage pension legislation, which was referred to the Committee on Finance.

He also laid before the Senate a resolution of the Old Age Pension Association of America, in convention assembled at Orange, Tex., favoring the prompt enactment of old-age pension legislation, which was referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by Keystone Post No. 449, American Legion, of Central City, Pa., favoring the suppression of alien communistic activities in the United States, which was referred to the Committee on Immigration.

He also laid before the Senate a resolution of the West Warwick (R. I.) Chamber of Commerce, protesting against the enactment of legislation extending preferential freight rates to any section of the country to the exclusion of other sections, which was referred to the Committee on Interstate

He also laid before the Senate a petition of sundry citizens of Owatonna, Minn., praying for the enactment of legislation looking to the eradication of all subversive movements against the Government of the United States, which was referred to the Committee on the Judiciary.

He also laid before the Senate petitions of sundry citizens of Florida, Indiana, Missouri, New York, Pennsylvania, and Virginia, praying for an investigation of charges filed by the Women's Committee of Louisiana relative to the qualifications of the Senators from Louisiana [Mr. Long and Mr.

OVERTON], which were referred to the Committee on Privileges and Elections.

He also laid before the Senate a telegram in the nature of a petition from Electrical Workers Local Union No. 41, of Buffalo, N. Y., favoring the adoption of the so-called "McCarran amendment" to the work-relief joint resolution, requiring the payment of prevailing wages on public works, which was ordered to lie on the table.

He also laid before the Senate resolutions adopted by the mayor and Council of Maplewood, Mo.; the Common Council of Terre Haute, Ind.; the Council of East Hartford, Conn.; and the Common Council of Cicero, Ill., favoring the enactment of pending legislation proclaiming October 11 in each year as General Pulaski's Memorial Day, which were ordered to lie on the table.

Mr. CAPPER presented a telegram in the nature of a petition from the Marshall County Farmers Union, of Frankfort, and a petition of members of Eureka Local, No. 2207, Farmers' Educational and Cooperative Union, of Eureka, in the State of Kansas, praying for the enactment of the so-called "Frazier-Lemke farm refinancing bill", which were referred to the Committee on Agriculture and Forestry.

Mr. NORBECK presented the petition of Rev. Ralph C. Shearer and 80 other citizens of Tyndall and vicinity, in the State of South Dakota, praying for the enactment of legislation to expel alien agitators and communists from the United States, which was referred to the Committee on Immigration.

Mr. COPELAND presented a resolution adopted by the Buffalo (N. Y.) Lumber Exchange, favoring prompt suspension of the tariff duty on rough lumber entering the United States from contiguous countries, which was referred to the Committee on Finance.

He also presented a petition of members of the Onondaga Philatelic Society, of Syracuse, N. Y., praying for the enactment of pending legislation permitting the publication or printing of facsimiles of United States postage stamps, which was referred to the Committee on Post Offices and Post Roads.

Mr. WALSH presented a letter from Grant B. Snyder, secretary of the Massachusetts Potato and Onion Growers Association, Amherst, Mass., enclosing a statement prepared by the board of directors of that association, relating to and opposing the enactment of the proposed "Potato Tax Act of 1935", which, with the accompanying paper, was referred to the Committee on Agriculture and Forestry.

He also presented a memorial of sundry citizens of Boston and Lee, Mass., remonstrating against the publication of personal income-tax returns, which was referred to the Committee on Finance.

He also presented a memorial of sundry citizens, being textile workers, of Adams, Mass., remonstrating against a revision of the N. R. A. textile code proposing to reinstate the 48-hour week, with one shift of workers, in the textile industry, which was referred to the Committee on Finance.

He also presented the memorial of Chester A. Richardson, of Stoneham, and sundry other citizens of the State of Massachusetts, remonstrating against the enactment of legislation providing for the payment of the so-called "soldiers' bonus" until such bonus becomes due and payable in accordance with existing law, which was referred to the Committee on Finance.

He also presented the petition of American Legion Auxiliary, Unit 16, William E. Carter Post, of Boston, Mass., praying for the enactment of the so-called "Vinson bill" providing for the immediate payment of adjusted-service certificates of World War veterans, which was referred to the Committee on Finance.

He also presented a petition of sundry citizens of Lynn, Mass., praying for the passage of legislation known as the "Patman bill", being the bill (H. R. 1) to provide for the immediate payment to veterans of the face value of their adjusted-service certificates and for controlled expansion of the currency, which was referred to the Committee on Finance.

He also presented a letter from Mrs. John Bayley Fox, chairman, etc., on behalf of the Department of Government and Economic Welfare of the Massachusetts League of Women Voters, Boston, Mass., favoring the enactment of legislation providing for unemployment compensation, with changes suggested by the National League of Women Voters. specifically the inclusion of minimum standards, which was referred to the Committee on Finance.

He also presented memorials and papers in the nature of memorials, numerously signed, of sundry citizens of the State of Massachusetts, remonstrating against the enactment of pending legislation to abolish public-utility holding companies and for the regulation of utility operating companies, which were referred to the Committee on Interstate Commerce.

He also presented the petition of the Polish Army Veterans' Association of America, Post No. 76, of Haverhill, Mass., praying for the enactment of House bill 2739, to extend further time for naturalization to alien veterans of the World War, etc., which was referred to the Committee on Military Affairs

He also presented a resolution adopted at the midwinter meeting in Boston of the Massachusetts State Federation of Women's Clubs, favoring the enactment of legislation limiting the profits on arms and munitions contracts as a permanent policy for peace times, which was referred to the Committee on Military Affairs.

He also presented the memorial of the Peace Action Council of the Community Church of Boston, Mass., remonstrating against the adoption of a war budget and favoring drastic reduction in appropriations for the armed forces of the United States, which was referred to the Committee on Military Affairs.

He also presented a resolution adopted by the sixteenth annual convention of the National Restaurant Association at Chicago, Ill., protesting against the operation of Government restaurants, which was referred to the Committee on Rules.

He also presented a petition of Local Union No. 2419 (American Weavers), United Textile Workers of America, Farnumsville, Mass., favoring the inclusion in the pending work-relief joint resolution of a provision requiring the payment of prevailing wages on public works, which was ordered to lie on the table.

Mr. BARBOUR presented a resolution of the City Council of East Orange, N. J., favoring the enactment of pending legislation proclaiming October 11 in each year as General Pulaski's Memorial Day, which was ordered to lie on the

He also presented the following concurrent resolution of the Legislature of the State of New Jersey, which was ordered to lie on the table:

THE ONE HUNDRED AND FIFTY-NINTH LEGISLATURE OF THE STATE OF NEW JERSEY, ASSEMBLY CHAMBER, Statehouse, Trenton, N. J.

Assembly Concurrent Resolution

(By Mr. Scovel, of Camden County; introduced and adopted by the house of assembly Feb. 18, 1935, and concurred in by the senate Feb. 25, 1935)

A concurrent resolution memorializing the Congress to extend the powers of the Home Owners' Loan Corporation in order to liquidate tax indebtedness

Whereas the Home Owners' Loan Corporation was created by legislation to enable mortgagors and mortgagees to adjust mort-

gage indebtedness; and
Whereas the emergency legislation so creating the Home Owners'
Loan Corporation has been efficacious in easing to a great extent

Whereas it is appropriate and desirable that the functions of such corporation be extended: Therefore be it

Resolved by the House of Assembly of the State of New Jersey (the senate concurring):

1. That the Federal Congress be memorialized to enact appro-1. That the Federal Congress be memorialized to enact appropriate legislation extending the powers of the Home Owners' Loan Corporation, so that loans may be made to home owners for the purpose of liquidating tax indebtedness upon property in cases where such taxes are at least 6 months in arrears and within such further limits as the Congress may determine; and be it further 2. Resolved, That this resolution, properly signed and authenticated by the presiding officers of the senate and general assembly,

and by the secretary of the senate and the clerk of the house of assembly, be transmitted to each Senator and Representative from the State of New Jersey in the Congress of the United States by the clerk of the assembly forthwith.

3. This resolution shall take effect immediately.

LESTER H. CLEE,

Speaker of the House of Assembly. FREDERICK A. BRODESSER, Clerk of the House of Assembly. HIRAM E. PRALL, President of the Senate.

OLIVER VAN CAMP, Secretary of the Senate.

I hereby certify that the above is a true and correct copy of a resolution adopted by the house of assembly and concurred in by

FREDERICK A. BRODESSER, Clerk of the House of Assembly.

Mr. ROBINSON presented the following concurrent resolution of the Legislature of the State of Arkansas, which was ordered to lie on the table:

> House Concurrent Resolution 18 (By Messrs. Elgin and Wilkinson)

Be it resolved by the House of Representatives of the State of Arkansas, and the senate concurring therein, That Arkansas is deeply interested in the passage of the work-relief bill proposed by our honored President, Franklin D. Roosevelt, and the entire State is in need of the funds and the permanent public improvements that will come to the State if such bill is passed;

That it is the sense of this body that it would be a mistake to attach to the proposed bill the so-called "McCarran amendment" providing that laborers on such relief works should receive the prevailing wage, because such a provision would not only vastly increase the cost but also would deprive private industries of laborers who would flock to the easier Government work for the

That we respectfully urge upon our Senators and Representa-tives in Congress that they continue united and vigorous support of the President's own plan and aid in the passage of this deeply needed legislation;

That a copy of this resolution be sent to each Senator and Representative from this State to Congress.

ELGIN, of Craighead. WILKINSON, of Sebastian.

I, H. P. Smith, hereby certify that the foregoing is a true and correct copy of House Concurrent Resolution No. 18. [SEAL] H. P. SMITH, Chief Clerk.

#### WORK-RELIEF PROGRAM

Mr. ROBINSON presented a resolution adopted by Aerie No. 209 of the Fraternal Order of Eagles, Pine Bluff, Ark., which was ordered to lie on the table and to be printed in the RECORD, as follows:

> FRATERNAL ORDER OF EAGLES. AERIE No. 209,

Pine Bluff, Ark., March 1, 1935.

Whereas in 1921 the Fraternal Order of Eagles advocated that the Federal Government appropriate \$5,000,000,000 for a program of public works to provide employment for victims of the postwar depression; and

Whereas the then grand worthy president of the Fraternal Order of Eagles, the Honorable John M. Morin, Member of Congress from Pennsylvania, introduced in the Sixty-seventh Congress a bill (H. R. 8997) providing for Federal expenditures of \$5,000,000,000 to improve public highways, rivers, harbors, and waterways, and to reclaim idle, arid waste, or unimproved lands, and further providing for the building of homes for workers on such

Whereas the President of the United States has urged the Seventy-fourth Congress to appropriate \$4,000,000,000 for public projects to provide work for the Nation's unemployed, victims of economic conditions over which they had no control: Now, there-

Resolved, That Pine Bluff (Ark.) Aerie, No. 209, of the Fraternal Order of Eagles, thank Franklin D. Roosevelt, President of the United States, for urging the form of unemployment relief that the Fraternal Order of Eagles, through its national president, the Honorable John M. Morin, first sponsored in Congress 14 vears ago.

F. C. Schen,
Worthy President.
J. Frank Franky, Secretary.

#### GEN. HUGH S. JOHNSON

Mr. COPELAND presented a telegram from Edwin Balmer. editor, Red Book Magazine, New York City, N. Y., which was ordered to lie on the table and to be printed in the RECORD, as follows:

NEW YORK, N. Y., March 6, 1935.

Hon. ROYAL S. COPELAND,

United States Senator, United States Senate Building:
New York Herald Tribune and other papers here report that
while making his speech yesterday on floor of Senate the senior
Senator of Louisiana made a statement which inferred, if in-Senator of Louisiana made a statement which inferred, if indirectly, that in tendering a dinner to Gen. Hugh S. Johnson and in publishing his memoirs, Redbook Magazine was following the instructions of what the senior Senator of Louisiana termed as "Farley adherents." Inasmuch as the speech of Senator from Louisiana will appear in Congressional Record, we do want to state that in tendering our dinner to General Johnson and in publishing his memoirs in current issue of Redbook Magazine, we were obeying instructions of no one except our own editorial judgment. We published General Johnson's memoirs because we consider them a striking human document and as prominent a piece of writing as we have seen since days of immortal Huckleberry Finn. In tendering our dinner to General Johnson we were honoring a man of courage and fairness. I will appreciate, my dear Senator, your making necessary correction for purpose of Congressional Record, because Redbook is strictly nonpolitical and unpartisan magazine, which takes no sides, but is doing its best to mirror the opinions of the country and represent the picture of this ever-changing and ever-growing Nation. Copies of this telegram are being sent to leader of Senate majority and junior Senator of New York. We will be very grateful to you, my dear Senator Copeland, if you will release this telegram to the political correspondents in Washington. With many thanks, respectfully, directly, that in tendering a dinner to Gen. Hugh S. Johnson and

respectfully. Editor Redbook Magazine.

#### REPORTS OF COMMITTEE ON CLAIMS

Mr. COOLIDGE, from the Committee on Claims, to which was referred the bill (S. 1099) for the relief of Ethel G. Remington, reported it with amendments and submitted a report (No. 272) thereon.

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (S. 1290) for the relief of Walter Motor Truck Co., Inc., reported it with amendments and submitted a report (No. 273) thereon.

He also, from the same committee, to which was referred the bill (S. 1431) for the relief of the Collier Manufacturing Co., of Barnesville, Ga., reported it without amendment and submitted a report (No. 276) thereon.

Mr. SCHWELLENBACH, from the Committee on Claims, to which was referred the bill (S. 1548) for the relief of Douglas B. Espy, reported it with amendments and submitted a report (No. 274) thereon.

Mr. GIBSON, from the Committee on Claims, to which was referred the bill (S. 1073) for the relief of Louis Finger, reported it with amendments and submitted a report (No. 275) thereon.

#### BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. THOMAS of Oklahoma:

A bill (S. 2177) granting a pension to Samuel G. Davis; to the Committee on Pensions.

By Mr. BARBOUR and Mr. MOORE:

A bill (S. 2178) to provide relief to depositors in closed national banks; to promote resumption of industrial activity, increase employment, and restore confidence by fulfillment of the implied guaranty by the United States Government of deposit safety in national banks; to the Committee on Banking and Currency.

By Mr. COPELAND:

A bill (S. 2179) for the relief of the Hellenic Transatlantic Steam Navigation Co.; to the Committee on Claims.

A bill (S. 2180) granting a pension to Helena F. Joy; and A bill (S. 2181) granting a pension to Libbie T. Marrah; to the Committee on Pensions.

By Mr. BULKLEY:

A bill (S. 2182) for the relief of Paul Winters York; to the Committee on Military Affairs.

By Mr. PITTMAN:

A bill (S. 2183) to amend an act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor"; to the Committee on Foreign Relations.

By Mr. WALSH (by request):

A bill (S. 2184) to protect and preserve an essential domestic industry, operating under the provisions of the National Industrial Recovery Act, from the destructive competition of Philippine manufactured products; to the Committee on Finance.

By Mr. McNARY:

A bill (S. 2185) to amend an act entitled "An act to accept the cession by the State of Oregon of exclusive jurisdiction over the lands embraced within the Crater Lake National Park, and for other purposes"; to the Committee on Agriculture and Forestry.

By Mr. VANDENBERG:

A bill (S. 2186) to repeal restrictions upon the tenure of the Comptroller General; to the Committee on Finance.

By Mr. HAYDEN:

A bill (S. 2187) for the relief of the Consolidated Holding & Trust Co.: to the Committee on Public Lands and Surveys. By Mr. METCALF:

A joint resolution (S. J. Res. 78) for the preservation and restoration of the frigate Constellation as a national museum and making Newport, R. I., its home port; to the Committee on Naval Affairs.

#### WORK-RELIEF PROGRAM-AMENDMENTS

Mr. STEIWER submitted an amendment intended to be proposed by him to the joint resolution (H. J. Res. 117) making appropriations for relief purposes, which was ordered to lie on the table and to be printed, as follows:

On page 3, line 25, before the period, to insert the following: "Provided further, That not to exceed 20 percent of any one allocation herein specified may be diverted for relief purposes as authorized in the Federal Emergency Relief Act of 1933, as amended."

Mr. McCARRAN submitted an amendment intended to be proposed by him to the joint resolution (H. J. Res. 117) making appropriations for relief purposes, which was ordered to lie on the table and to be printed, as follows:

On page 3, line 14, after the comma following the word "areas", to insert the words "and irrigation and reclamation."

Mr. HAYDEN submitted an amendment relating to the construction and improvement of roads and highways intended to be proposed by him to the joint resolution (H. J. Res. 117) making appropriations for relief purposes, which was ordered to lie on the table and to be printed.

### MEMORIAL SERVICES FOR OLIVER WENDELL HOLMES

Mr. WALSH submitted the following concurrent resolution (S. Con. Res. 11), which was referred to the Committee on the Library:

Resolved by the Senate (the House of Representatives concurring), That for the purpose of holding memorial services in honor of the late Justice Oliver Wendell Holmes the two Houses of Congress shall assemble in the Hall of the House of Representatives at a time to be fixed by the joint committee hereinafter named.

That a joint committee consisting of 5 Members of the House of Representatives and 5 Members of the Senate shall be appointed by the Speaker of the House of Representatives and the President of the Senate, respectively, which is empowered to make suitable arrangements for fitting and proper exercises for the joint session of Congress herein authorized.

That invitations to attend the exercises be extended to the Pres-

of Congress herein authorized.

That invitations to attend the exercises be extended to the President of the United States of America and the members of his Cabinet, the Chief Justice and Associate Justices of the Supreme Court of the United States, the diplomatic corps (through the Secretary of State), the General of the Armies, the Chief of Staff of the Army, the Chief of Naval Operations, the Major General Commandant of the Marine Corps, and the Commandant of the Coast Guard, and such other persons as the joint committee on arrangements shall deem proper. ments shall deem proper.

That the Chief Justice of the Supreme Court of the United States is hereby invited to address the American people at the joint session of the Congress in commemoration of the life and services of the late Justice Oliver Wendell Holmes.

#### HEARINGS BEFORE COMMITTEE ON PENSIONS

Mr. McGILL submitted the following resolution (S. Res. 96), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Pensions, or any subcommittee thereof, is authorized to sit during the sessions, recesses, and adjourned periods of the Seventy-fourth Congress at such times and places as it may deem advisable, and to send for persons, books,

and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expenses thereof to be paid out of the contingent fund of the Senate.

#### RECEIVERSHIP AND BANKRUPTCY PROCEEDINGS

Mr. McADOO submitted the following resolution (S. Res. 97), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the special committee authorized by Resolution No. 78, Seventy-third Congress, to make an investigation of the administration of receivership and bankruptcy proceedings in the courts of the United States, and other matters pertaining thereto, and continued in full force and effect by Resolution No. 72, Seventy-fourth Congress, hereby is authorized to expend from the contingent fund of the Senate the sum of \$25,000 in addition to the amount heretofore authorized for said purposes.

#### TRIBUTE TO OLIVER WENDELL HOLMES

Mr. COOLIDGE. Mr. President, I ask unanimous consent to have printed in the RECORD a poem by Horace C. Carlisle entitled "Majestic Meekness of Justice Holmes."

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

#### MAJESTIC MEEKNESS OF JUSTICE HOLMES

Twenty-four gracious years past his threescore and ten, Far beyond the extent of the usual life, Justice Holmes, by his deeds, by his voice, by his pen—True dispenser of justice, in an era of strife—Saw the most of these years in succession unfold, On pages of history, opinions of his, Through the centuries, still to be told and retold, Long as man wants to know what divine justice is. After decades of service, done in his own State, As attorney and jurist and author, his fame, As a legal authority, warranted weight To all documents bearing his memorable name. The unquestioned sincerity of every line In his every decree irrefutably proved That his innate integrity was too divine To be shaken or shattered or muffled or moved.

With a background, so sacredly rich, to commend Him to such a great service—of final resort—
It was nothing but natural that he should end
On the bench as a Judge of our own Supreme Court,
Where he served with peculiar distinction and pride, Through a period, marked by full many a year, Each an answer from God to his prayer to abide There till Justice in mercy should end his career.

HORACE C. CARLISLE.

## THE BETTER-HOUSING PROGRAM-ADDRESS OF JAMES A. MOFFETT

Mr. ROBINSON. Mr. President, I ask unanimous consent to have printed in the Congressional Record a radio address delivered by James A. Moffett, Federal Housing Administrator, over the National Broadcasting System, at New York City, under the auspices of the Committee on Civic Education by Radio, on Tuesday, March 5, 1935.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I want to render thanks twice tonight. First, to the Committee on Civic Education by Radio for this opportunity to discuss the better-housing program. Second, to the thousands of industries and the thousands of citizens that have helped to make the initial part of the program successful.

part of the program successful.

My talk tonight was assigned the rather awesome title of "Providing a Liquid Market for Home Mortgages." That is a rather technical method of saying something that is really quite simple. All it means is that a Nation-wide effort is being made to keep credit for home financing available at all times.

You can well imagine the beneficial effects that such a result will have for all of us, both directly and indirectly. Directly it will benefit those who desire to own their own homes and those who are engaged in the business of building, selling, and financing homes. Indirectly it will benefit every citizen in the country, because it will tend to steady business and employment in the numerous great industries that are largely dependent upon home construction for their welfare.

I am talking about the future because the insured-mortgage plan

I am talking about the future because the insured-mortgage plan

I am talking about the future because the insured-mortgage plan being directed by the Federal Housing Administration is a permanent long-range proposition. It is the insured-mortgage plan which can provide the basis for making credit for home financing available at all times.

This is no temporary emergency panacea. We do not want a quick boom in building and then another bad slump. We want to keep home construction on a normal basis, so that as the population grows and the need for new homes arises, those homes will be erected to supply regular ordinary demands.

The idea is so simple and so easy to operate that it seems peculiar that our country did not adopt a similar system many years ago. It remained for our economic slump during the past few years, with the attendant collapse of home construction and the residential mortgage field, to show us that our mortgage machinery was creaking in many of its cogs, and that the problem of improving the situation should be attacked on a Nation-wide

Perhaps I can show how we hope to prevent these troubles in the future by comparing one of our old systems of home financing with the new system provided in the insured mortgage plan. Take the case of Bill Jones, an average citizen who wants to achieve the economic and social distinction of being a home owner. He and his family look over many residences in their city. They finally find just the home they are seeking—the home that will represent to them, as it should to every American citizen a place of refuge, comfort, and pleasure.

city. They finally find just the home they are seeking—the home that will represent to them, as it should to every American citizen, a place of refuge, comfort, and pleasure.

Under the old system Bill Jones oftentimes was forced to assume both first and second mortgages on that home. The first trust usually matured in 3 years, and both Bill and the bank that made the mortgage available knew full well at the time it was executed that Bill could not possibly pay it off in that time. When the first trust matured, Bill was usually forced to renew it. In times of prosperity that was not very difficult, but it cost Bill extra money in the payment of fees and service charges.

Consider what happens in a time of depression. The first mortgages of Bill and thousands of other good citizens are coming due. The banks need ready money. They don't feel that they can run the risk of renewing all these mortgages. The result is that thousands of people face the prospect of losing their homes.

The vicious part of the whole system is that it affects the lenders as badly as the borrowers. When banks foreclose on a large percentage of the mortgages they hold, the property represented must be thrown on the open market if the banks are to get their money out of the loan. With so many homes on the market, the real-estate business is glutted, few homes are sold and the banks find themselves with a great deal of temporarily unprofitable real estate on their hands.

This makes them unwilling to lend money for new-home construction. In this way the mortgage market dries up; there is little credit for home financing; general business begins to lose ground.

While all this is going on, Bill Jones faces another trouble—

ground.

While all this is going on, Bill Jones faces another trouble—that of paying off a second mortgage. Because of the greater risks involved in some of our previous forms of home financing, those who loaned money on second mortgages sometimes felt it necessary to charge high interest rates and collected various types of fees that often were exorbitant.

We have seen that when conditions were bad, neither the borrower nor the lender received any particular benefits from certain types of home financing.

To cure the trouble two principal things are necessary. One of them is to make it easier and cheaper for Bill Jones to buy a home. The other is to make it safer for financial institutions to lend money on homes. The insured-mortgage plan is the answer.

lend money on homes. The insured-mortgage plan is the answer.

The plan involves no change in the present relationship between borrower and lender. When Bill decides to buy that house of his dreams, he goes to his bank as before. If the bank is an approved lender under the rules of the Federal Housing Administration, Bill Jones can finance most of the indebtedness on his home through one insured mortgage—just one mortgage, not two or three—with low interest rates, and repayable in small monthly installments.

installments.

Let's assume that Bill wants to buy a home costing \$6,250. He must put up at least 20 percent in cash, so he supplies \$1,250 as a down payment. That leaves the principal indebtedness on his home at \$5,000. An insured mortgage for this amount can be paid off completely in 15 years, including estimated amounts for taxes and insurance, in monthly payments of about \$50.

This is about what rent would be on the home. Can you imagine how much better it is to know that every payment you make on a house, under this plan, brings you a little nearer toward its ownership? I know of no more simple or fair method of paying for a home. It is inexpensive and easy to handle. It will give thousands upon thousands of American citizens the chance to own property, and thus not only obtain a comfortable place of residence but also achieve a valuable investment.

The plan is just as beneficial for the lender. He is enabled to charge lower rates, and make it possible for only one mortgage to cover all the outstanding indebtedness on a home, because the insured mortgages are designed to be much safer investments than most existing types of mortgages.

We have seen that in times of stress the ordinary first mortgage

We have seen that in times of stress the ordinary first mortgage maturing in 3 years often becomes troublesome to a bank. Under the insured-mortgage plan the lender need not find himself with real estate on his hands if it is necessary to foreclose a mortgage. The lender collects insurance by transferring all claims in the property and the mortgage to the Federal Housing Administration. An insurance fund, directed by the Federal Housing Administration and contributed through small fees paid by Bill Jones and other home owners, is used to provide the lenders with their insurance. Insurance means simply that if, for instance, \$3,000 is still owing on the principal amount of a mortgage, the lender is given a long-time bond for \$3,000, which bears interest and matures approximately 3 years after the mortgage it represents. In other words, the lender merely changes his investment from a mortgage bearing interest to a bond bearing interest, and thus is assured that his original investment will always remain a profit-making proposition. We have seen that in times of stress the ordinary first mortgage

There are times when banks would like to turn the mortgages they hold into cash by selling them to someone else. This is known as "liquidity", something lacking in many ordinary forms of mortgages. This "liquidity", this possibility of selling a mortgage if the lender wants ready cash, is to be provided through what is known as "national mortgage associations", large corporations chartered by the Federal Housing Administration and engaged in the buying and selling of mortgages. They will work on a very simple scheme. On one hand, they will buy insured mortgages from the original lenders like banks and building-and-loan associations and other private financial institutions. On the other hand, they will use the mortgages as a security for bonds, which they will issue to the buying public. Because these bonds will have behind them the prestige of the Federal Housing Administration, they should prove attractive to individual investors. This will enable the ordinary citizen to participate in the profit-making possibilities of the insured-mortgage plan. There are times when banks would like to turn the mortgages

should prove attractive to individual investors. This will enable the ordinary citizen to participate in the profit-making possibilities of the insured-mortgage plan.

We have now completed the cycle in our little discussion of the plan. Bill Jones can buy a home, or if he already owns a home, he may possibly get rid of oppressive first and second mortgages, through one insured mortgage. The financial institution that makes an insured mortgage available knows that it should be a liquid instrument—capable of being sold for cash at any time, and that money owing on the principal amount of the mortgage is insured if it defaults.

That is the system through which it is hoped to place home construction on a stable basis. That is the system through which it is hoped to give thousands upon thousands of American citizens the Joy and security of owning a home. That is the system through which it is hoped to stabilize the residential mortgage market, and thus help all American business.

The insured-mortgage plan is now in full operation. Throughout the country there are lenders willing to lend money. A late report reaching my desk shows that more than 2,500 financial institutions have been approved. Already thousands of citizens, including professional builders, have visited hundreds of these

including professional builders, have visited hundreds of citizens, including professional builders, have visited hundreds of these agencies to make applications for insured mortgages.

There is every reason to believe that residential construction will be hitting its normal stride within a short time. It is my confident prediction that the next few weeks will show an amazing rise in the number of new homes being erected throughout the country.

country.

It has often been said that the American home is the foundation of not only our economic prosperity, but also of our intellectual and moral progress. More homes mean finer children, better early advantages in life.

More homes mean that many American citizens will find their social and economic welfare improved. The more happy and secure our average citizen can become, the more happy and secure our entire country can become.

our entire country can become.

Last but not least, more homes mean greater comfort and stability in our living conditions. It is a part of our idea to provide that homes erected under our insured-mortgage plan shall be of good construction, of pleasing architecture, and of value as an investment. There should be a great improvement in the quality of our future homes. quality of our future homes.

It is only necessary for us to understand the plan more fully, gain the cooperation of more lending institutions, and spread the message of this new home-financing method further and further. When we have stabilized home construction, I think we can safely say that we will have taken one of the most important steps toward making prosperity a permanent factor in our national life.

I thank you for your past support. And I again thank the Committee on Civic Education by Radio for the privilege of talking tonight about one of the most important parts of our recovery program.

program.

#### WAR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 5913) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1936, and for other purposes.

The VICE PRESIDENT. The question is on the motion of the Senator from Missouri [Mr. CLARK] to reconsider the vote by which the amendment on page 10, lines 24 and 25. and line 1, page 11, was agreed to.

Mr. VANDENBERG. Mr. President, I wish to ask the Senator from New York a question, so that I may thoroughly understand the proposition. Am I correct in understanding that the situation as it now stands authorizes an increase in the Army but does not provide the necessary funds to pay for it?

Mr. COPELAND. That is one of the questions involved, but the motion-

Mr. VANDENBERG. Regardless of the other question, is that a statement of fact?

Mr. COPELAND. Yes. The bill provides, as the Senator will see if he turns to page 10, at the end of line 21, that the sum appropriated is \$51,069,333-

Together with such additional sums as may be necessary under this and other appropriations contained in this act to defray the cost of increasing the reenlisted strength of the Regular Army.

So the language contemplates that, with this appropriation and with transfers from other items in the bill, there will be money to provide for such increase in the Army this year as the Department might determine upon.

Mr. VANDENBERG. Who would decide the extent of the increase in the Army?

Mr. COPELAND. If the bill were left as it is, as acted upon by the Senate so far, it would be left to the Department.

Mr. VANDENBERG. The Department, in its own discretion, would have the authority to increase the Army?

Mr. COPELAND. It is provided on the top of the next page that it would have the right to increase "the enlisted strength of the Regular Army from an average of 118,750", the present number, "to an average of 165,000 enlisted men."

Mr. ROBINSON. I rise to a point of order.

The VICE PRESIDENT. The Senator will state it.

Mr. ROBINSON. The Senate is not in order. There are a hum and a roar in the galleries and conversation on the floor so that one cannot hear the speakers.

The VICE PRESIDENT. The point of order is well taken. The Chair has observed that for the first 10 or 15 minutes after the roll call in the morning a number of conferences seem necessary to be held on the floor. The Chair hopes that conferences will be concluded at the earliest possible moment or else that the Senators who desire to engage in them will retire to the cloakroom.

Mr. COPELAND. Mr. President, I shall repeat what I said, hoping that Senators may now hear it.

As we adopted the provision yesterday, there is provided a total appropriation of \$51,069,333 for pay of the Army; there is the further item found on page 10, line 22-

Together with such additional sums as may be necessary under this and other appropriations contained in this act to defray the cost of increasing the enlisted strength of the Regular Army from an average of 118,750 to an average of 165,000.

Mr. VANDENBERG. Does the Senator construe that language as ordering the increase as indicated?

Mr. COPELAND. I should think so.

Mr. VANDENBERG. The \$51,069,333 provided in line 21 does not cover the cost of the increase, does it?

Mr. COPELAND. It does not.

Mr. VANDENBERG. Where is the money provided to pay for the increase?

Mr. COPELAND. If the Senator will read the language at the bottom of page 10, he will see that it will be taken from other appropriations contained in the bill.

Mr. VANDENBERG. Are there any other appropriations in the bill having sufficient latitude to pay for increasing the Army?

Mr. COPELAND. I should think, in view of the language quoted, there would be plenty of latitude.

Mr. VANDENBERG. Does that mean other appropriations in the bill are so much larger than necessary for the purposes assigned to them in the bill that money can be used in that way?

Mr. COPELAND. I want to be very frank with the Senator. I think the language is very remarkable. This is the language of the bill as it came to us from the House. It is what we accepted in the committee, and it is what the Senate approved by its vote yesterday.

Mr. VANDENBERG. As a matter of fact, the money is not available insofar as anybody can identify it. Is not that the fact?

Mr. COPELAND. The Senator can figure that out for himself. We provide \$375,000,000 in this bill. The question is whether or not the Army can find sufficient money in the other appropriations in the bill to make up this cost. It would cost some \$20,000,000 to add 46,500 men to the Army.

Mr. VANDENBERG. Is it the Senator's judgment that there is \$20,000,000 latitude in the other portions of the bill to pay for the proposed increase in the Army?

Mr. COPELAND. That apparently was the feeling of the House committee when they reported the bill, and of the House when they passed the bill.

Mr. VANDENBERG. The Senator would not care to subscribe to that prospectus, would he?

Mr. COPELAND. I should dislike to do so.

Mr. KING. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Utah?

Mr. COPELAND. Certainly.

Mr. KING. In view of the uncertainty, or, indeed, certainty, that there is no provision made for payment of the \$20,000,000—and the amount which will be required will be greatly in excess of that—would the Senator from New York. who has charge of the bill, consent to an amendment reading something like this:

Provided, That no part of any of the appropriations herein made shall be reduced for the purpose of making up the deficit of \$20,000,000 in order to meet the cost incurred by the increase of the Army.

That would be honest and fair.

Mr. COPELAND. It is just as much a matter for the Senator from Utah as it is for me to offer such an amendment. If the Senator wants to move that \$20,000,000 should be added to the bill-

Mr. KING. Oh, no; I do not!

Mr. COPELAND. It would be in order to do that, and it would make sure there would be no subtraction from any other item in the bill. The language is as written by the House, and it is for the Senate to determine whether it is satisfactory language. I assume that was the purpose of the Senator from Missouri [Mr. CLARK] in moving reconsideration of the provision.

Mr. KING. It is manifest that my dear friend from New York is not satisfied with this language. It leaves it in a condition of uncertainty or, as I said, really of certainty that we are giving the impression to the public by the measure that we are increasing the Army by several thousand men and that we are making adequate provision to pay them, when as a matter of fact we are not, unless we deduct from other appropriations herein authorized, perhaps from the pay of other soldiers, perhaps by elimination of some items herein provided for, sufficient to raise the \$20,-000,000 in order to pay for the increase in the number of

Mr. VANDENBERG. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Michigan?

Mr. KING. I yield.

Mr. VANDENBERG. It seems to me the Senator is wholly correct, and we are driven to one of two conclusionseither there is not \$20,000,000 available to pay for an increase in the strength of the Army, and it must be provided in a subsequent deficiency appropriation, or the remaining items have been padded \$20,000,000 beyond the necessities of

Mr. KING. I assent absolutely to the statement made by the Senator from Michigan.

Mr. DICKINSON. Mr. President, if there is a \$20,000,000 surplus in the other items, we ought to know about it. The bill provides for an increase of 46,250 men in the Army. If we shall provide that increase in personnel, the pay appropriated for the enlisted men will not be sufficient to meet the need. In addition to that there must be provided an increase in travel allowance, an increase in subsistence, and in all the other items. The \$20,000,000 is not the entire. additional expense involved. There must also be an allowance for the other items somewhere.

To me the indefensible phase of the matter is that the Senate is asked to legislate in this form. We ought not to legislate in any manner that permits such a thing to be

Permit me to make one further suggestion. I think what ought to be done is to strike out the whole provision. Then the matter could go to conference, and if it should be desired to adjust the bill in a way to meet the requirements of good legislation, it could be done in conference. That should be done or else the Senate ought to strike out the provision for an increase in the Army or provide for an increase in such number as we want and appropriate the necessary money therefor. That would be good legislation.

The proposal now before us is indefinite. Nobody knows whence the moriey is coming. I am afraid it is an implied authorization for the War Department to create a deficit for a sufficient sum to pay the cost of the additional men. When we authorize the War Department to add personnel to the Army we know those men must be paid, must be clothed, and must be fed. It is an implied authorization for the War Department to create a deficit for a sufficient amount to take care of the expense involved. I do not believe there can be any defense for this type of legislation.

Mr. FRAZIER. Mr. President, the Department could take the money out of relief funds, just as they did before.

Mr. DICKINSON. It was suggested yesterday that they should take \$20,000,000, or whatever amount is necessary, out of the appropriation for rivers and harbors and transfer it to "Pay of the Army." Then they could take out of the P. W. A. or some other relief fund which may be available a sufficient sum to be transferred to the river and harbor fund to carry on that work. I do not believe anyone wants to do such a thing. I do not believe that was in the thought of the Senate Committee on Appropriations. We ought not to sit silently by and permit a provision of this kind to remain in the bill.

Mr. LEWIS. Mr. President, I wish to address myself to the spirit of this bill. I am not able to approve what appears to be the spirit of the Senate as now indicated by expressions. The real test intruded and as base of dispute is where certain money which may be necessary may be found. I say that the true question for this honorable body is, Is it necessary that we have the money; if so, will we make the effort to find the money if it be necessary for the defense of the country?

Mr. President, I fear that my Nation is not feeling the serious situation in which our country is being really placed by the world at large. Day before yesterday England promptly increased her authority for army and every form of increase either for assault or defense, despite the fact that the orders in council of her Cabinet select committee had approved a visit on the part of officials of the Cabinet to Germany to take up again, in council and conference, the matter of a general reduction of armaments.

Despite that pretense, England gave out through her officials the statement that there were reasons for the increase of her army and her batteries of assault which she felt justified in. It is stated in what is known as a "white paper", that there is to be a prompt increase; and that despite the fact that this legislative committee was then on its way to confer with Hitler, the voice of government of Germany, ostensibly for the approach of another conference looking to general reduction of arms.

Mr. President, I have alluded to a situation which I think ought not to escape the attention of this honorable body, but should attract it to a very serious reflection. At the same time, this morning's information is that France now asserts her right to increase her whole form of military organization, particularly looking with anticipation to the Farther East. In the meantime, Italy announces the increase of her batteries, and sees a reason for it, but does not impart it to the world.

Mr. President, I wish to invite the attention of the honorable Senate to what appears to be a dangerous situation for America.

We have heard a great deal of late about meetings assembled for the purpose of decreasing arms, and conferences for their limitation. We watched the army move out from Italy to the land of Ethiopia to the border of three countries, where a conflict may arise equal to that which brought on the World War. Not one word was heard from what is called the League of Nations to stop the march, or to take jurisdiction of the subject; not one word from the alleged "World Court" to take jurisdiction of the controversy as to who does truly own the land on the border, which dispute is ostensibly the excuse for this so-called "invasion." But how stand we? We seek no war. We seek no conflict. The conflicts in which our country have been engaged, sir, we were brought into; we were drawn into. How stand we now?

Eminent Senators on this floor, whose sincerity cannot be questioned, whose principles are not only sincere but patriotic, feel that we can avoid these increases and avoid the increase of Army and Navy, and that by doing so we would make a demonstration of peace, and that demonstration would be accepted by world nations as an evidence of our good will, and, therefore, would bring peace from other nations. Has that been true?

Sir, it was my pleasure to serve in Congress as a Member of the House at the time of the declaration of the Spanish-American War, and later, after we had returned from that war, I saw the then President of the United States, Theodore Roosevelt, battered by the very same logic of pacifism that is being presented today in America—insisting that by not building up our defenses we would not attract assault, but that by doing so we might.

We declined to enter upon the upbuilding of our Navy; and we grew so weak that when we were compelled to defend the policy of California in passing her land laws as against an assault that was then threatened from Japan, Theodore Roosevelt was compelled to go to the country, under the slogan one may remember, the anthem that he produced from a single line, "Speak softly but carry a big stick", and obtain from the country its consent to reconstructing and rebuilding the Navy as an essential defense as against the threat which was perfectly apparent from the source whence it came.

Was that equally true of the Army? President Woodrow Wilson assumed the policy, which has been suggested by eminent men of America, that by "letting the Army down", as they called it, decreasing it, we would evidence to the world that we were a people of peace, and therefore our example would incite others to follow it. Did it?

President Wilson discovered that we were in a situation akin to that which had transpired with the Navy when we waked to find that we had not a navy sufficient to defend us at Veracruz when the threat was being made by certain foreign countries to enter into Mexico and bring Mexico into an assault against us.

President Wilson discovered that the Army was so deficient that we virtually had no army to meet a situation which was gradually being brought upon us—a constant threat that was menacing us. Everything was postponed; our suggestions for peace were flouted; and a great nation of the world did not hesitate to seize our ships and search them, seizing what they regarded contraband, and finding us guilty of a violation of international law in some form as a justification for an assault on us while we were a neutral nation.

Then it was that President Wilson was compelled to bring to the attention of this honorable body the necessity of defense; and then we began some form of preparation which, in the final end, left us in a condition, when we entered the war, certified by the whole world as a nation unprepared to defend itself; and, sir, but for the splendid patriotism and sacrifice of the children of America, with the grace of God, who is it that can prophesy what might have happened to this country had there been a direct assault upon us at our shores?

How do we stand today? Why muddle through? What is the meaning of this cowardice of spirit? Why do we shrink from the plain fact that menaces us, as it were, a picture in flames?

There is Japan. There is a situation to which on another occasion here I dared call the attention of this honorable body, of a great country in the Orient imitating there the policy which the United States initiated in America and announced to the world. We inaugurated a policy for the continent of America which we called the "Monroe policy." I stood on this floor sometime past and advised this honorable body, in its patient consideration of my view, that there would arise from the Orient a policy which would duplicate ours of America, and there would be a Monroe policy for Asia, with the doctrine "Asia for the Asiatics" and an exclusion of the western world, particularly the United States.

time was looked upon by my honorable colleagues as but a dream, and something of a furious intermission of thought in which I should indulge? Does anybody deny now what may happen? Japan will not only move in order to defend her course and to justify her anticipated position, but, as surely as my honorable colleagues sit in this Chamber today, giving me the patient attention of their consideration, Japan will soon make her gesture to Russia on the theory that the United States is now in doubt as to the wisdom of having received Russia into the family of nations. She will approach China upon the theory that we, the United States, have cut off both Japan and China from equality of citizenship and equality of situation upon the sphere of the world. The proposition will be made squarely to Russia: "You furnish the army: we, Japan, can furnish the navy." With the Army of Russia and the Navy of Japan confronting us, where stand we? A very natural proposition will be made by these eminent masters of statecraft in the East to Russia: "First, there is your Alaska, taken from you by trick, as you now say", for which you claim your people never have been paid. They will say to Russia: "There you have your Alaska. You are upon its borders. Seize your property. The forage and loot and rich territory will re-ward you." On the other hand, there are the Philippines, which Japan will lay hold of with one of her hands, claiming it as Asia, and to the United States she will send the challenge: "Come and get them, gentlemen! There is your Alaska. Take it back, if you can, from Russia. There are your Philippines. Hold them, if you can, from Japan." As between these two, carrying out the policy of a Monroe doctrine for Asia, the United States will be put in a position where concessions as to every policy she has will have to be made to the Orient to avoid war, or, finding ourselves in war, we will be unprepared to defend ourselves. And yet my honorable colleagues on this floor to me seem indifferent to what seriousness all this means to us, if it means

I ask this honorable body, Does it really feel that the five great countries of the world that have now entered into programs for increasing their armies, for multiplying their navies, for the aggregation of every form of aircraft and every capability for assault, have done so without an object? Have they not some purpose? Have they not some object in view? Do you think their people would have allowed all this increase and expense if their people did not understand the reason for it and did not hold the spirit of justification for it? Are their people less human than ours, or less appreciative of dangers? If it were merely a display, sir, if it were but a march of numbers with an aggregation of glittering uniforms, would their people in silence have tolerated it? That they know what they intend is apparent. That they intend something somewhere which we do not understand is equally evident; and are we to sit around here, and, between our honorable colleagues, multiply words upon the single question of "Where will we find the money?" as if the American heart, in the defense of its country, ever refused to supply the money whenever the necessity arose!

Where will we find it? My answer, sir, out of and from the possession of the patriotic heart of America, if necessary for the defense of the country. If we can take the blood and life of the men of America, we can take the purse of the masters who hold it, if necessary for the defense of our country.

What does it mean that we stand about, perfectly blind to the situation of the whole world, and struggle over technicalities to find method here to defeat a measure of increase upon a construction on a parliamentary direction of the appropriation under the rules of customary procedure? Do not Senators realize that at our doors stands the danger? Shall we not cry out in the Roman senate the warning, "The enemy is at our door"? There is danger. And how shall we avoid it? Not by showing that we are too weak to defend ourselves. We shall avoid it by displaying that we are being prepared to realize what is ahead of us, and the prospects before us. Then, when it is seen that we are able to meet it, repel it, and defeat it, the assault will not be made upon us.

How stands it now in verification of that which at the me was looked upon by my honorable colleagues as but a until it was discovered by the assailant that we were unpresent and something of a furious intermission of thought pared to meet it.

And now how stand we? My eminent friend from Michigan [Mr. Vandenberg] correctly states, and the able Senator from Iowa [Mr. Dickinson] fortifies the statement, that there is in the measure an absence of some specific way in which the money is to be obtained. I reply by asking, Where has any measure ever been brought before this body that did not have an absence of some of the ways and means of obtaining and expending necessary to be left to the discretion of those who administer it?

Mr. President, I support the amendment offered by the Senator from Missouri [Mr. Clark]. I support this bill. I support it on the ground of necessity. I deplore the fact that my honorable colleagues cannot see the necessities; and I warn them that the way to avoid being drawn into conflict is to let other countries see our ability to resent, defend, oppose, and defeat all attacks.

Mr. President, when George Washington left us the admonition that "in time of peace we should prepare for war" he did not mean, nor was it intended to instruct, that we were to prepare to war on any nation. It was an admonition which must lay close as an unction to the heart, that "in time of peace prepare for the wars that will be made against you." It was an admonition of defense. It was a warning to make preparation for self-preservation. It is there we are again today, or the signs of the world mean nothing; they obliterate our senses in their confusion and they multiply in their dangers.

Mr. ROBINSON. Mr. President, will the Senator yield? Mr. LEWIS. I yield.

Mr. ROBINSON. There is confusion as to the pending question. I understood the Senator to present arguments in favor of increasing the Army, and then I understood him to say that he supported the motion of the Senator from Missouri [Mr. Clark]. The motion of the Senator from Missouri is to reconsider the vote by which a committee amendment has already been agreed to.

Mr. CLARK. That is correct, I will say to the Senator.

Mr. ROBINSON. With the indulgence of the Senator from Illinois, I should like to have the situation clarified so that I may know just what is the motion of the Senator from Missouri.

Mr. LEWIS. I had understood from the able Chairman of the Committee on Military Affairs, the Senator from Texas [Mr. Sheppard], that the motion of the Senator from Missouri, made during my absence—I have been away for a couple of days, and during that time the motion of the able Senator from Missouri was made—contemplated the proper increase of the Army and the justification of the item which I understood had been voted out and which he desired to have returned to the bill.

Mr. CLARK. Mr. President, I will say to the Senator from Illinois that the particular motion now before the Senate is a motion for a reconsideration of the vote by which the committee amendment on page 10 struck out the language in the bill as it passed the House, "at the discretion of the President and in such increments as he may deem necessary from time to time." At the time I made that motion I gave notice that it was my intention to move to strike out the provision for the increase in the Army.

Mr. LEWIS. I therefore call attention, if my able friend from Arkansas will tolerate, to the fact that I have addressed myself to the necessity of leaving to the discretion of the proper officials the control of finding the wherewith necessary, when it shall become necessary. Therefore the provision read by the Senator from Missouri leaving the discretion to the President quite justifies as a basis the argument I have made.

Mr. ROBINSON. Mr. President, I still do not grasp the situation as presented by the Senator from Illinois. I hope the Senator understands I am not trying to embarrass him. I am seeking only to grasp his position and the effect of his argument.

Mr. LEWIS. Oh, I flatter myself I am proof against being embarrassed by questions.

Mr. ROBINSON. As I understand, the object of the Senator from Missouri in moving to reconsider is finally to strike from the bill the provision for an increase in the enlisted personnel of the Army.

Mr. CLARK. That is correct. If the Senator from Illinois will permit me for one moment—

Mr. LEWIS. I yield.

Mr. CLARK. The purpose of the pending motion to reconsider is to present again to the Senate the question contained in the committee amendment, which is as to whether the increase in the Army shall be mandatory or shall be discretionary with the President. Then, as I said a moment ago, it is my intention, no matter what may be done with that motion, to move to strike out the provision for the increase in the size of the Army.

Mr. ROBINSON. First, if the motion now pending should prevail, it would restore the provision which vests in the President discretion as to whether the Army shall be increased.

Mr. CLARK. That is correct.

Mr. LEWIS. It is to that I have addressed myself, I may say to my able friend from Arkansas, allowing discretion to those in command as to where the money would come from, and the method of the increase of men and money. If there is to be a subsequent motion of the able Senator from Missouri for a decrease from the number fixed in the House, I am compelled to oppose it, for I do not accept it nor approve it.

Mr. ROBINSON. The effect of the adoption of the motion now pending would be to restore the language originally contained in the bill, vesting discretion in the President to increase the Military Establishment. The Senator from Missouri has announced that if that shall be done, he will make another motion the effect and purpose of which will be to leave the Military Establishment as it now is and to prevent an increase. I thank the Senator from Illinois for yielding.

Mr. LEWIS. I thank the Senator from Arkansas for bringing to my attention a feature which had not been called to my consideration, due to the fact that I was absent during the time of the debate upon a feature of the motion which I had not heard mentioned.

Mr. SHEPPARD. Mr. President-

The PRESIDENT pro tempore. Does the Senator from Illinois yield to the Senator from Texas?

Mr. LEWIS. I yield to the Chairman of the Committee on Military Affairs.

Mr. SHEPPARD. I am sorry the Senator from Illinois misunderstood what I said to him about the Clark motion. I wish to clarify the situation by saying that the proposal of the Appropriations Committee, which the Senator from Missouri opposes, is not to increase the authorized strength of the Army. The authorized strength of the Army is 280,000 men, provided in the National Defense Act of 1920. That strength has never been realized on account of insufficient appropriations. It was whittled down through inadequate funds to less than 120,000, about 35,000 of whom are in the oversea territories, leaving us a number here in the United States not sufficient for the ordinary peace-time purposes of an army. The purpose of the small increase provided for, an increase of 46,000, is to bring the Army up to that skeleton proportion necessary for the proper expansion of the Army in the event of an emergency, necessary for the proper discharge of peace-time functions and necessary for the development of a proper force in the event of a need for such expansion.

Mr. ROBINSON. Mr. President, unquestionably the increase provided for in the bill will still be within the authorization of the 1920 National Defense Act, but the effect will be to increase the present standing Army by about 46,000 soldiers. If the policy incorporated in the amendments proposed by the Senator from Missouri shall be agreed to, it will remove the provision now contained in the bill, and retain the Military Establishment at its present strength. That was what I was trying to clear up.

Mr. ASHURST. Mr. President-

The PRESIDING OFFICER (Mr. Duffy in the chair). Does the Senator from Illinois yield to the Senator from Arizona?

Mr. LEWIS. I yield to the Senator from Arizona.

Mr. ASHURST. If I have drawn the proper conclusion from the remarks of the able Senator from Illinois [Mr. Lewis] and the question propounded by the able Senator from Texas [Mr. Sheppard] they propose not at this time to clothe this skeleton with flesh and blood, but they do propose to preserve the skeleton itself?

Mr. SHEPPARD. Mr. President, that is exactly true, and I may say that General Pershing, General MacArthur, former Secretary of War Baker, and other noted students of military affairs have testified that the irreducible minimum for peace-time purposes is 165,000 men.

Mr. ASHURST. Mr. President, I should like an opportunity sometime during the consideration of this bill to vote not only to perpetuate or articulate the skeleton of our Army but also to clothe it with flesh, blood, and sinew.

Mr. LEWIS. Mr. President, I flattered myself when I was expressing my views that I was adding something to the bill of flesh and blood, as the able Senator has suggested the necessity of adding both flesh and blood to the skeleton of the Army.

Mr. LOGAN. Mr. President, will the Senator yield to me? Mr. LEWIS. I yield.

Mr. LOGAN. The difficulty is not with the able speech of the distinguished Senator from Illinois. The whole confusion arose because the Senator said he was for the Clark motion, which has for its object exactly the opposite of that for which the Senator has been contending. That is what brought about the confusion.

Mr. LEWIS. Mr. President, it may be, and doubtless could be, that the Senator from Kentucky was confused in that line because, as I remarked, I misunderstood the parliamentary status as revealed to me by the Senator from Texas, or as I thought the Chairman of the Committee on Military Affairs had stated it to me. The one feature which I was sustaining, and which I again announce, propound, and persist in, is that the provision which authorizes the Commander in Chief to be the judge of the emergency for the increase shall remain and be sustained and fortified—

Mr. SHEPPARD. And only up to 165,000 men, not beyond that?

Mr. LEWIS. That such provision in no wise be stricken from the bill.

Mr. ASHURST. Mr. President, I hope the able Senator from Illinois will not construe my interruption as indicating that I was opposing his remarks. On the contrary, I was agreeing, assisting, and encouraging the able Senator from Illinois, rather than saying anything in derogation of what he said.

Mr. LEWIS. I quite adopt that, Mr. President, and such was my understanding of the Senator's observation. I was appropriating what I thought was his very suitable simile of flesh and blood upon the skeleton.

Applying the expression of Wolsey to Cromwell in King Henry VIII, I do not wish to leave my country "naked to her enemies", therefore that she be clad in such manner as will justify her position, and hold her prepared and defended before the world.

Mr. President, because it has now been made clear that the question just at this moment, as the leader of the majority has stated, is whether or not the provision that gives discretion to the President shall remain in the bill or whether it shall be stricken out, preparatory to a subsequent motion to be tendered by the Senator from Missouri the nature of which I had misunderstood from not having quite understood what was presented to me, I now assert and here insist that what I have said shall be applied to what I contend is and should now be the policy for America, namely the proper increase of our Army to the full limit of a necessary defense, and complete preparation of defense in anticipation of all of that which around the world gives evidence of trouble to arise somewhere, and, possibly, having

arisen, may strike us at some delicate point as seriously as that which brought us into the World War.

I have taken the liberty to invite my honorable colleagues to consider the conditions in the Orient, and the possibilities that could arise, as a justification for leaving the discretion in the hands of the Commander in Chief, that we may be provided for, and if, as the Senator from Texas [Mr. Sheppard] well says, the bill, as it stands, merely provides a very small army, in any exercise of his discretion, the number being rather limited, I will go still further, sir, and add to that discretion, if necessary. As it now stands, to that which is now proposed to be granted to the President as the Commander in Chief, more could be granted as the conditions require, I am insisting now that the time has come when this honorable body should announce that the eyes of America are fixed on the world; that the hearts of America are disturbed by the conditions in all the world; that we stand on the defense, tiptoe with anxiety; but we view our condition, and that, if not now wholly prepared, we leave the military fortunes of this country in the discretion of the Commander in Chief with his power to prepare that we may resist the attempt—perhaps assault—and be ready to protect this country in whatever emergency may arise, and to do whatever may be necessary to maintain and care for our America.

Mr. McADOO. Mr. President, will the Senator yield? Mr. LEWIS. I yield to the Senator from California.

Mr. McADOO. I should like to say to my distinguished colleague from Illinois that in the discussion before the Appropriations Committee it was clearly brought out that no previous appropriation bill for the Army had ever contained a provision conferring upon the President the discretionary power to increase the Army. And the reason why it was opposed in the committee was that the President already is supercharged with great responsibilities; that he would have to go over the evidence, the same kind of evidence presented to the committee, before he could make intelligent decisions. Therefore the committee decided that the President should not be burdened with that discretion, and that as Congress had always exercised the power to determine the size of the Army, that policy should be adhered to in this bill.

Furthermore, Mr. President, the increase which is authorized here will not be made all at once. It will be made from time to time as required and necessitated by the orderly processes of recruiting. The men have to be examined, they have to be carefully selected, and if the burden were put upon the President to determine from time to time the extent of the increases to be made it would certainly be an injustice to him to charge him with these additional duties when they can be better performed by the War Department and by the constituted authorities which are maintained by the Government for that purpose.

I therefore oppose the motion of my distinguished friend from Missouri [Mr. Clark] to reconsider the action taken by the Senate. If I may transgress a little further—

Mr. LEWIS. I am glad to yield further to the Senator from California.

Mr. McADOO. I also wish to express my hearty sympathy with and concurrence in the views expressed by the distinguished Senator from Illinois [Mr. Lewis] and the distinguished Senator from Arizona [Mr. Ashurst] and the distinguished Senator from Texas [Mr. Sheppard] and others who have spoken on the floor about the necessity for this proposed increase in the strength of the Army. I have recently had the pleasure of going all the way around the world and observing something of the conditions which exist in the world, and I say with due deliberation that unless we want to continue to be a "boob" Nation we will not hesitate to provide the moderate increase in the Army which is proposed by this bill. It is the part of prudence; it is justified by every consideration of national defense, and by every consideration of wisdom that we should do those things which are essential to the protection of the country.

Mr. ASHURST. Mr. President, will the Senator from Illinois yield?

Mr. LEWIS. I yield to the Senator from Arizona.

Mr. ASHURST. In these dreary days when we do not obtain many satisfactions of life I wish to state to the Senate and to the country the satisfaction I have derived from the speeches this morning; and I am particularly gratified that the able Senator from California [Mr. McApoo], who is a close observer of men and things, has given us—I wish he had spoken longer—some of his observations and reflections regarding what he perceived in the Orient.

Mr. President, a number of Senators have visited the Orient within recent months. They have all brought back the same sort of information. As the Senator from Illinois [Mr. Lewis] says, to this information no prudent and sensible man may close his eyes or his ears.

I do not know that what I am now about to say is tactful, but it is my duty to say that some years ago I referred to lower California as the Achilles heel of this Nation. I am not overstating the case when I say that the entire littoral—the Pacific coast—is the Achilles heel of our Nation today.

Mr. LEWIS. Mr. President, of course, as we know, on the classic occasion when Thetis held her child by the foot and gave it the decoration of the bath which gave it perpetuity and invulnerability, her hands, covering the foot, left the child where in that respect it was not guarded; and thus the heel of Achilles became, as my friend from Arizona has intimated, the vulnerable spot of the body.

Mr. ASHURST. If the Senator will permit me to make the suggestion, that was the spot toward which Paris directed his fatal arrow.

Mr. LEWIS. I may add also that when the time came before Troy when Paris discharged his arrow, which was not supposed to be poisoned, but which was, nevertheless, deadly in all respects, it would not have been effective upon the body of Achilles had it not touched this particular portion that had not been bathed in the waters of the Styx.

Mr. President, I also agree with the able Senator from Arizona that conditions have now placed us where the whole of the Pacific coast can be said to be the revealed "heel of Achilles", and it is the place where an assault, if it should be made, would be not only sensitive but one, sir, that could suffer such a wound as would abuse the whole body of the Republic to the point where there would be no healing, save in death.

Mr. President, referring, therefore, to the remark of the able Senator from California, what is sought in this bill? Is 147,000 the minimum figure? It is asked to have it brought up at once to that minority. My able friend from California correctly alludes to the heavy burdens upon the President, but those burdens have been borne by the President in the past, and under prevailing laws affecting the general situation are being administered and discharged by being committed to certain officers of the Cabinet or other agencies of the Government, through which they are all transacted and discharged.

If the discretion to which we allude is left to the President, I call the attention of my eminent friend from California that in this instance it is left to the Commander in Chief; that the President is a civil officer, but when we submit the matters affecting the Army to him, his position becomes metamorphosed into that of Commander in Chief, and as Commander in Chief he becomes the judge of what is best for the defense of his country, and then entrusts the execution of the mere administrative measures to whatever department or agency his judgment may indicate is best adapted to carry it through.

Thus has ever been the course, because in time of war itself, while the Commander in Chief has charge of the whole Army, it is well known did he not commit certain functions to certain agencies and aides, operations could not be carried forward to completeness. Therefore the provision which grants the discretion merely gives to him authority. While it may be, as my able friend from California says, that in no previous bill was such power granted, I beg to reply, from the vision I am able to gather of the world, that no such general previous condition has ever existed around us in the exact form, disguised and masked in detail as it is, as now surrounds us, and it is the height

of wisdom that the discretion be left in the Commander in Chief, that he may transfer the execution of any duty he may find necessary to those departments to which have been committed the tasks of carrying out the Nation's policy, which the able Senator from California has demonstrated has been the experience of the past.

Mr. President, I have made plain, I trust, my own view. I hope I have made it so clear that my eminent friends of the Senate can agree with me. They may not agree with all of the fears I have expressed. They may be ill-founded. I pray God they may be born of fears not experienced. But I have lived through two eras of wars in the small life that nature gives us, and when we would say each time that in our estimation we were perfectly safe, we were drawn into wars which no one expected we would ever have to fight, and foes no one expected we would encounter.

May I be so pardoned by this honorable body as to touch upon a personal experience? Heaven knows I desire no war. It was I, a humble Member of the other House of Congress, who tendered the resolution to recognize the independence of Cuba. My then colleague from Utah [Mr. King], now the eminent Senator from that State, recalls the instance. My motion was tendered at the time as a mere party move. I must here confess what is known among some of my colleagues; it was because of my difference of principle with the then Democratic leader of my own party and the difference with members of my own party that a motion was made which led to debate that took on the form of recognizing the belligerency of Cuba, under which motion resolutions were adopted, with amendments from both sides, that finally led to the conflict, or constituted the reason for the conflict from which the contest followed. War was upon us. 'The blowing up of the Maine was the result of passing these resolutions, and the expressions under them brought on the crisis. I served through that war and returned to the Senate, and then we were driven to war in the Philippines.

Will we not remember that in the World War it was the sinking to the depths of the sea of the ships that carried merchandise shipped by the citizens of the United States that finally brought us, unhappily, to the apex? An assault upon the sovereignty of America compelled us to resent it. Such conditions have arisen, Mr. President, when we least expected them. There are those who feel it safe to assault when they feel we are unprepared to meet it. It is when we are prepared to meet it that the assault is warded off. It is to ward off the assault and to avoid another such condition as that to which we were brought, with results now so familiar to us all, the loss of life, the bankruptcy of treasuries, the demoralization of civilization, that I rise here and ask my honorable colleagues to consider the situation of our country and the world, and to turn to America, to remember this is their country, and every move for her defense, if not required, is no loss; if required, is a gain. If not undertaken when it is required is such a loss, to the point of desolation, that there is none of us can outlive the regret for failing to serve as our people and their rights command and justify. On with our duty; it is to God and country.

Sir, in behalf of America, I support the right and privilege of the discretion being left to the President to protect and preserve this Nation and the people of the United States.

Mr. KING. Mr. President, in view of the addresses to which we have just listened, and particularly that of the Senator from Illinois [Mr. Lewis], I feel constrained to take the floor for the purpose of attempting to reply to some of the statements made and to express my disapproval of what I conceive to be the military policy to which our Government is being committed.

I appreciate how unavailing will be any opposition to the bill under consideration or any of its provisions. The die is cast; and this measure, carrying approximately \$400,000,000, will soon receive the approval of this body and be enacted into law.

For a number of years I have protested against the measures which have been submitted carrying hundreds of millions of dollars of appropriations for the Army and the Navy. I have stated, as these recurring measures were presented,

that the United States was expending more than any other nation in the world for its Military Establishment.

In my remarks yesterday I called attention to the report of the Government showing the great increase in the appropriations for the Army and for the Navy. For instance, the appropriations for the Navy Department in 1910 were \$123,-000,000 and during each succeeding year following the World War, they have varied between \$300,000,000 and \$736,000,000. The appropriations carried for the War Department in 1910 were \$189,000,000. Since the World War they have oscillated between \$411,000,000 and \$545,000,000, which lastnamed amount was appropriated for the year 1934. We can, with profit, examine the mounting costs of the Government during the past 50 years. For instance, in 1877 the total expenses of the Government chargeable against ordinary receipts amounted to \$241,334,000. In 1910 the total expenditures of the Government amounted to \$693,-617,065. Since then the Government expenditures chargeable against ordinary receipts, amounted to \$1,977,681,751. Omitting the expenditures during the World War, the annual expenditures have increased; and for the fiscal year 1934 they reached the stupendous sum of \$7,243,725,625. I might add that the postal expenditures are not included in the figures which I have submitted.

Mr. President, during the past 10 or 15 years I have not been in accord with the majority of the Senate in dealing with appropriations for the military establishments of our Government, nor have I been in agreement with the military policy of the Government so far as that policy was reflected in demands made for appropriations for the Navy and the War Departments. I find myself now in disagreement with what I conceive to be a spirit of militarism, and I say, without any desire to be offensive, to my colleagues or to be unduly critical of the Government itself, that I have long since learned that appropriations for the Army and the Navy receive strong congressional support, and not infrequently demands are made for larger appropriations than those provided in the bills that are being considered. Any voice raised in opposition to these stupendous appropriations is like a voice crying in the wilderness, and is soon silenced by the clamorous and insistent demands for the speedy passage of measures carrying large appropriations for the Army and the Navy.

It seems to me that we and many of the people have been indifferent to the results flowing from the large military budgets which have annually received the approval of the legislative and executive branches of the Government; and it is obvious that as our military appropriations have increased other nations have been led—not infrequently reluctantly—to augment their military appropriations.

I do not agree with the conclusion reached by the Senator from Illinois [Mr. Lewis], nor with the deductions which he draws from what he conceives to be the conditions now existing in the world, lamentable and disturbing though they may be. I confess that world conditions are unsatisfactory; that there is too much of the spirit of militarism extant in many countries, and that there are economic and political movements which occasion apprehension in various parts of the world. But I confess that I am unable to perceive in this rather uncertain and unsettled condition, any occasion for hysteria upon our part, or for demands for larger increases in our military establishments. I see no foes disguised and masked—to use the expression of the Senator from Illinois—which threaten the peace and security of this Republic.

The Senator in the early part of his remarks conveyed the impression to me, if not to others, that our Government had been remiss in making appropriations and that the pending measure was wholly inadequate to meet the needs of the hour.

Mr. President, before this session of Congress adjourns, I make the prediction that the appropriations which will be made for our Military Establishments will exceed by at least \$400,000,000 the military appropriations of any other country on earth. As I have pointed out, the annual appropriations since the World War have exceeded by at least \$200,000,000

the appropriations which have been made by the most militaristic nation on earth. Neither France nor England nor Italy nor Russia has reached by several hundred million dollars, during any one year, our expenditures for military purposes. The figures which I have before me, and to which I have referred, show a progressive increase for many years in the appropriations made by our Government. It is certain that our appropriations for the Army and Navy for the next fiscal year will exceed a billion dollars, and, indeed, there is rather striking evidence that it will reach the stupendous sum of one billion three or four hundred million

I am unable, Mr. President, to justify our military budgets, which I have stated surpass any military nation on earth, and I regret exceedingly that the American people do not demand of Congress that there shall be a reduction in the military burdens imposed upon the people. The financial condition of our country should provoke the most serious thought upon the part of Congress and lead to a most careful examination of every measure carrying appropriations brought before either House for consideration. A military budget of a billion dollars in times of peace-and our country is now at peace-cannot, in my opinion, be justified. It seems certain that such stupendous military appropriations will arouse fear and apprehension upon the part of other nations and lead them to increase their military budgets. In other words, our example will not be overlooked by other nations: indeed, it will be their justification for adding to the burdens of their already overburdened populations by increasing their military expenditures.

Mr. President, we should not forget the heavy burdens of taxation to which our country is subjected and the enormous expenditures which are being made for governmental purposes. The National Government's expenditures for the fiscal year 1933-34 amounted to more than \$7,000,000,000, and the total local governments' expenditures amounted to more than \$9,700,000,000. This stupendous sum, approximating \$17,000,000,000, amounted to a per capita expenditure of \$133; and it must not be forgotten that our total public national debt approximates \$30,000,000,000. When we recall that the total annual income of all persons gainfully employed in the United States during the past 3 or 4 years has ranged between thirty and forty billions of dollars, it is obvious that there is a crushing burden resting upon the

It is claimed that many of our political subdivisions are unable to function for lack of revenues and that many of the States and their political subdivisions have reached the limit of their bonding capacity. The deficits of the National Government have been increasing during the past 4 years, and for the fiscal year ending June 30 of this year it is almost impossible to determine just what the deficit will be, but it will reach, or perhaps surpass, \$5,000,000,000. The total ordinary receipts of the National Government for the year 1933 were \$2,338,356,180, and for 1934 were only three billion two hundred and some odd million dollars. The deficit for the fiscal year 1934 exceeded \$4,000,000,000.

How can we defend an expenditure of more than a billion dollars for military and naval purposes for the coming year? That huge sum will, in my opinion, be more than one-fourth of the total revenue of the National Government. We are compelled to issue bonds and more bonds, and further plunge the National Government into the great gulf of indebtedness. So great is the indebtedness of our country, that demands are being made for the issuance of irredeemable paper money. There are groups of individuals of no small proportion who contend that the Government cannot meet these mounting expenditures by following fiscal policies which have been controlling in the past; and that it must follow the dangerous paths which other nations have followed and which, may I add, have led to destruction when they embarked upon inflationary policies.

Mr. President, I am not only pleading for a rational mili-

country from dangers more serious than any other through which it has passed.

Mr. President. I return to some of the observations made by the Senator from Illinois [Mr. Lewis]. He stated that the world conditions created a "dangerous situation to our country." I cannot assent to the views expressed by my friend. Of course, difficulties and troubles in any part of the world have their repercussions beyond their borders, and conflagrations in Europe or in Asia may have some effect upon our country. It is possible, of course, that a serious conflict in Europe or in Asia might have some effect upon our trade and commerce, and it is conceivable that the United States might be drawn into a world conflict; but, Mr. President, the conditions which have existed since the World War have not justified the enormous appropriations which we have made for military purposes-appropriations which aggregate many billions of dollars—nor is there anything, in my opinion, in the situation in the world today which warrants the United States in appropriating a billion or more dollars for the Army and the Navy for the next fiscal year.

Mr. President, I do not regard the situation as threatening to America. What nations are our enemies and are shaping their military policies with reference to the United States? Perhaps that statement needs some qualification. Undoubtedly, when some nations see the enormous appropriations which the United States is making for its Army and for its Navy, it will be natural for them to inquire as to the reason for such course. Undoubtedly their course will be influenced by the military manifestations upon the part of our Government. When a nation as strong and powerful as the United States, occupying as it does a position which defies invasion, with its unlimited resources, annually appropriates hundreds of millions of dollars more than any other nation in the world, it is to be expected that its course will not be unobserved, but on the contrary will lead to inquiries, fears, apprehensions-indeed, suspicions-as to the policy and purpose of appropriations so stupendous and continuing.

I repeat, Mr. President, this Republic has no foe. Canada is our friend. There is a kinship between the people to the north and the people of the United States. Anglo-Saxon institutions there abound, and to a greater or less degree the Canadians are actuated by the same spirit of freedom and are governed by the same democratic institutions as are the people of the United States. It would be a cruel jest for anyone to indicate that Canada is or would be an enemy of this Republic.

Who will charge that Mexico is a menace to the integrity or authority of the United States? Mexico desires to live in peace and concord with this great Republic, and we desire to live in peace and concord with Mexico. We want to aid in every possible way in her economic and industrial development and in a realization of all the benefits which flow from a truly republican form of government. If we look farther south, into the Central American States, none of them is our enemy; all are our friends. I had the honor to write the plank in the platform of 1924 of the Democratic Party, in which I directed attention to the friendly relations existing between the United States and Latin America, and concluded the declaration with the statement that "God has made us neighbors; justice shall keep us friends."

The Latin American states desire the friendship of the United States; they are not our foes. If we should be assailed by any force beyond the seas, and the liberties of the people of the United States should be jeopardized, we would have the sympathy, and, if necessary, the aid of the people of the South American states.

Mr. LONG. Mr. President-

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Louisiana?

Mr. KING. I yield for a question.
Mr. LONG. I merely want to hear the Senator on the point I am about to mention. I have a respect for the logic of what the Senator is saying; but, from what we have been tary policy, but I am pleading for economy in our Gov- hearing, it seems apparent, at least it looks to me, as if we ernment and for the pursuit of policies that will save our are going to have to be a little bit more careful, if all our

friends are not entirely mistaken, and be a little bit more ready in some respects than we have been. Apparently, from what we are told, we are not at all in a position to care for ourselves today. Perhaps that may be wrong.

Mr. KING. I do not agree with the pessimistic views and the loud lamentations to which we have listened this morning and with which we are frequently assailed throughout the United States. We have a powerful military clique in the United States; we might just as well admit it; and officers of the Army and Navy and other citizens of more or less prominence visit various sections of the United States and deliver addresses before organizations, civic and otherwise, in which they represent the United States as being utterly helpless to defend itself; they arouse the people by their appeals for what they call "preparedness", and in that they demand larger appropriations for the Army and Navy. The Senator from Texas just stated that there was an authorization in the act of 1920 for a very large standing Army, and, because we have not reached the maximum limit of that authorization, he insists that we have a mere skeleton of an Army and that we ought to enlarge it until we have reached the limit of that authorization.

When the Army bill of 1920 was passed we had in our eyes the smoke of battle; we had before us the recollection of the conflict which had just taken place in the Old World; and under the influence of a hysteria not warranted we were driven forward to demand the expenditure of \$1,500,000,000 for battleships and for an increase in our Army of four or five or six times what it had been for many years during the history of the Republic.

The Senator from Idaho [Mr. Borah] and myself—if I may be pardoned a reference to myself—submitted resolutions in the Senate challenging attention to the enormous appropriations which were demanded, and calling for an international conference to which might be brought for determination the military problems which confronts this and other countries. The then President of the United States, Mr. Harding—and he is entitled to the gratitude of the American people for his efforts in behalf of world peace—aided by his great Secretary of State, now the Chief Justice of the United States, secured an international conference.

As a result of that conference the unwise policy of building battleships which would cost \$1,500,000,000 was abandoned, and battleship construction was restricted to the ratio of 5-5-3-1.87 for the great nations of the world. The United States represented 5, Great Britain 5, Japan 3, and France and Italy each 1.87 as a maximum of construction of capital ships. We saved for the United States by that conference more than a billion dollars, and restrained other nations from large expenditures, because they were afraid of us with the great military demand upon our part, from embarking upon great construction programs.

When we were pressing for the construction of battleships costing \$1,500,000,000, there was introduced into the Diet of Japan a provision for the construction of six battleships; and Great Britain, inflamed—nay, becoming apprehensive because of our position—laid down the *Hood* and several other great battleships, some of which would have cost \$70,000,000 each. When that conference was held they rejoiced in the fact that they had been liberated, pro tanto, from the burdens which the construction of those great ships would have imposed upon their people.

Mr. President, I repeat, we have no foes. Statements have been made over and over again by great naval commanders that no nation on earth could invade the United States and that the combined navies of the world could not do so. Admiral Fullam, Admiral Sims—the latter perhaps one of the greatest naval commanders we have ever had—testified that it would be impossible to wage a naval war across oceans, where the nation waging the war did not have colonies and have opportunities for coaling, refueling, and obtaining supplies. They contended that no nation could invade the United States; that with the development of submarines and airplanes, no fleet could reach our shores.

Who can challenge that statement? Jingoists may say that Japan may attack the United States. Mr. President, it seems to me a statement of that character is utterly without foundation, and denies the intellectual capacity of the American people. Japan does not want to make war upon the United States. I am no apologist for Japan. I think her course in many respects during the past few years has been reprehensible. Japan is looking to the Orient, not to the Occident. She wants to consolidate her gains in Manchuria.

It may be said in defense of Japan that she has a population of 70,000,000, a growing and increasing population, more than 500,000 accretion to her population each year.

My eminent colleague, Mr. Thomas of Utah, would be better prepared to speak of that than myself, because of his sojourn there for a number of years. Because of a paucity of irrigable land, a limitation for agricultural development or, for that matter, mineral development or industrial development, Japan feels that she must look somewhere for expansion of her growing population. Therefore, Manchuria becomes an object of her attention, if not desire. Manchuria has been the victim for years of misrule-indeed, of bandit and tyrannous government. Japan had nearly 1,000,000 of her nationals there, Koreans and Japanese. They were subjected to unjust treatment and Japan regarded it as her duty, if not her right, to protect their interests. I do not mean that Japan was free from selfish and imperialistic ambitions. In that defense a conflict arose, and she went forward until Manchuria was conquered and an administration set up under the apparent leadership of the present King of Manchuria.

Japan has no hostility toward the United States. She seeks our friendship. I think we are not serving the cause of peace by assailing Japan and intimating, as so many have done in the past, that Japan is our enemy and contemplates making war upon the United States.

Mr. LONG. Mr. President, will the Senator yield? Mr. KING. I yield to my friend from Louisiana. Mr. LONG. The Senator is talking about the very thing

Mr. LONG. The Senator is talking about the very thing I had hoped he would discuss. Does not Japan take the position under the four-power pact and the Kellogg Treaty, to say nothing of the League of Nations, that she is going to do what she pleases in the Orient?

Mr. KING. If I were to answer categorically my friend from Louisiana, I think I should have to say that we are warranted in the deduction or the conclusion that Japan has not lived up to the terms of the four-power pact or the nine-power treaty or the terms of the League of Nations. I do not condone the course of Japan in disregarding its obligations under the treaties referred to. Indeed, I condemn her course. That may be said, however, of some other nations. Germany came into the League of Nations quite recently and sat down almost at the head of the Council table. But she left the League of Nations when there were some intimations that she was rearming and could not have her way. Other nations have not responded to the obligations which were solemnly undertaken by them when they entered into the League of Nations, and became signatories to other important treaties.

I will say frankly that Japan and Germany—because Germany has sought to violate the terms of the Kellogg-Briand Pact—have not lived scrupulously up to the obligations imposed by that great instrument which sought to bring peace and to prevent the great military manifestations which today impose such burdens upon the people of the world.

I come back to the proposition, which I assert, that the United States is not menaced by any nation. Who will say Great Britain menaces the peace of the United States or that Germany or any other nation seeks to injure or invade our country? Who will declare that any nation or a combination of all nations could land troops upon our shores, or overthrow our Government and impose upon us burdens which conquerors often impose upon conquered nations?

This Nation stands upon the glittering heights of the New World, unafraid, unchallenged; and if we pursue the course of justice, and peace, and fellowship under God we will become, and should become, the great leader for world peace, for moral supremacy, for the triumph of righteousness. But if we are challenging the world, if we spend \$200,000,000 to \$400,000,000 a year more than any other nation for military purposes, we will, of course, excite the fears and apprehensions of other nations. They know we are safe and immune from attack, and when we build great navies and contemplate great military movements and increase our Army, they will ask, "What is the purpose?"

They cannot look into our hearts as we look into our own hearts. They are bound to reach the conclusion that we have

some military purpose adverse to their peace.

The statement was made by the Senator from Illinois [Mr. Lewis] a few moments ago that we had been drawn into war. My recollection is that the World War is perhaps the only war into which we were drawn. As to the Mexican War, I am inclined to think that history will not support the Senator. Indeed, the great emancipator, Abraham Lincoln, a Member of the House of Representatives when we declared war upon Mexico, criticized and denounced our Nation's policy.

My friend from Illinois referred to the Cuban situation, the Spanish-American War. We were not drawn into it. We appropriated \$50,000,000 early in 1898 and placed it in the hands of President McKinley for the purpose of putting our Army and our Navy in shape for the invasion of Cuba. We were not drawn into that war.

I had the honor, as a young Member of the House of Representatives, of being named by the Democrats to go to Cuba and investigate the situation. I went there and found that Weyler, by his concentration policy, had starved to death thousands and tens of thousands of the poor Cubans.

I went into the canebrakes, into the forests, and most of the provinces, and met the leaders of the revolution; I learned their views, and purposes and returned to Congress and advocated—and, perhaps I was wrong—armed intervention. We were the ones who were the aggressors against Spain in the sense that the situation there was such as that we felt constrained to interfere for the prevention of further loss of life.

We went to the Philippine Islands. We were not drawn into a conflict with the Filipinos. We waged war against them, and many thousands of them, directly and indirectly, lost their lives as the result of our invasion of their country.

Senators may recall the eloquent pleas made in this Chamber by one of the greater statesmen of our country, a Republican Senator, Mr. Hoar, of Massachusetts. The Democratic Party declared against our Philippine policy and made the campaign of 1900 upon that issue under the leadership of Mr. Bryan.

I say we are not free from the charge that we have drawn other nations into war and that we have invaded their lands.

Mr. President, I protest against a militaristic policy. I think we should be pleading for peace, and not war; and that we should, as I indicated a few moments ago, take the lead among all nations in spreading the gospel of peace and good will.

I have just seen the Milwaukee Journal, an able newspaper, which states that the "prospects for peace improve." Sir Austen Chamberlain makes a strong statement to the effect that the prospects for peace throughout the world are bright.

Reference has been made to Russia. I cannot conceive—I do not believe it is possible for Japan and Russia to form a rapprochement which contemplates aggression upon other nations. If we had followed the plan suggested by the Russian representatives in disarmament conferences, we should have been on the way now to world peace.

Upon two occasions Mr. Litvinoff, representing Russia, pleaded with the disarmament conferences—and we were represented there by Mr. Gibson and others—for disarmament, and if that were not possible for important naval reductions in the military establishments of the world. His appeals were spurned. Our Nation did not accept his proposals or make suggestions that would have tended to relieve

the tension and to pave the way for the reduction of the military forces of the United and other nations.

Mr. President, I shall support the amendment offered by the Senator from Missouri [Mr. Clark]. For the reasons stated by the Senator from California [Mr. McAddol I am unwilling to put the burden upon the President of the United States of determining the extent of our armed forces. As great and as good a man as is the present occupant of the White House, I am unwilling to put into the hands of any President the authority to determine the size of the Army. In the past kings of Europe determined the size of their armies, and desired to control the purse as well as the sword. The struggles for liberty which finally culminated in reducing kings from despots to constitutional monarchs grew out of the resistance of the people to the claim that the king should prescribe the extent of the military forces and should have control of the purse.

The Congress of the United States, under our form of government, has the sole power to determine the kind and nature of our military forces. It has the sole authority to lay taxes upon the people. Let us maintain the integrity of the Constitution and the provisions therein found for the safety, happiness, and welfare of the American people.

Mr. FLETCHER. Mr. President, I desire to occupy the attention of the Senate for only a moment.

I understood the Senator from Utah [Mr. King], from whom I always hesitate to differ, because he is a great statesman and patriot, to say he is in favor of the motion of the Senator from Missouri [Mr. Clark], and yet he is opposed to leaving to the President the discretion as to when this increase shall be made. That is the very thing which is now involved. The very question which is before us is whether or not we shall strike from the bill, as it came from the House, the words "at the discretion of the President and in such increments as he may deem necessary from time to time." The Senate committee reported in favor of striking out the provision giving this discretion of the President, and the amendment was agreed to by the Senate. Now a motion is made to reconsider the action of the Senate upon that amendment.

Mr. CLARK. Mr. President-

Mr. KING. Mr. President, that motion, as I understand, is only for the purpose of moving to strike out the whole paragraph.

Mr. FLETCHER. That may be; but we are anticipating, and we have gone far afield to discuss something that really is not before us. The Senator from Missouri has not yet made that motion. He says he is going to make it, Very well. We shall have to discuss it at some time, and perhaps it is just as well to do so now. I have no doubt he will make the motion, but he has not yet made it. The only motion now before us is a motion to reconsider the action of the Senate on the provision of the bill which provides for giving discretion to the President.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. FLETCHER. I yield to the Senator from Missouri. Mr. CLARK. I simply desire to state to the Senator that since there seems to be so much confusion as to exactly what the issue is, my intention, as soon as I can get the floor, is to simplify the issue by withdrawing my motion to reconsider and moving to strike out the provision for increasing the Army. If that shall be defeated, I shall renew my motion to reconsider.

Mr. FLETCHER. I think that would be much better, because the question we are now discussing has not been debated at all, but everything else has been debated which it is contemplated may come up. We have not yet reached that point. It seems to me largely immaterial whether this provision remains in the bill or not, whether we accept the bill as it came from the House or do not accept it. Whether we strike out those words in the bill, as the committee reported and as the Senate has favored heretofore, or leave them in, is not very material.

reductions in the military establishments of the world. His appeals were spurned. Our Nation did not accept his proposals or make suggestions that would have tended to relieve and detail and responsibility that did not belong there at

all. I am perfectly willing to trust the President, as far as | that is concerned; but why pursue this favorite policy about Washington which is known as "passing the buck"? Why sidestep our own responsibilities and put them on the President?

That is the only reason why I voted in favor of striking out the provision. As the Senator from Utah [Mr. KING] has said, I think what the enlisted strength of the Army shall be is a matter for Congress to determine. It is a matter for Congress to say, not for the President; and I do not think we ought to undertake to charge him with responsibilities and functions which belong on us.

As to that question, if I may say just one word more, then I shall have concluded.

The Senator from Texas [Mr. SHEPPARD], the distinguished Chairman of the Military Affairs Committee, has already pointed out that under the act of 1920 the enlisted strength of the Army was fixed at 280,000. It is now 118,760. The bill as it passed the House, and as it is now before us without any amendment from the Senate committee, proposes to increase the number to 165,000. That means an increase of 46,250 over the present enlisted strength of the Army. That is 115,000 less than the strength authorized under the act of 1920; and that is the question which will be raised by the Senator from Missouri.

I think by all means we ought to stand by the bill as it passed the House.

Mr. COPELAND. Mr. President, suppose I move a reconsideration for the purpose of changing the language in line 22, page 10, to read as follows, and then the whole matter will be before the Senate:

Together with such additional sums, not exceeding \$20,000,000, as may be necessary.

And strike out line 23. Then the whole question will be before us of whether or not we will actually increase the Army. If the \$20,000,000 shall be inserted, according to the hearings before the House committee, that will defray all the expenses of the increase to the number proposed, including subsistence and clothing.

Would it be satisfactory to the Senator to have the debate proceed on that basis?

Mr. CLARK. Yes; that would be entirely satisfactory to me. All I wish is to have a square vote first on the question whether or not the Army shall be increased, and secondly, as to whether the increase is to be made mandatory or left discretionary with the President, as in the House bill.

I therefore withdraw my motion to reconsider.

The PRESIDING OFFICER. The motion to reconsider is withdrawn.

Mr. COPELAND. Now, Mr. President, I move a reconsideration-

Mr. FLETCHER. Mr. President, I suggest to the Senator from New York that he does not have to move to reconsider. He can offer his proposal as an amendment.

Mr. COPELAND. Yes; that is true. I move to amend, Mr. President, on page 10, line 22, at the end of the line, by inserting a comma and the words "not exceeding \$20,000,000", and then striking out line 23; so that, if amended, that part of the bill would read:

Pay of enlisted men of the line and staff, not including the Philippine Scouts, \$51,069,333, together with such additional sum as may be necessary, not exceeding \$20,000,000, to defray the cost of increasing-

And so forth.

That will place squarely before the Senate the question as to whether we shall or shall not increase the Army.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. COPELAND. Yes; I yield.

Mr. CLARK. I am unable to follow the Senator in his reasoning that putting in a limitation of \$20,000,000, which is the only change sought to be made by the amendment now proposed, will open up the whole question of increasing the Army. It seems to me the only way in which that question can be properly presented to the Senate is by a motion, which I propose to make, to strike out lines 22, 23, 24, and 25, on page 10, and lines 1 to 4, inclusive, on page 11. That is

the language which contains the authorization for an increase of the Army by 47,000 men, in round figures. It seems to me that is the only way in which the matter may be squarely presented to the Senate.

Mr. COPELAND. I shall be satisfied if the Senator proceeds in his own way.

Mr. CLARK. I have no objection to the amendment suggested by the Senator from New York. In fact, I should be very much in favor of it, although I still fear that it might be taken as an authorization for a deficiency appropriation.

Mr. TRAMMELL. Mr. President, a parliamentary inquiry. The PRESIDING OFFICER. The Senator will state it.

Mr. TRAMMELL. As I understand the rule, the Senator from New York has a right to seek to perfect the text that has been requested to be stricken out prior to putting the motion to strike out. If the Senator desires to offer that amendment, I think it would be in order and would have precedence over a motion to strike out.

Mr. CLARK. Nobody questions that. I agree thoroughly with the Senator from Florida. The only reason why I rose was to take issue with the Senator from New York on his theory that the adding of a limitation of \$20,000,000 would present to the Senate the subject of the increase of the Army.

Mr. COPELAND. Mr. President, after the debate in the early part of the session today it is apparent that this language included in the bill is involved; it is more or less deceptive and misleading, and, speaking for myself, not for the committee, I believe, frankly, that if we are to have a vote on the question of whether we are to increase the Army or not, we should have before us the exact figures showing the significance of our acts.

It has been suggested that the language "and other appropriations contained in this act " certainly contemplates that there should be a reduction in the appropriation for the Army engineers or other items. If we insert at the point I have suggested, at the end of line 22, the words "not exceeding \$20,000,000 "-which would be subject to change if somebody thought wise, but that is what the testimony before the House committee indicated as the required amount-

Mr. FLETCHER. It would at least go to conference. Mr. COPELAND. It would go to conference. General MacArthur stated to the House committee that to have 46.250 enlisted men, all privates of the seventh class, would require, for pay, subsistence, and clothing, \$20,382,000. If that sum were inserted in the bill, there could no longer be the criticism that we seek to rob other activities of the Army or of the Army engineers. Furthermore, it would indicate that there is no subterfuge and that we are not seeking to provide the certainty of a deficiency appropriation. It would be plainly stated as the action of the Senate that a sum of money not exceeding \$20,000,000 should be appropriated for the purpose of increasing the Army by 46,200 men. That would make it a fair, frank, honest statement.

Mr. GLASS. Mr. President, why should we appropriate \$20,000,000 before we determine whether or not we are to authorize an increase in the Army? It seems to me the simplest way to get the issue before the Senate-and I think the Senator from Missouri agrees with me, though he has absented himself momentarily from the Chamber—is to strike out, beginning on page 9, line 22, after the numerals "333", all the language on that page, including that proposal to be stricken out by the committee, and all the language on page 11 down to the words "enlisted men" on line 4. That would bring before the Senate immediately the question as to whether the Senate desires to increase the Army. Then, if it should be decided that the Senate does not want to increase the Army by 46,000, there will be no need of the Senator's proposed amendment relating to the \$20,000,000. If the Senate does want to increase the Army by the strength suggested, then the Senator's amendment, confining the appropriation within \$20,000,000, would be appropriate.

Mr. COPELAND. That procedure is entirely satisfactory to me.

Mr. McNARY. Mr. President, will the Senator from New York yield?

Mr. COPELAND. I yield.

Mr. McNARY. I join with the able Chairman of the Committee on Appropriations in that request. From a parliamentary standpoint, that is by far the most logical way in which to proceed.

Mr. GLASS. It seems so to me.

Mr. McNARY. If this language is stricken out, the issue will be squarely presented. If it remains, then the amount of money which is to be expended, which is to be a limitation, can later be ascertained.

Mr. GLASS. I think so. I may say, before taking my spat, that in the committee I voted against increasing the Army, because I do not believe there is any need for an increase in the Army. I do not believe there is any nation on earth which contemplates attacking the United States. Faced with the record of recent years, when, without any preparation whatsoever, we transported, 3,000 miles across the sea, in a very brief period, to the amazement of the Congress itself, 2,000,000 men without the loss of a single life, considering the resources of this country, with its wealth and power, it is inconceivable to me that any nation can have any desire to go to war with the United States. I think that if we should devote one tithe of the effort to maintaining peace in the world that we devote to preparations for wars which are not going to occur, we would get on infinitely better than we do. Therefore I hope it may be the judgment of the Senate to refuse to increase the Army at this time.

Mr. COPELAND. Mr. President, the Senator from Missouri is not in the Chamber. Perhaps someone else will offer the motion.

The PRESIDING OFFICER. Does the Senator from New York withdraw his proposed amendment?

Mr. COPELAND. Yes; I withdraw the proposed amendment.

Mr. McNARY. Mr. President, I think, as I stated a moment ago, that the logical way to proceed is to strike out the language which has been referred to before an effort is made to increase the size of the Army. In view of that situation, in behalf of the Senator from Missouri, who is not in the Chamber at present, and other Senators who are interested, I am going to assume to suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Radcliffe Adams Costigan La Follette Ashurst Lewis Logan Lonergan Reynolds Robinson Couzens Cutting Dickinson Austin Bachman Russell Bailey Bankhead Long McAdoo Schall Dieterich Donahey Duffy Schwellenbach Barbour McCarran Sheppard Shipstead Bilbo Black Fletcher Frazier McGill Smith McKellar Steiwer Thomas, Okla. Thomas, Utah George Gerry Bone McNary Maloney Metcalf Borah Gibson Brown Townsend Trammell Bulkley Glass Minton Gore Moore Burke Guffey Murphy Truman Byrd Hale Harrison Tydings Vandenberg Neely Norbeck Norris Byrnes Capper Carey Hastings Van Nuys Hatch Hayden Johnson Nye O'Mahoney Pittman Clark White Connally Coolidge Copeland Keyes King Pope

The PRESIDING OFFICER. Eighty-nine Senators having answered to their names, a quorum is present.

Mr. McNARY. Mr. President, before the quorum was called I made a suggestion in order to effectuate an orderly procedure. I am not in sympathy with the suggestion I made, other than from a parliamentary standpoint. I assumed that the Senator from Missouri, upon his return to the Chamber, would probably follow the suggestion and offer the amendment.

Mr. CLARK. Mr. President, I move to strike out on page 10, in line 22, after the numerals "333", all down to the semicolon in line 4, page 11. In other words, I move to strike out the following language:

Together with such additional sums as may be necessary under this and other appropriations contained in this act to defray the cost of increasing the enlisted strength of the Regular Army from an average of 118,750 to an average of 165,000 enlisted men.

Mr. President, I desire to detain the Senate only very briefly in this matter, because it is a subject which has been discussed at some length for 2 days.

As I listened to the eloquent address of the distinguished Senator from Illinois [Mr. Lewis] this morning, with its horrific and gruesome picture of the imminent subjugation and probable dismemberment of the United States, I was reminded of a conversation I heard nearly 30 years ago between my father and the original author and inventor of the device of having a Japanese war scare every time there was a military or naval appropriation bill under discussion in Congress. I refer to the then captain, now admiral, Richmond Pearson Hobson-Captain Hobson, who originally devised this system of propaganda. Older Senators, men who served in the House in those years, will recall that every time a measure for a great navy or for a large increase in the Navy was about to be considered in the House of Representatives or the United States Senate Captain Hobson would take the floor of the House to eloquently discourse on the imminent danger of war with Japan, with dire prophecies of the complete subjugation of the United States.

I recall that on one occasion he came in the evening to call on my father, and as a youngster I was permitted to be present and see and hear him paint this picture of imminent attack and desolation, and after listening to him for about 4 hours describe how we were to be immediately attacked by Japan, with the possibility that Japan would be able to conquer all that portion of the United States west of the Rocky Mountains and probably permanently retain the Pacific coast as a vassal province of Japan, I was so frightened that I was almost afraid to go to bed for fear that there would be Japs underneath the bed to take me away during the night. And after 4 hours of this sort of discussion my father turned around to Hobson and said. "My God, Hobson, if I believed what you believe, I would not think one battleship or two battleships would do us any good "-there being at that time a dispute as to whether there should be one battleship constructed or two battleships constructed. My father said, "If I believed as you believe I would not believe that an increase of one battleship or two battleships would do us the slightest good. I would be in favor of mortgaging everything in the United States and building a thousand battleships to protect ourselves.'

And so I say today, Mr. President, to my distinguished friend from Illinois [Mr. Lewis], to my distinguished friend from Arizona [Mr. Ashurst], and to my distinguished friend from California [Mr. McAddoo], and others, that if I believed as they believe—that there was very imminent danger of Japan and Russia jumping on us for the purpose of dividing our property and possessions between them; and if I believed that we would probably be hopped on from the rear at the same time by a coalition of Great Britain and France and Italy and Germany no doubt, I would not believe that an increase in the standing Army of 47,000 men would be of the slightest measure of safety to us, and I would be in favor of mortgaging everything that we had and adding at least 4,000,000 men to the standing Army, and building as many battleships as could possibly be constructed.

Mr. COSTIGAN. Mr. President, will the Senator yield? Mr. CLARK. I yield to the Senator from Colorado.

Mr. COSTIGAN. If an emergency should arise of the kind described by the Senator from Missouri, is there any reason why Congress should not be assembled in extra session to meet the crisis?

Mr. CLARK. I will say to the Senator from Colorado that I cannot understand any reason why that should not be done, and I furthermore cannot see, in the face of a coalition of such powerful nations as Japan and Russia—the case put by the Senator from Illinois, to say nothing of the darkling intimations made by the Senator from California as to others that might possibly be preparing to attack us—I cannot see that the difference between an army of 18,000 men and an army of 165,000 men would be in any substantial way material.

The fact is that we are spending year after year more on armament than any other nation in the world. And we have been going right on doing that while at the same time we have been loudly preaching disarmament and a reduction of armament. To be sure, so far as our standing Army is concerned, it is relatively very small. It always has been. Of course, the reason we are spending more money on armament is that under our system we get less for our money than any other nation in the world. But so far as national defense is concerned I assert without the fear of successful contradiction that the increase here proposed would have no material effect on putting the country in the state of defense, and that the only possible effect that this increase can have is to squander millions and untold millions, because there is no limitation on the amount to be expended, and the Senator from Iowa [Mr. Dickinson] was undoubtedly correct this morning when he said that the language in that bill could be taken as authority for a deficiency appropriation if the War Department created a deficiency. The only possible effect of this increase is to squander millions of dollars of the taxpayers' money in this time of profound depression and to give the jingoes and the militarists in other countries an excuse for going back in the same old vicious circle and advocating greatly increased appropriations for armament in those countries.

We saw this week an official statement from the British Government in which they assigned, among other causes, for asking for a vastly increased military budget, the fact that the United States was increasing its expenditures.

It is for that reason, Mr. President, in order to present this question squarely to the Senate, that I move to strike out the new language.

Mr. GLASS. And yet, Mr. President, I call the attention of the Senator from Missouri to the fact that there is scarcely a British statesman known on this side of the water who has not said over and over and over again that war between Great Britain and the United States is something incredible.

Mr. CLARK. That is perfectly correct.

Mr. DUFFY. Mr. President, I wish I could be in agreement with the sentiments expressed by my good friend from Missouri [Mr. CLARK]. The Senator from Utah [Mr. KING] this morning stated that when the National Defense Act was enacted, which authorized the Regular Army up to 280,000, that which was done was done under the effect of war-time hysteria, and that we had not recovered from the conditions that were in effect during the World War, and therefore such a large authorization was made. In my opinion, that action was taken because of the fact that the terrific cost of unpreparedness, which had taken so many hundreds of millions of dollars in fortune and hundreds and thousands of lives, was fresh in our memory at that particular time, and we did not want to repeat the experience we have had in the case of every war in which we have ever engaged, of being lamentably unprepared, and then being compelled to spend millions and millions, and even billions, of dollars extra because we did not have some sort of a sound foundation on which to rest our preparation.

It is all very well to hope that war will never come. I sincerely hope so. I have three little fellows coming along who I hope will never have to go to war. But if the time should come, I want them to have just as good rifles in their hands and just as good artillery backing them up as the fellows who are shooting at them. And it seems to me that the suggestion of the addition of some 40,000 men to our Army cannot in any way be taken as a militaristic gesture.

The testimony of General MacArthur and of others who have made a careful study of the subject shows that with more than 40,000 of our Regular Army in foreign possessions, away from the mainland, and with only some 80,000 in continental United States, as I recall the testimony, in case after case there is not only just a skeleton organization but the Army is absolutely hampered, so that in time of an emergency it would not have sufficient personnel to provide immediately the proper training.

Of course, we do not anticipate having, nor do we desire, a large standing Army. I think if the proposed increase should

be provided our Army would then be somewhere near the strength of that of Portugal or Greece or some of the other small countries on the other side of the ocean. In my opinion, we must face the situation as it is. We cannot just hope for peace and refuse to see the conditions that today exist in the world.

It seems to me that we cannot emulate the ostrich and say we will not be prepared, and that we thereby shall avoid war. Such a policy never has succeeded in the past. I am certain that at the time the Spanish-American War broke we certainly were greatly unprepared. Certainly that was true in the World War, and I think my friend the Senator from Missouri and others of us who were over on the other side know that many hundred American lives were sacrificed because of the absolute inadequacy of training and lack of equipment, and the great handicap incident to engaging in war on such short notice.

If the addition of 40,000 men, which seems to me so essential and so necessary, could be interpreted as a bullying or militaristic gesture, I would be against it; but I think there is nothing in the history of this country to indicate that our people are inclined in any such direction.

It seems to me that the increase proposed in the Army is entirely reasonable, in order that we may put our house in shape if in the future such a dread thing as war should come.

No one more earnestly hopes that there will not be war than those who went through the last war; I feel very certain of that, and yet at the same time it seems to me that we are not so secure as some may imagine. As I recall the geography, right off our eastern coast are a row of islands, some of them within 40 or 50 miles of the mainland, owned by a government with which we very fortunately have been on friendly terms, and yet just a little while prior to our entrance into the World War we all know that relations were so strained at one time because of the interference with our rights on the part of Great Britain that people doubted what the consequences might be. With all those islands right at our very door, which are really weapons pointed at the heart of America, if the nation owning those islands is in good faith about wanting to pay us its war debt, personally I do not see why something could not be done to remove that menace from us. We read recently about a survey of airport sites upon some of those islands just off our doorway.

I sincerely hope we may continue at peace with that great nation, but I do not believe in refusing to face facts as they are, and by providing for this slight increase in the number of the Regular Army, which will furnish a training force if an emergency ever should arise, it seems to me that we shall be pursuing the part of wisdom. I think such an increase is justified. It would cost some \$400 a year for each of the additional men. If we should take off the relief roll 45,000 young men and put them in the Army and give them the training the Army affords, it would not only make for fine young manhood, it seems to me, but it would also be advantageous from the standpoint of national defense, and in these times would not be ill-advised action.

Mr. BORAH. Mr. President, it seems to me that the argument of those in favor of this increase in the enlisted personnel of the Army proves too much. If the situation is at all as indicated by those who favor the increase, then the additional number of men would be wholly inadequate; it would amount to nothing in such circumstances. We should either meet the situation of which we are told by providing an adequate preparation, or the entire argument in favor of the proposal falls to the ground. In other words, we are proposing to expend this additional sum of money in order to provide the additional number of soldiers without any hope whatever that our action will be of any service in case a condition should arise such as seems to be contemplated by some of those supporting the proposition. Why not consider the question upon the bases of the taxpayers' interest and of economy?

I do not entertain the fear which is entertained by some of the possibility of conflict with Great Britain or with

Japan. I do not think there is a possibility of any conflict with Great Britain. Why should Great Britain go to war with us when she secures everything she desires through diplomacy? [Laughter.]

In addition to that, she has every reason in the world economically, from a trading standpoint and from the standpoint of her own prestige, never to engage in conflict with the United States. It is my humble opinion if a war should occur between Great Britain and the United States that the British Empire would break up over night. Two of her most powerful dominions would not cooperate with the mother country in any such movement, and the statesmanship at the head of the mother country would not permit anything in the nature of a conflict between this country and Great Britain. It would be unwise from every conceivable national interest, and she could not succeed.

As to Japan, if I understand the program of Japan, it is not that of looking toward the United States. Japan undoubtedly has a program with reference to the Orient; she undoubtedly has in mind the extending of her dominion or her influence or her control, at least, to parts of the Orient; but under what possible theory, judging from the standpoint of expediency or public welfare, could Japan seek a controversy with the United States? Her plans indicate no such suicidal program. Mr. President, I do not entertain these fears. Of course, anyone may be mistaken about such a situation; we can only offer such views as we have, and upon those views we act here; but if any such program as is contemplated is anywhere in the offing, why stop at 46,000 soldiers? It will not do anything other than possibly indicate our own inadequate conception of the situation which confronts us.

Therefore, Mr. President, I shall support the amendment offered by the able Senator from Missouri. I support it because I feel it is one of those items of expenditure which we ought not to incur under the conditions which now confront us.

Mr. SHEPPARD. Mr. President, I wish to point out once more that this proposed increase in the strength of the Army is not requested on the basis of preparation for war. It is solely a question of what is an adequate peace-time strength for an army if we are to have an Army at all. The war strength of an Infantry division is about 20,000 men. The lowest strength at which it can be effectively trained and kept immediately ready for effective action is approximately 12,000 men. The National Defense Act contemplated the maintenance in continental United States of nine regular divisions of this size, supported by necessary groupments of special troops. At present we have but 3 extremely skeletonized divisions and 6 weak brigades, averaging about 6,000 and 2,000, respectively.

Manifestly the Army cannot operate on a peace-time basis and maintain the necessary training nuclei with only 118,000 men, especially when we recall that about 35,000 of them are already in oversea possessions and that the garrisons in those oversea possessions are themselves undermanned. The increase desired will enable us to have four divisions of 12,000 each. This will provide an effective basis for a military organization sufficient for immediate existing needs. It will also enable us to place other units on more than a paper basis and to increase the Air Corps to the strength authorized by the act of July 2, 1926.

Mr. HAYDEN. Mr. President, supplementing what the Chairman of the Committee on Military Affairs [Mr. Sheppard] has said, I am sure no member of the Committee on Appropriations in recommending this increase in the strength of the Army had any idea that the purpose of the increase was to provide against any immediate or even approximate danger of war. The fact is, as the senior Senator from Texas has so well stated, that there are not now a sufficient number of men in the Regular Army properly to care for the property of the Army. I refer to Army posts and to other valuable property in various parts of the United States now practically in the custody of caretakers and not adequately cared for.

The Regular Army is used to help train the enrollees of the Civilian Conservation Corps; the Regular Army is used to help train members of the Officers' Reserve Corps; it is used in connection with the citizens' military training camps. Everyone recognizes that the Regular Army of the United States is nothing more than a skeleton. If it is to be a serviceable skeleton, it ought to have good, sound bones, and there ought to be sufficient bones to make a complete skeleton.

When our country has gone to war, we never have depended upon the Regular Army to carry on the war; but it does provide the nucleus for a great army. We sadly needed such a nucleus when the World War broke out. We did not have a sufficient number of trained officers to go around. That is why we maintain the Military Academy; that is why it is absolutely necessary to maintain the National Guard, upon whom, in part, we have to depend, and the Reserve Corps, upon which, in part, we also have to depend; and we must have sufficient men in the Regular Army to do the training work.

The quickest way to have a real army is to expand its units. If we keep a peace-time company on a basis of 90 to 100 men, and war is declared, the quickest way to train a larger force is to put an additional number of men in each regular unit—to raise the company to a war strength of 250 men.

The raw soldier will learn how to do his work quicker and better by associating with trained soldiers in an expanded unit. That is all the Regular Army is for; it is to afford a proper nucleus that may be expanded in time of war. We have not now an adequate number of men in the Army, and I think the House of Representatives was wise in providing this increase. The Senate should concur in what the House has done.

Mr. CAREY. Mr. President, I hope the Senate will not vote to strike out this provision. I happen to be a member of the committee; I attended the hearings and heard the testimony. The purpose of this increase in the enlisted strength of the Army is simply to prepare the first line of defense. General MacArthur has testified that we require 46,000 men in order to be ready for the first emergency. Someone has asked why not a million men or some such number as that? Forty-six thousand has been selected as the number, because that is the number required to bring five divisions of the Army up to the proper strength.

We have in the United States today but 50,000 combat troops. They are scattered from one end of the country to the other. If this increase shall be provided for, it will mean 46,000 additional fighting men, not men in the Quartermaster Corps or units of that kind.

As I have said, I attended the hearings; I heard General MacArthur; and I am convinced that the proposed increase in the strength of the Army is necessary if proper protection is to be afforded the country. I hope the Senate will not vote to strike out this provision.

Mr. FRAZIER. Mr. President, the standing Army is not the only force the Government has in the way of soldiers. We have at the present time a National Guard in every State in the Union, whose members constitute a part of the National Army. We have the Reserve Officers' Corps, composed of men who have had military training for 4 years in colleges throughout the Nation. I have not the figures as to their number—I presume the chairman of the committee or the Senator in charge of the bill could produce the figures—but they constitute a large number of men, much larger than the number proposed for the Regular Army of 165,000. They number considerably over 200,000; in fact, as I remember, the number is about 400,000.

It seems to me it is unnecessary at this time to spend another \$20,000,000 for a larger Army. Whatever may be said about increasing the Army for defense or creating just a nucleus for defense is based largely upon imaginings. The history of the world proves that when any country has increased its Army or its Navy, its fighting forces in general, it has been for war and not for peace. The countries which

have been armed to the teeth have been the ones first to | become embroiled in war. There is no question about that. It has been proven time after time.

It has been said that a standing army is no adequate defense, that a great navy is no adequate defense under the present scientific system of warfare. Even a great air force is not an adequate defense. It is true we might increase our Army to the size of that of Great Britain, or any other nation, and that we might in like manner increase our Navy and our air force. But suppose several of the other nations should join together, then what would be the situation? It would be impossible for us to increase our Army to equal that of the combined forces of the other nations, and even if that could be done it would afford no adequate defense. It has been proven time after time, especially in the matter of air forces, that it is impossible to keep the enemy bombing planes from doing terrific damage.

The sham battle conducted by air forces over London a few years ago is the best example of that fact. That sham air battle over London was better evidence than any other kind of a sham battle has ever produced. In that sham air battle there were a number of experts to watch the maneuvers and then to report their observations. After several days of the sham battle they reported that it was absolutely impossible to keep the enemy planes away, that they would come in under cover of darkness, or storm, and that one of those great planes would be sufficient practically to annihilate the business section of the great city of London.

Since that time there have been invented bombs much more deadly in character, including bombs carrying disease germs. The airplane service itself has been greatly improved. It is now possible to send a bombing plane by robot, directed by radio. It is said such planes can be directed accurately to drop bombs wherever it is desired to drop them. If a robot plane is shot down, it involves the loss only of the plane, which would explode wherever it happened to light. It is claimed such planes can be controlled as accurately as if a man were at the wheel in the plane itself.

It is my opinion that the increase proposed in the Army would not furnish an adequate defense at this time. When we need so much money for relief purposes, to take care of our own people, to develop projects in our own land, it seems to me to be rather absurd to expend so much money in preparation for war. I cannot see it in any other way.

One of the Members of the House of Representatives, discussing the question a few days ago on the floor of the House, used an illustration to which I will refer. He said, "When you see a boy take a fishing pole over his shoulder on Sunday morning and start down the street, you do not think he is going to Sunday school, and he is not." He gave other illustrations of a similar kind. When we see a nation increasing its armament spending in peace time, in preparation for war, more money than is being expended by any other civilized nation on earth, it is difficult for me to believe it is being done for any Sunday school purpose, for so-called "adequate defense", or anything of that kind. When a nation increases its army and navy, it is done for war purposes either at home or abroad.

It has been intimated and suggested by the press that those in control here at home are afraid of some of our own people. Much has been said about the "red" scare, that even students in colleges are becoming radical, that we need a large Army for protection from our own people here at home. There may be something to that, though I do not know; but it does not worry me at all. If our Government can prove itself to be a better government than any other form of government in the world, and can take care of its own people, there is no danger of any radical uprising in the United States. The people demand-and I think they are within their rights in demanding, for their benefitproper attention and proper care and proper legislation at the hands of the Congress.

Mr. President, it would seem to me that the motion of the able Senator from Missouri [Mr. CLARK] should by all

means be adopted, that we should save that little item of \$20,000,000 and thus demonstrate to the people of the United States and to the people of the world that the United States Government is not increasing its army in preparation for war.

I have gone through the bill quite carefully. There is an increase over last year's appropriation in practically every item in the bill, not to make a better army, but to give the War Department more money to spend. There seems to be an orgy of money spending, anything to spend the Nation's money. I cannot quite understand it. The bill should go back to the committee with instructions to reduce a great many of the items, and thus save money for other purposes than are included in the bill. In any event, and by all means, I think the particular motion should be adopted.

Mr. AUSTIN. Mr. President, if we are to base the conclusions of the Senator from North Dakota [Mr. Frazier] upon his premise that there is a part of the regular armed force of the United States equal in number to 400,000 which is not to be identified as the professional or Regular Army element, then we ought to have the exact figures before us rather than his estimated figure. For that purpose I invite attention to the annual report of the Secretary of War for 1934, which gives the figures.

Let it be understood that the Army of the United States consists of a professional or Regular Army element, and two civilian components, the National Guard and the Organized Reserves. The two last were mentioned by the Senator from North Dakota.

Mr. FRAZIER. Mr. President, may I ask the Senator from Vermont what is the total?

Mr. AUSTIN. I am about to state it.

The National Defense Act fixed the enlisted strength of the National Guard at approximately 425,000, a figure which has never yet been even remotely approached. Today the guard aggregates about 190,000 in all ranks, organized into 18 infantry divisions and certain auxiliary and supporting troops. I am quoting from page 51 of the report.

On page 52 of the report will be found a statement with reference to the number of the Organized Reserves to the effect that "the current strength is approximately 89,000."

I submit that for the consideration of the Senate as being approximately half the number upon which the Senator from North Dakota based his conclusion.

Mr. FRAZIER. Mr. President-

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from North Dakota?

Mr. AUSTIN. Certainly.
Mr. FRAZIER. I did not understand just what branches were included. Does it include the National Guard?

Mr. AUSTIN. It includes the two civilian components of the Army—the National Guard and the Organized Reserves.

Mr. FRAZIER. The Senator must remember that we have a few thousand in the military training camps which have been conducted during the past several years. That number is being increased to 37,500.

Mr. AUSTIN. I know that is so. That was not previously remarked upon. I was merely trying to correct the figures stated by the Senator. It is true that auxiliary to the forces which I have repeatedly mentioned, but not a part of the Military Establishment, are the Reserve Officers' Training Corps and the citizens' military training camps.

Mr. FRAZIER. I included those in my statement, and stated that I was not accurate as to the figures.

Mr. AUSTIN. If the Senator did so, let me give the exact figures. Of course, it should be understood that these organizations are only feeders, to be used only optionally, and that they are not a part of the Regular Army element.

In one year-I am reading from page 53 of the report-a maximum strength of the citizens' military training camps of about 38,000 was attained, while in 1934 this figure fell off to only 14,000.

Mr. FRAZIER. Mr. President, will the Senator yield again?

Mr. AUSTIN. I yield.

Mr. FRAZIER. In the case of the Reserve Officers' Training Corps, of course, those who have graduated from these courses for years are still subject to call by the Government.

Mr. AUSTIN. Mr. President, they are, provided they have accepted an officer's commission from the Government. They are not subject to call if they have not accepted that commission; and, as the matter works out, there is only a small class every year graduating in these land-grant colleges where military training is given under the Morrill Act who obtain officers' commissions that may be had and thus articulate themselves voluntarily for call if the emergency should arise. That is a very small number. The regular habit of boys in these universities is to take 2 years of military training and then not carry on for the remainder of the 4 years, and in those instances where they do not seek commissions they generally do not go to these camps to extend their study in the field. If they do not have this camp experience they are not entitled to commissions upon graduating from the university.

Mr. FRAZIER. Mr. President, will the Senator yield further?

Mr. AUSTIN. I yield.

Mr. FRAZIER. As I understand, they are not eligible to attend a camp unless they take the complete 4-year course in the college.

Mr. AUSTIN. I understand differently, Mr. President. They are eligible to enter the Citizens' Military Training Camps even though they are not in college.

Mr. FRAZIER. In the citizens' military training camps, yes; but in the R. O. T. C. it is different.

Mr. AUSTIN. In the Reserve Officers' Training Corps, I believe they are eligible—I am not prepared to state that positively—immediately after they have commenced their course in college. I believe that in the very first vacation after the freshman year they are eligible.

Mr. FRAZIER. Mr. President, if the Senator will yield further, they certainly are not eligible to appointment as Reserve officers when they first enter, unless they have previously had military training.

Mr. AUSTIN. The conditions for a commission, of course, are entirely different from the conditions for taking the required amount of 2 years' study in military tactics and drill; but so far as the number of men who actually get into a position where they are subject to call is concerned, it is relatively small—I believe too small.

Mr. VANDENBERG. Mr. President, I desire to offer only a brief observation, and bring the debate back to what I consider to be the reality of the pending question.

Inasmuch as I am one of those who believe in the philosophy of adequate preparedness and who fully share the viewpoint of the able Senator from Illinois [Mr. Lewis] respecting the national defense upon all occasions insofar as I can be impressed with the true necessity, I rise only to say that I am unable to believe that we confront an emergency crisis which requires sharp and sudden defense increases.

The President of the United States is under constitutional compulsion to advise Congress if and when America confronts any such emergency. The President of the United States is under annual constitutional compulsion to serve us by message with any warning of an impending threat or menace. The President of the United States responded to this responsibility in his annual address delivered upon January 4, 1935, from which I read the following sentence:

There is no ground for apprehension that our relations with any nation will be otherwise than peaceful.

The official notification to the Congress from the responsible officer of government in charge of our foreign relations in respect to these responsibilities is that none of the jeopardies and hazards that have been darkly conjured here upon the floor this afternoon are, in fact, imminent or in existence. I add that the President is not a pacifist and would not hesitate to ask for whatever armed forces we may need, if he sees an external crisis coming.

Any time the Commander in Chief of the American Army, the President of the United States, upon his responsibility says to Congress that the Army should be increased, I shall rise and join promptly with the Senator from Illinois in providing the essential units; but so long as the President of the United States stands upon the proposition that—

There is no ground for apprehension that our relations with any nation will be otherwise than peaceful—

I submit that we are not called upon to contemplate this appropriation bill in terms of a national emergency.

If and when an emergency is remotely in sight, and the President will identify it, I shall respond without limit. Any time he identifies a real preparedness need, I shall respond. I insist, however, under the existing circumstances, that we are entitled to consider this problem as an appropriation-bill problem and nothing else; and as an appropriation-bill problem, I submit that there is no justification whatsoever for attempting to increase the size of the Army by an indirect and anonymous appropriation-bill provision which is not candid and which does not even attempt to provide the money to pay the bill. This business of everlasting spending, without direct provision to raise the needed money, has got to stop pretty soon if any semblance of the public credit shall be preserved.

The bill itself, in respect to its appropriations for the Army, proposes to spend \$45,000,000 more than last year.

In addition to this identified appropriation, we have heard of \$132,000,000, as estimated by one expert, which it is contemplated will be diverted from the \$5,000,000,000 work-relief measure to Army construction purposes. We have heard of that item in the sum of \$405,000,000, as estimated by the Chairman of the House Military Affairs Committee; and now we run across another hidden item, which may be \$20,000,000 or may be considerably more, which, from some unknown, unidentified source, must be drawn upon in order to provide another amazing increase in the total cost.

I submit that whatever the Army needs the Army should ask for in an orderly fashion and get upon its merits; and whatever appropriation Congress proposes to make for the Army and the national defense it should make for the Army in the open light of day and by direct action, with tax attached, so that the Nation will know what is being spent and so that the Congress may discharge its fiscal function and responsibility.

Mr. LEWIS. Mr. President, I listened this afternoon with great interest—indeed, with surpassing information and something of emotion—to the address of the able Senator from Virginia [Mr. Glass], whose great ability has often guided this body, and to whom we all certify a splendid leadership in anything where his ringing voice calls out for following.

In connection, however, with that able Senator's announcement earlier today that under no conditions, in his honest judgment, would we have conflict with any nation leading to war, I must ask him if in the month of January 1917 he, then an eminent leader of the House, was not equally of the opinion that under no circumstances would we be drawn into the World War; and did not that very able Senator, in a very capable address, likewise oppose what he thought was an unnecessary expenditure, because he felt it was putting upon us a burden which would not be justified by events that would arise; and yet did he not see us drawn into the World War by April, three months and a half after his very able discussion and the expression of his eminent confidence?

Mr. GLASS. Mr. President, I will answer the Senator by saying that I have no recollection of anything of the kind. On the contrary, I thought we ought to have gone into the war 2 years before we did.

Mr. LEWIS. It is interesting, then, to observe rather a change in my eminent friend. If it is his opinion that we should have gone into the war 2 years before we did, it would indicate that our friend recognizes that this country is in danger at times and should be prepared to defend itself; for

surely he would not have advocated that we go into the war! 2 years before in the unprepared state he will admit we were in.

Mr. GLASS. We went into it in an unprepared state-

Mr. LEWIS. The able Senator is quite right.

Mr. GLASS. But we got prepared mighty quickly.

Mr. LEWIS. I wish I could concur in that statement. I should like to feel that the Senator is correct in it. The spirit was prepared, because it is America, but not our Army.

The able Senator earlier in the day called attention to the fact that our ships bore thousands and thousands of men across the sea, in all the tides and storms, but that we lost not a man.

Mr. GLASS. I said 2,000,000 men.

Mr. LEWIS. Yes; I said the Senator did-thousands and thousands. It is true, sir, and the fact that under that leadership, whether by the Secretary of the Navy or our whole Government, we had such excellent results, is something to be greatly commended and something we dwelt on with great and justified praise; but I must invite my able friend to recall that after we had landed these men we were still in the position of an unprepared country; and I was there in the conflict and saw the lack of preparation which bore results which never should have been put upon America.

I wish to ask my able friend, however, if it be true, in his belief, that by increasing the Army we are likely to awaken resentment, if it be true that by having only a small Army we awaken friendship, then why not have no Army at all, and multiply the friendship by having no defense whatever?

Mr. GLASS. Mr. President, I will say to my friend that I have not suggested anything about resentment. I do not think anybody who has any sense—in Japan or Great Britain or Germany or France-would regard an increase of the Army of the United States by 46,000 as affecting their action in case of war. I am looking out for the taxpayers of the country and not bothering about what foreigners think about the matter.

Mr. LEWIS. Mr. President, I take the suggestion and accept it literally as the Senator has given it to us. It may be, indeed it is true, that the small amount we are asking now would not, in the nature of numbers, influence any country that is contemplating an assault, or is being prepared for an assault in other directions which might incidentally or collaterally involve us, but the spirit of this country is indicated by the effort toward defense, and that is what it is that has an influence on the other lands. I concur with the Senator from Virginia that we do not anticipate war with England.

Mr. GLASS. I say to the Senator that I make this concession, that it will enable militarists, perhaps, in other countries, to tax their taxpayers more in order to increase their armies and increase their navies; and that is about the only effect it will have.

Mr. LEWIS. I answer that it may be true that in making this levy we increase a tax. But how much greater is the tax we put upon the people when we are brought into conflict without having made any preparation at all, or without having made adequate preparation? Failure to make adequate preparation is what in the past has forced the extra multiplied taxes upon the people which otherwise would have been avoided by an ordinary and natural and just preparation.

I wish to say that I concur with the able Senator in the allusion he makes as between ourselves and Britain. There is no intention on the part of our country to make war upon Britain, nor Britain on us. But the able statesman from Virginia will not overlook the fact that if we became involved with a country which is in an alliance with Britain, under conditions under which Britain was compelled to participate; under such conditions as that we would find ourselves in conflict with a friend.

Mr. GLASS. Mr. President, there is no nation on earth in an alliance with Great Britain that would compel Great Britain to go to war with the United States, and there is never likely to be such an alliance.

Mr. LEWIS. Such a confidence, Mr. President, I really envy. [Laughter.] I wish I were so constituted by nature that I could carry to myself that unction of consolation.

I have seen a certain nation, in one breath and at one time professing devotion of friendship, yet biding its time and then, finding us in a peril, seize our ships, loot them from the interior, repress our people, and only through the efforts of the Christian civilization of our land bidding us to be patient were we able to avoid conflict. It is because of the relation of that country to another country; there is where the danger comes.

It cannot be expected, I must say to the able Senator from Virginia, that if this renowned nation shall be an ally of another nation, and that other nation have a conflict with us, that that nation, Britain, would step out from her honorable obligation of alliance to our opponent merely because we were America. It has not been so in the past. But I do not anticipate war, and these observations of mine are not being based upon an expectation of war. I trust we may avoid it, and the way to avoid it, sir, is to be prepared for it.

I now wish to call the attention of my able friend from Michigan [Mr. Vandenberg] to this fact. The eminent Senator says he would be quite ready to join me and any other fellow Senators in the matter of defense, but he makes the condition that here is Congress, and that this is the institution and the agency that is to be employed.

My friend says it is for the President to advise us when we are in peril. Yes; but how is the President to be advised of peril that is kept from him? Are these lands going to announce to the President by a special wireless, "We are being prepared to assail you. I wish you would advise your Congress to get ready?"

Mr. GLASS. Have they announced to the distinguished and eloquent Senator from Illinois that they are going to attack us?

Mr. LEWIS. I will say to the Senator that I draw a conclusion from the President's message, which I shall read to him. While it is true, as the able Senator from Michigan has pointed out, that the President said that he felt that our relations were friendly, and he desired to accent his desire to continue them, the President says:

I cannot with candor tell you that general international relationships outside the borders of the United States are improved.

Mr. GLASS. That means that they are going to fight among themselves, and not with us.

Mr. LEWIS. It may be that they will fight among themselves, but it was because of a fight among themselves in Europe that we were drawn into it. If it had not been for the fight among themselves, I will say to my able friend from Virginia, we would not have been in a fight in Europe.

Mr. GLASS. If they had not submarined our ships, we would not have been in the fight in Europe, either.

Mr. LEWIS. I concur. Mr. GLASS. It was not the fight between European nations that bothered us; it was the encroachment upon our rights upon the high seas that drew us into the war.

Mr. LEWIS. I so stated this morning, as will be recalled, when I assumed to enter into this discussion, coming from an absence, and having a feature of the amendment of the able Senator from Missouri confused.

I now state that that is just our peril, as I see it. We were drawn into it, as the able Senator from Virginia says, by the assaults upon our ships. But I ask the eminent scholar of government, where in international morality law or public morality, was there really a difference between the assault by Germany through her submarines upon the ships and the assault of another nation which seized the ships and carried them into their ports and, under the power of search, searched the ships and repressed our seamen, and that being done on the ground of a violation by us of what was called international law?

Mr. GLASS. It was a violation by us of international law, because the ships seized were carrying contraband of war.

Mr. LEWIS. It may be that there were some instances, but we allowed those who seized the ships to be the judges of whether we were violators or not. I think it was a sad chapter in American history when we allowed the judgment of the outside world to make us a convict before the earth and held us up as a criminal before civilization, and left them the sole judges, without trial of America in a proper forum of public opinion.

Answering again my able friend from Michigan, the President could not be advised all the time of the facts. It is, no doubt, true that if he were, he would advise the Congress of the dangers, and Congress would assemble as soon as it could. Is it possible that we are to take no steps to anticipate conditions we ourselves see as an aid to the country? Do we represent the country, or do we not? Are we to wait for the Commander in Chief to inform us of the evils and dangers so apparent to the public eye that he may behold them and we be so blind as not to observe them ourselves, and not go forth in a courageous manner as the public servants of the Republic?

I do not want war. I hope against war. I certainly pray against every form of conflict, but I cannot overlook the history of the past, which teaches us that the way to avoid conflict is to let any land that contemplates behold that we are

in a spirit to prepare against it.

Since, as my able friend from Virginia well concedes, the President called our attention to the conditions of the world at large, it is as against those conditions that we rise to confront them. While it may be true that certain lands of Europe may be invited in some form, or incited by some action of ours, to take some course among themselves, the distinguished Senator from North Dakota [Mr. Frazier] says that because we increase our Army we indicate that we therefore intend to go to war.

If he is correct as to that—about which there is much to be said, generally speaking—what is the meaning of this increase in all these other lands? Suddenly, all at once, Britain, despite the convocation of conventions, increases her forces. Why this increase? To whom are these preparations from the Orient being addressed? To whom are these of Europe being addressed, and against whom, if my able friend is right that it is intended as war, and not as a childish experiment of the small boy?

Mr. FRAZIER. Mr. President-

The PRESIDING OFFICER (Mr. Connally in the chair). Does the Senator from Illinois yield to the Senator from North Dakota?

Mr. LEWIS. I always have been more than pleased to do so. Nothing smoother or more velvety is ever given to the Senate than what comes from my friend the Senator from North Dakota. [Laughter.]

Mr. FRAZIER. I appreciate the fact of the Senator yielding, and his remark.

It seems to me that the fact that the United States for the last several years has spent more money on the increase of its Army, or the support of its Army and the Navy, and the building of more ships, and increasing our forces, than any other nation on earth in peace times has spent, compels foreign nations to try to compete with the United States in increasing their armaments, for fear we are going to attack them. I do not know where they get that idea, but we talk peace, and adopt the Kellogg Peace Pact, and then prepare for war. I think that is the answer, or in part an answer, to the Senator's question as to why the other nations are increasing their military and naval forces.

Mr. LEWIS. If my able friend from North Dakota be right, that other nations are increasing their forces and that the increase in their forces means war, therefore it means war, and it means war against someone. We recognize the grievances here and there announced as against us. But if my able friend and those who join him are right, that the increases on the other side are with the object of war, when was there a time when it was more necessary for us to make preparation than when we are threatened with such an aspect?

Mr. President, we hope to avoid war, are anxious in every way to avoid war. My friend speaks of the Kellogg Peace Pact. We joined in that and other pacts, and this morning

the public press announced that now they are all hopeless, that all those who previously participated in these conventions have now drifted from them, that they are withered away, shrunken to where they cannot be found, and these nations are now denouncing them as mere undertakings which for a while were to bring forward peace desired by Christian nations but not as a military justification.

Mr. President, we tried them all. From none of these pacts has anything come forth except illusion. I still say there is but one real preparation, the spirit of preservation on the part of America; and while we talk about what other countries would do and how they would be guided or affected, European or Japanese, I answer this by saying that whatever be the course of other nations, there is a time when some of us must be for America! This is the time!

some of us must be for America! This is the time!

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Missouri [Mr. Clark].

Mr. CLARK. I ask for the yeas and nays.

Mr. COPELAND. Mr. President, I should like to say to the newer Members of the Senate that there are great disadvantages in being an "elder statesman." I shall be glad to retire from my chairmanship in favor of any younger Member. We have been here for 4 days discussing this bill. I shall take just a few moments. I think it will be conceded that I have taken very little time during these 4 days.

I conceive it to be my duty as the chairman of the subcommittee to make such defense as I can of the bill. I should be expected to do that even if I did not believe in the bill.

Reference has been made by the Senator from Michigan to the statement of the President in his message. The way we come in contact with the spirit of the administration, I take it, is through the various messages which are sent to us from the executive departments. I must conclude that when I have a message from the Secretary of War it must voice the sentiment of the administration. I cannot speak for the administration; I rarely do that.

When the bill came from the House I addressed a communication to the Secretary of War to inquire from him whether or not the bill, as it passed the House, contained all the items and instructions that were necessary to carry on the activities of the Department. Under date of February 26 I had a reply to that letter, in which he called attention to a few items, and one reference is to the item now under consideration by the Senate. I quote:

The increase in the enlisted strength of the Army is a fundamental requirement of national defense at this time. We have not enough of a nucleus of a Regular Army to carry out the missions that that small force is required to accomplish. The enlisted strength is at so low a figure that it is a continuing menace to the safety of the country.

Then he speaks somewhat in detail regarding this particular item, and says at the end of the item increasing the strength of the Army:

This in my opinion has the highest priority of any item in the bill.

That is a quotation from the Secretary of War. So I take it that it comes to us from the highest authority that this item is of the greatest importance, or, to quote again from the Secretary:

Has the highest priority of any item in the bill.

Mr. President, I wish to say that I do not expect my statements to have any great effect on international affairs, but as the chairman of the subcommittee handling the War Department appropriations bill, I say that it is all bosh to talk about the United States desiring to make war on anybody. I say further, as a citizen who believes himself to be fairly well informed of the sentiment of our country, that there is no sentiment in this country for any war with any nation on the face of the earth.

Mr. President, a little while ago a majority of the Members of this body—not enough to pass the treaty, but a majority of the body—expressed the opinion that we should enter the World Court in order that if there should arise any disturbance between this country and another there might be some

means of judicial and peaceful solution of the problems at issue. I believe it is the sentiment of the country that any peaceful nonmilitary method should be the way to settle our disputes and not by an appeal to arms.

In the same breath I wish to say, Mr. President, that if I know the sentiment of the country, it is in opposition to any league, a league of nations, or other establishment. which has in it the possibility of an alliance on the part of our country with other nations to carry out, by war if need be, this or that or the other policy. I do not believe that in this generation or within the memory of persons now alive there will ever be a time when the money of our country will be sent to any foreign country to carry on war. Certainly no American blood will be spilled to carry on a foreign war. We have given all of our treasure and all of our boys we are ever going to give to carry on any war outside of our own boundaries.

I am speaking this way because I want it understood that in making an appeal for the passage of this bill it is with no thought on the part of the subcommittee that the money is intended to be spent to build up an army to be used against some foreign country. That is not the case and, in my opinion, will not be the case in this generation.

Mr. President, there can be no doubt we are living in a disturbed world. We would be deaf and blind if our senses did not convey to us the fact that there is more unrest among the youth of America than ever before in our history.

I may say in passing that I think one of the most distressing results of this economic depression has been the failure of appropriating bodies to provide money to carry on the public schools. There are today in the United States 8,000,000 boys and girls of school age who have no means of education. Schools have been closed because of the economic depression. There are 400,000 boys and girls wandering the streets and highways and byways of America—mere tramps.

Young men and women who graduated from college have no opportunity to find an outlet for their training and an application of their knowledge. There is no other group suffering so much in this depression as the youth of America.

As the result of that distressed state of mind on the part of the youth we find a ready reception—

Mr. CLARK. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. CLARK. Does not the Senator think that the unnamed and undefined sum authorized by this bill for the increase in the standing Army might better be spent for just such purposes as the Senator is now describing—for educational purposes and the relief of the public-school system?

Mr. COPELAND. Mr. President, I will answer that question. If the States and counties and townships and school districts and municipalities were so poor that they could not afford the means of education, I should join the Senator from Missouri in going very far toward their relief, to make certain that the education of children should be carried on. But \$20,000,000 is a small amount compared to the need we are talking about. It would not go very far in providing the school help needed.

Mr. CLARK. Will the Senator further yield?

Mr. COPELAND. I yield.

Mr. CLARK. There is no limitation of \$20,000,000 in the bill; and even if the amendment suggested a while ago by the Senator from New York were included, it does not provide a limitation of \$20,000,000, because we all know that if 47,000 additional men are enlisted they must be fed, they must be clothed, they must have the necessities that will presently develop. The proposed addition to the Army will require greater motor transportation facilities; it will require additions in the Quartermaster Department, additions in the Ordnance Department, additions in every administrative branch of the department. Naturally, after the men shall have been enlisted the expenditures will have to be made, and the War Department will make the expenditures, and then we shall simply be confronted with a deficiency appropriation for them; so there is absolutely no limitation of any sort in the bill.

Mr. COPELAND. I will answer the question but I beg the Senator to let me go forward. I am not anxious to filibuster my own bill, and I want to get through just as soon as I can.

Mr. CLARK. I will say to the Senator that, so far as I am concerned, I have occupied the floor for only about 3 minutes on my amendment, and the Senator certainly will not accuse me of trying to filibuster on his bill or on my own amendment.

Mr. COPELAND. I said I did not desire to filibuster against my own bill. I am not accusing the Senator of filibustering, and I have never wished to deprive any Senator of the privilege of expressing his views at the fullest length.

But I do desire to say, in reply to what the Senator has said, so that the Record will show it, that if we succeed in defeating the Senator's proposal, I shall then move to insert an item of \$20,000,000 in order that pay, subsistence, clothing, and equipage may be provided, and that that shall be the limit

Mr. President, I was saying, or trying to say, that as the result of the disturbed mental attitude of youth, and their disappointment in their ambitions, they are now ready victims for all sorts of subversive teachings. I am very sorry to say—and I use with some hesitation, because it has been so overplayed during the last few months—that there is no question of the efforts being made to indoctrinate the youth of our land with the idea that a different order of government should prevail in America. There is a deliberate effort being made to undermine the minds of the youth of America and to inculcate in their minds the thought that a different system than the American system should be put in operation. There is an infiltration of their minds with this thought.

I wish to say, in passing, that I think it is an outrageous abuse of opportunity and power for any teacher who is employed in the public schools to give instruction in the fundamentals of learning, to take occasion to impress upon any pupil under his direction ideas which may be subversive of the American thought regarding government.

Mr. KING. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. KING. Does not the Senator believe, in view of his statement—and he is entirely correct—that the campaign which has been waged by Mr. Hearst in his chain of newspapers against this indoctrination of our schools with the policies and idealogy of the Bolshevik government deserves the commendation instead of the condemnation which has come from many Bolshevik school teachers throughout the United States?

Mr. COPELAND. I care not who carries on a campaign to call the attention of the American people to the indoctrinations that are being attempted in the schools—whoever does it I commend. I do think that we should be alive to the importance of pointing out to our youth exactly what good citizenship means.

I am more concerned in character development in the schools than I am in the three R's and the ordinary matters of instruction. But certainly when a teacher takes advantage of the opportunity to inculcate in the minds of pupils ideas which are contrary to our doctrines, it is time the American people should become aroused. I am glad there are men who use their opportunities to fight this evil.

Mr. President, there is no stronger advocate of the thought that there should be a prohibition of such character of teaching than is the American Legion. If Senators will take the opportunity to read the House hearings, it will be interesting to note that the American Legion has been engaged in combating this particular form of teaching. In connection with its work in behalf of Americanism it is also a strong advocate of an increase in the size of the Army.

I shall not enlarge upon that phase of the question for a moment, because I think I left my other thought somewhat incomplete. It was that if we open the Army to 46,000 more young men we would have that many more positions to offer as careers to the youth of the land. I am not advocating the pending proposal on the plea that it will do away with unemployment; that is not the thought I have in mind; but it is that there should be opportunities opened to our youth, every possible opportunity, in order that our boys may find things to do that are worth while and that appeal to them.

I know boys; thank God, I have one myself; and I know how interested many of them are in military matters, not with the idea of great wars but with the thought of the discipline, the drill, and the other activities. They appeal to youth, and if we open the door to 46,000 there will be at least 46,000 boys in the United States who will have an opportunity to do something which they want to do. I think perhaps that completes the thought I had in mind.

Now I shall return to the American Legion. Senators who are interested will note that in the hearings on this bill before the House committee, at page 693, there is recorded the fact that Col. John Thomas Taylor and Dr. Thomas H. Healey, the latter chairman of the national defense committee of the American Legion, appeared before the House committee and made a strong plea for an increase in the Army. Dr. Healey in his statement referred to the resolutions adopted by the American Legion. In his testimony I find the following:

The resolutions adopted by the Legion recommend— A Regular Army of 14,000 officers and 165,000 enlisted men.

So we find that the men who served our country in time of stress, the men who went to the front to fight our battles, and who have knowledge, from their own experiences, of the need of proper training, believe in an army of suitable size. They come to the Congress and express the thought they have, and present a resolution adopted by the American Legion to the effect that there should be an army of 165,000

men as provided by the pending bill.

The members of the Committee to Investigate the Munitions Industry, the Senator from North Dakota [Mr. Nye], the chairman of the committee, the Senator from Missouri [Mr. CLARK], the Senator from Georgia [Mr. George], the Senator from Michigan [Mr. VANDENBERG], the Senator from Washington [Mr. Bone], the Senator from Idaho [Mr. POPE], and the Senator from New Jersey [Mr. BARBOUR] have had an opportunity to find out, from an examination of witnesses, what took place during the period of the war. They have investigated the matter not alone from the time we went into the war, but from the time the war started in Europe. They have ascertained that outrageous profits were made. I stated in my speeches last fall, in seeking to come back to this body, that I promised myself I would tell every audience before whom I appeared what had been revealed by the munitions investigating committee. It is a shame to think that out of the war such enormous profits were made, and I venture to say, if those profits could be recovered by the Government, that the bonus could be paid tomorrow morning without taking a dollar out of the Treasury.

I can quite understand that, because of what those Senators have found out, some of them hesitate now to vote money for an increase in the Army. But I do not think the revelation that certain men made outrageous profits. and, perhaps, improper profits, should be any reason why we should not have an army of sufficient size to afford the protection which we need for our own defense as outlined by the Secretary of War.

Mr. COUZENS. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER (Mr. Russell in the chair). Does the Senator from New York yield to the Senator from Michigan?

Mr. COPELAND. I yield. Mr. COUZENS. Has the Senator explained in his speech how they came to select the particular number and how the additional men are going to be allocated?

Mr. COPELAND. No; I have not. I may say to the Senator that that is found on page 35 of the hearings before the House committee. This was not brought out in detail in the hearings before the Senate committee, and perhaps, as it is very brief, I may refer to it. The statement is as follows:

The proposed distribution of the 46,250 enlisted men for the Regular Army is as follows:

Four divisions, one each as a nucleus for each of the four armies and five reinforced brigades, will be organized. The ultimate organization of the Regular Army upon mobilization will be nine divisions. The five reinforced brigades not only form the coming.

nuclei around which the remaining five divisions are to be organized upon mobilization but will also be immediately available for the field in the event of an emergency.

The average present peace strength of the First, Second, Third, and Fourth Divisions is 6,764. The proposed peace strength will be 11,899, expansible to a waf strength of 20,731.

The average present peace strength of the five existing reinforced brigades is 2,475. The proposed peace strength will be 5,369.

The allotments to the Signal Corps and to the services, medical, ordinance, and quartermaster, have been reduced to the minimum consistent with requirements for the maintenance of these divisions in the field. sions in the field.

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In order to keep the strength of the overseas garrisons at a constant level, a pool of 2,000 enlisted men is set up.

The Air Corps is brought to the strength, 16,000, authorized by the act of July 2, 1926, it having been brought to a strength of 14,582 by the reduction of other arms.

Provision is made for the nuclei of five antiaircraft regiments, which, added to the four existing, will provide one for each corps

The progressive development of antiaircraft defense is contemplated to supplement the defensive effort of the Army Air Corps.

Personnel for the mechanized Cavalry and for Infantry tank units will be provided as equipment becomes available.

I think that furnishes the information.

Mr. COUZENS. But the Senator did not tell me how they arrived at that particular number.

Mr. COPELAND. I cannot answer that question.

Mr. CLARK. Mr. President, will the Senator from New York vield?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Missouri?

Mr. COPELAND. I yield.

Mr. CLARK. The theory upon which that figure was reached by the War Department was that it was felt by the responsible authorities that that was all the traffic would bear at this particular time.

Mr. COPELAND. Of course, the Senator from Missouri may take that attitude, but I can hardly deal with it in such an off-hand manner when I have the statement of the Secretary of War, the highest authority.

Mr. NYE. Mr. President-

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from North Dakota?

Mr. COPELAND. Certainly.

Mr. NYE. I ask the Senator from New York if the authority for the statement which he quotes undertakes to reveal how many men we should have in our Army to afford an adequate national defense.

Mr. COPELAND. The National Defense Act authorizes 280.000.

Mr. NYE. How far are we from that number now?

Mr. COPELAND. After increasing the number to 165,000 we would still be 115,000 short of the authorized number.

Mr. NYE. The point I wish to make is that in all the presentations on the part of the naval and military authorities we have been quite unable to ascertain what, in their opinion, would constitute adequacy of national defense. I do not think they would argue that what is provided for in the National Defense Act would provide adequately for defense.

Mr. COPELAND. Of course, there is no need to reply to the facetious remark of the Senator from Missouri [Mr. CLARK ] that this number is "all the traffic will bear." Certainly no one would say, and I am sure the War Department itself would be the last body in the world to say, we want 280,000 men and expect to get them. It takes a long time to absorb new men into an army. We found that out when we prepared for the World War.

Without any knowledge on my own part as to why this particular number was selected, it has been selected, and the War Department has given a very good outline of how it is proposed to use the money.

Mr. COUZENS. Mr. President, may I ask the Senator from New York, or the Senator from Texas [Mr. Sheppard] why all this period of time has elapsed without bringing the number up to the authorized 280,000?

Mr. SHEPPARD. Mr. President, it has been due to the fact that the necessary appropriations have not been forthMr. COUZENS. Why should we make them now, during the most distressed period of our times, when we could not make them before?

Mr. SHEPPARD. It is never too late to do the right thing. The American people, in my judgment, will never object to the expense of an army of sufficient size and equipment for our needs.

Mr. COUZENS. Is this in preparation for war?

Mr. SHEPPARD. This does not place the Army on a war-time basis, nor is any attempt being made to do so. It is merely for the purpose of placing the Army upon the minimum basis required for peace-time work.

Mr. COUZENS. During all the prosperous years from 1920 to 1929 we did not add 45,000 men to the Army. Now, when the Government credit is strained, we are asked to add 45,000 men to the Army. I cannot understand it. I am not a pacifist. I would rather fight than be peaceful, but I do not understand the psychology of doing such a thing at this particular time.

Mr. COPELAND. Mr. President, I had thought to avoid an answer to this very question, but I find that I cannot. I was a member of the committee which, under the leadership of the Senator from Massachusetts [Mr. Walsh], wrote the C. C. Act. It appealed to me very strongly and as the most useful thing we undertook for the relief of distress and the relief of unemployment among young single men.

In my city today we have 500,000 families on the dole, 2,000,000 persons. It is almost impossible for single men, and I think it is true of single women, too, to find anything to do. I believe we have done nothing in trying to solve our difficulties which was superior to the C. C. C. movement. I think Mr. Robert Fechner, who is in charge of that work, deserves great praise for what he has done. In House Joint Resolution 117, which will soon come before us, that particular item appeals to me as wise because it plans to increase that work.

I cannot answer the question why there has not been a request made before to increase the Army. This is the first time since I have been with the committee that there has been a real effort made to make the increase.

I know the attitude of the Senator from Michigan [Mr. Couzens]. There is no one in this body who has done more for youth. In reply to his question, if there were no other reason to do this now, in time of distress, it would be because we provide for 46,500 young men to be taken care of in a decent way. That is the thing about it that appeals to me, I did not want to say that because I did not want to overplay the work-relief idea.

Here we would put 46,000 young men under the fine physical training and the discipline of the Army. We would take them away from every possible subversive thesis and indoctrination of the leaders of thought in opposition to our American standards. It is one reason why I favor the bill, but I hesitated to base the appeal on work relief, because it might be regarded as an emotional appeal.

Mr. NORRIS. Mr. President-

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Nebraska?

Mr. COPELAND. Certainly.

Mr. NORRIS. Although it may be peculiar to me alone, and perhaps I know my own weakness in asking the question or making the suggestion I am about to make, I want to say to the Senator from New York that he has just made the only argument in favor of the provision to increase the Army that has appealed to me during the debate. It does appeal to me; but in connection with it I want to say to the Senator, if that is the reason—it seems to me it has reason behind it—if this proposal to increase the Army were coupled with some provision about the length of service for the increased membership, it seems to me it would have a more direct influence on the question. The term of enlistment in the Army is 5 years, I believe.

Mr. SHEPPARD. No; it is 3 years.

Mr. NORRIS. Very well; 3 years. Without any provision being incorporated in the bill, if it remains as it is and the amendment were defeated, does the Senator from New York

suppose there would be an effort made on the part of the officials of the War Department to get this increased number from among the young men who are now out of employment and that they would probably be given preference?

Mr. COPELAND. I should like to say that we took considerable testimony. I hesitated to enter that feature of the discussion at all, although I am glad now I did because of what the Senator from Nebraska has said.

Mr. NORRIS. I feel just a little embarrassed to admit that I am impressed with that argument because of the very statement the Senator has just made, that he did not want to make it. Does he think there is something wrong about it? I do not understand him. I do not think there is anything the Senator from New York should fear in making that argument. I do not believe there is anything immoral or disgraceful about it.

Mr. COPELAND. I suppose it was silly of me, and I will admit that it was, but I did have the feeling that I did not want to make the argument that this is a work-relief bill.

Mr. FLETCHER. Mr. President, on yesterday I alluded to that subject and placed in the Record General MacArthur's testimony. It will be found at page 3020 of the Congressional Record.

Mr. COPELAND. The Senator from Florida did that, and someone opposed it on the ground that it was a wrong use of the funds and said, "If we are going to take in 46.000 men on that theory, why not take in 20,000,000?"

Let me say to the Senator from Nebraska that we have in the C. C. C. camps about 300,000 men at a time. Of course they are there for a limited period of time only. Many of them will graduate—if I may put it that way—with good, strong bodies, and with the benefits of the fine training that this effective group has worked out. Upon graduation they will be returned to the great body of the unemployed. Many of them, having submitted to camp life and having become accustomed to its discipline, would unquestionably, according to the testimony of General MacArthur, be attracted to the Army.

General MacArthur pointed out another thing. In the C. C. C. camps we pay \$30 a month. He pointed out that the pay of these 46,000 men in the Army would be \$20 a month, and their ration 37 cents a day, and about \$30 to \$35 a year for their clothing. I quote from his testimony:

There would be practically no other expense involved in the case of these men, so that the total cost per capita would be in the neighborhood of \$400 a year.

So for \$400 a year for each man we would build up the Army to the degree recommended by the War Department, and at the same time we would be taking care of 46,500 of our young men at far less cost than can be done by any system of dole.

Mr. FRAZIER. Mr. President, I understand that General MacArthur, in the hearings before the House committee, on page 43, said, in regard to the C. C. C. camps:

I think there would be nothing finer than that the men in the C. C. C. camps should be used as a nucleus for the one element in the National Defense Act which has never been supplied, and that is an enlisted reserve.

And he goes on to say that the enlisted reserves should be brought up to the number of 300,000. In other words, the intention of the Army apparently is to put the C. C. C. boys into the Army Reserve.

The PRESIDING OFFICER (Mr. MURPHY in the chair). The question is on the amendment offered by the Senator from Missouri [Mr. Clark].

Mr. McGILL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Borah	Connally	Fletcher
Ashurst	Brown	Coolidge	Frazier
Austin	Bulkley	Copeland	George
Bachman	Bulow	Costigan	Gerry
Bailey	Burke	Couzens	Gibson
Bankhead	Byrd	Cutting	Glass
Barbour	Byrnes	Dickinson	Guffey
Bilbo	Capper	Dieterich	Hale
Black	Carey	Donahey	Hasting
Bone	Clark	Duffy	Hatch

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Tayden	McKellar	Nye	Smith
Johnson	McNary	O'Mahoney	Steiwer
Keyes	Maloney	Pittman	Thomas, Qkla
King	Metcalf	Pope	Thomas, Utal
La Follette	Minton	Radcliffe	Townsend
Lewis	Moore	Reynolds	Truman
Logan	Murphy	Robinson	Vandenberg
Lonergan	Murray	Russell	Van Nuys
McAdoo	Neely	Schwellenbach	Walsh
McCarran	Norbeck	Sheppard	White
McGill	Norris	Shipstead	

The PRESIDING OFFICER. Eighty-three Senators have answered to their names. A quorum is present. The question is on the amendment offered by the Senator from Missouri [Mr. Clark].

Mr. CLARK. On that I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. AUSTIN. Mr. President, may the amendment be stated?

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 10, line 22, after the numerals "333", it is proposed to strike out the following words:

Together with such additional sums as may be necessary under this and other appropriations contained in this act to defray the cost of increasing the enlisted strength of the Regular Army from an average of 118,750 to an average of 165,000 enlisted men.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Missouri [Mr. Clark]. On that amendment the yeas and nays have been ordered. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. LOGAN (when his name was called). I have a general pair with the senior Senator from Pennsylvania [Mr. Davis], who is absent. I transfer that pair to my colleague the senior Senator from Kentucky [Mr. Barkley] and vote "nay."

Mr. McNARY (when his name was called). Upon this vote I have a pair with the senior Senator from Mississippi [Mr. Harrison]. Not knowing how he would vote, I withhold my vote.

The roll call was concluded.

Mr. LEWIS. This morning I announced the absence of certain Senators and the reasons for this absence. I wish to repeat that announcement, and ask that it stand for this vote.

Mr. METCALF (after having voted in the negative). I have a general pair with the Senator from Maryland [Mr. Tydings]. I do not see that Senator present, but I understand that if he were present he would vote as I have voted. Therefore I allow my vote to stand.

Mr. LEWIS. I wish to announce that the Senator from Arkansas [Mrs. Caraway] and the Senator from Louisiana [Mr. Overton] are absent on account of illness.

I also announce that the Senator from New York [Mr. Wagner] has a pair with the Senator from Minnesota [Mr. SCHALL]

I also desire to announce that the Senator from Kentucky [Mr. Barkley], the Senator from New York [Mr. Wagner], the Senator from Montana [Mr. Wheeler], the Senator from Mississippi [Mr. Harrison], the Senator from Maryland [Mr. Tydings], the Senator from Oklahoma [Mr. Gore], the Senator from Florida [Mr. Trammell], and the Senator from Louisiana [Mr. Long] are necessarily detained from the Senator on official business.

The result was announced—yeas 26, nays 56, as follows:

	7	EAS—26	
Black Bone Borah Brown Bulow Byrd Byrnes	Capper Clark Costigan Couzens Cutting Dickinson Frazier	Glass Hatch King La Follette McKellar Murphy Neely	Norris Nye Pope Shipstead Vandenberg
	N	IAYS-56	
Adams Ashurst Austin Bachman Bailey Bankhead Barbour Bilbo	Bulkley Burke Carey Connally Coolidge Copeland Dieterich Donahey	Duffy Fletcher George Gerry Gibson Guffey Hale Hastings	Hayden Johnson Keyes Lewis Logan Lonergan McAdoo McCarran

McGill	Norbeck	Russell	Thomas, Utah
Maloney	O'Mahoney	Schwellenbach	Townsend
Metcalf	Pittman	Sheppard	Truman
Minton	Radcliffe	Smith	Van Nuys
Moore	Reynolds	Stelwer	Walsh
Murray	Robinson	Thomas, Okla.	White
The property was	NOT	VOTING—13	
Barkley	Harrison	Overton	Tydings
Caraway	Long	Schall	Wagner
Davis	McNary	Trammell	Wheeler

So Mr. CLARK's amendment was rejected.

amendment which has just been voted on.

Mr. CLARK. Mr. President, I now renew the motion I made last night, to reconsider the vote by which the amendment at the bottom of page 10 and the top of page 11 was agreed to. The words "at the discretion of the President and in such increments as he may deem necessary from time to time" were stricken out; and I move to reconsider the vote by which that action was taken.

Mr. ROBINSON. Mr. President, may I inquire of the Senator from Missouri whether the amendment which has just been incorporated does not contain a provision similar to that which he seeks to restore?

Mr. CLARK. I will say to the Senator that no amendment to that effect has been offered while I have been here, and I have been on the floor nearly every minute today.

Mr. ROBINSON. Let the amendment which the Senate just voted on be stated for the information of the Senate.

The PRESIDING OFFICER. The clerk will state the

The CHIEF CLERK. The language of the bill is, "together with such additional sums as may be necessary under this and other appropriations contained in this act to defray the cost of increasing." At this point the committee proposed to strike out the following words: "at the discretion of the President and in such increments as he may deem necessary from time to time", which amendment was agreed to yesterday. The language then continues: "the enlisted strength of the Regular Army from an average of 118,750 to an average of 165,000 enlisted men." The Senator from Missouri proposes at this time to reconsider the vote by which the Senate agreed to the amendment on page 10, line 24, striking out the words "at the discretion of the President and in such increments as he may deem necessary from time to time."

Mr. CLARK. Mr. President, this is a very simple proposition. So far as I am personally concerned, I was opposed to the increase of the Army, and am still opposed to it. If there is to be an increase in the Army of approximately 33½ percent, as contemplated in the new language injected into the measure, which the Senate has by a record vote just refused to strike out, I prefer, as does the House of Representatives, that the President be allowed some discretion in the matter, as was provided in the bill as it passed the House.

The Senate has stricken out the provision giving discretion to the President, and my motion to reconsider simply is intended to afford the Senate an opportunity of determining the point as to whether the Congress is to make it mandatory on the President to expend this vast sum of money, in addition to the other provisions made for the maintenance of the Army, to make it mandatory on him to increase the Army whether he wants to or not, or whether he shall be allowed some discretion in the matter of additions.

Mr. BORAH. Mr. President, is it not well understood that the President is in favor of increasing the size of the Army?

Mr. CLARK. I will say to the Senator from Idaho that I am not advised as to that. It is perfectly true that the Senator from New York read to the Senate a letter from the Secretary of War, and it is also perfectly true that the Chief of Staff, and other high Army officers, have been actively lobbying for an increase in the strength of the Army, which they do from year to year, from session to session, and from Congress to Congress; but so far as the President of the United States himself is concerned, his last expression on the subject I think was that read by

the Senator from Michigan here this afternoon, which occurred in his last annual message to the Congress.

Mr. BORAH. The quotation from the message did not

cover this specific matter.

Mr. CLARK. So far as I know, I will say to the Senator from Idaho, there has never been any direct communication from the President to the Congress on this subject, and there has been no explicit quotation from the President made here today on that subject.

Mr. BORAH. I simply assumed that, as this proposal came from the War Department, from General MacArthur, it was in accordance with the views of the administration.

Mr. CLARK. In general, I would agree with the Senator from Idaho, except that we have had some contrary recommendations from various departments during this session, and I would not be entirely certain that one particular recommendation from a department met the views of the President. Certainly there would be no harm done by giving the President some discretion as to the speed and the manner in which this 331/3-percent addition to the Regular Army should be made.

Mr. COSTIGAN. Mr. President, as I understand the motion of the Senator from Missouri, he desires to provide that the President may make a partial increase if he deems it in the public interest.

Mr. CLARK. That would be the effect.

Mr. COSTIGAN. Rather than the total increase of 46,000

Mr. CLARK. I have not proposed an amendment. I have proposed a reconsideration of the vote by which a Senate committee amendment was adopted on yesterday, in the very speedy consideration which was given. As the bill originally passed the House it contained this language in the provision making authorization of this additional appropriation-

At the discretion of the President and in such increments as he may deem necessary from time to time.

The bill did lodge some discretion in the President of the United States as to the additions to be made to the Army, the manner in which they were to be made, and other procedure connected with it. In other words, the bill gave him some discretion as to the necessity for making additions and the manner in which he should do it.

The Senate struck out that provision in the bill as it came from the House, and the motion now pending was made for the purpose of reconsidering the vote and affording the Senate an opportunity to determine whether they wish to make this increase in the Army absolutely mandatory on the President or give him some discretion in the matter.

Mr. COPELAND. Mr. President, I referred a little while ago to a letter from the Secretary of War. I wish to speak of it again. Before doing so, let me say that Senators will find on page 5 of the hearings before the Senate committee this testimony of General MacArthur. In reply to a question put to him by the Senator from Delaware [Mr. Townsend] he said:

General MacArthur said:

We have the most complete confidence that if this bill were left as it is the President would immediately order this increase; but this places a burden upon the executive branch with regard to the strength of the Military Establishment which has never been placed upon it before, either in time of war or in peace. Strength questions have always been decided by the Congress.

Mr. CLARK. Mr. President, will the Senator yield? Mr. COPELAND. I yield.

Mr. CLARK. The Senator will certainly agree that the present Congress has placed a great many burdens on the Executive for the disposition of funds and the determination of policies which were never placed on any other Executive.

Mr. COPELAND. Perhaps that is the reason why we ought not to put any additional burdens on him.

Mr. CLARK. It is only when we come to the question of authorization for war and appropriation for war that that distinction is raised.

Mr. COPELAND. Mr. President, I now quote from the Secretary of War:

The House committee in its hearings, its report, and in the debate on the floor indicated its realization of the situation provided in an Philippine Scouts, \$51,069,333, together with such additional sums

indefinite appropriation for the increase from 118,750 up to 165,000 in the discretion of the President. It is believed that this increase is so urgent and so important that Congress, which has the constitutional duty to raise and support armies, shall take definite and positive action at this time.

That is what the Secretary said, and my interpretation is that that is the desire of the administration, although I cannot speak for the administration.

The PRESIDING OFFICER. The question is on the motion of the Senator from Missouri [Mr. CLARK] to reconsider the vote by which the Senate struck out the language after the word "increasing" in line 24, on page 10, to the middle of line 1, page 11.

Mr. CLARK. Mr. President, I ask for a division.

The PRESIDING OFFICER. A division has been demanded.

The Senate proceeded to divide.

Mr. CLARK. Mr. President, in view of the apparent closeness of the vote, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. McNARY (when his name was called). I have a general pair with the senior Senator from Mississippi [Mr. Har-RISON], who is necessarily absent from the Senate, and therefore withhold my vote.

Mr. METCALF (when his name was called). I have a general pair with the senior Senator from Maryland IMr. TYDINGS]. Believing that he would vote in the same way that I shall vote, I feel at liberty to vote. I vote "nay."

The roll call was concluded.

Mr. LEWIS. I wish to announce the absence of the Senator from Arkansas [Mrs. Caraway] and the Senator from Louisiana [Mr. Overton] on account of illness.

I also wish to announce that the Senator from Kentucky [Mr. Barkley], the Senator from Montana [Mr. WHEELER], the Senator from New York [Mr. WAGNER], the Senator from Kentucky [Mr. Logan], the Senator from Mississippi [Mr. HARRISON], the Senator from Florida [Mr. TRAMMELL], the Senator from Louisiana [Mr. Long], and the Senator from Maryland [Mr. Typings] are necessarily detained from the Senate on official business.

I desire to announce the following pairs on this question:

The Senator from New York [Mr. WAGNER] with the Senator from Minnesota [Mr. Schall] and the Senator from Kentucky [Mr. Logan] with the Senator from Pennsylvania [Mr. DAVIS 1.

The result was announced—yeas 32, nays 50, as follows:

	3	TEAS-32	
Adams Bankhead Borah Brown Bulow Byrd Capper Clark	Costigan Cutting Donahey Frazier Gore Guffey Hatch King	La Follette Lewis Lonergan McGill McKellar Murphy Murray Neely	Norris Nye Pope Robinson Russell Shipstead Thomas, Utah Vandenberg
	1	NAYS-50	
Ashurst Austin Bachman Bailey Barbour Bilbo Black Bone Bulkley Burke Byrnes Carey Connally	Coolidge Copeland Conzens Dickinson Dieterich Duffy Fletcher George Gerry Gibson Glass Hale Hastings	Hayden Johnson Keyes McAdoo McCarran Maloney Metcalf Minton Moore Norbeck O'Mahoney Pittman Radcliffe	Reynolds Schwellenbach Sheppard Smith Steiwer Thomas, Okla. Townsend Truman Van Nuys Walsh White
	NOT	VOTING-13	
Barkley Caraway Davis Harrison	Logan Long McNary	Overton Schall Trammell	Tydings Wagner Wheeler

So Mr. Clark's motion to reconsider was rejected.

Mr. COPELAND. Mr. President, I move to amend, on page 10, line 22, by inserting a comma after the word "necessary" at the end of the line, and the words "not exceeding \$20,000,000", and striking out all of line 23, so as to make the clause read:

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from New York [Mr.

Mr. CLARK. Mr. President, I do not intend to oppose the amendment, but I do desire very briefly to point out that it is simply a delusion and a snare. After the Congress has authorized an increase by one-third of the enlisted strength of the United States Army, it is silly and preposterous to talk about limiting the cost to \$20,000,000 or any other figure. After the 47,000 additional men are enlisted in the United States Army they must be fed, they must be clothed, they must be paid, they must be transported, they will involve the Government in all the other charges which grow out of the services of members of the ordinary Regular Army at the present time; and it is perfectly silly to say that after these men shall have been enlisted in the United States Army the appropriation for the service can be limited to that amount.

Mr. BORAH. Mr. President, I am not familiar with the effect of the amendment. What will the amendment do?

Mr. CLARK. So far as my opinion goes, Mr. President, I will say to the Senator from Idaho that I think it is a mere empty gesture, a bait to catch gudgeons, an illusion and a snare that cannot possibly mean anything.

Mr. BORAH. Is that the view of the Senator from New York?

Mr. COPELAND. Mr. President-

Mr. CLARK. I yield to the Senator from New York.

Mr. COPELAND. The break-down is found on page 35 of the House hearings. The sum of \$20,000,000 would not be a subterfuge because it covers the items involved. It covers pay, \$11,000,000 plus; subsistence, \$6,000,000 plus; clothing and equipment, \$2,000,000 plus; a total of \$20,000,000. I presume the Senator will raise the point that it does not include housing. We were assured that housing facilities are available. The provision includes subsistence, pay, clothing, and

Mr. CLARK. The Senator from New York is more familiar than I am with the fact that after men are enlisted they have to have subsistence, clothing, food, and transportation, and it does not make any difference whether Congress has said this must not exceed \$20,000,000. When men are once in the service they have to be cared for. If it is found to cost \$40,000,000 or \$100,000,000 instead of \$20,-000,000, Congress will have to appropriate the money because the men have to be cared for once they are in the service.

Mr. ROBINSON. Mr. President

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Arkansas?

Mr. CLARK. I yield.

Mr. ROBINSON. The Senator from New York has just stated that the amendment includes not only pay but subsistence, clothing, and equipment. He stated there is no provision for housing, but the information of the committee is that housing facilities are available.

Mr. CLARK. I am perfectly familiar with what the Senator from New York said and with what the War Department stated in their effort to get the increase in personnel. Any Senator who has visited Army posts anywhere in the country knows the accuracy of what I am about to say. I visited one recently in the State of New York and had occasion to visit another one in my own State. Any Senator or Member of the House who visits an Army post is immediately taken on a tour of inspection and shown the wretched state of dilapidation of all the buildings, in order that he may see that the accommodations are absolutely inadequate to take care of the present number of men.

It cannot be doubted by any legislator in the House or Senate that once the personnel of the Army shall have been increased by 33 1/3 percent that increase will be used as an excuse for additional appropriations of every sort, for motor transportation, for the Ordnance Department, for the Adjutant General's office, and every other branch of the service

as may be necessary, not exceeding \$20,000,000, to defray the cost and the administrative agencies which are involved in the of increasing the enlisted strength of the Regular Army operation of the Army.

Mr. GLASS. Mr. President, let me point out to the Senator that on this point the committee itself, during its deliberations, voted \$130,000,000 to rehabilitate and repair the buildings at the Army posts.

Mr. CLARK. I will say very frankly I thank the Senator for that suggestion.

Mr. ROBINSON. Mr. President, will the Senator from Missouri yield?

Mr. CLARK. I yield.

Mr. ROBINSON. I did not understand the Senator from Virginia [Mr. Glass], or the Senator from Missouri [Mr. CLARK] to say that the \$130,000,000 is solely for the purpose of caring for the increased personnel.

Mr. CLARK. Not at all, but it is universally observed that the present facilities are inadequate for properly caring for the garrisons now at the various posts.

Mr. GLASS. Mr. President-

Mr. CLARK. I yield to the Senator from Virginia.

Mr. GLASS. The Senator from Missouri was making the point that the existing facilities are totally inadequate, and that the proposed increase of 331/3 percent in the Army would increase accordingly the demand for better facilities. I ventured to suggest that the committee at one point in its deliberations inserted an amendment in the bill requiring an appropriation of \$130,000,000 to reconstruct and rehabilitate the buildings at the various Army posts.

Mr. CLARK. The Senator from Virginia has entirely stated my position. I think the point is extremely well taken. I have seen barracks at the various Army posts in such a disgraceful state of dilapidation as to be hardly believable, and I am not opposed to the idea that they should be put in a proper state of repair or proper state of accom-modation for the men. What I am saying is that to assert that the increase in the Army authorized by this bill will not result immediately in a renewed and extended demand for further accommodations at Army posts, is simply to close both eyes to a well-known fact.

Mr. ROBINSON. The Senator is maintaining that the increase which the Senate has just authorized will make necessary further increases in connection with housing, transportation, and so forth?

Mr. CLARK. Not only that, but there is likewise involved the matter of administration in every avenue of service in the Army.

If that be a matter of conjecture, why not Mr. GLASS. leave in the bill the provision that they may expend whatever may be necessary?

Mr. CLARK. I rose simply for the purpose of stating that I did not intend to oppose the amendment, but for the purpose of pointing out that the amendment does not mean anything whatever with the so-called "limitation."

Mr. GLASS. I do not understand that it is a committee amendment.

Mr. CLARK. It was offered, I believe, by the Senator from New York.

Mr. FLETCHER. Mr. President, I merely wish to ask whether the Senate should depend upon the statements of people who visit the different camps and posts and form their opinion from observation as to what may be needed, or shall we depend upon the officers of the Army? General MacArthur testified before the committee that there would be no need for additional barracks or quarters for the men. He said there is no need to spend another dollar to accommodate the increased personnel. That is the testimony before us. Shall we take that testimony, or shall we take the view of people who visit the barracks and are told more accommodations are needed? The necessary repairs have been provided for in another section of the bill.

Mr. GLASS. Why not leave the bill as the Senate committee reported it? Why put a specific limitation in it?

Mr. FLETCHER. The criticism has been made that it leaves the field unlimited as to the amount appropriated. The Senator from New York is trying to limit it to the testimony before the committee.

Mr. GLASS. The Senator from Missouri is contending | that the appropriation is totally inadequate.

Mr. FLETCHER. Yes; and the Senator from Missouri contended that the present language left it unlimited.

Mr. GLASS. It does. Why not leave it unlimited?

Mr. FLETCHER. I have no objection, but it is claimed at one time that it is not specific and at another time that it is too specific. I do not know how to reconcile the contending opinions. Senators object to the language in the bill because they say it does not limit or specify. Now it is proposed by the Senator from New York to meet the objection by specifying the appropriation. That is the only object of his suggestion.

Mr. CLARK. Mr. President, let me say there is absolutely no inconsistency whatever in the assertion that the amount of expenditure to be entailed on the Government by the addition of 331/3 percent to the enlisted strength is unlimited and the assertion that the amendment now proposed by the Senator from New York puts a limitation on it. Both statements are entirely true; both statements are entirely correct; both statements are entirely consistent.

The amount to be expended by the United States as a result of this legislation does not depend on any paper legislation. It depends upon the fact that we are enlisting in the service of the United States Army 47,000 more men, and the expenditures authorized in this bill and the expenditures to be made in the future will be determined by the needs of that additional increment in the Army rather than by any paper limitation.

Further, in response to my friend the Senator from Florida, he has referred to the testimony of General MacArthur, lobbying at the Capitol for an increase in the Army, to the effect that it will not entail a dollar of additional expenditure for handling. I am familiar with that testimony. I am sure the general made that statement; and I will also venture the prophecy that next year, or the year after that, either General MacArthur or whoever may be at that time Chief of Staff of the Army will come before the appropriate committees of the Senate and the House and testify that it is necessary to have great expenditures made for housing and other facilities by reason of the increase in the enlisted strength of the Army authorized this year.

Mr. SHEPPARD. Mr. President, I desire to say to my friend from Missouri that General MacArthur was called here to testify by committees of the Senate and of the House, and it cannot be justly said that he was lobbying.

Mr. CLARK. Of course, I understand, as the Senator does, that that is the customary procedure. Nevertheless, the fact is that the Army, the Navy, and other services of the Government at all times maintain in the city of Washington lobbies for the purpose of increasing expenditures in their own particular Departments and along particular lines. The Senator from Texas, from his long experience here, is just as familiar with that condition of affairs as I am.

Mr. SHEPPARD. I think the Senator is making an unjust accusation.

Mr. COSTIGAN and other Senators addressed the Chair. The PRESIDING OFFICER. Does the Senator from Missouri yield, and if so, to whom?

Mr. CLARK. I yield first to the Senator from Colorado [Mr. Costigan]. I shall be glad to yield to all Senators.

Mr. COSTIGAN. Mr. President, notwithstanding the reported statement of General MacArthur so frequently quoted this afternoon, it appears on page 10 of the hearings before the Subcommittee of the Senate Committee on Appropriations that General MacArthur testified that the cost of maintaining a man in the Army is approximately \$800 per year. If that figure be applied to the increase proposed in the pending bill, of course, the annual expenditure would be in excess of \$36,000,000, and the appropriation now requested by the Senator from New York would be wholly inadequate.

Mr. COPELAND. Mr. President, will the Senator from Missouri yield?

Mr. CLARK. I yield to the Senator from New York.

Mr. COPELAND. It is only fair to say that in the testimony of General MacArthur the question was asked him,

in substance-I do not know that I can turn to it at once-"Suppose you take into consideration all the overhead, the general expense of the Army, the expense of the War Department, and so forth; how much would it figure?" That is when he said it would cost, \$800; but the actual care of the man for his pay, his subsistence, and his clothing would be in the neighborhood of \$400 a year.

Mr. COSTIGAN. May I ask the Senator from New York if it is fair to assume that new men in the Army will cost the United States Government annually less per man than the present enlisted men?

Mr. COPELAND. No; I should not think so. Of course, there would be a little saving, because the overhead would be further distributed to the break-down.

Mr. COSTIGAN. The aggregate figure, as given by General MacArthur, if I understand the Senator from New York, is about \$800 per man.

Mr. COPELAND. Of course any Senator can figure it. It is \$20 a month for pay, 37 cents a day for food, and \$35 a year for uniforms; so it aggregates about \$400 a year.

Mr. GLASS. Mr. President-

Mr. CLARK. I yield to the Senator from Virginia. Mr. GLASS. I desire to have the Senate understand that this is not an amendment offered by the Appropriations Committee. The Appropriations Committee had General MacArthur's statement and all other statements. Inasmuch as we have increased the Army by 46,000 or 47,000 men, what is the use of leaving the matter in doubt? It is now disputed here. Why not leave the bill as reported by the committee, and permit the use of as much money as may be required by this increase? That is what ought to

Mr. DIETERICH. Mr. President, I simply desire to supplement what the Senator from Virginia has said.

The Senate has decided that it wishes to raise the Army to the number indicated. It has made it mandatory to raise the Army to that number. Does the Senate mean to make a joke of this matter, or does it really mean to raise the Army to that number, and meet whatever expenses are necessary to raise it to that number efficiently? Why should this amendment be in the bill to limit the expenditure?

Mr. COPELAND. Mr. President, I desire to make a brief reply and explain why this amendment is offered.

There is very unfortunate language in the bill. It appropriates the pay of the present personnel, which is, in round numbers, \$51,000,000, "together with such additional sums as may be necessary under this and other appropriations contained in this act." I take it that that might mean an extraction of \$15,000,000 from the Panama Canal, ten or twelve million dollars from the Army Engineers, and so forth, and the Department would have to find the money.

I am not satisfied to leave the provision as it is, because I do not think it is an honest picture of the situation. The Senate may decide the matter for itself.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from New York [Mr. COPELAND 1.

The amendment was rejected.

Mr. COPELAND. Mr. President, the Senator from Maryland [Mr. Typings] asked me to present for him an amendment on page 58 of the bill, beginning at line 9, to strike out the following proviso:

Provided further, That none of the funds appropriated in this act shall be used for the organization or maintenance of an additional number of mounted, motor transport, or tank units in the Reserve Officers' Training Corps in excess of the number in existence on January 1, 1928:

If the Senator from Maryland were present, he would call attention to the fact that on page 51 the committee struck out a similar provision regarding the National Guard. Senator from Maryland wishes to have this proviso stricken out in order that the Organized Reserves may be on the same plane with the National Guard. Personally, I can see no objection to the amendment.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from New York [Mr. CoreLAND] on behalf of the Senator from Maryland [Mr. Typings].

The amendment was agreed to.

Mr. FRAZIER. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.
The CHIEF CLERK. At the bottom of page 58, it is proposed to insert the following proviso:

Provided further, That none of the funds appropriated in this act shall be used for or toward the support of any compulsory military course or military training in any civil school or college, or for the pay of any officer, enlisted man, or employee at any civil school or college where a military course or military training is compulsory, but nothing herein shall be construed as applying to essentially military schools or colleges.

Mr. FRAZIER. Mr. President, this amendment simply does away with what is commonly known as "compulsory military training" in land-grant colleges.

I desire to propound a question to the Senator from New

York, who is in charge of the bill.

Last year the item for the Reserve Officers' Training Corps carried an appropriation of \$3,108,701. This year the House committee raised it to \$3,452,304. The Senate committee raised it to \$4,896,078. I should like to ask the Senator from New York, who is in charge of the bill, what that increase over the House provision is to be used for? The Senate committee increased the House provision by \$1,443,774.

Mr. COPELAND. The purpose of that increase is to make it possible to place units of the Reserve Officers' Training Corps in about 100 more schools than are now equipped for it.

Mr. FRAZIER. That means 100 more high schools and colleges, I presume?

Mr. COPELAND. That is correct; 113, to be exact.

Mr. FRAZIER. That is very interesting.

Mr. President, I desire to submit some figures for the consideration of the Senate. They are figures which I believe are authentic. They are contained in a study of the comparative cost and efficiency of compulsory as against elective R. O. T. C. units.

There are listed 11 colleges which have compulsory military training, and in the basic number of those in training, taking the 2-year course, there are 10,330 young men, an average of 941 per school. In the advanced enrollment—that is, the third and fourth years of the college work in the R. O. T. C., or military training, in these 11 schools—there are 1,457 of those 10,000, or a little over, who remain in the Reserve Officers' Training Corps. I might say that the average cost per individual undergoing compulsory military training is \$739.

Eleven other universities and colleges are taken where they have an elective R. O. T. C. Of course, the total number in the basic enrollment is not so large. There are only 2,883 enrolled in the first 2-year course, an average of 266 per college, but in the advanced course, where the course is elective, there are 1,242 who remain in the course for the second 2 years, or a total of 43 percent of those who take the first 2 years of compulsory training. Where they have had compulsory training, only 14 percent take the second 2-year course, and the average of the compulsory training is \$739 per man. The average cost in the elective course is \$305 per man.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. FRAZIER. I yield.

Mr. RUSSELL. The figures given by the Senator from North Dakota, of course, do not apply to the cost to the Government of the United States for students attending the insitutions?

Mr. FRAZIER. Oh, yes. As I understand it, they do apply to the cost to the Government.

Mr. RUSSELL. In other words, the Senator from North Dakota asserts that it costs the Government more to maintain an R. O. T. C. unit in an institution where the training is compulsory than in an institution where such training is voluntary?

Mr. FRAZIER. Where it is compulsory, it costs a great deal more than where military training is an elective course.

Mr. RUSSELL. But the Senator from North Dakota does not contend that it costs a great deal more to the Government of the United States per man?

Mr. FRAZIER. Oh, yes; absolutely; in the compulsory course it is necessary to have a larger force. In the 11 institutions there are 10,350 who take the first 2 years, but taking the second 2 years there are only 1,457, and \$739 per man is the average cost of the potential Reserve officers in the compulsory course. In the elective course it costs the Government only \$305 per man.

Mr. RUSSELL. I did not understand the Senator. The . Senator refers to the cost of the entire course of training?

Mr. FRAZIER. Yes.

Mr. RUSSELL. Not to the per annum cost of maintaining a student in such an institution?

Mr. FRAZIER. The entire cost.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. FRAZIER. I yield to the Senator from Vermont.

Mr. AUSTIN. Mr. President, I should like to inquire the source of the Senator's figures. Will he kindly put it in the RECORD, or state the source of the figures?

Mr. FRAZIER. They are given to me by a young man who is connected with an organization of college students who are opposed to compulsory military training, and I believe they are authentic.

Mr. AUSTIN. Will the Senator kindly name the association which this young man represents?

Mr. FRAZIER. I cannot remember just what they call the association, but I have met a number of these people at various times. I can give the names of the colleges and the number of students.

Mr. AUSTIN. Can the Senator give us the name of the young man?

Mr. FRAZIER. The young man is named Johnson, and he comes from New York City. I do not know whether he is a relative of the other prominent Johnson or not.

Mr. AUSTIN. What is his first name or his second name? Mr. FRAZIER. I do not remember his first name.

Mr. AUSTIN. Does the Senator know what his address is? Mr. FRAZIER. I can get it for the Senator if he desires to have it.

Mr. AUSTIN. Mr. President, it is obvious that it is not mere curiosity that prompts me to ask the question. The purpose is to ascertain the existence of the original records, the accuracy of the copies which the Senator is using, and the authenticity of the information; that is all. If there can be any information furnished from the records regarding the source and accuracy and authenticity of these figures, I ask the Senator to put the information in the Record.

Mr. FRAZIER. I do not think there is any question about the authenticity of these figures. The universities which have compulsory training are the University of Maine, Rutgers, the University of Maryland, Penn State College, University of Illinois, the Iowa State College, the University of Missouri, the Oklahoma A. & M., Oregon Agricultural College, Utah State Agricultural College, and the University of Washington. Those which have the elective course are the University of Pennsylvania, the University of West Virginia, Carnegie Institute of Technology, Wofford College, University of Cincinnati, Western Reserve University, Knox College, University of Michigan, University of Wisconsin, and Washington University.

The number of students enlisted in each one is given. It stands to reason that the students who take the elective course in a college are interested in the military training, and I have no objection to students at universities, or colleges, or high schools, if they and their parents want them to take military training, having it given to them, but I do object to the compulsory feature of the bill.

A great deal has been said about radicalism, and I note in the House hearings that some of the Army officers said there was necessity of increasing the State National Guards because of feared uprisings in the States by radicals and reds, danger of strikes, and so forth. Statements have been made in the press and here on the floor of the Senate, or they have gone into the Record, at least, about radical

organizations in the universities and colleges of the United States, and a deplorable situation exists, according to some of these stories. But it seems to me that so long as we have compulsory military training in these institutions, we are doing much to make radicals of the boys in colleges who are forced to take military training over their objection, whether it is a conscientious objection on account of religious scruples, or whatever their objection may be. If they are forced to take military training, it seems to me it is going to have a tendency to make them more radical than they would otherwise be. As I have said before, I have no objection to their taking the military training if they wish to take it, but I do hate to have them forced to take it through a compulsory military course.

There are 79 land-grant colleges, I believe, which have compulsory military training, one less than there were a few years ago. The University of Minnesota, a land-grant college, has done away with compulsory military training during the last few months. That land-grant college and the University of Wisconsin, another land-grant college, are, so far as I know, the only two land-grant colleges in the United States which have done away with compulsory military training. In every other land-grant college in the United States, whether it be a university or an agricultural college, in order for the young man from the farm or from the city to complete a course in the university or agricultural college, he must take at least 2 years of military training. It is un-American; it is contrary to all our traditions that we should have compulsory military training in our schools and colleges in this free country of ours.

Some of the eminent Army officers have stated that they are not in favor of compulsory military training in the schools because there are boys who come into the schools who do not want to take the training, who do not make good officers or privates in the Army, and the officers do not like to have them taking such training. Many prominent educators in these schools have made the same statement, that they are opposed to compulsory military training. The National Education Association a few years ago went on record in favor of doing away with the compulsory feature of the military training in our land-grant colleges.

So, Mr. President, I think this amendment should be adopted. I do not know that it is necessary to take any more time in its discussion. The bill has increased by 46,250 the number of men in the Army, and it is proposed to increase by 113 the number of schools having compulsory military training. I do not know where we are going, Mr. President, with this military training. The next thing probably will be a bill providing for compulsory military training in all our schools, or for the young men in general throughout the country.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. FRAZIER. I yield.

Mr. RUSSELL. The Senator from North Dakota frequently refers to compulsory military training. There is nothing to force any student to attend any specific institution. There is nothing to compel a student to attend a school where such courses are maintained.

Mr. FRAZIER. Does the Senator mean that there is no compulsion on the part of the War Department or on the part of the Government?

Mr. RUSSELL. On the part of anyone—on the part of the War Department or any governmental agency anywhere in the United States.

Mr. FRAZIER. Mr. President, there is not any compulsory feature on the part of the War Department, in so many words, but the effect is that the War Department will provide a certain amount of money for this course if it is made compulsory by the university authorities; and in order to get the money the small university or college has to accede to the compulsory feature.

I recall that a few years ago a college out in California did away with the compulsory feature of military training, and immediately the War Department withdrew its support from the college, and, according to the newspapers, it has threatened to do the same thing in Minnesota because the Minnesota board of regents did away with the compulsory feature of the military training.

Mr. President, in these hard times, of course, colleges are hard up, just the same as other institutions, and they need all the money they can get. Salaries and wages in many instances have been cut down. If the Army support should be withdrawn, I suppose a college would have to hire an additional member of its faculty to teach gymnastics or some other form of exercise which the students are now supposed to get through this Army drill. The compulsory feature in substance remains just the same, although it is not in the law; and the War Department will not furnish money and officers to a small school where there is no compulsory military training.

Mr. DUFFY. Mr. President, will the Senator yield?

Mr. FRAZIER. I yield.

Mr. DUFFY. The Senator mentioned some hundred-odd schools in which it is proposed to establish these units. These various schools have voluntarily made application for them, have they not? The units are not being foisted upon the schools by the War Department, are they?

Mr. FRAZIER. The applications may be due to the fact that the schools are hard up, and need the additional money at this time. The University of Wisconsin has not

yet applied, has it?

Mr. DUFFY. No; to my regret, it has not. When I was in the University of Wisconsin I had to take military training, much to my disgust. At that time it was said, "Why, we are going to have no more wars in the future. We are living at peace with all the world."

Mr. FRAZIER. We were told about that on the floor of the Senate this afternoon.

Mr. DUFFY. Ten years later, when I was in the service, I had the benefit of the 2 years of experience and of training which I received when I was in the university. Then I was very glad I had had such training.

Mr. FRAZIER. I have no objection to anyone taking the military training if he desires to take it, but I do not like to see the compulsory feature in any of our land-grant

colleges. That is the feature to which I object.

Mr. President, I have here a little article from a good Presbyterian publication. There may be some Presbyterians here who will appreciate it. The church organizations in general are opposed to compulsory military training, and opposed to the increase in the Army and the Navy which is going on year by year. I ask unanimous consent that the article be placed in the Record at the conclusion of my remarks. It is from the Presbyterian Tribune and is entitled "Headed for War."

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit A.)

Mr. FRAZIER. Mr. President, I realize that there is no use of making extended remarks upon this subject. A similar amendment was voted down in the House, and similar amendments have been voted down on the floor of the Senate several times. I do think, however, that it is worth while to call to the attention of the Members of the Senate and the people of the country the fact that we are increasing our compulsory military training instead of decreasing it, and it is my opinion that it ought to be cut down. I am satisfied that if the question were put to a vote of the students who attend these colleges, or who are about to attend them, they would vote by a big majority against compulsory military training.

Some persons say the students do not have to go to a college or a university which has compulsory military training unless they wish to do so. That is true, perhaps; but in many cases there is no other school which they can attend, and so they go to a school having compulsory military training; and, if they are physically able to do so, they are compelled to take at least 2 years of military training.

#### EXHIBIT A

[From the Presbyterian Tribune, 70 Fifth Avenue, New York City, Feb. 21, 1935]

# HEADED FOR WAR

The United States is headed straight for war. If present American policies are continued there will be a major conflict in the Pacific in this very decade. So delicate has the situation become

that there is danger that we will be at war with Japan inside of 2 years. We do not believe that the American people sense the imminence of this crisis. We do not believe that they realize where the policies of the administration are carrying them. We do not believe they would approve if they did. But unless they wake up and make a mighty protest, a protest that is Nationwide and unmistakable, American manhood will once more be thrown into the shambles—and soon.

This is alarmist talk. It is meant to be. The signs of the times

wake up and make a mighty protest, a protest that is Nation-wide and unmistakable, American manhood will once more be thrown into the shambles—and soon.

This is alarmist talk. It is meant to be. The signs of the times are too clear to be misinterpreted. They are too threatening to be disregarded. Japan has been made to feel that she is surrounded by a ring of enemies. Her people are absolutely convinced that we have hostile intentions toward them. She has denounced the naval treaty largely because she believes that a 5–5–3 ratio implies her inferiority and our hostile designs.

With this psychology it needs little imagination to realize the effect on the Japanese people of the recently announced war preparations of our Government. President Roosevelt's projected expenditures for national defense mark an all-time American record for peace-time expansion in the land, sea, and air services. The Navy's first line is to be put 2,000 miles out into the Pacific. Air bases stretching from Alaska to the Panama Canal, a budget for all this of more than a billion dollars, and P. W. A. funds intended for relief thrown into the naval hopper.

But still more threatening to the peace of the world are the proposed naval maneuvers in the North Pacific announced by Admiral Joseph M. Reeves, apparently with the approval of the President. These maneuvers, scheduled to begin May 3, are to take place in our own waters—but the Aleutian Islands, which are part of our possessions, stretch well on toward Japan. In fact, if the Japanese fleet decided to maneuver at the same time, it could still stay in its own waters and be within easy striking distance of our fleet. We do not know that they will, but they would have a perfect right to do so, just as we have a right to maneuver in the region proposed. The possibilities in this situation are so grave as to be staggering. By airplane these fleets would be within a few hours of each other. Are all our air pilots and the Japanese air pilots so perfectly disciplined and controlled that no on respects no laws

Moreover, peace-loving Americans must be realistic enough to know that there are men high in our political and industrial life who at this juncture would actually welcome a war. It would temporarily pull us out of the depression. There is deal danger at this point. If recovery measures fail, there will be increasing pressure upon the administration to seek this way out.

Thus there comes more quickly than we thought a supreme test for the church of Jesus Christ. Have our peace resolutions meant anything? Have they been mere words? Now is the time meant anything? Have they been mere words? Now is the time for Christians who have seen that war is sin to say so boldly before it is too late. In every church in our land meetings of protest against these provocative naval maneuvers must be held. We must take the lesson which has been driven home to us by Father Coughlin and William Randolph Hearst and deluge the President and Secretary of State Hull with letters and telegrams of unmistakable protest. Let the conscience of the Christian church speak so that even war lords and politicians may hear.

We are headed for war. Present administration policies can have no other outcome. There is nothing that can stop them but a mighty shout of protest from the Christian church.

a mighty shout of protest from the Christian church.

Mr. COPELAND. Mr. President, I am sorry, but I shall have to raise a point of order against the amendment of the Senator from North Dakota.

The VICE PRESIDENT. The Senator will state the point

Mr. COPELAND. The proposal of the Senator is a suggestion that support be withheld where there is any compulsory military course for military training in any civil school or college, and so on. The statutes say-United States Code, section 304, page 112-that the land-grant colleges are compelled under the law to teach military tactics. That is the law.

Mr. FRAZIER. Mr. President, in what year was that law enacted, please?

Mr. COPELAND. It was enacted on March 3, 1883. Further, at page 183 of the United States Code, section 381, it is provided-

That except at State institutions described in this section, no unit shall be established or maintained in an educational institution until the authorities of the same agree to establish and maintain a 2 years' elective or compulsory course of military

Therefore, under the law, so far as the land-grant colleges are concerned, they must teach military science.

Mr. FRAZIER. Mr. President, will the Senator yield?

Mr. COPELAND. I yield. Mr. FRAZIER. I remember very well that a number of years ago-I think it was in 1931-when this question came up, an opinion was rendered by the Attorney General of tural college. They happen to be at different places. Both

the United States to the effect that there was no provision of law for compulsory military training in the land-grant colleges, and the Secretary of War at that time issued a statement along the same lines. I think the Senator is reading from some back-number code of law.

I also wish to say, Mr. President, while I am on the floor. that a point of order was raised against this amendment in the House on the 22d of February, and the Chair overruled

the point of order.

The VICE PRESIDENT. The Chair is ready to rule. Regardless of whether the law is as stated by the Senator from New York [Mr. COPELAND] or as contended by the Senator from North Dakota [Mr. Frazier], the Senate has the right to place a limitation on any appropriation contained in the bill. It has a right to put a limitation in the bill that no land-grant college shall receive any part of this money if it does not have a 20-story building. In other words, there is no rule of which the Chair is aware in any parliamentary body, this or any other, which prevents a limitation of any kind on any kind of an appropriation. The Chair overrules the point of order.

Mr. RUSSELL. Mr. President, merely for the benefit of the RECORD, I wish to make one or two brief observations. I realize the lateness of the hour precludes any lengthy discus-

The remarks of the Senator offering the amendment might very easily create the impression that in some institution, somewhere, now receiving funds for the support of the R. O. T. C. unit, there is some form of compulsion which would compel young men to attend the institution and be subjected to a course of military training. There is no such thing anywhere in this land of ours as compulsory military training. Before a young man would elect to attend a college which was receiving the funds provided for in this measure for the support of the Reserve Officers' Training Corps he would be advised as to the rules and regulations of the college, as to what the curricula were, and what the obligations of students at that institution would be.

There are colleges in every State in the Union where there is no form of military training. If a man elects to attend a college where Latin is a prescribed course, or any one of the arts or sciences is a prescribed course, he would know in advance before he matriculated that he would be expected to take that course. That is all that is involved in the course of military training prescribed by our colleges. Any American citizen can avoid it by not seeking admission to any institution which prescribed military training as a part of the required course of study.

The practical effect of the amendment offered by the Senator from North Dakota is this: If the amendment were adopted, we would invade the precincts of every campus in the United States and say to the members of the board of trustees, to the members of the board of regents, and to the various State legislatures, "You have absolutely no right to prescribe any course of study in this institution. We will take that power away from you, take it out of your hands and put it in the hands of the students. The students themselves will determine what courses of study shall be prescribed for the school."

That would be the effect of the adoption of the amendment. No longer would the regents or the trustees or the various State legislatures be permitted to say what courses of study should be prescribed, but each student matriculating at an institution would have the right to elect whether he should drill. If a sufficient number were to decide in the negative, it would abolish the course of military training in any of the land-grant colleges.

Mr. FRAZIER. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield. Mr. FRAZIER. The amendment does not have the effect of changing the curricula or anything of the kind except as to the compulsory feature in relation to military training. In some of the States of smaller population, in North Dakota, for instance, there are only one or two such institutions. In North Dakota we have 1 university and 1 agriculare land-grant colleges. Both have compulsory military | training. A boy from the farm or from the city is almost compelled to take a course in one of those institutions or to go outside of the State to another institution.

Mr. RUSSELL. There is no Federal statute which would prevent the Legislature of the State of North Dakota enacting a law tomorrow that would make military training wholly optional at those institutions. Why should we concern ourselves here in discussing this matter which is now in the hands of the governing body of every State in the Union which has control over the State educational institutions where military training is given? The board of regents of the University of North Dakota has absolute right to prescribe that the military course there shall be wholly optional to every student or to prescribe that it shall be compulsory. Why should the Congress of the United States tell them that they shall not have the right to prescribe what courses shall be taught there in the way of military training any more than we might enact some legislation providing that German or French or mathematics or any other part of the regularly established curricula should not be taught?

Mr. FRAZIER. The attempt has been made, at least once by the legislature and once by the board of administration, to change the compulsory feature of military training. Each time it was voted down because they had information that the War Department would immediately withdraw support from the university and the college. In order to get that money, so necessary in these hard times, they consented and agreed to carry on the compulsory military training.

Mr. RUSSELL. I challenge the Senator from North Dakota to give any illustration or cite any concrete case where the War Department has withdrawn support unless the action of the college in making its military training optional has resulted in inability to secure a sufficient number of students in the military course to justify its maintenance. If the Senator from North Dakota can prevail with his amendment, he can go to the campus of every institution of the United States and permit the students to take a vote as to what the courses of study shall be, and if many of them decide not to take military training the War Department would not be justified in maintaining the course there; of course, it would be withdrawn. We would condemn the War Department if it kept an officer and all the equipment used in one of these training courses in a school where only 15 or 20 men were interested in securing the benefits of military training.

Mr. FRAZIER. Of course, if that is the case it shows that compulsory military training is not popular among the students. The only college I know of where the department withdrew was one in California. I do not remember its name. The board there took out the compulsory feature of military training and the War Department withdrew their support from that college. According to the newspapers they threatened to do that in Minnesota. I do not remember the particular institution, but I did read about that in the newspaper.

Mr. RUSSELL. I should not like to take some vague newspaper story as authority for charging that the War Department is violating the law relating to the establishment of military training in the colleges.

Mr. President, I hope the amendment will be rejected. can serve no useful purpose. Almost since the foundation of our Government it has been the fixed policy of the Congress to encourage a course of military training in our schools and colleges. Under the National Defense Act this training has assumed more importance than ever before. Nearly all of our Reserve officers come from these schools. If we are ever confronted with another great national emergency in the form of war the young manhood of America will be commanded in battle by them, unselfishly and patriotically, and ofttimes at a financial loss they seek to equip themselves for service to their country. They, as well as we, hope the need therefor will never arise. But I am opposed to any action by this body which will injure this

important component of national defense—the Reserve Officers' Training Corps.

Mr. AUSTIN. Mr. President, I should like to ask the Senator who has charge of the bill if he intends to proceed further with it tonight.

Mr. COPELAND. Mr. President, I wish to finish the bill tonight. We are very near the end of it.

The VICE PRESIDENT. All Senate committee amendments have been disposed of. The only question pending before the Senate is the amendment of the Senator from North Dakota [Mr. Frazier]. After that shall have been disposed of, the question will be on the engrossment, third reading, and passage of the bill.

Mr. AUSTIN. Mr. President, I shall not detain the Senate longer than to point out some fundamental things with which we shall be meddling if we adopt this amendment. It seems to me that on an appropriation bill dealing with the War Department we should not undertake to change entirely the policy of our Government with respect to education, and its attitude toward the liberty of the young men and women of this country.

Since 1862 it has been the policy of the Government to encourage training for military service, on the theory that the grant made to the States of the Union by the Government in 1862 of scrip for public lands which enabled those States to have their citizens, their young men and women, trained in agriculture and the mechanic arts, was upon condition that those young men and women should also receive training for military service. This was an inviolable condition. This was a condition which had to be accepted by the legislatures of the several States before the grant could be availed of by the States. Thus was created, under the Morrill Land Grant Act, a college in every State of the Union to which the citizens of the State could go and obtain the education that was available out of the fund which a great Government saw fit to give to the State for the benefit of its young folks.

Every one of those colleges issues a catalog; and if military education is made a compulsory course, like the course in mechanic arts and like instruction in one language, together with certain mathematics, to enable the student to have, when he graduates, a well-rounded education, the student chooses in advance whether or not he will matriculate in that college. He has full liberty of choice in that respect. The compulsion to which reference has been made would arise only if we should adopt such an amendment as that proposed by the Senator from North Dakota. That is where we should get compulsion-by undertaking to force these institutions to do something that is contrary to the policy of the Government and to the law under which they accepted the grant from the United States. There is where we should get the compulsory feature, and there is where liberty would be instantly wiped out.

Mr. FRAZIER. Mr. President-

The VICE PRESIDENT. Does the Senator from Vermont yield to the Senator from North Dakota?

Mr. AUSTIN. Certainly.

Mr. FRAZIER. I cannot quite agree with the Senator from Vermont. If this amendment should be adopted, it would be the policy of the Government to do away with compulsory military training; and according to the Attorney General's opinion a few years ago, as I recall—and I am quite sure I am correct, because I remember using the statement in a speech on the floor of the Senate-he held at that time was that there was no compulsory feature on the part of the Government with reference to the military training in these land-grant colleges.

Mr. AUSTIN. Mr. President, that is just what I am say-No compulsion was contained in the Morrill Act. A condition was attached to the grant which the State was free to accept or to reject. Let me read the language of the act:

in any manner after legislatures of such States shall have assented thereto and engaged that such funds shall yield a fair and reasonable rate of return, to be fixed by the State legislatures, and that the principal thereof shall forever remain unimpaired: *Provided*, That the moneys so invested or loaned shall constitute a perpetual fund, the capital of which shall remain forever undiminished (except so far as may be provided in section 5 of this act), and the interest of which shall be inviolably appropriated—

I ask the Senator's particular attention to this, since he asked me the question:

Shall be inviolably appropriated by each State which may take and claim the benefit of this act, to the endowment, support, and maintenance of at least one college where the leading object shall be, without excluding other scientific and classical studies and including military tactics, to teach such branches of learning as are related to agriculture and the mechanic arts, in such manner as the legislatures of the States may respectively prescribe, in order to promote the liberal and practical education of the industrial classes in the several pursuits and professions in life.

SEC. 5. And be it jurther enacted, That the grant of land and land scrip hereby authorized shall be made on the following conditions, to which, as well as to the provisions hereinbefore contained, the previous assent of the several States shall be signified by legislative acts:

When a State accepted that grant it accepted it upon the condition specified in section 4 that the school should teach, among other things, military tactics.

Mr. FRAZIER. Mr. President, will the Senator yield? Mr. AUSTIN. Yes; I yield.

Mr. FRAZIER. That law was passed in 1862. There have been a lot of changes since that time. Conditions have changed; and no legislature in 1862 could bind future generations for any great length of time, at least in my opinion. Legislatures could change their opinions, and the Congress of the United States could change its opinion; and this law has been amended since that time.

Mr. AUSTIN. Mr. President, that is the law of today, whether it was enacted in 1862 or in 1892 or in 1922. It happens that it constituted a contract which bound the United States and every State which has had this money given to it. Not only that; the contract has in it the elements of moral obligation, which every man who is a citizen of the United States should respect, regardless of whether or not we have courts that can any longer enforce the obligations of the Federal Government and of the State governments.

We have recently learned that we, as a Congress, may so legislate that, piling one act upon another, we may render the United States immune from the consequences of destroying the inviolable rights of citizens. That should place upon us the heavy obligation, which we ought to have, anyway, of scanning such an amendment as this to see to it that we carry out the obligation, that we continue to perform the representation we have held out to philanthropists and educators and statesmen through all the years that have elapsed since 1862 that we would keep inviolate that undertaking and that we would carry on the instruction of youth in these things upon which the grant was based. Thus did we attract to all these institutions of ours, in every State in the land, gifts, philanthropies, beneficences, made upon the understanding that the United States of America had founded these schools upon that theory and that policy.

If we have the power-and that is a thing we need not discuss here—assuming that we have the power to destroy that system, why should we wish to choose to destroy it? Why should we wish to adopt a theory which I grant men and women have a right to entertain? I do not quarrel with the Senator who offers this amendment in good faith. I do not question his motives. He may be more nearly right than I am about the policy of whether or not we should go ahead with any military institution. He may be nearer right than I. That is not the point at all. I claim, however, that it has been the theory of our Government from the beginning that liberty, freedom, opportunity, responsibility, incentive, encouragement to youth, would result in building up a fine personality in the citizen and a great country as a mass result. I object as a matter of policy to changing and reversing all that now, and making our Government a protector, a supporter, a guardian, an institution for giving to

the child who is born under the Stars and Stripes everything he ought to have, sometimes called "a decent living." I object to a policy which tends so to soften character as to render it flexible and yielding, and to make the boys and girls of America wards of the state instead of soldiers under the flag. So, as a matter of policy, I am opposed to this amendment.

Mr. FRAZIER. Mr. President, I should like to ask the Senator from Vermont a question.

Mr. AUSTIN. I shall be pleased to answer the Senator's question.

Mr. FRAZIER. The Senator from Vermont seems to have the idea that this amendment, if adopted, would prevent the teaching of military tactics in the colleges, as provided in the law. That is not the case at all. It would simply prevent the compulsory feature.

We hear talk about American boys and girls being free, and all that sort of thing, and then they are compelled, if they go to these schools, to take at least 2 years of military training.

There are at least two religious sects in this Nation, quite large religious organizations, which object to military training of any kind, and under the explanation of the Senator, the children of parents belonging to those religious sects cannot send their children to these schools. The Supreme Court has ruled only recently, in a California case, that the board of administration or the faculty of a school has the right to compel boys, if they come to the school, to take military training for at least 2 years.

Mr. AUSTIN. Mr. President, I suppose that is the question; if it is, I am willing to answer, but I could not very well make the answer brief.

I wish to say, if I understand the interrogatory, that military training is prescribed in these land-grant colleges just as the study of the mechanic arts is prescribed, just as a certain course in mathematics is prescribed. Any boy or girl who does not wish to take training in the mechanic arts or training in mathematics can stay away from the land-grant college. There is no more reason for saying that the training in military tactics should be excluded and that colleges should be compelled not to give or require it than there is as to any other required course.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from North Dakota [Mr. Frazier].

Mr. FRAZIER. I suggest the absence of a quorum.
The VICE PRESIDENT. The clerk will call the roll.
The legislative clerk called the roll, and the following
Senators answered to their names:

Adams	Coolidge	Johnson	Nye
Ashurst	Copeland	Keyes	O'Mahoney
Austin	Costigan	King	Pittman
Bachman	Couzens	La Follette	Pope
Bailey	Cutting	Lewis	Radcliffe
Bankhead	Dickinson	Logan	Reynolds
Barbour	Dieterich	Lonergan	Robinson
Bilbo	Donahey	McAdoo	Russell
Black	Duffy	McCarran	Schwellenbach
Bone	Fletcher	McGill	Sheppard
Borah	Frazier	McKellar	Shipstead
Brown	George	McNary	Smith
Bulkley	Gerry	Maloney	Steiwer
Bulow	Gibson	Metcalf	Thomas, Okla.
Burke	Glass	Minton	Thomas, Utah
Byrd	Guffey	Moore	Townsend
Byrnes	Hale	Murphy	Truman
Capper	Harrison	Murray	Vandenberg
Carey	Hastings	Neely	Van Nuys
Clark	Hatch	Norbeck	Walsh
Connally	Hayden	Norris	White

Mr. LEWIS. I make the same announcement concerning the absence of Senators that I made earlier in the day.

The VICE PRESIDENT. Eighty-four Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment offered by the Senator from North Dakota [Mr. Frazier].

Mr. FRAZIER. I ask for the yeas and nays on this important question. It has to do with the compulsory feature of the military training in land-grant colleges.

The VICE PRESIDENT. The yeas and nays have been requested. Is the request seconded?

The yeas and nays were not ordered.

the amendment.

The amendment was rejected.

Mr. COPELAND. Mr. President, the Chairman of the Appropriations Committee [Mr. GLASS] made it clear to me that I did not clearly state the amendment on page 10, line 23, providing \$20,000,000 for the increase in the appropriation for enlisted men of the Army. I desire to call attention to the fact that the language which we accepted from the House is most unfortunate. I blame myself, as chairman of the subcommittee, for not discovering it; but the truth is that as the bill now stands the \$20,000,000 necessary must come from the appropriation made for the present Regular Army, which is \$51,000,000, and out of other items in the bill. My proposal is that we strike out the words "under this and other appropriations contained in this act", which are on page 10, line 23, and insert "not exceeding \$20,000,000." Then the matter will be in conference, and the item will be presented to the country and to the Senate without subterfuge, and it will show exactly what it is intended to be.

Mr. KING. Mr. President, may I ask the Senator how much that would increase the appropriation?

Mr. COPELAND. Not exceeding \$20,000,000.

Mr. KING. And the total appropriation will be approximately \$500.000,000?

Mr. COPELAND. No; I should not say that.

Mr. KING. It will be over \$400,000,000?

Mr. COPELAND. Yes.

The VICE PRESIDENT. Let the Chair state to the Senator the parliamentary situation. The Senate has already rejected that amendment, and in order to do what is proposed by the Senator from New York the Senate will have to reconsider that action.

Mr. COPELAND. I ask unanimous consent for a reconsideration of the vote by which the amendment was rejected, for the purpose of offering this amendment.

The VICE PRESIDENT. Is there objection?

Mr. KING. I object.

Mr. COPELAND. I move that the Senate reconsider the vote by which the Senate rejected the amendment.

The VICE PRESIDENT. The question is on the motion of the Senator from New York to reconsider the action of the Senate by which the amendment was rejected.

The motion to reconsider was agreed to.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from New York [Mr. COPELAND], which will be stated.

The CHIEF CLERK. On page 10, line 23, it is proposed to strike out the words "under this and other appropriations contained in this act" and to insert in lieu thereof the words "not exceeding \$20,000,000", so as to read:

Pay of the enlisted men of the line and staff, not including the Philippine Scouts, \$51,069,333, together with such additional sums as may be necessary, not exceeding \$20,000,000, to defray the cost of increasing the enlisted strength of the Regular Army—

Mr. KING. Mr. President, I shall detain the Senate for but a moment.

I know that any opposition in this body to military and naval appropriations will be of no avail. We are embarking upon a militaristic course. We are sending word to the world that we intend to appropriate this year, not \$1,000,-000,000, but \$1,400,000,000 or \$1,500,000,000 for military and naval purposes. It seems to me we shall be hypocritical if in the future we arise and say that we stand for peace when we are spending annually for military purposes from \$400,-000,000 to \$500,000,000 more than any other nation on earth.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New York [Mr. COPELAND].

The amendment was agreed to.

Mr. COPELAND. Mr. President, in order to make the bill consistent, on page 49 the same language is found with reference to the National Guard. I move to strike out the placed on the Executive Calendar.

The VICE PRESIDENT. The question is on agreeing to | language, "under the several subappropriations contained in this act under the National Guard" in lines 23 and 24, and to insert after the word "sums" in line 22 the words not to exceed \$2,500,000."

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from New York.

The amendment was agreed to.

Mr. COPELAND. Now, Mr. President, I ask unanimous consent that the clerk be authorized to correct all totals.

The VICE PRESIDENT. Without objections, it is so

Mr. President, will the Senator yield? Mr. KING.

Mr. COPELAND. I yield.

Mr. KING. I wish to ask the Senator if he intends to move to reconsider the vote by which we adopted the amendment offered by the Senator from Mississippi [Mr.

Mr. COPELAND. Yes, Mr. President. I thank the Senator for calling it to my attention.

Yesterday the Senator from Mississippi asked that there be established in his State a new air squadron. He was very nice to us, and thanked us before we really had done it.

I invite the attention of the Senate to the fact that the first cost of the air squadron would be \$375,000. The annual cost for maintenance would be \$190,000. I suppose each Senator has had a telegram today asking for the establishment of an air squadron in his State. I ask unanimous consent for reconsideration of the action by which that amendment was agreed to.

Mr. ROBINSON. Mr. President, has the Senator from Mississippi been advised that this request would be made?

Mr. GLASS. Mr. President, this is what occurred: As Chairman of the Appropriations Committee, I was standing here ready to make the point of order which properly lay against this amendment, and before I could open my mouth to make the point of order the then occupant of the chair declared that the amendment was adopted. I stated to the Senator from Mississippi then that I was going to move a reconsideration, but I think the motion ought to be deferred until he can be present.

Mr. COPELAND. What does the Senator from Arkansas suggest?

Mr. ROBINSON. I understand that the Senator from Mississippi will be in the Chamber in a moment. We might transact some other business and return later to the business on which we are now engaged. I suggest that we have an executive session at this time.

#### WORK-RELIEF PROGRAM

Mr. GLASS. Mr. President, before that is done I ask unanimous consent that at the conclusion of the consideration of the War Department appropriation bill, House Joint Resolution 117 be made the unfinished business of the Senate.

The VICE PRESIDENT. Is there objection to the request of the Senator from Virginia? The Chair hears none, and it is so ordered.

#### EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

#### EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States, submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

# EXECUTIVE REPORT OF A COMMITTEE

Mr. ROBINSON (for Mr. McKellar), from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters, which were ordered to be

## DIPLOMATIC AND FOREIGN SERVICE

The VICE PRESIDENT. The calendar is in order.

The legislative clerk read the nomination of John J. Muccio, of Rhode Island, to be secretary in the Diplomatic Service.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of William P. Cochran, Jr., of Pennsylvania, to be secretary in the Diplomatic Service.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

#### POSTMASTERS

The legislative clerk read the nomination of Parley Rigby to be postmaster at Idaho Falls, Idaho.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Arthur G. Buchanan to be postmaster at Lime Spring, Iowa.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

That completes the calendar.

#### LEGISLATIVE SESSION

Mr. ROBINSON. I move that the Senate return to legislative session.

The motion was agreed to; and the Senate resumed legislative session.

#### WAR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 5913) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1936, and for other purposes.

The VICE PRESIDENT. The pending question is the request of the Senator from New York [Mr. COPELAND] for unanimous consent for the reconsideration of the vote by which the amendment known as the "Harrison amendment" was adopted yesterday. Is there objection?

Mr. HARRISON. Mr. President, I hope the Senator from New York will not insist upon his request, but will let the amendment go to conference.

Mr. GLASS. Mr. President, the amendment proposed by the Senator from Mississippi was clearly subject to a point of order. I was on my feet ready to make the point of order, as I felt bound to do under a resolution of the Committee on Appropriations. Before I could do it the then occupant of the chair stated the proposed amendment was agreed to. I thereupon stated I thought there ought to be a reconsideration and that I was going to move its reconsideration.

Mr. HARRISON. I do not want to delay the passage of the bill. The matter was presented to the Senate yesterday. It was the first opportunity I had to present it. I see no reason why we should take up, unnecessarily, the time of the Senate after the amendment has been adopted. Let it go to conference and find out from the War Department about the facts if further facts are desired. I hope very much the Senator from New York will not insist upon his request.

Mr. GLASS. The point is that if things like this are to be done, appropriations bills will be torn all to pieces. The Senator's amendment was clearly subject to a point of order. I was standing in my place ready to make the point of order when the chairman of the subcommittee happened to say something to me and before I could open my lips the occupant of the chair said: "Without objection, the amendment is agreed to." There was no opportunity to make any objection. The point is that it will cost \$375,000 initially, and the annual cost thereafter will be \$190,000. That ought not to be done without the Senate of the United States understanding what it is doing, and it did not understand yesterday what it was doing.

Mr. HARRISON. I think the Senate understood what it was doing. I never saw it more sober in my life in the consideration of an amendment.

Mr. GLASS. Then there ought not to be any objection to reconsideration.

Mr. HARRISON. The Senator from Virginia looked happier yesterday than he does now. He was in a better frame of mind then than he is now. I am sure, when he obtains further explanation from the high officials of the War Department, that he will agree thoroughly that it would be an outrage for the item to be stricken from the bill.

Mr. GLASS. The Senator from Mississippi is just cajoling the Senator from Virginia [laughter], just like he will cajole the conferees on the part of the House and the Senate to get his \$375,000 appropriation. [Laughter.]

Mr. HARRISON. No; I would not try to cajole the Senator at all. [Laughter.] I thought I was complimenting the Senator. I hope the Senator will permit the item to remain in the bill and let it go to conference. The Senate acted on the amendment.

Mr. GLASS. But the Senate did not take any action. The presiding officer at the time took the action! [Laughter.]

Mr. HARRISON. There was no point of order raised. I speke with reference to the amendment. There was not a voice raised against it.

Mr. GLASS. No one had an opportunity to raise his voice before the occupant of the chair said the amendment was agreed to.

Mr. HARRISON. We had one of the best occupants of the chair that ever presided over this body.

Mr. GLASS. If the present occupant of the chair had been presiding it would not have occurred.

Mr. CLARK. Mr. President, the Senator from Virginia is certainly in error about the haste with which the amendment was adopted. I proposed an amendment to the amendment of the Senator from Mississippi to provide for three air squadrons in Missouri.

Mr. GLASS. We could not do anything. Before anyone had a chance to say a word the occupant of the chair at that time said the amendment was adopted.

Mr. COUZENS. Mr. President, a parliamentary inquiry. The VICE PRESIDENT. The Senator will state it.

Mr. COUZENS. What is the question now before the Senate?

The VICE PRESIDENT. The Senator from New York [Mr. COPELAND] asked unanimous consent to reconsider the vote by which the amendment of the Senator from Mississippi [Mr. Harrison] was adopted. In the absence of the Senator from Mississippi, the Senator from Arkansas [Mr. Robinson] asked that the Senator from Mississippi be sent for. He is now present. The question now is, Is there objection to the reconsideration of the vote by which the amendment of the Senator from Mississippi was adopted?

Mr. HARRISON. I object.

The VICE PRESIDENT. Objection is heard.

Mr. COPELAND. Then I make the motion.

Mr. COUZENS. Did not the Senator from New York previously make the motion to reconsider the vote?

The VICE PRESIDENT. The Chair is informed by the parliamentary clerk, who keeps accurate record of the proceedings, that the Senator from New York did not make the motion in the first place, but asked unanimous consent. In the meantime the Senate went into executive session. The Senate then resumed legislative business and the Chair now understands the Senator from New York to make the motion to reconsider the vote by which the amendment known as the "Harrison amendment" was adopted yesterday. That motion is now the pending question.

Mr. HARRISON. If the Senator from New York is going to insist on his motion, I hope the matter may be passed over until tomorrow, so that we may have a full attendance of the Senate to discuss the matter. I had been hopeful that the bill would be gotten out of the way and sent to conference by this time. [Laughter.] I do not want to put the bill over until tomorrow unless it is necessary to do so.

Mr. COPELAND. I should not think the Senator would hesitate to have a vote taken.

Mr. GLASS. I hope it may go over until tomorrow. I want a full attendance of the Senate when we vote. Yesterday it was just voted on by the then occupant of the chair.

Mr. HARRISON. Very well; let us have a vote.

The VICE PRESIDENT. The question is on the motion of the Senator from New York to reconsider the vote by which the Harrison amendment was adopted. [Putting the question.] The ayes seem to have it.

Mr. HARRISON. I ask that the Chair put the question again, because I am sure he misunderstood the way Senators

responded. [Laughter.]

The VICE PRESIDENT. Let the Chair state to the Senator from Mississippi that he believes it is customary in parliamentary bodies, where a question is voted on, for the Chair to rule with the committee in case of any doubt. The Chair believes the Senator from Mississippi has been in parliamentary bodies long enough to know that the Chair usually resolves all doubts in favor of the committee.

Mr. COUZENS. Mr. President, I suggest the absence of a quorum.

Mr. HARRISON. Mr. President, will the Senator withhold that a moment?

Mr. COUZENS. Unless we are going to have a roll call on the pending question I shall insist on the suggestion. I think the point of order ought to have been raised yesterday.

Mr. HARRISON. The point of order was not raised.

Mr. GLASS. Nobody had any opportunity to raise the point of order. I was on my feet to raise the point of order and before I could open my lips the then Presiding Officer said: "Without objection, the amendment is agreed to."

Mr. HARRISON. I ask for a division.

Mr. COUZENS. I suggest the absence of a quorum.

The VICE PRESIDENT. The absence of a quorum is suggested, and under the present parliamentary situation no other course is open to the Chair than to order the clerk to call the roll.

Mr. McNARY. Mr. President, the desire was expressed by the Senator from Mississippi, and I think acquiesced in by the Senator in charge of the bill, that this matter go over until tomorrow. If that shall be the order, I do not think it will be necessary to have a quorum call.

Mr. ROBINSON. If it is agreeable to those in charge of

Mr. ROBINSON. If it is agreeable to those in charge of the bill that the matter go over until tomorrow, I shall make

a motion to take a recess at this time.

Mr. COUZENS. Then I withdraw the suggestion of the absence of a quorum.

#### RECESS

Mr. ROBINSON. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 30 minutes p. m.) the Senate took a recess until tomorrow, Friday, March 8, 1935, at 12 o'clock meridian.

### NOMINATIONS

Executive nominations received by the Senate March 7 (legislative day of Monday, Mar. 4), 1935

#### DIPLOMATIC AND FOREIGN SERVICE

CONSUL GENERAL

David B. Macgowan, of Tennesse, now a Foreign Service officer of class 3 and a consul, to be a consul general of the United States of America.

#### UNITED STATES MARSHAL

Walter Bragg Smith, of Alabama, to be United States marshal, middle district of Alabama, to succeed Douglas Smith, removed.

# PROMOTIONS IN THE NAVY

Capt. John Downes to be a rear admiral in the Navy, from the 1st day of February 1935.

The following-named lieutenants to be lieutenant commanders in the Navy to rank from the dates stated opposite their names: Harvey R. Bowes, May 1, 1934.
Paul L. Mather, June 30, 1934.
Arthur W. Peterson, June 30, 1934.
Clarence H. Pike, June 30, 1934.
Harold R. Holcomb, June 30, 1934.
Henry S. Nielson, July 1, 1934.
Earl LeR. Sackett, July 1, 1934.
Warner W. Angerer, October 1, 1934.
Richard S. Morse, October 1, 1934.
George A. Seitz, November 1, 1934.

The following-named lieutenants (junior grade) to be lieutenants in the Navy to rank from the dates stated opposite their names:

Daniel J. McCallum, June 30, 1933.
Louis Roedel, November 1, 1933.
Robert S. Bertschy, May 1, 1934.
Philip D. Compton, August 1, 1934.
Elmer C. Buerkle, September 1, 1934.
Eugene D. Sullivan, September 1, 1934.
Joe W. Stryker, September 8, 1934.
William C. Latrobe, October 1, 1934.
David A. Hurt, November 1, 1934.
David M. Tyree, December 1, 1934.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 4th day of June 1934:

William J. Sisko

George DeMetropolis

The following-named assistant surgeons to be passed assistant surgeons in the Navy, with the rank of lieutenant, from the 30th day of June 1934:

Carl H. McMillan William E. Carskadon John L. Enyart John P. Wood

Passed Assistant Paymaster Frank Humbeutel to be a paymaster in the Navy with the rank of lieutenant commander, from the 1st day of June 1934.

The following-named boatswains to be chief boatswains in the Navy to rank with, but after ensign, from the 1st day of October 1934:

William H. Daly Henry K. Wombacher George E. Cook Raymond F. Purcell

The following-named electricians to be chief electricians in the Navy, to rank with but after ensign, from the 1st day of October 1934:

John T. McNulty John R. Lambert James B. Glackin Harry A. Stafford Elof W. Hermanson

The following radio electricians to be chief radio electricians in the Navy, to rank with but after ensign, from the 1st day of October 1934:

Douglas N. Thomas Thomas A. Garrett
James W. Anderson Mack C. Veltman
Peter A. E. Greenwell

Machinist Forrest G. Windsor to be a chief machinist in the Navy, to rank with but after ensign, from the 1st day of October 1934.

The following-named pharmacists to be chief pharmacists in the Navy, to rank with but after ensign, from the 1st day of October 1934:

Joseph H. Bell Allan D. Spaulding John R. Dakin Harry N. Trotter

# MARINE CORPS

Capt. Alton A. Gladden to be a major in the Marine Corps from the 26th day of January 1935.

First Lt. Richard M. Cutts, Jr., to be a captain in the Marine Corps from the 1st day of March 1935.

First Lt. Frank D. Weir to be a captain in the Marine Corps from the 1st day of March 1935.

First Lt. Merlin F. Schneider to be a captain in the Marine Corps from the 1st day of March 1935.

Second Lt. Chester R. Allen to be a first lieutenant in the Marine Corps from the 29th day of May 1934.

Second Lt. Lloyd H. Reilly to be a first lieutenant in the Marine Corps from the 29th day of May 1934.

#### CONFIRMATIONS

Executive nominations confirmed by the Senate March 7 (legislative day of Monday, Mar. 4), 1935

DIPLOMATIC AND FOREIGN SERVICE

SECRETARIES IN THE DIPLOMATIC SERVICE

John J. Muccio to be secretary in the Diplomatic Service. William P. Cochran, Jr., to be secretary in the Diplomatic Service.

POSTMASTERS

TRAHO

Parley Rigby, Idaho Falls.

Arthur G. Buchanan, Lime Spring.

# HOUSE OF REPRESENTATIVES

THURSDAY, MARCH 7, 1935

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, we rejoice that on yonder throne is our Elder Brother, apart in stainless glory with a face of light, with arms to help, and with a heart to forgive. O Thou who art the mightiest of the mighty and the holiest of the holy, Thy throne is forever and ever and Thy years shall never fail. We thank Thee that Thou hast brought back the God of love to lost and bitter men. We pray that we may hear Thy voice sounding in the recesses of our souls making overtures to a better life. Enable us to keep firmly and securely in our minds that love is stronger than hate, that truth conquers error, that right is victorious over wrong, that the blessed Father of heaven and earth is with us and will prevail. We pray in the name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

#### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Horne, its enrolling clerk, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 77. Joint resolution authorizing printing and binding for the Federal Power Commission.

#### RESIGNATION FROM COMMITTEE

The SPEAKER laid before the House the following communication:

Hon. Joseph W. Byrns, Speaker House of Representatives,

Washington, D. C.

Dear Mr. Speaker: I desire to submit my resignation as a member of the Coinage, Weights, and Measures Committee of the

I take this action because I was recently elected to membership in the Insular Affairs Committee, and with my other three committees I simply cannot give the time five committees would require.

With kindest regards, I am

Very sincerely yours,

JOHN J. DEMPSEY.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

### PERMISSION TO ADDRESS THE HOUSE

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 4 minutes.

Mr. RICH. Mr. Speaker, reserving the right to object, and I shall not object, it seems to me that the object of meeting at 11 o'clock this morning was to transact the business of the House. I should like at this time to make a point of no quorum in order that the Membership of the House may hear this address.

Mr. CELLER. I do not think it is that important. should appreciate it if the gentleman would not press his motion. I will modify my request and make it 3 minutes.

Mr. RICH. Mr. Speaker, I withdraw my point of no quorum.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, I am sorry to take up the time of the House, but a very severe attack has been made upon the New York manager of the Home Owners' Loan Corporation, Vincent Dailey, and it is incumbent upon somebody from New York to say a few words in behalf of Mr. Dailey, not that this distinguished servant needs any defense but merely to dispel any notions that might be drawn from the false statements made by one McAuliffe in his ridiculous attack. It is quite proper, because we are now about to consider a bill affecting the Home Owners' Loan Corporation.

A man by the name of McAuliffe made an affidavit filled with tissues of falsehood and lies concerning Mr. Dailey, a very important official who honestly and efficiently has dispensed to date over \$385,000,000 to home owners on their mortgages. Considerable publicity was given to the ridiculous statement by Mr. McAuliffe. He comes from Brooklyn, where I hail from; and I know that he made this accusation against Vincent Dailey only "to get back at" Dailey because Dailey summarily dismissed him because of irregularities found in his conduct as an appraiser in the Brooklyn office. Mr. Dailey found that this man McAuliffe deliberately, for economic motives of his own, increased certain appraisals. McAuliffe was one of the appraisers in that bureau. Because of this serious irregularity he was summarily dismissed. Thereafter he made these absurd accusations against Dailey, a very efficient, God-fearing, honest official of the New York office. I repeat. Dailey's record is unassailable. Dailey told me that McAuliffe was dismissed by his instructions when he became convinced by proof that he was abusing Dailey's confidence and that he had increased an appraisal without sufficient and satisfactory explanation.

Now, it may be that charges are made for political reasons that Dailey has employed primarily only Democrats in his office, but I remember distinctly when the Home Owners' Loan Corporation was first launched and they set up the office in Newark, N. J., that a Democrat could not get a chance in the place; Republicans only were employed in that office in Newark. The destinies of that office were presided over by a former Member of this House, Mr. Fort, and I remember distinctly that the Democratic Members from New York and New Jersey importuned Fort and those in charge of the office of the Home Owners' Loan Corporation at that time, not only for some positions, and were refused, but we applied almost daily for relief relative to the mortgage-foreclosure situation in Long Island, in New York City, and in up-State New York; but to all our pleas a deaf ear was lent and we did not have a chance with that Republican-controlled office.

Republicans, Socialists, mugwumps, anybody, can go to Dailey's office and get a square deal. All are treated alike. However, Democrats hold the key positions, but in the business conducted in New York there is no political prejudice or discrimination. All home owners are treated alike, fairly and squarely. Permit me to present an editorial from the Rochester Evening Journal:

#### IT SOUNDS LIKE BUSINESS

Vincent Dailey, of Rochester, manager of the Home Owners' Loan Corporation for the State, is doing a big job exceedingly well. That is the kind for which his talents are best adapted.

His program explains much of the record:

"To see to it that every individual, corporation, or group entitled by law to the benefits we are authorized to bestow will receive these benefits as quickly and as fully as possible, without regard to race, creed, party, or personal influence."

You couldn't ask for more than that.

How about the matter of political patronage? Democrats are appointed to offices—certainly, he says. But on a basis of their qualifications for the work they must do; but politics plays no part in this agency, and"When I say politics I include partisan politics, personal politics, holier-than-thou politics, and the thousand and one other species of politics that are continually popping up to interfere with the management of institutions intended to function for the benefit of our great mass of people."

A good creed for other Government departments, too.

Here is another editorial from down State, from the Long Island Daily Press at Jamaica, Long Island:

THE H. O. L. C. EXPOSED AND FOUND A SUCCESS

Partisan Republicans in Nassau County have just completed "exposing" the Home Owners' Loan Corporation.

As a result it has been found that home loans went to Republicans and Democrats, new poor and old poor—all victims of the economic conditions of the day. Since this is what the H. O. L. C. started out to do, this phase of the new deal has been exposed

as quite a success.

In some cases there were loans to the owners of substantial homes. This finding certainly stamps approval of the H. O. L. C. work, because one of the fears of its best friends was that it would not sufficiently care for the man who had been secure in a high-salaried job before the depression and who then plunged to the depths when his job was gone.

It seems, too, that on the basis of relative voting strength there

was a slight leaning toward giving loans to Democrats—a finding which confirms the new deal's oft-repeated contention that it is the party of the masses, the people most likely to need aid.

One conclusion that partisan critics have reached is so utterly One conclusion that partisan critics have reached is so utterly absurd that to overturn it brings the quixotic feeling of bowling over straw men. The contention is that the Federal Government "punished" Nassau County for voting Republican in the last election by closing the Home Loan office in Mineola right after the election. Critics who advance this belief know that the new deal was given an overwhelming vote of confidence throughout the land, and still the Home Loan offices were closed down everywhere, because the Corporation is temporarily without funds. To point out that one of the first jobs of the new Congress is almost certain to be a reenforcement of the H. O. L. C. with more money is merely to prove the case doubly. more money is merely to prove the case doubly.

Nassau County "punished" for voting Republican!

Robert Moses, who was the Republican candidate for Governor, should get a laugh out of that in view of the majorities he hoped for and those he got. Mr. Moses might well comment ironically that as far as the H. O. L. C. is concerned, Nassau County was treated no differently than any other Democratic

Happily for Nassau County, the partisan viewpoint is not likely to be general. Liberal Republicans are quick to admit that the H. O. L. C. has done well, not only for the home owner saddled with a heavy mortgage and for the business man with frozen mortgage assets, but for municipalities as well. The H. O. L. C. has been a boon to local governments which could not collect back taxes, Nassau County among them, as County Treasurer Harry L. Hedger has already pointed out.

Here is another recent editorial expression from the Herald Statesman published in Yonkers, Westchester County:

It is generally conceded that here in New York State the direction of the Home Loan machinery for the Federal Government, under Vincent Dailey, chairman, has been unusually efficient. Mr. LaPorte comments that the Empire State administration "is considered one of the best administered of all the State agencies."

Mr. LaPorte is regional manager for New York, New Jersey, and Connecticut, an important overseeing official of the H. O. L. C.

I desire to give you a résumé of the important and farreaching functions of the New York office of the H. O. L. C. presided over by Mr. Vincent Dailey. I draw copiously and fully upon one of his recent speeches for data.

The H. O. L. C. in New York State functions through six autonomous district offices located in New York City, White Plains, Albany, Syracuse, Rochester, and Buffalo. In each county there is an organization to cover the work of negotiating, appraising, closing, and servicing. The total number of salaried employees fluctuates between eleven and twelve hundred, while about 2,000 are qualified for duties on a fee basis.

February 7 operating figures follow:

Total applications	134, 629
Preliminary appraisals completed	126, 352
Mortgages, consents obtained	106, 972
Final appraisals completed	87,064

As a result of investigations and appraisals it has been necessary for us to reject as ineligible 35,472 applications, leaving net applications of 99,157.

Of these we list:

	Number of loans	Amount
Loans approved Loans closed Loans pending	72, 179 62, 546 26, 978	\$381, 986, 000 324, 550, 065

I believe that I am right in saying that these would have been disposed of if we had not suspended appraisal operations in November. These operations were resumed recently.

It might be interesting to know that disbursements in New York State are almost one-seventh the amount disbursed in the entire Nation.

Every loan is safeguarded by 22 distinct operations between receipt of application and loan closing.

In the refinancing of loans one of the duties is to pay off delinquent taxes. These have amounted to nearly \$25,000,-000, 60 percent of which, or approximately \$15,000,000, having been paid to the city of New York.

It is also incumbent to recondition the property where necessary, and to do this intelligently the New York office had to organize a specialized department of architects, cost estimators, and experienced builders. This department alone is handling 17,196 cases. Of these 15,980 have been inspected, and low bids have been approved on 6,456 cases amounting to \$1,844,065. They are now disposing of over 500 cases a week in this department, the amount of reconditioning work involved being over \$20,000 a day.

In less than 3 months, without addition to his force, they have, by reorganization, set up a complete servicing department that is today attending to \$400,000,000 of property located in all parts of New York State. Dailey and his office are steadily reducing delinquencies and increasing receipts. Within a short time he will have segregated the defaulted cases, the handling of which has been increasingly

Each of over 60,000 home owners has been visited recently in their homes, and the duty of caring for their service has been delegated to a trained individual. Just as Dailey endeavored to be efficient and sympathetic in his refinancing operations, so he will endeavor to be efficient in his collecting operations, ever mindful, however, that his work must be constructive owing to the peculiar circumstances under which he operates.

What are the policies of the H. O. L. C.?

Dailey's main policy is to relieve the distressed home owner. However, in doing this there have been many incidental benefits to others, and often the distress of the mortgagees has been so closely linked with the situation of the home owners that efforts have had to be expanded in meeting many emergencies in order to insure the successful operation of our complete plan.

As an illustration, take the closed banks; I am informed all loans held by these institutions were eligible for H. O. L. C. refinancing. The H. O. L. C. bonds passed to the depositors and contributed to relieving their distress which otherwise might have resulted in injury to both depositors and mortgagors and generally increased the number of distressed home

Of course, all bonds passed to mortgagees, whether individuals, savings and loan associations, banks, trust, or insurance companies, were benefits accruing to those who were depositors or insured; and if you place in this picture the people whose taxes were kept down by our payment of delinquent assessments and the solvent home owners whose equities were protected by the support our operations gave to the home realty market, you will find that almost without exception every citizen has in some way been aided by the operations of the H. O. L. C. in New York.

Another illustration of Dailey's policy to meet every emergency may be brought to you forcibly by what he successfully accomplished in an up-State city, where he threw in an augmented force of deputies, appraisers, and attorneys and saved from failure four large savings and loan associations. A run had already started when he was called in. That he was successful is attested by the fact that all four are today operating, and their members are secure in their funds.

Probably the most important of his policies is the one he adopted at the start of looking ahead for his problems and preparing to meet them. As a result of this policy of foresight, before even his first office was opened, he initiated and later forced adoption by the legislature at Albany of legislation that allowed him to operate with facility, and which saved millions of dollars to the distressed home owners.

The savings to the home owners to date on account of the legislation he had passed in New York State abating the recording tax on H. O. L. C. loans has amounted to over a million and half dollars.

The laws governing purchase and acceptance of H. O. L. C. bonds by banks, fiduciaries, trust companies, and insurance companies have been a great factor in sustaining the prices of H. O. L. C. bonds with such a great volume entering the market.

Dailey early was cognizant of the guaranteed-mortgage situation. He acted with a view of being constructively helpful in same. On August 26, 1933, with the approval of Governor Lehman, of New York, there was passed by the legislature the following act initiated by Dailey. I quote the part relating to the guaranteed-mortgage problem from section 278 of the real property law of New York State:

tion 278 of the real property law of New York State:

\* \* The superintendent of insurance as conservator, liquidator, or rehabilitator of any such person, partnership, or corporation organized under or subject to the provisions of the insurance law \* \* that shall have made or shall hold an investment \* \* in a bond secured by mortgage on real property or share, or part thereof, whether guaranteed or not, may at any time, without an order of the court or other authority, exchange, prior or subsequent to maturity, such bond and mortgage or share or part thereof and any rights in respect thereto for bonds of Home Owners' Loan Corporation \* \* and may hold such bonds of Home Owners' Loan Corporation as authorized and lawful investments for any and all purposes, notwithstanding the provisions of any general or special law of this State inconsistent with the provisions of this section.

In addition to originating and forcing the adoption of this law over a year and a half ago, Dailey especially secured and trained a staff of deputies and designated them for work exclusively on cases in which guaranteed mortgages were concerned, even stationing them in the offices of companies in liquidation. He did this on his own initiative. When these cases progressed to closing, he likewise installed his own personnel in the offices of the mortgage companies to expedite the work.

Because of the law I just quoted and Dailey's undertaking to relieve distress, under the guaranteed mortgages, the New York superintendent of insurance on January 30, 1935, was able to report that he had refunded 7,832 mortgages, in the amount of \$39,265,000, guaranteed by title and mortgage companies in rehabilitation, through the Federal Home Owners' Loan Corporation, and he further stated that over \$20,000,000 more of the same type of mortgages were pending.

I merely want to add to this that Dailey likewise has refunded many millions more for companies not in rehabilitation, and that in at least one instance he was informed his assistance was so material as to enable the company to keep out of rehabilitation.

But the main phase that I want to bring before you is that Dailey has done a job definitely, quickly, without fuss, bother, or publicity, and has done it thoroughly and smoothly, passing laws, meeting problems, and performing duties, unostentatiously.

Another important policy of the H. O. L. C. is to do the work required as economically as possible. Cost of operation of the New York office has been steadily maintained at a figure so low in percentage to the work done that it has received continually favorable comment both from Washington and from experienced mortgage men who are fulsome

in their praise of the efficient and economical performance of Dailey's large staff thrown together hurriedly to meet an emergency. Only the manager and counsel are paid in excess of \$5,000 annually, and the average annual salary of the entire staff, specialized, as its duties necessitates, including lawyers, appraisers, accountants, architects, engineers, and executives, is less than \$1,500 per year. The weekly average is exactly \$28.77 per person.

What are the plans of the H. O. L. C. under Manager Dailey in New York?

Mr. Dailey informs me, in the first place, that by instructions from Washington, he is again proceeding with loaning activities, and he is taking it for granted because of these instructions that bonds will be available for closing all eligible-loan applications now on file. It is on this basis that the total number of closed loans within the next few months will approach 100,000 with an aggregate amount of approximately \$500,000,000. With this task completed, the New York office will have cared for all eligible applications at present on file. The applications with which Dailey cannot proceed because of the absence of elements necessary to make them eligible are now being presented to private institutions. Some of these have already been taken over by private institutions. By this additional activity of the New York office, Dailey is aiding many home owners who, though not in distress, have been applying to the H. O. L. C., because the mortgagees are in need of funds. Here Dailey is serving a twofold purpose. He is taking the worry off the home owner and is providing the mortgagees with funds.

His servicing department will keep all informed on properties in need of repair. By doing this, Dailey will protect the security behind the bonds and, at the same time, contribute greatly toward relieving unemployment.

From the operation of servicing to date, the New York office will have a percentage of problem loans. These, says Mr. Dailey, will be divided into four classifications. The first will be those home owners who cannot make their payments because of lack of employment. Dailey has already set up the machinery to see that those who are on relief shall get credit by the payment of what is known as "rent money." At the same time steps are being taken to cooperate with various employment agencies in an effort to rehabilitate the families into incomes through employment so that they may cease to be a burden to the relief agencies and may again not only support themselves but meet their payments to the H. O. L. C.

The second are those who live in multiple family houses and who are unable to rent their apartments because they have not the funds to improve same to meet the competitive conditions at present prevailing. Where the situation warrants, Dailey will improve these properties to the end of getting them occupied by tenants so that the income from rents will improve the economic conditions of the owners and, at the same time, make possible their meeting the payments due us. This work will also contribute to the relief of general unemployment and will lighten the relief burden.

The third class will be those properties which may be turned over to the H. O. L. C. because of the owners having died or moved away or given up their struggle to maintain their homes. Dailey plans to recondition these properties and dispose of them to new home owners on terms consistent with our usual mortgages.

The fourth class are those properties which are owned by a very small number of people who may not see fit to reciprocate the aid given them by the Government by meeting their just obligations. Dailey wants definitely to distinguish between the three classes of delinquents mentioned and with whom he shall cooperate to the fullest extent to help them out of their difficulties and this last class which may be defined as "chiselers."

I just want to say that if, after a thorough investigation, Dailey is convinced that a home owner has accepted Government assistance with the intent to default on his obligations, he (Dailey) will use every legal means to enforce ! the contract and he will have no hesitancy on bringing about foreclosure.

What are the politics of the H. O. L. C.?

In answering this question I want to emphasize that I am now speaking only about New York State. I also want to make a distinction between public servants and public service.

I shall take up public servants first. In connection with the New York State H. O. L. C., these are the persons or companies that through appointment or designation perform the service of the Corporation. They consist of salaried employees, fee employees, companies engaged in the preparation of abstracts, insurance brokers, and contractors engaged in the reconditioning work.

All salaried and fee employees have been appointed personally by Dailey on the basis of qualifications to perform the duties assigned to them, after a thorough investigation of their record, a thorough examination to determine their fitness, and after Dailey had become convinced of their integrity, loyalty, and zeal for efficient service. Mr. Dailey has always frankly admitted that these appointments have been made from the ranks of the Democratic Party.

The designation of the companies to prepare the abstracts of title has been absolutely free from any political consideration. The first arrangement for title work was entered into with the New York Board of Title Underwriters, representing, I am reliably informed, 80 percent of the facilities for this kind of work in and around Greater New York. This is an opportune time to read into the RECORD a letter sent Dailey by this organization, occasioned by a recent newspaper article in connection with operations of the New York office:

New York Board of Title Underwriters, 149 Broadway, New York, February 11, 1935.

Mr. VINCENT DAILEY

State Manager Home Owners' Loan Corporation,
350 Fifth Avenue, New York City.
DEAR Mr. DAILEY: This letter expresses the sentiments of all the title companies that are members of the New York Board of Title

We appreciate the substantial amounts of title work awarded to our several companies in connection with loans made by the Home Owners' Loan Corporation since it has been operating in New York.

We note that statements have appeared alluding to political patronage in the distribution of title work. Based on our relations with you and the other Home Owners' Loan Corporation officials, we feel that we would be wholly lacking in appreciation if we didn't express to you at this time the following attitude of our members, i. e., that we believe we have all been treated alike, and that we have no knowledge whatever of any suggestion of so-called "politics" that entered into the placing of orders given to the companies represented in our board. May we further state that we realize that under the pressure that prevailed in connection with the emergency of the work under your charge we handled for your corporation as large a volume of title examinations as it was possible for us to care for and attend to with dispatch.

Furthermore, it may be in order to mention now that in coopera-tion with you, and based on your thoughtful representations, we were prompted to accord very special recognition to the great group of distressed home owners, and to the cost, due to title services, of the loans under negotiation to them. It has been stated that the resulting savings and reduction in costs have thus amounted to \$2,000,000. We are proud to have shared credit for that important accomplishment with you and your most capable

With assurance of highest regard,

Very truly yours,
GREATER NEW YORK-SUFFOLK TITLE & GUARANTEE CO.
GUARANTEED TITLE & MORTGAGE CO. HOME TITLE GUARANTY CO LAWYERS TITLE CORPORATION. NEW YORK TITLE INSURANCE CO. TITLE GUARANTEE & TRUST CO. TITLE MORTGAGE CO. OF WESTCHESTER COUNTY. S. H. EVANS, Secretary.

You will note that this letter states that they handled as large a volume of title examinations as it was possible for them to care for, and attend to with dispatch. To supplement their facilities, Mr. Dailey used from the outset also the full facilities of every independent title company. Even this was not enough. Consequently, in the emergency, in order not to delay closing, Dailey selected also some 20 abstract companies possessed of the equipment and personnel

to take care of the overflow. The problem was to get the work done.

Now, as to the fire-insurance policies, one of which has to be on every house on which a loan is made. Here is the record. The policy Dailey pursued is all contained in the following letter from his associate counsel to the general counsel of the National Board of Fire Underwriters. It is dated at New York, April 20, 1934. It reads as follows:

Mr. J. H. DOYLE,
Counsel the National Board of Fire Underwriters,
85 John Street, New York City. Dear Mr. Doyle: Confirming your telephone conversation of this afternoon, I write to notify you that it is expressly against the policy of the Home Owners' Loan Corporation to cancel existing fire insurance policies covering premises which are the subject of our loans

More than this, in the case of policies expiring at or about the time of the closing of our loans, it is against the policy of the Home Owners' Loan Corporation even to suggest the name of any insurance broker or agent for the issuance of renewal policies. Our instructions to our closing attorneys state specifically that they "shall not negotiate insurance for the account of our horrowers". borrowers."

borrowers."

Practically no cases of willful disregard of these instructions have come to our attention. Where these instructions have been violated we have acted immediately by withdrawing all our work from the attorney in question, dropping him from our lists, and instructing the home owner to continue to honor the old policy and disregard the new policy where such action is possible.

We suggest in this connection that in those few cases where our instructions have been disregarded, steps be taken, both in fairness to the home owner and to the company on the existing policies, to reinstate the old policies, cancel the new, and arrange for the return to the home owner of the excess paid for the new premium over the refund received on the old.

We shall appreciate receiving word as to the breach of our

We shall appreciate receiving word as to the breach of our regulations in this matter on the part of anyone connected with our organization, in order that we may be in a position to act as promptly and effectively in the future as we have in the past.

Thanking you for your cooperation in this matter, I am,

Sincerely yours,

NORMAN SALIT, Associate Counsel.

This letter appears in the Legislative Record of the National Board of Fire Underwriters of May 4, 1934, Bulletin No. 899. Paralleling it is the following memorandum to the member companies from J. H. Doyle, general counsel of the Fire Underwriters:

# Policies covering interest

It is the purpose of the Home Owners' Loan Corporation to permit the applicant for a loan to place the insurance for himself in an admitted company and through an agency of his own selection without undue influence or direction by the Corporation.

Our attention is now directed by the Corporation to the purpose above set forth and its disavowal of any intent to permit anyone acting for it to induce or tend to induce any applicant for a loan to forfeit, cancel, or surrender a policy of insurance (if written in a company authorized to do business in the State where the property is located) and rewrite same through any other agency or channel.

I am in receipt of a letter from the Home Owners' Loan Corpo-

I am in receipt of a letter from the Home Owners' Loan Corporation, dated April 26, 1934, copy of which is attached.
While it is not possible, due to the conflict of interest by the change in companies, to reinstate the old policies, cancel the new, and arrange for the return to the home owner of the excess paid for the new premium over the refund received on the old, yet the rule of the Home Owners' Loan Corporation in this matter is so manifestly fair and so consistent with ethical practices that we feel sure no company will knowingly violate it or permit its agents so to do.

Respectfully submitted.

J. H. DOYLE, General Counsel.

I want to emphasize that Mr. Dailey rigidly adhered to this policy of allowing every home owner to select his own insurance broker and company.

In the letting of contracts for reconditioning of homes Mr. Dailey followed a strict policy of awarding the work to the low bidder. All bids are sealed and all are opened publicly at a designated time. To be invited to bid, a contractor must get his name on an approved list. To do this he must present a certificate of compliance under the N. R. A. code; he must supply evidence that he has or can get workmen's compensation and public-liability insurance and must satisfy as to his financial responsibility and reputation for satisfactory work. This list is wide open to anyone who can fulfill these requirements.

The original lists, I am informed by Mr. Dailey, were furnished by the chambers of commerce of the State. These have been augmented by qualified contractors designated by home owners or accepted on application of the contractors themselves. In New York State there are approximately 5,000 eligible firms listed, and in sending out invitations to bid, Dailey employs a system of rotation designed to spread the work

When a reconditioning loan has been approved he sends a list of all contractors, who can do the work, in the location in which the home is situated, and the home owner can designate from this list the three contractors he wishes to bid on the job, or he can submit the name of a contractor not on the list. In case the unlisted contractor qualifies, his name is listed and he is invited to bid. Under this system the home owner makes his own choice as to the contractors invited to bid, the sole interest being to safeguard the interest of the Government that the work is done at the lowest price obtainable in open bidding.

Now, as to the public service rendered by Mr. Dailey: In the service of the H. O. L. C. in New York State, politics never has, does not, and will not, as long as Dailey is manager, play any part; and when I say "politics" I include narrow, partisan politics, personal politics, and the thousand and one other species of politics that are continually popping up to interfere with the orderly management of institutions intended to function for the benefit of our great mass of people.

Dailey has stated that-

If we are fit to hold our jobs we must understand the clean-cut terms under which we operate, and in the performance of these duties I, as manager, will continue to see to it that every individual, corporation, or group entitled by the law to the benefits we are authorized to bestow will receive those benefits as quickly and as fully as possible without relation to race, creed, party, or personal influence. That I have followed this policy in the past, I point to the record.

Mr. ASHBROOK. Mr. Speaker, on roll call no. 23 I am recorded as being absent. I wish to announce that if I had been present I would have voted "nay."

Mr. LEHLBACH. Mr. Speaker, a parliamentary inquiry. The SPEAKER. The gentleman will state it. Mr. LEHLBACH. Yesterday the previous question was

moved on a bill then pending, and upon a division the vote was 36 to 16, whereupon a point of no quorum was made. Under the rules of the House there would follow an automatic roll call on the question of ordering the previous question, but before proceedings could be had the gentleman from New York [Mr. O'CONNOR] moved that the House adjourn, and the House accordingly adjourned. My inquiry is, Is the motion for the previous question still pending?

The SPEAKER. The motion is pending and the vote will again be taken the next time the committee is called under the Calendar Wednesday rule; that will be the first business in order when the Judiciary Committee is again called on Calendar Wednesday.

## ADDITIONAL HOME-MORTGAGE RELIEF

Mr. O'CONNOR. Mr. Speaker, I call up House Resolution 150.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 6021, "A bill to provide additional home-mortgage relief, etc." That after general debate, which shall be confined to the bill and shall continue not to exceed 4 hours, to be equally divided and controlled by the Chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. O'CONNOR. Mr. Speaker, I yield 30 minutes to the gentleman from Massachusetts, and for the present I reserve the balance of my time.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, when this bill was pending in the House 2 years ago the Republican membership advocated the administration of this law should be conducted on a nonpartisan basis. A majority felt otherwise and determined the officials should be selected through political patronage. It is interesting to note in the last 2 years it has been necessary for the Administrator to remove 44 State, district, and assistant managers because of mismanagement, disregard of explicit instructions, or inefficiency. In the same period of time 22 persons have violated the Corrupt Practices Act, and it has been necessary to remove 11 managers and assistant managers because they have solicited funds for political purposes. This record has been brought to the attention of the Committee on Rules by the gentleman who has presided over the administration of the Home Owners' Loan Corporation. It indicates plainly we would have been much better off if we had left politics out of this act designed to relieve the millions of distressed small-home

Mr. SNELL. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from New York.

Mr. SNELL. I desired to ask the gentleman from New York [Mr. Celler] a question in regard to the administration in the State of New York, but his time expired. I do not care to make definite charges because I never do that unless I know what I am talking about, but I do know that practically the only loans made by the Home Owners' Loan Corporation in my immediate vicinity, except in one instance, were made in the 3 weeks previous to election. I also happen to know that the gentleman who made those loans closed them up very quickly and after he had closed them he said to the people who received the money: "Remember, this money comes from President Roosevelt and Governor Lehman." He did not say that they had to vote for them in order to get the loans, but he especially made the statement as I just stated after the loans had been made, and I know the only activity in regard to any of those loans was in the 3 weeks before election.

Mr. CELLER. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from New York.

Mr. CELLER. There were in New York State 134,629 applications made in toto. Thirty-five thousand applications were rejected, and up to date over 63,000 loans were closed, and they are fairly well distributed throughout the State of New York. Complaints have been made that New York City was discriminated against, and Brooklyn particularly. I took pains to look into that matter, and I find New York City was not discriminated against, that Brooklyn was not discriminated against, nor was the upper part of New York State. I am not familiar with the gentleman's particular district, because I did not look into that section, but I am quite convinced, as a result of investigation of newspaper clippings which I gathered all over the State, there has been discrimination nowhere. There are most laudatory opinions to be found everywhere in regard to the work of Mr. Dailey.

Mr. SNELL. If there are no politics in connection with the applications for these loans, why did they not stop 2 weeks before election, when they knew they had more loans than they could grant, instead of waiting until the day after election and saying they had 400,000 applications and they were going to stop receiving them?

Mr. CELLER. I do not think that is an accurate state-

Mr. SNELL. It is very nearly accurate, as far as the papers are concerned.

Mr. CELLER. There was a cessation of loans due to our failure to appropriate sufficient money. It may be that some of the loans in the gentleman's district were embraced within those.

Mr. SNELL. I am talking about the general statement that came out after election, after they had stopped receiving applications because they had something like 400,000 applications on file. I maintain, if there were no politics in it, they knew before election they had more applications than they could grant.

Mr. CELLER. The gentleman knows the newspapers in Long Island, Syracuse, and other places in New York are Republican controlled.

Mr. SNELL. If there are any newspapers Republican controlled anywhere, I would like to know it.

Mr. CELLER. I will put in the Record, in my revision of remarks, a list of those newspaper as well as the editorials.

Mr. SNELL. I will be glad to have the papers listed.

Mr. CELLER. I will put them in the Record. See revision of my remarks made at the beginning of day's session.

[Here the gavel fell.]

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield myself 3 additional minutes.

Mr. COX. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Georgia.

Mr. COX. May I call the attention of the gentleman from New York [Mr. SNELL] to the fact that of the \$2,400,000,000 plus loaned by the Corporation, New York received in excess of \$325,000,000 of that amount? In other words, on a per capita basis, New York ranks higher than any other of the States of the Union, with the exception of Ohio and Michigan.

Mr. SNELL. I did not intend to convey the idea that New York as a whole had been prejudiced against. I simply made the statement that the only activity there was in my immediate vicinity was in the 3 weeks before election, and I thought the whole organization was subject to criticism when they took applications 3 weeks before election, and on the 13th day of November said they had 400,000 pending and would not receive any more.

Mr. COX. Is the gentleman complaining of the operations of the Home Owners' Loan Corporation because of its alleged favoritism to the Democrats?

Mr. SNELL. I would not say it was favoritism to the Democrats, so far as the loans that were made in my community were concerned, but I do know the only activity there was took place 3 weeks before election, and, personally, I think it was for a definite purpose.

Mr. COX. I think if the gentleman will investigate, he will find that the Republicans, so far as distribution of patronage is concerned, have received the lion's share.

Mr. SNELL. I did not say anything about that. I just spoke about the situation that appeared there just before election.

Mr. MARTIN of Massachusetts. May I ask the gentleman from Georgia [Mr. Cox] if he can name any place anywhere of a Republican receiving any favoritism. He said he investigated the facts. Let us have them.

Mr. COX. I do not know, other than the fact that the field forces of the Corporation are largely Republican, and I am making no complaint about that, because I do not know how it happened.

Mr. MARTIN of Massachusetts. How about the managers who selected them?

Mr. COX. Let me reply to the gentleman by asking him a question.

Mr. MARTIN of Massachusetts. Surely.

Mr. COX. From the investigation that the committee has made, is the gentleman in position to indict the Corporation upon the basis of its playing politics in the administration of the fund at its disposal?

[Here the gavel fell.]

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield myself such time as I may need.

Mr. Speaker, when I made my opening statement concerning politics in this Bureau, I did not want to be considered as making an attack upon Mr. Fahey. I am not. I really believe Mr. Fahey is an honest, capable man, trying to perform a difficult task to the best of his ability and trying to keep politics out of it. I really believe this, and he would be in a better position to do it if he were let alone.

Mr. COX. Does not the gentleman believe that that reflects the attitude of the entire Board?

Mr. MARTIN of Massachusetts. I believe there has been a lot of politics in the administration of the Home Owners' Loan Corporation. I believe there has been a lot of inefficiency and delay about which the people are finding fault, but I have no reflection to cast upon Mr. Fahey. What I would like the House to do is to keep politics out of the administration of this Corporation. There is too much money involved and it is too serious a relief problem to be a political football. I believe when we are administering relief to distressed people whose homes are in danger, or when we are giving to people the sustenance of life, like we are through the E. R. A., it ought not to be a question of whether a man is a Democrat or a Republican. If a person is in distress, he or she ought to be on a parity with other needy persons and should receive equality of treatment.

Mr. COX. From the investigation which has been made and from what the gentleman knows about the operations of the Corporation—

Mr. MARTIN of Massachusetts. I am not talking about what has come before the committee, but about the general complaint that has come from many sources about a great many of these relief organizations.

Mr. MARSHALL. Mr. Speaker, will the gentleman yield?
Mr. MARTIN of Massachusetts. I yield to the gentleman from Ohio.

Mr. MARSHALL. Mr. Speaker, I want at this time to relate something concerning which I have personal knowledge in my own district reflecting upon this question of political activity. I am in favor of continuing the Home Loan, and I think most of us are, but we do object to its being used as a football of politics. Here is what happened in my district: As you all know, in each county was appointed a Democratic lawyer to check titles. I do not object to that. Let them have a Democratic lawyer to check titles; but here is what I do want to cite to this Congress as an example of the kind of politics that was played: In my district each one of these attorneys, just before election, less than a week before election, addressed a letter to each and every applicant who had been successful in getting a loan, and he also addressed a letter to each person who had an application pending, in which he played the cheapest kind of politics in holding out to these people what had been done under the act, and what they hoped to continue to do, and then stating specifically that in order to do this they must vote the Democratic ticket. I think that is cheap politics.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. CELLER. I just want to call the gentleman's attention to the fact that Franklin Fort, our former colleague and a Republican, was placed in charge of the division embracing New York, New Jersey, and the surrounding States when the Home Loan Corporation bill was first passed by the Congress; and if there was ever politics in the situation, there was politics then; and I also wish to remind the gentleman that the present head of the Home Owners' Loan Corporation, Mr. Fahey, is not a Democrat. I am informed he is Republican.

Mr. O'CONNOR. The gentleman is mistaken about that. Mr. Fahey is a lifelong Democrat.

Mr. CELLER. Then I am misinformed; but Mr. Strong, who is the Assistant Treasurer, is a former Republican on your side of the fence, a former Representative from Kansas. Numerous Republicans can be found on the roster of important positions in the H. O. L. C., as well as the Federal Housing Administration.

Mr. MARTIN of Massachusetts. Is not the gentleman talking about the home-loan bank, which is an entirely different proposition?

Mr. CELLER. They all have to do with saving the homes of the people.

Mr. COX. Mr. Speaker, will the gentleman yield? Mr. MARTIN of Massachusetts. I yield.

Mr. COX. For the purpose of replying to the statement made by the gentleman from Ohio [Mr. MARSHALL] complaining of politics in the Corporation, whatever politics there may be in it, Ohio, nevertheless, on the wholesale operations of the Corporation in distributing \$459,000,000, received \$143,000,000 of that sum.

Mr. MARSHALL. Mr. Speaker, will the gentleman yield

so I may answer that statement?

Mr. MARTIN of Massachusetts. Yes.

Mr. MARSHALL. I think that is the best evidence as to how it was operated in Ohio. They were trying to elect Democratic office holders in Ohio.

Mr. COX. Is the gentleman complaining of the work of the Corporation on the basis of its having paid out too much money in his district and in the State of Ohio?

Mr. MARSHALL. I am complaining of the cheap politics that was played with taxpayers' money to try to elect a Democratic administration in Ohio.

Mr. COX. But does the gentleman consider that an answer to my question?

Mr. MARSHALL. Certainly; it is a very good answer.

Mr. COX. Is the gentleman complaining on the ground that the Corporation has paid out too much money in his State?

Mr. MARSHALL. The gentleman could not infer that from the statement I made.

Mr. TABER. Mr. Speaker, will the gentleman yield? Mr. MARTIN of Massachusetts. Mr. Speaker, I yield.

Mr. TABER. If what some of our Democratic colleagues are trying to get at is the proper procedure, then would it not be proper to tax only the Democrats and not tax the Republicans? If they are going to get all the benefits from the taxes, there ought not to be discrimination anywhere along the line.

Mr. COX. Surely the gentleman from New York is not charging that the Republicans have been discriminated against in the making of these loans?

Mr. TABER. When they do such things as the gentleman from Ohio has stated and use the granting of loans as a lever to persuade folks to vote the Democratic ticket, I think that is the rankest and rottenest kind of politics. [Applause.]

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield for one question?

Mr. MARTIN of Massachusetts. I must decline to yield for a moment, so that I may use some of my own time.

Mr. Speaker, this discussion shows that if we had been wise in the first instance we would have enacted a provision which would have taken employees out of the realm of politics. It would have been better for the Democratic Party itself. When the Democratic Party insist that every major position shall be dominated by a Democrat, they invite the suspicion that the law is being administered on a partisan

When you observe that out of 276 applications in one community only 16 loans have been made after a year's time, you naturally wonder whether all are getting a fair deal.

I am going to vote for this legislation because I believe the applicants who have had the influence, those who had the most energy, have had their applications granted. The applicants who are left should in all fairness be given a chance for the relief given to others. Let me illustrate. In the State of Rhode Island the Board has not acted on application 377, and yet the man who filed this application has complied three times with the requirements demanded. Thousands who filed later have received relief.

Mr. PIERCE. Probably he did not have the pull of some loan corporation. Talk about politics, it is simply a question of these loan companies.

Mr. MARTIN of Massachusetts. I am for the legislation. I believe people who have been waiting for over a year ought to be given relief, and I want to say I am hoping and praying that the thousands of people who are suffering should be relieved promptly and fairly.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. FITZPATRICK. I want to say to the gentleman that the manager in my district, Mr. Tasker, has not played any politics, but has given a fair and honest administration.

Mr. MARTIN of Massachusetts. I am delighted to hear it, and I hope it will continue.

Mr. HEALEY. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. HEALEY. The gentleman has not made any complaint about the way it has been administered in his own State, has he?

Mr. MARTIN of Massachusetts. I am not making any serious charges about the State of Massachusetts. I think, on the whole, they have done very well, although I think they have not dispatched business in my own district quite as much as they should. However, I have no complaint.

Mr. HEALEY. Does not the gentleman know that the administration of the Home Owners' Loan Corporation in Massachusets has given wide-spread satisfaction and has had the endorsement of all the leading newspapers throughout the

Mr. MARTIN of Massachusetts. I can only say what I said previously to the gentleman—that I am not making any general complaints about the State of Massachusetts. I think they could have acted with more dispatch in my own

Mr. COX. At least they have acted there with the result of granting \$90,000,000 in retail loans to the State of Massa-

Mr. MARTIN of Massachusetts. Have I to repeat to the gentleman from Georgia what I have said twice, that I am not complaining about Massachusetts?

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. Yes.

Mr. COCHRAN. They did play politics in appointments in the district because they appointed more Republicans than Democrats, but is it not a fact that one of the outstanding Republican politicians in the United States was a member of the Board? I refer to Mr. Walter Newton. If there were any politics being played, would not the gentleman himself have information from Mr. Newton. Mr. Newton is my friend, but the gentleman must admit he is a politician.

Mr. MARTIN of Massachusetts. I have not tried to get such information. I realize the home-loan legislative relief was a product of a Republican administration.

Mr. COCHRAN. Is it not also a fact that the man who handles the money, the treasurer, is a former Republican Congressman, Mr. Strong, of Kansas? He undoubtedly would bring some information to the Republican side if politics were being played. Jim Strong is an outstanding Republican, always was, and always will be.

Mr. MARTIN of Massachusetts. Not if he is trying to hold his job.

Mrs. ROGERS of Massachusetts. Is it not a fact that the former Member of Congress, Mr. Walter Newton, was removed from the Board?

Mr. MARTIN of Massachusetts. Probably he was too efficient or too watchful.

Mr. ELLENBOGEN. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. Yes.

Mr. ELLENBOGEN. I have criticized the Home Owners' Loan Corporation whenever I deemed it necessary, but I state most emphatically that in the State of Pennsylvania certainly no politics has been played with it.

Mr. MARTIN of Massachusetts. Oh, I would not expect any politics in Pennsylvania anyway. [Laughter.]

Mr. SMITH of Connecticut. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. Yes.

Mr. SMITH of Connecticut. Does not the gentleman think that the political party which is in the majority and which institutes and carries through such a great relief measure as this Home Owners' Loan Corporation and such great relief measures as the others that have been carried through during this administration is entitled to claim political advantage from it by pointing out that all this was done in a Democratic administration and that the preceding Republican administration had failed to do it? Is not that a legitimate political claim?

Mr. MARTIN of Massachusetts. I do not agree with that statement at all. I think this Home Owners' Loan Corporation had its start under a Republican administration. As the Democratic Party came into power, of course, distress became greater, and the people were more short of money, and naturally you had to extend it in order to take in the people and give them proper relief.

Mr. SISSON. And does the gentleman mean by that that the Republicans furnished the cause and that we furnished the cure? [Laughter.]

Mr. MARTIN of Massachusetts. I would say that if you go away back to the cause, you will go back to the Wilson administration, when we fought the World War. That is the real cause of all our troubles.

Mr. STACK. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. Yes.

Mr. STACK. I have listened this morning with a lot of interest to the discussion, and from the temper of the House I am satisfied that the Republicans as well as the Democrats want this relief bill passed.

Mr. MARTIN of Massachusetts. There is no question about that.

Mr. STACK. So as to help the people back home. Now, like men and women, please let us get down to business and pass the bill and give some relief. [Applause.]

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. Yes.

Mr. RICH. This bill will grant one and a half billion dollars additional to the Home Owners' Loan Corporation. Are we in some way going to protect the Federal Government as well as the mortgagees? I hope we are not going to permit the banks of the country to unload on the Government a lot of mortgages on property, where the mortgages are for a larger sum than the value of the property. The banks of the country are interested as well as anyone else in having this bill passed, so that they can dump onto the Federal Government a lot of their mortgages that are away beyond the value of the property involved. I hope we will give proper consideration to that. We should not make this a dumping ground to the advantage of the banks of the country.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. Boileau].

Mr. BOILEAU. Mr. Speaker, during the past few weeks there have been many statements made on the floor of the House with reference to the administration of the Home Owners' Loan Corporation Act and the conduct of those officials who have been charged with the administration of the act in the various States. Several gentlemen have said that politics has been injected into the administration of the act, and others have stated that graft, corruption, discrimination, and favoritism have been manifested in the administration of the act. With reference to the first of these charges, that politics has to some extent been injected into the administration of the act, I think Wisconsin is, perhaps, situated similarly to other States in that respect. Practically all of those who have had any responsibility for the administration of the act in the State of Wisconsin have been members of the Democratic Party. I have no fault to find with that. Someone had to be appointed, and we could not expect to have Republicans or Progressives appointed by a Democratic administration. Mr. J. R. McQuillan, State manager of the Home Owners' Loan Corporation for the State of Wisconsin, is a Democrat of long standing. He was a candidate for the Democratic nomination for Congress in my congressional district in 1932.

The attorney for the district which comprises practically all of the counties in my district, Mr. Frank P. Ragner, is an attorney of standing in the community, a lifelong Democrat, and a candidate for the Democratic nomination for

Congress in my congressional district during the last campaign. The district manager, Mr. Sherman Wade, is a Democratic State senator. He has been district manager since this bill has been in operation.

I wish to say in behalf of all of these men that they are of high standing, of unimpeachable character, and well qualified to carry on the work they have been charged with. I want to say in their behalf that in my experience I have never heard even the slightest suggestion of any fraud, any favoritism, any graft, or anything of that kind in the administration of this act in the entire State of Wisconsin. They are men who have been chosen because of party loyalty, that is true; but there has been no tendency to disregard qualifications, and each of them has been well qualified for his particular work. I wish to say further that in the State of Wisconsin we have had no major political scandals in many, many years. Whether Republicans, Democrats, or Progressives are charged with the responsibility of administering the political affairs of our State, we have been free of any charges of graft or corruption. I wish to say particularly with reference to the officials of the Home Owners' Loan Corporation in Wisconsin that they are carrying on their work admirably and, as I said a moment ago, I have heard no suggestion of inefficiency, favoritism, or graft in the administration of this act in the State of Wisconsin. [Applause.]

Mr. SAUTHOFF. Will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. SAUTHOFF. I should like to ask my colleague from Wisconsin if the high standard of government in Wisconsin is not due to the fact that we Progressives set the standard for the Democrats and Republicans to try to keep up with?

Mr. BOILEAU. I think the gentleman is accurate in that respect. I wish to say that as far as the political leadership of our State for the last half century is concerned, it has been largely influenced by the members of one illustrious family, the La Follette family. The late Senator La Follette and his two sons, who now represent the State, one in the United States Senate and the other as Governor of the State, have done a great deal toward keeping politics clean in Wisconsin.

The SPEAKER. The time of the gentleman from Wisconsin [Mr. Bolleau] has expired.

Mr. O'CONNOR. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia [Mr. Cox].

Mr. COX. Mr. Speaker, it surprises me that anyone familiar with the operations of the Home Owners' Loan Corporation, such as members of the Rules Committee, which committee has been conducting hearings on a resolution to investigate for some time, should even indicate a willingness to indulge in the blackguarding of the Corporation that has been going on for some considerable time. I am sure that in the experience of the Members, the operations of the Corporation have not in every instance been entirely satisfactory, but those of us who are acquainted with the facts ought to be willing to do justice to the truth as we must know it to be and gladly make the concession that the Corporation, insofar as the Board in Washington is concerned, has made a splendid job out of the work they have had in hand.

Mr. MARTIN of Massachusetts. Will the gentleman yield right there?

Mr. COX. I yield.

Mr. MARTIN of Massachusetts. The gentleman appreciates the work that has been done here in Washington. Does he think it advisable in this bill to make a provision whereby the head office in Washington cannot say who will be district managers? May I put it another way? Why a change in a manager who has served probably efficiently?

Mr. COX. I make this statement in reply to the gentleman's inquiry, that the hearing which the committee has conducted has established it as a fact that the Board in every instance, where anything in the nature of a charge of wrongdoing has been lodged against any agent or employee and in any wise sustained, has acted promptly and has made dismissals, and has done everything else that an agency of the Government could be expected to do in an effort to keep its house clean.

Criticisms have been made against the Corporation—that is, many charges have been lodged against it, which I shall endeavor to answer in a general way, and I hope to the reasonable satisfaction of my colleagues. But here is the assurance that I want to give you now—it is that you have a Board here in Washington which is made up of outstanding men without a single exception. I do not believe there is a man in the service of the Government at this time who is giving himself more completely to an effort at proper administration than the Chairman of the Home Loan Board, and this same thing applies to his entire official household. Every member of that Board is a man of experience in the line of work he is doing and of fine background, and ought to be beyond the reach of some of the criticisms that have been made upon the floor of the House.

The Rules Committee has given careful consideration to the Sweeney resolution asking for an investigation of the Home Owners' Loan Corporation and the conduct of the members of its Board of Directors, and has called for specific evidence of misconduct. The charges and complaints which have been made have with few exceptions been general in character and indefinite and in some cases unfounded. I should like to review for the information of the Members of the House of Representatives and for the Record something of this situation.

Charges and contentions have been made which may be classified as follows:

First. The charge has been made that Home Owners' Loan Act of 1933 was enacted for the direct and immediate relief of individual home-mortgage debtors, and that the Corporation established what was celled a "wholesale department", which was conducted in effect for the benefit of banks and other mortgage institutions, and that such course is irregular.

Second. The charge has been made that in this so-called "wholesale department", and, indeed, in some cases in the ordinary lending operations, favortism has been shown, resulting in delay in granting relief to deserving applicants and resulting in the making of loans to parties who were not in distress and were not entitled to the relief granted by the Corporation, and that this course is irregular.

Third. The contention is made that in the organization of the State agencies favoritism has been shown and a disproportionate part of the resources of the Corporation has been employed in some States as compared to the portion employed in other States, and that this is irregular and improper.

Fourth. The contention is made that there have been irregularities in the selection of employees, and that a course has been pursued in this respect which has not only been unsatisfactory to the complainants but is also bad public policy.

Fifth. The contention is made that the appraisals of the Corporation in many instances have been so high as to be unjust to the Corporation and the Government, and in many other cases so low as to work an undue hardship upon the applicant, and that a course has been pursued in appraisals which is bad public policy and ought to be investigated.

Sixth. The charge is made against the directors of the Corporation and the Corporation itself that rules and regulations have been made and applied affecting eligibility of applicants and their properties which have excluded worthy applicants from the relief intended, and that these rules and regulations are in many cases unlawful.

Seventh. And there are other charges of irregularities, most of which when examined, however, are found to be mistakes in individual cases made by individual agents of the Corporation in the field, such as are to be expected in so large an operation, and which appear to have been made in spite of the provisions of the statute and the regulations of the Corporation and the best efforts of the administrators to prevent such mistakes.

When this legislation was originally pending in Congress, those who were being called upon to administer the same pointed out many of the difficulties to be encountered in the administration of a relief measure involving so many individuals in a condition of distress and involving financial institutions of such great resources; and the Congress, recognizing the difficulties in the administration of the relief, shaped the legislation in an effort to give sufficient power and authority to meet such difficulties and to give the relief which the Government proposed as promptly and effectively as possible; and in considering the questions now before us we must take into consideration the conditions which the Congress considered in the beginning and from time to time when this legislation has been amended, and the condition of the applicants and their creditors with which the Corporation was required to deal. We must take into consideration the fact that when the legislation was enacted in the beginning of the present administration a depression had been permitted to continue, and a credit contraction and deflation had taken place to the extent that the situation in the homemortgage market appeared to be almost hopeless. The homemortgage debt was the largest single private obligation in the United States, amounting to more than \$20,000,000,000. and already the credit contraction and deflation which had taken place had resulted in foreclosure upon about 10 percent of these debts, throwing about 1 out of 10 of these home owners out of house and home, completely crushing the market for houses, and gravely endangering the security of all mortgage institutions. In addition, at least five or six billion dollars of this debt was hopelessly in default, and the creditors either could not or would not renew or extend, and home owners, of course, could not pay under such conditions in one lump sum.

The Home Owners' Loan Act of 1933 was approved June 13, 1933, and the necessity of immediate action was apparent to everyone. The Congress undoubtedly intended that the Corporation should be conducted as an emergency operation, and that relief should be given to the country as quickly as possible, and individual Members of Congress and the country as a whole urged the utmost speed, and, I believe, recognized that the speed demanded would result in more mistakes than might have resulted if the usual course of the development of such a business might have been pursued.

The Corporation was immediately organized after the statute was passed and a staff was assembled and has been from time to time adjusted and readjusted to meet the conditions confronting the Corporation. The Corporation has been compelled to deal with more than 1,700,000 applicants, involving, with the members of their families, an estimated six or seven million people in addition to many thousands of creditors of these people, and was compelled to employ more than 20,000 people within a few months and to select for professional services from appraisers, lawyers, and architects more than 20,000 others. It was confronted with a new method of mortgage lending, namely, the exchange of bonds for mortgages instead of the liquidation of mortgages in cash which would have been much easier if the cash had been made available to the Corporation. Its applicants were in large measure our citizens who were in the greatest desperation when confronted with what appeared to them to be the immediate loss not only of their homes but also of their lifetime savings invested in these homes, and at the same time the Corporation had to deal with the creditors of these people, who, in many cases, were themselves desperate. It must not be overlooked that these serious problems existed in each of the 48 States, the District of Columbia, and the 3 Territories, making a total of 52 jurisdictions in which the Corporation operates, and a staff and a procedure had to be adopted which would accomplish the result desired in each of these jurisdictions. A different situation existed here from that confronting the Federal Reserve Board or the Farm Credit Administration and other undertakings of the Government, in that this was a new undertaking with no staff and no procedure and no precedent, whereas, for instance, the Farm Credit Administration had the precedent of Federal landpank farm mortgage lending for nearly 20 years, with procedures established and an organized staff, and furthermore, the debt problem here dealt with is much more than twice as large in dollar volume and in number of individual mortgages as that dealt with by the Farm Credit Administration.

All things considered, the Corporation did get under way very expeditiously and has given unmeasured relief to individual applicants and their families, resulting in an improved real-estate market, in improved conditions in mortgage institutions which protect the savings of the multitude, and has been one of the principal contributing factors in the recovery program. It has taken over more mortgages than anybody else ever acquired in a similar period or any other period. It is now the largest mortgage institution in the world, and holds about three times as much in urban-home mortgages as all of the life-insurance companies in America combined. It has had at one time all of the problems of organization, establishment of procedures and methods of doing business, employment, the development of a new method of mortgage refunding with bonds, the establishment of a servicing procedure, and the conduct of a financial operation which is unprecedented. And all of these things had to be done by a public institution which was subject to criticisms not only just and proper, but also from critics who are biased and who said it could not be done and who did not wish to see the result accomplished, and, in many cases, who for partisan reasons desired to discredit even the best efforts made in good faith.

The Corporation and its directors freely admit that many mistakes have been made and that complaints are justifiable. The complaints which have been made have been most vigorously inquired into by the Corporation and its directors. In some cases it was too late to remedy the mistakes. In many cases the mistakes were corrected. A most thorough showing has been made in connection with all of the matters which have been called to the attention of the committee. There may be and are differences of judgment, but there is no occasion to say that good faith has not been practiced or to say that the effort which has been made is not a reasonably efficient effort to administer the statute.

Much complaint has been made about the situation in Cleveland, Ohio, but let us examine the facts for a moment. In the State of Ohio, the Corporation has received 186,000 applications for \$673,000,000 in loans, and prior to February 14, 1935, had closed over 68,000 loans for over \$211,000,000. Let me compare this with Georgia, where on the same date 13,159 loans had been made for a total of \$29,830,484; and with Kansas, where on the same date 15,792 loans had been made for \$28,583,643. In order to make it more clear, let us take note that the Cleveland district alone has received over 25,000 loans heretofore closed for more than \$90,000,000, or three times the amount for that one district that has been received in the whole State of Georgia or the whole State of Kansas. Loud complaints have come from Detroit, but the record shows that on the same dates above referred to, over 35,000 loans had been closed in the Detroit district, amounting to over \$107,000,000. Again, one district has received more than three times as much relief as the whole State of Georgia or the whole State of Kansas, and has received more than twice as much as the average entire State. To accomplish this operation in these congested areas in any reasonable amount of time, it appears to be clear that it was necessary to have not only the regular offices but also the wholesale department. It is interesting to note that the wholesale department in these congested areas has extended about as much relief as the retail department. If the gentlemen who complained about these situations could have had their way only one-half of the relief would have been afforded in their territories which has been afforded by the efforts which have been put forth.

As we consider this situation, it is necessary to consider the size of the institution with which we deal. Home Owners' Loan Corporation now holds more than three times as

many urban home mortgages as all the life-insurance companies in America and has acquired these loans over only a few months, whereas these life-insurance companies have had many years to develop their business. The corporation operates in 48 States, 3 Territories, and the District of Columbia, and no other mortgage institution operates in so wide a territory. It has issued more bonds than has ever heretofore been issued by any corporation in the history of the world; and this has been a delicate operation, which has been put through without an undue disturbance of the Government credit or the bond market. It has employed more than 20,000 people, as I have pointed out, in an emergency and has selected more than 20,000 other people to render professional services, such as appraisers, architects, and lawyers. While many of our recovery efforts are only now beginning to get under way, this one has been engaged for more than a year in actually closing, with all the details involved in a loan closing, more than an average of 2,000 home loans daily. At the same time all the books and records for so vast an operation were necessarily developed, and the operation of servicing these loans is confronting the Corporation, and reports in this connection are very encouraging. No reasonable man could expect such an operation without mistakes. The marvel is that more mistakes have not been made. The operation itself has not only justified itself, but the administrators of the act have justified the faith and confidence of the administration and the country.

When we consider this situation it is necessary to consider the fact that Home Owners' Loan Corporation is only one of four responsibilities which have been entrusted to the Federal Home Loan Bank Board for the protection of home ownership in this country. The members of this same Board must administer the Federal home-loan bank system, consisting of 12 banks, which have more than 3,100 members. which, in turn, hold more than \$3,000,000,000 of mortgages on American homes. No more creditable statement can be made than the mere statement of the fact that this system has operated throughout this perilous period and finds now only 6 institutions in this large membership of over 3,100 in receivership and only 6 others under any kind of control of any public supervisory authority. The stabilization effected by these banks has not only protected many millions of savers but has prevented chaos in this large volume of home mortgages, and the members of this Board are entitled to very much credit for this accomplishment. At the same time, the members of this same Board were entrusted by the Congress with responsibility for the organization and development of Federal savings and loan associations to further stimulate local thrift to provide sound financing for local homes. More than 700 of these institutions have been chartered and more than \$200,000,000 of capital is now employed in them, and the Government has been called upon in this connection for less than \$15,000,000 of this capital. The record shows that these institutions are actually engaged in lending money when most others decline to lend and that they are rendering a substantial service. When we realize how many mortgage companies and other mortgage institutions have completely retired from mortgage lending, we realize the necessity for the development of new ones to take their places and the benefits to be derived from these associations in connection with permanent recovery. Of course, it has taken substantial time to develop this system of thrift and so large a number of these institutions. A year ago almost no money was being invested in mortgage institutions and money was piling up in insured bank deposits and stagnation was resulting. The members of this same Board were made trustees of the Federal Savings & Loan Insurance Corporation by the act of June 27, 1934, and have developed a plan for the insurance of accounts in thrift and home-financing institutions and have actually insured all the accounts in more than 500 such institutions, involving several hundred million dollars, and the results of this operation are expected to attract a more adequate supply of money to finance home ownership on a sound basis. I point these things out so that we may all

realize that the Federal Home Loan Bank Board has been entrusted with a wide and comprehensive program, designed to provide the means for the sound financing of homes and intended to improve conditions of home ownership, and for the purpose of pointing out the large responsibility which has rested upon the shoulders of the members of the Federal Home Loan Bank Board and their staff.

But let me take up and analyze for a moment the charges and contentions I have referred to seriatum:

First. When the so-called "wholesale department" was established, the regular offices of the Corporation were overwhelmed with applications, and the Members of Congress and the entire administration, and indeed the country, were demanding added means to facilitate this debt-refunding operation. Many thousands of banks were either in receivership or were operating under State or Government restriction, and regular mortgage institutions were in large measure unable to function. Many people felt that greater speed could be obtained by going into institutions in liquidation and there examining the mortgages on a wholesale basis with the receiver, and thus determine which ones were in a hopeless situation and rapidly refund such debts, and thus get the debtor out of his peril and at the same time provide funds for the savers in these closed banks and other institutions, many of whom were in the direst need for their savings for the rainy day which had come. It is worthy of note here that the so-called "wholesale department" was established for the sole purpose of giving relief in this situation, and to operate in institutions in liquidation only, and that the Members of Congress at the time recognized the advisability of this course by the enactment of subsection (1) of section 4 of the original act as an amendment which was approved April 27, 1934. This amendment confined the operations of the Corporation to applicants who were in default on the date of the original act, June 13, 1933, with three exceptions, and one of those exceptions was "in any case in which the home mortgage or other obligation or lien is held by an institution which is in liquidation." A careful study of the regulations of the Corporation clearly indicate an effort to confine this wholesale operation to institutions in liquidation, and beyond that, to confine it within the spirit of the act to applicants who were in distress with their mortgage debt. Some mistakes have been made in the operation of this department; but these mistakes were mistakes of the local agents in the field and were in violation of clear regulations of the Corporation and what appears to be the best efforts of the directors to confine this operation not only within the words of the act but within the spirit of the act. Some loans have been made through this department to persons with substantial salaries and incomes, but such loans were approved by local agents in violation of the regulation of the board of directors, and such mistakes are not materially different to similar mistakes which have been made in the regular channels by agents of the Corporation in the socalled "retail offices." As a whole, the wholesale department has been well conducted, and practically all of the loans made by it appear to have been in all respects eligible for refunding by the Corporation. There is no denial that mistakes have been made, but it appears clear that a bona fide effort has been made to administer the law as the Congress wrote it. Note should be taken also of the fact that the contention has been made that the wholesale department gave preference to parties who happened to be indebted to an institution in liquidation, and in individual cases this has been true, but the general result is that the individual who filed his application in the original office of the Corporation was served much more quickly because the wholesale department relieved that office of the large volume of business which was conducted by the wholesale department, and other applicants were therefore much more quickly reached.

In connection with the charge that loans have been made to persons not in distress, attention should be carefully called to the fact that the original statute did not restrict the operations of the Corporation to distress lending. The original

statute guaranteed the interest only of the bonds of the Corporation, and the Congress apparently proceeded upon the theory that mortgagees would not accept the bonds except to avoid a foreclosure against an individual in distress. While the statute was in force in this form, it appears that many applications were received in cases where the mortgagee consented to take the bonds where the applicant was a person of some means or had substantial income, and some of these cases were closed. The amendment of April 27, 1934, for the first time limited the Corporation in its operation by statute and provided that loans were not to be made unless the applicant was in default on June 13, 1933, the date of the original act, with certain exceptions. It appears that prior to April 27, 1934, the Corporation made reasonable efforts to serve the most deserving cases, but that since April 27, 1934, extreme efforts have been made to prevent the making of loans to persons not within the words of the statute.

Second. Cases are presented where loans have been made to individuals with substantial salaries or substantial income or of substantial means. It is freely admitted that such loans have been made. Out of nearly a million loans which have been approved to date, a few dozen loans can be pointed out as improper because the applicant was not really in distress, but was really seeking 5-percent money on long terms. These mistakes were made by the regular offices of the Corporation as well as by the so-called "wholesale department", but they are extremely few compared to the whole number. Two or three Members of Congress secured relief from the Corporation, and they have what is considered a substantial salary, but in these and many other cases which have been so largely discussed, they are even themselves in many cases highly debatable as to whether or not they could qualify as a distressed home owner under the act. Every reasonable effort appears to have been made by the Corporation to take the applications in order or to approve only those which were eligible under the letter and spirit of the statute.

Third. Some States, of course, have secured more of this relief than other States, but the people of some States were very much more burdened with home-mortgage debt than the people of other States. No basis can be found for any charge of a preference for one State over another State. Very grave charges in this connection have been made by comparison of the lending operations in Ohio, where a greater amount has been loaned than in Pennsylvania, which probably has approximately the same mortgage debt. But the facts are that the Corporation has spent much more money in Pennsylvania in an effort to administer the statute than it has spent in Ohio. It has not had so wholesome and uniform a cooperation of the people of Pennsylvania as it has had from the people of Ohio. In spite of many obstacles in Pennsylvania, every effort appears to have been made to administer the statute fully in the State, and changes have been made to bring about a more effective administration in Pennsylvania. Indeed, as one studies the record of the Corporation, it is astounding that greater inequalities have not developed among the different States in the administration of this statute.

Fourth. I know how keenly all of us feel about the selection of employees in an agency of the Government such as this which comes so close to the people. It has, of course, been impossible to satisfy everybody in the selection of employees. The members of the board of directors and the executives of the Corporation have labored under such extreme pressure that at times some of us have thought that they did not give adequate consideration in matters of employment. Serious complaint has been made because men have been sent from one part of the country where they know conditions to another part of the country where it is claimed they do not know conditions. We and all of the people of the country must recognize that the development of this large staff of employees and their organization and the development of procedure for this Corporation was a difficult task, and in many instances, where executives and employees had been trained in the organization and procedure of the Corporation, it appeared, in the judgment of the board of directors, advisable to send such employees who had been trained in the work of the Corporation to points where difficulties had arisen, or to do specialized work where it was necessary. Mistakes have, of course, been made in the original selection of employees and in the transfer of employees, and unpleasantnesses have developed necessarily in this connection, but an ex parte investigation of these charges not only does not show probable cause for an investigation but clearly indicates that the board of directors have exercised the discretion vested in them by statute in good faith.

Fifth. When the Corporation was established, its appraisal procedure was one of the most vital questions confronting it. In many places there was no such thing as a clearly existing market value for houses, and a rule was promulgated to the effect that appraisals would be based upon (1) the appraiser's estimate of market value, (2) replacement cost less depreciation, and (3) a capitalization of the average rental value over the past 10 years. Equal weight was given to each of these three measures of value. The rules of the Corporation require, first, a preliminary appraisal by a paid employee of the Corporation; second, a detailed appraisal by an outside professional appraiser on a fee basis; and third, a review of these appraisals in the office; and fourth, a final Corporation appraisal based on all of this information and any other information in the file and made by principal executives in the State agencies. In the early months of the operation, appraisals were extremely irregular, some being too low and some too high, and every reasonable effort appears to have been made to adjust appraisals under the rules established by the Corporation, and this process required many changes in appraisal personnel. All of us, and everyone, admit that the problem of appraising more than a million individual homes scattered throughout 52 jurisdictions is a difficult problem, and that mistakes must necessarily result. The Corporation admits mistakes have been made. I have heard no complaint about the appraisal policy of the Corporation as indicated by its official regulations which I refer to above. Innumerable individual mistakes have been made in appraisal and the Corporation has provided for reappraisal and has provided finally for a loan review division in Washington, to which any person dissatisfied may appeal the case if dissatisfied with appraisal or any other action of the Corporation in connection with an application.

Sixth. The words of the statute confine eligible cases to bona fide home owners and to properties valued by the Corporation at not exceeding \$20,000, and properties improved for not more than four families; but the spirit of the statute clearly indicates an intent on the part of the Congress to grant relief for the benefit of the individual urban home mortgage debtors. Pursuant to the spirit of the statute, the Corporation has undertaken to apply its resources to the relief of home owners in the most reasonable manner and has excluded properties which were preponderantly business properties, although the owner may reside in some part of it; and has excluded farm properties which were eligible for loans from Farm Credit Administration. It appears clear from the statute that it is intended that the Corporation will make loans which are to be paid back and that it is not a charitable enterprise and, therefore, the Corporation has excluded loans to individuals of bad character who have established a clear record of willful nonpayment of their debts, and has excluded loans to individuals who have no income present or prospective and, therefore, no possibility of ever

paying the debt; and this latter course is pursued on the theory that no actual relief would be granted by the Corporation employing some of its resources to refund a debt which would necessarily still have to be foreclosed. The Corporation has made loans to many persons who have no present or prospective income where such persons are sheltering in the home members of the family or others who have earnings or income and who are willing to join in the homemortgage obligation to save the home for the applicant and themselves. Much complaint has arisen from the application of these tests of eligibility, but when analyzed, they appear to be clearly within the words and spirit of the law. and wholesome from a standpoint of the preservation of home ownership. Many mistakes have been made in the application of these rules and regulations, but an appeal is always provided to a loan review division in Washington and finally to the board of directors itself, although it is freely admitted that the board of directors cannot consider all of the individual applications or any large proportion of the same with its other necessary duties.

Seventh. I could enumerate many complaints of miscarriages in the case of individual applications. It would be useless to do so. It is apparent that this operation necessarily has resulted in mistakes, and mistakes are admitted on every hand, but machinery exists to correct these mistakes, and has been most carefully provided. These cases can still be remedied in many instances and will be remedied in most instances if all of us cooperate in this great undertaking.

After consideration of all of these matters, any fairminded person must come to the conclusion that vigorous efforts have been made to administer the statute according to its terms. While conditions have greatly improved, we still have a serious situation which threatens home ownership and the stability of our citizenship. It is essential that the Congress provide substantial additional relief in this field. One of the greatest difficulties which developed during the depression was the collapse of long-term mortgage financing. Home Owners' Loan Corporation has been one of the most effective agencies in the recovery program. It has not only served the home owners and saved the homes of nearly a million of our citizens from foreclosure, thereby saving that many families from being dispossessed and preserving their savings invested in the equities in these homes, but it has also contributed more than anything else toward recovery, and the possibilities for recovery in the heavy industries. It must be recognized that a great task still exists in refunding mortgages for home owners in distress, and that a great task confronts this Corporation in servicing the loans which it has acquired. It behooves all of us to cooperate in this endeavor which comes so close to the firesides of our people.

The SPEAKER. The time of the gentleman from Georgia [Mr. Cox] has expired.

Mr. COX. Mr. Speaker, I ask unanimous consent to extend my remarks by setting forth a tabulated statement of figures showing the total applications received by the Corporation, the amount of money involved and the progress of these applications by States through to closed loans up to February 14, also a statement of the operations of the wholesale department through February 28, which indicates completion of these operations in all States except Ohio, Pennsylvania, and Michigan.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The tabulated statement is as follows:

Summary of operations of Home Owners' Loan Corporation for week ending Feb. 14, 1935 (Prepared by: Division of Research and Statistics, Federal Home Loan Bank Board, Washington, D. C., Feb. 20, 1935)

		Total	applications		Applicat	ions with	lrawn and	held for fu	rther cons	ideration	ION SERVIN		Prelimi	nary ap-	Fee ap	praisals	Delivered to legal	
		re	ceived					Cumulativ	The same			Net ap-		completed	comp	leted	depar	tment
	State	Number Amount		During week	Total	Before prelim- inary ap- preisal	After preliminary appraisal	After fee ap- praisal	After review appraisal	After delivery to loan commis- sion	After delivery to legal depart- ment	plica- tions re- ceived 1	During week	Cumula- tive	During week	Cumula- tive	During week	Cumula- tive
1	Finited States					86, 849		86, 178	32, 876	76, 821	80, 448	1, 251, 106	207	1, 498, 077	636	1, 370, 947	3, 019	991, 108
2	United States  District no. 1		\$5, 664, 991, 910 1, 481, 497, 452	5, 187 1, 765	488, 938 86, 333	10, 372	125, 766 33, 600	12, 785	6,811	10, 402	12, 363	217, 099	16	286, 913	26	228, 048	2, 176	157, 704
3	Region A	72, 290	298, 614, 041	297	23, 180	2,752	8,859	2,769	2, 391	3, 727	2, 682	49, 110	0	68, 343	0	56, 454	2	35, 977
4 5 6 7 8	Maine	7, 424 47, 031 3, 480 12, 047 2, 308	18, 796, 859 213, 991, 112 8, 940, 591 50, 557, 049 6, 328, 430	242 17 16 6 16	3, 005 14, 191 1, 419 3, 916 649	420 1, 513 371 381 67	564 6, 421 472 1, 256 146	1, 372 155 290 682 270	1, 618 0 773 0	3, 562 156 9	649 922 130 815 166	4, 419 32, 840 2, 061 8, 131 1, 659	0 0 0 0 0	6, 650 44, 834 3, 101 11, 527 2, 231	0 0 0 0 0	6, 012 36, 090 2, 535 9, 758 2, 059	0 0 1 0 1	3, 790 21, 719 1, 912 6, 922 1, 634
9	Region B	231, 142	1, 182, 883, 411	1,468	63, 153	7, 620	24, 741	10, 016	4, 420	6, 675	9, 681	167, 989	16	218, 570	26	171, 594	2, 174	121, 727
10 11 12	Connecticut	21, 473 75, 040 134, 629	104, 061, 548 388, 452, 304 690, 369, 559	303 668 497	8, 909 18, 275 35, 969	1, 469 1, 588 4, 563	1, 928 7, 665 15, 148	953 4, 298 4, 765	0 257 4, 163	3, 718 1, 539 1, 418	841 2, 928 5, 912	12, 564 56, 765 98, 660	0 0 16	19, 901 72, 301 126, 368	4 0 22	17, 327 53, 775 100, 492	2, 173	10, 833 36, 542 74, 352
13	District no. 2	363, 77	1, 299, 805, 142	1, 407	93, 838	13, 606	18, 183	14, 292	5, 591	17, 800	24, 366	269, 934	8	342, 308	29	304, 449	144	217, 688
14	Region A	159, 654	581, 051, 244	419	46, 220	8, 432	10, 895	3,771	1, 344	14, 161	7, 617	113, 434	6	148, 395	27	131, 248	15	89, 897
15 16 17 18 19	Delaware Dis rict of Columbia Maryland Pennsylvania Virginia	2, 552 4, 189 27, 765 106, 232 18, 916	8, 477, 095 26, 154, 020 83, 419, 977 405, 225, 846 57, 774, 306	4 0 65 334 16	727 2, 047 4, 514 33, 137 5, 795	361 680 1, 157 5, 086 1, 148	165 786 1, 226 6, 839 1, 879	65 0 409 2,873 424	16 0 302 883 143	22 556 665 11, 524 1, 394	98 25 755 5, 932 807	1, 825 2, 142 23, 251 73, 095 13, 121	(5) 5 0	1, 914 3, 506 25, 616 99, 796 17, 563	7 1 4 15 0	1, 745 2, 689 22, 226 89, 298 15, 290	0 0 0 15 0	16, 775 58, 392
20	Region B	204, 118	718, 753, 898	988	47, 618	5, 174	7, 288	10, 521	4, 247	3, 639	16, 749	156, 500	2	193, 913	2	173, 201	129	127, 791
21 22	Ohio	186, 742 17, 376	673, 565, 273 45, 188, 625	988	41, 813 5, 805	4, 049 1, 125	5, 903 1, 385	9, 278 1, 243	3, 493 754	3, 230 409	15, 860 889	144, 929 11, 571	1 1	177, 894 16, 019	2 0	159, 592 13, 609	93 36	118, 960 8, 831
23	District no. 3	241, 512	591, 060, 042	510	72, 905	11, 487	21, 080	14, 472	3, 506	10, 205	12, 155	168, 607	95	225, 341	305	196, 355	177	144, 673
24	Region A	99, 764	232, 402, 028	244	27, 801	3, 732	6, 924	6, 105	73	6, 703	4, 264	71, 963	29	93, 373	28	84, 343	30	62, 319
25 26 27 28 29	Alabama Florida Georgia North Carolina South Carolina	25, 795 22, 762 22, 005 20, 445 8, 757	57, 351, 332 51, 303, 034 50, 047, 657 53, 225, 975 20, 474, 030	45 29 33 112 25	5, 735 7, 374 5, 483 7, 110 2, 099	462 693 658 1, 631 288	1, 633 1, 888 1, 259 1, 666 478	1, 093 1, 453 503 2, 349 707	0 0 0 0 73	1,905 2,579 2,148 0 71	642 761 915 1,464 482	20, 060 15, 388 16, 522 13, 335 6, 658	(*) 14 0	24, 259 21, 935 20, 616 18, 317 8, 246	0 0 11 17 0	21, 749 19, 769 19, 064 16, 126 7, 635	0 0 26 4 0	16, 615 13, 813 14, 323 11, 979 5, 589
80	Region B	141, 748	358, 658, 014	266	45, 104	7, 755	14, 156	8, 367	3, 433	3, 502	7, 891	96, 644	€6	131, 968	277	112, 012	147	82, 354
31 32 33 34 35 36	Arkansas Kentucky Louisiana Mississippi Missouri Tennessee	18, 814 19, 625 22, 678 17, 341 41, 209 22, 081	30, 598, 566 51, 727, 765 65, 822, 673 29, 354, 001 131, 415, 507 49, 739, 502	75 16 74 27 (*)	6, 560 6, 603 6, 698 5, 986 13, 067 6, 190	399 1,150 874 1,136 3,593 603	2, 174 3, 435 1, 764 1, 946 2, 985 1, 852	871 1, 246 1, 192 746 3, 768 544	1, 059 56 114 146 340 1, 718	355 1 1,140 831 631 544	1,702 715 1,614 1,181 1,750 929	12, 254 13, 022 15, 980 11, 355 28, 142 15, 891	0 0 22 6 5 33	18, 326 18, 118 21, 482 15, 786 37, 065 21, 191	1 0 71 4 201 0	15, 603 12, 702 18, 932 13, 135 33, 265 18, 375	0 0 145 1 0	11, 888 9, 789 13, 708 9, 127 24, 153 13, 689
87	District no. 4	379, 217	1, 224, 460, 041	304	118, 101	31, 347	14, 425	24, 682	6, 051	26, 505	15, 091	261, 116	35	224, 110	99	286, 620	495	201, 153
38	Region A	158, 709	639, 671, 660	107	57, 841	11,724	10, 141	8, 600	4, 023	16, 317	7, 036	100, 868	26	144, 134	30	129, 067	240	85, 621
39 40	Illinois Wisconsin	107, 213 51, 496	436, 203, 057 203, 468, 603	(5)	42, 219 15, 622	9, 875 1, 849	5, 457 4, 684	5, 822 2, 778	4, 023 0	11, 604 4, 713	5, 438 1, 598	64, 994 35, 874	19 7	95, 209 48, 925	26 4	86, 346 42, 721	210 30	55, 498 30, 123
41	Region B	220, 508	584, 788, 381	197	60, 260	19, 623	4, 284	16, 082	2, 028	10, 188	8, 055	160, 248	9	79, 976	69	157, 553	255	115, 532
42	Indiana Michigan	79, 834 140, 674	196, 357, 272 388, 431, 109	88 109	20, 625 39, 635	9, 154 10, 469	2, 310 1, 974	2, 536 13, 546	431 1,597	3, 146 7, 042	3, 048 5, 007	59, 209 101, 039	8	63, 003 16, 973	8 61	58, 731 98, 822	103 152	48, 010 67, 522

[See footnotes at end of table]

# Summary of operations of Home Owners' Loan Corporation for week ending, Feb. 11, 1935—Continued [Prepared by Division of Research and Statistics, Federal Home Loan Bank Board, Washington, D. C., Feb. 20, 1935]—Continued

		Total a	applications		Applicat	ions withd	lrawn and	held for fu	rther cons	ideration			Prelimi	nary ap-	Fee appraisals		Delivered to legal	
18	The Man transfer of the	rec	eived		Cumulative							Net applica-	praisals completed		comp	oleted	depar	tment
The State of the S	State	Number	Amount 2	During week	Total	Before prelim- inary ap- praisal	After preliminary appraisal	After fee appraisal	After review appraisal	After delivery to loan commis- sion	After delivery to legal department	tions re- ceived 1	During week	Cumula- tive	During week	Cumula- tive	During week	Cumula- tive
44	District no. 5	260, 606	\$569, 988, 333	633	66, 722	12, 214	21, 410	10, 120	7, 893	7, 639	7, 446	193, 884	52	240, 696	164	205, 574	12	159,000
45	Region A	145, 244	305, 640, 308	446	33, 567	5, 801	7,872	6, 027	4, 463	5, 965	3, 439	111, 677	52	134, 333	161	117, 832	5	88, 853
46 47 48 49 50 51 52	Colorado	29, 738 32, 980 18, 692	39, 011, 894 60, 838, 576 53, 109, 719 82, 184, 829 39, 912, 903 14, 628, 787 15, 953, 600	5 61 118 218 44 (5) (4)	5, 476 6, 219 6, 495 8, 152 3, 112 1, 801 2, 312	839 1,006 1,022 1,205 625 387 717	2, 471 1, 652 898 1, 262 398 578 613	1, 255 1, 586 1, 373 242 971 520 80	473 248 0 3, 181 528 33 0	116 876 2, 204 1, 838 346 55 530	322 851 998 424 244 228 372	12, 876 23, 490 23, 243 24, 828 15, 580 5, 200 6, 460	0 50 1 1 1 0 0	17, 262 27, 395 27, 688 30, 605 17, 394 6, 296 7, 693	0 161 (*) 0 0 0	14, 265 23, 999 23, 429 27, 519 16, 730 5, 047 6, 843	(*) 2 0 0 0	11, 074 18, 342 17, 958 19, 076 12, 484 4, 114 5, 805
53	Region B	115, 362	264, 348, 025	187	33, 155	6, 413	13, 538	4, 093	3, 430	1,674	4, 107	82, 207	0	106, 363	3	87,742	7	70, 155
54 55 56	New MexicoOklahomaTexas—State	37,610	9, 110, 826 84, 664, 057 170, 573, 142	31 31 125	1, 549 10, 836 20, 770	625 3, 657 2, 131	557 3, 293 9, 688	282 159 3, 652	2,315 1,109	7 441 1, 226	72 971 2, 964	2, 895 26, 774 52, 538	0 0 0	3, 533 32, 522 70, 308	1 0 2	2, 768 27, 959 57, 015	6 0 1	2, 230 24, 028 43, 897
57 58 59	Dallas Houston San Antonio	31, 123 19, 371 22, 814	68, 483, 726 48, 333, 089 53, 756, 327	(s) 87 38	10, 004 5, 755 5, 011	1, 208 581 342	5, 466 2, 244 1, 978	1, 434 1, 378 840	351 267 491	840 50 336	705 1, 235 1, 024	21, 119 13, 616 17, 803	(a) 0	29, 529 18, 572 22, 207	(s) 0 2	22, 272 14, 991 19, 752	0 1 0	17, 315 11, 458 15, 124
60	District no. 6	191, 337	497, 711, 744	568	51, 039	7,823	17,068	9, 827	3, 024	4, 270	9, 027	140, 298	1	178, 709	13	149, 901	15	110, 882
61 62 63 64 65 66 67 68 69 70	Arizona	93, 911 6, 127 6, 723 1, 642 16, 088 14, 380	23, 416, 800 290, 534, 364 9, 900, 382 12, 745, 617 4, 567, 270 35, 587, 398 34, 146, 242 74, 032, 750 7, 573, 070 5, 207, 851	16 384 3. 9 1 56 58 0 9	1, 601 28, 533 667 2, 181 388 4, 213 1, 834 9, 681 952 989	10 3, 031 68 905 162 472 691 1, 138 268 678	6 8 8,777 369 591 39 1,505 393 4,189 432 165	0 5, 986 99 226 71 975 481 1, 756 87 146	0 1, 456 18 0 42 676 17 783 32 0	2,830 5 258 12 110 1 601 23 0	153 6, 453 108 201 62 475 251 1, 214 110 0	7, 370 65, 378 5, 460 4, 542 1, 254 11, 875 12, 546 28, 692 2, 691 490	(5) 0 0 0 0 0 1 1 0 0	8, 330 88, 616 5, 832 5, 479 1, 433 15, 093 13, 267 26, 557 3, 310 792	(5) 0 0 0 0 0 13 0 0	7, 069 74, 876 4, 860 4, 581 1, 389 12, 145 12, 175 29, 404 2, 798 604	0 0 0 0 0 0 0 15 0 0	6, 298 53, 994 4, 133 3, 576 1, 227 8, 473 10, 178 20, 056 2, 556 391
71	Puerto Rico	168	469, 156	0								168						

Summary of operations of Home Owners' Loan Corporation for week ending Feb. 14, 1935
(Prepared by Division of Research and Statistics, Federal Home Loan Bank Board, Washington, D. C., Feb. 20, 1935)

MILIN													r in L	oans closed				
		examiners ceived		Delivered to loan closers Applications pending			Number (refinancing)			Amo	unt (refinancing reconditioning)	Total loan papers re- ceived in Washing-	Com- pleted loan files in Wash-					
State	During week	Cumula- tive	During week	Cumula- tive	During week	Cumula- tive	Total	Before delivery to legal depart- ment	After delivery to legal depart- ment	During week	Cumula- tive	Percent, net ap- plica- tions	During week	Cumulative	Per loan	Washing- ton and regional offices <sup>3</sup>	in wash- ington and re- gional offices	
		18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34
	United States	2, 842	985, 800	3, 378	965, 188	5, 082	842, 280	450, 815	340, 446	110, 369	8, 453	800, 291	64. 0	\$24, 236, 479	\$2, 418, 908, 885	\$3,020	787, 771	701, 265
1	District no. 1	1, 911	157, 431	889	154, 637	344	137, 668	81, 040	71, 758	9, 282	821	136, 059	62. 7	3, 166, 754	650, 233, 595	4, 779	133, 965	117, 667
	Region A	2	35, 976	7	35, 958	87	32, 060	17,602	15, 815	1, 787	321	31, 508	64. 2	1, 290, 538	126, 374, 078	4, 011	31, 363	29, 798
2	Maine Massachusetts	0		0 2	3, 788 21, 710	8 64	2, 773 20, 410	1,717 12,875	1, 278 12, 043	439 832	21 274	2, 702 19, 965	61. 1 60. 8	35, 801 1, 161, 347	6, 286, 110 89, 036, 799	2, 326 4, 460	2, 696 19, 836	2, 696 18, 284

Proposed   1.5	6 7 8	New Hampshire	0 1	1, 912 6, 921 1, 634	3 0 2	1, 908 6, 921 1, 631	2 13 (5)	1, 769 5, 688 1, 420	300 2, 466 244	279 2, 024 191	21 442 53	3 20 3	1, 761 5, 665 1, 415	85. 4 69. 7 85. 3	6, 162   78, 104   9, 124	4, 268, 604 23, 008, 853 3, 773, 712	2, 424 4, 062 2, 667	1,779   5,634   1,418	1,779 5,634 1,405
Commerciation	9		1, 909	A CONTRACTOR OF THE PARTY OF TH	882	To be a second		And Condesi.	100		1000		A RESIDENCE OF THE SECOND	1530000	No. of the last of		10000000		87, 869
Topic   Columbia   C	I 10 11 12	Connecticut	1 0	10, 831 36, 542	101	10, 831 35, 581	5 52	9, 892 31, 878	2, 672 24, 991	2, 572 23, 151	100 1,840	6 155	9, 892 31, 774	78. 7 56. 0	30, 051 745, 945	43, 192, 498 155, 011, 734	4, 363 4, 879	31, 456	9, 311 26, 863
Delawase	13	District no. 2	192	217, 167	718	208, 598	2, 059	162, 573	128, 408	76, 612	51, 796	2, 451	141, 526	52. 4	7, 121, 026	428, 959, 173	3, 031	140, 951	123, 999
Permitsylvania		Region A	64	89, 377	475	87, 129	1, 181	74, 182	47, 840	31, 154	16, 686	1, 303	65, 594	57.8	3, 720, 581				
Page   12   12   12   13   14   15   15   15   15   15   15   15	8 16 17 18	Pennsylvania	48	1, 959 15, 595 58, 053	0 37	1, 959 15, 253 56, 172	1,037	1, 881 13, 159 47, 209	281 10, 288 33, 846	208 8, 231 20, 635	2, 057 13, 211	1,031	1, 861 12, 963 39, 249	86. 9 55. 8 53. 7	99, 318 292, 135 2, 920, 040	10, 865, 736 37, 691, 787 113, 868, 424	5, 832 2, 908 2, 901	1, 836 12, 924 37, 979	1, 281 11, 498 25, 296
Chiese		Virginia	2	-	7	-			-	-									
Region A	21	Ohio		118, 960	240	112, 681	839	80, 811	76, 304	41,829	34, 475	1,015	68, 625	47.4	3, 114, 896	211, 313, 202	3, 079	68, 579	68, 579
Alabama	23	District no. 3	157	144, 546	191	143, 735	410	128, 029	44, 190	36, 089	8, 101	776	124, 417	73. 8	1, 645, 866	307, 098, 035	2, 460	123, 201	116, 910
Caperglanger   Cape				Market Adams						Printed Control of the Control		100000000000000000000000000000000000000	Market Street Control	The second second	THE RESERVE OF THE PERSON NAMED IN			March Street Street	
Arkansas.   1   1, 851   14   1,760   40   9,418   5,031   2,008   963   64   9,233   7,53   96,490   16,048.84   1,700   7,691   7,69	26 27 28	Florida Georgia North Carolina	0 26 4	13, 813 14, 317 11, 979	17 10 2	13, 582 14, 293 11, 976	24 25 5	12, 813 13, 282 10, 486	2,880 3,363 3,002	2,336 3,114 2,820	544 249 182	70 55 46	12, 508 13, 159 10, 333	81. 3 79. 6 77. 5	124, 056 135, 590 95, 923	28, 521, 908 29, 830, 484 26, 479, 078	2, 220 2, 563	12, 489 13, 159 10, 301	12, 632 10, 056
124   13,605   112   13,675   53   11,606   4,344   3,886   458   80   11,606   72,8   135,042   33,207,133   2,640   11,230   10,143   12,314   13,605   12,314   13,605   12,314   13,605   12,314   13,605   12,314   13,605   13,607,133   13,607   13,605   13,607,133   13,607   1	30		127	82, 233	162	81, 819	230		26, 119		3, 938	419	70, 525	73. 0	920, 591		2, 566	68, 509	
Bistrict no. 4	32 33 34 35	Louisiana Mississippi Missouri	0 124 1	9, 748 13, 665 9, 127 24, 153	33 112 1 0	9, 625 13, 579 9, 112 24, 153	53 31	7, 790	5, 026 4, 344 3, 747 6, 134	3, 948 3, 886 3, 409	1, 078 458 338 395	71 80 29 121	7, 996 11, 636 7, 608 22, 008	61. 4 72. 8 67. 0 78. 2	174, 762 155, 042 53, 967 282, 079	22, 305, 004 33, 287, 133 14, 077, 881	2, 790 2, 849 1, 850 3, 082	7, 651 11, 220 7, 448 21, 382	10, 067 7, 448 21, 277
Billinois   188   55, 435   199   55, 835   190   15, 835   206   40, 278   18, 763   14, 924   18, 763   14, 924   18, 763   14, 924   18, 763   14, 924   18, 763   14, 924   18, 763   14, 924   18, 763   14, 924   18, 763   14, 924   18, 763   14, 924   18, 763   14, 924   18, 763   14, 924   18, 763   14, 924   18, 763   14, 924   18, 763   14, 924   18, 763   14, 924   18, 924   18, 763   14, 924   18, 763   14, 924   18, 763   14, 924   18, 763   14, 924   18, 763   14, 924   18, 763   14, 924   18, 763   14, 924   18, 763   14, 924   18, 763   18, 924   18, 763   18, 924   18, 763   18, 924   18, 763   18, 924   18, 763   18, 924   18, 763   18, 924   18, 763   18, 924   18, 763   18, 924   18, 763   18, 924   18, 763   18, 924   18, 763   18, 924	87	District no. 4	459	199, 751	839	195, 161	1, 033		94, 701		19, 647	2, 626	166, 415	63. 7	8, 353, 518		3, 103	160,006	136, 072
Billinois   183   55, 435   190   55, 835   120   69, 278   18, 763   14, 924   190   254   28, 677   74.1   3, 844, 851   179, 879, 415   3, 91   42, 790   220, 632   43, 777   41, 855, 778   41, 855, 778   42, 855, 778   42, 855, 778   43, 855, 778   43, 855, 778   44, 855, 455, 778   44, 855, 455, 778   44, 855, 455, 778   44, 855, 455, 778   44, 855, 455, 77	38	Region A	213	85, 472	222	85, 028	350	76, 697	28, 061	22, 283	5, 778	1, 213	72, 807	72.2	4, 700, 629	273, 582, 397	3, 753		
1		Illinois Wisconsin	183 30	55, 435 30, 037		55, 385 29, 643	236 114	49, 278 27, 419	18, 763 9, 298	14, 934 7, 349	3, 829 1, 949	959 254	46, 231 26, 576	71. 1 74. 1	3, 844, 831 855, 798	179, 879, 415 93, 702, 982	3, 891 3, 516	42, 799 25, 365	29, 939 21, 787
District no. 5.   To   158,053   139   157,327   570   146,353   52,217   42,322   9,895   920   141,667   73.1   1,876,119   304,755,424   2,151   138,011   126,700   45   Region A.   64   87,911   71   87,854   249   82,070   31,831   26,283   5,568   493   79,546   71.5   972,196   161,627,634   2,024   77,672   72,239   46   Colorado.   0   11,067   9   11,024   20   10,669   2,463   2,596   233   88   10,415   80.9   172,733   30,453,100   1,851   1,8				THE RESERVE AND ADDRESS OF THE PARTY OF THE															
45 Region A 64 87, 911 71 87, 554 240 82, 070 31, 831 26, 263 5, 568 493 79, 846 71.5 972, 196 161, 627, 634 2, 024 77, 672 72, 239 46 Colorado. 0 11, 1067 9 11, 024 20 10, 598 2, 463 2, 124 339 88 10, 413 80.9 173, 278 20, 453, 170 1, 964 10, 167 8, 179 11 10, 601 8, 182, 199 11, 024 10, 601 8, 132 5, 990 2, 133 114 115, 358 66.4 227, 03 30, 229, 960 1, 1988 15, 001 14, 604 84 Kansas. 568 17, 283 (7) 17, 148 23 10, 603 7, 461 6, 283 1, 188 10, 413 80.9 173, 278 20, 453, 170 1, 964 10, 167 8, 179 10, 167 10, 167 8, 179 10, 167 8, 179 10, 167 8, 179 10, 167 8, 179 10, 167 8, 179 10, 167 8, 179 10, 167 8, 179 10, 167 8, 179 10, 167 10, 167 8, 179 10, 167 8, 179 10, 167 8, 179 10, 167 8, 179 10, 167 8, 179 10, 167 8, 179 10, 167 8, 179 10, 167 8, 179 10, 167 10, 167 8, 179 10, 167 8, 179 10, 167 8, 179 10, 167 8, 179 10, 167 8, 179 10, 167 8, 179 10, 167 8, 179 10, 167 8, 179 10, 167 10, 167 8, 179 10, 167 8, 179 10, 167 8, 179 10, 167 8, 179 10, 167 8, 179 10, 167 8, 179 10, 167 8, 179 10, 167 8, 179 10, 167 10, 167 8, 179 10,	43	Michigan				64, 529	532	57, 124	45, 869		7, 345	853	55, 170	54. 6	2, 495, 910	156, 209, 413	2, 831	54, 284	50, 770
Colorado	44	District no. 5	70	158, 053	139	157, 327	570	146, 353	52, 217	42, 322	9, 895	920	141, 667	73. 1	1, 876, 119	304, 755, 424	2, 151	138, 011	126, 700
Towa.   3   18, 340   32   18, 279   111   16, 601   8, 132   5, 999   2, 133   114   15, 388   65, 4   221, 703   30, 629, 950   1, 988   15, 901   14, 604   14, 608   17, 451   15, 608   17, 451   17, 615   17, 6		Region A.		THE RESERVE AND ADDRESS OF THE PERSON NAMED IN	-	The second secon		THE RESERVE AND ADDRESS OF THE PERSON NAMED IN COLUMN 2 IN COLUMN		THE RESERVE THE PERSON NAMED IN	THE RESERVE THE PERSON NAMED IN	The second second							
61         North Dakota         0         4,109         1         4,108         1         3,850         1,384         1,314         70         10         3,816         73,4         15,240         7,965,126         2,087         3,805         3,745           53         Region B         6         70,142         08         69,773         321         64,283         20,386         16,069         4,327         427         61,821         75,2         903,923         143,127,790         2,314         60,339         54,461           54         New Mexico         6         2,219         2         2,162         4         2,016         879         737         142         4         2,016         69,6         8,555         4,255,160         2,090         2,010         1,879         65         60,27,71         1,832         3,717         615         1,56         62,442         8,855         4,255,160         2,990         2,010         1,879         65         1,832         3,717         615         1,56         62,442         83,80         304,449         51,303,956         2,286         22,345         19,333         34,347         83,84         3,417         60         1,832         3,717         615	47 48 49	Iowa Kansas Minnesota	3 56 2	18, 340 17, 283 19, 053 12, 254	(5) 32	18, 279 17, 148 19, 028	111 23 50	16, 601 16, 081 18, 234	8, 132 7, 451 6, 850 4, 370	5, 999 6, 283 6, 176	2, 133 1, 168 674	114 139 77	15, 358 15, 792 17, 978	65. 4 67. 9 72. 4	221, 703 271, 266 178, 176	30, 529, 950 28, 583, 643 41, 514, 156	1, 988 1, 810 2, 309	15, 091 15, 238 16, 984 11, 171	14, 694 15, 108 14, 621 10, 675
53         Region B         6         70,142         08         69,773         321         64,283         20,386         16,069         4,327         427         61,821         75,2         903,923         143,127,790         2,314         60,339         54,461           54         New Mexico.         6         2,219         2         2,162         4         2,016         879         737         142         4         2,016         69,6         8,555         4,255,160         2,290         2,910         1,879           55         Oklahoma.         0         24,022         60         22,761         4,332         3,717         615         156         22,442         83.8         304,149         51,303,956         2,256         23,345         19,185           56         43,895         56         43,899         257         39,506         15,175         11,605         3,570         267         37,363         71.1         591,219         87,568,674         2,344         35,964         33,447           57         Dallas         0         17,456         9         11,362         17         9,900         3,735         3,833         342         30         9,817         2,4	51	North Dakota		4, 109 5, 805	1 12	4, 108	1	3, 850 5, 351	1, 384	1,314	70		3, 816 5, 279	73.4	15, 240		2, 087	3, 805 5, 226	3, 745 5, 217
64         New Mexico         6         2,219         2         2,162         4         2,016         879         737         142         4         2,016         69,6         8,555         4,255,169         2,092         2,010         1,879           65         Oklahoma         0         24,028         10         24,022         60         22,761         4,332         3,717         615         156         22,442         88.8         304,149         51,303,956         2,286         22,301         1,879           66         District no.         0         43,895         56         43,589         257         39,506         15,175         11,605         3,670         267         37,363         71.1         591,199         87,568,674         2,344         35,984         33,447           57         Dallas         0         17,315         13         17,209         41         16,344         5,400         4,509         891         142         15,719         74.4         316,088         33,949,708         2,160	53	Region B	6	70, 142	68	69, 773	321	64, 283	20, 386	16, 059	4, 327	427	61, 821	75. 2	903, 923	143, 127, 790	2, 314	60, 339	
B7 Dallas 0 17, 315 13 17, 209 41 16, 344 5, 400 4, 509 891 142 15, 719 74. 4 316, 888 33, 949, 708 2, 160 11, 456 9 11, 362 17 9, 900 3, 735 3, 893 342 30 9, 881 72. 6 48, 883 25, 704, 936 2, 61	54 55 86	New Mexico	0	24, 028	10	24, 022	60	22, 761	4, 332	3, 717	615	156 267	22, 442	83. 8	304, 149	51, 303, 956	2, 090 2, 286 2, 344	22, 345	19, 135
61 Arizona 0 6, 224 7 6, 086 27 5, 771 1, 642 1, 225 417 35 5, 728 77. 7 79, 509 14, 023, 033 2, 448 5, 745 4, 799 62 California 30 52, 074 534 49, 503 412 42, 102 25, 501 17, 837 7, 664 565 39, 877 61. 0 1, 458, 652 107, 862, 239 2, 705 41, 981 35, 524 63 16aho. 5 4, 113 17 4, 041 66 3, 305 2, 233 1, 435 888 71 3, 137 57. 5 123, 625 5, 443, 901 1, 726 2, 824 2, 595 40, 400 10 10 10 10 10 10 10 10 10 10 10 10 1	58	Dallas Houston San Antonio		11, 456	9	11, 362	41 17 199	9,900	3, 735	3, 393	342	30	9, 881	72.6	316, 088 48, 583 226, 548	25, 704, 036	2, 601		
62 California 30 52,074 534 49,303 412 42,102 25,501 17,837 7,604 505 39,877 61.0 1,488,632 107,802,339 2,705 41,981 35,524 64 Montana 0 3,576 3 3,566 20 3,107 1,566 1,167 399 15 2,976 65.5 30,402 5,907,429 1,980 3,100 3,100 65 Nevada 0 1,227 0 1,224 3 1,148 109 89 20 3 1,145 91.3 5,681 3,109,82 2,712 1,197 1,154 66 Orgon 1 1 8,473 0 8,465 15 7,843 4,099 3,877 222 37 7,776 65.5 67,934 15,159,707 1,199 7,870 7,350 67 Utah 17 10,162 33 10,066 107 8,928 3,731 2,619 1,112 119 8,815 70.3 272,307 21,028,951 2,385 8,800 5,805 68 Washington 0 20,056 0 19,943 0 18,340 10,538 9,850 688 0 18,154 63.3 0 32,832,104 1,809 17,755 17,707 69 Wyoming 0 2,556 8 2,445 15 2,259 471 245 226 13 2,220 82,6 33,227 4,995,254 2,246 2,208 17,554 129	1000		- Committee of the Comm	WHEN PERSON AND PROPERTY AND PARTY.	602	Personal State of the Control of the	The second second		Married Street, Square, Square		11, 648			The state of the s					79, 917
67 Utah	62 63 64 65 66	California Idaho Montana Nevada	30 5 0 0 1	52, 074 4, 113 3, 576 1, 227 8, 473	17 3 0 0	49, 503 4, 041 3, 566 1, 224 8, 465	412 66 20 3 15	42, 102 3, 305 3, 107 1, 148 7, 843	25, 501 2, 323 1, 566 109 4, 099	17, 837 1, 435 1, 167 89 3, 877	888 399 20 222	565 71 15 3 37	39, 877 3, 137 2, 976 1, 145 7, 776	61, 0 57, 5 65, 5 91, 3 65, 5	1, 458, 652 123, 525 30, 402 5, 681 67, 934	107, 862, 239 5, 443, 901 5, 907, 429 3, 110, 982 15, 159, 707	2, 705 1, 726 1, 980 2, 712 1, 949	41, 981 2, 824 3, 100 1, 197 7, 870	35, 524 2, 595 3, 100 1, 154 7, 350
	67 68 69	Utah Washington Wyoming.	0	10, 162 20, 056 2, 556		19, 943 2, 445	0	8, 928 18, 340 2, 259	10, 538 471	9, 850 245	688 226	0	18, 154 2, 220	63. 3 82. 6	33, 227	32, 832, 104 4, 995, 254	1,809 2,246	8, 800 17, 755 2, 208	17, 707 1, 754
	71								168	168	0								

[See footnotes at end of table]

National summary of wholesale operations	of Home Owner	s' Loan Corporation through	Thursday, Feb. 28, 1935
[Prepared by Division of Research and	Statistics, Feder	ral Home Loan Bank Board	, Washington, D. C.
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					Applicati	ons finally re-				Appraisals	completed	
State	Name of representative	Number of insti- tutions	Applic	cations filed	jected o	r withdrawn	Net a	pplications	I KA	First	s	econd
			Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
United States		6, 139	201, 755	\$660, 564, 039	53, 293	\$199, 786, 877	148, 462	\$460, 777, 162	194, 682	\$644, 327, 260	191, 038	\$628, 035, 931
District no. 1		481	13, 685	64, 662, 796	3, 826	20, 456, 390	9, 859	44, 206, 406	13, 370	68, 928, 974	12, 992	66, 831, 399
Massachusetts	Completed	32	2, 121 1, 968 1, 914 472 4, 122 2, 173 123 792	10, 557, 528 5, 598, 597 9, 481, 976 736, 220 24, 152, 812 11, 388, 950 544, 199 2, 202, 514	394 789 583 101 1, 250 460 38 211	2, 375, 725 2, 669, 641 3, 007, 251 184, 752 8, 788, 879 2, 650, 776 191, 881 587, 485	1, 727 1, 179 1, 331 371 2, 872 1, 713 85 581	8, 181, 803 2, 928, 956 6, 474, 725 551, 468 15, 363, 933 8, 738, 174 352, 318 1, 615, 029	2, 084 1, 939 1, 908 409 4, 019 2, 114 123 774	10, 402, 188 5, 515, 340 9, 443, 251 725, 022 27, 201, 181 12, 315, 559 544, 199 2, 782, 234	1, 991 1, 847 1, 908 408 3, 889 2, 086 120 743	9, 846, 747 5, 190, 699 9, 443, 251 731, 556 26, 045, 401 12, 158, 911 530, 709 2, 884, 126
District no. 2		1, 269	79, 900	286, 519, 737	19, 819	77, 970, 105	60, 081	208, 549, 632	77, 845	278, 812, 843	76,052	271, 522, 78
Maryland Ohio Pennsylvania Virginia	Completed	52 299 652 78	407 1, 662 58, 179 16, 674 782 2, 19	2, 319, 900 5, 418, 684 208, 224, 216 62, 434, 026 2, 559, 652 5, 563, 259	162 363 13, 653 4, 982 150 509	923, 400 1, 256, 239 50, 494, 346 23, 249, 48 528, 867 1, 517, 605	245 1, 299 44, 526 11, 692 632 1, 687	1, 396, 500 4, 162, 445 157, 729, 870 39, 184, 378 2, 030, 785 4, 045, 654	378 1, 620 57, 084 15, 794 773 2, 196	2, 154, 600 5, 255, 918 203, 949, 109 59, 377, 308 2, 512, 649 5, 563, 259	323 1, 514 56, 129 15, 136 754 2, 196	1, 841, 100 4, 870, 196 200, 479, 150 56, 303, 407 2, 465, 675 5, 563, 259
District no. 3	······································	1, 436	26, 150	69, 348, 156	6, 481	18, 226, 857	19, 669	51, 121, 299	25, 483	68, 941, 946	24, 825	66, 356, 084
Arkansas Florida Georgia Kentucky Lonislana Mississippi Missouri North Carolina South Carolina	Completed	186 104 61 128 147 86 241 206 81	999 3, 706 1, 200 1, 357 1, 388 7, 584 2, 108 3, 071 1, 744 558 2, 435	2, 205, 864 6, 947, 884 2, 502, 394 2, 481, 607 3, 590, 560 25, 567, 007 3, 467, 732 9, 961, 111 5, 298, 063 1, 410, 846 5, 915, 088	284 589 339 335 463 1,919 674 525 636 120 597	566, 976 1, 003, 152 663, 469 709, 333 1, 288, 871 6, 981, 708 1, 085, 389 1, 790, 074 2, 162, 588 304, 078 1, 671, 219	715 3, 117 861 1, 022 925 5, 685 1, 434 2, 546 1, 108 438 1, 838	1, 638, 888 5, 944, 732 1, 838, 925 1, 772, 274 2, 301, 689 18, 585, 299 2, 382, 343 8, 171, 037 3, 135, 475 1, 106, 768 4, 243, 869	999 3, 641 1, 110 1, 286 1, 293 7, 574 1, 929 3, 022 1, 647 557 2, 425	2, 205, 864 6, 883, 648 2, 330, 430 2, 366, 427 3, 354, 607 25, 540, 204 3, 181, 587 9, 806, 476 5, 986, 200 1, 410, 675 5, 869, 828	989 3, 569 1, 067 1, 257 1, 170 7, 516 1, 869 2, 891 1, 571 548 2, 378	2, 183, 401 6, 812, 513 2, 223, 500 2, 307, 001 2, 979, 600 25, 379, 459 3, 091, 346 9, 391, 009 4, 736, 026 1, 394, 314 5, 857, 648
District no. 4		1, 290	61, 321	192, 438, 427	18, 580	70, 207, 255	42, 741	122, 231, 172	57, 822	182, 771, 420	57, 196	179, 423, 490
Michigan	Completeddo	811	3, 941 10, 073 45, 898 1, 409	17, 002, 126 22, 226, 165 148, 953, 059 4, 257, 077	1, 301 1, 327 15, 599 353	7, 163, 553 3, 188, 170 58, 543, 693 1, 311, 839	2, 640 8, 746 30, 299 1, 056	9, 838, 573 19, 037, 995 90, 409, 366 2, 945, 238	3, 923 9, 581 42, 918 1, 400	18, 621, 069 21, 034, 037 138, 908, 945 4, 207, 369	3, 793 9, 581 42, 457 1, 365	17, 280, 965 21, 034, 037 137, 033, 694 4, 074, 794
District no. 5		1, 228	10, 366	23, 167, 433	2, 037	5, 240, 669	8, 329	17, 926, 764	10, 190	21, 620, 024	10,000	20, 653, 45
Kansas Minnesota Nebraska	Completed	340 71	2, 081 3, 807 142 1, 523 306 87 134 1, 223 234 829	4, 363, 538 8, 557, 161 282, 275 3, 016, 669 287, 536 179, 892 3, 375, 070 453, 479 2, 044, 226	547 505 38 517 40 33 36 106 53 162	1, 139, 566 1, 617, 331 85, 756 1, 249, 902 104, 225 122, 525 39, 386 333, 395 95, 525 453, 058	1, 534 3, 302 104 1, 006 206 54 98 1, 117 181 667	3, 223, 972 6, 939, 830 196, 519 1, 766, 785 503, 344 165, 011 140, 506 3, 041, 675 357, 954 1, 591, 168	2, 081 3, 786 142 1, 426 267 80 125 1, 221 233 829	4, 363, 538 8, 485, 369 282, 275 1, 813, 250 379, 566 258, 136 169, 909 3, 371, 986 451, 679 2, 044, 226	2, 039 3, 737 142 1, 332 293 71 121 1, 203 233 829	4, 275, 803 8, 352, 226 282, 275 659, 836 883, 866 224, 363 165, 528 3, 313, 649 451, 679 2, 044, 226
		100000000000000000000000000000000000000	10, 333	24, 427, 490	2, 550	7, 685, 601	7, 783	16, 741, 889	9, 972	23, 252, 053	9, 973	23, 248, 72
Montana	Completed	59 17 66 28 54	3, 412 75 172 393 1, 716 841 2, 760 389	1, 161, 206 10, 006, 223 118, 668 292, 306 1, 010, 754 3, 337, 879 1, 848, 471 5, 836, 487 815, 496	149 1, 202 16 21 64 426 75 501 96	375, 528 3, 952, 430 26, 412 28, 402 178, 180 991, 502 210, 634 1, 694, 209 228, 304	426 2, 210 59 151 329 1, 290 766 2, 259 293	785, 678 6, 053, 793 92, 256 263, 904 832, 574 2, 346, 377 1, 637, 837 4, 142, 278 587, 192	543 3, 195 75 168 380 1, 716 840 2, 682 373	1, 059, 693 9, 309, 835 118, 668 279, 280 967, 547 3, 337, 879 1, 847, 971 5, 562, 985 768, 195	3, 299 71 165 375 1, 716 828 2, 674 334	1, 005, 752 9, 573, 755 110, 561 265, 804 959, 291 3, 337, 879 1, 822, 557 5, 507, 571 665, 550

		Applica	tions approved to v	d by loan c	ommittee as	Applica	tions sent to	Loans disbursed			
State	Name of representative	With reduction		Without reduction		attorneys		Loans			of net ap-
		Number	Amount	Number	Amount	Number	Amount	Number	Amount	Feb. 28	Feb. 22
United States		41, 349	\$141, 204, 801	121, 103	\$334, 602, 436	158, 660	\$459, 412, 708	133, 565	\$378, 522, 585	90.0	89. 7
District no. 1		3, 068	16, 920, 090	7,799	32, 797, 172	10, 684	48, 814, 218	9, 859	43, 574, 827	100.0	99. 0
Massachusetts New Hampshire New Jersey New York		281 669 35 905 283 19	4, 397, 498 901, 866 3, 790, 212 129, 228 5, 597, 845 1, 396, 406 102, 882 604, 153	1, 263 898 722 348 2, 469 1, 643 74 382	5, 107, 086 1, 649, 179 3, 122, 715 564, 929 12, 896, 394 8, 213, 486 287, 764 955, 619	1,830 1,179 1,331 383 3,374 1,913 93 581	8, 709, 207 2, 551, 045 6, 912, 927 694, 157 18, 448, 522 9, 547, 942 390, 646 1, 559, 772	1, 727 1, 179 1, 331 371 2, 872 1, 713 85 581	7, 627, 729 2, 692, 291 6, 912, 927 670, 623 15, 000, 040 8, 791, 786 360, 207 1, 519, 244	100. 0 100. 0 100. 0 100. 0 100. 0 100. 0 100. 0 100. 0	100.0 100.0 100.0 100.0 100.0 94.8 100.0
District No. 2		5, 796	23, 249, 653	59, 704	176, 564, 860	64, 782	197, 534, 362	48, 630	146, 543, 591	80. 94	80.9
District of Columbia Maryland Ohio Pennsylvania Virginia West Virginia	Lichlyter Bauehman (SM)	5,004	421, 800 657, 176 20, 355, 379 617, 816 1, 197, 482	171 1, 175 48, 023 7, 972 516 1, 847	974, 700 3, 522, 559 143, 824, 078 22, 404, 149 1, 473, 597 4, 365, 777	248 1, 437 48, 023 12, 174 704 2, 196	1, 413, 600 4, 529, 794 143, 824, 078 40, 112, 218 2, 091, 413 5, 563, 259	245 1, 299 35, 084 9, 683 632 1, 687	1, 387, 075 4, 093, 106 105, 522, 898 29, 488, 511 2, 006, 345 4, 045, 656	100. 0 100. 0 78. 8 82. 8 100. 0 100. 0	100. 0 100. 0 78. 9 82. 1 100. 0
District no. 3		6, 681	21, 347, 968	15, 240	34, 631, 333	21, 961	56, 092, 728	19, 669	49, 997, 508	100.0	100.0
Arkansas. Florida. Georgia. Kentucky. Louisiana. Mississippi. Missouri. North Carolina. South Carolina.	Completed	426 223 499 232 2, 375 566 654 411	667, 119 1, 190, 988 595, 069 1, 070, 101 651, 762 9, 116, 520 930, 905 3, 085, 499 1, 267, 302 737, 778 2, 034, 925	579 2, 938 725 607 862 4, 233 868 1, 892- 840 319 1, 377	1, 195, 697 5, 254, 658 1, 922, 079 928, 994 1, 829, 791 11, 830, 540 1, 303, 202 5, 085, 538 2, 063, 380 607, 030 2, 610, 224	887 3, 242 948 1, 106 1, 084 6, 608 1, 660 2, 546 1, 251 508 2, 121	1, 862, 816 6, 180, 123 2, 517, 148 1, 999, 095 2, 477, 506 20, 947, 090 2, 691, 020 8, 171, 037 3, 330, 882 1, 293, 670 4, 622, 371	715 3, 117 861 1, 022 925 5, 665 1, 434 2, 546 1, 108 438 1, 838	1, 493, 556 5, 749, 281 1, 829, 783 1, 846, 158 2, 174, 074 18, 619, 002 2, 234, 208 7, 839, 358 3, 010, 052 990, 810 4, 211, 226	100. 0 100. 0 100. 0 100. 0 100. 0 100. 0 100. 0 100. 0 100. 0	100.0
District no. 4.		18, 144	62, 527, 044	28, 270	69, 918, 445	44, 399	121, 933, 830	39, 295	105, 863, 997	92.0	91.
Illinois Indiana Michigan Wisconsin	Lawson	2, 629	7, 619, 610 6, 233, 828 47, 097, 747 1, 575, 859	1, 775 6, 872 18, 915 708	5, 597, 984 14, 147, 705 48, 591, 078 1, 581, 678	2, 857 9, 279 31, 044 1, 219	10, 826, 043 19, 251, 592 88, 773, 005 3, 083, 190	2, 640 8, 746 26, 853 1, 056	9, 838, 573 17, 686, 951 75, 726, 867 2, 611, 606	100. 0 100. 0 88. 6 100. 0	88.
District no. 5		3, 397	6, 902, 539	5, 233	11, 253, 273	8, 567	17, 622, 628	8, 329	17, 132, 625	100. 0	100,
Iowa . Kansas . Minnesota . Nebraska . New Mexico . North Dakota . Oklahoma . South Dakota .	Completed	1, 231 52 718 96 4 79 354 98	711, 659 2, 957, 430 87, 713 1, 204, 310 186, 152 17, 206 94, 118 1, 137, 896 178, 227 327, 828	185	2, 021, 875 3, 982, 400 108, 806 727, 907 362, 134 184, 222 38, 024 1, 853, 315 178, 282 1, 796, 308	1, 601 3, 302 104 1, 069 297 63 109 1, 156 199 667	2, 810, 589 6, 939, 830 196, 519 1, 875, 131 566, 802 209, 293 126, 392 2, 971, 311 335, 593 1, 591, 168	1, 534 3, 302 104 1, 006 266 54 98 1, 117 181 667	2, 678, 500 6, 942, 323 196, 519 1, 766, 785 528, 510 158, 460 114, 882 2, 852, 012 303, 466 1, 591, 168	100, 0 100, 0 100, 0 100, 0 100, 0 100, 0	100, 100, 100, 100, 100, 100, 100, 100,
			10, 257, 507	4, 857	9, 437, 353	8, 267	17, 414, 942	7, 783	15, 410, 037	100.0	100.0
Arizona California Idaho Montana Nevada Oregon Utah Washington	Completed	343 1,876 47 19 856 266 798	1, 099, 816 4, 621, 672 77, 314 63, 729 1, 465, 589 559, 120 2, 227, 138 143, 129	64 116 332 705 540 1,520	446, 300 2, 841, 663 97, 342 187, 850 873, 376 1, 012, 692 1, 099, 241 2, 400, 427 478, 462	447 2, 348 60 158 351 1, 409 799 2, 318	1, 073, 483 5, 918, 203 95, 757 256, 696 937, 105 2, 203, 071 1, 629, 413 4, 627, 565 613, 649	426 2, 210 59 151 329 1, 290 766	853, 795 5, 057, 238 92, 263 247, 880 884, 448 2, 053, 660 1, 565, 637 4, 075, 954 579, 162	100. 0 100. 0 100. 0 100. 0 100. 0 100. 0 100. 0	100.0 100.0 100.0 100.0 100.0 100.0 100.0 100.0

Gross total applications minus withdrawn and held for further consideration (column 11 equals column 1 minus column 4).

All reconditioning cases are accounted for by their respective refinancing loans except 575 cases of loans on unencumbered property.

Total number of closed loans represented by loan papers received in Washington and regional offices (preliminary shipments plus complete loan files received).

Cloan files that were complete when received plus final shipments of loan papers received.

Reported as of Feb. 7, 1935.

Mr. O'CONNOR. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. Greenwood].

Mr. GREENWOOD. Mr. Speaker, there is no activity that has been pursued under these emergency measures that has done more, in my opinion, to bring relief to the people of this Nation than the Home Owners' Loan Corporation. From the most recent statement, on February 28, this corporation had loaned \$2,468,000,000 plus. This covered applications to the extent of 817,773. Figuring 5 as the average family, this has preserved the homes and kept a roof over the heads of 4,088,865 people. In doing this it is my belief that the Government will lose but very little. Statistics through the years show that about 3 percent of the loans made upon real-estate mortgages, especially upon homes where the mortgagor lives, is the limit of loss.

Although the Government is a little more liberal on these loans than private agencies would be, I believe that through the years the Government will not lose to exceed 5 percent. This activity along with the activity of the Federal land banks in saving the farms of this Nation I consider one of the greatest relief measures.

Mr. RICHARDSON. Mr. Speaker, will the gentleman vield?

Mr. GREENWOOD. I yield.

Mr. RICHARDSON. I noticed a news item some time ago which I think stated that approximately 250,000 of these mortgages were now in default in respect of interest. Can the gentleman enlighten the House on that?

Mr. GREENWOOD. I think the figures are large. I think they use the word "default" in the sense that they did not pay promptly. The chairman of the corporation in his statement showed that a very much smaller number were actually in default.

Mr. COX. Mr. Speaker, will the gentleman yield right

Mr. GREENWOOD. I have not much time.

Mr. COX. I wanted only to give the gentleman an answer. As I recall, the statement of Mr. Fahey was to the effect that 18 percent were in arrears from 1 to 3 months, but that that was far below the experience of any mortgage-lending agency in the country at the present time.

Mr. GREENWOOD. That, as I understand it, is the report of the chairman of the Corporation. There has been some criticism of the administration of this law. In setting up the machinery, the gigantic machinery to conduct an operation like this, and in the selection of men, very often who have had little experience, we must anticipate that there will be some inequalities, I know. I suggested the attorneys and appraisers in my district, yet I was not able to get men of equal qualifications; neither did I get equal administration in one county as compared with another, because of the difference in activity, initiative, and qualifications of the men who had charge; not that there is any graft or irregularity, but there just was not the enthusiasm put into it in some places.

Mr. COX. The gentleman will emphasize the point if he will give the illustration of the two counties in his district I heard him mention in the committee.

Mr. GREENWOOD. I will give the experience in one county, a small county of about 35,000 population. I appointed an aggressive young attorney. He closed his law office and went into this work vigorously. The last report I had was that he had loaned over \$1,500,000 on homes in that small county and had rehabilitated every building loan in every bank so that they were placed on a basis not enjoyed subsequent to the time of the frozen assets. So these inequalities must exist, but that does not mean there is graft. No doubt there have been those who have taken charge and have tried to use their personal and political influence.

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered. There was no objection.

Mr. O'CONNOR. Mr. Speaker, the rule which we are now considering is a wide-open rule which permits the bill relieve distressed home owners and distressed mortgagors,

to be read for amendment after 4 hours of general debate, and any amendment can be offered and considered in the Committee of the Whole. There are some amendments which should receive the serious attention of the House.

In discussing this rule the gentleman from Massachusetts [Mr. Martin] spoke of some employers soliciting political funds. I think it is to the credit of the administration of this great enterprise that so many people have been discharged. If I recall the figures correctly, for instance, at least 3,000 appraisers were removed as incompetent and inefficient; and a great many of them had been recommended by Democratic Representatives and Senators.

Very lengthy hearings were held before the Rules Committee in their consideration of a proposed investigation of the Home Owners' Loan Corporation. We heard very little complaint from a political angle, except from the majority side. Many complaints were made that Democrats were not appointed to positions, but that Republicans had the preference. This may be true. I cannot deny it.

The gentleman from New York, the distinguished minority leader [Mr. Snell], spoke of loans in his district. I do not believe he has the exact facts when he states that no loans were made except 2 weeks before election. It is true that all loans were stopped about the 11th of November 1934, but that was some time after the election, and applied throughout the country.

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question?

Mr. O'CONNOR. I yield.

Mr. SNELL. The gentleman did not quote me entirely correctly. I said that there were practically no loans made in my immediate vicinity until about 3 weeks before election, and I think that is correct.

Mr. O'CONNOR. I do not know what "practically no loans" means.

Mr. SNELL. Well, to be specific, there was only one home loan made in my home town during the year up until some time late in September or October.

Mr. O'CONNOR. Potsdam is a very prosperous town. There could be very little distress there.

Mr. SNELL. That may have been true formerly, but it is not so at the present time, I will say to the gentleman.

Mr. COX. Mr. Speaker, will the gentleman yield for the purpose of making a correction which I am sure he will be glad to have called to his attention?

Mr. O'CONNOR. I yield.

Mr. COX. The loans were not stopped as indicated by the gentleman, except they ceased taking new applications and made loans only where the applications had been approved and were in the hands of the attorneys of the corporation.

Mr. O'CONNOR. Something was said about so many loans being made in New York. Of course, New York contains more homes than any other State in the Union, far more in proportion to its population. It has the greatest number of urban homes of any State in this country, way out of proportion to its population.

Mr. COX. May I call attention of the gentleman to the fact that of the \$460,000,000 administered under the wholesale operations, New York obtained, as I recall, \$8,794,000.

Mr. O'CONNOR. Something was said about the amount of loans in default. As I remember the figures, they run only 18 percent after 90 days, which is very much lower than the experience of insurance companies or other lending institutions.

Mr. HESS. Will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from Ohio. Mr. HESS. Will the gentleman tell the House how many

Mr. HESS. Will the gentleman tell the House how many foreclosures have been brought by the Government on these loans?

Mr. O'CONNOR. I cannot state that, although we had the figures in the hearings.

Mr. Speaker, I believe it is a very serious question whether the Home Owners' Loan Corporation should be continued. The purpose of the Home Owners' Loan Corporation was to relieve distressed home owners and distressed mortgagors. not mortgagees. I am not satisfied that that has been the case. I know the administration wants to get out of this Government mortgage lending business as quickly as it can. I know the administration does not want to pour unlimited funds into the business, and I do know they only want to appropriate \$1,250,000,000, which amount they do not want increased, as I understand the Committee on Banking and Currency will attempt, contrary to the wishes of the administration. What has happened to the \$2,500,000,000 already loaned by this Corporation? Do you know that over 95 percent, and perhaps 97 percent, of the entire two and onehalf billion dollars has gone into banks, life-insurance companies, mortgage companies, building and loan institutions, and similar lending institutions, while only 3 percent of that huge fund has been paid out to the individual mortgagee. I for one did not appreciate when I voted for the bill creating the Home Owners' Loan Corporation that it was for the benefit of the lending institutions.

Those institutions have been well taken care of under the first R. F. C. Act, passed by the Republican administration, and the later R. F. C. Acts, which took care of those institutions with funds of billions.

We extended the R. F. C. Act to take care of insurance companies, banks, mortgage companies, and building and loan associations through purchasing their preferred stock and debentures. Who in this House thought that 97 percent of the two and a half billion dollars granted to the Home Owners' Loan Corporation would be used to bail out banks, insurance companies, building and loan associations, and similar institutions?

But that is just what has happened. There has been some proof adduced that these institutions, not the closed ones alone, but the open ones, have encouraged defaults on the part of their mortgagors so that the institutions could unload its mortgages on the Federal Government. That is why the administration wants to get out of this business as quickly as it can. It wants to encourage private money to come into the mortgage field. The individual mortgagee is not pressing his mortgagor. The individual mortgagee is extending the time of the person who owns his home, but the institutions are forcing and encouraging defaults so the technical "distress" will occur. These institutions would not dare foreclose these mortgages if the Government did not make this huge fund available to help them.

I believe it is a very serious question whether we did the right thing in passing the Home Owners' Loan Corporation bill. I know this is a startling statement to make, but I was very much surprised when the Chairman of the Board said that 97 percent of the money went to institutions which had already been taken care of under the R. F. C. and other money-lending services of the Government.

Mr. CAVICCHIA. Will the gentleman yield? Mr. O'CONNOR. I yield to the gentleman from New

Mr. CAVICCHIA. The main purpose of the act, as the gentleman stated, was to save people from losing their homes. What difference does it make whether it went to a corporation or to an individual as long as the homes were saved?

Mr. O'CONNOR. I have heard that argument made, but I know that in New York, for instance, no bank or insurance company would have dared to have brought wholesale foreclosures. If the Government had not made their billions available, the mortgagees would have been compelled to wait; but they realized in this money and took over the corporation bonds and were even willing at one time to sell them at 84 cents on the dollar.

Mr. GILCHRIST. Will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from Iowa.

Mr. GILCHRIST. The gentleman is making an interesting statement. In his examination of this question, did he find any evidence that banks and building and loan associations had been taken care of very quickly? For example, it has been stated to me that in one or two cases which have been presented to me a bank was allowed to get a loan in 4 days, whereas in the case of a private loan, with which I was

connected on behalf of a constituent, we were engaged in the matter for 4 months, and finally did not get the loan

Mr. O'CONNOR. That may be so. I do not know. The institutions undoubtedly have better facilities for quick action than the individual.

This evidences, however, just what I am getting at. Congress intended to help the mortgagor. Financially we have helped the mortgagee.

Mr. HOEPPEL. Will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from Cali-

Mr. HOEPPEL. In Los Angeles there was one building and loan association that had 800 sour mortgages which they unloaded on the Home Owners' Loan Corporation.

Mr. O'CONNOR. Maybe we have gone too far in this operation, and perhaps we have to see it through. However, I am apprehensive that some day we may wake up and find that something was put over on us; that institutions used their influence and have again put their hands into the Treasury for their own benefit, using the poor, distressed home owner as the atmosphere by which the lenders could be paid off out of Government funds.

Mr. COX. In the interest of fairness, will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from Georgia. Mr. COX. Does the gentleman not know that the cor-porations entering into these wholesale operations resulted from an urge that came from the White House?

Mr. O'CONNOR. I did not know that.

Mr. COX. And does he not know that any assistance which may be rendered a mortgagor is necessarily relief of the mortgagee where the transaction is one of distress?

Mr. O'CONNOR. I shall yield the gentleman more time if he wants to make a speech, but the gentleman is talking of incidental relief to the mortgagor. We voted for direct

Mr. COX. Does the gentleman not concede that as a result of these operations the deposits in distressed institutions were released, to the benefit not only of the institutions but of the depositors themselves, which was beneficial to the country as a whole?

Mr. O'CONNOR. The gentleman has answered his own question—again by stressing the incidental rather than the

As indicating the desire of the institutions to unload their mortgages, they took an average loss of some \$680 in their wholesale operations and in their retail operations they took a loss of some \$240. But where did the individual mortgagee stand? Did he or she get any of their funds? Yes; 3 percent at the most.

The individual mortgagee did not come here and ask this Government for money. He took care of his mortgagor. He took care of the man or woman in his community who was indebted to him and in distress.

Mr. HARTER. Mr. Speaker, will the gentleman yield? Mr. O'CONNOR. I yield.

Mr. HARTER. Does the gentleman believe that we should eliminate the institutional amendment under which these wholesale operations took place and which was adopted last April, and make the sole test of eligibility the distress of the home owner, in the future operation of this act, if it is passed?

Mr. O'CONNOR. Inasmuch as we have gone this far. what I would like to see done as to pending applications is that preference be given to the individual mortgagee. [Applause.]

Oh, I know that the committee will say they know very much more about it than anybody else, but probably the Rules Committee has sat with this thing as long as the Banking and Currency Committee, and the statements made to us have been a revelation.

Mr. ELLENBOGEN. Mr. Speaker, will the gentleman vield?

Mr. O'CONNOR. Yes.

Mr. ELLENBOGEN. The gentleman's remarks apply to | retail operations as well as wholesale operations?

Mr. O'CONNOR. Yes.

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. RABAUT. I want to congratulate the gentleman upon expressing absolutely the very condition that exists in the city of Detroit.

Mr. COX. Will the gentleman yield there?

Mr. O'CONNOR. Oh, I will yield. Detroit was, of course, one of the worst spots in the Nation because of its huge bank failures.

Mr. COX. Does not the gentleman know that Detroit has obtained more money under this legislation than any other section of the country?

Mr. RABAUT. And the banks got it.

Mr. COX. They received more money per capita than

even the city of Cleveland, Ohio.

Mr. O'CONNOR. I am not satisfied with just taking care of pending applications, for the reason that pending applications will include most of those applications which were fomented or encouraged to be filed by institutions, and chiefly for the benefit of the institutions, and not the mortgagors. I would let down the door to applications, because you are between one dilemma or the other-either close the door completely or let down the bar to all applications and then give preference to individual mortgagees. [Applause.]

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. RICH. Does not the gentleman believe that we have taken over, through the Home Owners' Loan Corporation, a great many mortgages on which the Federal Government will never be able to realize, and that we are going to have a large loss?

Mr. O'CONNOR. Well, I do not know that.

Mr. RICH. I would like to say to the gentleman that I think we have, and I think the gentleman's statement that we ought to take care of the individual rather than the banking institutions is very good, and I hope he will look after that in the bill we are about to draft.

Mr. O'CONNOR. The purpose of this legislation was to encourage lending other than by the Government. The individual has not been encouraged to lend, and the institution has done just the opposite, and instead of new lending they have saddled their mortgages on the Government.

Mr. HEALEY. Mr. Speaker, will the gentleman yield for

a question?

Mr. O'CONNOR. Yes.

Mr. HEALEY. The figures show there are about 500,000 pending applications.

Mr. O'CONNOR. That is correct, as I understand.

Mr. HEALEY. The average loan is about \$3,000, so that all you can do under this appropriation is to take care of pending applications, is it not?

Mr. O'CONNOR. But why should a man, with the aid, and at the instigation of a bank or a building and loan association, who got his loan in just under the wire on November 11, if that was the date, have any preference over the individual who, on November 12, was in great distress or in greater distress? [Applause.]

Mr. HEALEY. I am in accord with the gentleman on that. I think they ought to be taken in the order they were filed and should be given consideration in that order.

Mr. O'CONNOR. That does not help any, either.

Mr. HEALEY. But what I want to know is whether it is a fact that some of these 500,000 pending applications are what are known as wholesale applications where we help the banks or other institutions, or are there 500,000 individual applications?

Mr. O'CONNOR. I do not know about that.

Mr. WHITE. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. Yes.

Mr. WHITE. Will the gentleman favor an amendment to eliminate the wholesale operations of the Home Owners' Loan Corporation?

Mr. O'CONNOR. Oh, I do not know as to that at this late date. In the case of a distressed institution, of course, the result to the depositors may be worthwhile.

Mr. HARTER. Mr. Speaker, will the gentleman permit an interruption, so that I may answer that question?

Mr. O'CONNOR. Yes.

Mr. HARTER. I have asked the same question of the manager of the Home Owners' Loan Corporation, Mr. Fahey, and the general counsel, Mr. Russell, and they say that the wholesale operations are practically completed and they have no objection to the elimination of that institutional provision.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. GIFFORD. I wish to interpose a statement in answer to the question asked by the gentleman from Ohio a moment ago. The figures we have are that 800,000 loans have been granted, 240,000 are already in default more than 90 days, and foreclosures have been ordered only in 60 cases and only one actually in possession.

I want to remark also that in the city of Chicago the Home Loan would have lost its lien on present mortgages if it had not paid \$2,000,000 to the city of Chicago for taxes

demanded of those who could not pay.

Mr. O'CONNOR. I do not know anything about those figures, but, of course, as to taxes, I believe something like \$150,000,000 of this money has gone to pay taxes.

Mr. ELLENBOGEN. More than that.

Mr. O'CONNOR. At any rate, a very considerable amount and in some of the large cities as much as \$20,000,000 has gone into the city treasury in taxes, which of course has helped local governments-again the mortgagor is only indirectly the beneficiary.

Mr. GIFFORD. The gentleman stated that the losses or delinquencies were not surprising or were not as much as in other mortgage associations. Does the gentleman not know there were very few loans made on January 1, 1934, in this new organization, and does he not understand how tremendous that delinquency is in a new organization, a very few months old, and would the gentleman compare that favorably with other mortgage associations?

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I have only a minute and I must close. There is another matter in this bill that calls for serious consideration when the bill is considered in Committee of the Whole House on the state of the Union, and that is a provision for issuing loans for the renovation and alteration of apartment buildings, business places, and so forth. The limit has been cut from \$50,000, as requested by the Administration, to \$25,000, the idea of the committee, and I hope the \$50,000 limitation will be restored by the Committee of the Whole. I assure you that I shall do what little I can to restore the figure \$50,000, the amount requested by the Administration, and I ask the assistance of the Members of the House.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the adoption of the resolution.

The resolution was adopted.

## PUBLICITY OF CERTAIN STATEMENTS OF INCOME

Mr. CULLEN. Mr. Speaker, by direction of the Committee on Ways and Means, I report the bill H. R. 6359, a bill to repeal certain provisions relating to the publicity of certain statements of income.

The bill was referred to the Committee of the Whole House on the state of the Union.

Mr. SNELL. Will the gentleman yield for a question?

Mr. CULLEN. I yield. Mr. SNELL. Will the gentleman inform the House when he thinks this bill just presented will be called up for consideration?

Mr. CULLEN. On next Saturday.

Mr. SNELL. I am glad the gentleman has brought this in to give us an opportunity to repeal it.

Mr. CULLEN. I may say that it is possible that it will | be brought up tomorrow.

Mr. O'CONNOR. The Rules Committee will meet at 2 o'clock this afternoon to pass on the matter.

#### EXTENSION OF REMARKS

Mr. COX. Mr. Speaker, I find that there is considerable general interest in the House in a statement made up by the Home Owners' Loan Corporation, showing in detail its operations in both wholesale and retail activities. I ask unanimous consent to extend my remarks by inserting two short charts.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

#### ADDITIONAL HOME-MORTGAGE RELIEF

Mr. STEAGALL. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6021), to provide additional home-mortgage relief, to amend the Federal Home Loan Bank Act, the Home Owners' Loan Act of 1933, and the National Housing Act, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. CELLER in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Alabama [Mr. STEAGALL] has 2 hours, and the gentleman from Ohio [Mr. Hollister] 2 hours.

Mr. STEAGALL. Mr. Chairman, it is not my purpose to devote time to any political suggestions that have been brought into the discussion of the rule for the consideration

It seems that my own side of the House has devoted more time to that kind of discussion than has been done by the other side.

I think it may be said in fairness to the present Home Loan Bank Board, especially the Chairman of the present Board, that in the administration of the Home Owners' Loan Act and the home-loan banking system, if the Board has been guilty of any sin of a political nature it is that they have leaned too far in the effort to keep free from partisanship and political considerations in making up the personnel and in determining the policies upon which administration has been conducted.

It will be remembered that when we passed the act last year providing additional funds for the Home Owners' Loan Corporation, and amending the act in other particulars, the Senate incorporated a provision in the bill directing the Board to disregard political considerations in selecting agents, attorneys, appraisers, and others constituting the personnel of the administration. I do not know that any mention of it was ever made on the floor of the House, because that provision was eliminated by the Committee on Banking and Currency, and the matter was not discussed; but it is a fact, which should be stated, that the chairman of the Board, Mr. Fahey, insisted that the amendment offered by Senator Norris and adopted by the Senate should remain in the bill. If there has been any department of the Government that has gone as far as anyone could ask in disregarding politics, I make the statement that the Home Owners' Loan Corporation Board has done that very

I have no doubt the Board has made mistakes. I am sure that we could listen indefinitely to the recital of individual instances of mistakes that have been made, but to save a million home owners in the United States from foreclosure in a period of 12 months is an accomplishment of stupendous signficance to the social and economic welfare of the Nation. That is the achievement that was accomplished by the Home Owners' Loan Corporation during the year 1934. The Corporation had applications to the number of 1,739,499 filed for consideration. Lcans were made taking care of

800,000 distressed mortgagors in the United States. The Board estimates that out of pending applications that are still to be considered and passed upon, notwithstanding the order of November 13, 1934, terminating new applications, a total of more than 1,000,000 loans will have been made, which means that something like 5,000,000 people in the United States have been saved from foreclosure and the loss of shelter.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. Yes. Mr. KNUTSON. I was not here when the gentleman made his opening statement. How many applications for home loans were pending when the fund we voted 2 years ago became exhausted?

Mr. STEAGALL. I could not give the gentleman the exact number. At that particular time they were quite numerous. I have not those figures, but in all there have been something approaching one million and three-quarters applications to date, and over 800,000 of them have been taken care of. It is estimated that of the number now pending in the legal department, which means that they have been passed on favorably through the various initial steps of consideration, not less than 200,000 more will be granted, which will leave something like 500,000 applications to be passed upon.

Mr. MARTIN of Colorado. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. Yes.

Mr. MARTIN of Colorado. What was the objection of the committee to including qualified suburban tracts for home

Mr. STEAGALL. That is just a little aside from the point I had reached in my discussion.

Mr. MARTIN of Colorado. I hope the gentleman will give me 5 minutes on that.

Mr. STEAGALL. This may be said in that connection. We hope that we are approaching the end of the activities of this branch of the relief agencies of the Government, and to attempt changes in the rules of a substantial import at this late date is not thought desirable by the committee.

Mr. BOLAND. Mr. Chairman, will the gentleman yield? Mr. STEAGALL. Yes.

Mr. BOLAND. Is it the intention of the committee to amend this bill by increasing the amount that it calls for

Mr. STEAGALL. The bill as reported provides for an additional fund of one and a half billions of dollars. The Home Loan Bank Board estimated that the work of concluding relief, based upon applications already filed, could be accomplished by the authorization of an additional sum of one and one-quarter billions of dollars. Before introducing the bill and after various discussions with the Board, the amount was raised to one and a half billion dollars, adding \$250,000,000 to the amount which the Board considered sufficient to finish the task, giving consideration to applications pending, just as had been done all along. The bill as reported provides for a billion and a half, which we have been advised is more than sufficient to finish the work.

Mr. BOLAND. Is it the intention of the committee to increase that amount?

Mr. STEAGALL. The Committee on Banking and Currency has before it the matter of changes and amendments to the bill. Any action in that connection will be disclosed when the bill is reached for amendment. I am now addressing myself to the provisions of the bill as reported originally by the Committee on Banking and Currency.

Mr. BOLAND. As chairman of the committee, the gentleman is satisfied that the bill is adequate as it is without any extending amendments?

Mr. STEAGALL. I am giving the gentleman the information supplied that committee by the members of the Home Loan Bank Board.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman vield?

Mr. STEAGALL. Yes.

Mr. ROBSION of Kentucky. Does the bill provide for the filing of any additional applications?

Mr. STEAGALL. The bill as reported by the committee provides for taking care of applications heretofore filed.

Mr. ROBSION of Kentucky. It does not provide for new applications?

Mr. STEAGALL. Not as reported by the committee originally.

Mr. SWEENEY. Will the gentleman yield?

Mr. STEAGALL. Yes. Mr. SWEENEY. The distinguished Chairman of the Committee on Banking and Currency undoubtedly is aware that the H. O. L. C. will soon start foreclosing on a large scale, owing to distress on account of unemployment? Does not the distinguished gentleman think we ought to extend the principles of the Frazier-Lemke bill applicable to farms only, for about a year or two, to those who are in distress? In other words, declare a moratorium for those who cannot make their payments?

Mr. STEAGALL. I think the gentleman's apprehensions are unfounded. We have just heard a statement-I will not call it a complaint, but a statement which I take to be in the nature of a criticism—that the Board has not established a policy of foreclosure. I do not think there is anything in the record which justifies any apprehension that the administration of the Home Owners' Loan Corporation will become harsh or oppressive under the present administration.

Mr. SWEENEY. May I say in reply that I tried to secure from Mr. Fahey the number of foreclosures and the number in anticipation. I could not get that information, so I do not know who spoke for the Home Owners' Loan Corporation.

Mr. STEAGALL. The fact is I think there has been 1 foreclosure down to date out of nearly 1,000,000 loans made, and some 50 or 60 in contemplation, although not in actual process of foreclosure.

Mr. CROWE. Will the gentleman yield? Mr. STEAGALL. I yield for a question.

Mr. CROWE. Is it thought that this additional \$1,500,-000,000 that is being asked for in this bill will be sufficient on the basis of the later loans that were made, or with the liberality that was given earlier in making loans by the Home Owners' Loan Corporation? Early in its life we found that loans were made much more liberally than later. I want to know if the \$1,500,000,000 is expected to take care of it under the more stringent regulations, or would it not take more than that to handle this legislation as it was operated during the first few months?

Mr. STEAGALL. I can only say to the gentleman that I have the assurance of those in charge of the administration of the fund that they could, under continuation of existing policy, complete their task with \$1,250,000,000. That is the statement they made and that is the sum which they requested in their original conferences respecting this legislation. The committee, out of an abundance of liberality, we thought, raised the amount to \$1,500,000,000.

Now, undoubtedly there was some haste in extending relief during the initial stages of the administration of this law. We might infer from statements that have been made here today that all the distress that has come upon mortgagors in the country took place following the enactment of this bill. The fact is this law was passed because of the deplorable developments throughout the country which showed unprecedented foreclosure of mortgages, both upon the farms of the Nation and upon the urban home owners.

The situation was unprecedented. In the circumstances it was only natural that there should have been some haste in extending relief afforded by the legislation. Naturally, as the distress was relieved and distressed mortgages removed, there would have been some slowing down of loans and possibly some higher degree of care and caution in passing upon the merits of individual applications. But let me say here we have the word of this Board, and I accept it in full faith, that the guiding principle by which they have been governed at all times in the administration of this act has been to give first consideration to the distressed home owner who was in danger of having his loved ones turned out of their homes.

Mr. STACK. Will the gentleman yield?

Mr. STEAGALL. In just a moment. In that connection it is fair to say that the Board is not to blame that loans may inure in part to the benefit of existing lending institutions. That is inevitable. The minute a mortgage reaches a condition of distress for the home owner, the mortgagee is of course in a situation where any loan extended to the mortgagor inures to his relief and to his benefit. It will be remembered that during the last session of Congress one of the live questions in this House and before the country, as it had been for some time theretofore, was the matter of relief for depositors in closed banks. You will all re-member what took place at that time. There was an insistent demand for legislation to afford relief to depositors in closed banks. The bill passed last year recognized that mortgages in the hands of liquidating agents became automatically distressed mortgages. So one of the exceptions to the rule requiring default prior to the 1st of January 1933 was made to cover mortgages held by institutions in process of liquidation.

The Board informs your committee that, notwithstanding that provision of law, the policy of passing upon loans with first consideration directed to the distress of the individual home owner continued to guide the Board in making loans, even in cases where the bonds went to institutions holding mortgages under conditions that necessitated liquidation and foreclosure. An infinitesimally small amount would cover all the loans that were made in carrying out the provisions which treated of mortgages in the hands of liquidating agents as automatically in distress. If the statements made are to be relied upon, as I do rely upon them, if there is any criticism against the Board because of loans made where the benefits went to lending institutions, the criticism is that the Board did not go so far as it was expected to go in carrying out the provisions of the law adopted by Congress providing for such loans.

The suggestion was made that there should be a provision incorporated in this bill requiring the Board to give preference to individuals rather than lending institutions. Such a plan would be an abandonment of the fundamental principles and purposes of the bill. The test that should always be applied, as we are informed it has been applied in the past in making loans by the Home Owners' Loan Corporation, should be to carry out the expressed will of Congress to use these funds to protect the families and the home owners of the United States. Any departure from that or any effort to differentiate between classes of mortgagees who might indirectly benefit from loans would involve us in serious difficulties and result in a departure from the fundamental purposes of the legislation.

Mr. STACK. Will the gentleman yield for a point of information?

Mr. STEAGALL. I should like to discuss the various provisions of this bill, but I will yield.

Mr. STACK. Can the distinguished Chairman of the Committee on Banking and Currency tell me and my colleagues what constitutes distress?

Mr. STEAGALL. Of course, the attempt to give a legal definition and interpretation of that word as employed in determining the policies of the Board respecting loans, calls for just a little thought and a little reflection. The gentleman understands, of course, as I think all of us do that the purposes of Congress was to employ the funds supplied under this legislation in saving homes from foreclosure, the question being whether or not in the absence of relief afforded by the Home Owners' Loan Corporation the home owner would lose his home by foreclosure.

Mr. STACK. The mortgagor, or home owner, must show distress to have his application considered. After he shows distress, 30 days after he gets the loan and the transaction is completed, he must take up his loan, pay the interest and the percentage that he is to pay off monthly.

Mr. STEAGALL. That was not the original provision of the bill. Repayment of principal was not so required so long as borrowers paid interest and liens were accumulating. That, however, was amended.

Mr. STACK. When he could not show that he was able to take up his loan-in other words, when he was actually in distress, out of work-he had to go out and get collateral security. So I make the statement that this will not help the man in distress any more than the original act did if you continue to require additional security. If a man is drowning, and you pick him out of the water, you do not throw him back in again.

Mr. STEAGALL. The gentleman understands that this is a loan system; that it never was contemplated that the Government would pay off a mortgage on anybody's home and forget it. That was not contemplated, and, so far as

I know, was never desired.

Mr. STACK. I personally am interested in seeing this bill passed to help the people back home; but I am satisfied it is a recovery act. It is to bring back recovery, is it not?

Mr. STEAGALL. I do not know that I would so classify the Home Owners' Loan Corporation Act. I regard it as an emergency relief measure.

Mr. STACK. It is an act designed to help the working-

Mr. STEAGALL. Incidentally, of course, it will help bring about recovery, because every time you take a distress mortgage out of a lending institution, you have relieved the institution, and made it easier for the institution to make a new loan; and those incidental benefits, of course, may be classified as aiding recovery. The fundamental purpose back of the law, however, was relief for distressed home owners, to save the homes of families by resort to the use of funds from the Federal Treasury.

Mr. STACK. This will be my last inquiry. I am firmly convinced that this is a relief bill, a recovery bill, and I would suggest, in my humble way as a first termer; of course, that a moratorium be given to a home owner, or to

a mortgagor as long as he is in economic distress.

Mr. STEAGALL. The record down to this date does not justify any apprehension as to the policy that will govern the board in the matter of collection of mortgages which they have acquired. They have been operating a year or more and have had but one foreclosure. So I think their policy is pretty well indicated to be that of utmost sympathy and leniency.

Mr. STACK. They are asking the home owner to go out and get collateral security before they make the loan,

Mr. STEAGALL. In some few instances they did that where the board went beyond what they were required to do by the letter of the law and extended relief where they were not justified in taking over a mortgage with the security back of it. They permitted personal endorsement by some member of the family or somebody in order to justify the corporation in extending relief. I think the purpose of the Board commendable.

Mr. COX. Mr. Chairman, will the gentleman yield there? Mr. STEAGALL. I vield.

Mr. COX. The gentleman is not condemning this practice of the Board, is he? In other words, where an applicant had need for a loan, and the property ordinarily might be considered as sufficient security, but he had no income, no job, and no prospect of any, does not the gentleman think that as an additional protection to the Government it was wise on the part of the Board to exact of such applicant a personal endorsement?

Mr. STEAGALL. The gentleman, I think, is a little inaccurate in the language he uses. I do not understand that any such thing was ever exacted. Endorsements were simply accepted when tendered, which shows a sympathetic attitude on the part of the Board in going beyond the requirements of the law in order to grant relief in particular cases, and I commend the purpose of the Board in that

Mr. COX. The Board, in its anxiety to give relief under such instances, did actually suggest the furnishing of an endorsement. Does not the gentleman think the Board is to be commended, as he said it might be, in its effort to assist under such circumstances?

Mr. STEAGALL. It unquestionably proves a sympathetic. commendable purpose on the part of the Board. If this were an institution in which the consideration of emergency relief did not enter. I should not commend the Board for going outside the protection afforded by the property covered by the mortgage; but in carrying out the relief purposes contemplated in this legislation, I think the Board is to be commended for its sympathetic attitude.

Mr. HOEPPEL. Mr. Chairman, will the gentleman yield? Mr. STEAGALL. I yield.

Mr. HOEPPEL. Answering the gentleman from Georgia, I should like to cite an occurrence in which I am involved personally. An old gentleman 76 years of age had a mortgage on his home for \$500. His home was worth approximately \$5,000. They stated that they could not extend relief to him unless he secured a cosigner, notwithstanding the fact that his property was worth four or five times the mortgage on it, and I personally had to become a cosigner in order to keep this old man from being thrown out on the street.

Mr. STEAGALL. I do not know anything about that individual case; and so far as I am concerned, I shall not discuss individual cases. I may say to the gentleman that nobody can pass on the merits of an individual case without hearing all sides. The consideration of individual cases and complaints would prolong this debate indefinitely.

Mr. COX. If under the circumstances as stated by the gentleman from California [Mr. HOEPPEL], the man had no income and could not produce, does the gentleman not think it was a wise thing for the board to insist on the

additional requirement?

Mr. STEAGALL. I can readily understand how there may have been cases where the property covered by mortgages was worth the amount the corporation would be required to advance in order to prevent foreclosure; but if the situation presented a case where foreclosure could only be deferred temporarily, with no chance to save the applicant's home, there would be no need for the Government to step in and take over the responsibility and burden of foreclosure. It would be a violation of the law under which they act if the board made a loan when it was disclosed that repayment could not be expected and would not benefit the mortgagor.

Mr. HOEPPEL. Will the gentleman yield?

Mr. STEAGALL. If the gentleman is going to argue an individual case, I decline further.

Mr. HOEPPEL. In this case the individual had a small

Mr. STEAGALL. I do not yield to the gentleman to discuss individual cases. We just have not the time. That is a complaint I would suggest taking up in the regular way as an administration detail. If I were to yield on matters of that kind, we would be here all week.

Mr. COLMER. Will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Missis-

Mr. COLMER. The gentleman stated a moment ago that the committee had increased the request from one and a quarter billion to one and a half billion. I want to inquire how many applications are now pending or were pending when the Home Owners' Loan Corporation ceased to make

Mr. STEAGALL. May I say to the gentleman that the Corporation has never ceased making loans. What happened was that on November 13 last, seeing that applications were accumulating in an amount that could not be taken care of with the funds on hand at that time, the Corporation directed that no further applications be considered except those that had passed to the legal department, meaning those that had passed the initial stages; in other words, those as to which the merits of the loans had been passed on and all questions eliminated except clearing up the title and questions of a legal nature.

So that there was no termination of loans. It was simply a common-sense method of administration by which it was announced that no further applications would be considered except such as had passed to the legal department. There was no money to take care of further applications. Of | such applications receive consideration, or will such applicourse, they are making loans all the time. They are making loans now upon applications that were filed prior to the order of November 13, 1934.

Mr. COLMER. Will this additional authorization provide for all of the applications for loans now pending?

Mr. STEAGALL. I thought I had made clear the attitude of the Board. The Board asked for \$1,250,000,000, which they estimated would enable them to care for all pending applications.

Mr. COX. In such instances where the Board found them eligible.

Mr. STEAGALL. Certainly. I mean to take care of those passed upon favorably, not to grant all applications that were filed. No one contemplated that. Then, out of an abundance of caution, and to make sure that the situation would be completely safeguarded, the bill as introduced raises the amount from \$1,250,000,000 to \$1,500,000,000.

Mr. COLMER. Then there will be the opportunity to grant further loans in addition to those now pending?

Mr. STEAGALL. Under the bill the funds may only be employed to take care of applications heretofore filed.

Mr. COX. I wonder just what the attitude of the gentleman is with respect to amending that provision of the bill. That is, the provision limiting loans to applicants who already have their applications on file. In other words, the gentleman, I am sure, is fully aware of the fact that in certain instances, such as stated by the gentleman from Indiana in the discussion in reference to consideration of the rule under which the bill is now being considered, many communities were well advised as to their rights and privileges and there was the filing of applications in all cases where need and distress existed. In other areas where the distress was equally as great, if not very much greater in many instances. there were no applications filed. That need is just as great now and may be greater than it was 5 or 6 months or a year ago.

Mr. STEAGALL. If the gentleman will take the statement of the Board in that connection, he will find that prior to the promulgation of the order on November 13, 1934, terminating consideration of loans except such as had passed to the legal department, he will find that they were coming in to the number of only 6,000 a week.

Mr. COX. That does not answer the question I propounded. Does the gentleman not think that the door should be opened again and applications received from those in distress, and that in administering the additional fund that is being put at the disposal of the Corporation, the Corporation should be permitted to determine instances where loans should be made upon a basis of comparative need and distress?

Mr. STEAGALL. I can appreciate the gentleman's very solicitious attitude in that connection, but I may say to the gentleman that we shall have to stop sometime.

Mr. COX. That is very true, but whenever we do, let us stop right.

Mr. STEAGALL. No matter what date is set when applications will be no longer accepted, the situation will always be such that we will endanger cases which are just as meritorious as applications theretofore filed. The whole theory of this desire to terminate applications, of course, is that the country in a year and a half has become apprised of the benefits of this legislation and that all cases of a meritorious nature have been reflected in the filing of applications within that time. Any definite date for terminating applications must necessarily result in excluding meritorious loans in some cases.

Mr. BLANTON, Mr. HEALEY, and Mr. ELLENBOGEN rose.

Mr. STEAGALL. I yield first to the gentleman from Texas [Mr. Blanton].

Mr. BLANTON. Since November 13 numerous people have made application for urgent loans and the applications have been returned and they have been told the H. O. L. C. was no longer receiving such applications. Under this bill will ment, may I ask one question?

cations made since November 13 receive no consideration whatsoever under this measure?

Mr. STEAGALL. That would depend upon the administration of the law. The Board can receive applications tomorrow if they see fit to do so.

Mr. ELLENBOGEN. But they are not doing that.

Mr. STEAGALL. There is nothing to keep them from receiving applications at any time up to the effective date of this bill as it was reported; after that, they could not do it. Of course, this would rest in the field of administration.

Mr. BLANTON. Then, if I understand the gentleman correctly, all applications that have been sent in since November 13 will come under this bill and should receive consider.

Mr. STEAGALL. I think I have answered as well as I can. Mr. BLANTON. That question can be answered yes or no. Mr. STEAGALL. No; it depends upon the administration of the measure.

Mr. COX. Will not the gentleman clear up the question raised by the gentleman from Texas [Mr. BLANTON]? If I understand the meaning of the bill, it is that no one who did not have his application on file on November 13 of last year will be eligible for consideration.

Mr. BLANTON. Then, there will be thousands of disappointed people all over the country.

Mr. COX. That is obliged to be true, because the Corporation ceased receiving applications on the 13th of November.

Mr. STEAGALL. The gentleman from Texas is a good lawyer and the gentleman from Georgia is a good lawyer, and both of them were once able judges. Here is the language of the bill:

In order to provide for applications heretofore filed.

Mr. COX. All right; but none has been filed since November 13 of last year.

Mr. STEAGALL. The gentleman is stating facts, and I am talking about the provisions of the bill. This language leaves the matter with the Board.

Mr. BLANTON. They have been mailed to State and regional offices and sent back to the home owners unfiled.

Mr. STEAGALL. This provision leaves the matter with the Board and it will be determined by them whether they will permit further applications to be filed or not. Whether there would be any departure from the rule laid down by the order promulgated on the 13th of November, I am not prepared to say any better than the gentleman from Texas. I have read the language of the bill.

Mr. BLANTON. Will the gentleman permit just one other brief question?

Mr. STEAGALL. I yield. Mr. BLANTON. In the administration of this bill, under its present language, could the gentleman tell us whether or not the Board would consider applications made since November 13?

Mr. STEAGALL. I prefer not to attempt to prejudge any policy or rule that may be hereafter adopted by the Board. I cannot do that any more than the gentleman from Texas. It is in the power of the Board to accept new applications at any time down to the effective date of this legislation.

Mr. BLANTON. I think the gentleman is wise, because I do not believe any sane person in the United States could tell what this arrogant Board will do or how it will attempt to arbitrarily administer this bill; hence, we ought to give them specific orders.

Mr. STEAGALL. Mr. Chairman, there is wide-spread demand in the House and in the committee for time for discussion of this bill. It had been my purpose to go over the bill section by section, but inasmuch as I have consumed so much time in yielding for interruptions, I am going to conclude my remarks and reserve the time at my disposal for other Members.

Mr. HOLLISTER. Mr. Chairman, I yield myself 20 min-

Mr. HOEPPEL. Before the gentleman begins his argu-

Mr. HOLLISTER. I yield for one question, although I would prefer to explain the bill and answer questions afterward.

Mr. HOEPPEL. I notice here that the mortgagor is going to pay 5-percent interest whenever he gets a loan through the Corporation. The Corporation secures the funds for 2.75 percent. The distinguished chairman said this is a relief measure, but as long as the Government is taking 2.25-percent profit from the distressed mortgagors I consider this a Shylock measure until that is corrected.

Mr. HOLLISTER. Is the gentleman asking me a question or making a statement?

Mr. HOEPPEL. I beg the gentleman's pardon.

Mr. HOLLISTER. Mr. Chairman, the bill is a triple-barreled bill. It involves amendments to the Home Loan Bank Act, amendments to the Home Owners' Loan Corporation Act, and amendments to the Housing Act.

I believe, in addition to speaking on some of the general principles of the bill, as has been done by our distinguished chairman, it would, perhaps, be a good idea to run through the bill by sections and explain it to the extent that further explanations may be necessary over and above what is contained in the report, and then in what additional time I may have I should be glad to answer any questions which members of the Committee desire to submit.

I do not believe that any further comment is necessary on section 1, as the provisions are obvious.

Section 2 provides that there shall be no preference respecting the dividends on stock of the home-loan banks. The law now provides that the Government shall have a 2-percent cumulative dividend on the stock in the banks to which it has subscribed. The Board feels that there are one or two banks in such a condition it would perhaps be unwise to pay any dividends, certainly not 2 percent, but in a desire not to have the Government's stock in arrears they are trying to pay 2 percent when nothing, or at most 1 or 11/2 percent would be more proper. Inasmuch as it is a small matter, the Federal Government having 80 percent of the stock of the banks, it would be wise to eliminate that provision.

Section 3 is a new section inserted at the request of the various members of the home-loan banks.

There is at present an advisory committee consisting of the chairmen of the various home-loan banks. The chairman in every case is appointed by the Federal Board, so in a way the central board is asking that its own appointees should advise with the Board. It would, perhaps, be a fairer presentation of the views of the mortgage-lending institutions if they could have a committee of their own to advise with the central board.

This adds no expense to the Government except the traveling expenses of the individuals. The member of the committee who comes to Washington is to be appointed by the board of directors of each particular bank.

Section 4 really needs no additional explanation. It merely amends, or broadens, the borrowing powers of bank members and permits the home-loan banks to lend on obligations of the United States or obligations fully guaranteed by the United States instead of solely on mortgages.

Section 5 permits the discounting of mortgages which have 20 years to run instead of 15, and makes the mortgages eligible as collateral up to \$20,000 instead of mortgages on property valued at not exceeding \$20,000, as in the present law. The present limit of the mortgage that can be discounted is 80 percent of \$20,000, or \$16,000. This is raised to \$20,000 in the bill, with no limit on the value of the property, except, of course, that the mortgage may not be in excess of 80 percent of that value. After all, if a lending institution has a proper mortgage, and wishes to borrow money on it, there seems to be no reason why there should be any maximum limitation on the actual value of the property on which the mortgage is placed. This section is, therefore, a liberalizing provision which permits additional discounts by the members of the home-loan banks.

Section 6, incidentally, should be a new section 10 (b). instead of 10 (a) as in the bill. Anyone who checks up the present law will realize that this is a misprint. It should be

10 (b), because it is a new section. This section permits the home-loan bank to broaden its scope in making advances to others than members, if those others are institutions approved under the Housing Act to make insured mortgages. It provides advances up to 90 percent of the mortgages thus insured. If you approve of the whole mutual mortgage set-up included in the National Housing Act, by which accredited institutions may enter the mutual mortgage system and buy and sell mortgages which are insured through the mutual system, it seems perfectly sound that such institutions holding such insured mortgages should be able to take them somewhere, discount them, and get some money. It should be understood that all of the provisions of this act, all of the provisions of the Home Loan Bank Act and of the Housing Act are different ways of approaching the mortgage problem of the country, which many people feel is one of the chief jams which is blocking the recovery program.

Section 7 merely corrects an inadvertent omission in the act when consolidated home-loan bank bonds were provided for in the amendments made to the Home Loan Act last year, the tax-exemption provision, which applies to the individual issues made by the different individual banks, was

left out by mistake.

Section 8 permits the funds which are received by the home-loan banks for services they have rendered to be used as a revolving fund for further purposes of the bank, for the paying of expenses and for whatever other purposes may be necessary. If this new section were not included, the procedure followed at the present time would have to be followed indefinitely; that is, all funds received by the banks for these special charges would have to go into the Treasury and be reappropriated.

The difficulty of that system is that it is very hard to anticipate ahead of time what the amount of those charges will be, as they depend entirely on the volume of business going up or down as the facilities of the banks are used. Therefore, to estimate ahead of time and to make an appropriation to cover what will be received in the ordinary course of business for the services rendered is almost impossible. and there seems no harm in permitting the earnings of the bank so made to be used as a revolving fund for the purposes of the bank.

Mr. RAMSPECK. Mr. Chairman, will the gentleman

Mr. HOLLISTER. Yes. Mr. RAMSPECK. Does that same rule apply to the receipts of the Home Owners' Loan Corporation?

Mr. HOLLISTER. It is not changed in this bill. At the present time the receipts of the Home Owners' Loan Corporation on the sales of mortgages do not have to be reappropriated

Mr. RAMSPECK. Then Congress has no voice in the control of what they do with that money?

Mr. HOLLISTER. The receipts from the mortgage-redemption operations of the Home Owners' Loan Corporation go to retire the bonds of that Corporation.

Mr. RAMSPECK. They are also used to pay salaries?
Mr. HOLLISTER. Whether there is a special appropriation for that I could not inform the gentleman. It is not included in this bill, and I cannot tell whether the Home Owners' Loan Corporation finances itself out of its own funds or whether we appropriate for it.

Mr. FORD of California. Will the gentleman yield to me? Mr. HOLLISTER. I yield to a member of the committee. Mr. FORD of California. The difference between the interest the Home Owners' Loan Corporation pays and the interest on the mortgage that the mortgagor pays gives enough latitude to take care not only of the operating ex-

penses but of any possible losses that may accrue during the course of the year.

Mr. SWEENEY. Mr. Chairman, will the gentleman yield? Mr. HOLLISTER. Yes.

Mr. SWEENEY. Going back to section 10 (a), is it the gentleman's understanding that the funds of the Federal home-loan bank are now available for the creation of mortgage associations?

Mr. HOLLISTER. I shall get to that in a minute. That is covered by a later section.

Section 9 has been covered quite generally on the floor in the last hour, and I shall not go further into it except to point out the figure of a billion and a half additional, which is carried in the bill. The Corporation started off with \$2,000,000,000. That sum was then increased to \$3,000,000,-000, and this bill makes a total of four and a half billion dollars-in other words, more than two times the original authorization to the Corporation when the act was first

Mr. CRAWFORD. Will the gentleman yield?

Mr. HOLLISTER. I yield.
Mr. CRAWFORD. There are 200,000 loans pending in the legal department, and the 500,000 applications which have not yet reached the legal department. As I understood the gentleman from Alabama [Mr. STEAGALL], has the Board given any idea as to what percentage of those 700,000 applications will be cared for by the \$1,250,000,000 which the Board mentioned at first? Have there been any figures submitted on that?

Mr. HOLLISTER. Yes; I can answer the gentleman.

Mr. CRAWFORD. What I desire to get is a rough estimate as to the particular applications which will be discarded if we appropriate only \$1,500,000,000.

Mr. HOLLISTER. An estimate was made by the Board in the preliminary discussions of this bill that \$1,250,000,000 would handle all existing applications by a very narrow margin. The applications which are now in legal, which are going through in due course, will be attended to by money which is already appropriated. There are some 800,000 loans which have already been made. There are about 200,-000 more for which there is still money on hand, thus taking up the difference between \$2,500,000,000 and \$3,100,000,000, which is \$600,000,000, always remembering that the average is about \$3,000 per loan. There are about 700,000 more applications on hand, of which it is practically sure 200,000 will not get through in good shape and should not be considered, leaving an outside figure of 500,000. Five hundred thousand multiplied by \$3,000 is \$1,500,000,000. The Board felt strongly that as the program continued, always assuming that recovery has started, and with private funds now flowing into the mortgage market through the opening up of business by the building-and-loan associations, other mortgage organizations, and insurance companies, to that extent the pressure on the Home Owners' Loan Corporation would be relieved, not only with respect to whatever additional applications might be received but with respect to those already in. The Board reports that a number of applications already on hand are being withdrawn, where the applicant has found that, through his building-and-loan association or in some other way, he is able to do his financing. The Board therefore felt that with \$1,250,000,000 it would be able to satisfy the 500,000 applications which, at the most, of those on hand would be good. It was felt by the committee. however, that to make it absolutely sure, so that we could say no applications on hand and those which might be received up to the time the act became effective would be turned down, we had better raise it to \$1,500,000,000. Does that make it clear?

Mr. CRAWFORD. That is a very fine explanation and gives the answer I wanted. There is one additional thought: This yardstick of roughly 500,000 applications which the gentleman is now using, discarding 200,000, is taken as of November 13, or as of about what date?

Mr. HOLLISTER. As of the date the chairman talked to us, which was within the last 2 or 3 weeks.

Mr. HEALEY. Will the gentleman yield?

Mr. HOLLISTER. I yield.

Mr. HEALEY. In connection with the statement just made concerning the fact that there are now more private funds available for mortgages, has there been a tendency on the part of the private lending agencies to modify the terms of their mortgages so as to conform more to the home-loan mortgage?

Mr. HOLLISTER. Mr. Fahey told us that there were a half billion dollars of money of various insurance companies which was ready now to go into the field, and that some of the insurance companies were beginning to loan on a 5percent, 20-year basis. I did not myself verify those figures. but that is what we were told. Frankly, however, the insurance companies do not loan on the proportion of value that the Corporation does.

Mr. HEALEY. Just one further question.

Mr. HOLLISTER. Certainly.

Mr. HEALEY. The fact that there is a tendency on the part of the private lending agencies to modify the terms of their mortgages is due, of course, to this particular legis-

Mr. HOLLISTER. I do not think there is the slightest doubt about it.

Mr. COX. Will the gentleman yield?

Mr. HOLLISTER. I yield.

Mr. COX. Was the gentleman not in error in his reply to a question by the gentleman from Michigan [Mr. CRAW-FORD! to the effect that in further lending the Corporation might consider applications received up until 2 or 3 weeks ago, when Mr. Fahey, chairman of the Board, was before the gentleman's committee? As a matter of fact, did not the Corporation close its doors to new applications on November 13, 1934, and in effect, this money will be loaned only to those who had their applications on file as of that date, and that no person who has sought to file an application since November 13, 1934, or may hereafter seek to file an application, will have the slightest chance of being considered? Now, is that not the fact?

Mr. HOLLISTER. That is a question on which I cannot answer the gentleman definitely. I believe that is substantially the fact.

Mr. COX. Based upon my understanding of what has been done, that is the fact.

Mr. HOLLISTER. I have not been able to verify whether an order of that kind went out generally around the country. It certainly did in some cases. It probably did in a majority of cases. However, I was just shown a newspaper clipping a few moments ago by a gentleman on my side of the aisle, in which the Virginia State chairman of the H. O. L. C. announced they were beginning to receive applications again in Virginia, under what authority I do not know. It would seem to me that the Corporation could very properly, pending the time it will take this bill to pass both Houses and ultimately be signed by the President, open its doors for applications. As a matter of fact, the November 13 order had nothing to do with the law itself. It was done by the Corporation and the Corporation could, today or tomorrow, or any day it desires, change that order. The bill only covers applications which are received up to the time the bill becomes law. If the bill does not become law for 30 days and the Corporation cared to open the doors for making applications again, it could do so, for the Corporation would have that power.

Mr. COX. Now, with respect to the order of November 13 of last year, I wish to state upon the authority of the testimony of the Chairman of the Board, Mr. Fahey, that it was universally applied to the entire country.

[Here the gavel fell.]

Mr. HOLLISTER. Mr. Chairman, I yield myself 10 additional minutes.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. HOLLISTER. I yield.

Mr. MAY. As I understand the situation from the gentleman's statement there were approximately 700,000 applications filed altogether. It has reached the point where, when the money available is used up, they will have 700,000 which will need new money, and some 200,000 of these will be unable to meet legal requirements or the eligibility requirements of the act.

Mr. HOLLISTER. Yes; the loan requirements of the

Mr. MAY. I should like to make this further inquiry. Of course, we appreciate that returns are coming in both by way of interest payments as well as principal payments on the loans previously made. Do these moneys when collected. either from principal or interest, become a revolving fund that could be reloaned by the board to new applicants?

Mr. HOLLISTER. No. The total which can be lent is in relation to the bond issue. There cannot be an increase to the extent of the payments made. In other words, if 10 men pay their mortgages amounting to \$50,000, that \$50,000

may not be re-lent for new mortgages.

Mr. MAY. There is a provision in this bill which authorizes the filing of new applications up to the time the bill

Mr. HOLLISTER. There never has been any limitation in the law as to the filing of applications. The limitation on the filing of applications was solely an order issued by the Board itself. There has never been any limitation in the law as to the filing of applications; the law is just as it was before.

Mr. EATON. Mr. Chairman, will the gentleman yield?

Mr. HOLLISTER. I yield. Mr. EATON. On the question of eligibility for loans, I have received a number of inquiries as to whether the owner of a building occupied as a home, a small part of which building may be used as a store for a small business to support the home, would be eligible for a loan under this legislation

Mr. HOLLISTER. The Board has made rulings to cover that, and they have a special committee which passes on border-line cases, for such there will be always. Mr. Fahey made the statement to the committee that if the principal use of the building was for home purposes it was eligible, but that if the principal use was for business, as, for instance, where the home part of it consisted of one room, or a place where someone slept, such home use was merely incidental, and such a building would not be eligible.

Mr. EATON. But that if the principal use was for a homein other words, if it was a real home—that it would be

Mr. HOLLISTER. Yes.

Mr. SWEENEY. Mr. Chairman, will the gentleman yield?

Mr. HOLLISTER I yield.

Mr. SWEENEY. The question propounded by the distinguished gentleman from New Jersey is a very important question. I do not want to make a speech-

Mr. HOLLISTER. I wish the gentleman would ask his

question; I will try to answer it.

Mr. SWEENEY. Can the gentleman tell me whether or not the Board has laid down rules for the determination of what constitutes a homestead? At the present time it must be decided by the respective State managers, thereby creating 48 different interpretations of what constitutes a homestead.

Mr. HOLLISTER. I did not so understand.

Mr. SWEENEY. That is the rule.
Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. HOLLISTER. I yield.

Mr. NICHOLS. Can the gentleman advise the Committee as to what will be the status of the applications which have been filed but which for some technical reason have been rejected? If the technical objection could be corrected, would they be considered as filed applications or as new applications?

Mr. HOLLISTER. I could not answer the gentleman.

Mr. LUDLOW. Mr. Chairman, will the gentleman yield?

Mr. HOLLISTER. I yield.

Mr. LUDLOW. Can the gentleman state, approximately, what percentage of the borrowers are delinquent in their payments?

Mr. HOLLISTER. As I remember the figures, Mr. Fahey stated that 70 percent of those whose mortgages were held by the Corporation were paying right on the dot at the first request; that an additional 16 percent were paying on the second request made by mail; and that there were only 14 percent delinquent after the second mailed request was

Mr. LUDLOW. Can the gentleman state what arrangements there are to carry along this 16 percent of delinquents? Many of them are in desperate circumstances and, obviously, must be dealt with leniently.

Mr. HOLLISTER. The gentleman must look to the law for that, and to the regulations. The act originally provided that principal payment might be waived for 3 years, and, as amended, it gives the Corporation discretion to waive payments of all kinds. Of course, if a borrower fails to make his interest payments, eventually there must be foreclosure, because the Corporation must be handled as a business proposition. As I understand, there has been 1 foreclosure out of some 800,000 mortgages held.

Mr. CRAWFORD. Mr. Chairman, will the gentleman

vield?

Mr. HOLLISTER. I yield. Mr. CRAWFORD. If the order we were discussing a while ago with reference to the 700,000 applications is dated as of November 13, 1934, and if the statement of the Board as to the \$1,250,000,000, plus the \$250,000,000 which has been added by the committee, covers only the applications received as of November 13, 1934, then, as I understand this proposal, there is no further provision for applications filed since, whether mailed in and rejected or otherwise?

Mr. HOLLISTER. The statement of the Board was that \$1.250.000.000 would be sufficient to take care of everything which had been taken in at the time the request was made to our committee. The committee added \$250,000,000 more. I myself feel that the \$250,000,000 more will handle everything to date, and any amount which may be received between now and the time this bill becomes effective.

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. HOLLISTER. I yield.

Mr. DITTER. Referring to the matter of defaults, has the committee any information as to the location of those defaults, the States in which they occurred?

Mr. HOLLISTER. I imagine that could be found out from the Corporation.

Mr. DITTER. It is not incorporated in the hearings?

Mr. HOLLISTER. I do not know. There are several tables incorporated in the hearings. The Corporation, I know, has that information set up by States.

Mr. DITTER. Will the gentleman venture an opinion as to the possible contingent liability that would come about

as a result of these defaults?

Mr. HOLLISTER. No one could possibly predict that today. It depends on the economic situation in the country. The Board itself thinks, if the economic situation improves, and with the care they have taken in appraisement, that there will be no ultimate loss, but naturally when the Government is holding \$3,000,000,000 of mortgages, and will hold four and a half billion dollars before long, a man would be rash to predict what loss will eventually fall on the Gov-

Mr. DITTER. Is it the gentleman's opinion that the difference between the amount of interest paid by the mortgagor and the amount of interest carried in the bonds will be sufficient to compensate the Government for the loss incident to these defaults?

Mr. HOLLISTER. Some guess might be made, but how could anyone make a real prediction in reference to that at the present time? Nobody can tell what further distress there will be, and no one can tell what loss will be sustained.

Mr. DITTER. Did I understand the gentleman to say that at the present time there are defaults to the extent of 60 percent?

Mr. HOLLISTER. Fourteen percent. That is, in default on the second notice.

Mr. DITTER. Is that as to payment of interest or payment of interest and principal?

Mr. HOLLISTER. That is probably payment of interest, because under the law the principal may be waived by the Corporation.

Mr. DITTER. The amortization period has not yet started.

Mr. HOLLISTER. May I complete my statement, and then if I have additional time I will be glad to answer questions. There are a great many sections of the bill that are self-explanatory and do not need further explanation; however, there are two or three sections that should be touched upon.

Section 12 permits the Home Owners' Loan Corporation to acquire bonds of the home-loan bank system. At the present time any bonds issued by that system must be sold in the open market. It has been thought wise to permit the Home Owners' Loan Corporation, if a certain amount of money is needed by the home-loan bank system, instead of having to put out a new Government-guaranteed security on the market, it would be better to allow the Home Owners' Loan Corporation to make advances temporarily by the acquisition of bonds of the home-loan bank system.

Perhaps the next section which needs comment over and above that contained in the committee's report is section 17, which has to do with the insurance fund for building-and-loan associations, or rather the condition in which building-and-loan associations must keep themselves in order to qualify for insurance. The present act provides that certain reserves should be set up within 10 years. Under this bill that is liberalized and made 20 years, giving the mortgage institutions an opportunity to have a longer time in which they may set up these reserves and make themselves eligible for insurance of their accounts.

[Here the gavel fell.]

Mr. HOLLISTER. Mr. Chairman, I yield myself 10 additional minutes.

Mr. Chairman, the second part of section 17 strikes from the existing act a prohibition against the payment of dividends by a mortgage institution which is in the insurance fund in the event there are losses which are chargeable to the reserves. It was felt that this was unduly severe, in that a small loss might be charged to reserves and yet the institution might be in perfectly good shape to pay dividends, might have a record of many years standing which it wished to maintain, and in order to preserve the confidence of the community it might be found desirable to pay these dividends. The regulations under which these institutions operate under the insurance fund are solely in the hands of the insurance corporation, and it is perfectly easy for it to control the situation, for no building-and-loan association would dare declare a dividend without the permission of the insurance corporation. It was therefore felt wise to take out of the act that prohibitory provision.

There is one section which deserves considerable attention, because it has been touched on very little so far and is quite important. That is section 22, which changes title I of the Housing Act in order to provide that the Government may insure up to 20 percent of a line of credit given by a bank or other lending institution on business buildings as well as on small homes. You will remember that the Housing Act permitted or authorized insurance by the Government up to 20 percent of the line of credit given on loans not to exceed \$2,000 for renovating purposes. This has now been extended to business property with a limitation of \$25,000.

I believe the membership of the committee should realize what a radical departure that is from the original plan of the Housing Act. The Housing Act was supposedly to cover housing. This new provision, of course, has nothing whatever to do with housing, and naturally involves a larger risk to the Government, inasmuch as a \$25,000 loan without mortgage security (and these loans are not supposed to be mortgage loans) involves a larger risk than a loan of \$2,000. This was a highly controversial point in committee and deserves careful consideration on the part of the Members of the House.

Mr. MILLER. Will the gentleman yield?

Mr. HOLLISTER. I yield to the gentleman from Arkan-

Mr. MILLER. Is it the purpose of that amendment to permit hotels, apartment houses, and other business insti-

tutions as enumerated in section 22 of the bill to have the benefit of this reinsurance provided in the Housing Act?

Mr. HOLLISTER. That is correct.

Mr. MILLER. In other words, the Housing Act is extended—

Mr. HOLLISTER. To cover loans of \$25,000 to business property of certain kinds as described in the act.

Mr. MILLER. As a matter of fact there appears in my State especially a need for this liberalization, because we have many small hotels and other businesses down there.

Mr. HOLLISTER. I would like to yield to the gentleman for a question, but not to go into any further discussion.

Mr. MASSINGALE. Will the gentleman yield?

Mr. HOLLISTER. For a question on this section; yes.

Mr. MASSINGALE. Would this right to extend such a loan to \$25,000 for repairs, say, on an apartment, be affected by the limitation in a former part of this bill, to an apartment or a house of four units?

Mr. HOLLISTER. Oh, no; it may be 10 or 12 or 15 or 20. There is no limitation on this.

Mr. MASSINGALE. There may be any number of units provided they use the money for repairs.

Mr. HOLLISTER. That is correct.

Section 23 is a change. The gentleman from Ohio asked a little while ago about the national mortgage associations and the provision cutting down the requirement of capital from \$5,000,000 to \$2,000,000, and that is involved in this section.

The next section permits an increase in capital of these associations by the issue of notes, bonds, debentures, and so forth, by 15 times instead of 10. The result is that under the new act, with an original \$2,000,000 capital, it can be built up to \$32,000,000, whereas under the old act \$5,000,000 cf original capital was required and could only be built up to \$55,000,000.

Remember also that in the act recently passed, extending the life of the Reconstruction Finance Corporation for 2 years, which became law on January 31, we authorized the Reconstruction Finance Corporation to lend to institutions of this nature, thereby assisting them to get started and get into the business of buying and selling insured mortgages.

I shall now be glad to yield in the time I have left.

Mr. CAVICCHIA. Mr. Chairman, will the gentleman vield?

Mr. HOLLISTER. I yield to my colleague on the committee.

Mr. CAVICCHIA. Can the gentleman tell us whether under section 23 any of these mortgage or money-lending associations have been formed with a capital of \$5,000,000?

Mr. HOLLISTER. Not one, notwithstanding the promise that was made last spring that there was money ready to leap into this line of business.

Mr. KERR. Mr. Chairman, will the gentleman yield?

Mr. HOLLISTER. I yield.

Mr. KERR. In order that I may understand the attitude of the committee and the Board toward this legislation, I want to ask the gentleman this question: Did the committee and the Board contemplate, in making provision for \$1,500,000,000, to extend the activity of this Corporation so that they would simply take care of those applications which were on file or in the possession of the attorneys, or did they contemplate taking care of all applications up to the passage of this act?

Mr. HOLLISTER. The Board felt that the applications on file are all those that should be considered. I am certain it was the idea of the Board that it should not be extended. This was in the request for \$1,250,000,000. I am sure, although I do not think the question was ever asked, that the chairman of the Board would feel that with the additional \$250,000,000 which has been granted, there would be considerable leeway for additional applications, which, if the Board cared to change its present regulations, could be received up to the time this new act is passed.

Mr. KERR. But, really, in the contemplation of the Board and the committee, you are only providing for the

14th of November 1934?

Mr. HOLLISTER. I believe that was the Board's view. Mr. KLOEB. Mr. Chairman, will the gentleman yield?

Mr. HOLLISTER. Yes.

Mr. KLOEB. The gentleman has passed over section 19. Mr. HOLLISTER. Yes; I am glad the gentleman has

called my attention to that.

Mr. KLOEB. This section provides for a reduction in the interest rate from one-fourth of 1 percent to one-eighth of 1 percent to these institutions that qualify under the savings and loans corporation provision. What I am interested in is this: Up to this time, I think I am correct in saying, this insurance corporation has received applications and acted upon those applications only of institutions that have been federalized. Is that correct?

Mr. HOLLISTER. I do not think that is correct.

Mr. KLOEB. The gentleman does not think it is correct?

Mr. HOLLISTER. No; I do not believe it is correct. I do not think there has been any great demand from other institutions to come in, but the Corporation, as I understand, is ready to accept any institution that fulfills the conditions and only too glad to accept them.

Mr. KLOEB. They have accepted applications, but not

passed on them?

Mr. HOLLISTER. The gentleman may be correct about that

Mr. KLOEB. In other words, is not the gentleman acquainted with the fact that the Corporation is giving preference to those institutions that federalized?

Mr. HOLLISTER. The gentleman means in connection with the insurance fund?

Mr. KLOEB. Yes.

Mr. HOLLISTER. If that is the case, I do not know it.

Mr. LUDLOW. Mr. Chairman, will the gentleman yield?

Mr. HOLLISTER. I yield.

Mr. LUDLOW. I think all of us have observed that in recent years the building-and-loan associations have been absolutely dormant. What encouraging sign does the gentleman see that they are beginning to function and to make loans?

Mr. HOLLISTER. Simply what I have been told with respect to the increased activity of the home-loan banks, the fact that some of the building-and-loan associations are going into the insurance fund, and the general statement from the heads of the Home Owners' Loan Corporation to the effect that many applications now on file are being withdrawn because they are being financed by their local building-and-loan associations.

Mr. LUDLOW. The gentleman believes they are really beginning to put out money?

Mr. HOLLISTER. I am so informed.

Mr. SCOTT. Mr. Chairman, will the gentleman yield?

Mr. HOLLISTER. Yes.

Mr. SCOTT. With the Government holding \$4,500,000,000 of mortgages, does the gentleman have any idea what percentage of the total mortgage indebtedness on homes this

Mr. HOLLISTER. I seem to remember a figure of something like \$20,000,000,000, but whether that is correct or not, I would not care to say. I would want to verify that figure.

Mr. SCOTT. In other words, the Government would be holding about one-fourth of them?

Mr. HOLLISTER. Quite a percentage of them; yes.

[Here the gavel fell.]

Mr. GOLDSBOROUGH. Mr. Chairman, I yield myself 15 minutes.

Mr. GOLDSBOROUGH. Mr. Chairman and gentlemen of the Committee, there are other members of the committee who want to speak under general debate, and therefore I am going to take very little time, especially in view of the fact that the chairman has explained the bill in a general way, and the ranking Republican Member, Mr. Hollister, has very ably explained the bill in detail.

As I understand the situation, the subject which is of most interest to the House is how much money will be

completion of the loans that had not been made up to the | available for loans and whether or not there will be an extension of the time for filing applications. Also, whether or not the bill will, in the opinion of the committee; be amended increasing the available amount.

What actually happened was this: Those Members who it was thought would be conferees on the Senate and House sides were called together. Mr. Fahey appeared before the group and said that the Treasury only wanted \$1,250,000,000 for the purpose of taking care of applications made up to and including November 13, and he said that maybe that would be enough, but that he would prefer to have an additional \$250,000,000, and so, insofar as we were able to speak for the committee, we agreed that the amount should be \$1,500,000,000.

Now, then, under the bill applications can only be considered which were actually filed on or before November 13. There is no question about that, no necessity for any debate, and no room for misinterpretation.

Mr. WALTER. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. WALTER. Will the gentleman tell us why November 13 was selected?

Mr. GOLDSBOROUGH. I do not know about that, but I presume the Board would say that the money had run out and they decided they would have to cease receiving appli-

Mr. KENNEY. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. KENNEY. Notice was given by the Board on November 16 but no general notice was given to the public that they would cease applications on the 13th.

Mr. GOLDSBOROUGH. So far as I know, the gentleman's statement is correct.

Mr. KENNEY. Does not the gentleman think that the public ought to have had some notice beforehand?

Mr. GOLDSBOROUGH. Let me say to the gentleman that I am sympathetic to an extension of the time.

Mr. YOUNG. Will the gentleman yield?

Mr. GOLDSBOROUGH. I will yield to the gentleman from Ohio.

Mr. YOUNG. The manager of the Home Owners' Loan Corporation in the State of Ohio states on November 13 there were approximately 70,000 applications that had not been acted upon. Of this number he estimates approximately 56,000 of these applications are worthy and should be granted; that if Ohio alone is to take care of these worthy applications filed up to November 13, it would take between \$170,000,000 and \$200,000,000. Does the gentleman think that \$1,500,000,000 is going to be sufficient for the entire country?

Mr. GOLDSBOROUGH. In this conference that I have already alluded to we inquired about that, and with great particularity, and we were assured that insofar as the eligible applications are concerned, which were filed before or on November 13, \$1,500,000,000 would be entirely adequate. I do not know anything about it myself.

Mr. SNYDER. Mr. Chairman, will the gentleman yield? Mr. GOLDSBOROUGH. Yes.

Mr. SNYDER. The gentleman spoke of applications filed. Does that mean that they are filed in the county or the State or down here in Washington?

Mr. GOLDSBOROUGH. Filed wherever it is necessary to be filed. In Maryland, for instance, on the Eastern Shore, we have a district manager. If they were filed with that district manager by November 13, they are all right. I do not know what the situation is in the gentleman's State.

Mr. ELLENBOGEN. Mr. Chairman, will the gentleman

Mr. GOLDSBOROUGH. Yes.

Mr. ELLENBOGEN. I want to thank the gentleman for his statement that he is in favor of extending the time for new applications, and to inquire what time he has in mind.

Mr. GOLDSBOROUGH. As far as I am concerned, I think 60 days after this law becomes effective would be about right.

Mr. ELLENBOGEN. It would not be for Pennsylvania.

Mr. GOLDSBOROUGH. It would, if you give it some publicity.

Mr. KENNEY. Mr. Chairman, will the gentleman yield?

Mr. GOLDSBOROUGH. Yes.

Mr. KENNEY. If the time were extended for a period of 60 days, does not the gentleman think he ought to authorize additional bonds up to at least the sum of \$2,000,000,000, instead of \$1,500,000,000?

Mr. GOLDSBOROUGH. Up to this time that is not the opinion of the committee. The opinion of the committee is that, considering the way the applications fell off this fall, \$250,000,000 additional will be adequate. Applications fell off so that in the last week there were only 5,000, whereas at the peak there were 41,000 a week.

Mr. LUDLOW. Mr. Chairman, will the gentleman yield?

Mr. GOLDSBOROUGH. Yes.

Mr. LUDLOW. The gentleman spoke of a pronounced falling off in the number of applications. Is that due to a resumption of normal lending facilities?

Mr. GOLDSBOROUGH. No; it is supposed to be due to the fact that most of the people who were eligible to ask for loans under this bill have already done so.

Mr. KENNEY. The gentleman stated that the applica-

tions have fallen off in the last week.

Mr. GOLDSBOROUGH. They had been falling off for several weeks until the last week there were only about 5,000 of them.

Mr. KENNEY. Was not one of the reasons for that, the new regulations that were put into effect, so that people were required to get more data, more information, which postponed the actual filing of their applications?

Mr. GOLDSBOROUGH. I know of no such condition in my own district.

Mr. KENNEY. The gentleman knows there was a change in the rules and regulations from time to time, a change in the data that the home owner had to furnish to the Corporation.

Mr. GOLDSBOROUGH. I presume they did change their rules and regulations, but that they made them more rigid, I have no information.

Mr. KENNEY. I might say that they were very much more rigid.

Mr. HARTER. Does the gentleman believe private lending agencies are ready and willing to make the type of loans that have been made by the Home Owners' Loan Corporation, thus preventing the necessity for continuing our lending activities?

Mr. GOLDSBOROUGH. My opinion—and this is outside of this discussion—is that unless we are able to create some other means of distribution than a distribution based on borrowed money, neither the Government nor private institutions are safe in lending, because I think this condition of depression will continue. That is what I think about that. [Applause.]

Mr. MARTIN of Colorado. Tell us about that. We are interested in that.

Mr. BRUNNER. Is it not a fact that if we do extend the time for filing those applications only those in distress in June 1933 would be eligible for the loan?

Mr. GOLDSBOROUGH. That is correct. Mr. WOLCOTT. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. WOLCOTT. In answering the question just asked, whether this would apply only to loans made in June 1933, it applies to those who were in default since then and who have become distressed through unemployment and the economic situation or misfortune.

Mr. GOLDSBOROUGH. Yes; that is true. Those are the qualifications. I thought the gentleman had the qualifications in mind

Further answering the question asked by one of the gentlemen, I think I should say that at the same time we are issuing tax-free bonds that in some of our States, if a woman goes to a store for a soup bone and pays 10 cents for it, she has to pay a tax of 1 cent, or 10 percent.

In other words, the bonds of the rich are tax-free and the soup bones of the poor are taxed, and that is deflationary. That is destroying the consuming power of the public, and when you do that and as long as you do that you cannot have any relief from this depression. [Applause.]

Mr. DONDERO. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. DONDERO. Does not the gentleman think it would be better for the Congress to fix the date in this bill after which no applications will be received, rather than leave it up to the administration?

Mr. GOLDSBOROUGH. Well, that is what is done under the bill as written. I presume if there is any extension of time it will be for a definite period.

Mr. DONDERO. And let Congress take the responsibility on that, rather than to hand it on to the administration of the act?

Mr. GOLDSBOROUGH. Yes.

Mr. Chairman, I yield back the balance of my time.

Mr. WOLCOTT. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey [Mr. CAVICCHIA].

Mr. CAVICCHIA. Mr. Chairman, I know that many Members are interested in the phase of the bill which has interested building-and-loan associations. As the bill was originally drawn it drew the fire of the building-and-loan associations. They were fearful that if passed in the original form they would be harmed. I think the committee has considered all the objections of State associations and the bill as it is now presented to you shows many changes which will benefit building-and-loan associations as a whole. One of the objections that the associations made to the original bill was to the change in the board of directors of the 12 Federal homeloan banks. That section has been completely eliminated, so that no change is contemplated.

The building-and-loan representatives are directors of the 12 banks, and the Government has sufficient supervision over all banks so that it, the Government, will not suffer because it has a larger capital invested in the Federal home-loan bank than have the building-and-loan associations which are members of the bank.

Another objection made by the building-and-loan associations was to the provision contained in the original bill, giving \$250,000,000 to the Federal home-loan bank so that it could buy shares in Federal savings associations. It was felt this was a discrimination which would work to the harm of the building-and-loan associations. The bill as it now comes before you provides that \$250,000,000 may be used, without discrimination, to buy shares of stock in both kinds of associations, whether Federal or State. The bill as it is in your hands, calls for an additional \$1,500,000,000 to take care of those applications which are now in. I believe the gentleman from Maryland [Mr. Goldsborduch] mentioned the fact that an amendment will be offered extending the time within which new applications may be filed. That is limited to 60 days after the passage of the law. Am I

Mr. GOLDSBOROUGH. Yes: that is correct.

Mr. CAVICCHIA. A great deal has been said while the rule was under discussion, as to politics and graft.

Mr. KENNEY. Will the gentleman yield?

Mr. CAVICCHIA. I yield.

Mr. KENNY. Before the gentleman goes into that, he referred to the building-and-loan associations as having their objections to this bill removed, as it is now presented. That, I presume, includes reference to the building-and-loan associations of our State of New Jersey, which now have no objection to the bill?

Mr. CAVICCHIA. I can say to my colleague from New Jersey that representatives not only from the building-and-loan associations in New Jersey but from the United States League of Building and Loan Associations are very much pleased with the bill in its present form. All objections which our associations in New Jersey made have been corrected in this bill.

Mr. DOCKWEILER. Will the gentleman yield?

Mr. CAVICCHIA. I yield. Mr. DOCKWEILER. Before the gentleman passes the subject he has just been discussing, on the question of applications, how will the various divisions or agencies throughout the country know when to determine when an application has been filed? Will it be when a person's application has been assigned a number in that office, or when it happens to be in the legal department, or when?

Mr. CAVICCHIA. The gentleman is asking me a question which goes to administration. I cannot answer. I can only give him my offhand opinion, that when anybody applies for a loan, whether it has been given a number or not, he has made an application. Such person then qualifies under the present bill. If he does not, then it ought to be made very clear to the Board that that is the intention of the Congress in passing this bill. That also includes those whose applications have been turned down, in my opinion, and who want it reviewed. I am not speaking for the Board. The gentleman understands that.

Mr. DOCKWEILER. I understand that, but if we are going to leave that up to the administration, does the gentleman not think it would be much better right here on page 6 of the bill to say what the exact line of demarcation is, whether an application is an application in actual force and effect, as, if, and when something happens under it?

Mr. CAVICCHIA. I suggest to the gentleman that he take this matter up with the chairman of the committee who is ready to offer an amendment. The exact language of that amendment I do not know. I do know that an amendment is ready to be offered to section 9.

Mr. KENNEY. Will the gentleman yield for a brief

Mr. CAVICCHIA. I yield.

Mr. KENNEY. The gentleman is a valuable member of the committee and I would like to have his opinion.

Mr. CAVICCHIA. We both come from New Jersey.

Mr. KENNEY. If the time within which to file new applications is extended for a period of 60 days is it the opinion of the gentleman that the bonds we authorized to be increased are sufficient in amount?

Mr. CAVICCHIA. I do not quite understand the gentleman. We are increasing the bond issue \$1,500,000,000 for new loans plus \$250,000,000 for the purchase of stocks in Federal savings associations and building-and-loan associations, which makes an increase of \$1,750,000,000.

Mr. KENNEY. Does the gentleman think \$1,500,000,000 is sufficient to take care of all the applications which may be filed within a period of 60 days after the passage of the

Mr. CAVICCHIA. Mr. Fahey told the committee-

Mr. KENNEY. What figure does the gentleman recom-

Mr. CAVICCHIA. The committee's figures, which are \$1,500,000,000 for applications now in and which will come in plus \$250,000,000 for the board to buy shares of stocks in Federal savings associations and in building-and-loan associations, which amounts to \$1,750,000,000.

Mr. KENNEY. Would the gentleman seriously object to increasing the figure to \$2,000,000,000?

Mr. CAVICCHIA. I will say this to my colleague from New Jersey and to the Members of the House, that while I want distressed home owners taken care of as far as it is practicable, I wonder how many are getting money now who really do not need it to the exclusion of those who really do need it? Nobody can set the limit as to what will be sufficient.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. CAVICCHIA. I yield.

Mrs. ROGERS of Massachusetts. Will any of this money be used for increased personnel?

Mr. CAVICCHIA. I do not think so. Some of the per-

stopped making loans in November. It may be that some of them will come back, but they certainly will not need more than they had before November 15.

Mrs. ROGERS of Massachusetts. They will not increase that number?

Mr. CAVICCHIA. I do not think so.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. CAVICCHIA. I yield.

Mr. ROBSION of Kentucky. If I have understood the statements of the various speakers, the Board itself called for \$1,250,000,000 to take care of applications that had been received.

Mr. CAVICCHIA. Yes.

Mr. ROBSION of Kentucky. But the committee added \$250,000,000 to take care of applications which may come in now; is that correct?

Mr. CAVICCHIA. That is correct.

[Here the gavel fell.]

Mr. HOLLISTER. Mr. Chairman, I yield 3 additional minutes to the gentleman from New Jersey.

Mr. CAVICCHIA. Another important change that should be noted is that in the existing law loans were authorized to be made on buildings that housed not more than three families and on property which was appraised at not more than \$20,000. The pending bill so changes the existing law as to make loans permissible on four-family houses; and the mortgage is not to exceed \$20,000 regardless of what the appraised value is. It seems foolish to limit the appraised value of property and overlook the fact that the higher the appraised value the greater the security the corporation will have.

I have heard a number of colleagues say that the amount provided in this bill is not sufficient, that the time within which applications shall be filed is not long enough. I want to say to the Members of this House, going back to the question of my colleague, the gentleman from New Jersey [Mr. Kenney], if you are going to leave the door open for applications to be made without setting a time limit, neither \$1,500,000,000 nor \$2,000,000,000 will be enough, nor will \$3,000,000,000 nor \$4,000,000,000; you will have to have the Government agency take up, in time, practically every mortgage that the home owners of our country have where the buildings offered as security do not house more than four families. [Applause.]

Mr. Chairman, I yield back the balance of my time.

Mr. WILLIAMS. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. REILLY].

Mr. REILLY. Mr. Chairman, the pending bill is designed to amend and make more workable three legislative enactments passed by Congress for the purpose of helping to bring our country up and out of the industrial mire in which it has been wallowing for the past 5 years. The bill amends the Home Loan Bank Act, which was passed during Mr. Hoover's administration in 1932.

The Home Loan Bank Act was really the first piece of legislation written since the panic which had for its direct object the putting of men to work, through the furnishing of funds to the home-building organizations of the country. The Home Loan Bank Act was designed to serve the home-building organizations of the country in the way that the Federal Reserve Bank Act has served the banks of the country, through the furnishing of facilities for rediscounting home mortgages, thereby releasing money to continue the home-building program.

The idea was that there was a demand in certain sections of our country for the construction of new homes, but because of the money situation, and particularly because of the frozen mortgage situation, there was no money available for such purposes, and that by providing banks for rediscounting existing home mortgages, the needed money could be secured.

The Home Owners' Loan Corporation Act was passed 2 years ago and was designed to save the homes of our counsonnel were dismissed after the regional and district offices try, which were threatened with mortgage foreclosures, because of the inability of the owners to refinance their mortgages and also because of the fact that millions of home owners were unemployed and consequently unable to pay their taxes, keep their homes in repair, or to take care of their mortgage liabilities.

The Federal Housing Act, passed in the last session of Congress, also had as its aim the putting of men to work, through governmental assistance in aiding home owners to secure funds for the repair or remodeling of their homes on monthly payments, and also for the purpose of aiding those of our citizens who desired to become home owners in securing the needed financial assistance. These are the two aims and purposes of this legislation, having in view the creating of new jobs, both in the repair of homes and the construction of new homes.

Time will not permit me to discuss the functioning of these three acts, so I shall devote all of my time to the workings of the Home Owners' Loan Corporation. It is this act in which the people of the country are most interested today, and it is the one act passed by Congress since the panic began which has brought more direct relief to distressed citizens than any other single piece of recovery legislation.

After the Corporation had been functioning for about a year, the permissible bond issue was raised from \$2,000,000.000 to \$3,000,000,000. One million seven hundred and thirty-nine thousand nine hundred and thirty applications from home owners have been made to the Corporation for mortgage relief. It is stated that about 400,000 more mortgagors were not permitted to file their applications because of the fact that they were ineligible for relief under the law, not being in the class of distressed home owners. Applications filed with the Corporation to date represent mortgage obligations of about \$5,689,000,000, representing about one-fourth of all outstanding urban home mortgages in this country. No government in all of the history of the world ever undertook to make small loans to hundreds of thousands of its citizens on their homes on such a scale as our Government undertook in the Home Owners' Loan Corporation law.

To date about 800,000 mortgagors or families have found relief through this Government set-up, and more than two and one-half of the three billions of dollars authorized by the Government have been used up for relief of these distressed mortgagors. On last November the Corporation ordered that no more applications for mortgage relief would be received, and that only the applications which had reached the hands of the attorneys would be considered until further action was taken by Congress. This order was made necessary because of the fact that more applications were already filed than the funds authorized by Congress would take care of. At that time 200,000 applications were in the hands of attorneys for closing, and it was thought that there were sufficient funds on hand to take care of these applications.

About 100,000 applicants have been refused outright, and there are about 600,000 applications now on file that are not in the hands of attorneys yet to be finally disposed of. It is estimated that about 400,000 of these applications for mortgage relief will be approved.

The pending bill increases the bond-issuing privilege of the Corporation \$1,750,000,000, making a total bond issue for refinancing of home mortgages of \$4,750,000,000. This bill also provides that the Corporation should not only consider the applications already filed but also applications of distressed mortgagors who, in good faith, prior to the date the amendment to this law takes effect, sought relief from the Corporation by formal application, letter, or otherwise, and who will file their application within 60 days after this amendment to the law takes effect.

There was a great deal of complaint voiced after the Corporation refused to receive any more applications last November, because there was no notice given to the public of the intentions of the Corporation to terminate the application period. Some mortgagors had recently received blanks on which to make application for relief. Others had consulted local representatives of the Corporation and others had written in for information, but because of the limiting of time for receiving applications without any public notice,

they were unable to complete their applications. It is believed that this additional authority given to the Corporation for receiving applications will take care of all distressed mortgagors who last November had made some effort to appeal to the Corporation for mortgage relief.

There has been some criticism against the way in which the Home Owners' Loan Corporation has functioned; that favoritism has been shown; that mortgagors not entitled to relief were given relief; that mortgagors entitled to relief were denied relief. Of course, it was humanly impossible to set up, under high pressure, an organization with 20,000 officers and representatives and have it function 100 percent from the standpoint of honesty, integrity, and ability. I think the Corporation has done a good job under the circumstances.

In Wisconsin there has been very little complaint. Of course, some applicants felt aggrieved when the property valuation was lower than they expected it to be. Property valuation is often a question of judgment, and it would be asking too much to expect appraisers to always meet the property valuation expected by the mortgagor. Wisconsin was fortunate in the personnel of its Home Owners' Loan Corporation set-up. The men who were selected to direct operations in the different districts of Wisconsin were men of ability, character, and integrity, and while they have made mistakes and have been misinformed and misled by appraisements, I think it is the judgment of all who are familiar with the workings of the Home Owners' Loan Corporation of Wisconsin that it has functioned pretty close to 100 percent.

There can be no doubt but that the Government has bought a great many pieces of property, particularly in the early days of the functioning of the Corporation. There can also be no doubt but that a great many people got mortgage relief when they were not entitled to it, because they were not distressed mortgagors. Most of these errors occurred in the youth of the Corporation, but as the Corporation functioned and the personnel became more proficient in sizing up property values, the number of mistakes and errors became less and less every day.

Considering the depression and the fact that millions of our citizens are out of work, the fact that the Corporation is able to report that 70 percent of the mortgagors are making their monthly payments, at least as regards their interest obligations, is most encouraging. The report further is that only 16 percent of the mortgagors have failed to make monthly payments of interest or principal. No private loaning institution in this country has such a record, and it speaks well for the management of the Corporation. There is no doubt today but that interest rates are too high, and it is believed that the workings of the Home Owners' Loan Corporation will result in bringing down interest rates not only to those who are privileged to be served by the Corporation but to all of our citizens who are subject to interest obligations, either on mortgages or notes or obligations of any kind.

Mr. HOLLISTER. Mr. Chairman, I yield 20 minutes to the gentleman from New York [Mr. Fish].

Mr. FISH. Mr. Chairman, I hope that I will not be interrupted until I have at least concluded my remarks, and after that I shall be glad to answer any questions if there is any time left.

Possibly I have not been in the habit of giving great praise to some of the unsound and unworkable measures of this administration in the past; perhaps I have not always agreed with the experiments and innovations of the "brain trust"; but I am pleased, as a member of the Committee on Banking and Currency, to stand here in the House and give full praise to the Home Owners' Loan Corporation. This act has provided very necessary relief to some 800,000 American citizens who, due to the fact they were unemployed and their funds exhausted, might have lost their homes in which they had placed their investments over many years if this legislation had not been enacted, reducing the rate of interest and making it possible to extend the time for payment of the principal over a long period

This is one of the new-deal measures that should have unanimous support. It was reported out of the committee over a year ago, unanimously. It was again, just the other day, reported by the same committee, with certain modifications, unanimously.

Together with the Home Owners' Loan Corporation should be placed the Reconstruction Finance Corporation, which was a Republican measure, recommended by a Republican

President.

Another measure that I believe has been satisfactory is the Farm Credit Act, to provide funds for the farmers to save their farms.

The Home Owners' Loan Corporation bill is truly nonpartisan and has been considered on that basis, and there is no question that it was needed at the time and that it has rendered splendid service and relief. It is a relief measure that has accomplished effective results.

I do not propose to speak at any length about the administration of it and the carrying out of the intent and purposes of the act. I realize full well it is a very difficult proposition to handle efficiently the disbursement of such a huge sum of money—upward of \$3,000,000,000. There is no question that there has been some favoritism, some politics, and, probably, some graft. In some States it may have become a racket, and the gentleman from Ohio [Mr. Sweeney] should have ample time to present to the House the information he has in regard to the maladministration of this act. It is his duty to present the facts to the country. At the same time we must realize the difficulties that a man like Mr. Fahey, for whom I have the highest regard, has had to deal with in erecting almost overnight such a huge organization.

Mr. SWEENEY. Mr. Chairman, will the gentleman yield? Mr. FISH. I yield.

Mr. SWEENEY. Does the gentleman think that the Congress or the Nation will get the information we are entitled to if Mr. Fahey persists in refusing to give the information and declines to answer a question and your powerful Rules

Committee denies the right of a Congressman to ask a question?

Mr. FISH. I want to say to the gentleman, as a member of the minority, I have the highest regard for him personally. I know how difficult it is when you belong to the majority—and I have belonged to the majority on many occasions-to stand up and try to do what you consider is your public duty to do-to expose graft, favoritism, and rotten administration. I know the gentleman has charged that the administration of the Home Owners' Loan Corporation is a racket and that it is replete with graft. I agree with the gentleman that Mr. Fahey should answer whatever question the gentleman propounds to him. I agree with the gentleman that the House should compel Mr. Fahey to answer any honest and honorable question of information that the gentleman or any other Member of the House may ask, and I rather think if the gentleman puts that in the form of a resolution, asking such questions, Mr. Fahey would answer them; or if he did not answer them, the House would pass a resolution requiring him to do so.

We are entitled to all the facts, and I am sure, representing his party, the only motive the gentleman has is to improve the situation and to do away with any rottenness or any favoritism that may exist, and the gentleman should be aided in his efforts.

I do not see why the gentleman is blocked by his own party, because everyone realizes the difficulty in setting up a proper and efficient administration of the act. It was built overnight, and, of course, there is graft in it. Of course, there is maladministration and favoritism and politics, and I propose, myself, to say a little about that, but not against the bill. I am for the bill and as far as I know today, I am for Mr. Fahey, but I am naturally not for some of the underlings who have used this relief measure for their own selfish purposes, either political or for graft. Such men should be fired out of the corporation, but I do not condemn Mr. Fahey. I think we ought to get the facts out

of him and then demand that he clean up his own house and insist on it, and I shall go along with any Member of the House in that direction.

I agree with the gentleman from Ohio that the H. O. L. C. has been used, unfortunately, for political purposes. I admit I am a politician. I believe that the patronage should go to the party in power. I believe that the postmasterships should go to the party in power. However, I do not believe these temporary relief organizations, which are set up to relieve distress and help the destitute, should be used as political footballs or should be permitted to be used to play politics with human misery.

That is going a little bit too far. When Vincent Dailey, the New York State manager for the Home Owners' Loan Corporation and vice chairman of the Democratic State committee, and good man Friday for Mr. Farley, goes before a civic organization in New York State, and in the most brazen, bare-faced manner states that all the 1,200 employees under the Home Owners' Loan Corporation, who should have been selected for their ability, knowledge, training, an defficiency in real-estate and mortgage transactions were Democrats, I believe that is carrying partisanship too far. That is the most brazen, partisan statement that I ever heard from the head of any Federal organization affording relief in the present economic emergency. Mr. Fahey would be rendering a public service by calling for the resignation of Mr. Dailey, but he will not, as Mr. Farley will see to that.

What can you expect when the manager of the H. O. L. C. and likewise the vice chairman of the Democratic State organization makes that kind of a statement that all of his 1,200 employees in a relief and business organization are Democrats? What can you expect but politics, and the

Farley brand of politics at that.

Of course, that is wrong. None of you Democrats in Congress wanted that, you do not want to continue it on that basis or any other basis except efficiency and a square deal regardless of party affiliations. It smells to high heaven. There is no question but that in the last election the Home Owners' Loan Corporation in some States-I do not claim the whole country—but in some States was used for political purposes. In the State of Oregon recipients from the Home Owners' Loan Corporation issued a letter stating that all who received loans should vote the Democratic ticket, particularly for our good friend and colleague, General MARTIN, for Governor. They sent out a letter which I have here, and which I will not take the time to read, calling upon all beneficiaries of the H. O. L. C. to vote the Democratic ticket, whereas every Republican on this side voted for the bill, and every single Republican member of the Committee on Banking and Currency voted for the bill.

It was used for political purposes in Oregon, and I presume in other States—and then as soon as election was over—probably it was a coincidence, I do not want to be too harsh and accuse the Democratic administration of using it solely for politics—but on November 13 orders were issued from Washington shutting down on all future applications

for home owners' loans.

That may be a coincidence. Let us assume that it is; but, whatever it is, it is water over the mill; but, if there are still any irregularities, favoritism, or politics, they ought to be exposed publicly.

Now, there are some matters I want to speak about that are not coincidents in handling the relief, but about which I have personal and first-hand information. In my own district, which happens to be the district of the President of the United States, nine members, who have been on the F. E. R. A. or relief rolls, got out a letter in my own county to the unemployed and people receiving relief to the effect that unless they vote the Democratic ticket there will be no relief and they will starve. It amounts to a direct threat in writing of reprisal against the poor and needy who were receiving Government aid if they failed to vote the Democratic ticket.

Mind you, I was one of those who voted for the relief. I voted for the C. W. A. and other relief measures, believing

they would be administered in a nonpartisan manner. have abided my time to place the following incontrovertible facts in the Record, so that he who who runs can read. If this abhorrent and vicious practice of using Government funds for votes is sanctioned in the President's district and nothing is done about it by Administrator Hopkins, what can the rest of the country expect? These shameful political tactics must cease. Political corruption is bad enough to contend with, but intimidation of the destitute and unemployed American citizens through use of Government relief is a political fraud and racket of the grossest character and cannot be condoned.

Here is the letter:

COMMITTEE OF PUTNAM COUNTY UNEMPLOYED,

October 30, 1934.

Dear Friend and Fellow Worker: Since March 4, 1933, or in a year and a half, Putnam County has received about \$175,000 as a direct result of the present Democratic activities.

You and I have had a job as a result of this money. Some of us have had a job for a short time and some of us have had a

You and I have had a job as a result of this money. Some of us have had a job for a short time and some of us have had a job for a longer time.

This sum can be increased, and more of us will be able to get a job if we support the Democratic program. Ten thousand dollars has come in each month and every effort has been made, and will be made, to increase this to twice the amount.

On the other hand, if we do not support the Democratic program, there is a possibility that this fund will be discontinued for Putnam County, and you and I will no longer be able to get a job. You are urged to support the Democratic candidate for member of assembly, Herbert S. Bell, because he is a part of the Democratic organization, which is bringing in this money. If you vote for his opponent, you are asking the Government to stop sending in this money, which has been coming to you and to me.

Your very existence is at stake. You can save a job for yourself and make jobs for your relatives and friends only by going to the polls on November 6 and supporting Herbert S. Bell for member of assembly, and all of the other Democratic candidates, whose program is in full accord with the national program to this end.

All of the Republican candidates are against the Democratic program, which has helped you, and which will help you more.

Vote the straight Democratic ticket on election day, and save your jobs.

your jobs.

Very truly yours,

CHARLES A. HAIGHT, Jr., DAN CARLO, JOHN McDonald, LEO JAMES, LESLIE FERGUSON. ARTHUR W. TRUESDELL,

WILLIAM THOMPSON, JOSEPH MAYETT, WILLIAM WHITLEY, SPENCER W. HANSE, EDWARD LUNNING,

For the Committee.

This went out to all of the unemployed in my county. I admit that I am a politician. I admit that I will go as far as anyone within the bounds of reason and decency to help my party, but I have never believed in playing politics with human misery. I cannot agree that any party should dip its hands into the Treasury of the United States and use those funds for campaign purposes.

Mr. KENNEY. Who signed the letter?

Mr. FISH. That letter was signed by nine men who either were on the Federal relief rolls or had received Federal relief in my county. It was sent to all of the Federal relief workers and to all of the unemployed. I took it up with Mr. Hopkins, Relief Administrator, thinking at least that he would be one Democrat who would be friendly to me, because I defended him on the floor of the House when he was under attack last year. He served my State well in the past, and I thought I would get some cooperation from him, but I got none. He said that he had investigated and found none of the signers were on the Federal relief. It took me several months to get the facts. It is hard to get hold of these relief rolls, but in spite of what Mr. Hopkins said, I found that all but two were either on or had been on the Federal relief rolls. The fact is I received no cooperation at all from Mr. Hopkins. He just covered the thing up. Every one of these men should have been fired out immediately.

Therefore I have no other recourse than to present the facts to the House on an occasion of this kind and let the record speak for itself. It may not be fair to indict the Democratic Party for the failure of Mr. Hopkins to act, as he is probably not a Democrat, but at least he was appointed by this administration and it is responsible for him. Whatever he is, he is not a Republican, and his relief administration

reeked with politics at the expense of the Treasury around election day and nothing was or has been done about it.

Mr. PIERCE. Mr. Chairman, will the gentleman yield? Mr. FISH. Not now, unless it is on the subject of Oregon. I shall yield on that. Let me go on a little further. The main Democratic paper in my county, to back up this letter, said in part:

### SUPERVISORS WATCH RESULT

SUPERVISORS WATCH RESULT

It is reported that the Democratic majority of the Putnam County Board of Supervisors is watching the election developments with exceptional interest and plans to govern its future policies by the results shown at the polls next Tuesday.

If the voters of the county elect Democratic candidates, particularly the Democratic candidate for the assembly, Herbert S. Bell, of Brewster, according to the report, the board of supervisors will assume that the people of the county are pleased with the Democratic policies and wish to continue to receive governmental money for work relief. Accordingly the board will continue to make the appropriations necessary to secure such money.

Government money can be secured for work relief only if the board of supervisors appropriates \$1 for every \$3 to be supplied by the Federal and State Governments.

If the voters do not elect Democratic candidates, it is said the board of supervisors will be forced to assume that Putnam County does not like the Democratic policies and does not want any more Government money and prefers to carry the burden alone.

If such an unexpected development does occur, the board of supervisors, in order to carry out the expressed wishes of the voters, may be faced with the unpleasant task of refusing to make further appropriations for its share and thus cut off the flow of Government money.

appropriations for its share and thus cut off the flow of Govern-

In other words, the board of supervisors would make appropriations necessary to secure Federal relief money provided the relief workers and their families and friends voted the Democratic ticket, backing up what this letter says; but if they failed to vote the straight Democratic ticket there would be no appropriations, and the needy, destitute, and unemployed could starve.

I do not indict the whole Democratic Party. I am only indicting at the present time the Democratic Party of my own county. The Democratic county chairman just prior to election joined in the chorus and said at a political rally that every vote against the Democratic candidates was a vote against direct benefits for Putnam County. But if that can happen in the President's district without any recourse or cooperation or assistance from the relief administrator, it can happen in anybody's district. That whole performance is about as vicious, contemptible, and un-American as anything that has happened in my political life—using public funds directly to coerce, intimidate, and threaten the voters. That is what went on in my county, and I have been informed since Congress convened by my Republican colleagues that it was the practice throughout the country. The last election was not an election. It was merely a vote for Santa Claus, and Santa Claus won, because you cannot expect people to vote against him. A famous but inglorious victory was won by the Democrats, and having fulfilled his political purposes now, Santa Claus is to be scrapped for public works until 1936. What a travesty and hollow mockery of all the promises and inducements held out to the millions of relief workers to vote the Democratic ticket or starve. other Democratic promises, even that to those on the relief rolls prior to election are discarded and broken. There never was a more shameless and disgraceful election.

Mr. PIERCE. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes.

Mr. PIERCE. The gentleman has seen fit to bring in the good name of the State of Oregon. I wish the gentleman would state the facts now in regard to the manager of Oregon and the letter if you have it. If not I should like to state the facts for you in regard to the appointment of Mr. Liscomb and his removal and the Board in that matter.

Mr. FISH. I must admit I know no facts about your great State except the letter I have. I do not know whether the manager was fired or not. If he was, I congratulate the gentleman and his party. All I can tell the gentleman about the operation of the Home Owners' Loan Corporation in the State of Oregon is the letter written and signed by some Home Owners' Loan Corporation beneficiaries to the other beneficiaries, practically demanding that they vote the Democratic ticket, and at this point I ask unanimous consent to | print the letter in the RECORD.

Mr. PIERCE. And I ask that it appear at this place. Immediately Mr. Liscomb was removed and with him every other official in Oregon at heads of the departments.

The letter is as follows:

PORTLAND, OREG., October 29, 1934.

Our Fellow Beneficiaries: Appreciation, in our opinion, is one of the outstanding human virtues. We have been the recipient of the benefits of the Home Owners' Loan Act, which was fostered and put over by our great President. The thing closest to our hearts through this benevolent act of our Government has been preserved for us. Our homes have been saved. We, and we know that includes you, are appreciative. Can we show that appreciation? In our opinion there is a way.

We are confronted on November 6 with the duty of electing a Governor of our State. The party of which our President is the head has a candidate in the field and one who has received his endorsement.

endorsement.

Congressman Charles H. Martin is entitled to your support and our support for the part he played in enactment of this progre piece of legislation. It reflects the ideas which are his and the purposes which will govern his administration. He possesses all the necessary qualifications so vital to fill that position—honesty, intellect, sympathy, and the conscientious desire to render further service to this State. The spirit to serve home owners was there; the desire to protect Oregon's small home owners from losing their life savings was evident; the courage to take this action in the face of opposition and in spite of precedent was manifest. It indicates the consideration which you and I can expect from Charles H. Martin as Governor of Oregon.

We feel that a vote for him is an expression of appreciation of what has been done for us. May we request that you do likewise, and let us show our President on the morning of the 7th of Novem-

ber that we are for him?

The persons whose names are attached have formed themselves into a committee to bring this matter to your attention. We are likewise beneficiaries of the greatest act in the new deal.

Vote for Charles H. Martin November 6—the new deal Governor.

Appreciatively yours,

OLIVER V. LEHMAN. AL J. HUENERGARD. BELLE ROSENTHAL. A. TELZEROW.

Mr. FISH. I am grateful to the gentleman for making that statement. I congratulate his State and I congratulate Mr. Fahey. If that had been done everywhere else there would have been no criticism at all of the Home Owners' Loan Corporation.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. FISH. I ask unanimous consent to extend my remarks in the RECORD and to insert these letters.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HOLLISTER. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. FISH. Now, in order not to be considered ultrapartisan, I am going to read a clipping from the Mobile Post on the disbursement of relief money. I looked it up and I found it was a Democratic paper, which is quite natural in Alabama.

The whole relief program thus far has been a farce of the first water and the Government money spent on make-believe recovery could just as well have been kept in the Treasury of the United States for all the good it has accomplished. Today we have more unemployed and needy in this community than ever before in its history. These unemployed are not as strong as they were 2 or 3 years ago. In fact, the majority of them are undernourished, and in many cases unable to do manual labor. There is a reason for this as those who know the situation of those people can tell you. In order to work at his best a man must be well fed and vision security of the future. The unemployed have had neither in the past 6 years. That is the great trouble.

Close observers who have watched the F. E. R. A work in this The whole relief program thus far has been a farce of the first

Close observers who have watched the F. E. R. A. work in this locality have been amazed at the way the committee and directors have administered the charity funds. Month by month they have observed the manner of the diversion of these funds toward the well to do and the rich and have further observed the cutting out of the deserving unemployed from getting a fair and just share of the funds which Congress, in the first instance, appropriated to bolster up their morale and give them a kind of temporary security that industry and big business could not do.

Thus we have the situation of a fund, instead of helping the unemployed as it was originally intended, being diverted into the pockets of the offening of petty politicians described and some

pockets of the offspring of petty politicians, daughters and sons of the rich, and persons with independent means, who really do

not need the money. The whole orgy has been a blot on the national morals of this country and the people of America have just had to stand for it because the whole program was politically set-up.

Mr. HOOK. Will the gentleman yield? Mr. FISH. I cannot yield.

This is a statement from a Democratic paper in the South. I will agree that as far as the F. E. R. A. is concerned, it was a political organization in the North and in the West and that the funds were largely used around election time for election purposes; that needy American people were threatened either to vote the Democratic ticket or starve, and they were intimidated, coerced, and practically driven right up to the polls like a lot of sheep to vote for Santa

Mr. HOOK. Will the gentleman yield?

The CHAIRMAN. The time of the gentleman from New York [Mr. Fish] has again expired.

Mr. BROWN of Michigan. Mr. Chairman, I yield 15 minutes to the gentleman from North Carolina [Mr. HANCOCK].

Mr. HANCOCK of North Carolina. Mr. Chairman, ladies and gentlemen of the Committee, the administration and operations of every Government agency are properly the subject of debate by Members of Congress, and in most instances such debate serves a useful and wholesome purpose. I have listened this morning with interest to the discussion regarding operations of the Home Owners' Loan Corporation. Most of the discussion has been helpful and constructive in guiding the Members toward a proper understanding of the purposes of the bill which is before us. Parts of the discussion, however, have been unwarranted and confusing, and in my judgment have served no good purpose. This Corporation, without a precedent to follow and under the most trying conditions and distressing circumstances, has by and large fully justified its existence. When this depression has completely faded into oblivion, it is my reasonable judgment that the work of this Corporation will be recollected by all honest critics as one of the outstanding achievements in the history of our Nation. Being an emergency measure and forced to meet emergency problems, it is but natural that when the accounting comes many errors and mistakes will be unfolded. It is my opinion, however, that most of these errors and mistakes will be found to have been made in the interest of aiding a distressed home owner. No other citizen is entitled to greater consideration than those who are entitled to the assistance of this Corporation. I believe that every Member of this House will have occasion to sense a just pride in the part he or she has taken in bringing to pass this great relief effort.

It is a mighty easy thing to criticize. Constructive, specific criticism is indispensable in all governmental activities. Judging by my own experience, I have many times in retrospect been faced with shame when I realized how I had allowed a small, petty incident to control my entire attitude and action. It has been quite unpleasant to me to listen this morning to some of the references which have been directed against those whom the President has intrusted with the responsibility of carrying forward this great humanitarian effort. Like all men, they are subject to errors of judgment and to those natural proclivities which at times might sway their action. Having had many personal contacts, however, with the officials of this Corporation, and particularly with its able and courageous chairman, I say that the Board and a large majority of the officers have acquitted themselves in a most creditable manner and are deserving of praise rather than of censure.

Now let us consider, if we may, the purposes of the bill first, and later its mechanics.

This Congress has two responsibilities to the home owners of this country-first, to provide mortgage relief or refinancing for those who temporarily cannot carry their present obligations or where refinancing funds are not available, and, second, to carefully and constructively perfect those vehicles of Government which serve and encourage the institutions in your and my communities which make possible the buying, building, and owning of homes.

In this connection, let me say that it is my considered judgment that it is not the function of Government nor a desirable private or public policy for Government to lend public moneys directly to millions of its citizens. Generosity and business recovery dictate that we give every consideration and all the funds that are necessary for the assistance of distressed home owners. In giving them, however, it is our duty to see that they are applied exclusively to distressed cases. The bill which is before this House today, increasing the funds of the Home Owners' Loan Corporation, would perhaps not have been necessary had the loans of the Corporation been confined exclusively to worthy citizens temporarily without means of repayment but having reasonable equities in their property.

While I realize that substantial benefits flow from liquefying mortgage institutions, I can see little justification for the sweeping of mortgages out of banking institution after banking institution. The relief to mortgages should be a result from and an incident to relief to distressed borrowers and not a prime objective of the Corporation.

There are four of our great Government organizations affected by this legislation—the Home Owners' Loan Corporation, the Federal home-loan bank system, the Federal Savings and Loan Insurance Corporation, and the Federal Housing Administration. Each has its sound and useful purpose to serve, and the technical phases of this measure perfect these organizations in light of the experience of the past. One principle should always be before us in considering such legislation, namely, that the source of home-financing funds comes from the savings or thrift capital of persons in the ordinary walks of life in this Nation. Until the entrance of Government in the field, over 80 percent of the home mortgages in the country were made through the long-term savings of persons invested in mutual savings banks, insurance companies, and savings, building, and loan associations. The most important group have been the building and loan associations. They have drawn their funds almost exclusively from the working classes by the teaching of systematic thrift and the payment of more than ordinary returns to such persons who saved a few dollars each week or each month in their shares.

It is essential that we encourage savings in those institutions that will plow it back into the home-financing field. I do not believe that the problem of adequate home financing is solved by excessive development of savings, in contrast to commercial deposits, in our commercial banks or in Postal Savings, to the detriment of savings in those institutions that employ their funds in the buying and building of homes. There is no way to legislate liquidity into longterm mortgages, and the way to make possible ample longterm mortgage facilities is to attract and encourage more and more of the savings of this country into long-term mortgage investments, either directly or through the medium of trustee institutions, such as savings banks or building and loan associations. I believe the time has come for us to give more attention and constructive legislation to the homeloan-bank system, the insurance of savings and loan shares, and titles II and III of the Federal Housing Administration, and taper off the direct relief and financing activities of the Government.

The most important feature in this legislation, from the point of view of business recovery, turns around our policies with regard to future applications and activities of the Home Owners' Loan Corporation. We cannot have a normal mortgage market, the public will not borrow from the institutions in your community and mine, as long as there are direct Government loans, with terms and costs which cannot be met by private capital and which are possible on the part of the Government only by using the combined credit of this great Nation. The President and his advisers have repeatedly said that the Government will retire from this direct lending activity when private business can do the job. My study of the question has convinced me that the customers will not let private business do the job as long as Government funds are being actively loaned. There is, among some, an unmentioned hope that interest rates will

be cut further by congressional action, that repayment terms will be made even more easy-in fact, there is a secret hope with some persons that the entire debt will ultimately be forgiven by the Government. Nothing should be done to encourage that kind of attitude. This should, however, not deter us in our relief efforts, but should convince us that we should pause, take care about applications, and give private capital a fair chance to function. When the money is loaned which is provided in this bill and which is adequate to clear up all applications now on file and such limited extension as will take care of those who have heretofore in good faith sought relief from the Corporation, the Government will own more than 25 percent of the home mortgages of the country. If that trend goes much farther and we have the situation of not one million plus, but two million persons plus, borrowing directly from the Government, the march of time will cause the whole situation to expand to the point where we destroy thousands of thrift and homefinancing institutions which have done such great service in the cause of home buying, home building, and home owning.

It was my understanding that our chairman would offer a committee amendment extending the time within which applications might be filed 60 days and increasing the total authorization \$250,000,000 more. There was a very definite misunderstanding as to when that proposal should be made. No criticism and no fault whatever should attach to him for having failed to present it in his opening statement this morning.

I will unhesitatingly support any legislation designed for and confined exclusively to relief purposes. I think that the Congress, however, should declare it to be its legislative policy that no more applications be taken beyond the time prescribed by the committee amendment; and that after these are worked out, we give the private lending institution the opportunity to function in a normal way. Of course, the situation should be closely watched to see that further foreclosures are halted in all worthy cases.

The ways in which this measure will assist the present situation and perfect existing legislation can be best demonstrated by a section-by-section analysis of the bill, with a brief statement of the reasons for the usefulness of each section.

Section 1 is a minor amendment of the Federal Home Loan Bank Act making it possible for the 3,000 member institutions to pledge mortgages on four-family properties as collateral for borrowings from the 12 home-loan banks. The previous limitation was three-family, and this change to four makes it similar to the eligibility provisions of the Home Owners' Loan Corporation Act of 1933.

Section 2 amends the Federal Home Loan Bank Act by taking away the preference as to accumulated dividends on stock in the Federal home-loan banks owned by the Federal Government. The original act provided for a 2-percent cumulative dividend, and, in addition, the Government stock was to receive the same dividends as stock owned by member institutions if the rate of dividend exceeded 2 percent. Under this amendment all stock will be on the same basis as to earnings and other qualities.

Section 3 inserts a new section in the Federal Home Loan Bank Act and creates a Federal savings and loan advisory council. This council would have a similar function and would fill the same place as the advisory council for the Federal Reserve System. In my judgment, the creation of such a council would have a very desirable effect on the future growth and services of this reserve system for homefinancing institutions. It can be extremely useful, since its recommendations are to be printed as a part of the annual reports made to the Congress by the Federal Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation. Those recommendations will be based on the experience and observations of qualified persons throughout the country who are in daily contact with the small savers and the home owners of the communities which we represent. The point of view which they will present is one that cannot be secured by a Government department, but one

which is all important in assisting the Congress, as well as the executive departments of the Government, to adopt legislation and policies most desirable for strong thrift and homefinancing institutions.

This council, which will be elected by the member institutions of the Federal home-loan banks, will render its service without expense to the taxpayers of the Nation. Members of the council will receive no compensation, and their traveling expenses will be paid by the banks from whose districts they come.

The creation of this advisory council is, in my opinion, one

of the most useful phases of the legislation.

Section 4 also amends the Federal Home Loan Bank Act. It is a restatement of the types of security on which the Federal home-loan banks may make advances. The only change is one giving power to the banks to lend to member institutions up to 100 percent of the face value of obligations of the United States or of obligations fully guaranteed by the United States. It will make such investments of member associations highly liquid and may prove to be an important factor in maintaining the market for such securities.

There is one outstanding change in that particular section, in that if this bill is passed any amortized mortgage running for a period of as long as 6 years, rather than 8 years, would be eligible for rediscount with the Federal home-loan bank up to 65 percent of the unpaid principal of

the home mortgage.

Section 5 contains a further amendment to the Federal Home Loan Bank Act and permits the Federal home-loan banks to make loans on mortgages having 20 years to run to maturity, whereas the previous limitation was 15 years. It is consistent with the provisions of the National Housing Act, which permit insurance of 20-year mortgages, and is in line with the movement to lengthen the maturity, and therefore decrease the monthly payments, on home mortgages. It also permits Federal home-loan banks to make advances on home mortgages up to \$20,000 in unpaid principal. The previous limitation was that to be eligible as security for an advance a mortgage must be on property valued at not to exceed \$20,000. This is consistent with the change in section 1, permitting advances on the security of four-family as well as three-family or smaller dwellings, and will increase the usefulness of the Federal home-loan bank system in some localities.

Section 6 would permit the Federal home-loan banks to make loans to nonmember mortgagees approved under title II of the National Housing Act on the security of mortgagees insured under that title. The home-loan banks at present can lend to their member institutions up to 90 percent of the unpaid principal of such insured mortgages. This section would give substantially the same privileges, so far as nonmember institutions in the home-loan-bank system are concerned.

The idea has been advanced that one reason why the Federal Housing Administration has not made better progress in connection with insured mortgages is that, as yet, there are no institutions set up to buy such mortgages from approved mortgagees making them, and thus giving them liquidity. As a matter of fact, we have always had in the Federal home-loan bank system the ideal type of institutions to create liquidity for such insured mortgages, and this provision would make these mortgages almost completely liquid and should be very helpful in the development of the Federal Housing Administration program under title II.

Section 7 is a minor and clarifying amendment to the Federal Home Loan Bank Act, making more certain the procedure to be followed in issuing consolidated Federal home-loan bank bonds or debentures.

Section 8 simplifies the financing of the routine operations of the Federal Home Loan Bank Board. While the major operating expenses of the Federal Home Loan Bank Board come from assessments on the several Federal homeloan banks and will still be the subject of appropriation by Congress, this is an awkward provision for such things as receipts arising from examination fees when the member associations and Federal savings and loan associations are

examined. Since such examination fees are to be based on the actual cost of the examination involved, they may properly be subject to direct collection and expenditure by the Federal Home Loan Bank Board.

Of course, expenditures to carry out insurance commitments of the Federal Savings and Loan Insurance Corporation must be made shortly after default of insured associations and must have a flexibility not permitted when such funds are subject to congressional appropriations.

Section 9 is the key section with regard to further funds for the relief of distressed home owners. The section, with the committee amendment, increases the authorized bond issue of the Corporation by one and three-quarter billion dollars in order to provide for several additional hundreds of thousands of distressed home owners. It is the judgment of our committee, as well as of the persons responsible for the conduct and administration of this Corporation, that this sum will be more than sufficient.

I am concerned as to the colossal size of this home-financing operation and strongly feel that these Government funds should be applied exclusively to the assisting of persons who do not have present capacity to pay, but who are of good character and have some equity in their real estate, and who will be able to make payments when there has been a substantial increase in employment in the country.

It has not been as effective as it should be, possibly owing to laxity or impossibility of a clear-cut and vigorous administration, or possibly owing to a certain breadth which lies in the language itself. As I understand it, it is the intention of Congress that these funds be used for distressed home owners, and not for the relief of institutions or borrowers who merely prefer a lenient Government loan to their present arrangements.

Section 10 requires that employees of the Corporation be residents of the region or State served by such office and does not go into effect until 90 days after enactment.

Section 11 merely increases the amount of funds that the H. O. L. C. may use for repairs and improvements from \$300,000,000 to \$400,000,000.

Section 12 authorizes not more than \$250,000,000 of the H. O. L. C. funds to be used in the purchase of shares in Federal savings and loan associations and similar thrift and home-financing institutions. We have a clear-cut precedent for such purchases in the more than a billion dollars which the Reconstruction Finance Corporation has invested in bank stocks. It is felt that these funds will permit hundreds of institutions to resume mortgage lending where there has not been sufficient incoming funds from savings to make advances or loans in any substantial amounts. The legislation, as originally proposed in the administration bill, confined these share purchases to the new federally chartered institutions. Today these institutions do only 21/2 percent of the business, while the over 10,000 State-chartered building and loan associations do 971/2 percent of the business. The committee insisted that, as the purpose of these funds is to restore a normal mortgage market and make possible a resumption of mortgage-lending activities, there be no discrimination between the new Federal associations and the hundreds of State-chartered institutions, which have been a colossal factor in making America a country of homes and making possible the purchase of homes by persons in the ordinary walks of life. The committee, you will note, specifically says that "such funds shall be made available without discrimination in favor of federally chartered institutions."

The Corporation is also authorized to purchase bonds or debentures or notes of Federal home-loan banks if these banks have use for additional funds. All of this money will flow directly into the mortgage market and will help bridge over the period in which we taper off the relief activities of the H. O. L. C. and insist that community institutions and private capital assume their normal activities and responsibilities. A similar proposal for a larger amount was considered by our committee and passed by this House at the time the National Housing Act was under consideration. Many of us felt that it would bring more direct and imme-

diate action than the proposed national mortgage associations. In support of our judgment a year ago, I would call your attention to the fact that not a single national mortgage association has been organized, and we understand that it will only be possible to organize such associations if the money is furnished by the Reconstruction Finance Corporation, and by recent action you gave that Corporation such an authorization. We can promise action from this section if it is vigorously and liberally and impartially administered by the Federal Home Loan Bank Board.

Section 13 amends section 6 of the Home Owners' Loan Act to continue the work that the Board has been carrying on in the organization and development of Federal savings and loan associations. The attention of the House should be directed to our original action and appropriation, which directed that the funds originally appropriated be used for this purpose and for the encouragement of similar institutions under State or local charters. It developed in the hearings before our committee that these funds had been used exclusively to employ a staff to organize new Federal associations or to persuade existing institutions to leave their present charter jurisdiction or supervision under the State and come into the Federal system. Therefore, in following the request of the board for additional funds for this purpose, our committee added the significant language:

Such funds shall be used impartially in the promotion and development of local thrift and home financing institutions whether State chartered or Federal.

The objective of all this work should be a sound and active thrift and home-financing structure throughout the country, and it makes little difference whether this develops under State control or Federal control.

Section 14 merely makes certain important sections of the Criminal Code of the United States applicable to the Home Owners' Loan Corporation and to its employees and to Federal savings and loan associations. In other words, the same criminal penalties and limitations apply as if the persons were direct officers or employees of the United States Government.

Section 15 amends the Home Owners' Loan Act and makes it a punishable crime to charge a Corporation borrower the difference between the market and the par value of bonds received in lieu of the original debt. As I understand it, this amendment applies to future transactions of the Corporation.

Section 16 gives the Federal Savings and Loan Insurance Corporation free use of the United States mails and the right to determine its expenditures and assessments without use of the usual appropriation and routine. This is necessary as this Corporation collects insurance premiums and must be in position to pay losses and other expenses, which cannot be budgeted or anticipated in advance.

Section 17 perfects the present Federal Savings and Loan Insurance Act, which requires that an association insured build up at least 5-percent reserves in a period of 10 years. It was found that this is too strict a requirement; and, while institutions will be encouraged, if their earnings permit, to carry out such a program of strengthening their financial position in 10 years, the law is liberalized to give them a 20-year period.

The original legislation also provided, in addition to establishing such reserves and reserve policies as are required by the Insurance Corporation, that the insured institution not be permitted to distribute any earnings in case it made charge-offs to this reserve. This is both unwise and unnecessary, because if it became necessary for a building-and-loan association, say, with 2,000 members, to write off a loss on some mortgage loan, under the present law, even though the institution had ample earnings collected during the period to pay its normal dividend to these 2,000 small savers, it would be compelled to alarm them or destroy their confidence by distributing no dividends because a charge-off had been made to reserves which had been accumulated for the very purpose of paying losses. The purpose of the reserves, in the first place, was not only to keep the institution solvent, but to permit its orderly operation without interruption of

dividends and the like on account of losses, for which sufficient reserves have been laid aside. We therefore eliminated the requirement that no dividends be paid if losses are chargeable to reserves, and leave the broad powers in the trustees of the Insurance Corporation to enforce sound policies in the accumulation of reserves.

Section 18 arranges that the admission fee to the Insurance Corporation be based on the reserves which have been accumulated and corrects an error in the original enactment. The original act provided that the charge to those coming in after the first year be based upon the reserves of the applying institution, which was certainly not the intention of the Congress.

Section 19 sets the annual premium to be charged insured institutions at one-eighth of 1 percent, with an additional liability on the part of the insured institution for one-eighth of 1 percent. This means that one-fourth of 1 percent can be collected by the Corporation each year to pay its expenses and losses. In light of such facts as are at hand and the standards which are prevailing in connection with the insurance of individual institutions, this should be ample. I call your attention to the fact that the banking bill, which is now before our committee, proposes an annual premium of one-twelfth of 1 percent for the insurance of commercial-bank deposits. The loss record of building and loan associations is substantially less than that of bank losses, but the building and loan association people are quite willing to pay a premium which is within their means and is from experience adequate, even though it be higher than the proposed program for bank insurance. With this and the other changes perfecting the insurance of building and loan shares, we expect several thousand institutions will avail themselves of this protection for the benefit of their investors. Such protection should restore confidence and institute a normal flow of savings funds back into such associations, to the benefit of the mortgage market and general business recovery.

Section 20 corrects a provision in the original act so that on liquidation the Insurance Corporation, after paying an investor his account up to \$5,000, merely stands in that investor's place or his surrogate in participating in the distribution of proceeds from the liquidation. The original act by error was clearly illegal and unworkable.

Section 21 merely permits the Corporation more latitude in dealing with defaulted institutions in restoring them to normal operation.

Section 22 applies to the National Housing Act and authorizes the insurance of advances under title I up to \$25,000 for financing alterations, repairs, and improvements on real property improved by apartment houses, hotels, office and other commercial buildings, hospitals, and manufacturing or industrial plants, including installation of new permanent equipment and machinery in such manufacturing or industrial plants. The \$2,000 limit is unaltered as regards insurance on the repair, alterations, and improvements of smaller properties.

While this liberalization departs substantially from the original purposes of the Housing Act and deals with the commercial credit field, it was strongly urged by the F. H. A. officials. It is designed essentially to encourage commercial bank loans in this field. This, to me, is the only wild and unsound provision in the bill; and, in my judgment, should be stricken out.

Section 23 reduces the minimum capital required for national mortgage associations under the National Housing Act. This capital was originally set at \$5,000,000, and the sponsors of the bill indicated that, as these institutions were to serve as strong reserve organizations for the buying or discounting of mortgages, they must have at least a \$5,000,000 capital. It is their present judgment that this capital be reduced.

Section 24 increases the ratio of notes, bonds, or debentures which a national mortgage association may issue from 10 to 15 times its capital. In other words, one of these mortgage companies or national mortgage associations with \$2,000,000 capital can issue \$30,000,000 of debentures, where

previously it could issue \$20,000,000. As these securities are to be based exclusively on insured mortgages, it is thought that this liberalization can be justified.

In conclusion, I wish to say that this measure has had extended and careful consideration by our committee and is adequate to deal with the existing situation, in our judgment. In all probability, if the rising tide of business recovery continues, practically no additional legislation on the home-mortgage situation will be needed. Of course, if our business conditions do not improve and home-owner distress increases, the Congress at an appropriate time should take additional steps. The matters dealt with in the bill are to a substantial extent technical in nature, and I am hopeful that this House will concur in the judgment of the committee and hasten the measure on to early consideration and passage in the Senate. [Applause.]

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. Hancock] has expired.

Mr. HOLLISTER. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. Gifford].

Mr. GIFFORD. Mr. Chairman, I was only recently assigned to the Committee on Banking and Currency of the House—a committee for which I have a very great regard. Being a new member thereof, I congratulate the House on its fairness and nonpartisanship. I know the House will feel perfectly confident that the amendments to the bill have been most carefully considered, and will have confidence in what the committee has done.

I wish to make a few general remarks.

I have been, and I am now, greatly in favor of this legislation, and it is a pleasure to me to be able today to support the administration against the evident desire of the membership of its own party.

The administration, as I understand it, wants only this \$1,500,000,000 additional. The Home Loan Corporation itself says that is all that is desired. The President says we must get out of this relief business and that we must begin to taper off, but in spite of that we are assured that amendments will come before the House adding \$1,000,000,000 more for this particular purpose.

Certainly I am in hearty accord with the extension of time to be granted applicants. I am in doubt about 60 days, but inasmuch as very sudden notice was given applicants on November 13, while many applications were in process of preparation, and not actually filed, I favor the granting of this opportunity to them. Certainly those applications ought to be considered.

Is it not about time we did taper off? If 58 percent of the urban homes of the country are mortgaged, and the mortgages amount to \$22,000,000,000, cannot the Federal Government stop when it takes one-quarter of those mortgages under the plea of distress? We will have five billion, or a little more, of the twenty-one or twenty-two billion dollars of mortgages held in the entire country. Is it not time to stop when we have actually taken care of those who are really in distress? After all we have done in setting up these other agencies, can we not now begin to taper off? Shall we allow another billion and a half and later another billion, when the banks already hold fourteen billions of the twenty-eight billions of United States securities?

The President himself said emphatically in 1932 that the dangerous situation then—dangerous above all else—was the fact that the banks had already been forced to take care of huge deficits. That was highly dangerous; more dangerous even than the taxation which faced the country. And then did you read—and you must have—the recent speech of the Senator from North Carolina wherein he mentioned the present debt of \$28,000,000,000 and the fact that we were committed for \$4,000,000,000 more, making \$32,000,000,000? He asked, "Is there no bottom to the barrel?" It must have been widely read, since many comments regarding it have been made, and it was placed in the Congressional Record. Thirty-two billion dollars! And this week \$2,300,000,000 for the soldiers' bonus; and the \$4,880,000,000 bill evidently is to be finally enacted; and the banks will have to absorb this two billion now being considered today.

Cannot you on the other side of the House follow your own President when he says that \$1,500,000,000 is enough? Why will you proceed to embarrass him further when you know you are determined to pass that \$2,300,000,000 bonus bill? I am therefore pleading for the administration today.

All of us may have some criticism of the management of the H. O. L. C., but on the whole it has done a truly wonderful job. But the time has come when this emergency ought to be over; we have had 2 years of this sort of thing. Has it now got to be made a regular condition? Is it now because of an emergency that you are asking for a billion dollars more, or do you really desire it continued permanently and thus declare a permanent period of emergency? I cannot believe that you want to acknowledge that the emergency will continue indefinitely. Have you not done enough already eventually to bring about recovery in this particular situation? Do not permit yourselves to acknowledge that we must follow along this line for several years more.

Senator Bailey stated that should any considerable portion of the \$14,000,000,000 now practically frozen in the banks be offered for sale it would be a highly dangerous situation, so dangerous that he did not even care to suggest the consequences.

Mr. RABAUT. Mr. Chairman, will the gentleman yield? Mr. GIFFORD. I yield,

Mr. RABAUT. What is the gentleman's feeling toward the great number of people who were cut off by the sudden issuing of this order on November 13? Has the gentleman no interest in their plight?

Mr. GIFFORD. Mr. Chairman, I have the very greatest interest and sympathy, as was evidenced by my action in the committee when I voted for the one and a half billion and the 60-day provision, although I think 30 days sufficient to take care of them. I have supported practically every one of these measures for relief which we have considered.

Mr. RABAUT. The gentleman will grant that that amount will not cover it.

Mr. GIFFORD. Mr. Chairman, I do not yield further. I have as much sympathy as has the gentleman who is trying to interrupt me. These Government bonds, guaranteed bonds, run for a period of 18 years at about 3 percent. The Government gets 5 percent from these borrowers, and the hope is that this 2-percent advantage in competition with private lending companies will take care of the losses. I suggested in reply to a question before the House today that we were recently much disturbed to learn that of the mortgages so lately taken, as stated in the newspapers, 30 percent were over 90 days in default already. We were finally reassured by a statement that by a follow-up process. by sending agents to call on those in default, the default has been cut down to 16 percent. This is heartening, and some people believe the H. O. L. C., because of that profit of 2 percent in competition with private lending, will take care of us so we will not lose very much money. But why continue in competition with these private lending and building associations? Sympathy! Members of the Republican Party have as much sympathy as members of the Democratic Party! We would have to study our own individual lives to determine that; we cannot tell by anyone rising on this floor how unselfish or selfish he may have been in this depression. I have no apology to make regarding my own actions in this respect. We should support the President in this matter, especially as we shall have to face a bonus bill of billions more and be forced to pass on to the next generation, and the next administration, a \$40,000,000,000 indebtedness.

There are many features of this bill that will greatly help the mortgage situation. As a matter of helpfulness you should be interested in reading the hearings.

I think the banks will approve this additional amount. They probably desire this extra \$2,000,000,000 in order to divest themselves further of these mortgages. Do not say that the banks object, but merely that the building and loan institutions object to its being carried much further. The city of Chicago, I am sure, must approve it. Although the mortgages were taken during the last year, it is stated that

in the city of Chicago, under threat that tax sales would | jeopardize the H. O. L. C. mortgage liens, the Corporation has advanced to the borrowers over \$2,000,000 with which to pay their taxes.

That brings to my mind this thought: After all the Federal Government has done for the municipalities of this country, how unwilling in most cases have they been to help themselves. Mr. Hopkins has recently been forced to hold back allotments in many cases until the States were ready to contribute. Why, in my own New England town meetings they would not, in many cases, vote to match money given by the Federal Government. But they gladly take all you would give them under the F. E. R. A. Of course, they would take it if they could get it. They will take all the Federal Government seemingly is willing to give them, forgetting that after all they are a part of the Federal Government, and will some time have to pay it back. Somehow we are very careful about the indebtedness of our own municipalities. Some States take 99 percent of this Federal relief money, but will not put up any of their own for relief measures.

Mr. HOOK. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Michigan. Mr. HOOK. If the gentleman is against any further expenditures, can he explain why he is voting for this bill?

Mr. GIFFORD. Mr. Chairman, I am voting for the one and one-half billion dollars, as recommended by the committee, and I ask that it be not increased, because the President does not want it increased; because the Corporation itself does not want it increased. I think that is a fair attitude to take, with all the other machinery that has been set up to take care of mortgages.

Mr. HOOK. I thank the gentleman for upholding the

Mr. GIFFORD. The dangers inherent in this huge indebtedness we are piling up ought, I think, to be constantly presented to the House. I know it frightens a good many of the Members. I take from my pocket a report from one of our nearby banks with \$90,000,000 in assets and find that \$54,000,000 are in United States securities. We may well ask, Are they frozen? What would be the effect should they be offered in the market? If and when business needs this money, how are they going to get it? At present Government securities enjoy a ready market, but does anyone really expect that this can continue indefinitely?

Mr. FARLEY. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Indiana.

Mr. FARLEY. When we give authority to a department of the administration in its oversight over \$3,000,000,000, should we not give some consideration to their recommendation when they say one and a half billion dollars is enough?

Mr. GIFFORD. The gentleman is exactly in accord with my plea here today. Let us not increase this over what your own administration wants. The newspapers said that the Republicans on the committee were joined by the Democrats in a demand for an increase. That is not so at all. Practically all of the Republicans were against it. [Applause.]

[Here the gavel fell.]

Mr. STEAGALL. Mr. Chairman, I yield 10 minutes to the

gentleman from Missouri [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Chairman and Members of the Committee, there are three instrumentalities of the Government engaged in home financing: The Home Loan Bank System, which was established in 1932; the Home Owners' Loan Corporation, organized in 1933; and the agencies that were set up under the National Housing Act in 1934. This act amends the law regulating the activity of all of these institutions. Some of the changes are merely technical and of a clarifying nature. As to those I shall not speak at all. Others are more important, such as those amendments strengthening the law, widening the field of activity, and providing further funds for the use of these Government institutions.

The purpose of it all, however, is to give additional aid to distressed home owners.

To my mind, there is one important amendment to the

which authorizes them to make loans or advances to nonmember mortgagees that have the approval of the National Housing Administration. You will recall that under title II of that act the Government was authorized to insure longterm amortized home mortgages. This provision has not worked satisfactorily for the reason there has been no place to discount that character of paper. It is hoped that this measure making the home-loan banks instrumentalities of discount for that purpose will help remove the log jam in the current of our real-estate securities.

There are two important amendments to the Home Owners' Loan Corporation. The one in which we are perhaps more interested is the question of extending the authorization of a bond issue of a billion and a half or more dollars. During the time the Corporation has been in existence there have been in round numbers 1,700,000 applications filed. To date there have been about 800,000 of the applications finally approved and the loans made. There are about 200,-000 in what is now known as the "legal department", most of which, of course, will go through. That takes care of a million of those applications. There are 200,000 that have been either withdrawn or definitely and finally rejected. This leaves in round numbers 500,000 to be considered by the Corporation, some of which will no doubt be rejected but most of which will be approved. The rate of loans so far to applications filed is about 70 percent, but it is not thought that the percentage of rejections will be that high on the applications now on file, for the reason that many of them have already passed the first stage. They have already made the first hurdle. The best estimate that can be made of them is that perhaps 20 percent of them will be rejected, which will leave 400,000 to be considered by the Board. The average loan so far has been \$3,000. In round numbers this will require \$1,250,000,000 to take care of the loans now on file. Now, the question naturally comes, whether or not we want to open the door, throw down the bars and admit applications for the next 30, 60, or 90 days, or even longer than that. If we do, in my opinion, we must necessarily increase this authorization accordingly. There is no question but that the authorization as provided in the original bill presented here will take care of the applications on file.

There has been considerable criticism of the Home Owners' Loan Corporation. I think it should be said that it has been one of the greatest agencies that has been set up by this administration to help the people of this country.

Of course, in the wide activities in which it has been engaged, in respect of these applications it has received, and in the various contacts that have been made, there may have been errors, and mistakes may have crept in and, perhaps, there are those in charge of it whose judgment has not been the best, but I think by and large, on the whole, the administration of these funds has been in the hands of men who are honest, sincere, and patriotic, using their best efforts to distribute and administer these funds in the interest of the needy home owners of this land, and they are entitled to the everlasting praise and gratitude of the American people for what they have done. [Applause.]

There is one other amendment and that is the Corporation is authorized to purchase to the extent of \$250,000,000 the bonds of the home-loan banks of this country and to invest in shares of stock in the building and loan and savings institutions.

This is important for this reason. It is hoped that by furnishing this additional money to these home-lending institutions, they will pass this money on to the home owners of this country in the shape of loans.

Then there are, in my opinion, three worthwhile amendments to the National Housing Act.

It will be remembered that under the first title of that act the Government was authorized to insure financial institutions that made loans up to the extent of \$2,000 to repair or improve homes. This insurance extended only to 20 percent of the entire amount of the loans of this character made by any institution. This bill extends that in-Home Loan Bank Act, and that is the provision in this bill surance to include loans up to \$25,000, for the purpose not only of repairing and improving homes, but for the purpose of repairing or improving apartment houses, hotels, offices, commercial buildings, industrial plants, and even for the purpose of installing machinery in them. This is not in the interest of the home owners, but it is the hope that this provision of the bill will stimulate improvements in the commercial and industrial building of the Nation, will generate business for the durable-goods industry of this country, and furnish additional employment to labor. Finally, there is the amendment which has reference to the reserves that the Federal Savings & Loan Insurance Corporation and its member institutions shall have.

The old law required the members of such institutions to build up their own reserves within a period of 10 years. This amendment extends it to 20 years.

The old law levied an annual assessment of one-fourth of 1 percent payable to the Insurance Corporation to build up the reserve. The total levy under the old law was threefourths of 1 percent annually. This was thought to be excessive, and the proposed amendment reduces the total assessment to three-eighths of 1 percent, or just one-half. This is done to encourage members coming into the Insurance

It is thus to be seen that the entire tenor of this act is to give help and encouragement, to enlarge the powers, and broaden the field of activity, and to provide additional funds to the home-financing institutions of the Government.

Home mortgages, some \$20,000,000,000 in amount, furnish, perhaps, the largest single item on our national ledger sheet. It may appear to be an indictment against our system that the most important, the one essential and indispensable institution, the one upon which our civilization rests, and that forms the cornerstone of our entire social order—the home should be weighed down by this colossal debt burden. There must be some way found to relieve the situation. Home mortgages must be amortized over a long period of years at a low rate of interest, so the home owner may have a chance to pay out. To do this, the persons or institutions that are able and can make home-mortgage loans must have a place where these mortgages may be discounted in times of stress and strain. We think this measure is a step in the right direction and that it will help.

Mr. HOLLISTER. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman and Members of the Committee, for some days I have been painfully and laboriously fashioning an amendment to this measure, which I confess in its complete state has gotten so long that it probably would be longer than the original bill; and since it would be obviously unfair to the Chairman and members of the Banking Committee and the Members of the House to add that amendment under the 5-minute rule, I am going to introduce it later as an original bill.

Mr. MARTIN of Colorado. Is the gentleman a member of the committee?

Mr. DIRKSEN. I am.

Mr. MARTIN of Colorado. I have an amendment of a dozen words which I will trade with the gentleman and let him put my amendment in the bill.

Mr. DIRKSEN. This bill, amending existing law, is essentially a relief measure. The first eight sections enlarge and liberalize the Federal home-loan bank system, which bears the same relationship to the Home Owners' Loan Corporation that the Federal Reserve banks bear to the national banks. The second group of amendments amend the act passed in 1933 for the relief of home owners, and the last six or seven sections amend the National Housing Act. So this is liberalizing the relief measures that have heretofore been enacted and put upon the statute books of the country.

Mr. CULKIN. Will the gentleman yield? Mr. DIRKSEN. Well, I have only 15 minutes, but I will yield to the gentleman.

Mr. CULKIN. Does the bill provide any relief for these homes and business places that are occupied jointly for that purpose?

Mr. DIRKSEN. I do not believe it does, unless an amendment were to be written into it. It is a controversial matter, and perhaps will be offered on the floor hereafter. Something should be done for such properties.

Now, we passed the Relief Act, we passed the Home Loan Act, the National Housing Act, the act for the relief of farmers, and many others. The R. F. C. is essentially a relief instrumentality for business, for railroads, and for insurance companies. The Farm Credit Administration provides relief for distressed landowners and for farmers with insufficient funds to seed, produce, harvest, and market their crops. The C. W. A., the P. W. A., and many other agencies were designed to aid in the relief of unemployment. We have attempted to bring relief to every stratum and element of our population with one exception, and that is the holder of real-estate securities who has been the victim of the misfeasance of others. The real-estate bondholder is truly the forgotten man-or should I say the forgotten men and women-because nothing has been done to relieve their distress; and today I am appealing for them, because they dot every congressional district, every village and hamlet, and every city in the United States. There are millions of them. In fact, they represent from 5 to 8 percent of the adult population of this Nation, and have an equal claim to the interest of this Congress and to such benefits as legislation may devise.

It is the holder, or let me say, three or four million holders, of paper that was floated, issued upon all these big, handsome, ornamental buildings that dot the sky line of every city in the metropolitan class. Go out Connecticut Avenue and on one side you see the Mayflower, and away out yonder you see the Wardman Park and the Kennedy-Warren and the Shoreham; every one of those buildings was built because of the frugality and the thrift of the substantial people of this country. Go into Chicago and there you will see silhouetted against the skyline the Wrigley Building, the Edgewater Beach Hotel, the Morrison Hotel, the very pretentious Stevens Hotel-all built because men who sweated in factories and mills and mines are the ones who saved and poured their money into the securities with which they were built. Go into Detroit and there you will see the Barlum Tower, the Hotel Shelby and the Book-Cadillac, and it is all the same. Go into St. Louis or Portland or New York City or Philadelphia and there are all those majestic buildings that were constructed with the savings that accrued from the thrift of the backbone of the people of this country-some three or four million of them as a matter of fact. What have we done for them? We have not done a single, blessed thing, as yet. We are helping the farmer and the home owner, and we are making the pretense of helping business through the industrial loan section of the R. F. C. and through the Federal Reserve. You can scarcely point out a single element that has not received some kind of help, with the exception of holders of billions of dollars of real-estate securities, many of which have depreciated to small value. It seems to me that this Congress will have to address itself to that problem.

Those thrifty, hard-working investors, made the history of this country possible. They made wealth possible and they have become today, in the year of our Lord 1935, truly the forgotten men and the forgotten women. Years ago these buildings were constructed on fictitious values, the purchasers of those securities were not responsible for watering the stock. They were not responsible for the fictitious appraisals of the land values. They were not responsible for the commissions that were grabbed off in floating these issues, and in many instances selling 10 to 15 percent more bonds than necessary, so that Strauss & Co., and Greenbaum & Sons, and the American Bond & Mortgage Co., and all the rest of their ilk could get their ill-gotten gains, and then through flashy newspaper advertisements and highly embossed prospectuses oily tongued salesmen went out and interviewed the carpenters, and the bakers, and the butchers, and the bricklayers, and sold them this real-estate paper. In all sincerity and good intent, these people invested their money and why? They thought when they came to the indigent years when infirmity bent the back, when the luster went out of the eye, they would have a little nest egg and could probably collect 5 or 6 percent interest on those bonds. Lots of Members of Congress invested in some of those bonds, and parenthetically let me say at this point that I do not own a nickel's worth of real-estate bonds on any building anywhere in the United States. I am thinking of all those millions who hold \$8,000,000,000 worth of that defaulted paper and it is high time that we were doing something for them. How did they come to do it? Why was it possible to sell so many of these bonds, and why did folks buy them? Oh, as long as everybody had high earning power, the percentage of occupancy in these buildings high and everything was "hunky-dory" and "hotsy-totsy." Then the crash came. Then the values began to go down, and as a natural consequence this whole train of bondholders' protective committees, receivers, trustees, came about, with all the fees that go along with it.

You can believe it or not, but after we passed 74 and 77 (b) as amendments to the National Bankruptcy Act, those amendments in many instances became instruments for more racketeering of this kind of stuff in big cities than we for one moment envisioned in this Congress. I just had notice from Chicago that the gentlemen who got their hands on the fees in that one city alone expect to collect \$150,000,-000. Think of it! Setting up corporations and liquidation trusts, with trustees, so as to keep these properties away from the rightful owners—those who own the first-mortgage paper-and they are going to step in there and milk them for every possible dime unless the Congress of the United States, in its capacity as a legislative body, does something for them. They are not going to get any relief from the courts. There are too many crooked judges in the country today, and I am speaking of my own State. Some of them have defied the law to the point where they were selling cooperative apartments in the court rooms of Chicago. God save the mark! It is probably one of the foulest stains that will ever be placed on the history of this country. Can these people go to these judges, sitting in their judicial robes, who have been guilty of that sort of thing, and expect relief from their distress? Can they, in view of the testimony, approach some of our courts with any degree of hope or confidence? No; and it is that kind of thing that has prevailed in many of the large centers of the country that has made it impossible for the holders of \$8,000,000,000 of these securities to get relief; and I promise you, gentlemen of the House, now, that unless we do something for them there is going to be a march on Washington by the holders of these defaulted securities, who, under the lash of necessity, are eating dark bread and drinking black coffee where years ago they were living in ease and decent elegance, that will make the first and second bonus marchers look like a lot of pikers in comparison with the number that will come to this city.

Mr. PIERCE. Will the gentleman yield?

Mr. DIRKSEN. I yield to my distinguished friend from Oregon.

Mr. PIERCE. Is the gentleman a member of the Commission which is investigating this?

Mr. DIRKSEN. I am.

Mr. PIERCE. Does the gentleman expect this Government can take up all the losses made by imprudent investments?

Mr. DIRKSEN. No, sir; I do not. However, I think this is what we can do, and this will be the substance of a bill that I am dropping in the basket next week: It will provide for setting up a reconstruction mortgage corporation, with a capital of \$250,000,000 subscribed out of the Federal Treasury. With that kind of an instrumentality they can assume jurisdiction over these properties where millions have been used for the purpose of floating these issues and selling them to the public through the mails. All they are authorized to do is to make a reasonable loan of probably not to exceed 50 percent of the sound depreciated value of the

property, but in no case to exceed a fair, capitalized percentage of the net income.

Mr. PIERCE. Is it the result of the gentleman's investigation that leads him to this conclusion?

Mr. DIRKSEN. Absolutely.

Mr. PIERCE. What is the report of the Commission?

Mr. DIRKSEN. The report is 20 or 25 pages long. The hearings fill several volumes. They have made no recommendations as yet for definite legislation. So on my own responsibility I am going to throw this bill into the hopper next week, or as soon as completed, because this is a condition that has obtained for years in this country—ever since 1929.

Mr. HOOK. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Michigan.
Mr. HOOK. Will the gentleman tell us what the Harding and Hoover administrations—

Mr. DIRKSEN. Oh, do not drag any red herrings across the trail. The gentleman is trying to throw some politics into this. This has nothing to do with politics, so leave out Hoover and Harding.

Mr. HOOK. May I say to the gentleman that I asked a Member on the other side of the House, a man who sat before me in Congress, to do the very thing the gentleman today is now advocating, and he did not do it. Probably that is why he is not here.

Mr. DIRKSEN. Well, I do not care about what is passed. That is water over the wheel. So why seek to pull that kind of a herring over the trail? This is a condition and not a theory with which we must contend. It is a real, stark, aggravated problem, embracing wide-spread human despair that rises above politics. Something must be done for these forgotten men and women, most of whom are close to the 55- or 60-year mark, and over, who stand looking despairingly into the future without any hope of being able to husband out the last few years of life with some kind of ease and with some kind of confidence.

Mr. HOOK. I agree with the gentleman. Mr. SIROVICH. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from New York.

Mr. SIROVICH. I have listened to the eloquent and interesting remarks of my distinguished friend from Illinois. Does he realize he has made a very serious charge against the Federal judiciary of Chicago, and is it the gentleman's intention ultimately to rise on the floor of this House and impeach some of the corrupt judges of whom he has spoken?

Mr. DIRKSEN. Is the gentleman familiar with the statement I made last year about those judges when this matter was being investigated by the Judiciary Committee of the House?

Mr. SIROVICH. I did not hear the gentleman's remarks at that time.

Mr. DIRKSEN. I will say abundantly more about them. I think it is a shame that the Committee on the Judiciary of this House does not bring in some kind of a report upon those who we now have reason to believe have been defiled and who are not fit to sit upon the benches of this country and administer justice and dispense equity today. [Applause ]

The CHAIRMAN. The time of the gentleman from Illinois [Mr. Dirksen] has expired.

Mr. HANCOCK of North Carolina. Mr. Chairman, I yield 17½ minutes to the gentleman from New York [Mr. STSSON]

Mr. GREEN. Mr. Chairman, a point of order. This is a very important subject. I do not believe there is a quorum present. I think we ought to have a quorum.

The CHAIRMAN. The Chair will count.

(While counting:)

Mr. GREEN. Mr. Chairman, I withdraw the point of order

Mr. SISSON. Mr. Chairman, I wish to yield one-half minute of my time to the gentleman from Florida, either at the close of my remarks or now, as he cares.

The CHAIRMAN. The gentleman from Florida [Mr. GREEN] is recognized for one-half minute.

EXTENSION OF HOME OWNERS' LOAN ACT

Mr. GREEN. Mr. Chairman and Members of the Committee, I am heartily in favor of the bill before us which provides for further relief by the Home Owners' Loan Corporation to the American people. This organization has proven to be one of the best which the Roosevelt administration has created. It has saved from forced sale the homes of thousands of American citizens. The bill before us provides additional funds to take care of applications which have been filed too late to obtain relief from former appropriations. It is believed with this further appropriation practically all home owners of the country who are in real distress will be able to obtain loans and save their homes.

#### OLD-AGE PENSIONS

At this time I want to also urge the imperativeness of prompt action by the Congress for passage of the administration's national-security plan, and particularly that portion of the plan which provides for old-age pensions. No more worthy legislation can claim the attention of the House than that of providing pensions for the aged of our country who are in need. The legislatures of many States are now in session, or will be within the next few days, and that is one reason why it is so important that the Congress act promptly. It is possible that such bill as we are able to pass may require State administration and State contribution to the old-age-pension fund. If passed immediately, the States in the regular sessions of the legislature will be able to meet such requirements as may be laid down by the Federal Gov-ernment for the States. The passage of old-age-pension legislation will not only take thousands of aged people from Federal and local relief rolls but will carry to these citizens sustenance and will reestablish in them hope and independence. I know of thousands in my State and district who have, during their younger years, exerted every honorable effort for good citizenship and for the maintenance of our civic institutions. During their younger years they have reared their families, educated them, maintained their churches and schools, contributed to charities, gone to the polls and voted their convictions, served on the juries, paid their taxes, supported the Government and all institutions which were for the betterment of their Nation and fellowman. Now, in their old age, it is unthinkable that they may be forced to want or to ask for relief at the hands of charity. It is nothing but right and proper that they be provided for in their declining years.

I am happy to say that our Nation is still a "land of plenty", and in it there are sufficient necessities of life as well as many of the luxuries for all American citizens. It is imperative that the Congress act and act now. May I suggest also the advisability of including within the old-age-pension bill a disability clause which will carry relief to those who are disabled and who have not the necessities of life. [Applause.]

# FLORIDA EXEMPTS HOMES FROM TAXES

Last November the voters of Florida adopted an amendment to the State's constitution exempting from taxation homes up to the value of \$5,000. This has already proven to be a very wise act. Thousands of citizens are now buying their own homes or farms and are proceeding to build what are in fact real American homes. People from all States in the Union are now moving to Florida, taking up residence, and purchasing their own homes. I mention this in connection with old-age-pension legislation with the hope that the Ways and Means Committee, in the final draft of the bill, may bear in mind the importance of the maximum Federal benefit for those who have resided in the various States for a short period of time. It is obvious that the aged population of Florida will increase greater than that of any State in the Union. It is important that the Federal Government and the States of their nativity be lenient in old-age pensions applying in such cases.

Mr. SWEENEY. Mr. Chairman, I raise the point of no quorum.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and one Members are present, a quorum. The gentleman from New York [Mr. Sisson] is recognized. Mr. SISSON. Mr. Chairman, I yield one-quarter minute

at the close of my remarks to the gentleman from New York

[Mr. BRUNNER].

Mr. Chairman, this bill, as has been fully and ably explained to you, contains, briefly, amendments to three acts of Congress, namely, the Home Owners' Loan Act, the Home Loan Bank Act, and the National Housing Act. Most of the amendments in this bill are in the nature of perfecting amendments. I do not expect there will be any controversy or very much difference of opinion, if any, about them. The Chairman and several members of the Committee on Banking and Currency have carefully explained not only most of these but also most of the other of what might be called "controversial" amendments.

There are, however, two provisions in this bill which I think will bear considerably more discussion and about which there was a good deal of difference of opinion in the Banking and Currency Committee, enough so that I may say there were two very close record votes upon them. I have not the time, nor is it necessary, to discuss further the other provisions of the bill. I want to speak here, and I hope that it may reach, either from the RECORD or otherwise, both sides of this House, about the fact that while there has been the greatest difference of opinion about some of the controversial features of the bill, there has not been, as one or more of the Members on the Republican side have said, any division at all along partisan lines; and I want to express my appreciation to the Republican members of the committee, and also to the Democratic members, my own colleagues, as well, particularly those who are older in service than I, for the courtesy and forbearance they have shown me, particularly some of the older members of the committee, when I labored mighty hard and was not able to get them around to my way of thinking. They still continued not only to speak to me but to greet me fairly politely; and I wondered sometimes in the heat of the discussion whether they would continue to do so or not.

Just a word or two now about the much-discussed and the very troublesome provision for taking care of distressed home owners, those who still remain, those whose applications perhaps have not technically been filed. I am sure every man on the committee, whether he be Republican or Democrat, did his best to take care of a difficult situation. We appreciate that we are steering between the dangerous rapids of Scylla and Charybdis, for if we continue to finance the Home Owners' Loan Corporation, there is going to be a further unloading of bad mortgages and the possibility that the United States Government is going to be taken for a ride along the line of having a lot of real estate on its hands. On the other hand, we all have the greatest sympathy for a large number, quite a large number, I believe, of persons-and many of them very honest, conscientious, patriotic citizenswho hung on as long as they could, who believed they were going to save their homes under their own power without calling on Uncle Sam, and who delayed along to the close before filing applications. While I have the greatest admiration and respect for the administration of the Home Owners' Loan Corporation, nevertheless there was one bad blunder made, in my opinion, and that was in summarily and without notice cutting off the receiving of applications on the 13th of last November, for it caught a great many people, I believe, unawares.

The committee will offer an amendment to the bill, which amendment represents not merely a compromise but, in reality, a composite of the views of the 24 or 25 members of our committee, honest, conscientious men; and I hope the House will not go any further than that.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?
Mr. SISSON. I yield.
Mr. RABAUT. Why should we not go further than that;

Mr. RABAUT. Why should we not go further than that; why should we not be interested enough to——

Mr. SISSON. Mr. Chairman, I did not yield for a speech; I thought the gentleman wanted to ask a question.

Mr. RABAUT. The gentleman said he hoped the House would not go further than that.

Mr. SISSON. Mr. Chairman, I refuse to yield further.

Mr. RABAUT. I asked the gentleman why we should not go further than that.

Mr. SISSON. If the gentleman sat here and listened to all the speeches that have been made on this bill today and has not been informed—

Mr. RABAUT. I have not had an answer to it yet.

Mr. SISSON. The gentleman is not going to get a further answer in my time.

Probably the interest of the House is more sharply attracted to the home owners' loan provisions in this bill than to any other section of the bill, but there is one other provision about which I want to speak, a provision which I regard as of great importance; and in taking the position I do, it is disagreeable to me, for I am taking issue with some of the very dearest friends I have on this committee, some of the older members of the committee, my Democratic colleagues. The Housing Administration came before us and asked for an amendment to section 2 of title I of the Housing Act. That title and perhaps one other title of the act has been rather fully discussed, but, in brief, as it has been explained to you, I think, by the gentleman from Wisconsin [Mr. REILLY], they asked for an authorization allowing them to insure loans to a maximum not to exceed \$50,000, if and when made for the purpose of improving real property by improving hotels, apartment houses, commercial houses, small factories, and so forth; rehabilitating them by putting in machinery, and so forth; and they produced what I thought was very convincing evidence that if they were given this authorization—and bear in mind this does not call for the appropriation of a dollar-they could generate a great deal of additional business and consequent employment.

It is not a lending operation. It is not an operation in which we are trying to relieve suffering through the dole or by made-work projects. It is purely an insurance proposition. We do not increase the maximum limit of the liability which the Government assumes as placed in the bill last year when the bill was passed; namely, \$200,000,000. They came in and they showed us, and I am informed by every other information I have received from them that if they are given this authorization they can generate additional business in the building trades, in the building-supply trades, and the building-material industry to the extent of one and a half billion dollars for this year.

We had a very sharp difference of opinion in our committee in reference to the matter, and the committee cut down the request from \$50,000 to \$25,000. I am told this is not going to do the job. Why? Because it is perfectly obvious to all of us that to rehabilitate a factory, for instance, and to get the wheels going there are many instances where a loan of \$25,000 would amount to nothing, but a loan of \$50,000 would do the job. They asked for that authorization. I may say, showing the care which the committee gave to the matter, and I say this is an administration request, that the vote in the committee upon that question was 12 to 11. I happened to be on the losing side, as I am a majority of the time, but being a Democrat I am used to that. I will ask the House to adopt an amendment which I shall offer tomorrow at the appropriate time restoring the authorization of \$50,000. I do not know that it is necessary to call the attention of those who were here last year when we passed this bill to the fact that the Government, through the Housing Administration, assumes a liability of 20 percent only on these loans.

In other words, to illustrate what I mean, the lending institutions, banks, and other concerns apply to the Housing Administration for approval to make these loans. If after inspection the institution is regarded as sound to have its loans insured, it is approved for that purpose. This means that such loans as are made and which are approved are insured to the extent of 20 percent of the total amount of the loans; that is, the total loans that that lending institution has made under this section. The Government could

lose 20 percent of the entire amount of loans made by these lending institutions, but that is the extent of our liability, and the total authorization remains, as I already stated, at \$200,000,000. I have not heard any reason that seems sound or adequate why we should not enable the Housing Administration to carry on this work of restoring employment and setting the wheels of business going by thus putting the furnishing of employment back into the hands of private industry. Bear in mind this is not a proposition of the Government going into business. It is not a proposition of competition of the Government with private business.

As showing the wide-spread interest that the country is taking in this, there have already been over 2,300 lending institutions in the United States that have applied to the Housing Administration during the past 4 or 5 months in which the act has been actively administered for approval, and which have been approved.

One more word about title II. I know that the reply may be made, and the reply has been made, that we have not gone very far with this, but we had to organize the Corporation. We had to educate the country on the proposition. Under title II of the act I want to call attention to the fact that the legislatures of 26 States since the 1st of January have shown their interest and their approval of this act by passing legislation to enable State banks and lending institutions under the jurisdiction of the State in each particular instance to avail themselves of the provisions of title II, namely, they may loan on the insured and amortized mortgages approved by the Housing Administration to the extent of 80 percent of the appraised value of the property. All of you are familiar with the fact that in most States, State banks and similar lending institutions under the laws of the States could formerly lend on or take real-estate mortgages only up to 50 to 60 percent of the appraised value of the property. We are now ready to go ahead. I ask my colleagues to pass the amendments to this bill which the administration is asking for.

Mr. Chairman, I yield to the gentleman from New York

Mr. BRUNNER. Mr. Chairman, in considering H. R. 6021 you must keep uppermost in your minds that the backbone of the United States is the home.

From time immemorial and down through the ages it has ever been thus. It is instinctive for an American to love his home and country. If we fail to preserve this love of home we naturally are tearing at the very foundation of patriotism.

We can go back to those days when a hearty group of pioneers alighted on Plymouth Rock. It was scarcely a few minutes after setting feet on land that axes were swinging and a section of wooded land cleared for homes in this land of promise. The United States has always been ready to protect the property rights of its citizens, and there is nothing more treasured or essential to peace and good will than a home-loving people, happy in the shelter of four walls and secure under a roof they can call their own.

The spirit of America is the spirit of the home—be it city dwelling, suburban residence, or rural farmhouse.

The keystone of the success of the new deal has been the recognition of this fact. In steering us back on the road that leads up, our great President is conscious of the vital part home ownership will play in bringing a fulfillment of the recovery plan. We in Congress can be proud of what has already been done for the home owner, proud in a great service to the great bulk of our citizenry, a service to our country.

The body economic, laid low, is slowly mending itself, although we must take heed from the wisdom of the old country doctor. We cannot send the patient forth as cured when some ravages of the disease still remain. Should this come to pass, all the good that has been accomplished will have gone for naught. And, applying this thought to the home owners of America, chaos and despair will again ride the highways in place of peace and contentment.

insured to the extent of 20 percent of the total amount of the loans; that is, the total loans that that lending institution has made under this section. The Government could Loan Act. When the H. O. L. C. went into action the private

lending agencies were completely disorganized. Hard-working citizens saw years of toil and the resultant savings as represented in their homes being swept away. That was real tragedy, and the H. O. L. C. responded nobly. Its activities have been responsible for averting a tremendous number of foreclosures. Thousands and thousands of dollars in back taxes have been paid to municipal and town governments. Already in excess of \$2,000,000,000 in credit has been used to refinance mortgages on approximately 800,000 small homes in the country.

I feel that I can, with justifiable pride, look back with satisfaction to the support I gave the initiation of the H. O. L. C. What has been accomplished needs no mention for me; it is known to everyone. But it is to correct a mistaken impression that the corner has been turned on home and mortgage relief, that I arise to appeal for the continuation of the H. O. L. C. until every deserving home owner of this country has been assisted.

No burst of oratory should be necessary here today to convince you what I am saying is the truth. There is nothing more forceful than figures and I come supplied with them so that the absolute necessity of continuing the H. O. L. C. is brought home to you as it has been brought home to me.

We need not be told of the importance of home ownership. We know that the man or woman who invests in a home is making a good start toward the goal of independence. There should be no sidetracking or shunting about of this admirable ambition. It is the proper function of Government to assist the distressed home owner back on the road toward independence without any unnecessary detours. If the private lending institutions cannot do it, then I say, the United States of America must and will do it.

If only one person in the entire breadth and width of the 48 States was shut off from the benefits that more than 800,-000 fellow citizens have already received—I say then it will be a serious indictment against the new deal and an affront to good citizenship and a slap at genuine patriotism, not to mention the highly turned American sense of fair play.

The home owner invariably is in general a better citizen than the nonhome owner. Therefore it is readily seen that the interests of good government are advanced in direct proportion to the number of home owners we have. Allow me at this point to quote from the Home Owners' Loan Act passed in the Seventy-third Congress. It reads:

An act to provide emergency relief with respect to home-mortgage indebtedness, to refinance home mortgages, to extend relief to the owners of homes occupied by them and who are unable to amortize their debts elsewhere.

That is enough.

It would seem that if it can be honestly established that the emergency still exists, and I am convinced that it does exist and that thousands still face loss of their homes, due to their inability to amortize their debts elsewhere, I repeat, it would seem that we here today must do what those who sat here more than a year and a half ago did to insure the continued security of the home.

While we here in Congress should consider the advisability of continuing the H. O. L. C. strictly from a national point of view I think it important that the Members should know to what extent the H. O. L. C. has furnished relief to the various States.

I am proud of the record made in my State, and at this time desire to pay public tribute to Vincent Dailey, the New York State manager of the H. O. L. C.

New York State is indeed fortunate in having a man of his remarkable ability and great vision at the helm of this most important Corporation.

Less than 60 days after he was appointed he had whipped into shape an organization of well-qualified officials which have been working together earnestly and diligently to the point where on March 1, 1935, over 63,000 people in my State have been able to save their homes. However, this does not relate the whole story and I desire at this time to quote the official figures as of March 1, 1935.

Applications received to date	134, 629
Preliminary appraisals completed	126, 701
Mortgagees' consents obtained	107, 446
Final appraisals completed	88, 074
Closings completed to date, 63,369; in amount of	\$327, 704, 673
Loans approved to date, 74,622; in an amount of	\$386, 540, 400

Please note that within the next month almost 75,000 home owners in my State will have obtained relief by virtue of this most humane legislation.

And I may also state that \$22,950,000 in back taxes have been poured into the coffers of the various municipalities in my State and over 13½ millions of this sum was paid to the city of New York.

My congressional district is one of the largest home-owning districts in the United States. In the county of Queens, New York, there are approximately 200,000 individual homes, hence I feel qualified to speak on the H. O. L. C., what has been accomplished, and what is yet to be done.

When the H. O. L. C. announced on November 13 there would be a cessation in Federal home aid, I immediately expressed grave concern about the wisdom of such a move. I was aware that in Queens County, my district, there have been 23,231 applications made, the majority of them in immediate need of relief. There have been closings on 10,435, and when those still in the legal department of the H. O. L. C. are put through, 11,839 will have had relief, but there will still be about 11,000 in Queens who applied for relief who will have had the door shut in their face unless we do something about it. Multiply the 11,000 in Queens with the thousands and thousands in communities of the other 48 States and the figure is staggering.

It has been argued that possibly not all of the 11,000 are deserving—that the H. O. L. C. took care of the most urgent cases—and, moreover, the banks and lending companies are now in position to extend financial aid. I say these arguments are not based on fact and, even if partially true, do not give a correct picture of the situation.

Only a few days after the first inkling got out that the H. O. L. C. would not be in position to grant loans except to those fortunate enough to have had their applications advanced to the legal department, did the real facts present themselves to me. Letters came to me from hundreds of home owners who had patiently waited for the Federal aid so urgently needed. The terrible specter of foreclosure again loomed more terrible than ever. The pall of gloom again descended on a distressed community.

The words written in these letters told the story. The honesty of content was apparent through the pungent simplicity of appeal. Some were worded in utter bewilderment, others were frantic in the hysteria of distress. These home owners, good, honest citizens all, looked to me to rekindle the spark of hope that burned bright while the H. O. L. C. was functioning on all eight. Sometime before I said that if there was only one deserving citizen of the United States shut off from a home loan it would be criminal. Let me say here and now that in Queens County, a community of over 1,000,000 people, there are 11,000 still awaiting the helping hand of Uncle Sam. I believe that the proportion holds true throughout the country. Unquestionably there are additional thousands who need mortgage relief who never filed applications with the H. O. L. C.

Who is to provide for the relief?

Financial institutions or private lending agencies?

Very fine, if they could. I for one am hardly in favor of putting the Government in the mortgage business. There is no denying that it is the duty and business of the banks or kindred organizations. As long as usurious interest or exorbitant service fees are not charged there could be no better way out. However, from a personal check and from a canvass of banking institutions I can report that the Government cannot escape the responsibility. The banks are not interested in refinancing mortgages of home owners in distress.

Without exception, the loaning institutions I have contacted—and I have contacted all that made loans prior to the depression and are still in business, and they number over 150—have stressed the importance of continuing the

Home Owners' Loan Corporation activities. May I quote | what some of them say:

The Jamaica Savings Bank, the largest in Queens County, with total resources over \$38,000,000, says: "We have not as yet made any new loans." I quote the president of the institution, Mr. George S. Downing:

I am fully convinced that there is considerable for the Governmen to do yet. If the Home Loan is not furnished with more money there will undoubtedly be hundreds or possibly thousands of home owners who will lose their homes.

Henry R. Kinsey, president of the Williamsburgh Savings Bank, which was founded in 1851, after praising the H. O. L. C. as "the most constructive work that has ever been done", adds this significant observation:

Unless the H. O. L. C. work is continued many more foreclosures will have to carry on.

Then, from Philip A. Benson, distinguished banker and head of the vast Dime Savings Bank of Brooklyn, we hear that the "H. O. L. C. has not quite completed the work it should do." He says:

Additional foreclosures could be avoided if the H. O. L. C. con-

The president of the Bay Ridge Savings Bank, Brooklyn, says this:

The discontinuance of the Home Owners' Loan Bureau was sad news to many home owners.

Of all the relief measures proposed, he said that this was the most important. And, more to the point, added:

Institutions in this city (New York) are making extremely few mortgages, and it is unlikely that there will be much activity in this direction during the coming year.

In my possession are scores of similar letters from the heads of savings banks and building-and-loan associations. From none could I get the least gleaning of hope that the flow of private capital was imminent, as some would have us believe.

An all-time record for the number of foreclosure actions commenced in one month in my county was established in December 1934, according to records of the county clerk of Queens County. In that month 692 foreclosures were started. The next highest month was November, with 671 actions. Here is the proof positive that the wave of foreclosures will prove a veritable tidal wave unless something is done to temper its fury. The record-breaking number of foreclosure actions in the last 2 months of 1934 is an immediate result of the announcement that the H. O. L. C. would make no additional loans except to those applicants fortunate enough to have had their requests advanced to the legal department of the Corporation.

A chart I have in my possession covering foreclosure actions and the number of cancelations during 1932, 1933, and 1934 tells the story of the H. O. L. C. in Queens County. And I contend there is nothing particularly different about Queens which would not apply to other urban communities of the United States.

All of this represents a responsibility which Congress cannot side-step. Something must be done. It is not unreasonable legislation I seek. It is both wise and humane and in accord with the progressive program mapped for this session. The foundation has already been constructed in the creation of the Home Owners' Loan Corporation. merely remains for us to build upward.

There is no reason for going beyond the H. O. L. C. for the solution. Running at the peak of efficiency now after 18 months of activity, this Bureau can rehabilitate where private capital cannot. Having exhausted its initial issue of bonds, it can only function further when and if more bonds are made available.

Therefore, at the proper time I propose to offer an amendment making another \$3,000,000,000 in bonds available instead of one and one-half billion now set forth in this bill to the home owners of this country who are still facing loss

The average amount of all loans to date has been \$3,015.

finance 1,000,000 more homes throughout the country. I do not think that in making this broad extension we are throwing the life line a bit too far. Even if the number of approved loans should fall short of this mark and the H. O. L. C. does not require the entire three billions in bonds, there will be no harm done. On the other hand, the psychology of having sufficient to provide for all who may require refinancing will again restore the confidence and strengthen the morale of the individual home owner.

There are only two courses of action open to us: First, either we continue the H. O. L. C., or second, we turn a deaf ear to the pleas of thousands and thousands of home owners.

Does anyone who is really interested in the welfare of the country wish to go back to the chaotic conditions of 1932? Are we moving forward or backward?

As long as the stark threat of foreclosure looms, just so long should we come to the rescue of the oppressed. The success of the H. O. L. C. is guaranteed since it is predicated on the success of the entire recovery plan. Conditions are steadily improving, an indication being the gradually decreasing number of applications for mortgage refinancing. Eventually-just when I do not think anyone can approximate-the emergency will no longer exist. Then, and only then, can we shut down the H. O. L. C.

Let us dismiss all thoughts of chiseling home owners and the other fallacies spread about by those out of step with the times. Let us have faith in our democracy and the inherent honesty of our fellow citizens. Let us extend the helping hand when it is needed. The hand we help will then be there to reciprocate should the occasion arise.

I hope I may have your support of my amendment authorizing the issuance of three billion in additional H. O. L. C. bonds.

Mr. HOLLISTER. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. SEGER].

Mr. SEGER. Mr. Chairman, as we go on with this discussion we learn some very pertinent truths. A member of the committee from Michigan and a member of the committee from New York have made some very strong statements why this Home Loan Corporation was not a success in the beginning, and I assume they had facts upon which to base their accusations.

In my own State there was a general shake-up in the managing personnel in the first year of operation and, while I do not make definite charges, I might say there must have been some irregularities or, at least, mismanagement. What I am concerned about principally is the fact that this act we are enlarging on now is probably just as important, if not more so, than any relief measure we have before us. I think it can be greatly humanized. Sentiment and business can be combined in this particular case.

I have in mind in my own State an H. O. L. C. office that I visited to intercede for an applicant for a loan, an old lady who had made an application many months before. I was received by one of the underlings in the office as a most unwelcome guest, as if I were approaching with my hat in my hand asking for a personal hand-out. Until I made myself known I was treated with very little courtesy. This situation should be corrected. I think the present manager in the State of New Jersey, Mr. Skiffington, is endeavoring to have his personnel be kind and courteous to these unhappy people fearing the loss of their homes.

I should like to ask a member of the committee, either on the minority or the majority side, a question. I did not know until Mr. Gifford spoke that it was contemplated to extend the period over which these applications may be made to 60 days. I should like to know whether the 60-day period is from the time this act goes into effect or is it 60 days from the time the edict went into effect stopping all loans and applications therefor?

Mr. STEAGALL. The suggestion which the gentleman has in mind contemplates an extension of that length of time after the passage and effectiveness of this measure.

Mr. SEGER. I thank the gentleman for the information, because I have before me a case in point. One of my con-With the new issue the H. O. L. C. would be ready to re- | stituents, not knowing the rules or the proper form of making application, wrote a letter to the Home Owners' Loan Corporation here in Washington and was informed he had made a mistake, and that he must apply to the office in Newark or in his own district. In the interim this order of November 15 went into effect, and unless the period of 60 days is extended from the time we adopt this measure he would be practically cut off from relief.

This extension is going to be helpful in this case as well as

[Here the gavel fell.]

Mr. HOLLISTER. Mr. Chairman, I yield 5 minutes to the

gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, we have heard a great deal of discussion about paragraph 9 (c), in which I am mostly interested because of the fact that some time in November 1934, around the 13th, a notice went out to the people of this country which led them to believe that the doors were closed and that no more loans would be made under the H. O. L. C. Act. That administrative order, of course, shut off many people in distress whose homes are affected by reason of the fact they have no way to secure the money to finance the mortgages that are due.

I think it is highly important that the time for accepting applications be synchronized as best we can, with the little known facts we have in the way of statistics, so that other people will not be led to believe by reason of something which is in the law, or by reason of some administrative ruling, that they will receive consideration of an application, when there is no money forthcoming with which to take care of the application. It is a very serious matter to a person who is in financial straits and about to lose his home to have a Federal law of this kind lead him into the belief that relief is available to him when, as a matter of fact, the \$1,500,000,000 proposed will not care for additional applications which may be made. If my understanding of what has been said this afternoon is correct, \$1,500,000,000 is all that will be available for the purpose of taking up applications now on hand, and which were filed on or before November 13, 1934, and consisting of, roughly, 700,000 applications-and probably about 200,000 of which will be denied.

Mr. DONDERO. Mr. Chairman, will the gentleman yield at that point?

Mr. CRAWFORD. I yield.

Mr. DONDERO. Does the gentleman know that the average loan in the State of Michigan is \$2,750, and in the Nation about \$3,000? If we have 500,000 applications on hand, will not the \$1,500,000,000 be sufficient to cover the entire number of applications, not even considering those applications that might be ineligible for loans?

Mr. CRAWFORD. As I understand, we have something like 700,000 applications on hand which came in prior to November 13, probably 200,000 of which will be eliminated, leaving, we will say, 500,000 applications eligible under this law, for the purpose of absorbing the \$1,500,000,000.

I further understand that Mr. Fahey or the Board seems to think that probably \$1,250,000,000 will be required to accommodate such applications as were on hand November 13 and as may be finally accepted. If this be practically true, you will then have about \$250,000,000 to salvage loans out of the remaining 200,000 applications and take care of such border-line cases as may develop.

It is my belief—and I do not know much about this, and I am sorry we have not more statistics, and I do not know just how they could be secured—that if a notice is sent out across this country that this new bill has been passed, appropriating an additional \$1,500,000,000, and that the doors are now to be opened for a period of 60 days only, and that the doors shall then be closed once and for all 60 days after the passage of the act, you will have applications filed that will require anywhere from two to four billion dollars of additional funds. Therefore, we should not be guilty of misleading the people again and thus be a party to making them believe the money is provided to care for their applications when we know it is not forthcoming. I stated to the Rules Committee the other day, I believe, in my own district

at home we will receive 30 percent of as many loans after this date, when it is reopened, as we have received up to date. This is a rough estimate. There is no way to secure statistics. It is an agricultural district, where there are small towns and villages, and in such districts they are more inclined to hang on longer in the hope they may meet their obligations and in some way get by. I am sure there are many homes there which need this assistance and relief which Congress originally intended to give. This whole case as now presented here this afternoon indicates the administration is now anxious to discontinue this service to the people of this country. It is another illustration of how quickly the public-fund pump runs dry, of how utterly impossible it is for centralized government to substitute itself for the spontaneous activities of a great people when they have confidence and when they are going ahead without thought of Federal paternalism. It is no wonder loan companies and trust companies and banks are now pleading that governmental lending agencies be discontinued. It is no wonder the Governor of the Federal Reserve Board comes before us and requests that laws be passed which will make it possible for Government to step down off the lending block to the end that financial institutions, owned and operated by private capital and management, may again assume the role of lending money on homes and farms. Great undertakings of this kind cannot be successfully and satisfactorily handled by political machines and parties, whether it be Democrats or Republicans. Under our form of Government, the Federal Treasury cannot successfully substitute itself for the natural and free-flowing activities of 100,000,000 of free-acting adult

However, here is a case where hundreds of thousands of our home owners have had this assistance and where we now know hundreds of thousands cannot now secure similar assistance because the well is going dry. This will naturally lead to a feeling among many of our people that discriminatory tactics have been resorted to; that fair dealing has not been dealt; that the new deal was a bad deal for some and a good deal for others who were fortunate enough to get their loans cared for by the Federal funds, while others have to resort to the high interest rates and short-time loans and heavy commissions which will naturally be charged to them by the private lending agencies now that the H. O. L. C. has reached its end insofar as the receiving and lending on new applications is concerned. Our people would feel better about all of this if they were given fair notice that the period of filing, with reasonable expectancy of a loan being granted, was stated in advance of closing the door either by setting a filing date limit or by determining the maximum amount that can be loaned in advance of our knowing how much would be required. It all reminds me of an advance in the commodity or stock market, when one group is taken care of at the low price in effect before the advance, while others are forced to take their goods at the higher quoted price. If the deal is to be closed, then I think we should give fair treatment and consideration to all in distress just as Congress intended when the original act was passed. This is not a waste of funds; it is lending money on the best security on earth-the American home. Personally I favor setting in advance the closing date, and then providing the necessary funds to care for all applications which qualify, to the end that all distressed home owners be treated alike and discrimination avoided.

[Here the gavel fell.]

Mr. HOLLISTER. Mr. Chairman, I yield the balance of my time to the chairman of the committee, the gentleman from Alabama [Mr. STEAGALL].

Mr. STEAGALL. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. Brown].

Mr. BROWN of Georgia. Mr. Chairman, in my opinion the Home Owners' Loan Corporation is one of the best features of the new deal in providing security for the individual citizens under the Home Owners' Loan Act of 1933. Prior to this act the auctioneer's hammer was hanging over the heads of millions of our home owners. Many were the householders paying 10- and 12-percent interest on their

mortgages. This law provides funds with which to refinance such obligations at a lower rate of interest. The bonds of the Corporation, together with the interest, are guaranteed. The homes of thousands and thousands of our citizens have been saved, and many more will be saved upon enactment of the pending bill, H. R. 6021, providing for additional home-mortgage relief. The assurance of peace and contentment was substituted for the terror of impending eviction.

The good the Home Owners' Loan Corporation has already accomplished is really incalculable. In my own State nearly \$2,000,000 of back taxes have been paid, giving the State, counties, cities, and towns money with which to operate. Millions have been spent in making repairs, giving employment to all classes of labor. Mortgagors and mortgagees have equally been relieved. Values have become stabilized; and the public morale has been greatly improved.

In Georgia there are no lending agencies to take the place of the Home Owners' Loan Corporation. The insurance companies have abandoned the home-loan business just as they did the farm loans, and there are not enough building and loan associations and other lending agencies with sufficient capital to take care of the demand.

This Corporation was created to function until June 1936, but it has ceased to accept any further applications for loans and is not even considering applications which were filed but which had not reached the legal department by November 13. The public expected, and had a right to expect, that the operations of the Corporation would continue until June 1936. Many prospective applicants for loans for various reasons did not file their applications or filed them too late for consideration unless additional relief is granted.

The law creating the Home Owners' Loan Corporation started it on a firm business basis. Its bonds are issued at 2¾ percent and its loans are made at 5 percent, giving it a spread of 2¼ percent for expense of administration and losses. With economical administration of its affairs the Government should make a profit out of the enterprise.

The very existence of the H. O. L. C. has been productive of great good. The fact that this corporation has been ready to take applications—that its offices were open—has prevented lenders from pressing their borrowers. The tax officials have withheld advertisements of sales for delinquent taxes as soon as they learned that the delinquent had made application for a home owners' loan.

To wind up the business of the H. O. L. C., and to take no more applications, will mean that lenders and tax gatherers will immediately press for payment, and the poor home owner, with no other agency lending, is at the mercy of his lender and in jeopardy of having his home sold for taxes which he is unable to pay.

While the H. O. L. C. has already done much good in Georgia, it had really only begun work when it suddenly ceased receiving applications in November, and the work is by no means finished. The larger cities naturally received the first benefits from the corporation, but in the smaller cities and towns the H. O. L. C. had just begun.

It is most important to the successful operation of any business that the executive officers should understand the customs and traits of those under them, and also be familiar with the business conditions and characteristics of the people and territory they serve. When executives and personnel officers from one section of the country are placed in charge of an office in another section the best results cannot be obtained. Therefore, I am quite sure that the adoption of section 10 of the pending bill will be most helpful and beneficial in correcting the errors in the policy of the administration of the regional offices of the H. O. L. C. This section reads as follows:

SEC. 10. Subsection (j) of section 4 of the Home Owners' Loan Act of 1933 is amended by adding at the end thereof the following:

"No person shall be appointed or retained as an officer, employee, agent, or attorney in any regional or State office of the corporation, who was, at the date of the establishment of such

office, not a resident of the region or State served by such office. This amendatory provision shall go into effect within 90 days after the date of enactment thereof."

It is a sound principle that Federal jobs should be filled with persons from the territory to be served. This is true not only with the agency serving the home owners but also of every other Federal agency. This fact has been recognized by the Government for many years, as proven by the fact that all field positions under civil-service regulations are filled by applicants residing in the territory to be served.

Certainly just as capable and efficient executives and employees can be found in the region to be served as can be found in outside territory.

Of the 11 regional divisions of the Home Owners' Loan Corporation a large majority are headed by outsiders, in most instances men not even from the same section of the country, and therefore not familiar either with business conditions or the characteristics of the people they serve. This is also true in almost the same proportion for the assistant managers. The people in each locality to a great extent resent this.

In order to make a success of anything it is necessary to have local public sentiment behind it.

The H. O. L. C. has rendered splendid aid to distressed home owners, but its affairs are far from being in the businesslike condition in which they should be after nearly 2 years of operation. Unquestionably an immediate improvement will result from the replacement of the so-called "outsiders" in each field office by capable and efficient executives and workers from the territory served.

Some argue that it is rather late to make this change, but the regional office is now permanent in character and will serve for many years in the foreclosure of mortgages and the collection of money loaned. Therefore the adoption of this section will be a movement toward the return to representative government. [Applause.]

The CHAIRMAN. The gentleman from Alabama has 7 minutes remaining.

Mr. STEAGALL. Mr. Chairman, I yield to the gentleman from Indiana [Mr. FARLEY] such time as he desires.

Mr. FARLEY. Mr. Chairman, on the 13th of June 1933 the Home Owners' Loan Corporation was authorized, and in the brief time it has operated it has distributed more money than the largest corporation in America, starting from a standing start. From some discussion here this afternoon I thought possibly the word might go out that this is a benefit organization entirely. This Corporation was organized to refinance the mortgages on homes of people who were in distress. It looks now, from all indications, that this Corporation will not cost the Government of the United States a single dollar but will be self-liquidating.

I want to call particular attention to some of the provisions of H. R. 6021 to provide additional home-mortgage relief and to amend the Home Loan Act of 1933, and likewise amend the Federal Home Loan Bank Act. One of the important things in the Home Loan Bank Act is that a Federal saving and loan advisory counsel is to be set up with the same number of members as the home-loan bank districts. It is thought advisable that there be changes in the administration of the bank. There is a growing feeling that ultimately the functions of the Home Owners' Loan Corporation will cease and that it is advisable to have the other one loaning institution strengthened to take care of the situation when it arises. When this act was first passed in 1933 there was dire need and necessity for quick action to save the distressed home owners. Many people had, for no act of their own, gotten in such a position that they were about to lose their shelter and it does not take anyone long to realize that the American home is the foundation of our system. No matter how poor or proud the home, there is an inherent desire in the hearts of our people to own and retain their homes.

The Home Owners' Loan Corporation started with an appropriation of \$200,000,000 in cash, and was authorized to issue bonds up to a total of \$3,000,000,000 which might be exchanged for mortgages or disposed of to secure funds. Out

of this original fund \$100,000,000 has been assigned to provide capital for Federal savings and loan insurance corporations.

No act of the Seventy-third Congress has been more universally praised, or beneficial, except it might be the Deposit Insurance Act. Since the passage of this legislation there have been set up organizations to reach into each county in the United States and approximately 400 offices set up for the purpose of handling this tremendous business.

There has been some complaint of administration of the act, but when you stop to consider that this was a new venture and that an organization had to be created to carry out the purpose of the law, I think a great deal of most excellent work has been done.

To be sure each application that was placed could not be granted. Many home owners had gotten themselves into such a situation that there was little equity left and little possibility of their ever being able to take care of or save their homes.

The Board, in my judgment, has been very liberal in their appraisal of many of these properties and while a great many have been refused you must consider that the organization has handled, in round numbers, to date 1,750,000 applications. We have already found that many of these applications come from those who are actually not distressed, and there were also many that came from people who were seeking to reduce their interest rate, which could not be granted because it was not the intent of the law.

Notwithstanding this the Government has saved for home owners nearly 800,000 homes. The social result of this saving has been to provide homes for 3,000,000 persons at a time when the country was at a great tension and marked unrest. You cannot overestimate the value of the activities of this corporation.

I presume that in the campaign of 1934 more Congressmen now, who are in this House, praised and lauded this one measure more than any other, and there is almost a universal demand here that these operations be continued and that additional authority shall be given to take care of the still hundreds of thousands of distressed property owners.

It has been criticized that the large percentage of funds have gone to building and loan associations, savings banks, commercial banks, life-insurance companies, mortgage companies, and investment companies. This is correct, as the following would indicate: Thirty-five percent to building-and-loan associations, 30 percent to savings banks, 13 percent to commercial banks, 8 percent to life-insurance companies, 5 percent to mortgage companies, 4 percent to investment companies, and about 3 percent to individual mortgagees.

However, it must not be overlooked that many banks—and that means depositors in these banks—have been directly benefited. Financial institutions of this character have been given a new lease of life, and while the percentage in the above indicates only 3 percent to individual mortgagors, it must be borne in mind that the institutions which have handled this money are the regularly organized institutions that have handled the home-lending business for many years. I am not inclined to criticize this action; I think it is commendable. It must be borne in mind that this institution was set up, not as a charitable organization but a great corporation, whose principal purpose was to refinance mortgages, and after all criticism has passed, it must be conceded that these millions of people who have had their homes saved are the beneficiaries of this act.

Not only has it saved homes; it has distributed dividends in cash to hundreds of thousands of depositors and been of inestimable value in reopening and reorganizing many financial institutions. Further, counties and municipalities have received in taxes approximately \$143,000,000. The provisions in the act of the second session of the Seventy-third Congress giving opportunity to repair and remodel has placed in the hands of contractors \$47,000,000. The organization of attorneys and appraisers, together with insurance premiums paid, has placed in circulation another \$95,000,000.

I contend that this has served a useful purpose in adding to the purchasing power of the people in our great emergency.

I have been told by one close to the organization that many thousands of people have been interviewed and have either been discouraged in filing applications or have been cited to lending agencies where they could secure this accommodation. It is obvious that mortgages cannot be handled where there is no chance of repayment. There has been likewise criticism that these transactions have not been handled speedily and that undue time has elapsed. You must take into consideration that the laws governing these transactions in various States widely differ and that the process of title search and other operations incident to the closing of mortgages would cause delay and will continue to cause it in the future. The benefits of this act have been so universally accepted and approved that it is thought that the operations should be extended, and accordingly the committee are recommending that the capital structure of the Corporation be increased to \$4,750,000,000. We likewise recommend an increase from \$3,000,000 to \$4,000,000 for the purpose of reconditioning. To me this is a very wise business procedure. As an individual mortgagee it is important that the physical property be maintained and not allowed to deteriorate. This is equally important with the Corporation. It is not considered improbable that in time some of these mortgages will be foreclosed and the property become the property of the Corporation. The better physical condition these properties are in the easier they will be sold, and consequently much less loss to the Corporation.

The Home Owners' Loan Act provided for purchasing of bonds in the Federal Savings Loan Association, and likewise Federal home-loan banks. It has been desired by the building and loan organizations, chartered under State authority, that they might be included, so that a sum of \$250,000,000 has been set up for the use of not only purchasing bonds and notes in Federal organizations, but likewise that they may immediately purchase shares in building and loan associations, savings and loan associations, homestead associations, and cooperative banks operating under State charters.

This will greatly strengthen the business of these organizations and in the end will start new operations by these institutions. These funds are to be made available without discrimination.

There has been much complaint of the administrators of the act having moved men indiscriminately from one State to another. In order to prevent this abuse in the future, subsection 10, as amended, will eliminate this practice. I, personally, do not feel that this is a slap at those in authority, but a strengthening act that will help in the administration and at the same time relieve embarrassment and ofttimes unkind criticism.

In my own State of Indiana the Corporation has functioned with great success, and in my own district there has been a wide distribution of relief and the operations almost universally praised. My congressional district is made up of in excess of 275,000 people, and I want to pay my compliments to the fine work that has been done by the administrator in handling the work in that district, as the following results will show, by counties:

County	Loans closed	Amount	Applications on file, not completed
Adams Allen DeKalb. Lagrange Noble. Steuben Wells Whitley	81	\$165, 347, 36	52
	2,827,	8, 173, 685, 67	1, 141
	93	159, 765, 95	119
	16	19, 327, 75	11
	42	89, 106, 40	124
	36	70, 449, 36	50
	107	135, 754, 38	62
	78	114, 135, 89	47

We can do no better thing for the rank and file of home owners, than to pass this bill and let it become a law.

Want to pay my compliments to the painstaking, courteous, untiring efforts of my associates on my committee, and particularly, the fine attitude displayed by the chairman. This measure has been carefully handled and am inclined to think that our most excellent chairman, Henry B. Steagall, has made a place for himself that will be remembered many years, probably second to the Guarantee Deposit Act.

We are on the way out of our terrible situation brought on by the depression and let us not do anything to retard but take steps forward in what I think the right direction.

Mr. STEAGALL. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. Sweeney].

Mr. SWEENEY. Mr. Chairman, I rise to make a brief statement. My time is limited. I am for this bill. I hope no Member of this House will think because I have been the instrument in seeking an investigation of the H. O. L. C. that I am opposed to the legislation itself. When it is amended it will be a good bill, divorcing from it entirely the wholesale divisions where most of the trouble arose. I have no quarrel with any State manager. The impression has been created in some quarters that I am opposed to Mr. Vincent Dailey, State manager of New York. Mr. Dailey is a fine gentleman, and from many reports received about him, is doing an honest piece of work. I received an affidavit from a gentleman in New York City. I thought it my duty to present the affidavit which contains serious charges, sworn to, to the committee. That I did. I am not responsible for the newspaper publicity or editorial comment concerning these charges. I care not what the Members of Congress think of my attitude in pressing for this investigation. Reports are current around the Capitol that I am making myself disliked because of my interest in this subject. I do not care if I am to be known as the most disliked man in America. When I see graft or maladministration, whether it is in a Democratic or Republican administration, I am going to do my best to show it up. I do not think we will get this investigation. I do not think the Rules Committee will let the resolution come out, because I think some members are afraid of it, but whether we get it or not, we have at least done this: We have made it a little easier for Members of Congress during the time that the rest of the act will be administered. You will not get the headaches listening to complaints that you had last year and I am sure you will be treated with a little more courtesy when you go to the Home Owners' Loan Office in Washington or in your district. Old men and old women-distressed home owners in general-will be given more attention than they heretofore have had, thanks to the exposure of maladministration.

They will not have to go to a ward leader or a State leader or a district leader to get the attention they were entitled to under the act. The act was designed to help the small-home owner. Congress intended that distress should be the sole test of eligibility. That was not carried out in many cases. As a result, large banks in liquidation profited by it and in many cases the act has helped directors and stockholders who were responsible for the failure of these banks to reduce their double liability by bailing out the banks in the wholesale division. The purpose that motivated me in starting this move for an investigation was because I sat in my office last year for months and saw and heard a parade of distressed citizens who came to me complaining about the unnecessary delays and favoritism in the administration of this law. I think this is the experience of most of the men and women in this House. I know what I am talking about. I have interviewed scores of Representatives on this subject.

This legislation is absolutely necessary to the country, and I am heartily in accord with the committee's proposed recommendation that the wholesale division of this Corporation be eliminated, because much of the criticism directed against the management of the H. O. L. C. is confined to the operation of the wholesale division. There a great number of loans were made to individuals who were not in distress.

Whether you believe it or not, the management of the H. O. L. C., by its failure to make distress the sole test of eligibility, and forcing these banks in liquidation to first attempt to finance mortgages that were salable assets of those

not in distress through other agencies before liquidating them through the H. O. L. C., has caused in many cases the minimizing of double liability against the directors and stockholders of certain banks. In some cases the officers of certain banks are now in jail as a result of their playing with other people's money.

In proportion to the number of nondistressed loans made in the wholesale division, just so many applicants who were actually in distress were denied the relief that Congress intended they should have received. Many banks not in liquidation took advantage of the facilities of the Home Owners' Loan Corporation.

As I have indicated before, it is apparent to me and to many Members of the House that the Rules Committee will not submit to the House the question of deciding whether or not an investigation of the affairs of the H. O. L. C. should be had. This much has been accomplished. The spotlight of publicity has been turned upon the activities of this branch of the Government, and I predict in the administration of future funds a higher and better standard of efficiency. This, however, does not relieve this Congress and this administration from proceeding to expose whatever maladministration has occurred since the inception of this legislation.

Congress should know why it was necessary for the H. O. L. C. to purchase a building in the District of Columbia known as the "Acacia Insurance Building" for a consideration of \$1,060,000, which transaction, I have been informed. took place in July 1934, and that it had the approval of the emergency council. Obviously the intent was to provide quarters for the Corporation. Shortly after this transaction was consummated, the Board of the H. O. L. C. decided to decentralize. Twelve regional offices have been, or are now being, set up in 12 different sections of the country. Where the Washington office required 12 key men, such as chief counsel, chief appraiser, chief of loan review, and so forth. the 12 regional offices will now require 12 key men in each regional office, making a total of 144 key men, so called, as against the 12 original key men functioning before the decentralization. It is my information that the regional offices will complete every detail with few exceptions in the negotiations of these loans, hence it seems to have been poor business policy on the part of the Board to establish regional offices with a building containing 23,000 square feet on its hands, and which ultimately will be used only for a repository for files, or a morgue for useless papers.

The Chairman of the H. O. L. C., on Monday, March 4, appeared before the Rules Committee. He read a very carefully prepared statement containing 23 pages reciting the activities of the Corporation under his management. He recited the number of applications filed, the number of loans granted, and the amount of mortgage obligations entailed. With this phase of his presentation none can take issue.

He did, however, reveal some startling facts to the committee in disclosing that there are now pending in the criminal section of the H. O. L. C. 732 cases of alleged willful violations of the law; that there are at present 104 indictments in the hands of the United States attorneys for prospective action. Many of these indicted are employees of the H. O. L. C. charged with petty graft, and so forth. He recites that 44 State directors and assistant State managers have been removed, or their resignations requested; that 1,227 complaints involving alleged violations of the law have been reviewed in the legal department; that there were cases which involved embezzlement and misapplication of funds. In addition, there were violations of the Corrupt Practices Act which involved the illegal solicitation of funds for political purposes. He made the statement that all of those against whom suspicion was directed with respect to these charges were removed from the service, and their cases are now in the hands of the Department of Justice.

It seems to me that Congress should ascertain just who are these individuals, the nature of the crime charged against them, and what, if any, penalties were meted out, as provided by existing law.

eligibility, and forcing these banks in liquidation to first attempt to finance mortgages that were salable assets of those H.O.L.C. that a specific complaint which concerns a loan on a hotel in Milford, Conn., was a loan that should not have | been made, but he is discretely silent as to whether or not steps are being taken to recover by the Government the bonds that were transferred in this negotiation. We have reason to believe that there are many similar transactions.

The report submitted is a lengthy one; when it appears in the Congressional Record it should be read carefully by every Member of Congress. To my mind, there were sufficient statements made therein to justify any fair committee having under consideration the question of whether or not there should be an investigation to act in the affirmative.

On March 1, 1935, by registered mail, I requested the Chairman of the H. O. L. C. to send to me certain reports which were taken at the meetings of the legal division over a certain period, for the privilege of examining the files to ascertain the number of deeds of property voluntarily surrendered to date to H. O. L. C., and the number of foreclosures now pending. The requested information has not been received from the Chairman to date, nor has the request made by me to examine the list of illegal loans refused by the Corporation been given any recognition.

There must have been something radically wrong in the administration of the H. O. L. C. when from the very elaborate and well-prepared statement of the Chairman we learned that during the past year 1,178 lawyers were dropped from the service, many of them because of the unsatisfactory character of their work. In addition thereto, admission is made in the statement that 2,116 appraisers were dropped because their work disqualified them from further employment. This number of employees, together with the 44 State managers and assistant managers, makes a sum total of 3,338, better than 20 percent of the entire personnel of the Corporation. This means that one out of every five employees was separated from the service because of incompetence, inefficiency, violation of the law, and other reasons. Certainly the intelligence of this Congress will not let pass without proper investigation the defense submitted by the Chairman of the

The President of the United States and the administration in general are not receiving the loyalty, honesty, and efficiency that by every right they should expect in the management of this important branch of the Government, as evidenced by the indictment that comes not from the Members of Congress who want to see this Corporation function as they fully intended but from the present officials in charge of the H. O. L. C.

Mr. STEAGALL. Mr. Chairman, I yield to the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Chairman, the greatest loan in the world is the loan on a man's home. It has been mentioned here that the Government has taken some of the poorer mortgages from the banks. If so, let us stay in this business for the benefit of the home owner who suffered at the hands of the private banks and stay in it to take the better mortgages that remain. This business of home-loan mortgages has been recognized by the banking interests and of later years by the insurance companies throughout the country, in fact, a manager of the Prudential Insurance Co. informed me that this type of investment had proved itself to be the best, even in the darkest days of the depression.

Why is it, therefore, that this bill seeks silently to abide by the decision of the Federal Home Loan Board, wherein it arbitrarily set a date as final for applications for loans, and that day, if my memory serves me right, was November 13 last? Why is it that this bill coincides, so to speak, with the action of the Board wherein thousands upon thousands of needy home owners throughout this country have been denied suddenly, because of the arbitrary rule of the Board, the right to share in the benefits of the relief intended by the act of Congress, from which grew this most worthy agency of relief to the small home owners of the Nation?

For my part, I believe, when the pages of history relative to the Seventy-third Congress shall be reviewed by the student and the thinker, perhaps no single act of that legislative body shall receive more favorable comment than the

of the Home Owners' Loan Corporation—that corporation. which, under the authority of this distinguished body, was to depart, so to speak, from the consideration of industrial schemes, from the problems of banker and merchant, away from the factory and the mine, and devote itself to the people at the very keystone of construction in the governmental unit, the place most sacred and cherished, "the home." But has the intention of the Congress been carried out to the people in small homes? Have they received the aid that was the purpose and the intention of the Congress to give, or has not this very relief been transferred to the closed banks, building and loan associations, and others who found themselves in financial straits, rather than to the relief of the home owner for which the act was originally intended?

For my part, Mr. Chairman, I wish to go on record as favoring an adequate appropriation for the continuance of the Home Owners' Loan Corporation. That this continuance should be along lines tending to serve those in need of refinancing their homes, doing away with the red tape that has grown up within the system, showing respect and an ambition to help the home owner as was the original intent of Congress; and for that reason, Mr. Chairman, I will introduce tomorrow, when the bill is read before the House, an amendment asking that a definite period be assigned in which those desiring to seek the relief, as offered by the Home Owners' Loan Corporation, shall have a sufficient period of time in which to make application for a loan, as was the original intent of the Congress. This will be nothing more than keeping faith with those whom we were determined to help. This will be nothing more than the duty of the great legislative body of the Nation to look after the home owners of the country who have had at least enough interest in this land to build a home, and form one of the units for which we ask additional appropriations for a great Army and a great Navy for national defense. What do we wish to defend? Are we primarily more interested in oil wells and industry, or have we closer at heart the homes and the people of the Nation?

I hope, Mr. Chairman, that tomorrow, upon consideration of this bill, ample opportunity will be given me to plead for an extension of time so that those in distress shall have occasion to obtain an application for home-loan relief, under the provisions of this act, and that a suitable appropriation will be made by the Congress to continue this office for the benefit of those people who still cherish and love the ideals of home, who are proud to list their address at a given spot in the Nation, who point with pride to neighborly friendships of long duration. Yes, Mr. Chairman, even for the least of these I make my appeal.

Mr. STEAGALL. Mr. Chairman, I yield now to the gentleman from Pennsylvania [Mr. ELLENBOGEN].

Mr. ELLENBOGEN. Mr. Chairman, the bill which is before the House for consideration is, on the whole, an excellent bill as far as it goes, but it does not go far enough.

Section 9 of the bill amends the Home Owners' Loan Act by giving to the Home Owners' Loan Corporation authority to issue an additional \$1,500,000,000 of bonds. Two hundred and fifty million dollars must be deducted from this amount for investment by the Board in the bonds and securities of the Federal Home Loan Bank Board and for other investments under section 12 of the bill.

This leaves a net additional amount of \$1,250,000,000.

From official figures supplied to me by the Board of the Home Owners' Loan Corporation, it appears that as of February 28, 1935, 817,773 loans totaling \$2,468,743,899 have been closed. As of the same date, February 28, 1935, 421,679 applications were still pending and undisposed of. The average loan up to this date for the entire country amounts to \$3.015.

It is thus clear that the net amount of additional bonds authorized to be issued under the bill pending before us will only be sufficient to take care of pending applications. No provision is made to issue bonds for new applications to be filed hereafter. In fact, the bill on page 6, section 9, lines creation of the legislation that gave birth to the existence 23 and 24, expressly provides that the bonds to be authorized by the bill should be used only for applications heretofore filed. This is a serious shortcoming of the bill.

In the State of Pennsylvania there are thousands upon thousands of home owners who are in distress and in danger of losing their homes. Many of them did not file their applications because they were discouraged from doing so by the slow and inefficient administration of the Home Owners' Loan Corporation. In Pennsylvania it has taken altogether too long a period of time to close a loan after the application has been filed.

In a very large number of cases the home owner who was threatened with foreclosure went to the mortgage holder and asked him if he would accept the bonds of the Home Owners' Loan Corporation and sign the consent form required by the Corporation. Often, altogether too often, the home owner was advised by the mortgagee that the latter would not sign the consent form because he had already signed many consent forms which were pending in the office of the Home Owners' Loan Corporation for a long time without being able to obtain final disposition of the cases.

I could enlarge on this point, but I do not have the time to do so. The fact is that thousands upon thousands of distressed home owners in Pennsylvania would have filed their applications, but were discouraged or prevented from doing so by the slow operation of the offices of the Home Owners' Loan Corporation in Pennsylvania. Therefore, in many of these cases, the failure to file an application is not due to the fault of the home owner, but is due to the method in which these offices have been operated in Pennsylvania.

I must therefore state, with all the emphasis at my command, that it is not fair, at least for my own State of Pennsylvania, to prevent or prohibit the filing of new applications by distressed home owners.

The indications are that in their good judgment the Chairman and the members of the Committee on Banking and Currency will agree to change the bill so as to provide for the filing of new applications and to increase the amount of the bonds authorized to be issued. We must be careful to see that the time allowed for the filing of new applications will be sufficient and that a sufficient amount of bonds will be authorized. This brings me to another point.

On November 13, 1934, to the surprise of all of us, out of a clear sky and without previous warning, the Board of the Home Owners' Loan Corporation issued an executive order which provided two things:

First. It prohibited the receipt of further applications.

Second. It suspended further action on all applications already received and which had not yet reached the legal department.

This order was justified on the ground that the amount of bonds which the Corporation was authorized to issue was only sufficient to take care of applications which had already reached the legal department.

This order, I submit, was a mistake.

It was based on the supposition that Congress would not authorize further funds or perhaps on a conviction reached by the Board of the Home Owners' Loan Corporation that it should not request Congress for further funds.

After Congress convened on January 3, 1935, it became quite apparent that the sentiment among the Members for further appropriations to the H. O. L. C. was strong.

The Board changed its position, came before a congressional committee and asked for further funds for the purpose of taking care of applications already received. It seems that the Board of the Home Owners' Loan Corporation was still of the opinion that no funds should be requested which would permit the filing of new applications.

Whatever may have been the justification of the order of the Home Owners' Loan Corporation of November 13, 1934, this order was changed on or about January 28, 1935, when instructions were issued to the State regional and district offices of the Corporation to resume further action on all applications already received. No change was made in the order prohibiting the receipt of new applications.

The resumption of further action on applications already in the hands of the Corporation was made, although no

funds had been appropriated. It was evidently inspired by the conviction that Congress was determined and could be depended upon to grant authority to issue the necessary additional amount of bonds.

I believe that it is now clear that Congress will authorize the issuance of new bonds not only for the purpose of taking care of applications already received but also for the purpose of taking care of new applications filed within a limited time in the future.

In order to give to the home owner the full benefit of this action of Congress, which may be expected with confidence in the very near future, the Board of the Home Owners' Loan Corporation should immediately rescind its previous order and permit the filing of new applications. There is just as much justification for the immediate receipt of new applications as there is for taking further action on applications already received and not yet in the hands of the legal department.

I hope that these remarks made on the floor of the House and the justice of the proposition will induce the Board of the H. O. L. C. to make this change in its order of November 13.

The bill before us should also be changed in other respects. A grave injustice has been done in the past to a home owner who was denied a loan because his property contained one or two storerooms and was therefore termed "commercial." The bill should be amended to provide loans on homes with commercial features.

The bill should also be amended in other respects, and I hope it will be. I do not have the time just now to go into the details of these proposed amendments, but I hope to be able to point them out tomorrow, when the bill will be read section by section for amendments.

The CHAIRMAN. All time has expired, and the bill will be read for amendment.

Mr. STEAGALL. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Celler, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 6021) to amend the Federal Home Loan Bank Act, etc., had come to no resolution thereon,

# PERMISSION TO ADDRESS THE HOUSE

Mr. FORD of Mississippi. Mr. Speaker, I ask unanimous consent that immediately after the reading of the Journal and disposition of matters on the Speaker's table on Monday next, I be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. Form]?

Mr. MARTIN of Massachusetts. Reserving the right to object, I should like to ask the gentleman from New York [Mr. O'Connor] or someone to tell us what is the order of business for Monday. Will this request interfere with the business of the day?

Mr. O'CONNOR. It may very well. According to present indications, the District of Columbia Committee has the call on Monday, and it may take 2 hours. If this bill continues tomorrow, the plan was to take up the bill as to the "pink slip" on Monday. As the gentleman from Massachusetts [Mr. Martin] knows, for some years, especially under Speakers Longworth and Garner, the House took a position against granting, too far in advance, permission to address the House.

Mr. MARTIN of Massachusetts. I think the gentleman would be quite correct if he followed that plan now.

Mr. O'CONNOR. It has developed into a practice during the last year or two—and I do not like to object to requests to address the House, but they should not be made more than 1 day in advance. The gentleman from Mississippi might know better tomorrow afternoon what the business before the House will be.

Mr. FORD of Mississippi. The House gave me this permission but adjourned before I could be reached. Of course,

I do not want to take up any of the time of the House

Mr. MARTIN of Massachusetts. We do not like to object, but we do not like to interfere with the regular business of the day. I suggest that the gentleman withdraw his request. Perhaps he can renew it on Monday.

Mr. FORD of Mississippi. Mr. Speaker, I ask unanimous consent that I may withdraw the request just made and make the request that I be allowed to speak tomorrow, after the special orders.

The SPEAKER. The gentleman withdraws his request to speak on Monday and renews it for tomorrow?

Mr. STEAGALL. Reserving the right to object, I appreciate the position of my friend from Mississippi, and I was about to intercede for him a moment ago to get permission for him to speak on Monday; but in view of the urgent desire of the House to finish the bill now under consideration tomorrow, I must ask the gentleman to defer his request for the present.

Mr. FORD of Mississippi. Mr. Speaker, I withdraw that request and ask that I be granted that permission to address the House on Tuesday next.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi that on Tuesday next, after disposition of business on the Speaker's desk, he may address the House for 20 minutes?

Mr. O'CONNOR. Mr. Speaker, may I be informed if there are any special orders for Tuesday?

The SPEAKER. There are no special orders for Tuesday. Mr. O'CONNOR. I have no objection, Mr. Speaker. The SPEAKER. Is there objection to the request of the

gentleman from Mississippi [Mr. Ford]?

There was no objection.

## THE LATE JUSTICE OLIVER WENDELL HOLMES

Mr. TREADWAY. Mr. Speaker, I send to the desk a concurrent resolution and ask unanimous consent for its immediate consideration.

The Clerk read as follows:

# House Concurrent Resolution 15

Resolved by the House of Representatives (the Senate concurring), That for the purpose of holding memorial services in honor of the late Justice Oliver Wendell Holmes, the two Houses of Congress shall assemble in the Hall of the House of Representatives at a time to be fixed by the representatives of the Senate and House of Representatives in charge thereof.

That a joint committee consisting of five Members of the House

of Representatives and five Members of the Senate shall be appointed by the Speaker of the House of Representatives and the President of the Senate, respectively, which is empowered to make suitable arrangements for fitting and proper exercises for the joint session of Congress herein authorized.

session of Congress herein authorized.

That invitations to attend the exercises be extended to the President of the United States of America and the members of his Cabinet, the Chief Justice and Associate Justices of the Supreme Court of the United States, the Diplomatic Corps (through the Secretary of State), the General of the Armies, the Chief of Staff of the Army, the Chief of Naval Operations, the Major General Commandant of the Marine Corps, and the Commandant of the Coast Guard, and such other persons as the joint committee on arrangements shall deem proper.

ments shall deem proper.

That the Chief Justice of the Supreme Court of the United States is hereby invited to address the American people at the joint session of the Congress in commemoration of the life and services of the late Justice Oliver Wendell Holmes.

The SPEAKER. Is there objection to the present consideration of the House concurrent resolution?

There was no objection.

The House concurrent resolution was agreed to.

On motion by Mr. TREADWAY, a motion to reconsider the vote by which the House concurrent resolution was agreed to was laid on the table.

# THE UPPER PENINSULA OF MICHIGAN

Mr. HOOK. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD on the bill H. R. 6484.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOOK. Mr. Speaker, ladies and gentlemen of the House, about 10 days ago the Michigan emergency relief administration issued its first compiled report, covering the period from July 1933 to November 1934. I have not as yet had an opportunity to examine this report in detail, but I do have one item of information that is of vital interest.

The emergency relief administration is quoted in the press as saying that one-sixth of upper Michigan's population "must eventually move on to some area of greater economic opportunities or remain permanently dependent." I want to challenge this conclusion of the emergency relief admintration. I want to say emphatically that it is my opinion that any organization that concludes that 50,000 have to be moved from the Upper Peninsula of Michigan because of a lack of economic advantage is taking a narrow, shortsighted view of the problems that confront this particular region.

It has become something of a fashion nowadays among a portion of our so-called "professional sociologists" when confronted with staggering problems of relief to jump to the conclusion that people must be moved. If all the people in the United States were moved who have been indicated as helpless in their present circumstances, we would witness an exodus that would astonish the world. I recognize, as we all must, that there are maladjustments at present in certain areas between population and economic opportunity. I will not admit, however, that the Upper Peninsula of Michigan is one of the areas so affected.

Everyone has probably heard that the Upper Peninsula of Michigan is one of the two blackest spots on the relief map of the United States. I realize that. I know that probably more than one-half of the population of this area has received Government aid of one kind or another in the past few years. I know that the forest resources of that area. originally as magnificent as any in the North American Continent, have been squandered and depleted. I know that the iron mines and copper mines have curtailed activities and that large numbers previously employed in these industries are now unemployed. I know, too, that these industries, the largest employers of labor in the Upper Peninsula, will never be able to take up all the slack that exists. Technological development will make necessary the employment of fewer and fewer men. The picture does look black. To the pessimist it may appear futile. Without action it is undoubtedly hopeless. I contend, however, that it is foolhardy and malicious to speak of tearing people from their homes and transporting them to new areas until an investigation has been made of the possibilities of enabling them to stay where they are. I maintain that until a full and complete survey of the natural resources of the Upper Peninsular of Michigan has been made, that until we have information as to the possibilities of this area, that talk of one-sixth of its population remaining on permanent relief should cease.

I am introducing a resolution calling for such a basic data survey of the natural resources of the Upper Peninsula of Michigan. I am convinced that when the economic possibilities of this region are known that it will be apparent that not only can the present population be adequately taken care of but that there will be room for those from truly distressed areas. But, first, we must know what these economic resources are. I have merely scratched the surface; yet I know that the potentialities of development are enormous.

I know, for instance, that a complete survey of the Upper Peninsula of Michigan would show that this region possesses one of the most salubrious summer climates in the United States. Lying, as it does, adjacent to Lake Superior and Lake Michigan, the Upper Peninsula knows no intensive heat. The temperature for the summer months averages for June 59 degrees; for July 65 degrees, and for August 64 degrees, while the metropolitan areas of Chicago and Detroit are sweltering in the heat the Upper Peninsula plays in a climate of perpetual springtime. There is, too, in the Upper Peninsula natural scenery unsurpassed for beauty. Countless rivers, streams, and lakes well stocked with fish, an abundance of

wild game, thousands of acres of forested lands, make possible a diversity of recreational activity in this region.

The Upper Peninsula has all this, and yet the tourist and resort business is sadly undeveloped. Laudable programs of development are now under way. The advantages of the Upper Peninsula as a vacation land will be advertised. The tourist business will increase, the greatest need in this connection at present is for highways. A comprehensive program of road development must be worked out to obtain the maximum advantage of the possibilities of a tourist and resort business. We ought to know what is needed and only a thorough survey can tell us. We ought to know what can be done by way of setting up State and National parks, game preserves, and the like. The possibilities along this line are unlimited. I mention only the proposal to convert Isle Royal into a national park, a proposal that I am heartily in favor of, as one of the possibilities.

I know that a survey of the resources of the Upper Peninsula would disclose the fact that its timber resources are wellnigh exhausted. Once heavily timbered, this area presents a picture now of slashings and stumps. The same ruthless, heedless exploitation that destroyed the forest resources of other areas brought devastation here. Almost too late Americans have awakened to the fact that their forests were not inexhaustible. But we are facing a fact, and there is nothing to be gained by sitting down and wringing our hands over what might have been. Where forests grew once they will grow again. Reforestation is not a lost art. There is still time to conserve those resources that still remain. Only last month the National Forest Reservation Commission approved a project for two counties in the Upper Peninsula which, if carried to completion, will go far in time to repair some of the damage that has been done,

The National Forest Reservation Commission is to be complimented highly for its far-sighted policy in connection with this and other programs which it has approved.

It is estimated that this project of reforestation and conservation will go far toward stabilizing the economic life of a large portion of the inhabitants of these counties. I see no valid reason why, in place of the dilapidated sawmills, in place of the ghostly remains of once bustling sawmill communities, in place of cut-over, unsightly acres, we cannot look forward to operating mills, thriving communities, and forested acres. That the United States should follow a program of reforestation is so obvious as to require no argument on my part, and I submit that no region at the present time offers greater oportunities for this type of work than the Upper Peninsula of Michigan.

A complete survey of the natural resources would show, I am sure, that practically no advantage has been taken of the agricultural possibilities of the region. This is a region of abundant rainfall. It faces no hazards because of possible drought. It is a region of fertile soil. It is estimated that one and one-half million acres in the Upper Pensinusla are suitable for agriculture. But a fraction of these acres are now under cultivation. There is no valid reason why dairying, the growing of vegetables, forage crops, poultry should not play an important part in the economy of the Upper Pensinsula. But, again we should know the facts before we act.

I am convinced, given sensible social planning, that an economy, partly agricultural, partly industrial, is admirably adapted to this region. For many, part-time employment in the forest industries, pulp-wood mills, veneer mills, or in the mines, or in industries based on fishing or in connection with the resort business, and part-time employment on farms would be welcome. Until we have pursued such possibilities to the end and found them hopeless we are not ready to talk of moving people out of this area.

Much in the way of economic development waits in the Upper Peninsula of Michigan upon the development of its power resources. I do not propose at this time to elaborate on the possibilities of power development. These are practically unlimited. Again we need a survey, however, before acting. I am positive that the development of electrical power in this region would be ample to inaugurate a program

of rural electrification on an intensive scale. The production of cheap power in the Upper Peninsula will make possible the refinement of magnesium carbonate of which there are extensive deposits in Schoolcraft County. Dow metal manufactured from magnesium carbonate is one-quarter lighter than aliuminum and has the same tensile strength and modulas of elasticity as steel. With the increasing demand for lighter equipment by railroads, by airplane, this mineral wealth should serve as the basis for employment of hundreds. Cheap power would be the basis of a revived lumber industry. It could be the basis of numerous seasonal industries based on agriculture, such as vegetable canneries, cheese factories, and others.

I have said that mining no longer can serve as the sole basis for employment in the Upper Peninsula. It is particularly true that the copper mines are no longer able to take care of the men once on their pay rolls. A complete survey of this region might disclose the reason for this. The curtailed activity is not due to an exhaustion of copper ore; nor is it due to the stress of domestic competition. The copper mines have closed, their employees thrown out of work and forced to seek relief, primarily because of the competition of cheap foreign copper. We have today an excise tax of 4 cents per pound on foreign copper imported into the United States. So far as protecting the American producer is concerned it might as well not be in existence. The cost of production for the average American mine is so much in excess of 4 cents per pound that foreign copper produced by peon and semislave labor can pay the tax and still be sold below the American ore. I am reliably informed that all of the noninsulated copper wire strung in the Upper Peninsula today came from Canada. Yet we speak of moving people out of a county, rich in copper ore whose mines are idle. They need not be idle. There is an American market for copper and I intend to introduce legislation in the near future that will give that market to the American producer.

It has not been intended that these remarks should cover completely the scope of the natural resources of the Upper Peninsula. I emphasize that only a complete survey can tell us what these resources are. I do not believe, that I am wrong in asking that such a survey be made. To talk of moving 50,000 people is a serious business at any time; to talk of moving these from a region that has an abundance of natural resources seems to me foolish in the extreme. I respectfully ask that Congress grant the appropriation that I have called for in my resolution.

# PUBLIC UTILITIES

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein an address delivered by Mr. Roberts, people's counsel of the District of Columbia.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address of William A. Roberts, People's Counsel for the District of Columbia, before the National Municipal Ownership League, at the Willard Hotel, February 23, 1935:

It is a rather remarkable thing that in the Capital of the Nation, a city requiring special services, and under the immediate eye of the Congress, that there is no publicly owned utility. The telephone messages from the governmental departments, and even from the White House, are carried by a commercial company, whose officers and directors are vitally interested in the activities of the Government. Indeed the interpurse telephone with the contraction of the commercial company.

whose officers and directors are vitally interested in the activities of the Government. Indeed, the interbureau telephone, switching from one Government department to another, is handled by an exchange of the Chesapeake & Potomac Telephone Co. on a permessage basis, the operators being employed by that company. There is no doubt but that the constant threat of Government ownership has caused a higher efficiency of utility management in Washington than exists in most jurisdictions. Like a mild attack of measles, the abortive efforts to establish publicly owned power plants have apparently strengthened the resistance of the corporations operating here and developed their technique in protracting and delaying congressional action so as to defeat any attempt at acquisition of the present properties.

You must bear in mind that the residents of the District of Columbia have no franchise. This means, in effect, that the

erson seeking high Government office in the District must trim

person seeking high Government office in the District must trim their sails so as to avoid public antagonism and at the same time to profit by the invisible but powerful wind of the favor of the city's largest commercial enterprises—the utilities. It is true that occasionally some citizens' association—one of the 70 or more organized in the city—will adopt a resolution in favor of Government ownership. However, the complex method of enacting legislation in effect here, requiring as it does the action of both the House and Senate, is made even more difficult by the necessity of the action by separate Appropriations Committees. Thus it almost literally true that no District legislation can pass Congress except by unanimous consent, and it is always comparatively easy to secure at least one objector and to defeat any proposal which is not satisfactory to the utility interests.

Illustrative of this difficulty is the history of development of hydroelectric power from the waters of the Potomac River. For many years Senator George Norms, of Nebraska, has sponsored and studied such development. Exhaustive reports have been prepared, usually by the Corps of Engineers of the United States Army, but by the time the reports were completed the immediate interest in the project has materially diminished. I hope I may be pardoned if I express a skeptical attitude toward the reports which have heretofore been made. The most recent engineer study indicated that it would be impossible for the Government, even with its low interest rate, to produce electric current at Great Falls, only 15 miles from the District of Columbia, for less than 5 mills per kilowatt-hour. In the January hearing on the rates of the Potomac Electric Power Co. it was revealed that that than 5 mills per kilowatt-hour. In the January hearing on the rates of the Potomac Electric Power Co. it was revealed that that than 5 mills per kilowatt-hour. In the January heading of the rates of the Potomac Electric Power Co. it was revealed that that company was obtaining hydroelectric power in enormous quantitites from the Safe Harbor hydroelectric development in Maryland at a price which averaged for the year 1.5 mills per kilowatt-hour delivered in the District of Columbia. It is true that this is not a firm power rate, but, nevertheless, the supply was so nearly constant that the company suspended in part the operation of one of the most efficient steam-producing plants in the United States and relied upon the hydroelectric power. Incidentally you will be interested to know that the cost of generation of current by steam for the Potomac Electric Power Co. for the year 1934 was 3.2171 mills per kilowatt-hour, a reduction from the prior year, 1933, when the cost was 3.3403 mills. With the introduction of the hydroelectric power from the Safe Harbor highline the average cost of all current distributed in the District of Columbia and its environs was 2.996 mills; in other words, the average of steam and hydro was approximately 35/100 of a mill less than the cost of steam production in one of the finest powdered-coal plants yet constructed.

less than the cost of steam production in one of the linest pow-dered-coal plants yet constructed.

These production costs are comparatively low, but it must be borne in mind that they do not include profit nor the cost of distribution. They do, however, support the contention that hydroelectric development of the Potomac River is financially practicable. It is my contention that the construction of a dam at Great Falls and of a dam at Chain Bridge together with storage at Great Falls and of a dam at Chain Bridge together with storage reservoirs in the upper Potomac is fully within the constitutional power of the United States Government regardless of the Tennessee Valley decision. The Government is a large consumer of electric current in the District of Columbia for its own purposes, and the local government, too, consumes great quantities of current. At present the cost for the lighting of public spaces, streets, and parks is in the vicinity of \$1,000,000 per annum. Furthermore, the construction of the Chain Bridge dam could avoid an imminent expenditure of about one and one-half million dollars for a bridge at that point and the Great Falls Dam could carry on its crest a highway permitting great saving of travel time from western Maryland to the South. As you know, the Potomac and Anacostia Rivers in the vicinity of Washington are tidal streams, and the condition of these waterways due to primitive sewerage disposal system is an increasing health menace. The storage of water for power production would permit a controlled flow during the summer months and would alleviate the unsanitary conditions now existing.

I have been present at conferences lately where conservative engineers expressed alarm at the possibility of tremendous damage to the hundreds of millions invested in Government buildings in down-town Washington in the so-called "triangle area." They were considering the construction of an enormous dike to prevent the flooding of the area which has an elevation considerably below the creek of the Potomac River as shown in historical records of previous flood conditions. previous flood conditions. The proper development of hydroelectric reservoirs on the Potomac River would avoid the expenditure for these dikes.

There remains the question of the practicability of additional producing facilities for Government use only without taking over the commercial market in the District of Columbia. Frankly, I doubt that the Federal and District requirements alone would justify an efficient power development of the river. However, consumption in the District has more than doubled in the last 10 years and there are signs of industrial awakening in nearby Virginia. Several high-cost separate governmental plants could be retired and the increasing demand for water in the District will retired and the increasing demand for water in the District will soon cause the suspension of power production at Dalecarlia Reservoir. May I call your attention, also, to the fact that the Pennsylvania Railroad has been electrified as far south as the Potomac yards on the Virginia side of the Potomac River and that the operation of the railroad alone affords considerable market in addition to providing high tension connections to the vast industrial area of Baltimore only 40 miles away.

In the so-called "Rau report", prepared for the House Appropriation Committee by Otto M. Rau, there is a comprehensive

analysis of transmission and distribution system in the District of Columbia. For some unknown reason the Rau report and its predecessors, which cost the District of Columbia \$50,000, have been buried in obscurity. Even if the contention of the utilities that the report underestimates the necessary investment costs is assumed to be correct, the report contains valuable fundamental data which could be used in subsequent studies of the situation. I would like to refer to the so-called "Washington Plan" of electric-rate regulation. In the National Municipal Review for November 1934, was published an article of mine which analyzes the so-called "sliding-scale method" and at the same time conveys a warning against attributing to this system of regulation all of the admitted benefits by way of rate reduction which the District has enjoyed. Differences in taxation alone account for a great part of the favorable showing of the local operation. During the

a warning against attributing to this system of regulation all of the admitted benefits by way of rate reduction which the District has enjoyed. Differences in taxation alone account for a great part of the favorable showing of the local operation. During the year 1934 the total local taxes paid, exclusive of Federal income and current tax, amounted to but 4 percent of the gross receipts of the power company. I am advised that the average of State and local taxes in the United States is in excess of 13 percent. The additional of \$1,200,000 to the taxes paid by the power company to establish a parity with the taxes paid by other taxpayers in this jurisdiction would require an upward adjustment of rates which would destroy the pretty picture now offered.

There are many other factors including comparatively low labor costs and an excellent load factor which account for the present rate level. I am advised that an adjustment of all labor rates of the Potomac Electric Power Co. field employees has recently been effected which will add a number of hundreds of thousands of dollars to its operating costs. The sliding-scale method of rate control has broken down by reason of tremendous, and I contend, unnecessary additions to plant which have increased the investment base from \$32,500,000 in 1924 to \$66,000,000 for the weighted average of the year 1934. The total reduction on the \$12,000,000 gross bills of local consumers for this coming year is only \$140,000. I predict that it will not be long before an upward adjustment of rates must take place unless regulatory methods are improved or the present sliding-scale formula is sharply amended. Legislation intending to increase the tax burden of the company so that it will pay a reasonable portion of the city's operating cost is now in course of preparation and cannot be avoided. The passive approval of the local consumers can and will change to an insistent demand that "something be done" as soon as the sliding scale starts to slide upward instead of downward.

While the

ownership of utilities.

Certain novel proposals for city-owned garages and parking areas are also current and have likewise met objections on theoretical

In summary, I might say that from past history and present indications, the District of Columbia will remain a stronghold of private operation and holding-company ownership. Our most pressing problem is, therefore, the improvement of the regulatory system to the greatest efficiency of which it is susceptible.

If any of you are interested in these other local projects, I would be glad to correspond with you rather than to take further time at

this meeting.

# PUBLICITY OF INCOMES

Mr. O'CONNOR, from the Committee on Rules, submitted the following privileged report for printing in the RECORD:

# House Resolution 155

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the into the Committee of the Whole House on the state of the Union for consideration of H. R. 6359, a bill to repeal certain provisions relating to publicity of certain statements of income." That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted. to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit, with or without instructions.

# PERMISSION TO ADDRESS THE HOUSE

The SPEAKER. May the Chair make this statement? There has grown up, as has been stated, a custom to get permission to address the House 3 or 4 days in advance of the day upon which the address is to be made.

As has been stated, this frequently interferes with business which may come up on that day. Gentlemen will recall that on yesterday, on account of several special orders which had | been made, one of the important committees of this House was denied a full day on Calendar Wednesday; and the Chair is disposed, without making any statement to that effect, in the interest of fairness hereafter, not to recognize gentlemen who make such requests certainly more than 1 day before the speech is to be made, and possibly only on the day on which it is to be delivered, because it is impossible 3 or 4 days in advance to determine whether such special orders will interfere with the urgent business of the House. [Applause.]

#### SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred

S. J. Res. 77. Joint resolution authorizing printing and binding for the Federal Power Commission; to the Committee on Printing.

#### ADJOURNMENT

Mr. STEAGALL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to: accordingly (at 4 o'clock and 33 minutes p. m.) the House adjourned until tomorrow, Friday, March 8, 1935, at 12 o'clock noon.

## COMMITTEE HEARING

## COMMITTEE ON THE PUBLIC LANDS

(Friday, Mar. 8, 10:30 a. m.)

Continuation of hearings on bill (H. R. 3019) providing for certain amendments to the Public Domain Grazing Act, room 328, Old House Office Building.

# EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

261. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for participation of the United States in the California Pacific International Exposition, to be held at San Diego, Calif., in 1935 and 1936, to be immediately available and to remain available until June 30, 1936, amounting to \$350,000 (H. Doc. No. 132); to the Committee on Appropriations and ordered to be printed.

262. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 5, 1935, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of New York and New Jersey channels, deep water in vicinity of Sandy Hook, N. J., through Lower New York Bay, Raritan Bay, Arthur Kill, Staten Island Sound, and Kill Van Kull to deep water in Upper New York Bay, including channel north of Shooters Island, authorized by the River and Harbor Act approved July 3, 1930 (H. Doc. 133); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

263. A letter from the Secretary of the Treasury, transmitting a proposed amendment to section 2 (a) of the act entitled "An act to create the White House police force, and for other purposes", approved September 14, 1922 (42 Stat. 841), as amended by section 2 of the act entitled "An act to authorize a necessary increase in the White House police force", approved May 14, 1930; to the Committee on Public Buildings and Grounds.

# REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. CULLEN: Committee on Ways and Means. H. R. 6359. A bill to repeal certain provisions relating to publicity of certain statements of income; without amendment (Rept. No. 313). Referred to the Committee of the Whole House on the state of the Union.

Mr. BURCH: Committee on the Post Office and Post Roads. H. R. 3612. A bill to provide for adjusting the for the relief of the Jay Street Terminal, New York; with-

compensation of post-office inspectors and inspectors in charge to correspond to the rates established by the Classification Act of 1923, as amended; without amendment (Rept. No. 315). Referred to the Committee of the Whole House on the state of the Union.

Mrs. JENCKES of Indiana: Committee on the District of Columbia. S. 403. An act to amend the act of Congress approved March 1, 1899, entitled "An act to authorize the Commissioners of the District of Columbia to remove dangerous and unsafe buildings and parts thereof, and for other purposes", and to further amend said act by adding at the end thereof new sections nos. 5 and 6; without amendment (Rept. No. 318). Referred to the Committee of the Whole House on the state of the Union.

Mrs. JENCKES of Indiana: Committee on the District of Columbia. S. 406. An act to amend an act approved May 1, 1906, entitled "An act to create a Board for the Condemnation of Insanitary Buildings in the District of Columbia, and for other purposes"; without amendment (Rept. No. 319). Referred to the Committee of the Whole House on the state of the Union.

# REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. LANHAM: Committee on Public Buildings and Grounds. H. R. 108. A bill to amend the act entitled "An act for the relief of contractors and subcontractors for the post offices and other buildings and work under the supervision of the Treasury Department, and for other purposes", approved August 25, 1919, as amended by act of March 6, 1920; without amendment (Rept. No. 314). Referred to the Committee of the Whole House.

Mr. TURNER: Committee on Military Affairs. H. R. 609. A bill for the relief of Newton C. Stalnaker; without amendment (Rept. No. 316). Referred to the Committee of the Whole House.

Mr. TURNER: Committee on Military Affairs. H. R. 2107. A bill for the relief of Frank Kroegel, alias Francis Kroegel; without amendment (Rept. No. 317). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 2186. A bill for the relief of John Kelly; with amendment (Rept. No. 320). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 4146. A bill for the relief of Mrs. Olin H. Reed; with amendment (Rept. No. 321). Referred to the Committee of the Whole House.

Mr. NICHOLS: Committee on Claims. H. R. 4800. A bill to authorize the settlement of individual claims for personal property lost or damaged, arising out of the activities of the Civilian Conservation Corps, which have been approved by the Secretary of War; with amendment (Rept. No. 322). Referred to the Committee of the Whole House.

Mr. NICHOLS: Committee on Claims. H. R. 4817. A bill for the relief of Matthew E. Hanna; without amendment (Rept. No. 323). Referred to the Committee of the Whole

Mr. TOLAN: Committee on Claims. H. R. 4844. A bill to provide for the reimbursement of certain enlisted men and former enlisted men of the Navy for the value of personal effects lost, damaged, or destroyed by fire at the naval radio station, Eureka, Calif., on January 17, 1930; with amendment (Rept. No. 324). Referred to the Committee of the Whole House.

Mr. GWYNNE: Committee on Claims. S. 282. An act for the relief of William Kemper; with amendment (Rept. No. 325). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 559. An act to authorize settlement, allowance, and payment of certain claims; without amendment (Rept. No. 326). Referred to the Committee of the Whole House.

Mr. RAMSPECK: Committee on Claims. S. 563. An act

out amendment (Rept. No. 327). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 1053. An act authorizing adjustment of the claim of the Rio Grande Southern Railroad Co.; without amendment (Rept. No. 328). Referred to the Committee of the Whole House

Mr. KENNEDY of Maryland: Committee on Claims. S. 1057. An act authorizing adjustment of the claim of the Pennsylvania Railroad Co.; without amendment (Rept. No. 329). Referred to the Committee of the Whole House.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BURDICK: A bill (H. R. 6499) referring the claims of the Turtle Mountain Band or Bands of Chippewa Indians of North Dakota to the Court of Claims for adjudication and settlement; to the Committee on Indian Affairs.

By Mr. COLLINS: A bill (H. R. 6500) to amend the act entitled "An act authorizing the attorney general of the State of California to bring suit in the Court of Claims on behalf of the Indians of California", approved May 18, 1928 (43 Stat. L. 602); to the Committee on Indian Affairs.

By Mr. ELLENBOGEN: A bill (H. R. 6501) to release veterans from the liability to pay interest on loans secured by adjusted-service certificates, and for other purposes; to the Committee on Ways and Means.

By Mr. GRANFIELD: A bill (H. R. 6502) to fix rates of compensation of certain employees in the employ of the War Department; to the Committee on Military Affairs.

By Mr. JONES: A bill (H. R. 6503) to provide for reduced interest rates on mortgages on certain small farms; to the Committee on Agriculture.

By Mr. McREYNOLDS: A bill (H. R. 6504) to amend an act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor"; to the Committee on Foreign Affairs.

By Mr. MORAN: A bill (H. R. 6505) to provide for the construction of three vessels for the Coast Guard designed for ice-breaking and assistance work; to the Committee on Merchant Marine and Fisheries.

By Mr. PIERCE: A bill (H. R. 6506) providing for the final enrollment of the Indians of the Klamath Indian Reservation in the State of Oregon; to the Committee on Indian Affairs.

By Mr. QUINN: A bill (H. R. 6507) to regulate the transportation in interstate commerce of moving-picture films showing or representing professional prize fights, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. GRISWOLD: A bill (H. R. 6508) to prohibit employers from influencing the vote of their employees in national elections; to the Committee on the Judiciary.

By Mr. BUCKLER of Minnesota: A bill (H. R. 6509) to extend the times for commencing and completing the construction of a bridge across the Rainy River at or near Baudette, Minn.; to the Committee on Interstate and Foreign Commerce.

By Mrs. NORTON: A bill (H. R. 6510) to amend the District of Columbia Alcoholic Beverage Control Act; to the Committee on the District of Columbia.

By Mr. MEAD: A bill (H. R. 6511) to amend the air mail laws and to authorize the extension of the Air Mail Service; to the Committee on the Post Office and Post Roads.

By Mr. VINSON of Georgia: A bill (H. R. 6512) to authorize the crediting of service rendered by personnel (active or retired) subsequent to June 30, 1932, in the computation of their active or retired pay after June 30, 1935; to the Committee on Naval Affairs.

Also, a bill (H. R. 6513) to authorize the Secretary of the Navy to acquire a suitable site at Pearl Harbor, Territory of Hawaii, for a rear range light; to the Committee on Naval Affairs.

By Mr. BACON: A bill (H. R. 6514) to provide for the application of the 2-cent rate on first-class mail matter for delivery within the confines of any incorporated city and to contiguous cities; to the Committee on Ways and Means.

Also, a bill (H. R. 6515) to amend section 1001 (a) of the Revenue Act of 1932; to the Committee on Ways and Means.

By Mr. FULMER: A bill (H. R. 6516) to amend an act entitled "An act to divide the eastern district of South Carolina into four divisions and the western district into five divisions" by adding a new division to the eastern district and providing for terms of said court to be held at Sumter, S. C.; to the Committee on the Judiciary.

By Mr. McLEOD: Joint resolution (H. J. Res. 199) to create a commission to study the navigation laws, rules, and regulations, and report with recommendations on their revision to insure maximum possible safety at sea, reduction of excessive operation and overhead expenses, proper discipline, and to promote efficiency of inspection and supervision of vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. MARTIN of Massachusetts: Joint resolution (H. J. Res. 200) for the preservation and restoration of the frigate *Constellation* as a national museum, and making Newport, R. I., its home port; to the Committee on Naval Affairs.

By Mrs. NORTON: Joint resolution (H. J. Res. 201) giving authority to the Commissioners of the District of Columbia to make special regulations for the occasion of the Seventieth National Encampment of the Grand Army of the Republic, to be held in the District of Columbia in the month of September 1936, and for other purposes, incident to said encampment; to the Committee on the District of Columbia.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ARNOLD: A bill (H. R. 6517) granting a pension to William E. Kimbrell; to the Committee on Invalid Pensions.

By Mr. AYERS: A bill (H. R. 6518) for the relief of Mike Chetkovich; to the Committee on War Claims.

By Mr. BARDEN: A bill (H. R. 6519) providing for an examination and survey of channel connecting Back Sound and Lookout Bight, N. C.; to the Committee on Rivers and Harbors.

By Mr. CASTELLOW: A bill (H. R. 6520) for the relief of Preston Brooks Massey; to the Committee on Claims.

By Mr. COLLINS: A bill (H. R. 6521) granting an increase of pension to Mary Lehnen; to the Committee on Invalid Pensions.

By Mr. GOLDSBOROUGH: A bill (H. R. 6522) for the relief of Asa C. Ketcham; to the Committee on Claims.

By Mr. KNUTE HILL: A bill (H. R. 6523) granting a pension to Jennie Ledford McNeill; to the Committee on Invalid Pensions.

By Mr. NICHOLS: A bill (H. R. 6524) for the relief of Cooper E. Davis; to the Committee on Claims.

By Mr. REILLY: A bill (H. R. 6525) for the relief of the West Bend Brewing Co.; to the Committee on Claims.

By Mr. RICH: A bill (H. R. 6526) for the relief of Harry W. Guild; to the Committee on Claims.

By Mr. ROBSION of Kentucky: A bill (H. R. 6527) granting a pension to Francis Collins; to the Committee on Invalid Pensions.

By Mr. ROMJUE: A bill (H. R. 6528) granting a pension to Sarah Jane Clutter; to the Committee on Invalid Pensions.

By Mr. RUDD: A bill (H. R. 6529) for the relief of Henry J. Benudert; to the Committee on Military Affairs.

By Mr. STACK: A bill (H. R. 6530) granting a pension to

Sallie J. Moore; to the Committee on Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 6531) for the relief of Bob Quillen; to the Committee on Military

Affairs.

By Mr. TOLAN: A bill (H. R. 6532) for the relief of C. J. Murrill; to the Committee on Claims.

# PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3101. By Mr. ANDREWS of New York: Thirty-eight petitions, containing approximately 400 names of residents of the Fortieth Congressional District of New York, protesting against the enactment of House bill 5423; to the Committee on Interstate and Foreign Commerce.

3102. By Mr. BLAND: Petition of 123 members of the Veterans' Administration facility, Virginia, favoring House bill 1; to the Committee on Ways and Means.

3103. By Mr. BOYLAN: Resolution unanimously adopted at the public meeting at the Town Hall Club, sponsored by the Women's International League for Peace and Freedom, urging the passage of the Wagner-Costigan bill which would make lynching a Federal offense; to the Committee on the Judiciary.

3104. Also, petition signed by Hon. Herman W. Beyer and other residents of New York City, opposing the passage of the Wheeler-Rayburn public-utility bill (S. 1725 and H. R. 5423); to the Committee on Interstate and Foreign Commerce.

3105. Also, resolution adopted by the Association of Master Painters and Decorators of the City of New York, opposing the passage of the 30-hour-week bill; to the Committee on Labor.

3106. Also, petition signed by Charles T. Goll and other residents of New York City, opposing the passage of the Wheeler-Rayburn public-utility bill; to the Committee on Interstate and Foreign Commerce.

3107. Also, letter from the president and officials of the E.R. Merritt Spring Co., New York City, urging the repeal of the "pink slip" amendment to the Revenue Act of 1935; to the Committee on Ways and Means.

3108. Also, letter from the Geiger Products Co., Inc., 108 South Street, New York City, favoring the passage of House bill 8584, by Congressman Bland; to the Committee on Merchant Marine and Fisheries.

3109. Also, petition signed by Charles Auth, of the Auth Electrical Specialty Co., engineers and manufacturers of New York City, and others, opposing the passage of the Wheeler-Rayburn public-utility bill; to the Committee on Interstate and Foreign Commerce.

3110. By Mr. BUCKLER of Minnesota: Petition of Verney M. Lanman, of Gonvick, Minn., commander of the Gonvick (Minn.) Post, No. 304, of the American Legion, and members of the post, favoring the Vinson bill (H. R. 3896) to make the immediate cash payment of the soldiers' adjusted-service certificates; to the Committee on Ways and Means.

3111. Also, petition of Albert Mandt, commander, and Carl T. Torgerson, adjutant, and members of the Comrade Post, No. 349, of the American Legion, Department of Minnesota, of McIntosh and vicinity, in Minnesota, favoring the Vinson bill (H. R. 3896) to make the immediate cash payment of the soldiers' adjusted-service certificates; to the Committee on Ways and Means.

3112. By Mr. CROWTHER: Petition of Group 53 of the Polish National Alliance of the United States, Schenectady, N. Y., urging enactment of House Joint Resolution 81; to the Committee on the Judiciary.

3113. Also, petition of citizens of Schenectady, N. Y., opposing passage of House bill 5423; to the Committee on Interstate and Foreign Commerce.

3114. By Mr. DUFFEY of Ohio: Petition of Rosa Steele, 444 Somerset Street, and 34 other citizens of Toledo, Ohio, urging the enactment of House Joint Resolution 69, creating in the Department of Justice a Bureau of Alien Deportation; to the Committee on Immigration and Naturalization.

3115. By Mr. FORD of California: Petition of the marble shop employees of Los Angeles, and other marble workers in California, asking Congress that marble work be not eliminated from the Government construction projects, and that the Secretary of the Treasury be requested to have the same specifications on marble work that have been the standard with the Treasury Department for many years; to the Committee on Public Buildings and Grounds.

3116. By Mr. FULMER: Concurrent resolution by the House of Representatives of the State of South Carolina, memorializing the Congress of the United States to include in its scope of relief work the restoration of tenantless lands due to soil erosion, so as to provide profitable work for the unemployed; to the Committee on Agriculture.

3117. Also, concurrent resolution of the House of Representatives of the State of South Carolina, urging the Congress of the United States to include drainage districts in its program of internal development; to the Committee on Foreign Commerce.

3118. By Mr. GAVAGAN: Petition concerning the repeal of the so-called "pink slip" provision of the revenue-income tax law; to the Committee on Ways and Means.

3119. By Mr. HANCOCK of New York: Resolution of Group 1260 of the Polish National Alliance, of Syracuse, N. Y., asking that October 11 of each year be set aside as General Pulaski's Memorial Day; to the Committee on the Judiciary.

3120. By Mr. HOOK: Petition of Edwin Anderson and 36 farmers of Dickinson County, Mich., urging the Congress of the United States to enact into law the Frazier-Lemke refinancing bill; to the Committee on Agriculture.

3121. Also, resolution passed by Lions Club of Iron Mountain, Mich., requesting the Congress of the United States to accord to copper a measure of protection sufficient to enable domestic mines and home owners to realize the proper and consistent benefits of the home market by placing an embargo on copper imports; to the Committee on Ways and Means.

3122. By Mr. JOHNSON of Texas: Memorial of Josie I. Coleman, postmaster, Tehuacana, Tex., favoring House bill 2890; to the Committee on the Post Office and Post Roads.

3123. Also, memorial of H. L. Gilbert, Robert Evans, H. P. Grizzard, R. H. McSpadden, E. A. Roberts, W. G. Johnson, R. C. Cole, W. C. Ellis, J. G. Milner, D. H. Burleson, H. B. Cole, Wayne Milligan, J. B. Coleman, H. M. Burleson, W. E. McKissack, W. B. Teer, J. O. Lewis, and John L. Bonner, of Streetman, Tex., opposing House bill 5585; to the Committee on Agriculture.

3124. Also, memorial of Hyder Brown, Roy Bishop, Whit Robertson, Alva Hill, Jim Vaughan, Arthur Dossett, O. Mc-Clain, Jim Anderson, Hazel Sanders, Dock Robertson, Cecil Bishop, John Wynne, Robert Belote, and Will Siddons, of Hillsboro, Tex.; and S. S. Skinner, C. O. Williams, W. B. Boyett, H. C. Russell, and W. C. Clements, of Purdon, Tex., opposing House bill 5585; to the Committee on Agriculture.

3125. By Mr. KENNEY: Concurrent resolution of the State of New Jersey, requesting the Congress of the United States, without further delay, to pass the Frazier-Lemke farm refinancing bills (S. 212 and H. R. 2066); to the Committee on Agriculture.

3126. By Mr. KRAMER: Resolution of the Poultrymen's Cooperative Association of Southern California, relative to relief to the poultry industry through the adoption of the proposed excise tax and such other relief measures as will tend to maintain a steady demand for domestic poultry production, etc.; to the Committee on Agriculture.

3127. Also, resolution of the Los Angeles City Council, relative to the proposal of providing funds to inaugurate a works program for the relief of the unemployed, etc.; to the Committee on Appropriations.

3128. Also, resolution of the California Mutual Water Companies Association, relative to refinancing loans, etc.; to the Committee on Banking and Currency.

3129. Also, resolution of the Oil Producers' Agency of California, relative to the further Federal control of the oil industry, etc.; to the Committee on Interstate and Foreign Commerce.

3130. Also, resolution of the Holy Name Society of Los Angeles, relative to the existing situation in Mexico, etc.; to the Committee on Foreign Affairs.

3131. By Mr. MORAN: Joint resolution of the State of Maine Legislature; to the Committee on Public Buildings and Grounds.

3132. By Mr. PFEIFER: Petition of Rollins Burdick Hunter Co., New York City, concerning House bill 5585; to the Committee on Agriculture.

3133. Also, petition of the Merchants' Association of New York, New York City, concerning House bill 5292; to the Committee on Interstate and Foreign Commerce.

3134. Also, petition of Milton Dammann, president American Safety Razor Corporation, Brooklyn, N. Y., concerning the repeal of section 55 (b) of the Revenue Act of 1934; to

the Committee on Ways and Means.

3135. Also, petition of the Bon Ami Co., New York City, concerning repeal of section no. 4 of the Interstate Commerce Act as provided in House bills 3263, 3610, and 5362; to the Committee on Interstate and Foreign Commerce.

3136. Also, petition of Milton Dammann, president American Safety Razor Corporation, Brooklyn, N. Y., concerning the public-utility holding-company bill; to the Committee on

Interstate and Foreign Commerce.

3137. Also, petition of the American Federation of Government Employees, New York Naval District Lodge, No. 36, Brooklyn, N. Y., concerning House bill 200; to the Committee on Expenditures in the Executive Departments.

3138. Also, telegram from the Malt Diastase Co., Brooklyn, N. Y., concerning Senate bill 1807; to the Committee on

Interstate and Foreign Commerce.

3139. By Mr. RICH: Petition of citizens of Mansfield, Pa., favoring House bill 2999; to the Committee on Interstate and Foreign Commerce.

3140. Also, petition of citizens of Williamsport, Pa., protesting against the passage of House bill 5423 and Senate bill 1725; to the Committee on Interstate and Foreign Commerce.

3141. Also, petition of citizens of Galeton, Pa., protesting against House bill 5423 and Senate bill 1725; to the Com-

mittee on Interstate and Foreign Commerce.

3142. By Mr. ROGERS of Oklahoma: Petition of J. D. McGruder and numerous other citizens of Akron and Sawyerville, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3143. Also, petition of G. W. Grant and numerous other citizens of Bolling and Greenville, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3144. Also, petition of Gaston J. Wrenn and numerous other citizens of Daytona Beach, Fla., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Com-

mittee on Ways and Means.

3145. Also, petition of Dick Russell and numerous other citizens of Coushatta, La., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3146. Also, petition of William E. Gibson, Sr., and numerous other citizens of Plaquemine, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Commit-

tee on Ways and Means.

3147. Also, petition of Grant Butler and numerous other citizens of Aiken, S. C., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3148. Also, petition of Will Robson and numerous other citizens of Marianna, Rondo, and Lexa, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3149. Also, petition of J. P. Chaves and numerous other citizens of La Jara, Colo., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3150. Also, petition of Alvin Bridges and numerous other citizens of Comer, Ga., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3151. Also, petition of John M. Dome and numerous other citizens of Pitts, Ga., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3152. Also, petition of B. S. Adams and numerous other citizens of Commerce, Ga., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3153. Also, petition of Wesley James and numerous other citizens of Choctaw, Edna, and Pennington, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3154. Also, petition of W. A. Davis and numerous other citizens of Parrottsville and Newport, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3155. Also, petition of Jim Pryor and numerous other citizens of Jasper, Tenn., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3156. Also, petition of Pat Keith and numerous other citizens of Wartburg and Lancing, Tenn., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3157. Also, petition of Frank Rosson and numerous other citizens of Parsons and Lexington, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3158. Also, petition of Eldridge Harris and numerous other citizens of Sawyerville, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3159. Also, petition of A. D. Noble and numerous other citizens of Blackwell, Roscoe, and Sweetwater, Tex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3160. Also, petition of P. H. Tucker and numerous other citizens of Groesbeck and Martin, Tex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3161. Also, petition of H. L. Lewis and numerous other citizens of San Antonio, Tex., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3162. Also, petition of Russell Feimster and numerous other citizens of Pottsboro and Gordonville, Tex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3163. Also, petition of G. T. Grubbs and numerous other citizens of Center and Shelbyville, Tex., favoring House bill 2856, by Congressman Will Rocks, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3164. Also, petition of A. L. Hail and numerous other citizens of San Antonio, Tex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3165. Also, petition of E. M. Howard and numerous other citizens of Ranger and Cisco, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3166. Also, petition of John Louis and numerous other citizens of Simonton, Tex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3167. Also, petition of S. A. Davis and numerous other citizens of Madisonville, Tex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3168. Also, petition of J. M. Maggerson and numerous other citizens of Fulton, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3169. Also, petition of R. P. Ewing and numerous other citizens of Glenwood, Ark., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3170. Also, petition of R. A. Gammill and numerous other citizens of Nashville, Center Point, and Dierks, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3171. Also, petition of H. T. Griffith and numerous other citizens of Cecil, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3172. Also, petition of R. W. Lipps and numerous other citizens of Clarksville, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3173. Also, petition of G. Snow and numerous other citizens of Grady, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3174. Also, petition of Harry Tolbert and numerous other citizens of West Helena, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3175. Also petition of Clemons Caldwell and numerous other citizens of Nashville, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3176. Also, petition of Raymond Bell and numerous other citizens of Covington, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3177. Also, petition of Pedro B. Salazar and numerous other citizens of Monte Vista, Colo., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3178. Also, petition of Frank Duncan and numerous other citizens of Kansas City, Mo., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3179. Also, petition of Soloman Carver and numerous other citizens of Abita Springs, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3180. Also, petition of Jimmie Holmar and numerous other citizens of Bonita, La., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3181. Also, petition of Wiley Benny and numerous other citizens of Shreveport, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3182. Also, petition of Willis T. Owens and numerous other citizens of Haynesville, La., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3183. Also, petition of S. W. Keefer and numerous other citizens of Sand Patch and Meyersdale, Pa., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3184. Also, petition of J. C. Owens and numerous other citizens of Bermuda and Repton, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3185. Also, petition of R. E. Fretwell and numerous other citizens of Marion and Suttle, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3186. Also, petition of Theodore Green and numerous other citizens of Birmingham, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3187. Also, petition of Fred Davis and numerous other citizens of Mobile and Wilmer, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3188. Also, petition of Dock Murphy and numerous other citizens of Cloverdale and Waterloo, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3189. Also, petition of John Borden and numerous other citizens of Talladega and Alpine, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3190. Also, petition of W. T. Clem and numerous other citizens of Elkmont and Vito, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3191. Also, petition of E. D. Turner and numerous other citizens of Duncan, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 per month; to the Committee on Ways and Means.

3192. Also, petition of Claud Morris and numerous other citizens of Glendora and Minter City, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 per month; to the Committee on Ways and Means.

3193. Also, petition of John Burner and numerous other citizens of Shepherdstown, Rippon, and White Post, W. Va., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3194. Also, petition of B. B. Miles and numerous other citizens of Moorhead, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3195. Also, petition of Elijah Bright and numerous other citizens of Yazoo City, Miss., favoring House bill 2356, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3196. Also, petition of C. H. Mintar and numerous other citizens of Guthrie and Crescent, Okla., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3197. Also, petition of T. T. Gilbert and numerous other citizens of Morrison, Okla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on

Ways and Means.

3198. Also, petition of Henry Ackerman and numerous other citizens of Danville, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3199. Also, petition of Frank Carron and numerous other citizens of Prairie du Rocher, Renault, and Fults, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a

month; to the Committee on Ways and Means.

3200. Also, petition of Charles E. Walcott and numerous other citizens of McHenry and Oakland, Md., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3201. Also, petition of Bruce Friend and numerous other citizens of Fearer, Friendsville, and Hazelton, Md., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3202. By Mr. RUDD: Petition of the American Safety Razor Corporation, Brooklyn, N. Y., concerning section 55 (b) of the Revenue Act of 1934; to the Committee on Ways and

Means.

3203. Also, petition of the Denobili Cigar Co., Long Island City, N. Y., concerning section 55 (b) of the Revenue Act of 1934; to the Committee on Ways and Means.

3204. Also, petition of W. J. Hamilton, Corona, Long Island, N. Y., concerning section 55 (b) of the Revenue Act of 1934; to the Committee on Ways and Means.

3205. Also, petition of the Van Iderstine Co., Long Island City, N. Y., concerning section 55 (b) of the Revenue Act of 1934; to the Committee on Ways and Means.

3206. Also, petition of the Imperial Metal Manufacturing Corporation, Long Island City, N. Y., concerning section 55 (b) of the Revenue Act of 1934; to the Committee on Ways and Means.

3207. Also, petition of the Queencrest Development Corporation, Beechurst Manor, Incorporated, Jamaica, Long Island, N. Y., regarding section 55 (b) of the Revenue Act of 1934; to the Committee on Ways and Means.

3208. Also, petition of Mayer & Lowenstein, Long Island City, N. Y., concerning section 55 (b) of the Revenue Act of

1934; to the Committee on Ways and Means.

3209. Also, petition of the Columbia Cable & Electric Co., of Long Island City, N. Y., concerning section 55 (b) of the Revenue Act of 1934; to the Committee on Ways and Means.

3210. Also, petition of the Krug Baking Co., Jamaica, Long Island, N. Y., concerning section 55 (b) of the Revenue Act of 1934: to the Committee on Ways and Means.

3211. Also, petition of Martin Gehringer, of the Manufacturers' Trust Co., Brooklyn, N. Y., concerning section 55 (b) of the Revenue Act of 1934; to the Committee on Ways and Means.

3212. Also, petition of Richet, Browne & Donald, Maspeth, Long Island, N. Y., concerning section 55 (b) of the Revenue Act of 1934; to the Committee on Ways and Means.

3213. Also, petition of the Tompkins-Kiel Marble Co., New York City, concerning section 55 (b) of the Revenue Act of 1934; to the Committee on Ways and Means.

3214. Also, petition of F. H. Ingalls, Brooklyn, N. Y., and six other citizens, regarding the Rayburn-Wheeler publicutility holding companies legislation; to the Committee on Interstate and Foreign Commerce.

3215. By Mr. SCHAEFER: Petition of the people of Springfield and central Illinois, in mass meeting assembled, representing all phases of religious beliefs, endorsing the resolution in Congress calling for an investigation of religious persecutions in Mexico as they affect the United States and its people; to the Committee on Foreign Affairs.

3216. Also, petition of Council No. 61, Polish National Alliance, East St. Louis, Ill., requesting Congress to designate October 11 of each year as General Pulaski's Memorial Day:

to the Committee on the Judiciary.

3217. Also, petition of Council No. 627, Polish National Alliance, East St. Louis, Ill., requesting Congress to designate October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

3218. By Mr. SHANLEY; Petition of Group No. 2327, Polish National Alliance, Wallingford, Conn.; to the Committee on

the Judiciary.

3219. By Mr. TRUAX: Petition of E. E. Enderle and other inspectors, of Cleveland, Ohio, respectfully requesting support of House bill 4464, providing for the classification of United States customs inspectors; to the Committee on Ways and Means.

3220. Also, petition of Ohio State Association of Township Trustees and Clerks, by their secretary, Charles P. Baker, Jr., Painesville, Ohio, favoring the appropriation of Federal funds for the improvement of secondary roads, including roads not on Federal or State highway systems; that such funds be allocated directly to the proper authorities of the local subdivision having in charge the improvement of such roads, as counties, townships, and road districts; to the Committee on the Post Office and Post Roads.

3221. Also, petition of the Federation of Women's Clubs of Greater Cleveland, with a membership of 25,000 women, by their president, Mrs. C. W. Walters, and secretary, Irene Branch, expressing its unqualified opposition to lynching and all other forms of mob violence and urging their Congressmen to support antilynching bills; to the Committee

on the Judiciary.

3222. Also, petition of the Columbus Stationers' Association, Columbus, Ohio, by their executive secretary, R. Reid Vance, opposing the passage by the Congress of the United States of a 30-hour-week bill at this time; to the Committee on Labor.

3223. Also, petition of J. C. Sipe and other citizens of Toledo, Ohio, regarding income-tax publicity as a wanton, meddlesome, and pernicious invasion of their privacy-it being their opinion that the responsibility for apprehending violators of the income-tax laws rests upon the duly constituted agencies of the Government and not upon busybodies. meddlers, snoopers, and self-appointed spies-and opposing a law that will permit and encourage every citizen to spy upon his neighbor and meddle in his affairs; to the Committee on Ways and Means.

3224. By Mr. TURNER: Petition of W. T. Croft and numerous other citizens of McEwen, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the

Committee on Ways and Means.

3225. By Mr. WITHROW: Memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to provide a relief program adequate to maintain a decent standard of living, and to accomplish other purposes; to the Committee on Appropriations.

3226. Also, memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to provide jobs for persons who have secured loans from the Home Owners' Loan Corporation and from other sources, and who because of unemployment are unable to meet the required payments; to the Committee on Banking and Currency.

3227. By Mr. WOLCOTT: Petitions of George F. Horn, of Anchorville, Mich., and 281 other members of Farmers Unions in St. Clair and Macomb Counties, Mich., urging the prompt enactment of the Frazier-Lemke refinancing bill; to the Committee on Agriculture.

# SENATE

# FRIDAY, MARCH 8, 1935

(Legislative day of Monday, Mar. 4, 1935)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

## THE JOURNAL

On request of Mr. Robinson, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day of Thursday, March 7, was dispensed with, and the Journal was approved.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had agreed to a concurrent resolution (H. Con. Res. 15) for the holding of memorial services in honor of the late Justice Oliver Wendell Holmes, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a bill (H. R. 2881) authorizing the adjustment of contracts for the sale of timber on the national forests, and for other purposes, in which it requested the concurrence of the Senate.

# MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

#### CALL OF THE ROLL

Mr. LEWIS. I note the absence of a quorum, and ask for a roll call.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams Ashurst Austin Bachman Balley Bankhead Barbour Bilbo Black Bone Borah Brown Bulkley Bulow Burke Byrd Byrnes Capper Carey Clark Connally Coolidge	Costigan Couzens Cutting Dickinson Dieterich Donahey Duffy Fletcher Frazier George Gerry Gibson Giass Gore Guffey Hale Harrison Hastings Hatch Hayden Johnson Keyes	La Follette Lewis Logan Lonergan Lonergan Lonergan McAdoo McCarran McGill McKellar McNary Maloney Metcalf Minton Moore Murphy Murray Neely Norbeck Norris Nye O'Mahoney Pittman	Radcliffe Reynolds Robinson Russell Schall Schwellenbach Sheppard Shipstead Smith Stelwer Thomas, Okla. Thomas, Utah Townsend Truman Tydings Vandenberg Van Nuys Wagner Walsh Wheeler White
Copeland	King	Pope	

Mr. AUSTIN. I announce that the Senator from Pennsylvania [Mr. Davis] is absent on account of illness. I ask that the announcement stand for the day.

Mr. LEWIS. I wish to announce that the junior Senator from Arkansas [Mrs. Caraway] and the junior Senator from Louisiana [Mr. Overton] are absent because of illness, and that the Senator from Kentucky [Mr. Barkley] is necessarily detained from the Senate.

The VICE PRESIDENT. Ninety-one Senators have answered to their names. A quorum is present.

# PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a petition of several citizens of Laurinburg, N. C., praying for the passage of old-age-pension legislation, which was referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by the Board of Supervisors of Monroe County, N. Y., favoring the ratification of the Great Lakes-St. Lawrence Deep Waterway Treaty, which was referred to the Committee on Foreign Relations.

He also laid before the Senate resolutions adopted by the Rochester Borough Council, of Rochester, Pa., and the Common Council of the City of Blue Island, Ill., favoring the passage of pending legislation proclaiming October 11 in each

year as General Pulaski's Memorial Day, which were ordered to lie on the table.

Mr. WALSH presented a petition of sundry citizens of Springfield, Mass., praying for the enactment of old-age-pension legislation, which was referred to the Committee on Finance.

He also presented memorials and papers in the nature of memorials of sundry citizens of Easthampton and Boston, Mass., remonstrating against the publication of personal income-tax returns, which were referred to the Committee on Finance.

He also presented petitions of sundry citizens of Boston and vicinity, in the State of Massachusetts, praying for the enactment of legislation providing immediate cash payment of adjusted-service certificates of World War veterans, which were referred to the Committee on Finance.

He also presented a resolution adopted by the Fifty-seventh Branch of the Lithuanian Alliance of America, S. L. A., Worcester, Mass., favoring the enactment of the so-called "Lundeen bill", or similar legislation, providing for old-age pensions and unemployment insurance, which was referred to the Committee on Finance.

He also presented resolutions adopted by a meeting of the Massachusetts Women's Constitutional League held at the Women's College Club, Boston, Mass., opposing the adoption of the so-called "Borah resolution", being the resolution (S. Res. 70) protesting against religious persecutions by the Government of Mexico and authorizing an investigation thereof by the Committee on Foreign Relations, and also opposing and favoring the passage of sundry other legislative proposals, which were referred to the Committee on Foreign Relations.

He also presented the memorial of Erik Borg and sundry other employees of the Morgan Construction Co., of Worcester, Mass., remonstrating against the enactment of the so-called "Black-Connery 30-hour-week bill", or other measures designed to reduce the working hours in the machine-building industry, which was referred to the Committee on the Judiciary.

Mr. MURRAY presented a joint memorial of the Legislature of Montana, favoring the enactment of legislation granting to the State of Montana a site containing a hotwater spring to be used for the benefit of an infantile paralysis sanatorium, which was referred to the Committee on Public Lands and Surveys.

(See joint memorial printed in full when laid before the Senate by the Vice President on the 5th instant, p. 2958, CONGRESSIONAL RECORD.)

Mr. BARBOUR presented a concurrent resolution of the Legislature of the State of New Jersey, favoring the prompt enactment of the so-called "Frazier-Lemke farm-refinancing bill", which was referred to the Committee on Agriculture and Forestry.

(See concurrent resolution printed in full when laid before the Senate by the Vice President on the 7th instant, p. 3080, CONGRESSIONAL RECORD.)

Mr. BARBOUR also presented the following concurrent resolution of the Legislature of the State of New Jersey, which was referred to the Committee on Finance:

Concurrent resolution requesting that the Congress of the United States enact an amendment to the United States Internal Revenue Act of 1934, preventing the imposition of a tax upon any State or Territory of the United States, the District of Columbia, or any political subdivision, agency, or district thereof

Whereas the construction given to the United States Revenue Act of 1934, by the Commission of Internal Revenue of the United States and the collector of internal revenue of the district of New Jersey, intends to classify every public utility operated by the several municipalities of the State as not being an exercise of an essential governmental function; and

Whereas the said aforesaid construction of the said United States revenue act affects every such public utility operated by the several municipalities of the State in that they are subject to the payment of the taxes provided for in the said United States Revenue Act of 1934; and

Whereas many of the municipalities of this State operating public utilities have acquired water distribution systems and are supplying pure and wholesome water for public and domestic consumption, including water for the use of their respective fire departments for the prevention of fire and for the use of their

respective street departments for the cleaning of their streets and sewers, and for their public-school systems and other like public

purposes; and

Whereas the various collectors of internal revenue, judges of the United States district court and judges of the United States circuit court of appeals have rendered conflicting opinions as to the intent, meaning, and construction of the language used in the said United States Revenue Act of 1934; and Whereas there is no express provision in the said revenue act that the States and their political subdivisions are in a Federal

taxable status; and

Whereas any Federal tax upon said States, their agencies, political subdivisions, or districts, is contrary to public policy: Now, therefore, be it

Resolved by the House of Assembly of the State of New Jersey

(the senate concurring):

(the senate concurring):

1. That the Congress of the United States should enact an amendment to the said United States Internal Revenue Act of 1934 preventing the imposition, directly or indirectly, of a tax upon any State or Territory of the United States, the District of Columbia, or any political subdivision, agency, or district thereof.

2. That a copy of this memorial, duly authenticated, be forwarded by the secretary of state to the President of the United States, the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, and to each Senator and Representative in Congress from this State.

sentative in Congress from this State.

LESTER H. CLEE, Speaker of the House of Assembly. FREDERICK A. BRODESSER, Clerk of the House of Assembly. HORACE G. PRALL,
President of the Senate. OLIVER VAN CAMP, Secretary of the Senate.

### SIX-HOUR DAY IN RAILWAY INDUSTRY

Mr. CONNALLY presented resolutions of Wichita Lodge, No. 652, Brotherhood of Locomotive Firemen and Enginemen, which were referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

BROTHERHOOD OF LOCOMOTIVE FIREMEN AND ENGINEMEN,

Beotherhood of Locomotive Firemen and Enginemen,
Wichita Lodge, No. 652.

To the Members of Congress of the United States:
Whereas there are approximately 50 percent of employees once in the service of the railways of the United States that are at this time out of service, and for the most part are on relief rolls, with no apparent prospect of being returned to their former positions, or other employment; and
Whereas certain conditions of contractual relations between the railways and certain of their transportation department employees permit of a condition where men are, on a mileage basis, permitted to work the equivalent of from 32 to 48 days per month, in some instances no limitation having been applied; and
Whereas our committees have utterly failed in their efforts with the management to effect any equitable distribution of mileage allowances, the management often giving every advantage and comfort to the senior employees in their piratical efforts to appropriate more mileage to their selfish selves; and

comfort to the senior employees in their piratical efforts to appropriate more mileage to their selfish selves; and
Whereas there is at this time a bill before the Senate and Congress of the United States having for its purpose the establishment of a 6-hour day in the railway industry: Therefore be it

Resolved, That we petition the Congress of the United States to enact into law these bills now pending before these honorable bodies making a 6-hour day for the railroad industry of the United States; and be it further

United States; and be it further

Resolved, We do especially urge, in the name of suffering humanity, now crying to high heaven for relief, a portion of the bill be made to fix an equitable maximum of days per month, or the equivalent thereof in miles, or any arbitrary allowances, an employee may be permitted to work, and providing a penalty for the violation thereof.

J. W. Parker, T. H. Boggan, J. E. Worthen, H. Hendrix, O. B. Allred, S. B. Bacher, J. K. Simmons, E. R. Blount, F. A. Reader, G. F. Strother, J. T. Ricks, W. C. McCollough, T. F. Tucker, H. A. Tanner, O. B. Brooks, E. B. Corley, R. M. Lay, V. J. Hess, M. Pye, E. L. Kimmerly, H. L. Koken, H. W. Wilborn, H. G. Kuykendall, W. K. Sparks, W. D. Alsobrook, Neal Rowland, T. J. Nichols, R. G. Gomer, J. H. Marberry, L. L. Spilhmann, H. H. Halsey, R. D. McIver, L. C. Rodgers, D. B. Sewell, M. M. Scarbrough, E. A. Stewart, N. R. Whited, W. J. Baker, W. C. Greenwood, T. R. Hanks.

"PINY SUR," PROVISION OF INCOME, TAY, LAW.

# "PINK SLIP" PROVISION OF INCOME-TAX LAW

Mr. ASHURST. Mr. President, each day for the past 10 or 12 days I have received upward of a dozen telegrams from valued constituents in Arizona urging me to vote to repeal the so-called "pink slip" provision of the income-tax law.

In order not to burden the contingent-expense account of the Senate with telegraph tolls, I here announce that I am in favor of the repeal of the "pink slip" provision. The is a report from the full committee?

"pink slip" serves no one and assists no one except the kidnaper, the highjacker, and the blackmailer.

# REPORTS OF COMMITTEES

Mr. WALSH, from the Committee on Naval Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 875. A bill for the relief of Michael F. Calnan (Rept. No.

277); and

S. 881. A bill for the relief of Leo James McCoy (Rept. No. 278).

Mr. CAREY, from the Committee on Military Affairs, to which was referred the bill (S. 2029) to authorize naval and Marine Corps service of Army officers to be included in computing dates of retirement, reported it without amendment and submitted a report (No. 279) thereon.

Mr. THOMAS of Utah, from the Committee on Military Affairs, to which was referred the bill (H. R. 5032) for the relief of the dependents of Carl Lindow, known also as "Carl Lindo", reported it without amendment and submitted a report (No. 280) thereon.

Mr. LOGAN, from the Committee on Claims, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

S. 560. A bill for the relief of the Western Electric Co., Inc. (Rept. No. 281); and

S. 908. A bill for the relief of Edwin C. Jenney, receiver of the First National Bank of Newton, Mass. (Rept. No. 282).

Mr. TOWNSEND, from the Committee on Claims, to which was referred the bill (S. 1821) for the relief of Frank White and others, reported it without amendment and submitted a report (No. 283) thereon.

Mr. BAILEY, from the Committee on Claims, to which was referred the bill (S. 1864) for the relief of the State of Nebraska, reported it with an amendment and submitted a report (No. 284) thereon.

Mr. GIBSON, from the Committee on Claims, to which was referred the bill (S. 37) authorizing the Comptroller General of the United States to settle and adjust the claims of subcontractors and materialmen for material and labor furnished in the construction of a post-office and courthouse building at Rutland, Vt., reported it without amendment and submitted a report (No. 285) thereon.

Mr. WAGNER, from the Committee on Public Lands and Surveys, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

S. 82. A bill to authorize the disposal of surplus personal property, including buildings, of the Emergency Conservation Work (Rept. No. 286); and

S. 1065. A bill to further extend the period of time during which final proof may be offered by homestead entrymen (Rept. No. 287).

# AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT RELATIVE TO RICE

Mr. SMITH. Mr. President, from the Committee on Agriculture and Forestry, I report back favorably, with amendments, the bill (H. R. 5221) to amend the Agricultural Adjustment Act with respect to rice, and for other purposes, and I submit a report (No. 289) thereon. I call the attention of the Senator from Arkansas [Mr. Robinson] to the

The VICE PRESIDENT. The bill will be placed on the calendar.

# GOVERNMENT OF THE VIRGIN ISLANDS

Mr. TYDINGS. From the Committee on Territories and Insular Affairs, on behalf of the subcommittee composed of Mr. Metcalf, Mr. Clark, and myself, I report a resolution requesting an investigation into the affairs of the Virgin Islands, and ask that it be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

The VICE PRESIDENT. Without objection, the report will be received and the resolution referred as indicated by the Senator from Maryland.

Mr. LA FOLLETTE. Mr. President, may I inquire if this

Mr. TYDINGS. The full committee voted that the subcommittee should prepare the resolution and tender it to the Senate.

The resolution (S. Res. 98) was referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

Resolved, That a special committee of five Senators, to be appointed by the President of the Senate, is authorized and directed to make a full and complete investigation of the administration of the government of the Virgin Islands. The committee shall report to the Senate as soon as practicable the results of its investigations, together with its recommendations, if any, for necessary legislation.

For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-fourth and succeeding Congresses, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed \$25,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

### EXECUTIVE REPORTS OF A COMMITTEE

Mr. SHEPPARD, as in executive session, from the Committee on Military Affairs, reported favorably the nominations of several officers for appointment, by transfer, in the Regular Army, which were ordered to be placed on the Executive Calendar.

## BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BULKLEY:

A bill (S. 2188) for the relief of the estate of Frank B. Niles; to the Committee on Claims.

By Mr. McNARY:

A bill (S. 2189) granting a pension to Jean L. Jadwin; to the Committee on Pensions.

By Mr. LOGAN:

A bill (S. 2190) to provide public educational facilities for certain children where adequate educational facilities are lacking; to the Committee on Education and Labor.

By Mr. VANDENBERG:

A bill (S. 2191) granting a pension to Francis K. Puckett (with accompanying papers); and

A bill (S. 2192) granting a pension to Marion Wells (with accompanying papers); to the Committee on Pensions.

By Mr. KING:

A bill (S. 2193) to provide for the construction, extension, and improvement of public-school buildings in Duchesne County, Utah; to the Committee on Indian Affairs.

By Mr. GUFFEY:

A bill (S. 2194) for the relief of Robert M. Foster; to the Committee on Claims.

By Mr. SHEPPARD:

A bill (S. 2195) to amend section 8 of the Agricultural Adjustment Act, as amended, by providing a system of crop insurance; to the Committee on Agriculture and Forestry.

A bill (S. 2196) to authorize the operation of stands in Federal buildings by blind persons, to enlarge the economic opportunities of the blind, and for other purposes; to the Committee on Education and Labor.

By Mr. BYRD:

A bill (S. 2197) to permit construction, maintenance, and use of certain pipe lines for petroleum and petroleum products in the District of Columbia; to the Committee on the District of Columbia.

By Mr. BONE and Mr. SCHWELLENBACH:

A bill (S. 2198) to amend Public Law No. 383, Seventy-third Congress, relating to Indians, by exempting from the operation of certain sections thereof the Yakima Indian Tribe of the State of Washington; to the Committee on Indian Affairs.

By Mr. NYE:

A bill (S. 2199) relative to the reasonable regulation of competition; to the Committee on Finance.

By Mr. HASTINGS:

A bill (S. 2200) for the refund of estate tax erroneously collected; to the Committee on Finance.

By Mr. BYRNES:

A bill (S. 2201) for the relief of William Leo Wurthmann; to the Committee on Naval Affairs.

By Mr. POPE:

A bill (S. 2202) to add certain lands to the Cache National Forest; to the Committee on Agriculture and Forestry.

By Mr. THOMAS of Oklahoma (by request):

A bill (S. 2203) to promote the development of Indian arts and crafts and to create a board to assist therein, and for other purposes; to the Committee on Indian Affairs.

By Mr. CUTTING:

A bill (S. 2204) to regulate the value of money in pursuance of article I, section 8, paragraph 5, of the Constitution of the United States; to create a Federal Monetary Authority; to provide an adequate and stable monetary system; to prevent bank failures; to prevent uncontrolled inflation; to prevent depressions; to provide a system to control the price of commodities and the purchasing power of money; to restore normal prosperity and assure its continuance; and for other purposes; to the Committee on Banking and Currency.

A bill (S. 2205) for the relief of Thomas F. Cooney; and A bill (S. 2206) for the relief of the State of New Mexico; to the Committee on Claims.

By Mr. GORE:

A bill (S. 2207) to establish in the Department of Agriculture a Soil Conservation Service to control flood waters affecting the navigability of streams, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. VANDENBERG:

A joint resolution (S. J. Res. 79) authorizing the President to present in the name of Congress a medal of honor to J. Harold Arnold (with an accompanying paper); to the Committee on Naval Affairs.

HOUSE BILL AND CONCURRENT RESOLUTION REFERRED

The bill (H. R. 2881) authorizing the adjustment of contracts for the sale of timber on the national forests, and for other purposes, was read twice by its title and referred to the Committee on Agriculture and Forestry.

The concurrent resolution (H. Con. Res. 15) for the holding of memorial services in honor of the late Justice Oliver Wendell Holmes was referred to the Committee on the Library.

# CHANGE OF REFERENCE

On motion of Mr. Sheppard, the Committee on Military Affairs was discharged from the further consideration of the bill (H. R. 2569) for the relief of the estate of R. A. Wallace Treat, and it was referred to the Committee on Foreign Relations.

# POWER REVENUES ON RECLAMATION PROJECTS-AMENDMENT

Mr. HAYDEN submitted an amendment intended to be proposed by him to the bill (S. 1924) to provide for the distribution of power revenues on Federal reclamation projects, and for other purposes, which was referred to the Committee on Irrigation and Reclamation and ordered to be printed.

# WORK-RELIEF PROGRAM-AMENDMENTS

Mr. KING submitted an amendment intended to be proposed by him to the joint resolution (H. J. Res. 117) making appropriations for relief purposes, which was ordered to lie on the table and to be printed, as follows:

On page 3, line 20, in the committee amendment, after the words "flood control", to insert "irrigation and reclamation."

Mr. COSTIGAN submitted amendments intended to be proposed by him to the joint resolution (H. J. Res. 117) making appropriations for relief purposes, which were ordered to lie on the table and to be printed, as follows:

In section 3, on page 5, line 20, to strike out the word "and" following the semicolon, and on page 6, in line 4, to strike out the period after the word "appointed" and add the following: "and

(c) utilize the Federal Emergency Administration of Public Works established under title II of the National Industrial Recovery Act without regard to any limitations imposed by said act, and said Federal Emergency Administration of Public Works is hereby continued until June 30, 1937, and is authorized to perform such of its functions under said act and such functions under this joint resolution as may be authorized by the President. All sums appropriated for carrying out the purposes of said act shall remain available until June 30, 1937."

On page 3, line 20, after the comma and before the word "flood", to insert the words "water conservation, transmountain water diversion, irrigation and reclamation."

## GOLD-ARTICLE BY THOMAS T. HOYNE

Mr. DIETERICH. Mr. President, I ask unanimous consent to have published in the RECORD an article on Gold and Its Use as Money written by Thomas Temple Hoyne, a student of finance, and financial writer of Chicago, Ill. While this article is covered by copyright, I have the consent of its author to insert it in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

## LOVE-O'-GOLD

Since Christopher Columbus, poor weaver, who forsook his trade for the sea, commanding a company of 120 adventurers aboard the Santa Maria, the Pinta, and the Nina, drove westward across the Atlantic in 1492 on the first of his four brave voyages of discovery, the world has produced 35,000 tons of virgin gold.

Thirty-five thousand tons! Long tons of 2,240 pounds each! Gold enough to rear a column of splendor 20 feet in diameter, 196 feet high—a tower of solid gold for all the millions of all lends in all climes to worship.

lands in all climes to worship.

And worship the millions would, in abject humility, for gold is the only thing so loved by man that it is eagerly sought in exchange for every other thing by every people, from the lowest to the highest, on the slippery steps leading upward from savagery to

### DOLLARS, DOLLARS, DOLLARS

DOLLARS, DOLLARS

That glittering 35,000-ton pillar of pure gold, untarnishable, indestructible, pointing magnificently at the stars, would represent in our money of January 1, 1933, approximately twenty-three and one-half billion dollars; in our new money of January 1, 1935, approximately \$39,000,000,000.

It would be worshiped as the recognized embodiment of the Protean power that in countless forms whips onward the affairs of men in order and in disorder; inspires the most earnest industry; instigates the basest crimes; makes the best brains wise masters or cringing servants; lays low the courageous; or puffs up cowardice into semblance of bravery.

This power is beyond accurate gage by statisticians poring over lifeless bank statements, corporate earnings, bond issues, price indices, and other laboriously grouped figures supposed to divulge the inmost secrets of economic progress or retrogression.

It was born of adoration of gold as a fetish, first aroused by the fancied resemblance of gold to the sun in the primitive minds of sun worshipers. Pieces of the sun they thought pieces of gold actually were, and they adored and treasured them as such.

BEFORE THE MINT

The sun god was worshiped throughout the ancient world. As Mathras by the Persians; Baal by the Chaldeans; Belphegor by the Moabites; Moloch by the Canaanites; Osiris by the Egyptians. In his glorification Babylonian and Assyrian temples blazed with

As "kin" the Mayas, ruling race of Yucatan when America was discovered, exalted him in their word for gold—"takin", meaning "excrement of the sun god." In the picturesque language of the Aztecs the word for gold, "teocuitlatl", had a similar meaning.

The alchemists took note of man's oldest religion when they called gold by the name of the old Italic sun god, "Sol."

# THE FIRST COINAGE

The inherited effect of religious worship of gold for thousands of years still safeguards it against possibility of depreciation as a universal medium of exchange. Many a monetary denomination records this tradition of intrinsic value.

An old French coin, the "sol", was replaced at the time of the French Revolution by the "sou." In Peru, once land of the sunworshiping Incas, the "sol" is today the monetary unit, equivalent to 48.7 cents of the former United States dollar.

But it was the ancient Lydians, claiming descent from Lud, son of Shem, son of Noah, who invented the coining of gold.

of Shem, son of Noah, who invented the coining of gold.

# PAPER MONEY

Paper money, however, had no worshipful origin in the traditions of the Middle Ages. According to Goethe, it was the invention of the devil himself.

In Faust the Chancellor reads to the Emperor the noble promise appearing on the first paper money, as follows:

"To all whom it concerns: let it be known Who hath this note, a thousand crowns doth own.
As certain pledge thereof shall stand
Vast buried treasure in the Emperor's land.
Provision has been made that ample treasure,
Raised straightway, shall redeem the notes at pleasure."

#### THE FIRST INFLATION

Later the Steward, describing the heady effects of this new currency, says:

"The flight of notes we could nowise prevent;
Like lightning notes were scattered on the run.
The changers' shops ope wide to everyone;
And there all notes are honored, high or low,
With gold or silver—at a discount, though.
From these to butcher, baker, tavern hasting,
One-half the world seems thinking but of feasting.
The other strutting, its new raiment shows; The other, strutting, its new raiment shows;
The draper, cuts the cloth, the tailor sews,
In cellars, 'Long live the Emperor!' is the toasting;
There platters clatter, there they're boiling, roasting."

Mephistopheles remarks sardonically:

"Nor gold nor pearls are half as handy as Such paper. Then a man knows what he has."

## WORTHLESS CURRENCY .

The subsequent tale of ruin was a poetic warning from the master mind of the German people, to which in modern times they paid no heed.

After the World War Germany thought she did not have sufficient money and plunged into an orgy of currency inflation. Late in 1924 the value of the mark, once monetary unit of the proud German Empire and worth 23.8 cents, had all but vanished.

A single United States dollar could buy 4,200,000,000,000 paper

"No complaint is more common than that of a scarcity of money", wrote Adam Smith, author of Wealth of Nations, in the last half of the eighteenth century. "This complaint, however, is not always confined to improvident spendthrifts. It is sometimes general through a whole mercantile town, and the country in its neighborhood. Overtrading is the common cause of it."

## IN THE WORLD'S PURSE

So it was in recent years in this country.

At the depth of the present depression the cry went up that there was not enough money with which to do business. But at that very time the amount of money in circulation was the largest in our history, and the volume of business that could be done was woefully small compared with the volume a few years before.

The world's monetary stocks of gold had grown to more than \$11,000,000,000 in 1931 from approximately \$5,000,000,000 in 1913.

The late Joseph Kitchen pointed out in the London Economist of January 31, 1933, that from 1913 to 1931 these monetary stocks had increased faster than economic activity.

No lack of gold accounted for the low level of prices in 1932. It was hoarding that made gold seem scarce—hoarding by individuals and nations.

and nations.

# OUTPUT OF GOLD

During that period (1913 to 1931) the record year of gold production was 1915, when the world's output was 22,593,833 fine troy ounces. In 1930 the output was 20,385,000 ounces—the largest

A new record of 24,226,000 ounces was set in 1932. In 1933 that record was beaten with 24,282,000 ounces, and in 1934 the output for the first 9 months (19,617,000 ounces) promised another new record annual production.

The British Empire accounted for 62 percent of the world's output in 1914; 70 percent in 1932. From mines in the Transvaal came more than one-half the total production for 1930.

In 1931 Canada moved up into second place as a producer of gold. The United States stepped down into third.

This country, France, Switzerland, Holland, and Belgium had 44 percent of the world's monetary stocks of gold in 1913; 71 percent

On January 1, 1927, the monetary gold of the United States had increased from less than \$2,000,000,000 before the World War to \$4,492,000,000—nearly one-half of the monetary stocks of the world.

This store of gold decreased to \$4,375,000,000 by January 1, 1928. But it began to climb again, and on September 16, 1931, it stood at the peak of \$5,016,000,000—equal to 44.54 percent of the world's total monetary stocks.

Five days later (Sept. 21, 1931) came suspension of gold payments by Great Britain, and the wrecking of the gold standard began.

# PANIC AND HOARDING

Panic swept over Europe. Nations and individuals went mad with the love of gold. Seeking some place of safety, they shifted it from country to country, stowed it away in vaults and safety-deposit boxes, buried it, hid it under mattresses, in teapots, cupboards.

At the end of 1931 the United States still had \$4,461,000,000 in gold; France, \$2,699,000,000; England, \$588,000,000; Switzerland, \$444,000,000; the Netherlands, \$361,000,000; Belgium, \$355,000,000; Italy, \$296,000,000; Germany, \$234,000,000.

Important decreases for the year were: Germany, \$290,000,000; the United States, \$135,000,000; England, \$130,000,000.

France gained \$600,000,000; Switzerland, \$310,000,000; the Netherlands, \$190,000,000; Belgium, \$170,000,000.

#### OUR BUSINESS WRECKED

Banks were tottering and crashing behind their paper bulwarks, the only defense they had against the attack of hoarders trying to get solid gold for intangible credit.

The net profits of 900 corporations in the United States, that had shrunk during 1930 from \$2,162,000,000 in 1929 to \$1,258,000,000, shriveled away in 1931 to \$592,000,000.

The profits of 38 iron and steel companies fell 99.9 percent under 1930; of 28 petroleum companies, 97.9 percent.

The number of business failures in this country during 1931 was 29,054, with total liabilities of \$2,280,829,316.

January 1932 set a new high record for the monthly number of failures—3,214, with total liabilities of \$308,273,000.

#### END OF THE GOLD STANDARD

In spite of the high record production of gold in 1932, 33 countries were listed that year by the United States Department of Commerce as "officially" off the gold standard, and 11 more as "practically" off.

At the end of September 1932 the United States, France, Switzerland, and Holland had 69 percent of the world's monetary stocks of

gold.

gold.

At these holdings ponderous pedants of an old and out-worn school of economics pointed the awkward finger of unconvincing explanation. In the words of one of them:

"This accumulation of gold in a few countries which did not need it for currency or credit purposes depressed the movement of prices and retarded the making of international payments. Although gold continued to be the only commodity acceptable to creditors, in a number of European countries, it ceased to perform its primary function as a basis for credit and currency." perform its primary function as a basis for credit and currency."

#### SOMETHING ABOUT MONEY

No wonder Mr. Arthur Brisbane frequently wrote in his entertaining column:

"Nobody knows anything about money."

The chief function of money has altered since the Victorian era. Then it was to act as a direct means of bringing about desired exchanges of things and services.

Bank checks and other forms of credit do most of that work nowadays. The chief function of money no longer is its direct use in effecting exchanges, but its service as a measure of value. Correctly to denote prices it must really be what it pretends to be.

#### THE 40-PERCENT FALLACY

Half a century ago, before so many financiers had learned to live by debt alone, hard cash played a more important part in the daily affairs of life. In this country no investment trusts stood at one end of the scale, no installment-selling plans at the

A wholesome memory of our paper-money experiences during Civil War days still survived. To be on the gold standard meant that money calling for redemption in gold must really be redeemable in gold at any time.

But this memory faded, with only recurrent flashes of vividness at longer and longer intervals. Meanwhile a banking convention grew into the financial obsession that only a portion of the gold represented by an issue of paper money need actually stand behind it to keen it sound hind it to keep it sound.

The old invention of Mephistopheles!
Forty percent came to be regarded as a requisite coverage. Why, nobody knows. Probably on no better authority than the confidence in 1929 that a share of stock must be worth from 15 to 20 times its annual earnings.

# A GLITTERING FICTION

No mystery obscures the reason why England was driven off the gold standard, and why every other country was driven off, including the United States. That reason is crystal clear. There was not enough gold to redeem the paper currencies issued

Those who had paper money, seeing all around them the ruin wrought by credit infiation in everything else, feared that their money might have been vitiated in the same way. When they rushed to get the gold it called for, they found their fears were

The gold standard was a glittering fiction. A \$10 bill, unless it happened to be a gold certificate (in effect, a warehouse receipt for \$10 worth of gold delivered to the Treasury of the United States to be returned on demand), was not sound money at all.

It was merely an instrument of credit, like a bank check or an individual's promissory note, that might, or might not, be worth what it pretended to be worth.

# THE WAY WE WERE

On February 28, 1933, the issues of paper money in this country, exclusive of silver certificates, were: Gold certificates, \$1,250,621,-639; national-bank notes, \$879,878,433; Treasury notes of 1890, \$1,214,500; United States notes, \$344,939,233; Federal Reserve notes, \$3,677,350,720; total, \$6,154,004,535.

The monetary stock of gold behind this paper money was \$4,379,539,509

But \$1,250,621,639 worth of this gold stood dollar for dollar to redeem the \$1,250,621,639 of gold certificates. This left \$3,531,728,727 of gold behind the remaining \$4,903,382,896 of paper money.

In other words, there was \$1,371,654,169 more paper money than there was gold to redeem it.

#### THE WAY WE ARE

What is the situation since the value of gold has been raised from \$20.67 an ounce to \$35 an ounce by Presidential proclamation, January 31, 1934?
On the first of last November it was this:

On the first of last November it was this:

The total volume of money in circulation, including silver certificates, silver dollars, subsidiary coins, and \$139,000,000 of gold certificates still outstanding, was \$5,453,684,537.

The monetary stock of gold behind this was \$8,001,522,568.

In other words, there was \$2,547,838,031 more gold than there was money of all kinds in circulation—more than \$1.46 in gold behind every dollar of that money.

## WORLD'S SOUNDEST MONEY

Furthermore, even if that \$8,001,522,568 of gold were reckoned at its old value of \$20.67 an ounce, instead of at its present value of \$35 an ounce, the total amount would be more than the monetary stock of gold on February 28, 1933, by over \$400,000,000.

No evidence of impaired Government credit is discernible in this

condition of our currency.

The money of the United States is by far the soundest money in the world.

It is unimpeachable.

## THAT GOLD IS OURS NOW

And lest we forget: Every dollar of that \$8,001,522,568 is now owned by the Govern-

ment of the United States.

No longer are nearly three and three-quarter billions of it (\$2,225,068,000 under the old valuation on February 28, 1933) an exclusive asset of the Federal Reserve banks, and thus owned by their member banks and, indirectly, by the individual stockholders

of those member banks.

Every dollar of that \$8,001,522,568 in gold belongs to the people of the United States of America.

That gold stands as their more than adequate guaranty, one to That gold stands as their more than adequate guaranty, one to another, that the billions of paper dollars in circulation are 100 percent sound. And no one, except in accord with governmental limitations, neither international banker nor domestic miser, can lessen that guaranty by taking out of the Treasury to ship abroad

## NO GOLD FOR PAPER

or to hoard at home, so much as a single dollar's worth.

How utterly the world has abandoned the gold standard was made clear in the foreign news during the third week of last October, when representatives of the seven countries composing the so-called "gold bloc" met at Brussels, talked vaguely, did nothing,

and adjourned to this month (January 1935).

Not one of these countries was really on the gold standard. Not in Switzerland, Holland, or Belgium was gold to be had for paper francs, guilden, or belgas. In Italy no gold was given in exchange

for paper lira. France was the only country where paper money was exchangeable for gold; and there only in one way, which required approximately \$8,000 worth of paper francs and plenty of patience. Presenting this sum at the Banque de France and demanding gold for it, would eventually obtain the gold in the form of a solid bar.

# FOREIGN EXCHANGE

British economists, voicing the international point of view—which is the English point of view—sagely was their heads and tell us we must stabilize our money for the benefit of worldwide trade.

Stabilized our money already is, as firmly as it ever was, and in exactly the same manner—by Federal law. But what about the pound sterling?

pound sterling?

Ever since Great Britain suspended gold payments the pound has jumped around between a low of \$3.14½ on November 29, 1932, and a high of \$5.52½ on November 16, 1933. Daily it wobbles like a jelly. England shows no inclination to stabilize the pound.

It looks like good business for England not to stabilize it. If through machinations of foreign exchange the pound could be forced up to a temporary equivalence with, say, \$5.25, note how much more cotton in this country and probably wheat in Canada a pound would buy; and then, if it could be let down again to temporary equivalence with, say, \$4.75, note how much easier it would be for English manufacturers to attract the purchasing power of importers here and probably in Canada.

# FOREIGN PROPAGANDA

The most depressing influence in the United States is psychological. Commonly described as "want of confidence", it is, in fact, woeful blindness to our own advantages that breeds a commercial inferiority complex upon which international propaganda plays effectively.

We are in more danger of economic poisoning from this kind of propaganda than from the thin, tricky logic of communistic

For months we have been told that we are lagging far behind the rest of the world on the road to recovery. What is the truth?

Take inventory of our economic blessings.

# SEEDS OF PROSPERITY

Our money is the soundest in the world; our tax burden probably the lightest among civilized nations; our average standard of living the highest; our opportunities the greatest.

Our national debt, not even considering disparity in population, is small compared with Great Britain's.

We are threatened neither with internal dissension—like France, Spain, Mexico, Germany, the Balkan countries; nor with possibility of war—like Japan, Russia, and those European nations that may become involved in disputes left in the wake of the settlement of the Saar controversy.

We need no currency inflation. Between eight and ten billion dollars of established bank credit stands unused, ready to express itself in industrial activity that will mean increasing employment, the instant business requires credit for justified expansion.

Stocks and commodities are full of promise of a higher price

#### OUR FUTURE IS HERE

Our greatest market for our own products is here at home where they are produced, not thousands of miles away. What ingredients of prosperity that compare with this one alone

has any foreign country?

Before another year rolls around developments abroad may make clearer to eyes over here the financial, economic, and social miseries that stalk through Europe. The wisdom of our alcofness from that incomprehensible turmoil of racial hatreds may become more manifest.

Those foreign countries, expounding the benefit of cooperation, urging us into closer international relations, owing us more than \$11,000,000,000 they refuse to pay—are they unmoved by love of

Note: The statistics in this issue are taken from, or based upon. Note: The statistics in this issue are taken from, or based apon, the figures of Dr. Adolph Soetbeer, Joseph Kitchen, the National City Bank Bulletin, the American Bureau of Metal Statistics, the Director of the United States Mint, the United States Department of Commerce, the Chicago Federal Reserve Bank, the Encyclopedia Americana. If social and economic effects of varying production of gold interest the reader, he may find entertaining Intrigue on the Upper Level, a recent novel by the editor of the Economic Forum, which describes life in 2050 A. D., when the secret discovery of how to manufacture gold at insignificant cost suddenly becomes public property.

THEORY OF COLLECTIVE BARGAINING-ADDRESS BY FRANCIS BIDDLE

Mr. WAGNER. Mr. President, I ask unanimous consent to have printed in the RECORD a very instructive and very able address delivered by Francis Biddle, Chairman of the National Labor Relations Board, before the Community Forum at Carnegie Lecture Hall, Pittsburgh, Pa., March 4, 1935, on the Theory of Collective Bargaining.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

H. G. Wells says, in his Experiment in Autobiography: "We are waking up to the fact that a planned world-state governing the complex of human activities for the common good, however difficult to attain, has become imperative, and that until it is achieved the history of the race must be now inevitably a record of catastrophic convulsions. \* \* No real going back to the old, comparatively stable conditions of things is possible. \* \* \* We are, therefore, impelled to reconstruct the social and economic organization until the new conditions are satisfied."

I take it that an essential premise of the new deal is that our American world here about us can be planned; and that we cannot go back to the old condition of things. Planning involves stabilization. Thus, in industry an attempt was made from within to eliminate cutthroat competition and outlaw unfair trade prac-

tices. Monopoly, where monopoly was desirable, was to be permitted under the watchful eye of the Government.

There are perhaps few economic theories with which most of There are perhaps few economic theories with which most of us could agree. To swing right, to swing left, is hardly the definition of a plan. Nor is the itch to change any more than the desire to stay inert—and let nature take its course—more than a very simple description of emotion. The words radical and conservative hardly more than describe a state of mind. They do not chart a direction in which we should go—or stay. Yet some general economic formulas are acceptable, even in the welter of prophecies and convictions. One such theory I shall take today as a starting point of my discussion. Simply, it may be stated as follows: Our domestic consumers' market in the past 5 years has been gradually drying up. The national income between 1929 and 1934 has been cut in half. We do not produce too much to consume, measured in terms of need; but our national income cannot absorb goods on a scale large enough to keep our vast plants running at capacity, or to put men back to work on anything like a ning at capacity, or to put men back to work on anything like a predepression basis. Our problem then is to increase consumption, to broaden buying power. The alternative of curtailing production, except as a temporary emergency, is hardly calculated to create

wealth.

How to increase the national income?

At this point, roughly speaking, two schools of thought divide. The first, its emotional outlook largely determined by its own easy comfort, fixed in the naive faith that a "comparatively stable condition of things" can again be achieved if the Government will only let business alone, uses the simple watchword of "recovery." Recovery first, reform afterward. Lower wages, and business men can sell at a profit. Profit will tempt capital. Take away the restrictions and the profit motive, regulated by the ordinary law of supply and demand, will stimulate business activity. New factories will spring up. The unemployed will go back to work. The inevitable course of nature will have its way.

As a general rule, that is the ready philosophy of a majority of American business men. Their most cogent argument is historical. It has always worked this way, and it will, therefore, work again. But those who believe that reform is essential before recovery, can be heard to question the method as well as the ideal. What himself a superior the method as well as the ideal.

kind of recovery do we want? Even in 1929 the national per capita income was definitely inadequate for a decent living. Production then was as inadequate from the point of view of need as it was overexpanded from the consideration of the adequacy of the national income to consume. Overconcentration of wealth was a historia because of the consideration of the consideration of the consideration of the constant was a historia because of the constant of the constant was a historia because of the constant of t toric phenomenon accentuated during the great boom; a tendency which progressively increased in the lean years. As wealth shriveled it also concentrated. The vicious circle closed in on a shrinking market.

And the process, accelerated since the Great War, has been going on for years. In 1849 the wage earners' share in each dollar created by manufacture was 51 percent; in 1919, 42 percent; and in 1933, 36 percent. In other words, the share going to profits and overhead and other costs has increased from 49 percent to 64 percent over the 84-year period. On the other hand, between 1919 and 1933 the average worker's producing capacity almost doubled; production per worker per hour in our manufacturing industries increased 71 percent, while their share, as I have said, dropped 6 percent.

The new deal—a new economic way of thinking—was based, partially at least, on a conviction that to sustain our economic structure, wealth must be more quickly and evenly distributed. None of us question that the wealth is there—the natural resources, the huge plant, the man power, the technological skill. How to spread it? For to sustain the very structure itself, topheavy with maldistribution, the fruits of field and factory must

be more widely consumed.

I believe that in the 2 years that have passed we have come to realize these truths, to hold them self-evident; that prosperity must have a broad basis; that it cannot balance on the apex of the pyramid; that we cannot drift back into good times; that lower real wages tighten the circle of economic destruction; that the profit motive, uncontrolled, will not distribute wealth; that we have been for many generations interfering artificially with the we have been for many generations interfering artificially with the natural law of supply and demand, so that it no longer works, if indeed it ever did work in a society maintained by the haphazard balancing of everyone's individual striving for advantage; that a few must be content with less if indeed they are to get anything at all; that the future, the very present, in fact, demands an economy consciously controlled to the desired end.

How then should these controls be exercised?

A definite attempt of our people to exercise control through its Government found expression in N. R. A. It is easy now, when the start has been made, when the first difficulties have been put behind us, to say that N. R. A. has broken down, that it should be

the start has been made, when the first difficulties have been put behind us, to say that N. R. A. has broken down, that it should be scrapped. We forget its lasting achievements—the virtual abolition of child labor, the elimination of competitive excesses in many fields, the increase of employment and pay rolls in many industries, resulting from codes. I do not believe that the social philosophy behind the N. R. A. will be abandoned. Other or modified social controls will undoubtedly be found. And perhaps we can find the reason for failure in those fields where failure has evisted. has existed.

The theory of code structure was that industry would police itself. Minimum prices and wages were to be fixed by industry from within itself, instead of being forced on us by an inexperi-

enced Government.

enced Government.

One basic clause written into all codes was the famous section 7 (a), a declaration of the right to organize and bargain collectively. But it was hardly more than the bold declaration of a right. Rights are not self-enforcing. If hours of work, wages, and basic working conditions had been the subjects of collective bargaining in code making; if labor, as well as industry, had written the codes and been equally represented on the code authorities; if the provisions of the codes then could and would have been enforced, I believe that today we should have had higher wages, a broader market, and more basic economic improvement. I believe in reform, therefore, because it builds a sounder recovery. In these last 2 years the banks have been saved and are sound, even if they do comparatively little business. Corporations are again figuring in black instead of red. The return from income taxes has increased. The combined index of business activity (Annalist) stood at 75 in December 1934, as against 69 in December 1933. The factory employment index (Bureau of Labor Statistics) was 79 for 1934, as against 75 for the year before. (The index of 100 is the 1923-25 average.) The Bureau's combined factory and nonmanufacturing index of average earnings from pay rolls was 101 in 1934, as against 94 in 1933.

The demand for consumers' goods has not kept pace with these One basic clause written into all codes was the famous section

The demand for consumers' goods has not kept pace with these apparent signs of improved conditions. Heavy industry is still at a standstill. Unemployment is almost as great as ever. In December, according to the survey of current business of the Department of Commerce, "over 19,000,000 persons, or about 15 percent of the total population, were receiving Federal relief, the cent of the total population, were receiving Federal relief, the largest total for any period since the present program has been in effect." The report on the operation of the National Industrial Recovery Act, just issued by the Research and Planning Division of N. R. A., shows unemployed in December 1934 of 10,830,000, as against 10,613,000 in December 1933. The basic market, the broad consumers' market, on which the whole system rests, in spite of the vast priming poured in by the Government, appears to be at a standstill. Without that priming the process of shrinkage would continue with far more disastrous results.

How about wages? Factory workers in 25 industries, according to the Bureau of Labor Statistics, averaged \$20.71 a week in December 1934, as against \$18.50 a week in December 1933. Common labor averaged \$0.40 an hour in December 1934 as against \$0.38 an hour in December 1933. In short, there was an increase of a little over 10 percent in the weekly wages of factory workers, and of 5 percent in the hourly wage rate of unskilled labor. But the cost of living in the same period has gone up about 5 percent, in which the largest increase is food—about 10 percent. There-

in which the largest increase is food—about 10 percent. Therefore, in the past year there has been substantially no change in the earnings of factory workers and unskilled labor.

What has happened to profits over the same period? In 1932, instead of any profit there was a loss in manufacturing business of 5.8 percent per share; in 1933, with an increased production of 19 percent, a small profit, nearly 1 percent on capital stock was realized. From figures thus far available it would appear that in 1934, with an increase of 4 percent in production, this profit has been further substantially lifted. According to a business survey in the New York Times the average dividends of 600 companies rose through 1934 to \$1.27 a share as against \$1.11 the year before. In December 1934, \$231,000,000 was paid in dividends as against \$191,000,000 in December 1933. The total market value of shares listed on the New York Stock Exchange increased almost a billion dollars in the year.

dollars in the year.

The N. R. A. report makes the following comparison of profits

between 1926 and 1934:

between 1926 and 1934:

"Even more startling is the light placed upon the lot of those receiving dividends and interest by historical comparison. Although pay rolls in December 1934 were only about 60 percent of the total in 1926, dividends and interest were 150 percent of their total in 1926. In short, the income enjoyed by those who received dividends and interest was 50 percent higher than in 1926, even though the national income has declined nearly 40 percent

even though the national income has declined nearly 40 percent since that date and volume of production has declined by one-third. Rough as the compilations are, clearly the recipients of profits have not failed to enjoy their proportionate share of the increase in industrial recovery."

Nor would it seem that the machinery of codes has effected any real redistribution of income. In some industries, the report finds, earnings have increased, whereas they have decreased in others. And any redistribution effected is often merely among the workers themselves. Thus, although female workers in the cotton-textile industry in the North enjoyed a real income in October 1934, higher by 7 percent than in July 1933; and in the South a real income higher by 16 percent—nevertheless the real income of the best paid two-thirds of the male wage earners in the North was smaller in October 1934 than in July 1933; and the upper 10 percent had a real income 8 percent smaller. The real income of the upper three-fifths of such workers in the South was also less in October than in July; and the upper one-tenth had 10 percent

the upper three-fifths of such workers in the South was also less in October than in July; and the upper one-tenth had 10 percent less real income (Bureau of Labor Statistics).

Profit rests on large-scale production which cannot live on the small market of the few wealthy, but must be absorbed in the vast and general market of the masses. To buy, the many must have the means. Consumption is the ultimate test of wealth. The few can consume only on a limited and vicarious scale. We have thought of consumption in terms of need and desire. But there is plenty of demand in that sense. "Demand", in the sense used when we speak of "supply and demand", involves the ability to pay as well as the desire to consume. It is the demand that can find satisfaction only through money; and, for an overwhelming majority of us, out of what we earn.

It cannot be denied that where collective bargaining exists, where unions are well-established and recognized, real wages are

It cannot be denied that where collective bargaining exists, where unions are well-established and recognized, real wages are higher, and work more regular. Moreover, any tendency of minimum rates fixed by codes toward pulling down the higher wage scale in a given industry would, of course, be checked by collective bargaining. If it were otherwise, if collective bargaining and unions meant lower wages and longer hours, we should have for them the enthusiastic support of employers of labor. But we do not. Employers are, not unnaturally, afraid of increased wage costs if the union is recognized. But without increased wages we cannot have the broad market necessary to absorb the fruits of large-scale production.

large-scale production.

There is, too, another factor involved, in considering the need for an increased wage income to workers. We have come to believe that unemployed men must be supported by the State where private charity is unavailing. If the base market is broadened by absorbing the unemployed under the demand of increased production stimulated by mass purchasing power, and higher wages, profits may be less. But so, too, will taxes. For a vast share of taxes, very much the greatest part today, goes into supporting the unemployed. It is a definite choice. You can't have your cake and eat it. Employers can have their profits taxed to be turned back eat it. Employers can have their profits taxed to be turned back by the Government through the medium of a dole paid to the unemployed, or they can forego some of the profits—get less but keep more—by paying higher wages. I can think of no alternative between a dole existence and a wage existence. If that is true, there can be no choice if we are to be free men.

For freedom to work and to live decently no longer means the theoretical freedom of a man to make a contract with the steel corporation. There is no freedom of contract where power is all on John Lewis, with half a million miners behind him, can make a contract, because he, too, with this vast power of collected labor, can say, "Take it or leave it." The forces are balanced; the game There are two theories about the relationship of capital and labor. One is the partnership theory, the other the class-war theory. The first insists that since both employer and men depend for their living on the success of the business they are necessarily partners and must cooperate to a common end. The boss and his workmen, under this conception, are the members of the partnership. Employers like this theory because it puts them in a position to object—with logic if you accept the definition—to any form of strike, agitation, unionization in fact, which interferes with the relationship. relationship.

The other approach is exactly the opposite. Class war, so it runs, the other approach is exactly the opposite. Class war, so it runs, is an inevitable result of our economic system. The interest of employer is absolutely opposed to the interest of his men. He is after as much profit as he can squeeze out of his men; they are alone interested in the highest wages they can get out of the

A little thinking will show that both these generalities

A little thinking will show that both these generalities are partly true; that each taken alone is misleading; that together they are not only not inconsistent but complementary. For the interest of each partner in any partnership agreement is to get all he can out of the business. If one gets more the other must get less. But that does not mean they cannot agree on the share of each, on the theory that their joint endeavor, mutually regulated, will be more satisfactory to both in the long run.

There is, however, one real flaw in the argument that the relationship is one of partnership, which is usually overlooked. A partnership is the result of agreement and presupposes equality of bargaining. This condition does not, as we have already said, apply to an individual seeking a job. The partnership is created as the result of an agreement. Thus it becomes fair to describe the relationship as a partnership only after an agreement has been as the result of an agreement. Thus it becomes fair to describe the relationship as a partnership only after an agreement has been entered into by the parties from some equality of bargaining power. Such agreements are collective bargaining agreements, signed by employer and union, and are real partnerships, which carry with them the joint good will and spirit of team play of real partnerships.

Therefore if employers are sincere in their insistence that labor Therefore if employers are sincere in their insistence that labor is a partner of capital; if they wish to work in cooperation with their employees instead of in continual struggle with them; if, in a word, they wish peace and not industrial war, they will say frankly, "We wish to bargain in groups; we will not exploit our labor by hiring individuals, but will honestly and sincerely treat labor as an actual and not merely as a nominal partner in the joint enterprise." Industry, instead of welcoming the Wagner bill, is preparing to fight it on all sides. It is a bill primarily intended to bring about by collective bargains that true partnership of which I have spoken. And yet on February 23 the Journal of Commerce characterized it as founded "upon the theory that there is a perpetual conflict between employer and employee." But the truth is that most employers do not want to treat labor on a basis of equality. They want neither alternative—free con-But the truth is that most employers do not want to treat labor on a basis of equality. They want neither alternative—free contracts or industrial war—because they are embedded in the passing doctrine that a workman should take what he can get. They do not mind occasionally "improving" his lot, if the improvement comes from the top down—the old gesture of charity. But free men hate charity as much as they cherish independence. So that collective bargaining has come to mean industrial freedom to American workmen.

This inconsistency rups through the whole concept adorted to

bargaining has come to mean industrial freedom to American workmen.

This inconsistency runs through the whole concept adopted by industry. Thus in its now famous "platform for recovery" the National Association of Manufacturers for the United States frankly expresses its view that the same principles need not be applied when dealing with industry as are called for in labor disputes. What is sauce for the goose is evidently not sauce for the gander, according to the association, which shies at the majority rule applied to employees. The desired result "demands that employer and employee be free to bargain collectively or individually"; and that we should "recognize the equal right of minorities or individuals to bargain for themselves, directly or through representatives of their own selection." All very well for employees. But no such limitation to collective bargaining should, according to the "platform", affect industry. For industry the majority rule is often advisable. The "platform", a little later, says: "Under appropriate safeguards the approved competitive practices and prohibitions submitted by the properly defined majority of a group, trade, or industry should be binding on the minority." The Wagner bill, in section 9 (a), provides: "Representatives designated \* \* by the majority of the employees in a unit appropriate for such purposes, shall be the exclusive representatives of all the employees \* \*." The parallel is not without interest.

That is why company unions, however effective for handling indinot without interest.

That is why company unions, however effective for handling individual grievances, cannot bargain collectively in any selective sense of the words. They don't and they are not intended to. The classic statement of such intent is a letter quoted in the Supreme Court's decision in 1930 in the case of the Texas & New Orleans Railway. The railway's vice president wrote the president explaining that to bargain collectively with a labor union under Government board arbitration proceedings would cost wage increases amounting to \$340,000, while to bargain "with our own employees" might cost only \$75,000. To this blunt dollar-and-cents end, the railway formed and fostered a company union "of our own employees." A man inside his shop is not free to bargain for his fellows. If he presses his bargaining too hard, he loses his job. But the trade-union representative is paid by the union to do the union's bargaining—not by an employer whom he is trying to convince. Of course, employers dislike outside interference, and like to sneer at "walking delegates." He cannot dominate them by the That is why company unions, however effective for handling indi-

most effective means which every employer has, and is loath to give up—the fear of the man's losing his job.

I do not underestimate racketeering in organized labor. It exists, unfortunately, as it exists in politics, in industry, among lawyers, and with bankers and brokers. Leadership is a crying need in this field as in the others. And I am convinced that there are today in our country employers who have some vision of the new industrial democracy that is bound to come, that is growing, here at our feet, inexorably; who will, perhaps, be leaders side by side with the leaders of labor. For with power grows responsibility. Democratic tradition cannot be built on the fear of consequences. It must be grounded in faith and courage and patience. If the faith is not justified, our institutions are, indeed, of no value. For ultimately men and not theories determine the achievements of our civilization.

## THE CONSTITUTION-ARTICLE BY CHARLES HALL DAVIS

Mr. SCHALL. Mr. President, I ask leave to print in the RECORD an article by Charles Hall Davis, of Virginia, on the Constitution. Mr. Davis argues that the new deal will eventually and logically destroy individual and political liberty through delegation of power to bureaucrats to administer as they wish. This transfer of power has been on the theory that "the forgotten man" cannot be protected under our Constitution, but that his welfare requires a strong centralized government as in Russia, Italy, and Germany.

The result of an application of this philosophy is the destruction of the American philosophy of Government that the individual has certain inalienable rights such as life, liberty, and the pursuit of happiness, and that he instead depends on the benevolence of his ruler and his privileges are granted him by his Government. His inalienable rights are wiped out and in their place he has privileges granted him by his ruler, and if the ruler is harsh or cruel or indiffer-

ent to his welfare the individual suffers. "The forgotten man" can only be protected if he has certain rights which he cannot alienate, and with which no despot or President can interfere, and which are superior to the rights of the Federal Government.

It is a contradiction in fact and in theory to delegate powers to the President that no branch of the Federal Government has. Nowhere in the Constitution is Congress given the right to delegate power to the President to deprive any citizen of his inalienable right to life, liberty, and the pursuit of happiness. In Russia and in Germany and in Italy this philosophy is practiced. Elsewhere in Europe the philosophy is gaining ground with no apparent help to "the forgotten man." But in the United States this philosophy can only be practiced at the cost of a revolution in Government and at the sacrifice of the Constitution which our fathers handed down to us. A step so momentous was not contemplated in the elections of 1932 and has no justification in theory or in practice. The 57 Heinz varieties of bureaus of our Federal Government, after a 2-year term, can only show 22,000,000 on the dole and 11,000,000 unemployed, and a business stagnation rapidly reaching the zero point. Meanwhile our public debt has mounted \$10,000,000,000 with the end not in sight and with the shoals of bankruptcy right in front of us.

The burden of these debts will rest on "the forgotten man" till discharged. Meanwhile the Roosevelt administration will not even leave him his constitutional rights if it is permitted to follow in the course of Germany, Italy, and Russia.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE NEW DEAL WILL REENSLAVE "THE FORGOTTEN MAN'

By Charles Hall Davis, of the Virginia bar

The proponents and advocates of the so-called "new deal" claim that it protects and safeguards the rights and interest of "the forgotten man."

Is such a claim well-founded? Or is it true that the succe carrying out of the administration's program must necessarily de-prive the humble citizen—"the forgotten man"—of the rights and powers inherent in him as a sovereign under our American

theory and plan of government?

The rights and powers of citizens of the United States represent the culmination and fruition of thousands of years of struggle for human freedom. If the so-called "new deal" jeopardizes this priceless heritage of American citizenship, every man, woman, and child should be warned and should be on guard to protect our

national birthright.

The so-called "new deal", if carried to its logical conclusion as apparently intended by the present administration, must even-

tually wipe out individual and political liberty, destroy American citizenship, and again reduce the humble and forgotten man to the position of political, economic, and social slavery which he held for thousands of years, and from which he was finally freed by the only new deal in history—that of 1787, which established the United States of America.

United States of America.

The political and social problem of "the forgotten man" is as old as history. The protection of the humble citizen, of the poor man, of the man of small influence, of the man who does physical labor, of the man who is the employee of another, of the toilers, and of the weak and helpless has been the most vital problem of the philosophers and sages of the past, who have repeatedly endeavored to formulate some political philosophy that will assure justice and equality of opportunity to each human being for the development of his personality and for the pursuit of his individual development of his personality and for the pursuit of his individual

happiness.
"The forgotten man" can be fully protected only when he holds his individual rights and powers under such a title and under such guaranties that no one can deprive him of them under any circumstances. If he holds them as privileges granted by government, then the same government which granted them can withdraw them at its whim; and in that case a tyrannical or dictatorial ruler can be the received to the properties of the properties.

at its whim; and in that case a tyrannical or dictatorial ruler can reduce any portion of the people to practical slavery whenever he desires to do so.

But if the rights and powers of the individual are held under a title superior even to that under which the government holds its powers, then the weak individual can be protected against the aggression and injustice of stronger men, and even of rulers, and true liberty can be preserved.

When the founders and framers of the American Republic attempted to formulate a governmental plan for the United States, they recognized that the rich and powerful needed little protection, in comparison with the humble, the lowly, the helpless, and the poor. They adopted a political philosophy which they believed would assure equality of right, equality of burden, and equality of opportunity to each citizen of the American Republic, a system under which "equal rights to all and special privileges to none" would be made possible.

In order to attain this end they recognized that the rights of each citizen, however humble, were equal to the rights of every

In order to attain this end they recognized that the rights of each citizen, however humble, were equal to the rights of every other citizen, however powerful; and to sustain this claim they recognized that those individual rights of each must be derived from the same source, and must be established as of such supreme dignity and as held under such a supreme title, that they could not be successfully invaded by any man or group of men, however strong and powerful, and could not justly be assailed even by the collective force of the community acting through its governmental agents.

In the Declaration of Independence the founders and framers

In the Declaration of Independence the founders and framers formulated and stated our political philosophy, whereby they undertook to protect "the forgotten man." In that great instrument they declared:

"We hold these truths to be self-evident; that all men are created equal; that they are endowed by their Creator with certain unalienable rights; that among these are life, liberty, and the pursuit of happiness; that to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed; that whenever any form of government becomes destructive of these ends it is the right of the people to alter or abolish it and to institute new government, laying its becomes destructive of these ends it is the right of the people to alter or abolish it and to institute new government, laying its foundation on such principles, and organizing its powers in such form as to them shall seem most likely to effect their safety and happiness."

This charter of our American liberties is based on principles so generally accepted and so universally recognized that they are declared to be self-evident, needing no proof.

The first statement declares that there must be equality of right, opportunity, and burden in any system of just government, by asserting the political equality of each human being with every other human being.

The second statement recognizes that man derives his individual

by asserting the political equality of each human being with every other human being.

The second statement recognizes that man derives his individual rights from the Creator Himself by direct endowment. Holding these rights under such a supreme title, man cannot be deprived of them nor restrained in their use by any lesser authority, save by his own consent. This being true, it necessarily follows that government can exercise only such restraints upon the individual as the people may entrust to government as their agent; and hence that government must derive all its just powers from the consent of the governed.

It is here further recognized that the sole purpose of government is to secure the individual in the exercise of his God-given rights; and that while the individual derives his rights from Diety by direct endowment, government is delegated its entrusted powers by human beings, and can properly exercise only such powers as are delegated to it. The position of government as a limited agent and servant of the people is asserted, and the reserved rights of the people as sovereigns over government (and as its creator) to alter and abolish the agency, and to institute new government, with such delegated powers as they may choose to grant, is expressly recognized; with renewed emphasis on the fact that the only purpose of government is to effect the safety and happiness of the people.

Under this political philosophy "the forgotten man" is protected so long as that philosophy is maintained and enforced. The humblest citizen holds his rights by endowment from the Creator, under such a solemn and supreme title that the most powerful citizen cannot deprive him of them; and government itself, representing the collective force of the community, cannot justly take

senting the collective force of the community, cannot justly take

them away. Tyranny and arrogance on the part of rulers is provided against by declaring that rulers are mere agents and servants, removable by the people at will, and having no powers save those entrusted to them by the people, which powers can be exercised only in accordance with the terms of the entrustment.

save those entrusted to them by the people, which powers can be exercised only in accordance with the terms of the entrustment. To enforce and effectuate this political philosophy the Constitution of the United States was adopted. That Constitution was merely a means to an end. It provided the machinery for carrying out and administering certain enumerated powers delegated to the Federal governmental agent under its terms, and expressly stated that "the powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively or to the people."

It limited the powers to be administered by enumerating them, expressly reserved from Federal governmental control all powers not delegated; and then proceeded to outline how the entrusted powers should be exercised.

A marvelous system of checks and balances was provided to prevent any usurpation of additional powers, and to guard against any attempted extension of the powers delegated to one department through usurpation of those entrusted to other departments. A supreme court was provided for, so that any attempted extension of the granted powers, or any invasion of reserved State rights, or any invasion of individual liberty by any department of the Federal Government could be restrained.

Under this American political philosophy and governmental plants.

Under this American political philosophy and governmental plan the "forgotten man" was not dependent upon the whims of his temporary rulers for the recognition and maintenance of his rights or for protection in his pursuit of his own happiness along lines of

his own choosing.

Each man had the unalienable right to pursue his happiness as he chose, provided that he did not interfere with the similar and as he chose, provided that he man being to pursue a similar course. equal right of every other human being to pursue a similar course. Each had a right to life, liberty, and the pursuit of happiness, which last the Supreme Court has said means the right to acquire, which last the Supreme Court has said means the right to acquire, use, and own property. To exercise these rights no franchise or grant of privilege from government was necessary. The rights were recognized as inherent in each human being, and the task of the Government was to secure these rights—not to interfere with them or destroy them. A man could own and use property as a natural right. He did not have to secure a permit or a certificate of necessity from government in order to carry on a legitimate business. Government could not deprive him of this right; nor could the Government use its resources to engage in competitive business with him.

The function of the Government was to govern—that is, to

business with him.

The function of the Government was to govern—that is, to secure each individual in the exercise of his unalienable rights—and this was its sole purpose. It was not authorized to use the sovereign powers entrusted to it for the purpose of granting special privilege, or for benefiting one class as against another, or for the redistribution of wealth through taxation or by any other means, or for dispensing charity, or for developing the natural resources of the country, or for providing jobs for the unemployed. These are not proper functions of the Federal Government. No such powers were granted to it.

Such powers were granted to it.

Our Government was, moreover, designed as a government of law rather than of men. It was based on eternal principles of right and justice—not on the benevolence or malevolence of indiright and justice—not on the benevolence or malevolence of individual rulers. To it was not entrusted any authority to seize and exercise additional powers whenever the governmental agents thought that such a course would be wise. On the contrary, it was expressly declared that the powers not delegated to it by the Constitution were reserved to other parties; and the Federal Government was definitely inhibited from exercising any powers in addition to those granted, unless and until a further grant had been made.

The entire power of the Government was made available for use in the protection of each individual in the exercise of his God-given rights whenever those rights were infringed by other more powerful individuals. Even if some branch of the Government itself attempted to override the rights of the private citizen, the Supreme Court stood as a bulwark of liberty, ready to defend the humblest citizen against injustice and oppression, even if attempted by the President of the United States or by the

Abuses and injustice naturally arose, even under this system, for the system had to be administered by imperfect and selfish men, many of whom were constantly attempting to use the delegated power for the benefit of themselves or their friends. But these abuses arose from a distortion of the plan rather than from any fault of the plan itself. Chiefly they arose from the abandonment by the governmental agents of their proper function of restraint, and the assertion by them or some of them of the power to grant privileges or rights.

Government in the United States has no rights, but exercises Government in the United States has no rights, but exercises only delegated powers; and when government attempts to grant rights or privileges, it has distorted its real purpose, and has become tyrannical; for when special privilege is granted to one citizen over another, this destroys the very equality of opportunity guaranteed to each citizen under our political philosophy and by

guaranteed to each citizen under our political philosophy and by our constitutional plan.

The present administration came into power at the time of the culmination of a great economic depression, when "the forgotten man" had been noticeably oppressed and exploited by those of power and influence—when the ordinary citizen was struggling to make a living under economic conditions brought about by a distortion of our governmental theories and plan that made such a struggle a foredoomed failure.

Government had been used, not to secure the individual in the exercise of his unalienable rights but to grant special privileges and powers to favored groups, largely to corporate enterprises, which had been created by government for the convenience and use of human beings but which had become so swollen and arrogant with their combination of wealth and privileges that they had assumed to become the masters of the people and had in many cases reduced them to a position of economic slavery. Government, moreover, had unconstitutionally extended its functions and activities to such an extent that it had become topheavy and oppressive, and a great body of bureaucratic officers had been established who systematically oppressed the people.

Under these circumstances the Democratic nominee called attention to "the forgotten man", whose rights had been disregarded under these conditions. Those rights had been violated by distorting the plan and purpose of American Government, by an unconstitutional extension and enlargement of its powers, by the attempted grant of privileges to certain groups, and by the use of the entrusted powers for purposes other than those provided for by the entrustend powers for purposes other than those provided for by the entrustend powers for purposes other than those provided for by the entrustend of the ends set out in that philosophy as being its sole purpose, and in again enforcing the limitations on governmental powers set out in the Constitution which had been adopted in order to effectuate that philosophy.

To this program, the Democratic candidate solemnly pledged himself; and on the faith of that pledge, he was overwhelmingly elected. In the whole history of the United States, it is doubtful if there has ever been formulated and adopted a fairer or more admirable political platform than the one adopted by the last Democratic Convention at Chicago, on which Mr. Roosevelt was elected and which he pledged himself to carry out.

Upon taking office, the President took a solemn oath to "pr

But the administration has apparently abandoned and scrapped our political philosophy, and has violated and disregarded the limitations on governmental powers imposed by the Constitution. Pretense has been made that the rights of "the forgotten man" retense has been made that the rights of "the forgotten man" cannot be preserved under our political philosophy and constitutional plan; and the people have been urged to condone unprecedented usurpations of power by the Federal Government on the plea that only by vesting the President with dictatorial powers can the present situation be met. The benevolent intentions of the President have been advertised, and the advantages of a benevolent despotism have been widely proclaimed.

A benevolent despot is a contradiction in terms. However wells.

A benevolent despot is a contradiction in terms. However well-intentioned may be the ruler, yet a despot is one who seizes undelegated powers; and the good intentions of the ruler do not excuse his rape of authority. Moreover, the possession of power invariably leads to tyranny and oppression.

The present administration has undertaken to establish govern The present administration has undertaken to establish government as a partner of the people, rather than as their agent and servant. It has attempted to utilize government as a means of redistributing the wealth of the Nation, as an organization for the conduct of great business enterprises in competition with individuals, as a charitable organization, as a dispenser of jobs, as a developer of the natural resources of the country, as a means of diverting the wealth of one group for the benefit of another, and as a controller of the business of the country to such an extent that the individual can do little business without a permit from the Federal Government, and must then do it in conformity with rules and regulations established by bureaucrats in Washington, which may be changed from day to day, and which are enforced by the power of the Federal Government.

The Federal Government has ceased to be the servant of the

The Federal Government.

The Federal Government has ceased to be the servant of the people and has become their master. It daily asserts its mastership and its right to control all the details of their daily lives. It has rejected the theory of the supremacy of the individual over government, and asserts the supremacy of government over the people. It denies the right of each man to pursue his own happiness as he chooses and to develop his personality along lines of his own selection and occurrent the right of covernment to avernit the him to set tion, and asserts the right of government to permit him to act only upon a grant of permission or privilege. It has abandoned the theory that the people must support the Government, and attempts to establish the theory that government must support

the people.

In carrying out this plan it has imposed an unbearable burden In carrying out this plan it has imposed an unbearable burden of taxation, and has mortgaged the future of the American people to an unbelievable extent. It has trained the people to dependence on Washington for material help and business leadership, has impaired the initiative and resourcefulness of the American citizen, and has made him a mere subject of a dictatorial group. It has attempted to establish and is establishing the governmental philosophy and plan of the socialist school of thought. It is destroying the American Republic and rapidly driving us into a bureaucratic

despotism, where the cry is for ever more power in the Government, and ever greater restrictions on individual and political liberty.

The real issue today is not whether a further concentration of power in the Federal Government will afford some temporary economic relief, but whether we shall abandon the political philosophy adopted by the founders and framers, and the instruments established by them for effectuating it. They were familiar with dictatorships, with regimented states, with bureaucracy, with price fixing, and with all phases of governmental absolutism. These had been repeatedly tried in history and had always failed. They rejected all of these tried-and-proven failures and set up a government of laws rather than of men, a government founded on eternal and unchanging principles of right and justice, safeguarded by the most perfect instrument that ever came from the mind of man for the preservation of liberty, for the protection of "the forgotten man", and for the prevention of tyranny and oppression, namely, the Constitution of the United States.

Shall America become a mere province of an international so-

the Constitution of the United States.

Shall America become a mere province of an international socialist state, governed from some other country in the interest of a class? Or shall it return to the faith of the fathers and continue its great destiny as the citadel of individual and political liberty, the land where man may develop the personality with which the Creator has endowed him, with the least possible interference by government, and with the greatest possible respect for the similar rights of every other human being? Shall we be governed by dictatorial and tyrannical rulers and bureaucrats, or shall we govern ourselves? Shall we enforce equality of opportunity, of right, and of burden, or shall we have a government of special privilege, where government permits are needed before we can engage in the pursuit of happiness, and where the wealth and resources of the country must be seized to pay the cost of an army of bureaucrats employed to enforce curtailment of our essential liberties?

If economic welfare can be secured only at the price of such a sacrifice, it would come too dearly. We may temporarily escape economic vassalage to the powerful business corporations, but we are substituting therefor political and social slavery to a permaare substituting therefor political and social slavery to a permanent governmental bureaucracy. So long as the sovereignty of the people over government is maintained, economic abuses on the part of the favored classes and of corporate enterprises can be remedied; but when government is made sovereign over the people who create it, individual and political liberty disappear; and "the forgotten man", divested of his God-given rights, and exercising only such privileges as his rulers may grant, becomes the subject of despotic power, which ever seeks to enlarge its authority and to impose constantly increasing burdens and restrictions upon the great mass of the people.

Our past has shown that under our system of free government.

Our past has shown that under our system of free government, man can attain a position of economic welfare, of happiness, and freedom not possible under any other form of government yet developed. Distortions of our governmental plan have been responsible. sible for our troubles.

The reestablishment of our political philosophy and the reenforcement of limitations on governmental powers as set out in the Constitution will restore the United States of America to its old Constitution will restore the United States of America to its old position of leadership among the nations, and to its far more important position of protector of the weak and helpless, the only safe guardian of "the forgotten man", the citadel of human liberty, and the hope of mankind for the preservation of individual and political freedom.

"The forgotten man" was rescued from age-long helplessness and servitude under America's unequaled system of free institutions and of the sovereignty of the people. The new deal of 1787 accomplished this after thousands of years of struggle for human freedom.

human freedom.

The so-called "new deal" of today advocates an abandonment

The so-called "new deal" of today advocates an abandonment of these gains and a return to governmental despotism.

If the present administration program is carried to its logical conclusion, liberty will disappear, individual rights will be submerged in a flood of governmental privilege, and the "forgotten man" will be buried in the graveyard of the Sadducees, beyond the hope of resurrection, until in some distant age a more virile people, resentful of slavery, shall make another supreme sacrifice of blood and treasure to regain the freedom which Americans once had but supinely surrendered at the behest of theorists.

The so-called "new deal" will divest "the forgotten man" of his supreme dignity as a sovereign, strip him of his inalienable God-given rights, and make of the free American citizen a servile subject of autocratic and tyrannous power. Already, while we retain the forms of a republic, our rulers exercise the powers of dictators; and American citizens can act in many vital matters only by the consent of government, and then only in accordance with bureaucratic regulations. All too obviously, under such a system, "the forgotten man" must eventually "live and move and have his being" only at the whim of autocratic despots.

It was Thomas Jefferson who said, "Talk to me no more of confidence in man, but bind him down from mischief by the chains of

dence in man, but bind him down from mischief by the chains of the Constitution."

# THE ARMAMENT RACE

Mr. POPE. Mr. President, I ask leave to have printed in the Congressional Record an editorial in the Washington Post of this date entitled "The Armament Race." It seems very opportune at this time.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Friday, Mar. 8, 1935] THE ARMAMENT RACE

The British military estimates for 1935, representing an increase of almost exactly \$50,000,000—at current exchange rates—over those of last year, are not in themselves a serious evidence of the world-wide growth of militarism. No single step of this nature ever is. Moreover, His Majesty's Government can, and doubtless will, argue that the increased expenditure which it asks is far less than that which our own services are now demanding from Congress. Great Britain's proposed national defense budget, totaling approximately \$590,000,000, contrasts not unfavorably with the \$792,000,000 requested for this purpose in President Roosevelt's last Budget message

last Budget message.

Much more significant than the actual figures is the fact that Great Britain is abandoning, as this country has abandoned, its undoubtedly sincere efforts to secure at least a measure of disarmament. And it is a matter for very sober reflection when Great Britain and the United States join the general hysterical stampede which, if continued, can only result in another world war.

Behind such national "preparedness" programs there are always powerful forces. Their influence in any country is greatly augmented when other nations begin to arm heavily. A victous circle is then created which steadily becomes more difficult to cut. For this reason the collapse of the Disarmament Conference and the reckless programs of military expenditure on which virtually all countries are embarking as a result are matters of grave concern to all who possess any power of foresight.

In this situation no intelligent person will be satisfied by the superficial argument that Nation X must arm because Nation Y is arming. It is too apparent that the nationals of Y are using exactly the same argument in reverse. At the closing end of this

exactly the same argument in reverse. At the closing end of this chain of reasoning—blaming it on the other fellow—lies the com-

exactly the same argument in reverse. At the closing end of this chain of reasoning—blaming it on the other fellow—lies the completely catastrophic war which the great majority of people everywhere wish to avert. But what lies at the opening end? What has started the armament race which is now pressing with ever greater intensity on a world still staggering from its last debauch of belligerency? Is any solution suggested if the historical sequence is carefully examined?

At the close of the World War a great opportunity to start fresh on the subject of national security was presented to mankind. In the launching of the League of Nations, in the energetic preliminaries for the Disarmament Conference, in the tangible achievements of the Washington Naval Conference, are seen the valiant efforts which were made to seize that opportunity. They have failed neither because of munition makers nor because mankind wants war. They have failed primarily because of a simple blunder with two separate parts—the attempt to enforce compulsory disarmament on the defeated powers, while refusing to honor the pledge in the Treaty of Versailles which made that specified disarmament a preliminary to universal action in this field.

Soon or late the failure of the victorious nations to redeem that pledge was bound to result in surreptitious arming by Germany.

pledge was bound to result in surreptitious arming by Germany. Such action, particularly under fanatical leadership, could only cause fear, and therefore further arms increases, among Germany's reighbors. The atmosphere of growing suspicion, unsuccessfully disguised by the ineffective idealism of Geneva, inevitably encouraged the realistic Japanese to grab while the grabbing was good. The result: More fears, more arming, an ever-widening spread of the malignant prairie fire of thinly veiled antagonisms and ominous preparations.

Today recriminations in these matters can only feed fuel to the ames. The problem of civilization is not futile argument over who has the greater responsibility for what has come about. The problem is how to stem the mounting tide. Only in two ways can this be done. One is by resuming the collective effort for disarmament on a basis of real equality among the negotiating states. The other is by a truly courageous stand on the part of

states. The other is by a truly courageous stand on the part of those nations which have least to fear from their neighbors. The first method could end the present vicious circle by liquidating it; the second method could end it by a cut.

From an objective viewpoint it is becoming apparent that the Anglo-Saxon Nations are today laggard in giving more than lip service to the cause of peace. Great Britain is inclined to meet the collapse of the Disarmament Conference by arming against, instead of treating with, Germany. The United States is disposed to throw its hat into the armament ring with a belligerent shout. Of course, the policy of both Governments can be explained, excused, and justified. There are lots of stones to throw at the glass houses of others. But hurling those tempting stones will do less than nothing to solve the problem at hand. The present administration has had the courage and the statesmanship to try to break the vicious circle of mounting tariff barriers. It is curious that it should be so apathetic in face of the far more serious trend which is rapidly turning the world into a cluster of armed camps. camps.

# WAR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 5913) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1936, and for other purposes.

The VICE PRESIDENT. The question is on the motion of the Senator from New York to reconsider the amendment, on page 50, line 3, adopted on motion of the Senator from Mississippi [Mr. Harrison].

Mr. HARRISON. Mr. President, I will merely ask for a | division on the motion.

On a division, the motion was rejected.

Mr. COPELAND. Mr. President, I have a letter from the Secretary of War calling attention to the fact that the Budget had estimated the contingent expenses of the War Department at \$200,000. We had testimony on the subject, but did not take any action, apparently; and the Secretary asks, after the word "expenses", on page 5, line 22, that "\$180,000" be stricken out and "\$200,000" be inserted in lieu thereof. I think it should be done for the reason as stated by the Secretary in his letter, which I will ask to have printed in the RECORD. I offer the amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment submitted by the Senator from New York proposing, on page 5, line 22, to strike out "\$180,000" and insert "\$200,000."

The amendment was agreed to.

Mr. COPELAND. I now ask that the letter from the Secretary of War, to which I have referred, may be printed in

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WAR DEPARTMENT

Hon. Royal S. Copeland,

Chairman Subcommittee in Charge of

War Department Appropriation Bill,

United States Senate. Dear Senator Copeland: The Army appropriation bill just reported to the Senate fails to restore the \$20,000 deducted in the House from the appropriation "Contingent expenses, War Department." While the amount involved is relatively small, the failure

ment." While the amount involved is relatively small, the failure to provide it will deprive the War Department of supplies and services which are indispensable in administering the Army, and which cannot be secured from any other source due to the restrictive language of the bill.

Accordingly I am availing myself of this opportunity to urge that this sum be restored on the floor of the Senate when the bill comes up for consideration. The amendment required is as follows:

Page 5, line 22, after the word "expenses", strike out "\$180,000" and insert "\$200,000."

and insert "\$200,000."

The reduced appropriations of recent years have exhausted stocks of supplies and prevented replacement of worn-out equipment. Recently prices have doubled in several instances, the average increase being approximately 20 percent. Five hundred and fifty-four typewriters and 134 adding and calculating machines are from 10 to 16 years old. Practically all equipment was purchased during the World War, and replacement cannot be longer deferred. Unless relief is granted, it appears certain that the War Department will be seriously embarrassed in carrying on essential office work, and this embarrassment will be reflected in the field. the field.

Your assistance in the matter will be appreciated.

Sincerely yours,

GEO. H. DERN, Secretary of War.

The VICE PRESIDENT. The question is on the third reading of the bill.

# POSTMASTER GENERAL FARLEY

Mr. LONG. Mr. President, I wish to read an affidavit handed to me this morning.

Mr. COPELAND. Mr. President, will the Senator yield to me for a moment?

Mr. LONG. I yield.

Mr. COPELAND. Would the Senator be willing, because of the fact that I have to go to another committee, to allow the War Department bill to be disposed of? He may then take the floor.

Mr. LONG. I am not going to take very long.

Mr. COPELAND. Very well.

Mr. LONG. Mr. President, I have an affidavit which reads as follows:

United States of America, District of Columbia,

City of Washington. Before me, the undersigned authority, personally came and appeared Albert Caya, who, being duly sworn, deposes and says: That he was formerly business agent of the Carpenters' District Council of Washington, D. C., and vicinity; that while he was performing his duties as business agent it came to his attention that immediately after the window glass was taken out of the crates in which it was delivered from the manufacturer to the James Stewart Construction Co. job on the I. C. C. and Labor Building at

Fourteenth and Constitution Avenue, these boxes were burned; that he was further informed by the glazers who worked on this job that the labels on each and every glass were removed immediately, obviously, and in his opinion, for the purpose of concealing the inferior quality of the glass, which did not comply with the specifications, and to conceal the name of the manufacturer and the materialman; that all of the facts and allegations made herein are true and correct. are true and correct.

Sworn to and subscribed before me this 8th day of March 1935. [SEAL] My commission expires September 1, 1937. CHAS. E. ALDEN.

Mr. President, this gentleman, who is business agent of the local union, says that he can see no reason why the labels were removed from the inferior glass that Stewart & Co. was using other than to keep from having an identification made as to who was selling that glass. They also went to the extent that the minute the glass in this Stewart contract was used they would not only burn the boxes in which the glass came but would put water on the label and erase the label.

Now, I want to call the attention of the Senate to the fact that the Stewart Co. referred to in the affidavit of Albert Caya is the one buying materials from James A. Farley's interested concern. In other words, that peculiar matter occurred with regard to him.

Mr. President, I am going to send to the Committee on Post Offices and Post Roads what I thought might already have been considered by them. I am going to send to them a statement supplementing my statement on the floor and before that committee to the effect that campaign contributions being taken from Federal employees had been solicited by letters issued with the knowledge and with the understanding of Mr. Farley. I am not going to disclose the letters I have nor the names of those to whom the letters have been addressed, because manifestly those employees would be immediately dismissed from the service; but I have in my possession those letters and can produce them if a hearing is ordered in this case.

I expect before I conclude my remarks, as my clerk is on the way over here with it, to submit a copy of a letter, which has been photographed, from the files of the United States Treasury Department. I have noticed in the newspapers a statement by Mr. Norman Davis and by Mr. Farley that these charges are not true. It seems that the Committee on Post Offices and Post Roads is trying this case, trying it to see whether or not the charges are false or true. They are not having an investigation. They are taking what I send in there, and Mr. Farley is being called on to say, "Is this so or not?" and Mr. Davis is being called on to say, "Is this so or not?" Mr. Norman Davis comes into town, and he, along with Mr. Farley, has sent an affidavit or statement to the committee.

As soon as my clerk reaches here I shall have a photostatic copy of a letter written not by the United States attorney in Tennessee but by the Treasury Department to the United States attorney. My secretary has just handed me the letter. I have that letter before me now. Here is a photostatic copy of it. It is not a matter that originated with the United States attorney who has been dismissed. It is a matter against the Davis brothers running that bank down there, the case having been originated by the Treasury Department under instructions to the United States attorney. I send a copy of the letter to the desk and ask that it may be read.

The VICE PRESIDENT. Without objection, the clerk will read.

The Chief Clerk read as follows:

TREASURY DEPARTMENT,
OFFICE OF COMPTROLLER OF THE CURRENCY, Nashville, Tenn., August 12, 1933.

A. V. MCLANE,

United States District Attorney,
Middle District of Tennessee, Nashville, Tenn.
Sir: You will be advised that during the course of the regular periodical examination of the American National Bank of Nashville, Tenn., which examination was begun on July 6, 1933, the following unusual, "if not irregular", transactions are brought to our attention, which are in violation of section 5209 of the National Bank Act. COMPTROLLER'S CALL FOR REPORT OF CONDITION DECEMBER 31, 1931

A note for \$600,000, signed by Nashville & American Trust Co., A note for \$600,000, signed by Nashville & American Trust Co., carried in the assets of the American National Bank, was eliminated over the period through the following procedure: A note of the Fourth and First Banks, Inc., carried by the Nashville American Trust Co., for \$884,238.47, was discounted at par with the First National Bank of St. Louis, Mo., with a repurchase agreement signed by both the American National Bank and the Nashville American Trust Co. However, the books of neither show this repurchase Hability. (On Dec. 31, 1931, the National bank gave the State bank credit for \$500,000 on its books, showing this amout due to and from the State institution, and the State bank set up corresponding entries increasing its cash and due from banks \$500,000.) No cash was involved in the transactions, the entries were 200.) No cash was involved in the transactions, the entries were purely fictitious on the part of both banks, and said entries reversed on January 5, 1932, hence, it can readily be seen that such untrue statements are deceiving.

The records reveal that the cashier of the American National Bank, M. E. Barr, was granted a loan by said bank under date of June 26, 1933, for the sum of \$2,500, which is a strict violation of the Banking Act of 1933.

COMPTROLLER'S CALL FOR REPORT OF CONDITION JUNE 30, 1933

Transactions between the American National Bank and the Transactions between the American National Bank and the Union & Planters National Bank, of Memphis, Tenn., which are no more or less than fictitious entries for the purpose of padding or window dressing, and which transactions lend aid to deceiving the supervising officials of the banking business, namely, Comptroller of the Currency, Chief National Bank Examiner, and field examiners, and the depositing public, and such as is shown by the following tabulation of dates and accounts:

Date	Due from Union & Planters Na- tional Bank	Due to Union & Planters National Bank
June 28, 1935.  June 27, 1935.  June 28, 1935.  June 29, 1935.  June 30, 1935.  July 2, 1935.  July 2, 1935.  July 3, 1935.  July 4, 1935.  July 4, 1935.  July 5, 1935.  July 6, 1935.  July 6, 1935.	\$21, 520, 56 22, 477. 44 15, 122, 50 15, 961, 70 217, 423, 79 218, 823, 64 218, 823, 64 223, 582, 52 221, 675, 22 24, 608, 29	\$303, 276, 39 279, 091, 31 295, 127, 14 999, 020, 48 1, 400, 797, 26 1, 006, 955, 66 1, 018, 352, 79 1, 018, 352, 79 636, 214, 31 294, 750, 89

Hence it can readily be seen such entries compiled for purpose of window dressing over the period which it was known there would be a call for published statement.

Respectfully submitted for your consideration.

F. A. Guiles, National Bank Examiner.

Mr. LONG. Mr. President, there never were stronger charges of criminality and fraud and rascality contained in a letter relative to bank operations than in that letter. I have here a photostatic copy of the letter. The Department have not the only copy of it. They think they have all the records, but we have a few photostats which they did not take back. We have some other photostats.

There is a letter—the gentleman, I think, is still in the employ of the United States Treasury Department-from the banking department setting out one thing right after the other of rascality and fraud, and demanding action to be taken by the United States attorney in the middle district of the State of Tennessee.

I have submitted my own statement and I have affidavits from these men that when they were arranging to prosecute the cases, through the agencies of Mr. Farley, the United States attorney to whom this letter was addressed and to whom other matter was sent was removed and a special man was sent from Washington, D. C., who appeared on the scene and in 1 day's time made an hour's speech against indicting the men and, according to the affidavit of four of the jurors, undertook to and did succeed in convincing them that the grand jury should recommend that no action be taken in the matter.

There is the letter. The Senator from Tennessee [Mr. McKellar] has said he knows all about this matter and that there is not a word of truth in the charges. There is one of the letters, and it is not half of what we have. There is the letter, which was not written by the United States attorney. There is the letter written by the Treasury Department, a photostatic copy of which I have in my hand, in which the writer points out the rascality in the Davis Bros. bank and various other things that we have offered to prove.

Mr. President, I understand there are some misgivings on the part of some members of the Post Offices and Post Roads Committee, so I send to the desk a further memorandum which I ask may be referred to the Committee on Post Offices and Post Roads. It reads as follows:

Gentlemen, I beg to advise you that I have letters and witnesses to establish that under Mr. James A. Farley and with his consent, collections from Government employees in Washington have been solicited by him.

Yours sincerely.

HUEY P. LONG. United States Senator.

I ask that the letters and affidavit which I have sent to the desk be referred to the Committee on Post Offices and Post Roads.

The VICE PRESIDENT. They will be so referred. Mr. LONG subsequently said: Mr. President, I ask to have incorporated at the end of the preamble to Senate Resolution 74, providing for an investigation of Mr. Farley. the matter which I send to the desk.

The PRESIDING OFFICER (Mr. NEELY in the chair). Without objection, it is so ordered.

The matter referred to is as follows:

Add at the end of the preamble the following:
"Whereas it is alleged that the said Farley has been connected
with and the manager in charge of collection of money from
employees of the United States for political purposes."

Mr. McKELLAR subsequently said: Mr. President, I understand that, while all the members of the Committee on Post Offices and Post Roads were out of the Chamber earlier in the day, the senior Senator from Louisiana [Mr. Long] proposed the following amendment to the preamble of Senate Resolution 74:

Whereas it is alleged that the said Farley has been connected with and the manager in charge of collection of money from employees of the United States for political purposes.

I do not know exactly what that means, and for the present I make a motion to reconsider the action by which the amendment was ordered to be inserted in the resolution.

The PRESIDENT pro tempore. The motion will be entered.

# WAR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 5913) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1936, and for other purposes.

Mr. NYE. Mr. President, before the pending War Department appropriation bill is passed I feel that I should state the reasons why I shall vote against it; and while doing so I desire to express the hope that there may be a roll call upon the measure.

The bill provides the largest appropriation for the Army that has ever been provided in peace time. I think it constitutes a challenge. If not to nations that look with a degree of suspicion upon our intent and purpose, it is a challenge to the people of the United States.

Only 17 or 18 years after a "war to end war" we find ourselves engaged in mapping a larger program of preparation for more war than civilization ever before knew in peace time.

Included now in this bill is a provision, voted there yesterday, calling for an increase of 47,000 men in the personnel of the Army. Assuredly this, our challenge, is going to invite a competition which will find us back here next year listening to men setting forth what Japan and Russia and others have done since we increased our Army by 47,000 men, and we are going to be called upon to afford another increase. It invites, as it always has invited, further competition from those very nations, those very peoples against whom we argue ourselves into believing we must afford a larger national defense. Our naval program of the past few years has been such an invitation to competition.

This summer is going to find our fleet out in the Pacific in its so-called "maneuvers." Japan, which we heard so freely talked about yesterday, is also, in answer to that, going to conduct her maneuvers out in the Pacific. Just how near together the fleets of the two countries are going to be has not yet been determined. On the whole, what we are doing now is continuing in a game of bullying, in a game of enticing, in a game of encouraging the very thing that no one here will rise and defend.

Mr. FLETCHER. Mr. President-

The PRESIDENT pro tempore. Does the Senator from North Dakota yield to the Senator from Florida?

Mr. NYE. I yield to the Senator.

Mr. FLETCHER. I rise merely for the purpose of correcting the record. I know the Senator means to be accurate. While it is not so important, the actual increase in enlisted men is 46,250, not 47,000.

Mr. NYE. Oh! I beg the Senator's pardon for my terrible inaccuracy.

We are justifying this increase in personnel primarily upon the activities of other lands that have seen fit, during the past year, to increase their budgets in preparation for more wars.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. COPELAND. I cannot let that statement pass. It so happened that by the turn of the wheel of fate I was in charge of the bill. So far as I am concerned, I have never made an argument in favor of the increase in the strength of the Army on any such ground as the Senator has mentioned.

Mr. NYE. I am glad to have the Senator from New York enter his thought. It certainly is in keeping with his attitude during these days of controversy upon the bill; but we were made yesterday to listen to Senators who had Japan and Russia in agreement, with the assurance that Russia was going to get Alaska for furnishing the army, and Japan would take what was left of us for furnishing the navy, to do to Uncle Sam what they evidently were agreed ought to be done to Uncle Sam.

The point I am trying to make is that while we seek to justify our enlarged appropriations for military preparedness on the basis of the expenditures of others, others actually are doing the same identical thing. Our increase in personnel of 46,000 men tomorrow or today will be or is being heralded in Japan as a challenge which very soon will have Japan with at least 46,000 more men under arms. I say "46,000" now, not "47,000." Next year, I repeat, we shall be reminded of the increases which have been afforded in other lands; and if our attitude then is what it seems to be now, we shall listen closely. We shall provide the additional force asked for. The question arises, Where and what is to be the end of this race?

The facts are that if we were today to authorize additional personnel of a million men, next year would find us wholly without a so-called "adequate national defense."

Today the United States is spending almost three times what it expended in 1915 in the name of national defense; and yet the facts are that we have no better, no more adequate national defense today than we had in 1915. This is because every time we have taken a step forward in the direction of a more adequate defense, other nations have kept pace with us. Our defense is no better today than it was 20 years ago, and that in spite of the fact that we are expending millions upon millions more now than then.

I hope the time will never come when there shall devolve upon us the task of determining who is the pace setter in the mad military race which the world is witnessing today. I hope we shall never have to face a challenge by other lands which will carry an insistence that the United States is responsible for this mad race; yet we might well face the facts for whatever they may be worth.

Since 1913, the year before the World War came, and going up to 1930, every power on earth shows an increase in its appropriations for military purposes. From 1913 to 1930 Russia, Italy, France, and Great Britain have increased their costs of military maintenance all the way from 30 to 44 percent. During the same years Japan has increased her budget 141 percent. Over the same span of years we have increased ours quite 200 percent, to a point which finds our country today spending more money than is being spent by any other power on earth in getting ready for more war.

We needed 46,000 more men, so we were told, to provide a more adequate national defense. I wish it had been the privilege of every Member of this body to sit along with the members of the committee investigating the munitions industry, and there enjoy the advantage which has been that of members of the committee of knowing what "national defense" really means.

The facts are that there is not an admiral, there is not a general in our Military Establishment who will venture to say how many battleships we must have or how many men we must have enlisted to have an adequate national defense—not one—and when we called upon the War Department to indicate to us what was going to be the cost of an adequate national defense they virtually laid before the committee their blueprints for the next war. Those blueprints, Mr. President, do not call for a war here at home. They do not anticipate a war upon our shores. They do not anticipate a war in our own waters. They anticipate in every detail the cost and the need of preparation for getting men—3,000,000 men, to use their own figures—across thousands of miles of ocean. That is what they call "national defense."

Mr. COSTIGAN. Mr. President, will the Senator yield?
The PRESIDENT pro tempore. Does the Senator from
North Dakota yield to the Senator from Colorado?

Mr. NYE. I yield to the Senator.

Mr. COSTIGAN. Has the able Senator from North Dakota any authorized statements from Army sources of the sort he is now summarizing indicating the objectives of this elaborate program of military preparation?

Mr. NYE. I think the Senator will find most enlightening the testimony of Colonel Harris, of the War Department, before the committee, and particularly his statement, which required something over an hour to be read into the record. I urge the Senator from Colorado that he give that testimony and statement his consideration.

The Senator from New York yesterday deplored the cost and profit of war, as we all deplore the cost and profit of war; but I think that equally shameful, yea, disgraceful, is the cost and the profit of preparing for war here and elsewhere in the world.

Of course, it can be and has been said that the increased cost occasioned by the enlistment of between 46,000 and 47,000 new men in our Military Establishment is quite paltry, quite insignificant, that it should not bother us at all. What is twenty or forty million dollars of increase in a bill calling for \$400,000,000? We should not worry about things like that, especially when our national defense is at stake! Yet we, who consider in that wise the paltryness of \$40,000,000, have stumbled and dilly-dallied to keep down suggested appropriations of much less than twenty or forty million dollars when other departments of Government were involved.

Our financial difficulties today are like those being experienced all over the world. We are wholly unable here, in these Halls, to balance our Budgets; but we must not let that worry us, except when we are dealing with affairs of State, or except when we are dealing with the enforcement of law, or when we are dealing with enlargement upon our commerce. Then must we try to balance Budgets. But when the War Department and the Navy Department call for increased appropriations, shut yours eyes to the need of balancing Budgets; that is no place, it would seem, to give consideration to affairs of Budget balancing.

Mr. President, here in Washington, the Capital City of our land, the greatest capital in all the world, in order to balance budgets and meet these desperately hard times we turn off half or more of the lighting facilities of the city. In many States besides my own, schools are closing; but Congress cannot be interested for the moment in the appropriation of the millions that would be required to assist the people of this country to keep their schools open!

Mr. CONNALLY. Mr. President—

The PRESIDENT pro tempore. Does the Senator from North Dakota yield to the Senator from Texas?

Mr. NYE. I yield.

Mr. CONNALLY. Does the Senator think he is quite fair? Does he not know that last year, at least, contrary to the

money and make gifts to a number of States to assist them in

keeping their schools open?

Mr. NYE. The point I make is that, in spite of that help, there is desperate need for much more of it. There has not been enough help to keep the schools open. They are closing day after day in many States of the Union. The minute we get down to the consideration of additional appropriations to keep the schools open we are going to be shown how desperate is the need for balancing the Budget. "Where are you going to get the money", we are going to be asked. But no one is worrying about where we are to get the money to afford the increase for the Army and the Navy that is being asked this year. No one is worried about where the money is to come from. No one is asking why there should be any concern about it.

Mr. COSTIGAN. Mr. President, will the Senator yield again?

Mr. NYE. I yield.

Mr. COSTIGAN. Has anyone suggested that there is danger of an unbalanced Budget as a result of the very liberal War Department appropriations proposed in the pending bill?

Mr. NYE. I have not heard any concern expressed about the condition of our Budget in connection with the consid-

eration of the pending military bill.

Mr. President, we have appropriated large sums of money to take care of unemployment. Last year it cost the Army \$20,730 for saluting ammunition, and do Senators know where the money for that saluting ammunition came from? It came from the public-works funds allocated to the War Department. But we should not worry about that: that was in the name of national defense! Unemployment is quite another matter, and we can afford less for unemployment relief for a few men, so as to afford saluting ammunition, which is very, very necessary to the sustaining of our national defense!

Mr. FRAZIER. Mr. President, will the Senator yield to

Mr. NYE. I am glad to yield to my colleague.

Mr. FRAZIER. I was wondering whether my colleague had any information as a result of his investigation of munitions companies, as to the profit on the ammunition used in

Mr. NYE. I do not have at hand the information which might reveal how much profit anyone made out of this saluting ammunition; but I noted that the "economy" leagues and the "liberty" leagues, noting the Liberty League particularly because of the large interest in it of one of America's leading munition makers, have not yet seen fit to protest the increased appropriations for the Army and the Navy. There is not a word of protest from them relative to the budgets for these two Departments.

Mr. KING. Mr. President, will the Senator yield to me? Mr. NYE. I yield.

Mr. KING. The Senator just suggested that from the P. W. A. funds a certain amount was allocated for the purchase of saluting ammunition. Has the Senator any information as to the aggregate amount taken from the publicworks funds, which we supposed were for the purpose of giving employment to the idle, and allocated to the War Department and the Navy Department, notwithstanding the very large appropriations which were carried in the appropriation bills for those Departments a year ago?

Mr. NYE. Roughly, the total taken from public-works funds and allocated to the Army and the Navy for those two Departments was \$400,000,000.

Mr. KING. If the Senator will pardon me, I do not believe a single Senator, when the public-works bill was under consideration, understood or even suspected that a dollar of the money would be devoted to military and naval purposes, in view of the fact that the appropriation bills for the Army and the Navy carried more than \$700,000,000, as a matter of fact, approximately \$800,000,000.

Mr. NYE. I say to the Senator that the first allocation of public-works funds was in the amount of \$238,000,000 to

usual custom, the Federal Government did appropriate | the Navy Department for its continued naval construction, Mr. LA FOLLETTE. Mr. President, will the Senator yield

Mr. NYE. I yield.

Mr. LA FOLLETTE. I cannot agree with the statement made by the Senator from Utah that the Senate was not aware that this might be done, because one of the sections of the Public Works Act contained a provision granting specific authority to the President to transfer funds from the publicworks appropriations for the purpose of naval construction, and efforts made to eliminate that provision from the bill were unsuccessful.

Mr. KING. I think the Senator is correct in that statement. I had in mind the allocation to the Army, rather than a specific fund for the Navy.

Mr. NYE. Mr. President, may I say to the Senator from Utah that the allocation of \$238,000,000 to the Navy Department was on the first day of the life of the Public Works Administration. The law had just been passed. That was the first move made to get money into circulation in order to afford relief for unemployment.

Mr. KING. If the Senator will permit one more question, I shall then desist. The Senator is a member of the Committee on Appropriations, from which there has just been reported to the Senate a bill carrying \$4,880,000,000 for certain public works. Is there any prohibition in the bill to the effect that no part of that stupendous sum shall be devoted to the Army or to the Navy?

Mr. NYE. There is absolutely no provision within that bill forbidding a continuation of what has been practiced in the past. In all fairness it should be said that the President has made it very clear to me that he means to use none of the new public-works appropriation for naval construction. That does not mean that there will be no expenditures for military purposes.

Mr. BORAH. Mr. President, will the Senator from North Dakota yield to me while I offer an amendment to the \$4,880,-000,000 public-works bill, which I should like to have read, and then to lie on the table?

Mr. NYE. I yield to the Senator for that purpose, and I hope the proposed amendment may be read.

The PRESIDENT pro tempore. The clerk will read.

The legislative clerk read the amendment intended to be proposed by Mr. Borah to House Joint Resolution 117, as follows:

That no part of this appropriation or money herein provided shall be expended or used for military, naval, or aviation (when connected with military or naval enterprises) purposes.

The PRESIDENT pro tempore. The amendment will lie on the table and be printed.

Mr. NYE. Mr. President, I am delighted to see the amendment offered, and it is undoubtedly going to afford one of the most interesting battles of this session of Congress. No end of effort will be made to show how the enlargement of our Army and Navy means relief, means less unemployment. Yet, if we were to follow that course to its full extent, in the end we would find ourselves paying a penalty that would many, many times offset any benefit that might be derived from the expenditure of these moneys for these purposes.

Returning to the thought I was trying to express as to our differing minds—the mind as it exists first when we are considering appropriations for the ordinary purposes of the Government, and then the new mind which exists when we consider appropriations for our military establishments.

Mr. LEWIS rose.

Mr. NYE. Does the Senator from Illinois wish me to vield?

Mr. LEWIS. I would thank the Senator, if it would not disturb the thought of his present thesis, if he would let me bring him back to the subject matter he was just discussing before entering upon any new theme.

Mr. NYE. I yield to the Senator from Illinois.

Mr. LEWIS. Mr. President, I desire to submit to the Senator from North Dakota a query on the subject he was discussing. I was waiting for him to reach a period in that branch of the subject, as I do not like to disturb him after

he has entered upon a new phase of his discussion. My query is this: If it be true, as I am sure it must be from the Senator's statement, that under the provisions of the publicworks bill the sum to which he has alluded was transferred to the uses of the War and Navy Departments, I ask him, was not that money spent in the yards and in the works of those Departments?

Mr. NYE. Mr. President, of the \$238,000,000 which was allocated to the Navy not more than one-third has been expended. The whole amount cannot be expended in any period short of 3 years, and what has been expended, I think the testimony clearly reveals, might well have been expended for goods and supplies which were in stock. Only a small part of the total amount that has already been expended has been used to furnish new employment or additional employment for men.

Mr. LEWIS. Then, as I understand the Senator from North Dakota, that which was expended was expended in the yards and the enterprises of the Government, giving employment at home to our own people, by our own Government, and that which has not been expended, as I understand the able Senator, is still available to the Treasury—not yet spent—and therefore is yet the property of the Government?

Mr. NYE. Yes, Mr. President; but I suggest that if the Senator went to those in authority and sought a transfer of that allocation or any part of it to a department which needed the money to carry on relief work he would find himself with an exceedingly difficult task on his hands. Very jealously are they guarding against that money getting out of their fingers for one minute, however desperate may be the need in other fields.

Mr. LEWIS. Mr. President, to that I am unable to reply, because I do not know the demand that was made on the Army and Navy to transfer their funds to any other department; and I am not sure, so far as I am concerned, that there is any provision of the law which would authorize the Army and Navy to transfer their funds to other departments without some act of Congress authorizing such transfer or whether a demand has been made in that direction.

Mr. NYE. During recent weeks, as was true once before, the Relief Administration found itself running short of funds awaiting our action in Congress. Extreme difficulty was experienced in finding funds available anywhere. The Relief Administration finally wiggled through, but they never touched this \$238,000,000 allocation or evidently even thought of touching it to bring it into use to tide over the time which was causing such distress to the Administrator of Relief.

Mr. LEWIS. Does the Senator contend that it would have been within the power of the Army and Navy Departments to take the funds which had been allocated to them by Congress and transfer those funds to another department merely upon the request of that department itself?

Mr. NYE. No; I do not so contend; but I do contend that it is within the power of the President to do that very thing; and it was left to the President to ascertain where the money to be used for relief purposes was coming from. He finally found the place.

Mr. LEWIS. Then, may I ask my able friend, did the President make any demand upon the Army and the Navy for transfer of their funds?

Mr. NYE. Not to my knowledge.

Mr. LEWIS. Is the Senator aware that a request was ever made by the President for such transfer?

Mr. NYE. I am not aware that any such request was ever made.

Mr. LEWIS. If the able Senator says it was within the power of the President to do so, and that the War and Navy Departments were sources from which money could be obtained, had the President made such demand, and if the Senator says there was no demand that such transfer be made, but such transfer could have been made had the President made such demand, why is the Senator now condemning the President because it was not done?

Mr. NYE. Mr. President, I am at a loss to know the point which my friend from Illinois is trying to make.

Mr. LEWIS. The point is, Mr. President, that my able friend, the Senator from North Dakota, is making condem-

nation because of failure to do something which could not have been done legally, but, admitting that the President of the United States could make the request of the Army and Navy to transfer part of their funds for other uses, I ask my able friend, was such request ever made? To which he answers he does not know. Does he know whether any one ever made a request of the President to make such request?

Mr. NYE. I do know that when once before a similar emergency existed in the Relief Administration a suggestion was made that the moneys which had been allocated to the Navy might be in part used to tide over, but that suggestion was never followed.

Mr. LEWIS. Will the Senator say whether that suggestion was made from a source which had power to make the suggestion, and whether or not it was made to the President?

Mr. NYE. It was made, I am reliably informed, directly by one who stood in very high authority.

Mr. LEWIS. To whom does my able friend say that the suggestion was made?

Mr. NYE. I think, Mr. President, that the Senator will not insist upon an answer to that question. If he does, I should be very glad to ascertain within a few hours whether it would be at all embarrassing to any individual if I were to reveal that fact.

Mr. LEWIS. I seek no private information nor the revelation of any secrets. I only wish to say that it is unfair to condemn a government for not doing something when the government was never asked by any legal authority to do it.

Mr. NYE. Mr. President, now, seeking once again to get back to the thought I was trying to impress upon the Senate in my very feeble way, I wish to show what different minds we have, and what a different mind we use when we are concerning ourselves with military appropriations compared to the mind we use when we are considering other appropriations.

I think, perhaps, there is no department of our Government which experiences such a struggle from year to year to gain the sizable appropriations it ought to have to carry on its very worth-while work as the Children's Bureau. For the Children's Bureau, to which I now refer, we appropriated for this year \$403,380, and every one of those dollars which that Bureau got, it obtained only after the most earnest kind of insistence, working as hard as it knew how to demonstrate the great need of those few paltry dollars, \$403,380, for the Children's Bureau. There was appropriated last year \$2,977,-000 for the care and maintenance of the horses owned by the National Guard of the United States. For the children, in consideration of their needs, \$403,000; and every one of those dollars came like a tooth that was being pulled! Two million nine hundred and seventy-seven dollars for care and maintenance of the National Guard horses!

The State Department, the only Department of our Government exerting itself, as a Department, in the interests of peace, comes here pleading year after year for paltry additions to its appropriation. Mr. President, you and I know how well they have fared. This year the appropriation which we have already made for the conduct of the entire Department of State is \$13,904,100; and yesterday without batting an eye we appropriated between \$20,000,000 and \$40,000,000—twice the total amount allowed the State Department—in order to bring about an increase in the enlisted personnel of the Army of between 46,000 and 47,000.

For the Justice Department we have appropriated about \$34,000,000 for the fiscal year, and we quibble annually about what we appropriate for them. But an additional \$40,000,000 to the Army—oh, pay no attention to that! Let not that worry us or give us concern!

For the Commerce Department, devoting itself to the advancement and enlargement of our commerce, we have appropriated for the next fiscal year approximately \$34,000,000; and yesterday, without hardly batting an eye, I repeat, the Senate with ease surrendered between \$20,000,000 and \$40,000,000 to enable between 46,000 and 47,000 more men to be enlisted in the Army.

The Labor Department, engaged in the wonderful work which occupies its attention—oh, what a time they have

annually getting what their budgetary plans call for! For next year we are going to give them \$15,000,000 with which to carry on the work of that Department. Had it been suggested that there be an increase of \$20,000,000 in the appropriation for the Labor Department what warfare we should have had right here in this very Chamber! But when the \$20,000,000 or \$40,000,000 is added to the War Department appropriations-no; we should not give ourselves concern about that!

This new year is going to find the United States appropriating in excess of a billion dollars to maintain its Army and its Navy-a billion dollars-while all the other departments of Government are being conducted for much less than that.

Mr. President, I think I need not say more to convey the thought that will prompt me to vote against this bill appropriating money for the War Department for the next fiscal

Mr. BONE. Mr. President-

The PRESIDING OFFICER (Mr. Pope in the chair). Does the Senator from North Dakota yield to the Senator from Washington?

Mr. NYE. I yield to my friend from Washington. Mr. BONE. I should like to have one thing made very plain at this point, and, in order that it may be made plain, I should like to ask the Senator to repeat his statement of a moment ago to the effect that the appropriations for the Army and the Navy this year will exceed the appropriations for all the other activities of the United States Government. Is that correct?

Mr. NYE. For all the other normal departments of the Government.

Mr. BONE. That is what I mean. I think that should be emphasized in the Senator's remarks, because it will be a very interesting and diverting fact to the people.

Mr. NYE. I am sorry I am without the exact figures before me concerning the cost of the various departments, but, in order that the Senator may obtain an idea as to how that cost runs, let me remind him that the appropriations for the coming fiscal year for the State Department are \$14,000,000, in round figures; for the Department of Justice, \$34,000,000; for the Commerce Department, \$34,000,000; and for the Department of Labor, \$15,000,000. There are four of our great departments the appropriations for which are less than a hundred million dollars.

Mr. BONE. A radio commentator recently referred to the fact that the pending Japanese budget requires that approximately 49 percent of the budget for this year should go to the Army and Navy of Japan, and he expressed great horror over that fact and grave concern lest it affect the peace of the world. It is rather startling to find this Government of ours spending 50 percent of its total Budget for the Army and Navy.

Mr. NYE. Mr. President, where are the billions we are now needing coming from? We are worried about that when we consider the billions needed for human relief; we are worried about that when we are giving consideration to the appropriation of money for public works, or to meet the bonus demands. Where is the money coming from, we ask ourselves time and time again, excepting only when we are considering the billions to be appropriated for the Army and Navy. No one seems to be concerned about that; no one worries about that. "Where is it coming from?" "Why, we will borrow it: we will borrow it, of course; and we are thoroughly justified in borrowing when our national defense

Speaking of borrowing, Mr. President, there are today thousands of people wondering and wanting to know why, with our Government's credit the base for the issuance of money, the Government should have to pay toll to the bankers for every penny of that money the Government borrows. Those same thousands of Americans, and more, sooner or later, are going to discover something that will intensify their existing headaches. Our \$30,000,000,000 national debt calls for a tremendous interest payment annually. We shall awaken one of these days to discover that this payment is to bankers who loaned Uncle Sam his own credit. We shall at the same time learn how our financing through this depression is actually accomplishing larger concentration of money and banking resources than ever known before the money changers were presumably thrown out of the temple.

Puzzled by the complex explanations concerning our money and banking machinery, and finding myself a most miserable student when I sought better to ascertain its operations, I had quite resigned myself to what did not seem to be right but which must be right to have stood up and functioned for so very many years. If bankers and statesmen insisted our money base was sound, sound it must be. If they insisted any other base would bring complete wreckage to our economic structure, then we must not even contemplate any other base. I have thought at times that a farm of productive ground, here today, here tomorrow, and here forever, might be a good base for money, but those who knew better have said that it would be a dangerous thing to depart from gold as such a base. All in all, I repeat, like many others, I had become resigned to let others who claimed to know more about money have their say and do their way about matters of national monetary policies. But now I am rudely awakened by the knowledge that we are functioning quite well even though considerably removed from gold as a base. Currency, even though not redeemable in gold, is being accepted without any discounting whatever by those I owe. None are questioning the worth of the great amounts of American currency changing hands each day; yet behind that present-day currency, Mr. President, there is not much, if anything, more than quite alone the good name and credit of the United States Government. The situation is rather bewildering to me.

Through recent years our Government has needed billions of dollars to battle the depression. It has issued its bonds. Each time our bonds have been offered they have been times oversubscribed. The bankers have bought them in great blocks by giving the Government their checks or drafts in exchange for the bonds. The bonds drew and are drawing interest. The bankers, without losing the right to collect interest on these bonds from the Government, have, in turn, taken their bonds to the Federal Reserve banks which they, the bankers, own, and placed them there as collateral against an issue of bright, new Federal Reserve bank notes, for which they paid only the actual cost, virtually, of printing the notes.

This new money the banker has taken back into his bank and used it to buy more Government interest-bearing bonds or to loan to you and to me at the prevailing rates of interest. None are refusing to accept this kind of money; none are doubting its worth; none are calling it flat money or printingpress money; yet, if I understand the process at all, there is behind this special money, in the main, nothing more than the promise of the Government to pay. This money buys groceries; it buys clothing; it pays for homes and pays for land; it pays interest and it pays debts; even the bankers accept it as good money; yet this money is based quite alone, I repeat, upon the credit not of the bankers but the credit of the United States Government.

Mr. LEWIS. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Illinois?

Mr. NYE. I yield to the Senator from Illinois.

Mr. LEWIS. I ask the able Senator to return for a moment in his reflections to the query as to where we will get the money to pay the debt of the billion dollars which it is contended by certain persons, and approved by myself, as necessary to the national defense. Knowing as I do the able Senator has been conducting, with the aid of his committee, a most commendable investigation on behalf of the public touching both the question of the production of munitions and the general defense of the country, I ask the Senator would he not say, if the time should come when the country was in peril of its life and called on to defend itself, that it would be rightful to take the money from those who have wrongfully taken it from the people and with that to pay the debt for the defense of this Nation and its protection?

Mr. NYE. Of course, I agree thoroughly with the Senator from Illinois; and I wish he would lend his very able mind to formulating the kind of legislation that will do that thing. He can have little conception, until he has tried, how difficult is the task of making the burden of war rest where it ought to rest. Our committee, within the next few weeks, is going to devote its entire time to the study of that very question; and I hope if the Senator has a valuable thought upon the subject—and I am confident he does have—that he will give the committee the benefit of his knowledge. We can make splendid use of it.

Mr. KING. Mr. President, will the Senator yield?
The PRESIDING OFFICER. Does the Senator from North
Dakota yield to the Senator from Utah?

Mr. NYE. I yield.

Mr. KING. Perhaps this will not be quite in harmony with the suggestion made by the Senator from Illinois or the position taken by my friend from North Dakota, but, if he will pardon me. I invite his attention to the fact that, according to the accepted statistics, the people of the United States and their Government and the States and their political subdivisions are owing now at least \$175,000,000,000. The fact is that there are only five or six billion dollars of money, so-called "currency", in the country. I wonder where we are to get the money to pay our debts. Supposing that war were declared tomorrow and we needed ten-, fifteen-, twenty-, or forty-billion dollars, we could not get it by taking houses and lands; and if we should lay our hands upon them, under the sovereign power of the Government, we could not find purchasers for them; so that, after all, when it is said that we will take the money from those who have it to the extent of thirty or forty or fifty billion dollars, we are going to have a very difficult task, because they have not got it: the Government would have to take the property, and the property would be just as valueless in the hands of the Government as it would be in the hands of the owners when there is no opportunity for them to make disposition of it.

Mr. NYE. The Senator from Utah clearly senses the very grave difficulty which confronts any man or any group of men who try to find a way and devise a means of making those who enjoy the profit out of war pay the bill for war.

Mr. BONE. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Washington?

Mr. NYE. I yield.

Mr. BONE. The statement of the Senator from Utah intrigues me. He asks where we are going to get the money. The last war cost \$30,000,000,000. The Senator said there was only \$5,000,000,000 of money in the country. I am rather curious to know how we translated that \$5,000,000,000 into \$30,000,000,000 to carry on the war. When that question shall be answered we will have a little more light on our difficulties, it seems to me.

Mr. KING. We obtained a very large part of it from the \$15,000,000,000 or \$16,000,000,000 or more of tax money of those whose earnings were very great, paid in excess-profits taxes. I am in favor of levying high excess-profits taxes. After we had extracted from the people or taken from them under the taxing power the large amount to which I have referred, there was still a deficit and we then sold bonds to the American people. The American people purchased those bonds by borrowing money from the banks. I know a number of men went to the banks and borrowed money because of their desire to be patriotic, and have not paid the banks to this day the amounts they borrowed. They borrowed money to purchase bonds because the Government could not prosecute the war without money. Unless the bonds could have been sold, they would have been valueless so far as raising funds with which to prosecute the war is concerned.

Mr. NYE. Mr. President, we have gone rather far afield from the subject of immediate consideration. I have been seeking to show the bewilderment which was mine over the readiness or willingness of those who have long criticized any departure from so-called "sound money" to take the new present-day money. Even the banker is willing to take it.

Having demonstrated, as I presume I have, my frightful ignorance upon the money question, I come to the Senate frankly seeking knowledge. I join with the thousands of others in asking why, with the Government's credits as the base for the issue of money, the same Government should have to pay toll to bankers when it wants and needs money based upon its own credit.

Desire for a genuine answer to that question, and desire for an airing such as will justify or fail to justify the existing money and banking policy, has prompted me to introduce Senate bill 2162, which has been referred to the Senate Committee on Banking and Currency. I shall soon be asking that committee to give consideration to the measure and a hearing upon its general purpose to such as shall ask to be heard. A companion to this bill, House bill 6382, has been introduced in the House of Representatives by Representative Sweeney, of Ohio.

In offering this measure, which proposes the reform of our monetary system, the bill is presented as a base for consideration. It is presented partly in the hope that authorities will, by attacking it, undertake to establish and prove the merit of the existing system over the one proposed and clear bewildered minds like my own.

Several are the factors which have brought to us the worst economic break-down our Nation has ever known. However, it seems to me that not the least of these factors has been the private control of money and credit. True, this private control has existed through times of prosperity, but not without considerable of bolstering by the Government. Private control has existed in bold defiance of the plain letter of the Constitution of the United States. Some day someone will prepare and present an interesting digest of all the enactments of Congress to improve the facilities affording a medium of exchange down through the many generations living under that Constitution. I am sure such a digest would show constant and insidious encroachments by private privilege against the interest of the whole people.

By way of illustration, let us but look to one of the great efforts extended to restore to Congress larger control, in keeping with its constitutional duty, over our monetary system. Such an effort was that which witnessed the birth of the Federal Reserve Act of 1913. This bank, to all intents and purposes, was to be a central bank controlled by an agency of Congress. Great expectations were raised by it. Of the law, Senator Robert L. Owen, of Oklahoma, then Chairman of the Banking and Currency Committee of the Senate, said in presenting the bill:

Under this system panics will be made impossible. Anybody actually entitled can get currency, and therefore no man with a deposit in a bank need be afraid that the bank cannot furnish currency while it is honestly and efficiently conducted. This will prevent runs on the banks and in preventing panics it will also prevent unfair and undue constriction of credit, with its consequent paralyzing effect on business and on the productive energies of the Nation. Business enterprises therefore will have a stability unknown in the past history of the United States. Men will not be thrown out of employment wholesale throughout the country by the fright of financial and commercial panic, but finance and commerce will become steady. Men will be regularly and systematically employed. Men will not be ruined by violent and abrupt changes of values. Hundreds of thousands of men will not be suddenly thrown out of employment during these national waves of depression. There will be no national waves of depression nor undue feverish buoyancy. The consequences will be that the national energies of our people will be employed upon a firm basis that will be continuous. It is impossible to exaggerate the extreme importance of this work. We have been studying this problem for many years and have now reached a point of national knowledge and certainty, where we not only know what the difficulties are, but we completely understand how to get stability both to our commerce and to our finance and put this country upon a basis of enduring prosperity.

That was the voice of the then Chairman of the Senate Committee on Banking and Currency when reporting the Federal Reserve bill of 1913 to the Senate of the United States.

Our good colleague and friend the senior Senator from Virginia [Mr. Glass] at that time was Chairman of the Committee on Banking and Currency of the House of Representatives. In presenting the Federal Reserve bill to the

The bill enables the Government to resume and exercise function which for 50 years has been confided to private corporations. \* \* \* Now, Mr. Chairman, sure of our ground, yet conscious of human limitations, we submit this bill to the judgment of the House, challenging a fair consideration of its provisions and describe invalidations of the provisions of the pro visions, and devoutly invoking the patriotic cooperation of our colleagues in what should be a great service to the country and a memorable achievement of the Sixty-third Congress.

Our colleague of today and former Senator Owen were not alone in their belief, back in 1913, that in the Federal Reserve Act there had been found at last the way to give Government control over its money, its credit, and its banking. William Jennings Bryan, at that time Secretary of State, summed up the high purposes of the act in these

The bill involves these fundmental principles:

First. The notes issued must be issued by the Government and not by the banks.

Not by the banks.

Second. The issue must be controlled by public servants and not by private institutions and individuals.

The bill, as prepared, observes these requirements. The right of the Government to issue money is not surrendered to the banks; the control over the money so issued is not relinquished by the Government; and the banks are not given a monopoly of the benefits from the issue of these notes.

Mr. BORAH. Mr. President, with reference to what bill was William Jennings Bryan speaking?

Mr. NYE. With reference to the Federal Reserve Act of 1913.

Shortly before his death, however, Mr. Bryan felt quite differently about the entire matter. He seems to have had occasion to change his opinion of the act, for in 1923, 10 years later, he wrote as follows:

The Federal Reserve Bank, that should have been the farmer's greatest protection, has become his greatest foe. The deflation of the farmer was a crime, deliberately committed, not out of enmity the farmer was a crime, deliberately committed, not out of enmity to the farmer but out of indifference to him. Inflation of prices had encouraged him to buy, and then deflation delivered him into the hands of the money lenders. The Federal bank can be a blessing or a curse, according to its management. If the Wall Street speculators are in control of it, they can drain the agricultural districts and keep up a fictitious prosperity among the members of the plunderbund. While the Federal Reserve Bank Law is the greatest economic reform achieved in the last half century, if not in our national history, it would be better to repeal it, go back to the old conditions, and take our chances with individual financiers than to turn the Federal Reserve Bank over to Wall Street and than to turn the Federal Reserve Bank over to Wall Street and allow its tremendous power to be used for the carrying out of the plans of the Money Trust.

In brief, the great achievement of that period-the great effort to wrest ourselves free from the domination of Shylock-failed, and is today a failure; and that failure we can charge to amendments, administration, and manipulation. How and when shall we get rid of the fetters that bind us? Never until we get back to the money of the Constitution of the United States.

That is what is proposed in Senate bill 2162. The bill is not in the interest of any particular class-merchants, farmers, or industrialists. It is not class legislation. The preamble of the bill states very clearly the purposes of the measure and is self-explanatory.

The bill provides for a Bank of the United States as the sole agency of Congress to issue the money of the United States. It is placed under the control of a board of 48 directors, 1 from each State. These in turn elect an executive board of seven from the membership of the larger board. The powers and duties of the board of directors and of the executive board are set forth in the bill. The Secretary of the Treasury and the Comptroller of the Currency are made ex-officio members of the executive board.

The principal office of the board of directors will be in Washington, with branch offices in each State; and they may provide banking facilities in any trading center denied adequate banking facilities by private bankers.

All existing issues of currency are to be withdrawn and replaced by United States bank notes, which are made legal tender for all debts, public and private. The Bank of the U. S. A. is authorized to buy Government bonds now outstanding, by which a vast amount of tax-exempt funds are

House in September 1913 he said, in concluding his re- released and a great burden of interest removed from the necks of the people. The bank of the U.S. A. is authorized and directed to buy the capital stock of the 12 Federal Reserve banks and their branches and take over the Federal Reserve System in the name of the United States. It is authorized to buy and sell gold, silver, and foreign exchange in the financial markets of the United States.

Aside from the purpose of taking control of our monetary system out of the hands of private corporations, there is also the purpose of taking from such corporations the power to inflate and deflate credit—a power which since 1929 has been shown to be much greater and more dangerous in the hands of ruthless individuals than even the control of actual coin and currency.

My hand has been only one of many which have worked for several weeks in the drafting of this bill. While I gladly sponsor the legislation, I shall not seek to hog credit for such merit as it may prove to have. In acknowledging this cooperation of others, I desire to make special reference to one who has been proving himself a giant in fields of reform and in education-one who, though I do not always and fully agree with him, must be acknowledged as an unceasing and uncompromising champion of social justice in our land. Repeatedly has he challenged a selfish order. Repeatedly has he asked questions which men seem to choose to ignore in the hope that the questioner will ultimately spend himself and make unnecessary any direct answer, while those who ought to answer respond to his charges and questions by resort to such name calling as "Catiline", "Judas", "prostitute", "lunatic", "Pied Piper", and "demagogue." I have reference to the Reverend Charles E. Coughlin and his associates.

It seems to me that those who so bitterly denounce Father Coughlin and others who advocate challenging the banking crowd, which has so long controlled the very lifeblood of an economic structure, might take the time to try seriously to answer the things he is saying and seek to correct the public mind, if he has, as they say, poisoned that public mind on the money, credit, and banking question. There are far too many of us who believe that the Detroit man, who has dared challenge openly and public American plutocracy, has been operating on solid, if embarrassing, ground. Moreover, he seems to be rather well reinforced by recent decisions by our Supreme Court concerning the power of Congress over the monetary basis of our country.

If in the past the Nation has accomplished little, it is chiefly because we have entrusted money policy to those who had not the interests of the people at heart. We have said to the banker, "You are a superman. We trust you to handle this intricate problem." We forget that in the far greater problem of building a republican form of government we entrusted that task to men who had no ex-. perience in rule of the people and who were guided alone by a desire to secure the blessings of liberty and of rule by the people.

I am not at all underrating the ability and power of the opponents of any such measure as Senate bill 2162. To bring about such a reform as this bill proposes is to challenge all the combined powers of aggregated wealth with all their plutocratic, dominating, and conscienceless methods of warfare. Secretary of the Treasury Chase, in Lincoln's day, made a prophecy which is about to be realized. He foresaw a time such as this-

When the people will be arrayed on one side and the banks on the other in a conflict such as we have never seen in this country.

We must enter the fight or submit to a system which Horace Greeley foresaw to be as cruel as that of the old system of chattel slavery. Will we permit this to go until the Republic is destroyed, as was feared by Lincoln? Will this generation see our independence, as William Pitt prophesied, 'a mere phantom "? The challenge is upon us, and to every good citizen throughout this country.

What will we do? Will we agree that the citizens of this great land shall be manacled and bound in economic servitude, or will we demand that they shall be freed-free to toil and labor and enjoy the fruits of their intelligence and | thrift? Then, Mr. President, it is high time that we sought the end of a control that has men and governments paying tribute and paying tolls that will ultimately break the backs of men and of governments.

I hope Senate bill 2162 will have the earnest, conscientious consideration to which I believe it is entitled.

I ask unanimous consent that Senate bill 2162 may be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. NEELY in the chair). Without objection, it is so ordered.

The bill referred to is as follows:

A bill to restore to Congress its constitutional power to issue money and regulate the value thereof; to provide for the orderly distribution of the abundance with which a beneficent Creator has blessed us; to establish and maintain the purchasing power of money at a fixed and equitable level; to restore the values of property to just and equitable levels; to increase the prices of agricultural products to a point where they will yield the cost of production plus a fair profit to the farmer; to provide a living and just annual wage which will enable every citizen willing to work and capable of working to maintain and educate his family on an increasing level or standard of living; to repay debts with dollars of equal value; to lift in part the burden of taxation; and for other purposes and for other purposes

Whereas the Constitution of the United States in article 1, section 8, clause 5, provides that Congress shall have the power to coin money and regulate the value thereof and of foreign coins; and

whereas the present practice of issuing book credits by commercial banks, and transferring the title of said credits by check, provides a supplementary medium of exchange, abrogating the said constitutional provision and establishing a separate, private, and independent monetary system; and

Whereas the permanent welfare of the people and the protection of the economic life of the Nation are dependent on the establishment of a monetary system wholly subject to the control of Congress which will promote the interests of agriculture and labor, of industry, trade, commerce, and finance for the economic well-being of all citizens by the maintenance of price levels which will avoid excessive expansion or disastrous contraction and which will avoid excessive expansion or disastrous contraction and which will protect the national credit and currency at home and in the world markets: Now, therefore

Be it enacted, etc., That there is hereby created a central bank, which shall be known as the "Bank of the United States of America", which may be abbreviated as the Bank of the U.S. A.

Ica", which may be abbreviated as the Bank of the U. S. A.

SEC. 2. The Bank of the U. S. A., so created, shall be the sole agency of the Congress of the United States to issue the money of the United States, to control the value thereof, and the value of foreign moneys, and it shall be the custodian of all monetary stocks and of all moneys and the guardian of the public credit of the United States. It shall be the central depository of all reserve funds of all banks, banking institutions, and banking firms under the jurisdiction of the United States. It shall be the sole fiscal agent of the United States Government. All acts of Congress providing for the issue of circulating notes by national banks are hereby repealed. hereby repealed.

hereby repealed.

SEC. 3. (a) There is hereby created a governing board of the Bank of the U. S. A., which shall be known as the "Board of Directors of the Bank of the U. S. A.", which shall be the monetary authority and agent of Congress of the Government of the United States. The Board of Directors of the Bank of the U. S. A. shall be composed of one representative from each State, elected by the people thereof at the same time and by the same method as Representatives in Congress, for a period of 12 years. Immediately after they shall be assembled in consequence of the first election, they shall be divided by lot equally into six classes; the seats of the directors of the first class shall be vacated at the expiration of the second year; the seats of the second class at the expiration of the fourth year; the third class at the expiration of the sixth year; the fourth class at the expiration of the tenth year; the sixth class at the expiration of the twelfth year; so that one-sixth may be chosen every second year; and if vacancies happen by resignation or otherwise the executive of the State affected may make a temporary appointment until the next general election to fill the vacancy. The Board of Directors shall choose from among their own number an executive board consisting of seven members and including a governor and Directors shall choose from among their own number an executive board consisting of seven members and including a governor and a vice governor selected by a majority of the 48 directors. The salary of each director shall be the same as that of an Associate Justice of the Supreme Court of the United States and be paid out of the funds of the United States Treasury not otherwise appropriated. The directors shall not during their term of office hold any direct or indirect financial interest in any bank, banking institution, banking firm, financial institution, or any firm or corporation as stockholder, director, or officer either in the United States or in any foreign country. The Board of Directors shall assemble on the first Monday in December and remain in session at least nine months during each year. A majority shall constitute a quorum. The Board may determine the rules for its proceedings, and Congress may, by the process of impeachment, remove a director. No director shall, during the term for which he is elected, be appointed to any civil office under the authority of the United

States or of the State or Territories or possessions, nor be a Member of either House of Congress. Any director shall be eligible for reelection. Upon attaining the age of 70 years, each director shall retire, with an annual pension for the rest of his natural life equal to \$1,000 per year for each year of service or major fraction thereof: Provided, That the maximum annual pension shall be \$12,000, which shall be paid out of the funds of the United States Treasury not otherwise appropriated.

(b) The Secretary of the Treasury and the Comptroller of the Currency shall be ex-officio members of the Executive Board of the Bank of the U.S.A.

Bank of the U. S. A.

(c) The members of the Federal Reserve Board at the time of the enactment of this act shall serve as members of the Executive Board of the Bank of the U. S. A. until their successors are elected and qualify, as herein specified.

SEC. 4.(a) The Board of Directors of the Bank of the U. S. A. is authorized to appoint and fix the compensation of a president and vice president and such other executive officers, examiners, economists, and other experts as may be necessary to carry out its functions under this act, without regard to provisions of other laws applicable to the employment and compensation of officers and employees of the United States; and, in addition thereto, the Board may, subject to the civil-service laws, appoint such further officers and employees as in their judgment may be necessary, and fix their salaries in accordance with the Classification Act of 1923, as amended.

(b) The Board of Directors of the Bank of the U. S. A. shall have its principal office in Washington, D. C. It shall establish branch offices in each State of the United States and in its Terribranch offices in each State of the United States and in its Territories and possessions and may establish agencies to conduct a general business of banking and to provide banking facilities in any recognized trading center of the United States which is denied adequate banking facilities by private institutions. It shall formulate policies and regulations for the management of such branch offices and agencies. Branch offices shall be designated by States, as Maine branch, Bank of the U. S. A.; California branch, Bank of the U. S. A., and so forth.

SEC. 5. (a) After the passage of this act no currency shall be issued under the authority of the United States, except notes of the Bank of the U. S. A. of the same size as the present Federal Reserve notes and of such denominations as may be determined by the Executive Board of the Bank of the U. S. A., which said bank notes shall be full legal tender at face value for all debts public and private within the United States or its Territories or possessions.

(b) Within I year from the passage of this act, all present Federal Reserve notes, Federal Reserve bank notes, national-bank notes, gold certificates, silver certificates, Treasury notes of 1890, and United States notes issued and outstanding, shall be recalled for redemption, and those turned in for redemption shall be retired

and threed states notes issued and obstanding, shall be recained for redemption, and those turned in for redemption shall be retired and destroyed, and notes of the Bank of the U. S. A. herein provided shall be issued in exchange, it being the purpose of this act to substitute the notes of the Bank of the U. S. A. herein provided for all other forms of paper currency of the United States.

SEC. 6. In the exercise of its jurisdiction as agent of the Congress of the United States to issue money and to control the value thereof, the executive board of the Bank of the U. S. A. may from time to time order and direct the Secretary of the Treasury of the United States to engrave or cause to be engraved, and to print or cause to be printed, United States bank notes as provided in this act, in such quantities and denominations as the said board may deem necessary, and to hold the said United States bank notes subject to further order of the said board.

SEC. 7. The Secretary of the Treasury of the United States shall, upon receipt of directions or instructions or orders from the executive board, duly authenticated in such manner as may be prescribed by the board of directors, execute the said directions, instructions, or orders forthwith, by engraving, printing, and discretions of the East of the East

prescribed by the board of directors, execute the said directions, instructions, or orders forthwith, by engraving, printing, and disposing of the said notes of the Bank of the U.S. A. as specified in said duly authenticated directions, instructions, or orders, and the said duly authenticated directions, instructions, or orders shall at all times be considered and construed to be the direct acts of the Congress of the United States through its duly authorized agent, the Bank of the U.S. A.

SEC. 8. (a) Immediately upon the passage of this act, the Bank of the U. S. A. is hereby authorized and directed as soon as possible to purchase the capital stock of the 12 Federal Reserve banks and branches, and agencies thereof, and to pay to the owners thereof in the notes of the Bank of the U. S. A. the paid-in value of said stock, with 6 percent per annum interest from the last dividend date.

(b) That all member banks of the Federal Reserve System are (b) That all member banks of the Federal Reserve System are hereby required and directed to deliver forthwith to the Bank of the U.S. A. all the stock of the said Federal Reserve banks owned or controlled by them, together with any and all claims of any kind or nature in and to the capital assets of the said Federal Reserve banks, it being the intention of this act to vest in the Government of the United States the absolute and unconditional ownership of the said Federal Reserve banks.

SEC. 9. Upon the purchase of the stock of any Federal Reserve bank by the Bank of the U. S. A. as herein provided, the said Federal Reserve bank shall immediately become a branch of the Bank of the U. S. A. and subject in every respect to the jurisdiction of the board of directors of the Bank of the U. S. A. herein provided for, and the terms of the officers of the board of governors of the said Federal Reserve bank shall immediately cease and terminate: *Provided*, *however*, That the chairman of the board of governors of the said Federal Reserve bank and all the execu-

tive officers or employees thereof shall continue to perform their customary duties and obligations in the operation of said Federal Reserve bank until their successors shall be appointed by the elected board of directors of the Bank of the U.S. A.

Sec. 10. (a) All individuals, firms, associations, or corporations engaged in the business of banking as defined by law and among other things receiving deposits of money or credit from the citizens or firms, corporations, or associations of any State and transferring or transporting said money or credit or the title thereto to other banks or individuals firms associations or corporations. to other banks or individuals, firms, associations, or corporations of any other State or States, Territories, and possessions of the United States, are hereby declared to be engaged in interstate commerce, and as such are subject to Federal jurisdiction and to the jurisdiction of the Bank of the U. S. A. and all the provisions

commerce, and as such are subject to Federal jurisdiction and to the jurisdiction of the Bank of the U. S. A. and all the provisions of this act.

(b) Within I year after the passage of this act, all banking institutions under the jurisdiction of the Bank of the U. S. A. shall be required to keep on deposit with the Bank of the U. S. A. or in its vaults, United States bank notes herein provided for a full 100 percent of its deposits which are subject to check and payable on demand; and, in addition thereto, it shall keep within its vaults the further sum equal to 5 percent upon all savings or investment deposits commonly known as "time" deposits.

(c) For the purpose of creating the lawful money reserve hereinabove required, the Bank of the U. S. A. shall purchase from banks in the United States bonds of the United States Government.

SEC. 11. The Bank of the U. S. A. is hereby authorized to purchase or sell gold, silver, and foreign exchange in the financial markets of the United States, at such times and in such quantities as in its discretion is necessary to carry out the purposes of this act, namely, to regulate the value of money of the United States and of foreign countries.

SEC. 12. (a) The Bank of the U. S. A. shall have jurisdiction over and shall control and supervise all banking institutions whatsoever of the United States and territories and possessions thereof, subject to law, and shall have the power to prescribe such rules and regulations not inconsistent with the law as it may deem desirable for the safe and proper conduct of the banks and banking institutions within its jurisdiction.

(b) The Comptroller of the Currency and all officers of the Government of the United States exercising any supervisory powers or

desirable for the safe and proper conduct of the banks and banking institutions within its jurisdiction.

(b) The Comptroller of the Currency and all officers of the Government of the United States exercising any supervisory powers or duties over the banks of the United States, or any of them, shall carry out and perform such rules and regulations for the conduct of banks and banking institutions in the United States or Territories or possessions thereof as may, from time to time, be prescribed by the Bank of the U. S. A. through its duly designated officers.

SEC. 13. Directly upon the passage of this act, the Bureau of Labor Statistics of the Department of Labor shall be transferred to the Bank of the U. S. A., and such Bureau shall thereafter be under the supervision of the board of directors of the Bank of the U. S. A. The statistical department of the present Federal Reserve Board, together with the statistical department of the Bureau of Foreign and Domestic Commerce and the Bureau of Agricultural Economics, Secretary of the Treasury, and of the Treasurer of the United States, shall all be consolidated with the Bureau of Labor Statistics, and the name of the consolidated bureau and departments shall be the Bureau of United States Statistics. The duties of said Bureau for bureaus and departments consolidated therein, in addition to all those now prescribed by law, shall be to collect, assemble, and analyze authentic data, for the purpose of determining the true and correct relation of the total amount of money in actual circulation, including both currency and credit money, commonly called "demand deposits", to prices, wages, industry and ing the true and correct relation of the total amount of money in actual circulation, including both currency and credit money, commonly called "demand deposits", to prices, wages, industry and commerce, the standard of living, employment and unemployment, to the end that the board of directors of the Bank of the U. S. A and the executive board thereof may scientifically and accurately determine the rate at which progressive additions to the stock of circulating money, including coin, currency, and credit, must be made in order to maintain an even and stable purchasing power, and to promote a constantly rising standard of living for the people of this Nation, unlimited except by the extent of natural resources and the willingness of the people to work.

Sec. 14. It is hereby made mandatory upon the board of directors

SEC. 14. It is hereby made mandatory upon the board of directors of the Bank of the U. S. A. and the executive board thereof to of the Bank of the U. S. A. and the executive board thereof to provide such stable purchasing power of money and such equitable price levels, first, by the progressive purchase of the bonds of the United States and the creation of the 100-percent reserves behind demand deposits, and, further, if necessary, by increasing the money in circulation by paying the extraordinary and then the ordinary expenses of Government by currency issue until the average commodity price level reaches the index of the Bureau of Labor Statistics for 1926. The board of directors of the Bank of the U. S. A. will determine a true and equitable commodity price level to succeed that of 1926, and it is made mandatory on the board of directors to provide issues of currency which will maintain this level

SEC. 15. The board of directors of the Bank of the U.S. A. shall recommend to Congress the retirement through taxation of such excesses of currency as may be necessary to keep the price level from rising above the level prescribed by section 14 of this act.

SEC. 16. All laws or parts of laws in conflict with this act are

bereby repealed.

SEC. 17. If any provision of this act or the application of such provision to any person or circumstance shall be held invalid, the remainder of this act or the application of such provisions to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

Sec. 18. This act shall take effect July 1, 1935, or sooner by proclamation of the President.

Sec. 19. This act may be cited as the "National Banking and

Monetary Control Act of 1935."

### THE N. R. A. AND THE ANTITRUST LAWS

Mr. BORAH. Mr. President, upon yesterday Mr. Donald Richberg testified before the Committee on Finance. Ordinarily I should not discuss hearings which are going on before committees; but the statements made by Mr. Richberg have been published far and wide, as was proper, and I think it appropriate to refer to some of his statements.

His statement covered some three or four matters which are of very great concern to the public, as I take it. I cannot agree with the views which he expresses. I think it worth while, therefore, to take the time to present the other

side of the question.

In this statement Mr. Richberg says:

The general proposition that the effect of the codes upon small enterprises has been harmful cannot be sustained. The steady decline of business failures, particularly among small concerns, since the beginning of N. R. A., is a complete refutation of this charge.

Mr. Richberg denies the effect of the codes upon small business, and contents himself by citing figures as to failures during the last year or year and a half. The question is not so simple as that.

Mr. GLASS. Mr. President, will the Senator yield to me to have a quorum called?

Mr. BORAH. I yield. Mr. GLASS. I suggest the absence of a quorum. The PRESIDING OFFICER. The clerk will call the roll. The Chief Clerk called the roll, and the following Senators

answered to their names:

Adams	Costigan	La Follette	Radcliffe
Ashurst	Couzens	Lewis	Reynolds
Austin	Cutting	Logan	Robinson
Bachman	Dickinson	Lonergan	Russell
Bailey	Dieterich	Long	Schall
Bankhead	Donahey	McAdoo	Schwellenbach
Barbour	Duffy	McCarran	Sheppard
Bilbo	Fletcher	McGill	Shipstead
Black	Frazier	McKellar	Smith
Bone	George	McNary	Steiwer
Borah	Gerry	Maloney	Thomas, Okla.
Brown	Gibson	Metcalf	Thomas, Utah
Bulkley	Glass	Minton	Townsend
Bulow	Gore	Moore	Trammell
Burke	Guffey	Murphy	Truman
Byrd	Hale	Murray	Tydings
Byrnes	Harrison	Neely	Vandenberg
Capper	Hastings	Norbeck	Van Nuys
Carey	Hatch	Norris	Wagner
Clark	Hayden	Nye	Walsh
Connally	Johnson	O'Mahoney	Wheeler
Coolidge	Keyes	Pittman	White
Coneland	King	Pone	

The PRESIDENT pro tempore. Ninety-one Senators having answered to their names, a quorum is present.

Mr. BORAH. Mr. President, we will soon be considering the bill to extend the National Recovery Act, therefore candid debate upon the subject cannot be out of place at any

There are three particular matters which interest me and which Mr. Richberg covered in his testimony. They are: The situation with reference to small business, the restoration of the antitrust and antimonopoly laws, and the question of whether or not, if they are restored, they can be enforced. In his statement before the committee with reference to small business, Mr. Richberg said:

The general proposition that the effect of the codes upon small enterprises has been harmful cannot be sustained. The steady decline of business failures, particularly among small concerns, since the beginning of the N. R. A., is a complete refutation of

The effect of the codes upon small business cannot be adequately tested by R. G. Dun & Co.'s reports as to failures. It is not alone the question of how many-and there have been enough—have actually been driven out of business, but the question is whether the small business man shall be compelled to live upon the ragged edge of bankruptcy while the larger business interests under the same codes are enjoving vast profits.

A year ago when this matter was up for discussion as to the effect of the codes upon small business. I received thousands of letters from small business men stating the effect | the code maker being the large concerns refuse to allow relief of the codes upon their businesses. When the matter approached us again I sent out letters to these same business men asking them to give me their views after another year's experience.

Literally hundreds of replies to these letters have come back advising me that the business had liquidated; that this or that firm which had written me at the time had gone out of business. In my opinion it will be found that that is only a slight indication of the effect of these codes upon small

I have been able to discover only one code which seems to me to effectively protect the small business interests in that code, and that seems to be true in that particular instance. But in the other instances the codes have been framed by large business, written by large business, and enforced by large business, and it has been utterly impossible, however desirous those in authority might be, to prevent the large business interests from really directing and controlling the course of business in the particular industry. The result has been that the small business man is constantly struggling against actual bankruptcy while the larger interests, in the same industry, are enjoying sometimes as high as 100 and 160 percent net profit. That is the phase of the matter which concerns me, not as to the particular number which have failed, but as to those who have been able to remain in business. Is it fair, is it just to place the small business man under a system which either forces him into bankruptcy or keeps him at a point near bankruptcy while the large business concerns enjoy large profits.

I am going to call the attention of the Senate to the letters which came to me in one mail, and that this morning's mail-and only to a portion of those-in order to give an indication of the struggle which small business is making under the codes which have been written by the large business interests. And let me say that the fact that these codes have been written by large business is natural. It is almost inevitable. They were the ones who would be present at the time of the framing of the code. The small man could not afford to be there. If he could get there, as one of them wrote me, he could not afford to stay indefinitely until the code was framed. Therefore it was natural, it was inevitable that when the final shaping of the code occurred it would be such as was framed and conceived to be in the interests of large business.

I am calling attention to a few of these letters in order that I may present what I conceive to be the real effect of these codes upon small business. I have a letter here from the Globe Carved Moulding Co., of Grand Rapids, Mich., under date of March 4, in which the writer says:

If you want to see monopoly at its height please refer to Code No. 260 of the ornamental moulding, carving, and turning industry. Especially note section 4 of article 9, and also article 10. Those clauses were put in the code through the determined insistence of the largest operators of our industry. In order to let you behind the scenes we are quoting from bulletin no. 6 of the Ornamental Moulding, Carving, and Turning Association:

"1. The Design Registration Bureau of the Code Authority was launched with a rush of 65 registrations in the first month.

"2. You can protect your outlet from cut-price duplication in cheap products.

cheap products.

"3. You can partially remove a registered product from price competition and to a large degree stabilize your prices."

We have written the Code Authority in Washington several times and explained our predicament in detail. Although it is true that we received an answer each time to our correspondence, the answer was worthless as the N. R. A. dodged the issue entirely.

We have come to the conclusion that the N. R. A. is a farce and

should be abolished by Congress. The good points of the N. R. A., namely, abolishment of child labor, minimum wages and maximum hours, and collective bargaining could be salvaged from the wreckage and placed in another bureau for enforcement. We would also like to see the Sherman Antitrust Act restored with sharper teeth than ever before.

That illustrates the situation of the small business man when he has a cause of complaint; he is compelled to take it up by mail. The large interests are on the ground to explain and to nullify the charges, and the result generally is that the small business man receives no real relief from the conditions which surround him. I have hundreds of letters relating how vain have been their efforts to get relief because

or change.

I read another letter which I received this morning:

We have been in business since 1913, and have a good record and

reputation for service and square dealing.

All of our employees have been kept on the pay roll during the entire depression, no one having suffered distress or having to apply

I should say that this is from the Pittsburgh Carbon Brush Co., Pittsburgh, Pa.

We were placed in the position of either submitting to the dicta-We were placed in the position of either submitting to the dictation of some of the larger units in our industry or having the price of some of our essential materials used in the manufacture of our products raised to prohibitive figures. We refused to submit.

At present we are unable to purchase these materials at the same prices as other companies in the same line of business, and we feel that there has been a discrimination against us.

In other words, one of the methods by which the large interests crush the small business man is to make it impossible or difficult for him to secure the material which it is necessary for him to have at any reasonable figure or figure which he can afford to pay.

We have protested for over one and a half years and submitted statements at the hearings had in Washington January 4 and February 8, 1934, in addition to filing a brief under date of February 21, 1934, and writing numerous letters to various officials of the N. R. A., all of which cost us considerable time and money.

We have also requested the National Electrical Manufacturers association, which is our code authority to take stone toward.

We have also requested the National Electrical Manufacturers Association, which is our code authority, to take steps toward getting us fair and impartial treatment at the hands of those who control our essential raw materials, but nothing has been done. The companies from which we must purchase these materials are members of the National Electrical Manufacturers Association, which we understand is essentially a private organization organized for the profit and for furthering the interest of its members. It has had delegated to it authority which, in effect, amounts to legislative authority which can be used to make it extremely difficult for small companies like ours. cult for small companies like ours.

The large business interests not only have the power to make the code and legislate upon the subject but the extraordinary situation prevails that when a small business man violates a code he is subject to fine and to other penalties. I suppose that nowhere, in no country, has it ever before been an established law that large business interests might in reality write codes which, in fact, become laws, the violation of which by some small business man would send him to jail. Neither Charles the First nor Stalin of today had the slightest conception of arbitrary government.

Mr. COSTIGAN. Mr. President, will the Senator yield? Mr. BORAH. I yield to the Senator from Colorado.

Mr. COSTIGAN. Yesterday, in his testimony before the Finance Committee in the hearings on the proposed extension of the National Industrial Recovery Act, Mr. Donald Richberg testified, in effect, that the antitrust laws have for a long time been largely unenforced and ineffective. We all recognize a certain measure of truth in that general observation. For one, I shall be obliged if the able Senator from Idaho will state to what extent he has concluded that the antitrust laws were effective before the enactment of the N. I. R. A. and to what extent, in his opinion, efforts to enforce the antitrust laws have been in the nature of shadow

Mr. BORAH. Mr. President, that is one of the subjects which I indicated I should touch upon before I closed my remarks.

I read further from the same communication:

We feel that the odds are greatly against us, as our large com-

We feel that the odds are greatly against us, as our large competitors and those who control our sources of supply are in a position to indirectly control our business under the present set-up. Ours is a long story. \* \* \* The situation at present is as bad as ever, and unless we get relief we will be obliged to consider liquidating our business, which provides steady employment for 11 persons, when our present inventory is exhausted.

We believe the strict enforcement of the antitrust laws and Federal Trade regulations will help small business organizations like ours.

I am not unmindful of the fact, Mr. President, that there are those who, like General Johnson, believe that the time has come for the small business man to pass out of the picture. That is their philosophy; that is their belief. General Johnson declared last night in his speech-and I was happy to find that I had not misstated his views-that advancing civilization would necessarily eliminate the small business man in this country, and as I understood his speech from the rather inadequate report in the newspapers, said that we in the United States would come to be controlled and dominated by vast corporate interests, and the small man would necessarily be eliminated from our civilization. I pay General Johnson this well-deserved tribute: He is candid and he is courageous. No one need be in doubt as to his views and opinions. His philosophy is cold and cruel and false, but his unfaltering defense of it excites my admiration.

It may be that General Johnson is wise enough to know what is going to happen; it may be that, as Shakespeare said, he can—

\* look into the seeds of time
 And say which grain will grow and which will not.

It may be that the small man will ultimately be crushed out of our civilization. I do not think so; I do not believe so; I pray God it may not be so; but let us suppose that it will be so. It is not so as yet, and so long as the small business man is here he is entitled to fair treatment; he is entitled to the protection of just and equal laws. I am not contending today, Mr. President, against corporations as such; I am not contending against big business as such; I am contending against the practices and methods of some corporations and some big businesses, which practices and methods are adopted for the purpose of willfully destroying small business. I am contending against the practices and methods of large business which no one except one possessing the greed of a highwayman would employ, and no one who did not believe in the highwayman's technique would defend.

Mr. GLASS. Mr. President, the Senator might go further and say that General Johnson also stated that the powers of Government should be used and exercised to bring about the very result of which the Senator complains.

Mr. BORAH. Yes; I understand that to be General Johnson's view, that not only are we to admit the proposition of the effect of big businesses upon small businesses in and of themselves as between themselves, but that it is the province of Government to come to the aid of large business and to eliminate small business. Why? Because it is not economically sound to have small business the independent business; the small businesses have no place in the great modern scheme of pelf and plunder, of greed and grandeur.

Mr. President, we have been confronted by the question of small business and the little man since the dawn of civilization. He is still here. There was a time in the history of England when the monarch, the king, during his hunting days, had the right to kill two peasant workmen as a matter of sport. It was an inconsequential matter. His destruction of the small man added to the pleasure and the ambition of the greedy. There were those in those days who defended that kind of a thing. It was thought that the small man, the inconsequential peasant, was an uneconomic factor, an unnecessary factor, and that if it suited the pleasure and comfort of the king in the exercise of the kingly power, he could be eliminated for the sport of the king. There are peasants in England today but if any king of England should on his hunting day, as a matter of sport, kill a peasant workman, public opinion of England would drive him from the throne. Now there are corporations, not all of which proceed upon the same theory and to gratify like

While you may defend the economic philosophy of eliminating small business you cannot change the eternal laws of right and wrong; you cannot change the laws of humanity and inhumanity; you cannot change the laws of brutality and decency. They will ultimately triumph. There is something in the eternal fitness of things besides the economic man—there is the man with a soul.

Those who are speaking for small business today are seeking just laws, humane laws, laws which recognize the common dictates of justice under which small business may have an opportunity to operate. If it be true that small business is making its last struggle for existence, even so it

should be permitted to make it under fair laws, under just laws, under laws which protect it in its rights. A government which would not protect the weak against the strong would be a disgrace to the map of the world. A government which would declare or admit that it could not, as some claim, protect the weak against the strong would be a libel upon the name of government.

Therefore, I say to General Johnson and his friends, it is not merely a question of big business or of corporate existence; it is a question of establishing right rules of conduct for corporations and big businesses and which will prevent great economic power from being unjustly and brutally used against small business.

In many instances the corporations today are not to be criticized, and nobody desires to criticize them, but those corporations or those great economic combines which use their power unjustly for the purpose of willful destruction of a small competitor should be restrained, controlled, or, if necessary, destroyed just as you destroy the man who is running amuck against organized society.

Let me read further. I cannot take the time of the Senate to read all these letters, but I am going to have them put in the Record. They are for the purpose, as I said, of illustrating not the contention that large corporations as such or big business as such should be destroyed or eliminated, but that they should be required to utilize their power in accordance with the ordinary rules of justice and fair dealing.

Mr. FLETCHER. Mr. President, may I interrupt the Senator for a moment there?

Mr. BORAH. Yes.

Mr. FLETCHER. I do so not for the purpose of taking issue with the Senate; for I quite agree with the general position he is stating, and I am in harmony with it; but by way of giving an experience which may be explained on one ground or another—I am not saying how it should be explained.

For over 20 years I have been a member of the Joint Committee on Printing. That committee has to do with the letting of contracts for supplies for the Government Printing Office. Its service is something like that of a board of directors of the Government Printing Office. We annually advertise for bids, for instance, for paper. We prepare specifications and call for bids and let the contracts, under the usual rules, to the lowest and best bidder, and so forth. Up until last year we usually had from 10 to a dozen bidders for this paper supply. The cost of this paper is about \$3,000,000 per annum. We usually let the contract either for 6 months or 12 months. Those bids came from large plants, large manufacturers, and 10 or a dozen were all the bids we could get. The small man never bid, because he was afraid he would have to bid against the big fellows and he might bid too low and lose much money on his contract if he succeeded in obtaining a Government contract.

At the last opening of bids there were fifty-odd bidders—I think 58 bidders—representing over a hundred manufacturing plants in the country. Today, under the operations of the N. R. A. or the authority in control of it, the industry, it seems, have gotten together and have ascertained the actual cost price of manufacturing the paper and under the rules of the N. R. A. no bidder can bid less than the cost price.

The result is that nearly all of them bid practically the same thing, except that there is a rule which allows a bidder to bid 15 percent less than the cost price or the minimum figure. The result has been that the small plants have come into the field and are seeking Government contracts. The small enterprises, the new enterprises, the men who have heretofore been afraid to bid and did not bid, are coming into the field. As I said, they nearly all bid practically the same thing, but new bidders are coming in all over the country. Mills and manufacturers to the number of 110 or 115 were represented in the last letting of contracts March 4. Usually we have had about 10 or 12 big plants and the small manufacturers remained out of the field.

have an opportunity to operate. If it be true that small | I merely mention this as our experience and observation business is making its last struggle for existence, even so it for the Senator to consider in connection with the question

of whether the small man is being eliminated or whether he is being taken care of. For the first time in all my experience we are now getting bids from small plants, small enterprises, new plants, where we did not get any such offers before

Mr. BORAH. Mr. President, it may be that under the order which the President made-and very wisely madethat there might be a bidding down of a certain percent, the small man has had an opportunity to get in on the business. There may be instances of that kind, and I am not, of course, undertaking to say there may not be exceptions to the general rule which I am invoking. I do not know about that.

As I said in the beginning, there is one industry where I think they have succeeded. The small men got together themselves and had brains enough and energy enough to write their code; but they are the only ones I know of who have been able to do it.

Mr. President, I read one more letter before I pass from this subject:

I wish to give you the following information about the Owens Illinois Glass Co., who are acting today as one of the most vicious monopolies in industrial field. You can confirm any of this if you

so desire:
They own the largest bottle factories in the country.
They own the American Bottle Co.
Through William Levis, their president, they own the largest block of stock in their largest competitor, the Hazel-Atlas Glass Co.
They have a working monopoly on beverage, milk, and prescription bottles, the three most profitable lines. They own or control every perfected glass-bottle manufacturing machine and obtain royalties thereon. They own a bottle-cap company. They own a corrugated paper-box factory. Through William Levis they own a large part of stock in the largest paper company in the country. They own a company making and selling bottle machinery of all kinds, including a coffee-packing machine for which their bottles alone can be used. They own a scientific glass manufacturing company.

That would be an ideal corporation in the mind of General Johnson. That is what he conceives to be a proper economic unit. That meets all the demands of his philosophy.

They dictate all prices to all glass companies and require adherence through the Glass Container Corporation. They obtain it by quoting their own prices on all big business and by retaliation wherever necessary. They use business bribery in sales methods. They own a large part of stock in the National Distillers Co. and Schenley Products Co. and control the placing of their bottle

They own other liquor businesses and several large breweries. They own other liquor businesses and several large breweries. Through William Levis and his holding company, the Illinois Glass Corporation, they have acquired great power and wealth. They boast of their influence with the present administration. They dominate the Glass Code Authority.

It is utterly impossible for a small business like mine to contend against such a situation in view of the fact that they may fix prices and do fix prices in accordance with what they think is necessary for a profit for themselves.

for a profit for themselves.

Mr. President, passing from that issue, I wish to call attention to the statement of Mr. Richberg.

Mr. GLASS. Mr. President-

The PRESIDENT pro tempore. Does the Senator from Idaho yield to the Senator from Virginia?

Mr. BORAH. I yield. Mr. GLASS. If it will not divert the Senator, permit me to say I should be glad to furnish the Senator with many scores of letters of the same nature as those he has presented.

Let me in a word give a brief illustration of General Johnson's attitude that perhaps would be more enlightening than his own speech night before last over the radio. In person I took to General Johnson, while he was at the head of the N. R. A., a complaint from some cannery factories in Virginia setting forth that in the preceding 2 years they had lost a total of \$17,000 in their business, and that if compelled to operate under the N. R. A. code which had been presented to them they would simply have to go out of business entirely and refuse to employ the people in their locality.

General Johnson's response to that complaint was that they ought to go out of business; that concerns which could not afford to pay the wages which were being paid by the larger competitors of those small canneries had no business in the trade.

I again presented a case to General Johnson in person of two young women in my own town who had initiated and built up, by hard work and intelligent activities, a handbag business. They were paying the minimum wage required under the handbag code, but the code authorities in New York, representing big business in that particular manufacturing industry, were insisting that they should pay the same wage in this little rural town of 45,000 people that prevailed in New York City, with its millions of people, and were constantly threatening the two young women with fine and imprisonment if they did not pay that wage. The young women protested that it would drive them out of business.

I will say to the credit of General Johnson that he most definitely promised me that the young women should not be molested any more. They were molested again by the same code authority and threatened by the same code authority. Then I received, not from General Johnson, because he was ill in the hospital, but from his secretary, who said she was entirely familiar with the circumstances, a promise that they should not be molested again. But they were molested again and again. Whether they have been driven out of business or not I am not advised.

Mr. BORAH. Mr. President, I have no doubt these illustrations could be multiplied many times. I have never myself had the pleasure of personal contact with General Johnson upon these subjects, but I know the effects of the operation of the codes.

Mr. GLASS. These are two of scores of cases that I shall be glad to submit to the Senator if he wants to present them to the committee.

Mr. BORAH. Mr. President, Mr. Richberg said, in subdivision 12 of his statement:

The present exemption from provisions of the antitrust laws should be restricted and defined so as to provide that cooperative activity, legalized by code provision, shall be lawful only when the codes themselves have been written in compliance with the antimonopoly requirements of the act.

I do not know exactly what that means. There is no amplification, there is no explanation, and I do not know with certainty that I understand the statement of Mr. Richberg. I infer, however, that he proposes to leave the matter precisely where it was left when the National Recovery Act was passed. That is exactly the position which was taken at the time the National Recovery Act was passed—that the code should be binding only when written in compliance with the antimonopoly requirements of the act.

It will be recalled that when the National Recovery Act came before the Senate I offered, in addition to the provision with reference to monopoly, the following amendment:

Provided, That such code or codes shall not permit combina-tions in restraint of trade, price-fixing, or other monopolistic

Mr. STEIWER. Mr. President, will the Senator yield? Mr. BORAH. I yield.

Mr. STEIWER. Is that the amendment which was agreed to by the Senate and lost in conference?

Mr. BORAH. That is the amendment which was agreed to by the Senate, but afterward taken out in conference. Big business interests made a violent protest against it.

It was contended upon the part of those who were supporting the conference report that if these codes were in contravention to the inhibition of monopoly they would be void. In that discussion I said:

It is difficult for me to understand what was in the minds of the conferees. It must be that the conferees and those sponsoring the bill are of the opinion that price-fixing is not a monopolistic practice; it must be their view that combinations in restraint of trade are not monopolistic practices. I can perceive no clarity in the amendment as the conferees have changed it and as it is in the amendment as the conferees have changed it and as it is now found in the bill, except upon the theory that those sponsoring the measure are of the opinion that neither price-fixing nor combinations in restraint of trade are monopolistic practices. In other words, it is the view, I take it, of those in charge of the bill that under the bill there may be formulated programs of price-fixing and that there may be combinations in restraint of trade and there may be conspiracies in restraint of trade—

And still not be in violation of the National Recovery Act.

The only answer I had to that was by the able Senator | from New York [Mr. WAGNER], who said that if combinations in restraint of trade, conspiracies in restraint of trade, and price-fixing were monopolistic, then they were inhibited by the National Recovery Act. If they were not, then they were not inhibited by it. And thus surveying the act, it has been ever since, and monopoly has passed under

Mr. President, combinations in restraint of trade are a most powerful instrument in the hands of monopoly. Conspiracies in restraint of trade are a powerful instrument in the hands of monopoly. Price-fixing is a powerful instrument in the hands of monopoly. In fact, they are the instrumentalities by which monopoly secures and maintains its power. By means of these, monopolies are created; by means of these, monopolies are maintained; and by means of these, small competitors are destroyed.

If I understand Mr. Richberg correctly, he is not proposing to change that. All he proposes to do is to say, as was said then, that if any of these things is in contravention to monopoly, the codes in that respect shall be void.

Notwithstanding that interpretation placed upon the National Recovery Act when it was passed, however, we know that monopolies exist, and that combinations in restraint of trade have been their chief instrumentalities of destruction. General Johnson says there is scarcely a code of all the codes written that is not a combination in restraint of trade. There is scarcely a code, in my opinion, that is not a conspiracy in restraint of trade, and at least 137 of the codes provide means and methods for price-fixing, which is all monopoly asks in order to maintain its power.

Mr. President, if this matter is to stand with no further explanation than that given by Mr. Richberg, it will not change the situation at all, or in any respect, from what it is

Monopoly is one thing, technically speaking, and the instrumentalities by which monopoly is built up and maintained are sometimes denominated another thing in law; but if we permit combinations in restraint of trade, if we permit price-fixing, if we permit price-cutting, in order to drive a competitor out of business, we are making monopoly possible, and there is no way, if these things are permitted, by which we can prevent its destructive operation against small business. If we are to protect consumers against extortionate prices, if we are to protect the small business traders, we should restore all laws against monopolies, against trusts and combines, strengthen them, and enforce them. There should be no compromise on this point. There will be no compromise if we discharge our full duty to the people whom we have volunteered to serve.

The able Senator from Colorado [Mr. Costigan] asked me if Mr. Richberg was not correct when he said as follows:

Our legislative, administrative, and judicial efforts to enforce the principles of the antitrust laws have been a deceitful failure and a continuing public injury for 45 years. For the first time we have acquired the ability now to give an honest protection to workers and consumers against the abuses of economic power.

Passing over for a moment this question of protecting consumers against present conditions, and so forth, let us go back to the question of the enforcement of the antitrust

When the antitrust law was passed, it inhibited and prohibited all combinations, all conspiracies in restraint of trade. It made no exceptions. It was the determination of those who passed the law, as the debates clearly disclose, to inhibit and prohibit all contracts and all combinations and all conspiracies in restraint of trade. Trade was to be free, commerce was to be free. It was not the intention of the lawmakers to prevent such combinations as were unduly in restraint of trade or unreasonably in restraint of trade. Their idea was that if there was economic power somewhere that was restraining trade to any extent, it was inhibited by the antitrust law of 1890. The antitrust was a statute of freedom, of liberty.

That continued to be the policy as announced by the Supreme Court for 15 years. On two or three different ocof the United States-in the trans-Mississippi freight case and another case the name of which I have forgotten for the moment—the specific question was raised whether this prohibition of combinations in restraint of trade should be applied to all restraints of trade, or to all contracts restraining trade, or whether it should be applied only to those contracts which unduly or unreasonably restrained trade. The Supreme Court said the lawmaking body had said that all combinations and all contracts in restraint of trade were prohibited and, therefore, the Supreme Court must interpret the law as the Congress has enacted it; that if it was desired by the lawmaking body to prohibit only such combinations as unduly restrained trade it was for the Congress and not for the Supreme Court of the United States to so declare.

That continued to be the law of this country by the decisions of the Supreme Court, as I have said, for 15 years. Finally, there came before the Court the Standard Oil Co. case and the American Tobacco Co. case; and there for the first time the Supreme Court, as it seems to me-and I think it is conceded-going directly contrary to its previous decisions, held that only such contracts as were unreasonably in restraint of trade or unduly in restraint of trade were prohibited by the act of 1890. This marked an era in the matter of controlling trusts and destroying monopoly in this country. Not only were previous decisions overruled, not only were previous announced principles of law rejected, but the antitrust law was rewritten not by the Congress but by the Supreme Court of the United States. It was a flagrant invasion of the lawmaking department of the Government. These are plain terms, but they are based on indisputable historic facts.

That, in my opinion, was the beginning of the downfall of the antitrust law. It administered a fatal blow to the antitrust law.

When President Theodore Roosevelt became President he entered upon an execution of the antitrust laws, and for a time he was successful. But under these decisions the task was a difficult one. No man in this country has ever stated more specifically or more comprehensively the question of monopoly and the evils of monopoly than President Wilson in his campaign for the Presidency and in his messages to Congress. He took the position that monopoly in any form was an evil; that it was a form of economic power which must necessarily prey upon the rights of the more helpless in the economic world. He made the pledge that as President he would enforce the law against monopoly. I have always felt that had it not been for the World War there would have been an effective enforcement of the antitrust law. It would have been strengthened and enforced. But the World War came, and everything gave way to its prosecution.

It is true, therefore, as Mr. Richberg says, and as intimated by the Senator from Colorado [Mr. Costigan], that the enforcement of the antitrust laws has not been successful. It has not been satisfactory. It has not been sufficient and efficient. The fault, however, lies not in the law but in the apparent unwillingness or inability, under certain circumstances, of the administrations in power to enforce the law. The courts and the executives must share the blame.

Mr. GLASS. Mr. President, in the whole 45 years of the existence of the antitrust law, was one tithe as much effort made to enforce it as has been made in the past 2 years to enforce this abominable N. R. A. law, and to use all the powers of the Government to intimidate and to boycott the small industries of the country?

Mr. BORAH. Mr. President, the Senator does not know how thoroughly he is expressing my opinion.

I desire to ask this question of Mr. Richberg and those who object to restoring the antitrust laws in full before I go further to the discussion of its enforcement.

What is prohibited in the antitrust laws that anyone wants to do under the N. R. A.? Wherein do the antitrust laws conflict with the declared purposes of the N. R. A.?

The antitrust laws prohibit combinations in restraint of trade. Does the N. R. A. want to protect combinations in restraint of trade? The antitrust laws prohibit conspiracies in restraint of trade. Does the N. R. A. want to protect concasions when the law was brought before the Supreme Court 'spiracies in restraint of trade? What is it that is wrapped

up and protected under the N. R. A. that would be reached by restoring and strengthening the antitrust laws if they were enforced?

It is said that unfair or cutthroat competition is involved. The antitrust laws do not prohibit and never have prohibited fair competition. The Supreme Court has decided over and over again that the antitrust laws were designed, not to prohibit fair competition but to protect fair competition. The only thing the antitrust laws prohibit is the destruction of competition. Fair competition is not prohibited. In my opinion, there is no principle incorporated in the antitrust laws which ought not to be the design and purpose of the National Recovery Act.

Mr. President, can the antitrust laws be enforced? For 45 years both the old parties, in every campaign, have declared to the voters that monopoly is a great evil, that combinations and trusts are the enemies of the people, and have declared that they would and that they could, if given power, enforce the antitrust laws.

There has never been any question in a campaign, the question has never been raised, that these laws could not be enforced. It has been a conceded proposition in every campaign that they could be enforced. During the campaigns there occurred to no one that they could not be enforced and the people fully protected. The change came after the election was over. Both the old parties, in my opinion, have utterly refused to exercise the power which they have, as a Government power, to enforce the antitrust laws of the United States. I answer the Senator from Colorado: Therefore, yes; the trust laws can be enforced if you can find an administration with as much courage after the election as it has before the election.

As is said by the able Senator from Virginia, if the same zeal, the same purpose, the same determination, were applied to the antitrust laws as have been applied to the N. R. A. in my opinion, they could be effectively enforced throughout the country. We must enforce them.

Unless we accept General Johnson's proposition that monopoly is a natural condition of affairs, that big corporations should dominate, that big corporations should control, unless we accept that theory, there is no alternative to that of enforcing the antitrust laws and the antimonopoly laws. To admit that you cannot control or destroy monopoly is to admit that monopoly is stronger than government, it is to admit that the Government is subservient to monopoly, that it must leave the people a prey to monopoly. Who is ready to make that cowardly admission?

Can it be said that the Government of the United States cannot prevent combinations in restraint of trade? Can it be said that the Government of the United States cannot prevent conspiracies in restraint of trade? Why? If there is any reason why it cannot, it is in the want of will power and the want of purpose of those who control the Govern-

I venture to say that the great source of the concentration of wealth in the United States, the great source of this power which now exists in a very few men to dominate the economic power of the United States, arises out of the fact that we have been unwilling to enforce the antimonopoly laws of the United States. It is useless to inveigh against the concentration of wealth while monopoly prevails.

When the depression came in 1929 about 2 percent of all the corporations in the United States controlled 75 percent of all the income of all the corporations of the United States, and less than 2 percent of the people of the United States enjoyed 80 percent of all the recorded income of the people of the United States. That condition cannot long exist under a republican form of government. A republic cannot be maintained on any such basis as that. It cannot rest on any such foundation for any great length of time. There must be a greater distribution of wealth.

I do not believe in taking property from A and giving it to B. I do not believe in repudiation or confiscation. But I do believe that there should be laws, that there should not permit B to take it away from A through force or fraud and add it to his already overgrown coffers. In other words, there must be something in the nature of the laws which we have which will give to each and all a fair distribution according to their efforts and according to their energy as applied in the production of wealth.

If we do not have that, we do not have a republic, because those who control the economic power of a nation will, in the end, control its political power. Those who control 2 percent of the income of a nation will in the end dominate its political power. While the people may go to the polls and register their ballots, if, as a matter of fact, the laws are so shaped that they cannot secure their just earnings, their ballots will have been cast in vain.

Mr. President, I am in favor of restoring the antitrust laws. I would strengthen them. I would enforce them. All these proposals about distribution of wealth, of sharing of wealth are idle so long as monopoly dominates the economic system. You might divide your wealth on Monday and Saturday night monopoly will have undone your great deed of beneficence. No; give the people of this country not equality of wealth, but equality of opportunity and the people will distribute the wealth of the country in accord with merit and justice. I would deny no man the fruits of his industry, of his ability, of his genius, but I would deny to every man the right or power to amass economic power and use it contrary to equity and fair and honest dealing. I look upon monopoly as the descendant in the economic world of Dick Turpin on the London road-taking by deceit and surprise and fraud and violence the legitimate possessions and earnings of others.

The President in his message said that he was opposed to monopoly; he does not want monopoly. Monopoly cannot be destroyed if the laws with reference to monopoly and trusts are suspended. I take it, therefore, that the President, having witnessed some things which have happened under the N. R. A., feels that he is willing to have the aid of the antitrust laws. Bear in mind, Senators, that the antitrust laws are in aid of the N. R. A. if the N. R. A. is to be carried out in accordance with the declared purposes of the N. R. A.

General Johnson said last night that the President of the United States had saved more small business men than Senator NyE or I ever preached to. I admit that the President restrained to some extent the general decimation of small business that was going on. But General Johnson was the man who administered this law and he was true to his faith and to his philosophy. I happen to know of my own personal knowledge that the President had quite a different idea of protecting the small business man of the United States than that which prevailed in the mind of General

Although I do not, of course, speak by authority, I am of the opinion that the President has reached the conclusion that, instead of the antitrust laws being a detriment or a weakening of the N. R. A., they would be a strengthening of it if we are to accept it in the light of the declared purposes.

Mr. President, I ask permission to insert in the RECORD certain letters.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

BLOOMINGTON, IND., March 2, 1935.

The Honorable WILLIAM E. BORAH,

The Honorable WILLIAM E. Borah,

Senator from Idaho, Washington, D. C.

Dear Senator Borah: In a recent message to Congress President Roosevelt stressed protection of the little fellow. Nevertheless, at that very time, in the South, 8,000,000 share-croppers were and are now struggling along the highways and byways—lonely figures without money, without homes, and without hope—as a challenge to the new deal. Mother, father, little ones—most of them barefoot—they are living symbols of a civilization that has failed them, a bargain that never worked.

In the plumbing business the handy man who formerly was

In the plumbing business the handy man who formerly was able to pick up odd jobs in this line of work has been warned by N. R. A. to cease competition with established plumbing firms.

And in the artificial-flower trade all women who have been so skillfully doing a part of this work in the quiet environment of be economic and financial systems, which will give to A what he justly earns and what he is entitled to have, and of this kind. Thus the organized monopolists, aided by N. R. A. price fixing, continues to knock off all outside workers and small

businesses.

My understanding was that N. R. A. was to automatically end as soon as the emergency which necessitated its existence was passed. But the latest report is the drafting of a legislative program to carry the principles of N. R. A. into permanency.

Are wide-awake Congressmen going to stand by and allow this monopolistic piece of legislation to permanently fasten itself into the vitals of our private and commercial life? If so, in the name of heaven, what is to be the final fate of the now hard-pressed and struggling little fellow in all the legitimate lines of business who is fighting for an existence against the employer-dominated N. R. A. and its discriminating price codes?

who is fighting for an existence against the employer-dominated N. R. A. and its discriminating price codes?

Mr. Borah, the thousands of us little fellows have no one to look to for a break but the fearless, far-seeing Senators who are so valiantly fighting for the equal rights of all the people, regardless of administration hobbies and views. No contempt or criticism is too severe for those rubber-stamp Senators who have sold their birthright to the administration. That's why I'm not bothering to write my own State Senators. So far as I'm concerned, I'm just marking time on them

lcism is too severe for those rubber-stamp Senators who have sold their birthright to the administration. That's why I'm not bothering to write my own State Senators. So far as I'm concerned, I'm just marking time on them.

In connection with the thousands of small businesses that have been ruined by the dominated N. R. A. price-fixing codes, I am herewith giving an account of my own true experience with the N. R. A. price-fixing code.

I'm a married man with a family of four to support. By trade I'm a cabinetmaker in one of the larger furniture factories of the country. For more than 5 months our plant has been down and the men, including myself, have had no means of support. Many of my buddies, during this long shut-down of our plant, were forced onto the Government relief roll. But rather than do likewise I bought a small hand printing press with the intention of getting small jobs of printing. To facilitate my efforts I printed some advertising blotters, but after handing out just two of them I was at once reported by one of the inside gang to the code authorities, who lost no time or words in a curt admonition, "I want to urge you to pay code assessment promptly, since there is a penalty provided by the Government for nonpayment."

I endeavored to explain, to no avail, that I was not a regular job printer, only just an amateur with a very small outfit which I was using to get some extra jobs that would carry me over until I could get back to my cabinetmaking work, which I intended to do just as soon as our plant started operating. "But," warned the sleek, well-fed administration manager, "you are in competition with established printing offices that have invested thousands of dollars in the business." "In competition (?)." At that very time one of the N. R. A. shops daubing the Blue Eagle on everything which he printed was printing at bootleg prices 500 bridge raffle tickets, perforated and numbered, and then changed form for 100 additional tickets, 600 in all, for \$2.50. That was worse than anything I did

Very sincerely yours,

LEE HARMON.

MILWAUKEE, WIS., March 5, 1935.

Hon. WILLIAM E. BORAH,

Hon. William E. Borah,

United States Senator, House of Senate, Washington, D. C.

Dear Senator Borah: You will find enclosed herewith copy of complaint which we filed with the Federal Trade Commission relative to collusive bids made on large gate valves. You will note that the prices are uniform to the penny although we called attention of all bidders to the fact that the President's Executive Order No. 6767 was issued for the purpose of (1) giving cities the benefit of discount on quantity purchases and (2) for the purpose of creating an area of competition in order that laws requiring the award to the lowest responsible and competent bidder could be complied with. complied with.

Uniform bids such as have been presented would lead eventually to a return of the spoils system in the award of public business. Please note that the 36-inch valve has doubled in price since June 1932.

It is clearly evident that these bids were made as a result of a collusive price agreement. Anything you can do to expose and wipe out these illegal practices will be appreciated by all American cities.

Respectfully yours,

Jos. W. NICHOLSON. Special Representative United States Conference of Mayors.

GRAND RAPIDS, MICH., February 28, 1935.

Hon. WILLIAM E. BORAH,

Washington, D. C.

DEAR SIR: We small business men will be sunk without trace if this iniquitous law is continued. There is only one Blue Eagle for us, the American flag.

I have been harassed, intimidated, and threatened by the racketeers who have been lining their pockets on this law. Two years ago I was framed and it was politely suggested I leave town. However, these parties did not reckon on several factors which I have put to good use and have increased my business by paying no attention to delegated laws and parasites who live off of them.

I will be glad to hear from you at any time.

May you be successful in your battle for the right.

Sincerely yours,

THE D. R. ELLINGER Co., D. R. ELLINGER.

Youngstown, Ohio, March 6, 1935.

Hon. WILLIAM E. BORAH,
United States Senator, Senate Office Building, Washington, D. C.

Re: Unfair competition-the steel code

Re: Unfair competition—the steel code

MY DEAR SENATOR: With further reference to our complaint of
February 20, filed with you as to the restraint of trade monopoly
in violation of the Sherman-Clayton Antitrust Acts of the steel
code, we have today filed with Willard L. Thorp, chairman of the
advisory council, National Recovery Administration, a brief, per
copy enclosed, as to the coercive, oppressive, and destructive operation of the steel code and its unfair competition in relation to
independent jobbers, middlemen, and distributors.

Anticipating the enclosed may be of some service to you in addition with our complaint of February 20 and thanking you kindly
for the interest already demonstrated, we remain,
Yours very truly,

The Sheet Metal Manufacturing Co.

THE SHEET METAL MANUFACTURING CO., THOMAS E. FARRELL, President.

Youngstown, Ohio, March 6, 1935.

Mr. WILLARD L. THORP,
Chairman Advisory Council,
National Recovery Administration,
Washing

Re: In accordance with office memorandum no. 333, public hearing March 12, 1935. Distribution differentials, unfair competition, the steel code.

DEAR SIR: We herewith submit allegations of the unfair methods Dear Sir: We herewith submit allegations of the unfair methods of competition in the distributions from the manufacturer to the retailer and/or consumer practiced and operative under the steel code, provisions of which were intended to correct—

(a) As to the nature of the unfair methods of competition among the channels of distribution from the manufacturer to the retailer which steel code provisions were intended to correct.

(1) The steel code provides for minimum selling price schedules to be filed by each steel manufacturer with the steel code authority. These filed minimum schedules have in practice at all times been the maximum selling price schedules.

(2) The schedule of prices, so filed, are alike applicable to the wholesaler, jobber, broker, or middleman, without any allowances or differentials whatsoever, and are likewise applicable to the consumer or retailers.

sumer or retailers.

(3) Effective prohibition has thereby been established against the distributor competing with the manufacturer for carload business, effectively restraining competition in this class of business solely to the manufacturers where a close monopoly is had owing to the system of open price filing, effectively eliminating any price competition.

(4) Covering less car-lot shipments quantity differentials are charged by the steel manufacturers which are applied on the purchases of the middleman as well as the consumer or retailer, thereby permitting the manufacturer which has proved under the operation of the steel code a very destructive fact to invade, disorganize, and disrupt the competitive field of the middleman by the manufacturer. the manufacturer.

organize, and disrupt the competitive field of the middleman by the manufacturer.

(5) Under the open price-filing system of the steel code, wherein no provision whatsoever is made for a schedule of differentials applicable to the middleman's purchases, the manufacturer successfully and absolutely precludes competition from the middleman in either carload or less carload business.

(6) Through wholly owned subsidiary, distributors, and middlemen who are not, under the steel code, required to quote selling prices in excess of the minimum filed selling prices of the parent company which are the minimum cost prices of independently owned distributors or middlemen, the manufacturers are prosecuting a totally unfair and wholly destructive competition through wholly owned subsidiaries, distributors or middlemen against the independently owned distributors.

To concretely illustrate: The Wheeling Steel Corporation, member of the steel code, wholly owns the Wheeling Corrugating Co., a distributing middleman of steel products. The Wheeling Corrugating Co. in any of its warehouses located in all of the largest cities in the country, as a wholly owned subsidiary do not have to, nor do they quote selling prices in excess of the minimum prices filed with the steel code authority by the parent company, the Wheeling Steel Corporation, which minimum selling prices of independently owned middlemen or distributors competing in any of the said cities against a warehouse of the Wheeling Corrugating Co.

(c) As to the degree to which present code provisions of this type are not operating in the public interest.

(c) As to the degree to which present code provisions of this type are not operating in the public interest.

(7) Clause C. As to the degree to which present code provisions of this type are, or are not, operating to the public inter-

est. The provisions of the steel code are operating entirely against public interests, eliminating from business and throwing out of employment the employees of the independently owned distributing and warehouse companies, formerly engaged in profitable business and rapidly being displaced by the unfair competition of the wholly owned subsidiary, distributor, or warehouse men.

(8) The penalization imposed by the steel code at the rate of \$10 per ton for any violation by an independent distributor of the filed minimum selling prices of his supplier works a detriment to the public in artificially raising and maintaining an unjustifiable level in the prices of all steel products to the consumer.

sumer. Most members of the steel code and all of the larger members are now unfairly and illegally competing against jobbers, middle-men, warehousemen, and other small independent industries who men, warehousemen, and other small independent industries who sell or consume products of the steel industry; through the unsair operation of the steel code whereby such wholly owned subsidiaries, regardless of their classification and the field of trade in which they operate are not required to sell their products at a greater price than the minimum selling price posted by the parent company, which in all cases is the minimum cost price of an independent competing company. These provisions of the steel code were drawn with but one purpose in mind—to eliminate as rapidly as possible all independent companies engaged in the fabrication and distribution of steel and steel products.

For the reasons stated herein we submit this request for relief from the present oppressive and destructive operations of the steel code and pray for an alteration of the steel code to establish a fair schedule of distribution differentials and the elimination of wholly owned subsidiary competition.

tion of wholly owned subsidiary competition.

Very truly yours, THE SHEET METAL MANUFACTURING CO.,

Mr. DICKINSON. Mr. President, following the address of the distinguished Senator from Idaho [Mr. Borah], I wish to insert in the RECORD a quotation from a former President of the United States, one of America's foremost students of government affairs, Woodrow Wilson. He made this state-

Regulation by law is judicial, by fixed and definite rule, whereas regulation by commission is an affair of business sense, of the comprehension and thorough understanding of complex and various bodies of business. There is no logical stopping place between that and the actual conduct of business enterprise by the Government

Government.

Such methods of regulation, it may be safely predicted, will sooner or later be completely discredited by experience. Commissions in the future as in the past will reflect rather public opinion than business discretion. The only safe process, the only American process, the only effective process, is the regulation of transactions by the definite prohibitions of law, item by item, as experience discloses their character and their effects, and the punishment of the particular individuals who engage in them.

I wish also to call attention to another matter which follows out the very line of discussion to which we have listened this afternoon. Very few of those who voted for the Agricultural Adjustment Act ever expected that we were going into the business of killing pigs and reducing the food supply. Out in the Middle West we are feeling the effect of that policy. Only a few days ago the Sioux City packing plants closed down, putting 1,500 workmen on the streets, and many of them on the relief rolls of that city. That was due to the lack of a supply of pork.

At the same time the supply of pork for consumption in this country is decreasing. The price is going up and it is being shown all along the line that the economy of scarcity reaches one end, that is, that when the price goes high the consumer does not consume, then the processing plants close down, and there is no market even for that which is produced.

Mr. CAREY. Mr. President-

The PRESIDING OFFICER (Mr. Byrn in the chair). Does the Senator from Iowa yield to the Senator from Wyoming?

Mr. DICKINSON. I yield.

Mr. CAREY. Is the Senator aware of the fact that a representative of the Department of Agriculture yesterday stated before the Committee on Agriculture and Forestry of the Senate that the killing of 6,000,000 pigs had resulted in there being more pork? He explained that the reason for it was the drought; that had those 6,000,000 pigs lived the other pigs remaining now would not have been so fat, and therefore there was more pork by reason of the killing of 6,000,000 pigs.

Mr. DICKINSON. As it happens, I come from a section of Iowa where a good many porkers are fattened, and I wish to say to the Senate that we could have fattened a good many more of them there with the corn crop we had this year.

Mr. KING. Mr. President, will the Senator yield?

Mr. DICKINSON. I yield.

Mr. KING. Is the Senator a member of the Committee on Agriculture?

Mr. DICKINSON. No; I am not.

Mr. KING. I was wondering if the recent statements, if I understand them correctly, are to be carried into effect in a proposed new law which will broaden the powers of the A. A. A. and give additional authority to slaughter animals and to contract the acreage of lands which are being cultivated, and thus reduce production?

Mr. DICKINSON. I think there is no question that the whole purpose is to control and reduce production, and that the amendments to the A. A. A. Act would give power additional to that which the A. A. A. officials may have exercised under the present law, but concerning which there seems to be some doubt as to whether or not they have the actual authority. The vicious phase of the new amendments of the A. A. A. Act, as I see it, is that the A. A. A. officials are going to have the right to license the processors and handlers of food products to the point where they can say, "We will not permit you to process the product of a man unless he joins in the program of crop production." Therefore, that is practically licensing the farmer. Although they are not saying that they want to license the farmer or producer, it does have that effect.

Mr. KING. In the light of the discussion by the able Senator from Idaho [Mr. Borah] to which we have just listened, would not such action by officials of the A. A. A. tend to a monopolistic control of food products and of the processing of food products?

Mr. DICKINSON. It would, Mr. President. There is no question about it. In line with that suggestion, I ask unanimous consent to have inserted in the Congressional Record, following my remarks, the article appearing in the Wall Street Journal of today entitled "Small Packers Forced to Close Pork Plants."

The PRESIDING OFFICER. Without objection, it is so ordered.

The article referred to is as follows:

[From the Wall Street Journal of Mar. 8, 1935]

SMALL PACKERS FORCED TO CLOSE PORK PLANTS-WHOLE INDUSTRY LOSING MONEY ON PRESENT HOG-SLAUGHTERING OPERATIONS-IN-VENTORY STILL AIDS BIG UNITS

CHICAGO.—The meat-packing industry is running into a period of slack production and is operating its plants as a whole at only 50 to 60 percent of capacity.

Furthermore, not a few small packers throughout the hog coun-

Furthermore, not a few small packers throughout the hog country have found it necessary to close down their hog-slaughtering divisions because of the impossibility of getting their costs out of the swine. Losses of \$1 a hundredweight or more are accruing to them as a result of the recent rise in price. The processing tax adds \$2.25 a hundredweight to the price of swine, and pork products have not advanced in proportion to the animals.

The present low rate of production, traceable to the decimation of 6,000,000 pigs by the A. A. A., plus a reduction in weights and numbers as a result of drought, is likely to continue unbroken over a substantial part of this year. Regaining of more normal production depends primarily upon the quantity of the 1935 corn crop. Given a good corn crop this coming summer the hog raisers of the Nation can fatten their hogs to substantially larger proportions and thus tide over the period until new crops of pigs are produced.

As a consequence of the present situation the packers are dependent for a return from their business entirely on the substantial inventories of cheaper pork laid down during last fall and up to the end of 1934 from the then excessive runs of swine.

BIG PACKERS AIDED BY INVENTORY

All the important packers, while unavoidably losing on current slaughter, are in a position, thanks to their previously created inventories, to move along at some profit at the present time. Naturally, as has been pointed out before, profits of the industry this year will be impaired by the fact that volume will be around 40 percent below normal. It is volume first and last upon which the industry depends for its profits. Without volume, costs mount disproportionately, eating rapidly into the always small unit profit.

While the industry believes it will come through the year with a fair return because of the fat mark-ups on inventory laid in at prices which now appear low, it makes no pretense of expecting full-sized returns just because prices have advanced materially. It is probably safe to say the larger part of 1935 net incomes were obtained in the first 4 months of the year. As inventories are further drawn upon and replacement is rendered temporarily impossible profits will naturally diminish.

### EMPLOYMENT IN 1935 LOWEST IN YEARS

Perhaps the greatest hardship resulting from the severely reduced plant activity is the additions thereby to unemployment relief rolls. There is not a company in the industry that has not had to lay off men on production lines, and employment in 1935 in this industry

men on production lines, and employment in 1935 in this industry will be the lowest in years.

Meat packers, box and barrel makers, salt companies, sugar merchants, paper companies are all feeling the result of the hog and beef-cattle shortage this year, and their pay roll lists are being shortened proportionately.

As a consequence of the present hog shortage, the big packers are all quietly on the lookout for small plants in key hog areas which they might buy. While the plant provides them with no really useful productive capacity this year, they thus obtain an additional receiving point for hogs which would not be marketed through them if they did not own the plant. Plants thus acquired will be useful under conditions when our hog population is normal and can accordingly be charged practically to future years.

### WAR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 5913) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1936, and for other purposes.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

Mr. KING. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KING. At what period in the rapid progress of the passage of this bill before us will it be permissible to submit a motion to recommit?

The PRESIDING OFFICER. The Senator has the right to make the motion to recommit now.

Mr. BONE. Before that motion is made by the Senator from Utah, Mr. President, may I offer the amendment to House bill 5913, the pending bill, which I send to the desk and ask to have stated?

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 63, after line 5, it is proposed to add the following:

The basic rates of pay upon which compensation is calculated for employees at the arsenals and elsewhere within the jurisdiction of the War Department in continental United States for all for employees at the arsenas and elsewhere within the jurisdiction of the War Department in continental United States for all mechanics, workmen, helpers, and laborers shall be adjusted to not less than the basic rates provided for at the nearest navy yard covered by the "laborer, helper, and mechanical service" of the "Schedule of wages for civil employees under the Naval Establishment" for corresponding or similar trades and occupations specified therein: Provided, That the minimum and intermediate rates of pay provided for in the "laborer, helper, and mechanical service" of the "Schedule of wages for civil employees under the Naval Establishment" shall be confined to the first and second years of service, respectively, for all employees embraced within such schedule of wages after having served their 4-year apprenticeship or its equivalent; and that all employees whose services would be satisfactory if employed or continued at the present rates of pay shall be regarded as satisfactory for any higher rate hereby accorded them: Provided further, That the schedule of wages for any establishment covered by this paragraph shall not be less than the schedule of wages in effect at the Philadelphia Navy Yard as hereby adjusted: Provided further, That nothing herein shall operate to reduce the pay of any employee. reduce the pay of any employee.

Mr. GLASS. Mr. President, I shall be compelled to make a point of order against the proposed amendment. It is clearly legislation and obnoxious to rule XVI.

Mr. BONE. Mr. President, I had hoped that none of my colleagues would make the point of order against this proposed amendment. I recognize that possibly it falls within the category of legislation, but it is merely an attempt in the piece of legislation which is now before us to provide an equitable wage scale in the arsenals of the country, and to pay to the employees of the arsenals the same schedule of wages for the same type of work done in the navy yards of the country. There is also an effort in the proposed amendment to localize the pay, so far as possible, so that there shall not be disproportionate pay in one part of the country

as against another. I hope I may induce the Senator from Virginia not to press his point of order. I recognize that probably under our rules the amendment is subject to a point of order. I do not want to place myself in the position of introducing, and I have so far refrained from trying to introduce, legislation into appropriation bills. This amendment is not a dangerous one. It is merely an attempt to equalize the wages in a way that I think would be very just. It would not affect the ultimate purpose of the bill. I do not want the Senator from Virginia to think that I am trying to do something which ought not to be done. There is nothing in my amendment which can ultimately affect adversely the purposes of this bill in any way. I hope the Senator will withdraw his point of order.

Mr. GLASS. Mr. President, of course I realize the good purpose of the Senator. I do not question that in the slightest degree, but the Senator will recognize the fact that I am under obligation by a standing rule of the Senate Committee on Appropriations to make a point of order against legislative proposals, and I am obliged to insist upon the

The PRESIDING OFFICER. The point of order is sustained.

Mr. KING. Mr. President, I appreciate the fact that the motion which I am about to submit, in view of the votes which have heretofore been taken upon this bill, will not receive the support which I should be glad to have it receive.

The Senate adopted yesterday an amendment adding \$20,000,000 to what the bill contained when it was reported from the Senate committee. It is conceded that that \$20,-000,000 is but a small part of the additional expense which will result from increasing the number of enlisted men of the United States by 30 percent. It was stated by the Senator from New York [Mr. COPELAND], who at the time had charge of the bill, when he was interrogated by the able Senator from Michigan [Mr. VANDENBERG], that the \$20,000,-000 needed to pay the per diem of the enlisted men for the next year must be taken, doubtless, from other appropriations contained in the bill, and as I recall, in answer to one of the questions propounded, it was said that there was a cushion in the bill, or that some of the items had been so padded that \$20,000,000 could be taken from those various items with which to meet the \$20,000,000 required to pay the per diem of the soldiers. So it is evident, Mr. President, that there is in the bill a considerable cushion, that there is in it a considerable latitude, that there are provided in it funds which are not indispensably needed to meet the various provisions of the bill.

I am opposed to the bill with the extremely large appropriation which it carries. As I stated yesterday, in view of the enormous appropriations which are being made by our Government for military and naval purposes, appropriations which this year will aggregate more than a billion dollars, we are no longer in a position to charge other nations with imperialism or with militarism, and, because of the enormous appropriation carried in this and in other bills for military purposes, which will be submitted, I move that this bill be recommitted to the Committee on Appropriations with instructions to reduce the aggregate appropriations carried in the bill by the amount of \$50,000,000.

Mr. McNARY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Byrnes	George	Logan
Ashurst	Capper	Gerry	Lonergan
Austin	Carev	Gibson	Long
Bachman	Clark	Glass	McAdoo
Bailey	Connally	Gore	McCarran
Bankhead	Coolidge	Guffey	McGill
Barbour	Copeland	Hale	McKellar
Bilbo	Costigan	Harrison	McNary
Black	Couzens	Hastings	Maloney
Bone	Cutting	Hatch	Metcalf
Borah	Dickinson	Havden	Minton
Brown	Dieterich	Johnson	Moore
Bulkley	Donahey	Keyes	Murphy
Bulow	Duffy	King	Murray
Burke	Fletcher	La Follette	Neely
Byrd	Frazier	Lewis	Norbeck

Norris Nye O'Mahoney Pittman Pope Radcliffe Reynolds

Robinson Russell Schall Schwellenbach Sheppard Shipstead Smith

Thomas, Okla. Thomas, Utah Townsend Trammell Tydings

Van Nuvs Wagner Walsh Wheeler White

Mr. LEWIS. I announce the absence of the Senator from Arkansas [Mrs. Caraway] and the Senator from Louisiana [Mr. Overtow], on account of illness; and the absence of the Senator from Kentucky [Mr. BARKLEY], who is necessarily detained from the Senate.

The PRESIDING OFFICER (Mr. McADOO in the chair). Ninety-one Senators have answered to their names. quorum is present. The question is on the motion of the Senator from Utah [Mr. King] to recommit the bill with instructions.

The motion was rejected.

JUSTIFICATION FOR A NEW NATIONAL INDUSTRIAL RECOVERY ACT Mr. LONG. Mr. President, I have here a copy of the N. R. A. Act, from which I wish to read section 1. It is as follows:

### DECLARATION OF POLICY

SECTION 1. A national emergency productive of wide-spread unemployment and disorganization of industry, which burdens interstate and foreign commerce, affects the public welfare, and undermines the standards of living of the American people, is hereby declared to exist. It is hereby declared to be the policy of Congress to remove obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof; and to provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among trade groups, to induce and maintain united action of labor and management under adequate governmental sanctions and supervision, to eliminate unfair competitive practices, to promote the fullest possible utilization of the present productive capacity of fullest possible utilization of the present productive capacity of industries, to avoid undue restriction of production (except as be temporarily required), to increase the consumption of industrial and agricultural products by increasing purchasing power, to reduce and relieve unemployment, to improve standards of labor, and otherwise to rehabilitate industry and to conserve natural resources.

Mr. President, the succeeding sections of this act in title I go on to prescribe, of course, the many things which may be done, and the many things which they authorize others to do and which they authorize others to authorize others to do, and by which they authorize those who were authorized to authorize others to set up various and sundry departments in order that the things may be done.

The act, Mr. President, cannot be completely understood unless it is realized that it is like the Constitution of the United States. Many of us, of course, are tempted to think that when we have read the articles of the Constitution of the United States we have made a study of what the form of government is; but in order that one may understand today what the Constitution of the United States is he has to regard as a supplement to that document the various decisions of the Supreme Court of the United States and probably some of the decisions of the intermediary and subordinate courts of the United States. So it is, Mr. President, in the case of the National Recovery Act. In order that it may be understood one has not only to take the act itself, but he has to take the codes that have been written under the act and also consider the various and sundry regulations and regulators who are operating and administering this law.

There used to be a time in this country when the only way by which you could make a man aware of a law was by passing the law and promulgating it in some official journal. Down in my State we provide that in order to enact a law it is necessary to pass it through the house and then through the senate or through the senate and then through the house, as the case may be, and, then, after the law has been passed, it must be signed by the Governor and it must be promulgated and published in the official journal for a period of, I think, 2 or 3 days, at least, and then the legislature must have adjourned for 20 days before that law goes into effect. We have been criticized for acting somewhat hastily in that State in cases, but, none the less, when we have acted we have always published the law so that people knew what the law was, and we have waited 20 days after the legislature adjourned in order that the citizen might know what he might be expected to adhere to.

In order that I may make clear what I have in mind with respect to the N. R. A., let me say that today it is not only necessary to consider the various and sundry sections of the N. R. A., but, in addition, in order to know what it is all about, one has to become acquainted with the 900 catalogs that have been published containing sundry regulations, rules, and orders, and must also explore the files in Washington and the files in the subdepartments and agencies scattered throughout the United States, and then he must explore in that connection those who have been employed; he must explore what powers have been given to those who have been employed under these 900 codes; and then he must go out and look these men up and find out from them what they have prescribed up to the last 30 minutes or maybe up to the last 1 minute. The rules are not published in any newspaper; they are not contained in any bound volume; and I am told, though this may be an error, as it is based upon publication in the newspapers, that, in one instance, when a man who had already plead guilty reached the Supreme Court of the United States they could not find the rules and regulations nor the rule book containing the regulations which the man was supposed to have violated, and, therefore, they had to turn him loose.

So, Mr. President, in connection with the present N. R. A., as I have been told, we are going to be presented with another bill and are to have another N. R. A. to carry on the present N. R. A. I do not know just whether it is intended that it will have the administration of the explosive. temperamental character that it started off with last time, because it started out almost like a hurricane accompanied by a ball of fire in the person of Mr. Hugh S. Johnson.

However, Mr. President, I hope that if we give it the sign of the Fascisti, known as the "Blue Eagle" or the "double eagle", or whatever they call it, we will at least let the eagle have a chance to live by itself. It is all right that the Germans have their Fascist sign in the form of a swastika: it was all right that the Mussolini-ites or the Fascisti in Italy have their sign in the form of a black shirt, and it may have been all right that the Fascisti in America have their emblem in the form of a double eagle, but at least we ought to have given that emblem the right to have lived and to have thrived. I really believe, Mr. President, that we almost condemned that eagle to death in advance when we published the eagle looking squarely into the countenance of my good friend, Hon. Hugh S. Johnson, because I do not see how the eagle ever looked at Johnson and lived as long as it did. [Laughter.]

So that it may not have an unceremonious life again under the provisions written into this new instrument at a time when it has almost suffered its demise, I merely sound that note of warning.

We are going to have to have something on which to hang an excuse for the operations of the N. R. A. This is legislation out of the ordinary, so therefore we are going to find out what our legislation is. I was wondering whether or not it might not be a good idea if the Senate would find out what the law is at the present time. In other words, before we proceed with something that might change the law, before we undertake to enact more legislation, either to modify or to continue in effect legislation of the character we now have, I am wondering if it might not be a good thing if we find out what the law actually is. In other words, before we amend regulations which may have devitalized the country and industry, we ought to be careful that we are not enacting legislation that is not going to annul some of them. I am not able to tell what the legislation is or what the law is. There is nobody in the Senate who can tell what the legislation is or what the law is. There is not anybody in the N. R. A. or in any other department of the United States Government who can tell what the law is today insofar as the rules and regulations, codes, and other things under the N. R. A. statute are concerned.

However, we are going to have to provide a preamble for the new law, and, in order to write the preamble, we will probably have to eliminate section 1 of the existing law.

Section 1 justifies the succeeding sections. Section 1, in other words, gives the reasons why we are acting. It tells the people that the country is in a deplorable fix. If we are going to reenact the N. R. A. statute, I should like to find out some things, maybe, from some of my more learned colleagues. I want to be careful in the Senate, because I do not want to reach the point where I will be subjected to an impeachment such as the Senator from Virginia [Mr. Glass] visited upon the junior Senator from Nevada [Mr. McCarran] the other day. I therefore say I am not saying I want to be advised by my learned colleagues, but that I want to be advised by those colleagues of mine who are more learned than I am, and on that score the Senator from Virginia and I will never have any argument, unless the Senator changes.

Therefore, I am going to inquire of those more learned than I am in the N. R. A. and other lines what is going to be the cornerstone in enacting another N. R. A. law. I do not know that there is going to be another N. R. A. law enacted. I think I shall be told about that in due time, probably about the same time the President is told. The Presiding Officer may learn it a day or two ahead of me, or I may learn it a day or two ahead of the Presiding Officer, as the case may be; but when I do reach the stage of having the information that there will be, should be, or must be, and therefore is to be, another N. R. A. statute enacted, I will naturally first expect to read the cornerstone section to find out what is the basis and justification upon which the next N. R. A. is to be based.

Are we going to say we shall recopy section 1? If so, to copy section 1 would mean that for 2 years we have explored into the mire of distress and still have it. I therefore want to warn those to whom has been given the difficult proposition of designing the act not to copy section 1, because that would be the same as admitting that all this folderol would be destroyed by the act being brought here in that form. Therefore I say that to those who may be the draftsmen of the new legislation, or rather to those who will be in contact with those who are the draftsmen of the legislation; if I were called into consultation with this learned group of draftsmen to whom I am now addressing myself, I would consider I had entered into the recesses of knowledge and into the realms of high instruction, which, of course, I am not asking to be done; but to those who may reach that source, which I am not undertaking to reach at this time, I would say, "Beware, lest you get into the bill something that will add serious disaster to the situation and upset the claims we have made that we have already recovered."

The National Industrial Recovery Act, section 1, says that it is enacted because "a national emergency, productive of wide-spread unemployment and disorganization of industry, exists." Be careful that you do not come in here day after tomorrow, or at whatever hour it is decided to pass the law again, and say again that "a national emergency, productive of widespread unemployment and disorganization of industry, exists", because if you do you are going to be right in the same wagon rut that you said you were in 2 years ago. I am fearful something like that may be found to exist in the new legislation.

Has that condition been corrected under the N. R. A.? Let us read a little further. It is said that this condition "burdens interstate and foreign commerce." I wonder what foreign commerce it burdens. As I said, these things have been changed; the regulations relating to foreign commerce have been changed from time to time so as not to hurt individuals. There is an exception in the importation and exportation of gold that has to be considered, but that has reached a fairly elastic condition.

First, the gold clause only provided that the man who had gold in this country had to bring in the gold, and it did not affect the man who wanted to ship the gold out of the from Louisiana into an investigating committee?

country. Next, a provision was incorporated that the man who had gold to send out of the country could not send it out; he had to bring that gold in, too. Then, under some subsequent ruling that was adopted, they amended all the other acts so that they might change even that, and it was provided that newly mined gold could be exported out of the country. Of course, if we can export \$100 worth of newly mined gold to England, where we find it can be matched up with the American dollar devalued down to 59 cents, then the newly mined gold is worth 40 cents more on the dollar than the old piece of gold. In other words, that gold is worth 41 cents less than the newly mined gold.

I am not modern in this matter. I only kept in touch with this matter until last month. I do not know what the regulation may be today.

A cargo of gold newly mined is worth 41 percent—no, it is worth about 78 percent or maybe 80 percent more than old gold. I have not figured that out exactly. If I had time I could take a pencil and figure out just what it is; but a cargo of newly mined gold for export is worth about 80 percent more than a cargo of old gold for export under the newly made regulations.

Who is the authority that has been checked up and examined and placed in charge of the rules and regulations which have been prescribed by the N. R. A. code for the handling of gold in the United States? I have not been able in the little search I have made to find out who it is that is in charge of any of the regulations.

Mr. President, I rose somewhat out of order while we were considering the War Department appropriation bill. I want to admit and confess my inability to be very much informed on what are the provisions of the War Department appropriation bill. I have not read the bill because it would not make any difference whether I read it or not as matters now go. I have not gone into these unnecessary things that do not do any good. I save my time. In other words, I do not go around here and waste my time delving into things that I have no business inquiring into. I have learned better than to do that. I am a member of a legislative body, not a law-enacting body. I have realized that there is a distinction there whether there is any difference or not. Therefore I have not wasted my time reading the various and sundry bills which are introduced and brought before the Senate. I wait until somebody tells what it is all about and I do not particularly inquire about the necessity for them. I wait for results to speak for themselves.

But I want to enter my protest against being blamed for the consequences of these laws. I want to enter my protest and I expect my good friend, the Senator from Illinois [Mr. Lewis] to carry my protest back to the proper place where it ought to be taken and inform them that I have protested against being blamed for anything that has been done here in the last 2 years.

I want further to say that I desire to enter an official protest and demand the protection of the United States Senate from outsiders and insiders heaping upon me any blame for what is going on in this country, because the Lord knows there is nobody on earth who has had as little to do with what is going on in the United States as I have. I am going to expect that protest to be entered on the proper journal and to be carried to the proper sources. I am going to expect the protection of the Senate from this time on in case any spokesman for or against the administration undertakes to charge me in public or in any other way with having anything to do with the wreckage of the present day and time.

Mr. LEWIS. Mr. President-

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Illinois?

Mr. LONG. I yield.

Mr. LEWIS. May I ask my able friend, since he has committed to me the transmission of some message in his behalf, since he says he does not know whether this is a legislative body or a law-making body, whether he recognizes that it has been converted by the distinguished Senator from Louisiana into an investigating committee?

Mr. LONG. The last time I saw them they were investigating. I just take whatever light is behind me for the light that is in front of me.

Mr. LEWIS. Does the able Senator from Louisiana feel that he ever got any light from anywhere?

Mr. LONG. I do not know. That is something to consider. The point I am expecting of my friend from Illinois is this: I am not appealing to my friend in any except his official capacity. In a way the Senator from Illinois is a hired man of ours here. He is the "whip" on this side of the chamber. "Let him who is the greatest exalt himself the least." In other words, the Senator is a servant of the balance of us. I am a free agent of my own. But those whom we have called and placed in a capacity of influence are the ones to whom we look to guard us from unnecessary persecution. What I am going to expect in the future is that I be divested of any charges of wreckage for anything that has occurred in this country, because the Senator knows I could not have had anything to do with it even if I had wanted something to do with it.

Mr. Hugh Johnson, who was here under the N. R. A., made a little speech, and the Senator from Arkansas says I did not answer Mr. Johnson. True, I made a radio speech last night. My friend the Senator from Washington [Mr. Schwellenbach], who sits back of me here, will certify to the fact that I made a radio speech at a very late hour, for he said to me this morning that he listened to me for 10 minutes, and it was such a very wonderful speech that he immediately went to sleep. [Laughter.] Therefore, Mr. President, assuming that the speech had the same effect on all the rest of the Members of the Senate as it had on that Senator, no answer has been made to this body, and General Johnson's statement still stands extant, and no one knows of any reply that has been made to it.

I do not think we should proceed hastily with legislation today. I think there is confusion about this War Department bill. The fact of the case is, I do not think half of us understand it. I do not know whether that makes any difference or not, but there are some letters piling in from constituents inquiring from me just what the provisions of the bill are, and I should like to be able to write them and tell them what the provisions are before I vote on the bill, because when I get back home I am supposed to understand it. So I do not think we ought to proceed in haste on this legislation today. I should like to see the motion of the senior Senator from Utah [Mr. King] postponed. I should not like to see hasty action taken on it. That is a very drastic motion.

Mr. GLASS. Mr. President, the Senator from Louisiana does not seem to realize that the motion has been disposed of. [Laughter.]

Mr. LONG. Oh, it has? Is that so? I thank the Senator, but there is a disagreement in the Senate. Another Senator insists that it has not been disposed of.

Mr. GLASS. The motion to recommit has been voted down.

Mr. LONG. No; it was not passed on.

Mr. GLASS. Well, let us see.

The PRESIDING OFFICER. The Chair ruled that the motion to recommit was lost.

Mr. GLASS. That is what I said.

Mr. LONG. Mr. President, I was trying to get the floor at the time, and the Chair never did announce anything, did he? I was doing all I could to secure recognition.

Mr. GLASS. But the Senator did not get the floor quickly enough. [Laughter.]

Mr. LONG. Then I shall have to enter a motion to reconsider that vote.

The PRESIDING OFFICER. The Chair recognized the Senator from Louisiana after the vote had been taken, and regrets that he did not observe that the Senator was trying to obtain the floor while the result of the vote was being announced.

Mr. LONG. That being the case, I am certain the occupant of the chair will not object to setting the vote aside and letting us take it over again when I shall have concluded my argument on it, because I was trying to get the floor. Mr. GLASS. The Senator is at liberty to speak on the matter even though it has been disposed of, because everybody else speaks to something that is not before the Senate.

Mr. LONG. That is the general custom, I understand.

Mr. GLASS. I may say, incidentally, that I have here a resolution, which I am going to offer after a while, to prevent a repetition of that sort of thing.

Mr. LONG. I am afraid the Senator's own vote will be the only one he will get for it.

Mr. GLASS. Oh, no; the Senator from Louisiana is mis-

Mr. LONG. I should hate to have to go back and apply that rule to the Senator from Virginia, because I should have missed hearing some very good speeches that he made when I first came here.

The first day I came to the United States Senate, after I had been sworn in-because I went back home a day or two later; I took the oath here, and then I went back home to get my clothes-when I got back the Senate had up some motion to confirm some man for some office. When I reached the Senate Chamber on that day, the first man I heard speaking was the Senator from Virginia [Mr. GLASS]. speaking under the head of the confirmation of somebody for something, I believe. It might have been a bill. I do not think it was; but the Senator from Virginia was trying to disengage himself from an imagination as to whether or not what he saw on the head of the Secretary of Agriculture was a turnip or a head. I listened to that speech, and while I did not exactly understand the particular way under which it came, I later found that it was entirely relevant and was within the rules of the Senate.

I hope we shall not have any effort made here to change those rules. I do not know whether or not I am speaking on the War Department bill yet, because I am going to come to that matter. The fact of the case is, I do not know what the War Department bill is. I have heard some discussions here, but how am I to know whether the speeches that are made by the Senator from Missouri [Mr. Clark] are about the War Department bill or something else? How am I to know what these speeches are all about unless I take what I hear here on the floor of the Senate and what I may have a chance to read in the bill? But who knows what is in the N. R. A.? Why have us go to the worry of considering a mere five or six pages when none of us knows what is in 900 books?

I am told that one of these books is as big as a Sears-Roebuck catalog. One of the books prescribing the rules and regulations under which one of these industries operates is as big as a Sears-Roebuck catalog! That is what I am told. They had a rule that they were proposing for hotels, I am told, under which a hotel man, if he had a good friend, could not even give him the right to sleep in his hotel free at night; he had to charge him for lodging. If a man who was running a hotel had a good friend, he could not even compliment his friend with a free meal of victuals; he had to charge him for it. If a man was running a barroom, he could not even give a friend a drink, but he had to charge him for it. That was all in the code.

A number of years ago I heard a story of how a man went into a barroom, called for a drink, and had the drink. After he drank the drink he told the fellow at the bar to charge the drink to him. The bartender yelled back to the boss of the barroom, and said, "Is this man good for a drink?" The boss said, "Has he had the drink?" The bartender said, "He has had it." The boss said, "He is good for the drink." [Laughter.]

How is the code going to work in a case like that? They have a rule on it. They have a rule that a man cannot be given anything at all in a hotel, it does not make any difference what it is. They have a rule that undercharges cannot be made. They have a rule as to the hours between which charges have to be made and services have to be performed; and that does not end the rules. The agents they appoint have the right to walk out and, under their hats, carry a pad, and take out a pencil and a paper and write out another rule, and that is just as much law

as the Constitution of the United States is a law. That is the N. R. A. When one of these agents goes out under the N. R. A., or one of these rule committees, or whatever you want to call them, they have the right to write out the rules.

Now, let me tell you how that works.

Down in Louisiana State University we needed a number of uniforms for a band down there, 150 uniforms. We ordered these uniforms for the band. The uniforms were due to be delivered at a certain time. We had been invited to go up to the State of Tennessee to attend a ceremony there, to be held at Vanderbilt University in the city of Nashville. Lo and behold, when the time was about up when we were to go, we did not have any uniforms to wear. The band did not have any kind of uniforms, or the cadets, either. I believe it was the cadets who did not have the uniforms.

What did I have to do? Why, Mr. President, I telephoned down to the man to whom we had given the contract to make uniforms for Louisiana State University, and he informed me that under the code there were rules and regulations that forbade him to make the uniforms except along a certain line and at a certain time, and that it would be about 2 or 3 more weeks at the very earliest before he would be allowed to deliver the uniforms to us, regardless of what he wanted to do.

I said, "Is not there some way in which I can correct that?" He said, "Well, you ought to know. If there is any way to correct it, you ought to know." So I sent for the book of rules, and they brought me up a book of rules and a lot of subrules and regulations, and I went through the thing there for about 6 hours. Finally I telephoned to some fellow up here in New York City whose name I saw printed in it as being chairman of something, and I said to him, "Here, I do not know anything about this rule book. I am only a lawyer. I cannot understand this book. The man who has the goods to make down here does not understand the book. I am spending \$25 to telephone you to see if you cannot tell me what I can do to get uniforms to put on the backs of these men. These men need the uniforms to wear. We want to buy the uniforms. The man who has the order wants to make the uniforms. Now, you tell me how I can get the uniforms."

He said, "I will tell you what to do. You arrange through Mr. So-and-so, who is the chairman of this thing, and he will tell you whether they can get a suspension of rule so-and-so, and of section so-and-so, and of some other subdivision so-and-so, and of some other subdivision of some other subsection." [Laughter.]

I said, "Where is that man?" He said, "He is off for the week-end." [Laughter.] He said, "This is Friday night, and he will be back from the country next week. Monday is a holiday, and he ought to be back here about Tuesday at noon."

I said, "I cannot wait until Tuesday noon to find the man, because that will be 4 more days gone, and our train has to leave about Friday night. Does anybody know where that man goes during the week-end with the rule book and the law underneath his hat? Where", I said, "can I find the law?"

He said, "I don't know where he goes. He has a camp, I think, out here in Connecticut somewhere. Perhaps you can find him over there."

So I got back on the telephone, and I telephoned to a couple of men I knew in New York, and I said, "Won't you please go out and ascertain for me how I can find out where this man is? Hire an automobile and go and locate the law. I want to find the law, so that I can get suits of clothes to put on the backs of 700 young men who are going to Nashville to attend a ceremony at Vanderbilt University. We have a big day coming up there. I have five special trains. I have bands and everything ready to go, and I want to get some clothes for the young men to wear. You go and locate the law. Spare no expense."

About 3 o'clock in the morning one of them rang me and said, "I think by this time tomorrow I shall be able to send

you a telephone number where you can reach the man who has in charge regulating that thing." [Laughter.] I said, "All right; but see if you can't telephone me a little sooner." Lo and behold, about midnight the next night he telephoned me and gave me a telephone number and said, "I have solved the problem! I have found him! I have found the law! Here is a telephone number." He said, "Now, don't you let anybody know how you got this. Don't say anything to anybody to the effect that I gave it to you. Here is a telephone number where you can find the man who is the chairman of that particular division of the code governing this matter."

So I got on the telephone, and I spent \$25 more, and I rang him up and I said, "This is Huey Long talking. I am United States Senator from Louisiana. I am down here in Baton Rouge, La., and I have a bunch of students that want to go to Nashville, Tenn. We have ordered about seven or eight hundred or a thousand uniforms that we cannot get made down here because the rule book will not let the man make them." I said, "Now, will you just help me out of this thing? If you will, if at any time anything ever comes my way so that I can do you a favor, you can certainly count on my doing it, if it is legitimate and proper." I do not know whether I said the last part of that or not. [Laughter.]

I said, "You just let me know."

He said, "This is rather late. I will have to think that matter over."

I gave him the name and address. I said, "I understand that all in the world you have to do is to write out a telegram and change the law insofar as it affects these uniforms going to the Louisiana State University; that you can say that, inasmuch as this is a purchase to be made by the State, and inasmuch as there is an emergency existing, you suspend these rules, and let me hire men to make up the coats and the pants as fast as they can make them."

He said, "I will see about it and let you know right away."

Lo and behold, he did. At the end of 2 days' time he located everything, and the man wired back, after I had spent \$150 in telephoning, and perhaps a little bit more, and said it was all right; they could go ahead and make the uniforms. So they went ahead and made the uniforms, and just before it was time for the train to whistle and go out, we put the last pair of pants on the last student and went to Nashville and beat the Vanderbilt football team.

I have not seen or heard of the man since. If, in order to maintain him in any job he has, it was necessary to vote for some amendment of the N. R. A., I would be tempted to do it. But who is to tell me what the law is next year, next week, or next month? That is why I do not want to have to vote on this military bill.

Mr. President, I hope the Senator from Virginia—I understand the next thing that is to come up is the works bill, and I should like to see the works bill put off right now. There is a lot of confusion about the works bill, and I should like to see it put off, and I will tell the Senate why I say that.

The newspapers are saying that there is an attempt to switch some votes, and they say some of the gentlemen are being called in and told what they will get in their States if they will change their votes and go for the bill.

Mr. President, I have friends on both sides of this question. I do not know whether there is any truth in those newspaper reports or not, and I do not know whether it is proper or not; but I do know what is fair and what is right, and I am going to insist that my friends over here and over on the other side who have been voting against the McCarran amendment are entitled to just as good treatment as are those men who come over. In other words, I do not think it is fair to say to a man over here, "You have been voting for the McCarran amendment. If we can get that McCarran amendment out of the way, we are going to spend \$150,000,000 in your State, and this is how we will spend it "—and leave these gentlemen here, who have already been voting against the McCarran amendment, without getting anything. That is not fair.

How do I know but that I might be in the market, if that thing is right? [Laughter.] I might be open to a bargain

about this matter. In other words, I am mighty well convinced that the principle of the McCarran amendment is right. But, you know, circumstances alter cases [laughter], and you can never tell just what is going to change the situation.

It is not right, it is not fair, to come here in a big hurry and take up this bill and make a promise to just one or two of us, and then not remember that you ought to promise something to the balance of us over here, some of us who have always been against the McCarran amendment, and some of us who might be pulled off if we got the right consideration.

My vote counts for just as much as anybody else's. My vote is just as much as anybody else's vote. It is just 1, but that vote is 1 vote, and if they need but 2 votes, I resent anybody calling on anybody for a trade without calling on me first. [Laughter.]

What right have they to go out and call some man who voted for this McCarran amendment and tell him what they are going to do for him and leave me out? Why should they discriminate? Why not indicate how much it is worth to get a vote and give me a chance to bid first on that matter? I might cut the price a little bit. [Laughter.] I do not approve of this kind of a system.

Then, again, I am a party man. I am a dyed-in-the-wool party man. I do not know just what party I am in right now, but I am for the party! [Laughter.]

Mr. BONE. Mr. President, I wonder whether the Senator from Louisiana thinks the administration ought to call for bids before presenting one of these bills?

Mr. LONG. I did not say that, but I am making objection. It would be better than the way the newspapers say it is being done. In other words, we always let anybody bid on any public contract we have in my State. We just advertise the thing. We advertise that we need a man for a job, or somebody to do the work. We advertise and the low bidder gets it.

When a vote or two is needed to take out the McCarran amendment, I do not see what right they have to call in the Senator from Washington and give him the first chance to switch, when I might be willing to do it for less. [Laughter.] In other words, it does not seem fair.

As I was saying, I am a party man. I do not know what party I belong to, but when I get there I will be bitter; I will be convinced, and when I find out where I belong in this matter, nobody is going to switch me. I do not know where that is. I am very bitter on this McCarran amendment, but for all I know I might be just as bitter the other way; I do not know.

I do not think there is anything that will affect anybody that will not affect me. I think I am just as easy to get as anybody else, and I am resenting the fact that I have never been given a chance. I have been condemned without ever being given a hearing. They have not even considered the Senator from Washington, who asks this question. He sits over here and votes against the McCarran amendment, and his vote would be just as good as anybody else's vote against the McCarran amendment. He voted for it, and his switch-over would have the same effect as anybody else's switch-over. I dare say they never thought to call in the Senator from Washington and make him that proposition.

Let us have some honor about this thing and do it the right way. I am not going to say that that is not right; that is not exactly the way I would do things if it were left to me. I do not say that they even have done it; I can only say what the newspapers say they have done or what they want to do. But I do say, let us have this thing on an honorable basis. That is what we ought to do.

Mr. President, all lines and occupations are out of existence. This N. R. A. system has extended to many people. They tell me that second-story workers have a code, too. It was not under the N. R. A., but they tell me they have a code. Manifestly, if a second-story worker went out at 10 o'clock and another went out at 11 o'clock, that would be unfair, and destructive competition, and some of those men would be working 7 hours and some of them would be work-

ing 6. So they tell me they have an understanding that nobody goes out before everybody is notified, and they all come in at the same time. They work on a uniform basis. They may have a code or they may not.

However, at least the United States Senate can have itself an N. R. A. code. That is how we can justify another N. R. A. law. I am going to make a motion that the Senator from Virginia amend the resolution, and I am going to move—and I move now, and I want this taken down—I move that we have a code under the N. R. A. prescribed for the United States Senate as to the terms and conditions upon which a vote may be changed here in consideration for public work to be done in one State. I move that there be a committee of three appointed to draft that code. I move that I be made chairman of that committee. [Laughter.]

Mr. DUFFY. Mr. President, will the Senator yield to me? Mr. LONG. I yield.

Mr. DUFFY. Would the Senator be willing to amend his motion so as to provide that the Senator from Louisiana should be limited to one speech a day? [Laughter.]

Mr. LONG. Well, if I get what I want, I might make less than that. [Laughter.]

I think we ought to have this committee appointed. Let us have rules and regulations. The Senator from Nevada has been presenting the McCarran amendment on the basis of logic and law and principle. I have not heard any argument the Senator from Nevada has made except one based on the difference between right and wrong, good and bad. That is the only weapon my friend the Senator from Nevada has to fight with, and those of us who are enrolled today under what we think is the logic of his argument have nothing at all with which to appeal to Senators except the plea to decide whether it is right or wrong, whether it is good or bad.

If the newspapers are to be believed—and, of course, I have an abiding faith and confidence in the newspapers—there is nobody in the Senate who has expressed as much dependence upon the eminent newspapers and public journals of this country as I have from day to day; there is nobody who now sits in this body who believes in the truthfulness and the reliability which can be attached to the public press, probably, as much as I do; and there is nobody who is as deeply indebted to the newspapers of this country, particularly those of my own State, as I myself. So, even though I undertook to disagree with the newspapers, of course I would have to accord them prima facie the acknowledgment that they were right and correct.

The newspapers say—of course, they may not be right and the statement may not be true—that the drive is on to get enough votes to beat the McCarran amendment, and they say that they have called in certain Senators and have told those certain Senators, "Up here in this State or over here in this State or down here in this State, what do you want? You want this over there at Possum Neck, you want this over at Coon Hollow, and you want this at this point and this over here. Let us see. That gives you a hundred and some odd million."

He says, "That is not enough."

They say, "We will put something else in there. You would like to have something else? Just what is it you want?"

He says, "I do not know. You know, over there in so and so I should like to have something else."

They said, "All right, we will put that in there. How much do you want?"

He says, "Hold on; I can not make a deal by myself, I got some of the people to go home and talk about this thing, and tomorrow morning maybe I will bring you back somebody with me and see what he wants."

Then he comes back the next day, and says, "Here I am."
Do you think, Mr. President, that I ever thought I would
be worth \$100,000,000 in the Senate? Do you think I ever
imagined any such exaggerated value of myself? I know
there are a great many of my colleagues who think I am
an egotist, and a great many who are not my colleagues who
think that; but never in my exaggerated imagination of
myself did I think I would be worth \$100,000,000.

That is too much money to talk about. I claim to my people that I am unbribed and unbribable, but I have never had \$100,000,000 offered to me, Mr. President; and I should like to weigh the circumstances to see what the effect would be. I do not think it would be all that some might hope for, but I should like to weigh the circumstances and see. I should like to have the honor of having that offered to me, whether I take it or not. That is how I feel about this thing.

If it is necessary to change 2 votes on the McCarran amendment, what we ought to do is this: Let us pause a while and think over this matter. Let us get the Senator from Vermont to postpone this joint resolution until Monday, and between now and Monday we will all get off among ourselves, and I will say this: If that amendment has to be voted down, and if they have, say, two or three hundred million dollars to pay to get the additional votes, I move that we split it up and divide it among us, and not let any one man have it all. [Laughter.]

I move that we just put this thing on an equitable basis. Perhaps the original discoverer of it would be entitled to a little bit more than the balance of us. Give him proprietary rights as the adventurer who made the original discovery, but, within certain limits, give us all something of it. It is not right to leave it all to one. That is what I want to do, I want to hold this thing up.

Now, here is the thing to proceed under if you are going to have to draft the N. R. A. Act again: We shall have to come in here with an amendment to the N. R. A. statute; and let us amend the N. R. A. statute so as to provide that legislative bodies can have a code. You may say, "These things would not be legitimate in a legislative code." Well, neither was a violation of the antitrust law legitimate before they had the N. R. A., Mr. President. If we can excuse the corporations and combinations who go into private agreements and labor arrangements for uniform understandings, why can we not excuse Members of the United States Senate who go in here for uniform understandings? Neither one of them is what is called in law a "malum in se crime." understanding is, from my study of criminal law, that there were two forms of criminal offenses, one called "malum in se" and one called "malum prohibitum." I think the last classification has something to do with prohibition, and things like that, because they are prohibited. There is no "malum in se" crime in members of the legislature having an understanding any more than there is any "malum in se" crime in corporations and combinations having an understanding and a monopoly fixed as to prices and other agreements.

So, therefore, let us amend the N. R. A. statute and broaden the language so as to write in the Senate, and write in the House of Representatives.

Mr. President, it may be that some Senators feel that T have not been speaking on the facts. Some of the Members of the Senate have taken this matter entirely too lightly. I have not resented the laughter. I have not resented the mirth. Of course, I know the matter was taken very lightly, and I am not going to resent the fact that many of my colleagues have smiled as I have gone over the facts; but what I am submitting are the facts.

The poor laboring element are on the outside, pleading for the prevailing wage. The poor laborer has not a thing on God's earth to offer you but his heart and his hand; that is all. That goes a certain distance with some people and then, after that, it fails to go, of course, in the circumstances that naturally come about. But we have the joint resolution here; we have the argument and the logic of the laboring man, the argument and the logic of the other people who say that the whole thing is a mess. They are depending upon argument and upon logic; and the argument and logic, according to the newspapers, are met by the fact that we Senators who may be voting against the measure are to be called aside and shown how much it can mean to us by understandings which others are able to make, provided we come over and assure the passage of the joint resolution.

Is that the way to enact legislation in the Senate? I want Senators to remember this: No man is allowed here in any manner to question the motives of a Senator, and I decline to do it. I decline, Mr. President, to be one who smeared the escutcheon of a Senator; but I also decline to be one of those who say that I have eyes and see not, or ears and hear not, when we are being flaunted with rumors and publications every day that "the drive is on to get Senator So-and-so", and that he has been called in and told what he can get for his State if he does it. That is the problem the Senate has brought before it. That is not the way to help the workingman.

Mr. GLASS. Mr. President, will the Senator yield? Mr. LONG. I yield.

Mr. GLASS. If the Senator from Louisiana will permit us to pass the War Department appropriation bill, and then let me call up House Joint Resolution 117 and make a brief explanation of it, I can assure the Senator that the controverted provisions of the joint resolution-and I think they are only two-will not be reached until Monday.

Mr. LONG. I thank the Senator.

Mr. GLASS. I make that suggestion so that the Senator can save his voice for the radio, and speak in a more appro-priate and impressive way on Monday about this measure than he is doing now.

Mr. LONG. In other words, the Senator means that we will pass the War Department appropriation bill, and then the Senator will explain the work-relief joint resolution, and that will be all we will do until Monday?

Mr. GLASS. I shall attempt to have acted on the provisions of the joint resolution which are not in controversy. and on which the Senate has already voted, and leave the controversial provisions until Monday.

Mr. LONG. All right. I agree. O. K. [Laughter.]

Mr. McNARY. Mr. President, I should like to inquire of the Senator from Virginia concerning what he has just stated. Am I to understand from the Senator from Virginia that if House Joint Resolution 117 shall come before the Senate this afternoon or tomorrow none of the controversial amendments or provisions will be brought to the attention of the Senate until Monday?

Mr. GLASS. Yes, Mr. President. I suggest that the controversial provisions of the bill be permitted to go over until Monday.

Mr. McNARY. What is a controversial question sometimes is a matter of difference of opinion. Is it proposed that amendments or provisions to which objection shall be made shall not come before the Senate until Monday?

Mr. GLASS. No; not until Monday.

Mr. McNARY. And also those to which objection has been made?

Mr. GLASS. They will not be taken up until Monday.

Mr. McNARY. Very well.

Mr. COSTIGAN. Mr. President, I have sent to the desk today two amendments which will not be printed until Monday. I trust that within the agreement of the Chairman of the Appropriations Committee will be included an opportunity to present such amendments as the Senate may not have an oportunity to consider this afternoon.

Mr. GLASS. To what measure is the Senator referring? Mr. COSTIGAN. To House Joint Resolution 117.

Mr. GLASS. Of course I shall not undertake to preclude any Senator from offering amendments to the bill on Monday. I could not do that.

## WAR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 5913) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1936, and for other purposes.

Mr. FRAZIER. Mr. President, the senior Senator from Vermont [Mr. Austin] yesterday questioned some figures which I put in the RECORD, and I ask unanimous consent to have printed in the RECORD at this point a statement with regard to the universities which I mentioned yesterday, and a statement which is made by Edwin C. Johnson, secretary

of the Committee on Militarism in Education, address 2929 Broadway, New York City.

The PRESIDING OFFICER. Without objection, it is so

The matter referred to is as follows:

A STUDY OF THE COMPARATIVE COST AND EFFICIENCY OF COMPULSORY AS AGAINST ELECTIVE R. O. T. C. UNITS

The greater efficiency of elective R. O. T. C. units, as against compulsory units, both with respect to number of potential Reserve officers produced and cost of their production, is shown by the following tables:

I. COMPULSORY RESERVE OFFICERS' TRAINING CORPS UNITS

	Enrollments 1		Costs 3			Average cost per
Name	Basic	Ad- vanced	Personnel pay	Mainte- nance	Total	potential Reserve officer
University of Maine	517	39	\$21, 958, 80	\$15, 691, 24	\$37, 650, 04	\$965
Rutgers University	604		24, 233, 16			636
University of Maryland	678		18, 909, 00			
Penn State College	1,694		49, 305, 17			
University of Illinois	2, 287		168, 916. 57			
Iowa State College	731		78, 007. 84			
University of Missouri Oklahoma Agricultural	709	145	83, 973. 66	35, 419. 57	119, 393. 23	840
and Mechanical College. Oregon Agriculture Col-	1, 146	74	26, 932. 00	48, 790. 99	75, 722. 99	1, 023
lege	597	162	71, 867, 45	49, 063, 09	120, 930, 54	746
Utah State Agriculture	100000			100000	12250000	
College	445	37	16, 862. 00	14, 577. 00	31, 439. 00	849
University of Washing-	Valva		20020150	3.51.00	20.020.00	
ton	942	97	59, 046. 19	19, 986, 49	79, 032. 68	814
Total	10, 350	1, 457			1, 077, 825. 76	739

II. ELECTIVE	PECEDUE	OFFICEDS'	T'D ATNITAGE	COPPE	DILLIALL	

University of Pennsyl-	100		ESS I	110000		
vania	284	152	\$32, 828, 46	\$18, 665, 12	\$51, 493, 58	\$338
University of Pittsburgh_	527	140	31, 388, 20	18, 166, 89	49, 555. 09	353
Carnegie Institute of		20110	8886600000		SALTAGERA	
Technology	274	100	16, 199, 20	16, 822, 76	33, 021. 96	330
Wofford College	207	76	11, 419, 10	11, 589, 10	23, 008, 20	302
University of Cincinnati_	341	282	33, 785, 37	24, 075. 03	57, 860, 40	205
Western Reserve Univer-	400	1111		A Street Land		
sity	63	42	5, 472. 00	4, 272. 21	9, 744, 21	232
Knox College	91	44	9, 819. 03	3, 755. 62	13, 574, 65	308
University of Michigan.	378	141			41, 284. 68	292
University of Wisconsin	342	117	31, 563, 22	17, 189, 69	48, 752. 91	408
University of Wichita	160	44			17, 769. 21	403
Washington University.	216	105	21, 977. 80	11, 604. 57	33, 582. 37	319
Total:	2, 883	1, 243			379, 647. 26	305

¹ Official War Department figures as of Nov. 1, 1932. (See U. S. House hearings War Department appropriation bill for 1934, pp. 512-525.) Later figures are given in published hearings on more recent War Department appropriation bills but, unfortunately they are given for the Nation as a whole only and are not given for each school or college having military units.
¹ Official War Department figures for fiscal year ending June 30, 1931. (See U. S. House hearings, War Department appropriation bill for 1933, pp. 809-815.) As with enrollment figures, more recent cost figures on the Reserve Officers Training Corps for the Nation as a whole have been published, but they are not divided according to the various institutions concerned.

The foregoing tables show several things which support the contention that, from the standpoint of military utility and Federal policy, elective R. O. T. C. units are preferable to compulsory

COMPULSORY UNITS MORE EXPENSIVE THAN ELECTIVE AND YET HAVE A LOWER AVERAGE IN PRODUCTION OF POTENTIAL RESERVE OFFICERS

Lower average in Production of Potential reserve officers

The group of 11 institutions having compulsory R. O. T. C. units, listed in the first table, have a total basic enrollment of 10,350. The number of advanced-course students, potential Reserve officers, produced by these institutions is 1,457, which represents 14 percent of the basic enrollment for the given units. The cost for maintaining these military units upon a compulsory basis amounts to \$1,077,825.76, an average of \$97,984.16 for each institution. The average cost of producing the given number of potential Reserve officers by these eleven institutions maintaining compulsory R. O. T. C. units is \$739 per head.

The second table lists 11 institutions maintaining R. O. T. C. units upon an elective basis. The total basic enrollment is comparatively small, only 2,883, whereas the number of students in the advanced courses, potential Reserve officers, reaches 1,243, a figure which is 43.1 percent of the basic course enrollment of the

the advanced courses, potential Reserve officers, reaches 1,243, a figure which is 43.1 percent of the basic course enrollment of the given units and which is almost equal to the total number of potential Reserve officers produced by the compulsory unit group. The cost of maintaining elective units in these 11 institutions is \$379,647.26, or an average cost of \$34,513.38 per institution. These two figures are 65 to 70 percent smaller than the corresponding figures for the compulsory unit group. Accordingly, the average cost of producing the given number of potential Reserve officers by the institutions maintaining elective R. O. T. C. units is \$305 per head, or 59 percent less than the average cost of their production in the institutions in the compulsory unit group.

The great waste in the compulsory units is caused by the necessity of providing uniforms, equipment, and instruction for the

large numbers of unwilling students who are drafted as cadets in the basic courses. These students never continue with the advanced R. O. T. C. courses (which are optional everywhere except at a few openly advertised military schools) without which they cannot be eligible for appointment as Reserve officers. Moreover, the hostility of these students to the military courses imposed upon them against their choice impairs the morale of the units in which they are enrolled, retards the progress and reduces the quality of the work of those students who are honestly and sincerely interested in becoming Reserve officers.

Mr. NYE. Mr. President, I ask unanimous consent to have printed in the RECORD, an editorial appearing on page 290 of the Nation for March 13, 1935, having to do directly with the appropriation bill which is before us, and also an article appearing on page 292 of the same issue of the Nation, entitled "We Must Not Arm Against Japan!"

The PRESIDING OFFICER. Without objection, it is so ordered.

The articles referred to are as follows:

[From the Nation of Mar. 13, 1935]

The articles referred to are as follows:

[From the Nation of Mar. 13, 1935]

"It must be with a rifle and a bayonet, cold steel," Brig. Gen. Seth E. Howard, the man responsible for the National Guard in California, assured the House subcommittee in the hearing on the War Department bill. He was compilating about the meager protection of California against labor troubles. "We have in California 6,000,000 people and short of 6,500 troops. Troops to be effective must be armed with rifles, because a pistol is no arm to place in the hands of troops with these groups of disturbers that we are confronted with in the country today. Neither are clubs." Cold steel, he went on to say, was essential. He admitted he was giving rifles to the Coast Artillery and training the men to use them. "If we get medical units we will give them rifles and make riflemen out of them." The general then went on in a mood of candor: "I want to advise you that today I have my troops under arms, in violation, possibly, of the regulations of the National Guard Bureau. But it is necessary for us to have our picked men with their uniforms and rifles, at their homes in Sacramento. I have two companies on guard, I have the arsenal under guard, and the city and county authorities have increased their force by 300 or 400 percent." Asked how many men had been responsible for the "revolutionary" condition in California last summer, the general replied: "In the neighborhood of 1,300. There was a very small number of actual agitators, originally less than 300."

Further militarization of American youth was advocated before the same committee by General MacArthur, Chief of Staff. He has his eye on the strapping young men in the C. C. C. camps. "These men are all processed," he said, using the professional term. "They are ready and fit for military training." The particular place in national life he would have them fill is the enlisted Reserve, an element in national defense now neglected. "I think nothing would be finer than to take these C. C. C. men wh

his medals and drove the bonus army out of Washington.

## [From the Nation of Mar. 13, 1935] WE MUST NOT ARM AGAINST JAPAN!

WE MUST NOT ARM AGAINST JAPAN!

One need not be particularly discerning to realize that the administration's \$800,000,000 war budget for 1935-36 is directed specifically against Japan. A glance at the nature of the proposed expenditures is sufficient to confirm this assertion. The bulk of the \$200,000,000 which is being asked in excess of the normal budget is to be utilized for the naval-construction program authorized by the Vinson bill. An enlarged Navy would only be needed in a conflict with one of two great powers—Great Britain or Japan—and since there has been no period in recent history when cooperation between the two Anglo-Saxon countries has been stronger than at present, it may be assumed that we are concerned solely with our Asiatic rival. Similarly, it is significant that the new Army appropriations are to be expended chiefly for airplanes and the strengthening of the defenses of the Pacific coast. The Army also expects to obtain an additional appropriation out of P. W. A. funds for an air base in Hawaii.

Nor is it difficult to understand why certain groups should

Nor is it difficult to understand why certain groups should desire to increase America's fighting strength as a means of restraining Japan. During the past 4 years the Japanese nation has literally run amuck. It has conquered Manchuria and Jehol by armed force; it has engaged in an undeclared and unprovoked war in Shanghai, and has twice invaded North China; it has increased its own armament expenditures by 130 percent, and served notice of its refusal to be bound by the Washington naval agreement. If we accept the traditional militarist view that prepared-

ness is the best guaranty of peace, there is reason to assume that an increase of armaments would add to our security against this mad-dog nation. This assumption overlooks the fact, however, that the proposed armament expenditures are not really defensive in character, and are not so regarded abroad. A very small proin character, and are not so regarded abroad. A very small proportion of our naval appropriation is to be spent on ships which are strictly defensive in nature, while the enlargement of our already powerful air fleet clearly suggests a war in which we are the attackers. If self-defense alone were desired, the United States could revise its military and naval policies with a saving of at least half our present war budget. But all our present policies indicate that "defense" is merely a euphemism for the protection of our financial stake in the Far East against Japanese imperial aspirations. imperial aspirations.

imperial aspirations.

It is evident, therefore, that a suitable defense program must be conditioned by the larger aspects of foreign policy. The chief difficulty in this connection is that the United States has falled to formulate a clear-cut far-eastern policy to meet the present crisis. We have resented Japanese aggression and sought to preserve the open door through nonrecognition of the changed status in Manchuria. But rather than face the implications of our position vis-à-vis Japan, we have been content to drift to the very brink of catastrophe. This lack of policy is due largely to our inability to choose among three possible alternatives. In the first place there are doubtless many groups who would like to see the United States pursue an expansionist course in line with that followed in the past. Since such a program—with its emphasis on the open door pursue an expansionist course in line with that followed in the past. Since such a program—with its emphasis on the open door and the territorial integrity of China—is in direct conflict with Japan's avowed pan-Asiatic policy, it is only logical that we should implement it by strengthening our defenses in the East, fortifying our Pacific possessions, and creating a Navy of sufficient size to defeat Japan in its home waters. Obviously this would imply a force far greater than is even now proposed, and, what is more serious, it would inevitably lead to war.

The degrees involved in this course have led a number of

The dangers involved in this course have led a number of observers, liberals and conservatives alike, to favor the second alternative—complete withdrawal from the Far East. If the United States were to abandon the Philippines and the various other Pacific islands, withdraw its military and naval forces from China, and be prepared to take such financial losses as might result from this action, there would appear to be little cause for friction between this country and Japan. In support of this step it may be urged that the whole American investment in the Far East is be urged that the whole American investment in the Far East is less than the amount asked for the Army and Navy in the 1935 Budget, while our investments in China and the Philippines combined are less than the sum which General MacArthur is attempting to obtain from the work-relief funds.

Although it is impossible to doubt the sincerity and idealism Although it is impossible to doubt the sincerty and idealism which motivate many Americans to advocate complete abdication of our position in the East, one must question the practicability of such action. Neither nations nor classes have been known to surrender their vested interests voluntarily. Under the prevailing economic system, surpluses tend inevitably to accumulate, and it is fatal to deny them an outlet. Moreover, there is reason to doubt whether abandonment of the East would actually eliminate the basic causes of international friction. The whole movement toward national isolation merely tends to accentuate the struggle for raw materials and markets which is the basic cause of modern war. To leave China at the mercy of Japan would only strengthen the Japanese Empire in its conflict with the empires of the West.

the Japanese Empire in its conflict with the empires of the West. For those who recoil from the prospect of unbridled Japanese aggression, as well as from the specter of war, there remains yet another alternative. By associating itself more fully with the collective systems of security which are developing throughout the world, it is possible for the United States to aid in restraining Japan without setting itself up as the chief opponent of that country's imperialistic aspirations. To make such a policy realistic and effective it is necessary to re-create a basis of international economic cooperation, which implies an abandonment of our own expansionist policies. This would preclude the possibility of relying on military prowess as a means of gratifying our national ambition, and, like the previous alternative, permit a genuinely defensive military policy.

If the far-eastern crisis had arisen a few years ago, there can

defensive military policy.

If the far-eastern crisis had arisen a few years ago, there can be no question which of these alternatives we should have chosen. We should have "followed the flag" without regard for the consequences. But it is difficult to believe that the American people today would countenance a war for the protection of American investments if its implications were clearly understood. The danger, however, is not so much that the United States will deliberately choose the first course, but that for lack of constructive statesmanship it will drift into a position where war is inevitable. In the light of prevailing nationalistic passions, passage of the present appropriation bill would be an all but irrevocable step in that direction.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

Mr. NYE. I ask for the yeas and nays.

Mr. McNARY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Cutting	Lewis	Pope
Ashurst	Dickinson	Logan	Radcliffe
Austin	Dieterich	Lonergan	Reynolds
Bailey	Donahev	Long	Robinson
Bankhead	Duffy	McAdoo	Russell
Barbour	Fletcher	McCarran	Schall
Bilbo	Frazier	McGill	Schwellenbach
Borah	George	McKellar	Sheppard
Brown	Gerry	McNary	Shipstead
Bulkley	Gibson	Maloney	Smith
Bulow	Glass	Metcalf	Steiwer
Burke	Gore	Minton	Thomas, Okla.
Byrnes	Guffey	Moore	Thomas, Utah
Capper	Hale	Murphy	Trammell
Carey	Harrison	Murray	Truman
Clark	Hatch	Neelv	Tydings
Connally	Hayden	Norbeck	Van Nuys
Coolidge	Johnson	Norris	Wagner
Copeland	Keyes	Nye	Walsh
Costigan	King	O'Mahoney	White
Couzens	La Follette	Pittman	

Mr. LEWIS. I wish to announce that the Senator from Arkansas [Mrs. Caraway] and the Senator from Louisiana [Mr. Overton] are detained by illness.

I also desire to announce that the senior Senator from Kentucky [Mr. BARKLEY] is necessarily detained.

The PRESIDING OFFICER. Eighty-three Senators having answered to their names, a quorum is present. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time

The PRESIDING OFFICER. The question is, Shall the bill pass?

Mr. NYE. I ask for the yeas and nays.

The PRESIDING OFFICER. Is the demand seconded? Apparently not a sufficient number have seconded the demand.

Mr. FRAZIER. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. FRAZIER. I understand that only one-fifth of the Members on the floor are required to second a demand for a yea-and-nay vote.

The PRESIDING OFFICER. That is correct; but the Chair was of the opinion that one-fifth of the Senators present had not seconded the demand.

Mr. FRAZIER. I demand a recount. Mr. JOHNSON. Mr. President, I hope our friends will give a record vote to those who ask for it. I am for the bill and am going to vote for it.

Mr. ASHURST. Mr. President, I hope there will be a record vote. This is one of the bills to be passed by the Congress for which I am anxious to vote. I want to be recorded 'yea."

The PRESIDING OFFICER. Is the demand for the yeas and nays seconded?

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. LEWIS. I announce the absence of the Senator from Arkansas [Mrs. Caraway] and the Senator from Louisiana [Mr. Overton], caused by illness.

I announce the absence of the Senator from Kentucky [Mr. BARKLEY], who is necessarily detained. I am informed that were he present and voting he would vote "yea."

I also wish to announce that the Senator from Tennessee [Mr. Bachman], the Senator from Montana [Mr. Wheeler], the Senator from Alabama [Mr. Black], the Senator from Washington [Mr. Bone], and the Senator from Virginia [Mr. BYRD] are necessarily detained.

I desire to announce a general pair between the Senator from Virginia [Mr. Byrd] and the Senator from Michigan [Mr. VANDENBERG].

Mr. McKELLAR. I have a general pair with the Senator from Delaware [Mr. Townsend]. I transfer that pair to my colleague [Mr. Bachman] and vote "yea."

Mr. LOGAN. I have a general pair with the senior Senator from Pennsylvania [Mr. Davis], who is absent. I transfer that pair to my colleague [Mr. BARKLEY] and vote "yea."

Mr. AUSTIN. The Senator from Pennsylvania [Mr. Davis] is absent on account of illness. His general pair has been announced

I also wish to announce that the Senator from Delaware [Mr. Hastings] is necessarily absent. He has a general pair with the Senator from Montana [Mr. WHEELER].

The result was announced—yeas 68, nays 15, as follows:

		YEAS-68	
Adams Ashurst Austin Bailey Bankhead Barbour Bilbo Borah Brown Bulkley Burke Byrnes Carey Connally Conlidge Copeland	Dieterich Donahey Duffy Fletcher George Gerry Gibson Glass Gore Guffey Hale Harrison Hatch Hayden Johnson Keyes	Logan Lonergan McAdoo McCarran McGill McKellar McNary Maloney Metcaif Minton Moore Murphy Neely Norbeck O'Mahoney Pittman	Reynolds Robinson Russell Schall Schwellenbach Sheppard Smith Steiwer Thomas, Okla. Thomas, Utah Trammell Truman Tydings Van Nuys Wagner Walsh
Dickinson	Lewis	Radcliffe	White
and the second	1	NAYS-15	PAR THE PROPERTY AND PARTY
Bulow Capper Clark Costigan	Couzens Cutting Frazier King	La Follette Long Murray Norris VOTING—12	Nye Pope Shipstead
Bachman Barkley Black	Bone Byrd Caraway	Davis Hastings	Townsend Vandenberg Wheeler

So the bill was passed.

Mr. COPELAND. Mr. President, I ask unanimous consent to have printed in the RECORD, at the end of the consideration of the bill, some comments I have prepared concerning it.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

# MODERNIZE ESSENTIAL RESERVE MATERIAL

The steps toward modernization of guns of the Army, which has been started by the modernization of all of the National Guard 75-mm guns and about 200 of the Regular Army active guns, should not be confined to those in actual use.

The program of modernization should extend to all reserve carriages that we are depending upon in case of war or an emergency, especially since these carriages have been in storage for the confined to the confined t

emergency, especially since these carriages have been in storage for more than 16 years. Army Ordnance, May-June issue, states, "Many of these carriages in storage are deteriorated beyond the point of immediate use. Wooden wheels will not stand the effects of time indefinitely and it might be that this equipment, if needed in a hurry, would not be useful at all. Whether the wood has stood the ravages of time or not, certainly the old field carriages could not be used at the speeds and with the modern truck equipment of today. If they are well preserved they cannot be used ment of today. If they are well preserved they cannot be used with trucks. If the wood is rotten, even a horse cannot pull

them."
Since artillery is so important as a reserve, it would seem that modernization of the guns now on hand would be the only way to give that reserve its full value.

This country is incapable of defending itself in modern war because it has failed to keep its equipment modern. If war should come we would find ourselves with practically all of our field pieces on wooden wheels that would rattle or fall to pieces with a few hours' service. These guns should be modernized by a change from wooden wheels to a carriage on pneumatic tires. This has been done for the National Guard, and the equipment of the regular Army should at least equal that of the Guard. Guard.

Guard.

The modernization of these guns can be made for less than 3 percent of their cost, and it would not be wise or practical to spend any greater amount per gun, especially when the original life of these guns is about 10,000 rounds. The majority of these guns were purchased from the French Government and were used during the war. The French, no doubt, picked their oldest guns for sale and delivery to the United States. This fact is evidenced by a display in the Munitions Building, where the War Department shows one of these 75's bearing the manufacturer's serial "no 1"

by a display in the Munitions Building, where the War Department shows one of these 75's bearing the manufacturer's serial "no. 1."

This field gun is now common in most of the armies of all the nations. It is at least the model for every field piece now in use. Previous to the advent of this piece, mounts had changed but little for nearly a century except that steel had replaced wood in the trails and cheeks. These French 75-mm guns were perfected in 1897. Notwithstanding their age they are the best field pieces we have and should be adapted to changed conditions in travel, especially when this can be done at relatively insignificant costs. After those in storage are made usable for travel at high rates of speed we can look forward to the building of a new gun with a longer range, more traverse, and more elevation. Any large or costly change in these guns would not only be tion. Any large or costly change in these guns would not only be unwise, but might render them unusable and, perhaps, unsafe.

Our reserves should at all times be usable and these guns are

Our reserves should at all times be usable and these guns are now unserviceable and unsafe.

The Chief of Staff of the United States Army in his annual report for the fiscal year ended June 30, 1934, to the honorable Secretary of War says that "the most effective field gun of the World War was known as the French 75 mm." The Army had about 4,200 of these guns in its possession upon the signing of the armistice and today it is the weapon with which our field artillery units are equipped. It is incapable of rapid transportation on its present wheels, since these are of the traditional wood and steel construction and fast movement invariably results in damage to the mechanism of the gun and pounds the wheels in damage to the mechanism of the gun and pounds the wheels to pieces. However, wheels and special hub adapters have been developed permitting towing of the guns at high speeds with no resulting damage; also it is possible to fire the guns directly from pneumatic tires

pneumatic tires.

The National Guard and one-half of the Regular Army have been equipped with this special high-speed adapter, and the remainder of these guns in the warehouses can be given the same characteristics of the modernized guns now in use in the field. These guns in storage should be brought up to date without delay, since increased mobility in the Army will be largely wasted unless guns in reserve can be used with the motorized units.

It is not considered practical or worth the expense involved to attempt to include any additional features on second-hand equipment. These guns will be brought up to date in the most practical way known today at a very low cost, which we are advised is less than 3 percent of their cost, or approximately \$300 to \$400 per gun, less the cost of pneumatic tires and puncture-proof tube equipment, as it would not be necessary to have tires and tubes in the warehouses, thereby bringing the modernization cost down in the warehouses, thereby bringing the modernization cost down to about \$250 per gun.

It is just as unsound to try to build an entirely new gun around

the used French 75-mm tube as it would have been to spend money to gear the truck equipment down to horse speed, as was considered before the present adapters were developed for the French 75-mm gun by A. P. Buquor. This equipment converted the old French field gun into a modern high-speed gun with the following characteristics added:

(a) All parts necessary for travel, implacement, and firing are

parts of the adapters;
(b) Wheels and tires are used commercially and are quickly received and replaced;

Towing speed of 50 miles per hour or faster, depending upon

(c) Towing speed of the line particle of the prime mover;
(d) Capable of being manhandled by a small crew up a slope on account of having brakes operating on each wheel separately. One side can be locked while the other wheel is moved over an obstacle or rough place, and then locked and the other wheel

75 mm with the high-speed adapter is always ready for

(f) Rapid crank traverse is made possible for the simple reason that there is no binding or strain or weight on the gun axle keyway, thereby allowing the gun to be traversed very easily and

way, thereby allowing the gun to be traversed for freely;

(g) Having better stability for fire at fast-moving targets for reason that one wheel can be locked by individual operating brakes, allowing the gun to pivot on one wheel and the other to move around on circle;

(h) Having better stability for firing on account of brake equipment, locking both wheels and not allowing gun to roll forward on the counterrecoil;

(i) Quick replacement of entire assembly or part thereof;

the counterrecoil;

(i) Quick replacement of entire assembly or part thereof;

(j) No part is keyed or attached to the sliding gun axle, axle housing, or parts that will permit or cause any strain or twist to the gun-axle keyway;

(k) The lateral sliding movement of the gun barrel and the protecting shield are not interfered with in any way;

(l) Brakes are provided, using the late-model standard Ford brakes. These brakes can be applied together or separately, if desired, in handling the gun;

(m) Easily and quickly installed on guns in the field, and not necessary to drill any holes or change any parts of the standard French 75-mm gun;

(n) Very light and flexible;

(o) Low in cost.

The French Army is equipped with about 13,000 of these field

(6) Low in cost.

The French Army is equipped with about 13,000 of these field pieces and each of them has been modernized and made up to date, if reliance can be placed upon the cinema, for it was only recently that in a local theater a news reel showed recent French Army maneuvers, and literally hundreds of these modernized guns rolled by. It was evident that the French had copied the adapter which we have used in a few of our guns and have installed it on all of theirs. Certainly this country should be as up to date as any other first-class nation, including the French.

"The next war will come like lightning and we are not prepared for it," warns Gen. Robert Lee Bullard, president of the National

Security League. Thomas A. Edison once outlined his ideas of preparedness. "We should," he said, "make our war machines, store them, and when war comes take them out and use them."

The United States Army has about two hundred and ten 75-mm guns modernized for modern warfare.

The only guns we have in reserve are useless for modern warfare because of the fact that they can travel only 4 or 5 miles per hour, and because of their deteriorated wheels many of them will not be serviceable.

The present condition of reserve guns is just the same as having guns in reserve with no wheels at all.

"The great lesson of the war", General O'Ryan declared in his testimony February 1933 in Washington, "was the complete fallure of America to produce the material things of war in time to employ them." In the Saturday Evening Post of October 22, 1932, Maj. Gen. Johnson Hagood states that "for years General Wood had been trying to get a reserve of Field Artillery guns. General Wood told the Appropriations Committee that we did not have as much modern artillery as the Chinese." Our reserve artillery should be modernized equal to the guns now in use with mobile units.

With regard to the Army 75-mm guns in reserve, there are in storage approximately 3,000 guns of this type, the cost of which was about \$8,750 per gun, making a total cost of these guns held in the warehouse \$26,250,000. They are obsolete for modern warfare in their present condition. They are provided with the old type wood artillery wheels, and consequently have no practical utility to the Government, for the reason that none of them are capable of attaining a speed in excess of 4 to 5 miles per hour.

The War Department recognized the deficiencies of these guns when they contracted at a low cost for an adapter to some of them. This quick-change-over adapter was developed to take the place of the obsolete artillery wheels, and not only modernize them for high speed but also permitted firing directly from rubber tires, which had been wholly unsuccessful in the past.

A small outlay of money spent in this direction would go a long way in preparing the country against war. All of our reserves should be made up to date.

This plan is a four-point one covering—

1. Economy.

This plan is a four-point one covering—

1. Economy.

2. Preparedness against war.

2. Preparedness against war.
3. Unemployment relief.
4. Modernization of obsolete materials.
In our everyday civil life the automobile is the accepted mode of transportation. The armies of the leading world powers have accepted this changed condition. Our Army should keep abreast with the progress of the times. Good sense prompts me to suggest that this should be our immediate objective.

### EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER, as in executive session, laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate

proceedings.)

## WORK-RELIEF PROGRAM

The PRESIDING OFFICER. In pursuance of the unanimous-consent agreement of yesterday, the Chair lays before the Senate House Joint Resolution 117.

The Senate proceeded to consider the joint resolution (H. J. Res. 117) making appropriations for relief purposes, which had been reported from the Committee on Appropria-

tions with amendments.

Mr. PITTMAN. Mr. President, I present a telegram from the Governor of the State of Nevada transmitting a joint resolution of the legislature of the State touching the pending joint resolution (H. J. Res. 117). I ask that it be published in the RECORD.

The PRESIDING OFFICER. Without objection, the telegram will lie on the table and be printed in the RECORD.

The telegram embodying the joint resolution is as follows:

CARSON CITY, Nev., March 8, 1935.

Washington, D. C.:

I am directed to transmit the following resolution of the Nevada Legislature to you: "Assembly joint resolution endorsing the policy of President Roosevelt in regard to his stand on the \$4,880,-

"Resolved by the Assembly and the Senate of the State of Nevada, That the Legislature of the State of Nevada desires to assure the President that the State of Nevada, which has always Nation, being still mindful of its obligations arising out of its statehood, desires to take this opportunity to endorse President Roosevelt in his effort to relieve the depression that is now and has been casting a gloom over all the people of this Nation; and

has been casting a gloom over an the people of this Nation, and be it further

"Resolved, That the State of Nevada with every confidence in the President of the United States feels that this depression can best be combatted through the administration of his plan of public works and at the same time feels that any obstacle now placed in the way of those plans will result in interminable delay to the return of normal times and conditions for which all the people of this Nation are so earnestly praying and hoping; and be

it further
"Resolved, That the State of Nevada feels that you should be highly commended for assuming the responsibility for those great

plans and giving to the various States the opportunity of cooperation with you in restoring prosperity to the Nation which you love and whose principles we cherish; and be it further

"Resolved, That this resolution is an unqualified expression of the hopes of the people of the State of Nevada that every person charged with the obligation of responsibility to the Nation in respect to this matter be urged to give to the President of the United States a full measure of their best efforts as an obligation of their loyalty to the principles of American citizenship; and be it

"Resolved, That the Governor of the State of Nevada cause these resolutions to be transmitted by wire to the President of the United States and to our Senators and Representatives in

RICHARD KIRMAN, Governor.

Mr. McCARRAN. Mr. President, inasmuch as the joint resolution of the Legislature of Nevada has gone into the RECORD, I ask leave to have inserted in the RECORD my reply transmitted to the secretary of the Senate of the State of Nevada.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

To the Secretary of the Senate of the State of Nevada,

Resolution 19, recently passed by the legislature, is based on a grave misunderstanding of the real point at issue.

Were it prompted by a desire to observe the real point.

Resolution 19, recently passed by the legislature, is based on a grave misunderstanding of the real point at issue.

Were it prompted by a desire to obscure the real issue, or were it a political maneuver, I would not bother to reply.

Contrary to the contention of your resolution, the McCarran prevailing-wage amendment in no wise entails any increase in the cost of carrying through the work-relief program. It does, on the contrary, enable the President to achieve his aim of providing work for employables now without jobs at a billion dollars less than the present appropriation calls for.

As the President said in his message on the bill, the chief aim is furnishing of employment to labor. Under the prevailing-wage amendment 70 percent of the appropriation would be spent for labor, as against only 52 percent under the security-wage plan originally proposed. Thus the President may either employ a million more workers, or he may ask that the appropriation be cut \$1,000,000,000 and still care for the 3,500,000 employables on relief rolls mentioned in his message to Congress.

The fallacy in your assumption that the prevailing-wage amendment would entail an increased cost is your failure to note that under the provisions of my amendment the President may fix the total monthly earnings for any worker or for any project as a whole by limiting the number of hours any one person may work. My amendment does not propose, and it is an erroneous assumption to hold otherwise, that labor on work relief should work full time. It is obvious to anyone that such a procedure would defeat the entire purpose of the work-relief program by destroying the worker's incentive to return to private industry.

The whole, and only purpose of my amendment is to maintain the wage structure of the country, and at the same time to specifically carry out the program of the President by limiting the aggregate monthly earnings of any worker.

This is in keeping with the accomplishments of wage earners in this country realized through years of stru

the weight of low wages in such a gigantic public-works program as this one now pending.

Does the Legislature of Nevada desire to repudiate its own exist-

Does the Legislature of Nevada desire to repair ing law?

My amendment, now pending, will uphold the specific statute of Nevada and 22 other States, besides insuring the expenditure of public moneys in those States having the minimum wage law. The Department of Labor put this data forward, and it is available in Senate Document 27, of this Congress.

In a memorandum prepared by Assistant Relief Administrator Corrington Gill, on behalf of the relief administration, and presented to the Senate Appropriations Committee, substantial sup-

Corrington Gill, on behalf of the relief administration, and presented to the Senate Appropriations Committee, substantial support of my position was given when Mr. Gill said that the staggering of labor under prevailing wages would represent a total exactly equaling the \$50 security-wage plan. He furthermore stated that under the prevailing wage plan, less money would be spent for materials and more for labor, thereby upholding my contention that the prevailing-wage amendment would accomplish the President's aim in a more expeditious manner than that origi-

the President's aim in a more expeditious manner than that originally proposed.

In conclusion, may I say, the prevailing-wage plan will improve the working of the program, both for the Government and for the toiling masses to whom the measure is vital.

This is my sincere and steadfast conviction. Any other or ulterior interpretations are wholly false.

Nevada has always led in the defense and uplift of the laboring man. I have sought to carry the name of my State forward

in this great movement at a time when the wage structure of the can make either loans or grants to States, counties, and country was in the balance.

From this endeavor I will not be dissuaded.

I hope that the legislative representatives of my State, in keeping with our splendid record of the past, will not permit unfounded statements appearing by editorial or otherwise, to lead them away from the real truth and facts worked for and voted for by those who have made this subject their life study. Respectfully.

United States Senator.

Mr. GLASS. Mr. President, it will be recalled that House Joint Resolution 117, after being considered by the Senate for several days, was recommitted to the Committee on Appropriations. The committee has authorized me to report back the joint resolution with two or three substantive alterations to which I shall direct attention.

The first is on page 1, striking out all after the words "That in order to" in line 3, down to and embracing the word "conditions" in line 8, and substituting certain other words, so that the first part of the joint resolution will read:

appropriated, out of any money in the Treasury not otherwise appropriated— That in order to provide relief and work relief, there is hereby

On page 2, the committee amendment proposes to strike out all after the word "President" in line 2, and all of lines 3, 4, and 5; and beginning in line 5, on page 3, the committee has inserted an entirely new provision, which is an attempt to respond in some measure to the complaint and criticism that the large sum proposed to be appropriated in the joint resolution should be broken down and apportioned.

The new provision reads:

Provided, That except as to such part of the appropriation made herein as the President may deem necessary for continuing relief as authorized under the Federal Emergency Relief Act of 1933, as amended, this appropriation shall be available for the following classes of projects, and the amounts to be expended for each class except as hereinafter provided, exceed the respective amounts stated, namely, highways, roads, streets, and grade-crossing elimination, \$800,000,000; rural rehabilitation and relief in stricken agricultural areas, \$500,000,000; rural electrification, \$100,-000,000; housing, \$450,000,000; projects for professional and clerical persons, \$300,000,000; Civilian Conservation Corps, \$600,000,000; public projects of States or political subdivisions thereof, \$00,000,-000; sanitation, prevention of soil erosion, reforestation, forestation, flood control, and miscellaneous projects, \$350,000,000: Provided further, That not to exceed 20 percent of the amount herein appropriated may be used by the President to increase any one or more of the foregoing limitations if he finds it necessary to do so in order to effectuate the purpose of this joint resolution.

Mr. COUZENS. Mr. President, would an interruption affect the continuity of the Senator's statement?

Mr. GLASS. Not at all. I shall be very glad to answer the Senator's question.

Mr. COUZENS. There is one provision in the allocation provision about which I am anxious to inquire, as I wish to know how the distribution is to be made. For example, on line 17 of page 3 of the joint resolution, beginning with the words "public projects", the amendment reads:

Public projects of States or political subdivisions thereof, \$900,000,000.

May I ask if the members of the committee know, or if any Senator knows, in what manner that sum is to be allocated to the States?

Mr. GLASS. The chairman of the committee does not know, and I doubt if any member of the committee knows.

Mr. COUZENS. Is it contemplated that this will be a direct donation to the States for State purposes, or is it to be distributed in the fashion adopted under the P. W. A. Act, where 70 percent was required to be put up by the municipalities or the States, and 30 percent by the Government, without repayment?

Mr. GLASS. That, the chairman of the committee does not know.

Mr. COUZENS. The Senator from South Carolina [Mr. BYRNES] indicates that he might know.

Mr. BYRNES. Mr. President, I did not intend so to indicate; but I understand that under the language the President

subdivisions of the States for public projects.

Mr. COUZENS. In other words, these are to be loans, and not in any way contributions to the States?

Mr. BYRNES. The provision will authorize loans as they have been made. I do not know whether the 30-percent grants heretofore made will be made, but grants could be

Mr. GLASS. I should interpret the provision to mean that the appropriation is altogether within the discretion of the President.

Mr. COUZENS. That is the very point I desire to make. In other words, it is within the discretion of the President as to whether he will require repayment of this \$900,000,000, or whether he will make a direct contribution to the municipalities and the States?

Mr. GLASS. I so judge.

Mr. BYRNES. Mr. President, with the consent of the Senator from Virginia I may say that it is the hope that most of the money advanced under this item will be loaned to States, counties, and other subdivisions of the State, and that we can secure repayment of it all.

Mr. COUZENS. Then, this appropriation does not in any sense attempt to relieve the States so far as the care of those not employed on work-relief is concerned?

Mr. GLASS. It does not textually relieve the States, nor does it textually make any exaction of the States.

Mr. COUZENS. May I ask the distinguished chairman of the committee for his views as to whether this is a contribution of \$900,000,000 to relieve the States from caring for people who are taken off relief, and whether the States will still have to bear the burden of repaying the money which is advanced for that purpose?

Mr. GLASS. The Senator knows my views quite well. I think the States will have to repay all this money, and therefore that there is a double burden on the States. We call these funds Federal funds, but the money is brought up from the taxpayers of the States here to Washington and distributed from here; and I think the States will have to pay it back.

Mr. COUZENS. I understand, then, that the \$900,000,000 which is allocated to the States or political subdivisions thereof may have added to it \$800,000,000 more, being the 20-percent transfer?

Mr. GLASS. That is true.

Mr. COUZENS. So it is possible to transfer to the States a total of \$1,700,000,000 for the care of those who are now on relief, with the understanding that the States will be required to repay it?

Mr. GLASS. Yes.

Mr. COUZENS. I see one of the Senators shaking his head in the negative. If any Senator can enlighten me on the subject, I should like to be enlightened.

Mr. GLASS. If there is any understanding of that sort, I know nothing of it. It has not been communicated to me.

Mr. COUZENS. Mr. President, I desire to point out that the President of the United States said this appropriation was for the purpose of taking workers off the dole and putting them on relief work; the idea being, I think, that to that extent the Federal Government was going to contribute. Then he said that all the unemployables would have to be returned to the States for care. So, in effect, if the joint resolution is interpreted as the chairman of the committee says, it will afford no relief to the States, because the money advanced to the States under this provision will have to be repaid by the States, and in addition they will have the care of the unemployables whom the administration desires to return to the States for care.

Mr. GLASS. I will state to the distinguished Senator from Michigan that that is one of the controversial provisions of the joint resolution which we shall take up on Monday. I suggest that he might speak to it on Monday more effectively than this afternoon.

Mr. COUZENS. I thank the Senator. I am glad to hear the chairman say that the provision is controversial.

Mr. BORAH. Mr. President-

Mr. GLASS. I yield to the Senator from Idaho.

Mr. BORAH. I think the Senator from Michigan made clear what I had intended to ask; but, as I understand, when the joint resolution says:

Provided further, That not to exceed 20 percent of the amount herein appropriated may be used by the President to increase any one or more of the foregoing limitations if he finds it necessary to do so in order to effectuate the purpose of this joint resolution.

That means 20 percent of the \$4,000,000,000?

Mr. GLASS. Twenty percent of the total.
Mr. BORAH. Then he could add \$800,000,000 to any one of these items?

Mr. GLASS. He could; yes. Mr. BORAH. If I may ask a further question, am I to understand that under the terms of the joint resolution the President could not use any of this money for objects other than those specified in the joint resolution?

Mr. GLASS. The Senator will note that under the designation of "miscellaneous projects" he could use \$350,000,-

000, and the \$800,000,000 that may be transferred.

Mr. BORAH. That is correct, but he must confine his expenditures of money to the purposes specified in the joint resolution. Of course, included among those is the provision for miscellaneous projects. I do not know what those projects are; but, outside of that provision, he could use the money only in the method pointed out in the joint reso-

Mr. COUZENS. I call the attention of the Senator from Idaho to the language "projects for professional and clerical persons, \$300,000,000", which does not indicate at all what the money is to be used for. It may be used on any undertaking which would employ professional or clerical persons.

Mr. BORAH. Really, what I was getting at was this: I have offered an amendment to the bill providing that no part of this fund shall be used in any way for military purposes. I take it that amendment, with these subdivisions in the measure, would not be necessary. The President certainly could not use the money for those purposes; could

Mr. GLASS. He might use the miscellaneous fund, and the \$300,000,000 might be transferred to it. I do not think he has any notion of doing it.

Mr. BORAH. Perhaps not; but these miscellaneous projects cover anything.

Mr. GLASS. They do.

Mr. FLETCHER. Mr. President, I wish to ask whether the special provision in line 20, "miscellaneous projects", would justify the use of the funds by the President for waterways and rivers and harbors?

Mr. GLASS. I should think the President might use that fund, plus the \$800,000,000 he is authorized to transfer to

it, for rivers and harbors, should he so desire.

Mr. FLETCHER. In that case I shall not offer the amendment I had in mind.

Mr. COSTIGAN. Mr. President

The PRESIDING OFFICER (Mr. Russell in the chair). Does the Senator from Virginia yield to the Senator from Colorado?

Mr. GLASS. I yield.

Mr. COSTIGAN. May I ask the Chairman of the Committee on Appropriations the purpose of the committee in eliminating from the opening clause of the bill all references to "hardships attributable to wide-spread unemployment and conditions resulting therefrom "?

Mr. GLASS. It will be recalled that that clause of the bill, when the bill was before the Senate previously, was amended by the amendment of the Senator from Wyoming [Mr. O'MAHONEY], these words being added:

And for such purposes and such projects, Federal or non-Federal, as shall be adapted to the accomplishment of any one or more of the objectives specified.

In other words, it was to give the President complete freedom of action in providing relief and work relief.

Mr. COSTIGAN. Mr. President, referring to the words just used by the Senator from Virginia, and having regard

for the elimination from the opening section of such words as "improving living and working conditions", is it fair to conclude that the Comptroller might refuse to authorize public works under this measure insofar as they are not in the nature of relief or work relief? For example, the construction of local power plants for municipalities; could the Comptroller rule, under the substitute language, that Federal work under the pending measure on such plants could no longer be continued?

Mr. GLASS. I cannot tell that. I cannot tell what the Comptroller would rule. In my judgment, his rulings are

generally right.

Mr. COSTIGAN. My apprehension is-and I have had the apprehension confirmed by some of the attorneys for the Government today—that this substitute language will operate precisely as I have suggested it might operate; and, among the controversial questions, I should like to suggest a postponement until Monday of possible amendments to section 1.

Mr. GLASS. The Senator evidently did not hear my opening statement, when I said that, that being a controversial section of the bill, we would not take it up until

Mr. COSTIGAN. With reference to the committee amendment on page 3, I ought to say at this moment, with the consent of the chairman of the committee, that I hope to offer an amendment making more particular reference there to some projects which should probably be included definitely.

Mr. GLASS. Of course, it is the privilege of the Senator to do that.

Mr. COSTIGAN. An amendment will also be tendered with reference to section 3. May we have an understanding that other amendments may be tendered on Monday, should they be deemed wise, for the purpose of perfecting the measure?

Mr. GLASS. I have already stated that anybody is at liberty to offer any amendment pertinent to the joint resolution, and I again venture to suggest that these questions which are asked now will very likely be repeated on Monday, and we could proceed with greater facility if Senators would just wait until Monday.

Mr. McNARY. Mr. President, will the Senator yield to

Mr. GLASS. I yield.

Mr. McNARY. I wish to give my accord to the statement or suggestion of the Senator that we could probably well go over until Monday, because if we continue the consideration of these items, the Senator will have to retrace the same ground on Monday.

Mr. GLASS. Exactly; that is what I have suggested three times. I do not want to seem to be unwilling to answer any questions any Senator may propound, but, of course, the same questions will be propounded on Monday.

Mr. ROBINSON. Mr. President, may I suggest to the Senator from Virginia that, as I understood the Senator from Oregon, he was making the further suggestion that the statements the Senator is now making might also have to be repeated on Monday.

Mr. GLASS. Of course, they will have to be. What I wish is that the several amendments made to the joint resolution when it was here before might now be agreed to, so that we might save time on Monday.

At the bottom of page 3 the committee proposes to strike out the words, beginning on line 25, "The specific powers hereinafter vested in the President shall not be construed as limiting the general powers and discretion vested in him by this section." On the previous occasion the Senate struck that language out, and I move that it be stricken out now.

Mr. McNARY. Mr. President, in view of the more or less definite understanding we had earlier in the afternoon. while no doubt this amendment is not objectionable or controversial, I should be very happy indeed if the Senator would let the whole matter go over until Monday.

Mr. GLASS. I think we might as well do that.

PROPOSED INVESTIGATION OF POSTMASTER GENERAL FARLEY (S. REPT. NO. 288)

Mr. McKELLAR. Mr. President, I desire to submit a report from the Committee on Post Offices and Post Roads, and as it affects a matter of importance, I desire to read the report, which is not very long. The report of the committee is as follows:

To the Senate:

The Committee on Post Offices and Post Roads, to which was referred Senate Resolution No. 74, a resolution which would order an "investigation into the public and official conduct of Mr. James A. Farley and all matters conducted by him affecting the business of the United States and the expenditure of funds of the United States", having considered the same, begs leave to report, with the recommendation that the resolution be not adopted.

JURISDICTION OF THIS COMMITTEE

Rule 25 of the Standing Rules of the Senate, in part, provides

as follows:

"Committee to Audit and Control the Contingent Expenses of the Senate, to consist of five Senators, to which shall be referred all resolutions directing the payment of money out of the contingent fund of the Senate or creating a charge upon the same:

Provided, That any such resolution relating to substantive matter within the jurisdiction of any other standing committee of the within the jurisdiction of any other standing committee of the Senate shall be first referred to such committee."

The proposed resolution, in directing that the special committee shall "procure evidence, summon witnesses, hear testimony, and compel the production of books, records, accounts, statistics, employ experts", and the like, "would fix a charge upon the contingent expenses of the Senate, and for that reason the Senate sent the resolution to our committee to determine whether or not

Moreover, the Committee on Post Offices and Post Roads considers that the said resolution was referred to it in order that it might determine if an investigation was justified by facts or evidence presented to the Senate on the floor and to the committee

Recognizing that the Senate has the right of investigation of any executive department of the Government in proper cases, the question necessarily arises whether any demand for an investigation is properly founded or not. It is unquestionably clear that the Senate has the right of investigation with a view of legislative action; even so, unless sufficient facts and evidence shall have been presented, it is equally clear that an investigation should not be had. Any other course would give to the Senate of the United States an undue power of interference with the executive departments.

So your committee has considered the resolution not only in the light of possible expense but also upon the question whether there are facts and circumstances justifying an investigation.

Your committee has considered the charges by the author of the resolution in the resolution itself, numerous speeches on the floor, with exhibits filed; it has heard the author of the resolution orally before the committee, in which charges were reiterated and editional charges made before an executive session of the committee. additional charges made before an executive session of the committee; and it has had before it the record from the Public Works mittee; and it has had before it the record from the Public Works Department sent down by the Administrator of Public Works in the James A. Stewart & Co. and other cases. After considering all these, your committee requested of the author of the resolution the names of witnesses he proposed to call if an investigation was ordered and the substance of what those witnesses would testify. No answer was made to this letter, and the next day a second letter was addressed to the author of the resolution again requesting the author of the resolution to send the names of witnesses and the substance of what they would testify. Thereupon the author of the resolution rose on the floor of the Senate and had read from the desk his answer to the second letter. This came before your the desk his answer to the second letter. This came before your committee, and the committee considered the contents of this additional letter. Your committee then sent a copy of this last additional letter. Your committee then sent a copy of this last letter of the author of the resolution to the Secretary of the Treasury, to the Chairman of the Reconstruction Finance Corporation to the Secretary of the Interior and Public Works Administrator, to James A. Farley, Postmaster General, all of which departments and bureaus were referred to in the letter of the author of the resolution which he had submitted to the Senate. Answer came from each of the departments and also from the Chairman of the Reconstruction. Finance Corporation. These answers all confrom each of the departments and also from the Chairman of the Reconstruction Finance Corporation. These answers all contained denials, and they refuted all allegations set out in the resolution. Copies of the committee's letters of March 4 and March 5 to the author of the resolution, a copy of his reply read in the Senate, copies of the letters addressed to the departments referred to and the Reconstruction Finance Corporation, and the replies to same are all filed as exhibits to this report and may be considered a part of same. And having considered all these files and records and letters and the verbal testimony of the author of the resolution, your committee reports as follows:

# THE JAMES A. STEWART & CO. CONTRACT

It will be noted that the preambles of the resolution are respectively introduced in the following language:

"It has been reported that"; "It is further alleged that";

"It is further publicly known that"; "It has been further charged that"; "It is further alleged that"; "It has been charged that."

In other words, the resolution and proposed investigation are based on vague and indefinite hearsay and rumor.

Having introduced the resolution, the author made a speech in the Senate quoting from newspapers, that James A. Stewart & Co., contractors, had bought supplies from a firm or corporation in which Mr. Farley was and is interested, and seeking in that way to connect Mr. Farley with such contracts. Newspaper articles concerning the letting of a contract were read by the author of the resolution in the Senate. Then another resolution was offered by the author of Resolution No. 74, directing the Secretary of the Interior, as Administrator of the Public Works Administration, to report on all matters connected with the letting of the James A. Stewart & Co. contract.

From the record presented by Secretary Ickes, it is apparent that Mr. Farley has been guilty of no improper conduct of any kind in connection with the said contract awarded by the Treasury Department to James A. Stewart & Co. with respect to any contract. The records sent down to the Senate, which is hereto attached and made a part of this report, shows that the charges are without foundation.

are without foundation.

Your committee also quotes from the letter of Mr. Farley on this subject as follows:

"I have conducted no private business since I have occupied "I have conducted no private business since I have occupied the position of Postmaster General of the United States. Prior to March 4, 1933, I resigned as president and director of the General Builders' Supply Corporation and since that time I have had no part in the management of that company or participation in its affairs. Nor have I received any sums, salaries, commissions, or anything else from this source since that time with the exception of \$525 out of the total earned dividends on my preferred stock which consists of approximately one-fourteenth of the outstanding preferred stock of the company. No dividends have ever been paid or earned on the common stock, of which I own less than one-eighth.

been paid or earned on the common stock, of which I own less than one-eighth.

"Mention has been made of a certain holding company which carries my name. That company was organized in 1929 to collect the slow assets of James A. Farley & Co., Inc., a corporation which went out of existence at that time. This holding company does not own stock in any corporation whatsoever, has never engaged directly or indirectly, in the sale of builders' supplies, in contracting or in any business whatsoever except in what has been to date a rather fruitless effort to collect old debts.

"The stock which I own in these two companies represents all the stock which I own in any corporation whatsoever. I have not solicited business for any corporation or any contractor. I have never interested myself in helping any contractor to secure any contracts from the United States Government or from any other person or corporation.

"There is not a word of truth in the insinuation that I participated in any way in having bids of any contractor rejected by the

"There is not a word of truth in the insinuation that I participated in any way in having bids of any contractor rejected by the Treasury Department or by any other department or agency of the Government."

And, further, about the post-office building in New York, Mr.

And, further, about the post-omice building in the Farley writes:

"This, I understand, refers to certain contracts for the building of the annex to the New York City Post Office Building. The only part the Post Office Department played in this matter consisted in advising the Treasury Department, which let the contracts, of the need of postal requirements so far as the building in New York City was concerned. I am sending you herewith the full file of correspondence between the two Departments, including letters that were canceled because of the request of the proper Treasury official that the Post Office Department be more specific in its official that the Post Office Department be more specific in its

statements of its requirements.

"There was a question concerning the erection of a completed "There was a question concerning the erection of a completed building, the cost of which was in excess of amount of funds allocated for the project, or an incompleted building in which two floors were not to be finished, alternative bids having been called for by the Treasury Department. The details of this are shown in the accompanying correspondence.

"I did not at any time attempt to exercise any influence on the Treasury Department with respect to the letting of this or any other contracts.

other contracts.

other contracts.

"I had no knowledge that there had been any changes in specifications or materials until I read them in reports of the charges made by the Senator from Louisiana. In any event, I have no connection whatsoever with respect to such changes in relation to any building or any contract."

There would seem, therefore, upon the record as it stands before the committee, to be no reason why anyone would desire a further investigation into these charges.

## SOLICITATION OF CAMPAIGN CONTRIBUTIONS

The author of the resolution charges Mr. Farley with the solicitation of contributions from employees of the United States, such charges to be found on page 1838 of the Record and a letter afterward filed.

afterward filed.

In the first place, the author of the resolution is entirely in error about the law. There is no law which prohibits Joseph J. Cotter from soliciting campaign funds from anyone whom he pleases. The mere fact that Mr. Farley's name appeared on the letterhead does not indicate that Mr. Farley solicited funds, and as a matter of fact, Mr. Farley denies having known of the issuance of the letter. There is nothing in the charges that indicates that Mr. Farley himself solicited funds from the employees of the Government. Today, March 8, the author of the resolution filed amended charges that Farley solicited contributions from Federal

employees but submitted no evidence of such charges. He asserted he had evidence as to such charge, but submitted none to the committee as previously requested.

### THE E. P. KNOTTS CASE

On February 20, 1935, as shown on page 2277 of the Record, the author of the resolution charges on hearsay that in April and May 1933 a candidate for appointment as United States district attorney, unnamed, was in Washington, and after having been appointed United States district attorney, wired to an individual "under indictment" that his case had been continued and asked for \$1,000. Then the author of the resolution read a letter, signed by Mr. Farley, which was said by the author of the resolution to have been directed to the contributor acknowledging receipt of a check for \$1,000. In his letter Mr. Farley shows that on March 3, 1933, Clyde W. Eastus, afterward appointed United States district attorney for the Northern District of Texas, handed Mr. Farley, at the Mayflower Hotel, in Washington, a check for \$1,000 for the Democratic National Committee, which, he said, was the contribution of one E. P. Knotts, of Fort Worth, Tex., to the committee. On the same day Mr. Farley addressed a letter to Mr. Knotts acknowledging receipt. This was the letter quoted by the author of the resolution. It was written before Mr. Farley became Postmaster General.

In Mr. Farley's statement to the Committee on Post Offices and

In Mr. Farley's statement to the Committee on Post Offices and Post Roads he recites that at the time the contribution was made he did not know and had never heard of Mr. Knotts; that in May he did not know and had never heard of Mr. Knotts; that in May 1933 he was advised by the Chief Inspector of the Postal Service, who was appointed in April, that a charge of using the mails to defraud had been pending against said Mr. E. P. Knotts since some time in 1930; that frequent continuances had been granted; whereupon Mr. Farley directed the Solicitor of the Post Office Department to proceed expeditiously with the case. As a result, a fraud order was issued against Mr. Knotts under the authority of Mr. Farley on May 25, 1933. As a result, he was indicted and convicted, and the said Mr. Knotts is now serving a term in the penitentiary.

The very fact that Mr. Farley wrote the letter quoted by the author of the resolution thanking Mr. Knotts for the contribution tends to show the innocence of Mr. Farley. Mr. Farley did not know the man and had never heard of him, and under the circumstances he cannot be blamed for his action in the matter.

stances he cannot be blamed for his action in the matter.

Mr. Farley certainly cannot be blamed at that time, not knowing the situation, for having acknowledged the check on behalf of the Democratic National Committee, and he certainly did his duty for

the situation, for having acknowledged the check on behalf of the Democratic National Committee, and he certainly did his duty for afterward having ordered the further investigation of Mr. Knotts upon the facts being disclosed to him.

Mr. Farley in his statement gave the following:

"On March 3, 1933, before the beginning of this administration, Clyde O. Eastus, then a practicing lawyer in Texas, handed me at the Mayflower Hotel, Washington, D. C., for the Democratic National Committee a cashier's check for \$1,000, which he told me was the contribution of E. P. Knotts, of Fort Worth, Tex., whom I did not know and of whom I had no knowledge. I accepted the check for the committee and immediately wrote to Mr. Knotts acknowledging its receipt. Some time in May 1933 Mr. K. P. Aldrich, the newly appointed Chief Inspector of the Post Office Department, reported to me that charges of the improper use of the mails had been pending for several years in the Department against Mr. Knotts and that the hearing had been repeatedly continued. I immediately instructed the Solicitor of the Department, who has immediate jurisdiction over matters of this kind, to proceed without delay to dispose of the case. A photostatic copy of this order is transmitted herewith. This order was complied with; the hearing was held before the end of the month, and a fraud order was issued against Mr. Knotts. As a result of it, criminal charges were preferred in the Federal courts and Mr. Knotts pleaded guilty and was sentenced to imprisonment for 5 years in the penitentiary. He is now serving his term."

The Attorney General also made a separate report on the Knotts case, as follows:

In re United States v. Edwin P. Knotts.

case, as follows:

case, as follows:
In re United States v. Edwin P. Knotts.
Clyde O. Eastus became United States attorney for the northern district of Texas on the 1st day of July 1933. On July 3, 1933, in the case of United States of America v. Edwin P. Knotts et al, the following certificate was formally filed with this Department:

"I, Clyde O. Eastus, United States attorney for the northern district of Texas, by reason of former association and connection prior to induction in office, do hereby certify my disqualification to appear as United States attorney in the prosecution of the above-styled case.

"Clyde O. Eastus, United States Attorney"

"CLYDE O. EASTUS, United States Attorney."

On the 11th day of July 1933 the following communication was addressed to A. T. Cole, Esq., special assistant to the Attorney General, Room 303, Federal Building, Dallas, Tex:

"Sir: In a separate letter, among others, the Department has assigned you to prosecute the case of C. R. Morrison, Edwin P. Knotts, and others, in connection with an alleged fraudulent use of the mails in the sale of stock, under the name of C. R. Morrison Co. and the General Minerals Co. of Fort Worth.

"Clyde O. Eastus, Esq., United States attorney, Fort Worth, under date of July 3, 1933, transmitted to the Department a certificate of disqualification by virtue of his prior connection with the same before his induction into office as United States attorney.

"You will proceed, therefore, to handle this case on your own responsibility without any suggestions or directions of any sort from Mr. Eastus. A perusal of the inspector's report indicates that the case is a flagrant one and should be prosecuted promptly and vigorously. You should retain exclusive possession of the files,

"The chief post-office inspector has informed that another post-office inspector will be assigned to this case upon request to Mr. Clampitt, inspector in charge at Austin, Tex. The inspector's reports and accompanying exhibits are being forwarded to you today." For the Attorney General.

"Respectfully,

"WILLIAM STANLEY,
"Assistant to the Attorney General."

On October 14, 1933, Col. Amos W. W. Woodcock, special assistant to the Attorney General, was appointed to assist in the prosecution of the mail-fraud charges against Edwin P. Knotts and others in the United States District Court for the Northern District of Texas.

On November 14, 1933, an indictment was returned by the grand jury for the northern district of Texas against Edwin P. Knotts and others, charging use of the mails "in a scheme to obtain

Jury for the northern district of Texas against Edwin P. Knotts and others, charging use of the mails "in a scheme to obtain money by false representations."

On December 4, 1933, the defendant Edwin P. Knotts, entered a plea of guilty thereto. On December 7, 1933, he was sentenced by Judge James C. Wilson to 5 years at the United States Penitentiary at Leavenworth, Kans. On December 23, 1933, he filed a petition in the District Court of the United States for the Northern District of Texas, seeking leave to withdraw his plea of guilty. On December 30, 1933, there was a hearing on this motion, at the conclusion of which the motion was overruled.

On January 15, 1934, appellant petitioned for appeal from "the verdict and judgment returned herein." On February 17, 1934, a bill of exceptions was filed which contains the testimony taken before Judge Wilson on December 30, 1933, when the appellant moved to withdraw his plea of guilty. On May 10, 1934, the United States Circuit Court of Appeals for the Fifth Circuit entered judgment to dismiss the appeal in the above-entitled cause.

In Mr. Farley's letter to the Chairman of the Committee on Post Offices and Post Roads he also said:

"According to the Congressional Recorp, the Senator from Louisiana read from what purported to be a letter issued by the National Democratic Council of the District of Columbia in its effort to raise funds for the Democratic National Committee, which letter is alleged to have before my name as Democratic chairman on the letterhead and which is also alleged to have been sent to

letter is alleged to have borne my name as Democratic chairman on the letterhead, and which is also alleged to have been sent to Federal employees. I did not sign this letter; I did not authorize its issuance; and to this date I know nothing whatsoever about it or to whom it was sent."

### ISSUE OF POSTAGE STAMPS

The author of the resolution makes a charge, upon public infor-

mation, that Mr. Farley did wrong concerning a recent new issue of postage stamps. We quote from Mr. Farley's letter, as follows:

"With respect to this matter, I followed, as Postmaster General, a custom that has existed in this Department for many, many years; that is, the presentation as souvenirs of new issues of stamps. I attach herewith a memorandum showing how long and how extensively this practice has been pursued. On January 23, 1905, the then Third Assistant Postmaster General, Edwin C. Madden, wrote an official letter to the Postmaster General, from which I quote the following:

"'In this connection, I deem it proper to say that the giving away of specimen stamps, proofs, etc., is a practice of upward of 40 years' standing. \* \* No record was kept of the persons to whom these stamps were distributed prior to my coming into office, but since November 1899 I have caused to be kept a record of every stamp given away, and can furnish, should it be so desired, a complete list of those who have received them during my incumbency, except for the 4 months between July 1, 1899 (the date of my appointment) and November 1, 1899, when the record of distribution was begun.'"

So that it is evident there is nothing to be investigated.

# WIRE SERVICE AND GAMBLING HOUSES

The next charge, based on hearsay, is that there is a wire service in the Post Office Department leading to gambling houses, and that this in some way either violates the law or the proprieties. Regarding this your committee quotes from the letter of Mr.

Farley:

"The above charge is utterly untrue and is as ridiculous and baseless as are the others. The only wire service in the Post Office Department, except the ordinary commercial telephone and telegraph lines is a teletype press service such as you will find in many other Government departments, in most newspaper offices, and in many business offices. It is a bulletin of the day's happenings as they occur, embracing the proceedings of Congress, and other news of the day. This teletype machine is connected only with a news-service office. It leads to no gambling house and nothing is transmitted by it except that which is written for the news service which operates it, namely, the Washington City News Service. Personally, I have no connection, direct or indirect, with this or any other wire service."

Your committee believes this explanation is full and complete.

Your committee believes this explanation is full and complete.

COMMANDEERING FACILITIES—PUBLIC-SERVICE CORPORATIONS

It is next charged, on hearsay, that Mr. Farley commandeered for his personal use the facilities of a public-service corporation.
Mr. Farley makes the following statement about it:

"I have never commandeered the facilities of any public-service

corporation. I assume that the Senator from Louisiana refers to the fact that I have at various times accepted the invitations of railroad officials to ride in their business cars with them when I was traveling by train. It is well known that as Postmaster General I have a Post Office commission which entitles me to ride in any conveyance operated by any mail contractor. The Government is put to no expense, nor is it saved any expense, by my occasional acceptance of these invitations, and I am not put under the slightest obligations thereby. In no case, however, did I at any time commandeer any such service."

The law provides for the Postmaster General riding on conveyances operated by mail contractors, and in the opinion of your committee there is no violation of the proprieties in connection therewith.

I call the especial attention of the Senate to the next charge:

LOAN TO RAILROAD IN WEST VIRGINIA

It is again charged on hearsay that Mr. Farley secured a loan for the Baltimore & Ohio Railroad in West Virginia for political purposes. In reference to this we quote the following letter from Jesse H. Jones, Chairman of the Reconstruction Finance Corpora-

RECONSTRUCTION FINANCE CORPORATION, Washington, March 7, 1935.

Hon. KENNETH MCKELLAR,

Hon. Kenneth McKellar,

Senate Committee on Post Offices and Post Reads,

United States Senate, Washington, D. C.

Dear Senator McKellar: In reply to your letter of March 6,
enclosing copy of Senator Long's letter to the Senate Committee
on Post Offices and Post Roads of the same date, in which you
ask for information this morning concerning the reference by
Senator Long to a loan of \$52,000,000 to the Baltimore & Ohio Railroad, beg to advise that we made no loan of \$52,000,000 to this road.

The Baltimore & Ohio Railroad owed our Corporation a note of \$25,500,000, due August 10, 1934, this loan having been made 2 years prior. To meet this note and to provide the road with other funds that it needed, the Baltimore & Ohio offered, through its bankers, a \$50,000,000 5-year secured-note issue. The loan was certified by the Interstate Commerce Commission, and our Corporation estimated the value of the security behind the \$50,000,000 loan to be supproximately \$90,000,000. 000 loan to be approximately \$90,000,000.

We agreed to lend the road any part of the unsold portion. The net result of the transaction was that the bankers sold all but \$13,490,000 of the \$50,000,000 issue, and the Corporation received a cash payment on its \$25,500,000 loan of \$12,144,900 and notes of the new \$50,000,000 issue in the amount of \$13,355,100.

In the opinion of every member of our Board, the loan was well secured; and neither Mr. Farley nor anyone else ever spoke to me or to any other member of our Board about this loan, except officials of the Baltimore & Ohio Railroad and the bankers who handled the issue.

Very sincerely yours,

JESSE JONES, Chairman.

We also quote from the statement of Mr. Farley, as follows:

"I never telephoned anybody in West Virginia that it would be to the interest of any railroad to take a certain or any political position affecting the election of a United States Senator or anyone else. I did converse with various political leaders, including former Governor Cornwall, of West Virginia, with the idea in mind of promoting party harmony. I did not know that the Baltimore & Ohio railroad was endeavoring to secure an R. F. C. loan, and I do not know now if it ever received a loan, but I do know that whether it did or did not receive a loan had nothing to do with any conversation in which I took part. I know the gentleman only as a former Governor of West Virginia and a Democratic leader in the State."

Here is another charge on hearsay; it is answered by Mr. Farley, and the facts are fully shown by Mr. Jones' letter. These explanations are full and complete.

In the supplemental charge the author of the resolution brought in the Lazia income-tax case. As to this case, the Attorney General reported as follows:

## IN RE LAZIA INCOME-TAX CASE

"This case was called to the attention of the Department of Justice in March 1933. At the very outset a proceeding was instituted by the Department to prevent the running of the statute of limitations while the case was being investigated.

"The defendant, through his attorney, made formal request of the Department for an opportunity to be heard in order that he might submit evidence which it was claimed would indicate his innocence. It is the policy of the Department to afford such opportunity in income-tax cases. Accordingly a hearing took place in the office of the United States attorney at Kansas City,

Mo., on May 10, 1933, and on succeeding days.
"The results apparently were inconclusive and did not change

the situation.

"On the 1st of July the Department had before it sufficient evidence to reach the conclusion that the case was an appropriate one for prosecution. Later, however, before actual proceedings one for prosecution. Later, however, before actual proceedings were instituted, the defendant submitted in written form what he claimed to be further important evidence and statements. These matters, while in nowise altering the view of the Department, required further examination and a supplementary audit of the Lazia account. This work was under way and had not quite been completed when the matter was brought up by the grand jury. The United States attorney, therefore, asked for instruc-

tions, and was immediately notified to cooperate with the grand jury, submit all available evidence, and secure an indictment if the facts so warranted. These instructions were given on Septem-

the facts so warranted. These instructions were given on September 6, 1933.

"Nearly a week was consumed in presenting the facts. An indictment was returned on September 16, and later the case was tried. On February 14, 1934, a verdict of guilty was returned on two counts and the accused was sentenced."

The Attorney General in his letter stated:

"No action taken by the Department of Justice in any of these

The Attorney General in his letter stated:

"No action taken by the Department of Justice in any of these matters was at the instance or suggestion of Mr. Farley. No appointment or designation of any attorney or agent to handle any phase thereof was suggested by him, nor was any official removed, or caused to resign at his request."

In reference to this matter Mr. Farley states:

"I have never, directly or indirectly, intervened in any matter whatsoever having to do with any case or investigation by the Department of Justice in Kansas City or elsewhere."

I now come to the part of the report dealing with the American National Bank case, and I want the RECORD to show that that bank is located in Nashville, Tenn.

### THE AMERICAN NATIONAL BANK CASE

The Attorney General was asked to report on the American National Bank case, and he did so. He reports the facts as follows:

National Bank case, and he did so. He reports the lacts as follows:

"This matter was referred to the Department of Justice by the Treasury Department, and in accordance with the usual practice was turned over to the Division of Investigation to make a full investigation and report thereon. Mr. E. J. Ambruster, an accountant of the Division of Investigation, had charge of the investigation. Hon. Wayne C. Williams, formerly attorney general of the State of Colorado, being then a special assistant to the Attorney General, was, on November 7, 1933, authorized to assist in the investigation and trial of any case or cases arising out of alleged criminal offenses at the American National Bank at Nashville, Tenn., in violation of the national banking law, the conspiracy statute, and the other Federal criminal law. During that month he proceeded to Nashville, Tenn., and conferred with United States District Attorney A. V. McLane. On December 30, 1933, Mr. A. V. McLane resigned. Maj. Horace Frierson, Jr., was appointed United States district attorney to succeed Mr. McLane, and, upon completion of the investigation, Mr. Williams, together with Mr. Frierson, presented the matter to the grand jury on May 17, 1934. Mr. Ambruster was called by the grand jury and gave a full report of his investigation. The grand jury failed to indict anyone in connection with the matter."

In reference to this matter Mr. Farley says:

In reference to this matter Mr. Farley says:

"I have never intervened, directly or indirectly, in the conduct of any investigation by the Department of Justice or anybody else into the affairs of the American National Bank, of Nashville, Tenn"

In his letter hereto attached the Attorney General used this

language:

"No action taken by the Department of Justice in any of these matters was at the instance or suggestion of Mr. Farley. No appointment or designation of any attorney or agent to handle any phase thereof was suggested by him, nor was any official removed, or caused to resign at his request."

Four days after the senior Senator from Louisiana was requested by the committee to present the names of witnesses and the substance of the facts to which they would testify, and just prior to the final action of the committee, the senior Senator from Louisiana submitted to the committee an affidavit, signed by Albert Caye. This is the only evidence submitted to the committee by the senior Senator from Louisiana. That affidavit stated that the affiant was formerly business agent of the Carpenters' District Council of Washington, D. C., and while performing his duties it came to his attention that when some window glass was taken out of the crates in which it was delivered from the manufacturer to the Stewart Construction Co., on the I. C. C. and Labor Building, at Fourteenth Street and Constitution Avenue, that the boxes were burned and that he was informed that the labels on each and every glass were removed immediately, obviously and in his opinion for the purpose of concealing the inferior quality of the glass and to conceal the name of the manufacturer.

This affidavit is filed as a part of this report. Four days after the senior Senator from Louisiana was requested

This affidavit is filed as a part of this report.

Your committee further reports that at the end of the hearing the following resolution was offered and passed by vote of all those present.

Resolved, That it is the sense of the committee that the senior Senator from Louisiana has not produced facts or evidence constituting a proper case for investigation by the Senate under his resolution no. 74.

The following resolution was passed by a majority of the committee:

committee:

Resolved, That the Senate Resolution No. 74 be reported back to
the Senate with the recommendation it do not pass, and the
chairman be authorized to make the report.

Your committee believes that resolution no. 74 should not be
adopted by the Senate and that no committee of investigation
have been appointed: And your committee so recommends.

should be appointed: And your committee so recommends.

KENNETH McKellar, Chairman.

MARCH 4. 1935.

Hon. HUEY P. LONG,

United States Senate, Washington, D. C.

DEAR SENATOR LONG: When before the committee today you stated you could not recall the names of the witnesses you desired to produce in support of the statements made by you, but you could furnish such names to the committee in connection with its consideration of Senate Resolution No. 74.

I am directed by the committee to ask you to present to the chairman of the Committee on Post Offices and Post Roads, not later than noon, of Tuesday, March 5, 1935, the names of the witnesses whom you propose to call and the substance of the evidence which you propose to elicit from each.

Very sincerely yours,

MARCH 5, 1935.

Hon. Huer P. Long,

United States Senate, Washington, D. C.

Dear Senator Long: I wrote you yesterday by direction of the committee but I have received no response to my letter.

The committee has adjourned until Wednesday, March 6, at 2 o'clock p. m. I write to express the hope that you will be kindenough to furnish by that hour the information requested in my communication of yesterday and which you stated that you could furnish furnish.

Very sincerely yours,

-. Chairman.

FEDERAL EMERGENCY ADMINISTRATOR OF PUBLIC WORKS

The President of the Senate,

Washington, D. C.

MY DEAR MR. PRESIDENT: In response to the resolution of the United States Senate, passed on the 15th day of February, a careful search has been made of the records in the central office of the Public Works Administration by the chiefs of the various divisions for all data in their files coming within the purview of the

The resolution specifically requests me to transmit any and all data affecting contracts let to or done by the firm of James Stewart & Co., Inc., and the General Builders' Supply Corporation. It further requests me to transmit all information and data which affect, mention, or report on James A. Farley or any concern with which Mr. Farley has been or is now identified.

which Mr. Farley has been or is now identified.

At the outset I wish to state that I have never made or caused to be made any investigation of Postmaster General Farley.

As to James Stewart & Co., Inc., our records show that the only project financed with P. W. A. funds upon which this company has done any work or been awarded any contracts is the Post Office Annex in New York City. Upon this project this company appears as a general contractor. In addition, we have a preliminary report from our Division of Investigations dealing with James Stewart & Co., Inc., on the new Federal courthouse in New York City. However, the project is not financed with P. W. A. funds. Here also this company appears as a general contractor.

As to General Builders' Supply Corporation, the only project upon which our records show this corporation to have done any work or to have been awarded any contracts is the Hillside housing project in New York City. Upon this project this corporation appears as a subcontractor.

As a matter of information I want to point out that on non-

As a matter of information I want to point out that on non-Federal projects and on all projects which are constructed directly by the Public Works Administration (such as housing projects) our Inspection Division supervises the work and obtains a list of the general and subcontractors. No list of either general or sub-contractors is obtained on Federal projects (those constructed directly by Federal departments or agencies other than P. W. A.), since these projects are not supervised by P. W. A. Nor do we have any information in our files with reference to materials or supplies purchased by subcontractors.

purchased by subcontractors.

For the convenience of the Senate, the information collected as the result of the search has been photostated, bound, and certified by me to be true copies of documents contained in our files. The data is being transmitted to the Senate under separate cover. It has been placed in three separate folders as follows:

(1) Copies of reports and memoranda obtained from the files of the Investigation Division of the Public Works Administration.

(2) Copies of reports, correspondence, and memoranda obtained from the files of the Inspection Division of the Public Works Administration.

(3) Copies of miscellaneous correspondence and memoranda obtained from the files of the various divisions of the Public Works Administration other than that included under 1 and 2

The reports compiled by the Division of Investigations refer to three Federal projects: Marine hospital, Stapleton, Staten Island, New York Federal Court House, and the New York City Post Office

The report on the marine hospital project at Stapleton, Staten Island, is numbered 0196, and is submitted only because the name "Builders Supply Co., New York City" is included in a list of subcontractors which will be found on page 3 of schedule C of the report. I am informed that the name is incorrect in this schedule and that the reference should have been to the General Builders Supply Corporation. Nothing else is contained in this

report which relates, either directly or indirectly, to the subject matter of the Senate resolution of February 15.

matter of the Senate resolution of February 15.

The investigation report on the Federal courthouse project in New York City is no. 0115 and contains informations of a preliminary nature. In February 1934 an anonymous complaint was received by me in regard to certain alleged savings in connection with the construction of the new Federal courthouse in New York City which were not credited by the general contractor (James Stewart & Co., Inc.) to the Government. Since our Division of Investigations was looking into the regularity of the award of the general contract to the same contractor in the post-

Division of Investigations was looking into the regularity of the award of the general contract to the same contractor in the post-office annex project in New York City, the complaint was referred to that division. Subsequently, all data and suggestions as to possible lines of inquiry were made available at Admiral Peoples' request to the Procurement Division of the Treasury Department. Because this project is not being financed with P. W. A. funds, nothing further was done by P. W. A.

The balance of the data compiled by the Division of Investigation refers to the New York City Post Office Annex, and all of these reports except reports numbered 0172 and 0172 F have reference to alleged violations of P. W. A. labor requirements. Report numbered 0172 F is the result of an investigation as to the granite used on the post-office annex project, and the report indicates that no irregularity was found. Report numbered 0172 has to do with alleged irregularities in connection with the award of the construction contract for this project. The trend of the investigations, the acts investigated, and the possibilities inquired into are set forth in summary form in a series of memoranda which accompany the reports, which memoranda are bound together and marked "Memorandum file."

randum file."

The data compiled by the Division of Inspection refers only to the Hillside housing project, Bronx, New York City. This is the project on which General Builders Supply Corporation is a subcontractor. It is a privately owned, limited-dividend housing project which will cost, when completed, in the neighborhood of \$5,000,000. From this file (which has been subdivided in a convenient manner and which relates from the standpoint of the Senate resolution only to General Builders Corporation) it appears that the general contractors, Starrett Bros. & Eken, have purchased or contracted to purchase on competitive bidding material from General Builders Supply Corporation which will cost approximately \$116,000. Several of the bidders quoted the same prices on this material and the orders were divided on a substantially equal basis among three of the lowest responsible bidders. One of these was General Builders Supply Corporation.

The third group of material transmitted herewith is, as indicated

The third group of material transmitted herewith is, as indicated above, composed of miscellaneous letters, memoranda, and reports collected from the various divisions which could not be consolidated to advantage with the other material. It has been arranged chronto advantage with the other material. It has been arranged chron-ologically and should be read, for the most part, in connection with the report of the Division of Investigations in regard to the New York City Post Office Annex project (no. 0172). On the left of the folder will be found the record of a hearing before the Board of Labor Review, its decision in the case, and certain corre-spondence in connection therewith. This was considered relevant, inasmuch as it concerns James Stewart & Co., Inc., on the New York City Post Office Annex project.

The data outlined above constitutes all of the material found in our records coming within the scope of the Senate resolution of February 15. Sincerely yours,

HAROLD L. ICKES,
Secretary of the Interior and
Federal Emergency Administrator of Public Works.

RECONSTRUCTION FINANCE CORPORATION,

Washington, March 7, 1935.

Dear Senator McKellar: In reply to your letter of March 6 enclosing copy of Senator Long's letter to the Senate Committee on Post Offices and Post Roads, of the same date, in which you ask for information this morning concerning the reference by Senator Long to a loan of \$52,000,000 to the Baltimore & Ohio Railroad, beg to advise that we made no loan of \$52,000,000 to this road.

The Baltimore & Ohio Railroad owed our Corporation a note of \$25,500,000, due August 10, 1934, this loan having been made 2 years prior. To meet this note and to provide the road with other funds that it needed, the Baltimore & Ohio offered, through its bankers, a \$50,000,000, 5-year, secured note issue. The loan was certified by the Interstate Commerce Commission, and our Corporation estimated the value of the security behind the \$50,000,000 loan

certified by the Interstate Commerce Commission, and our Corporation estimated the value of the security behind the \$50,000,000 loan to be approximately \$90,000,000.

We agreed to lend the road any part of the unsold portion. The net result of the transaction was that the bankers sold all but \$13,490,000 of the \$50,000,000 issue, and this Corporation received a cash payment on its \$25,500,000 loan of \$12,144,900 and notes of the new \$50,000,000 issue in the amount of \$13,355,100.

In the opinion of every member of our Board, the loan was well secured, and neither Mr. Farley nor anyone else ever spoke to me or to any other member of our Board about this loan, except officials of the Baltimore & Ohio Railroad and the bankers who handled the issue.

Very sincerely yours,

Very sincerely yours,

JESSE H. JONES, Chairman.

Hon. KENNETH MCKELLAR,

Chairman Committee on Post Offices and Post Roads, United States Senate, Washington, D. C.

Office of the Attorney General, Washington, D. C., March 7, 1935.

Hon. Kenneth McKellar,
Chairman Committee on Post Offices and Post Roads,
United States Senate, Washington, D. C.
My Dear Senator McKellar: I am in receipt of your letter of the 6th of March.

Complying with your suggestion, I enclose herewith memoranda covering the matters referred to so far as they concern the Department of Justice.

No action taken by the Department of Justice in any of these matters was at the instance or suggestion of Mr. Farley. No appointment or designation of any attorney or agent to handle any phase thereof was suggested by him, nor was any official removed, or caused to resign at his request.

Very sincerely yours,

HOMER CUMMINGS. Attorney General.

IN RE: AMERICAN NATIONAL BANK, NASHVILLE, TENN.

This matter was referred to the Department of Justice by the Treasury Department and in accordance with the usual practice was turned over to the Division of Investigation to make a full investigation and report thereon. Mr. E. J. Ambruster, an accountant of the Division of Investigation, had charge of the investigation. tigation.

Hon. Wayne C. Williams, formerly attorney general of the State of Colorado, being then a special assistant to the Attorney General, was, on November 7, 1933, authorized to assist in the investigation and trial of any case or cases arising out of alleged criminal of-fenses at the American National Bank at Nashville, Tenn., in violation of the national banking law, the conspiracy statute, and other Federal criminal law. During that month he proceeded to Nashville, Tenn., and conferred with United States District Attorney A. V. McLane.

On December 30, 1933, Mr. A. V. McLane resigned. Maj. Horace Frierson, Jr., was appointed United States district attorney to suc-ceed Mr. McLane and upon completion of the investigation Mr. Williams, together with Mr. Frierson, presented the matter to the grand jury on May 17, 1934.

Mr. Ambruster was called by the grand jury and gave a full report of his investigation. The grand jury failed to indict anyone in connection with the matter.

IN RE: UNITED STATES V. EDWIN P. KNOTTS

Clyde O. Eastus became United States attorney for the northern district of Texas on the 1st day of July 1933. On July 3, 1933, in the case of *United States of America* v. Edwin P. Knotts et al, the following certificate was formally filed with this Department: "I, Clyde O. Eastus, United States attorney for the northern district of Texas, by reason of former association and connection prior to induction in office, do hereby certify my disqualification to appear as United States attorney in the prosecution of the above-styled case.

"CLYDE O. EASTUS,
"United States Attorney."

On the 11th day of July 1933 the following communication was addressed to A. T. Cole, Esq., special assistant to the Attorney General, room 303, Federal Building, Dallas, Tex.:

"Sir: In a separate letter, among others, the Department has assigned you to prosecute the case of C. R. Morrison, Edwin P. Knotts, and others, in connection with an alleged fraudulent use of the mails in the sale of stock under the name of C. R. Morrison Co. and the General Minerals Co., of Fort Worth.

"Clyde O. Eastus, Esq., United States attorney, Fort Worth, under date of July 3, 1933, transmitted to the Department a certificate of disqualification by virtue of his prior connection with the same before his induction into office as United States attorney.

"You will proceed therefore to handle this case on your own."

"You will proceed, therefore, to handle this case on your own responsibility without any suggestions or directions of any sort from Mr. Eastus. A perusal of the inspector's report indicates that the case is a flagrant one and should be prosecuted promptly and vigorously. You should retain exclusive possession of the files.

"The chief post office inspector has informed me that another post-office inspector will be assigned to this case upon request to Mr. Clampitt, inspector in charge at Austin, Tex. The inspector's reports and accompanying exhibits are being forwarded to

tor's reports and accompanying exhibits are being forwarded to you today.
"Respectfully,
"For the Attorney General:

"(Sgd.) WILLIAM STANLEY,
"Assistant to the Attorney General."

On the 14th of October 1933 Col. Amos W. W. Woodcock, special assistant to the Attorney General, was appointed to assist in the prosecution of the mail-fraud charges against Edwin P. Knotts and others in the United States District Court for the Northern District of Texas.

On the 14th

District of Texas.

On the 14th day of November 1933 an indictment was returned by the grand jury for the northern district of Texas against Edwin P. Knotts and others, charging use of the mails "in a scheme to obtain money by false representations."

On December 4, 1933, the defendant, Edwin P. Knotts, entered a plea of guilty thereto. On December 7, 1933, he was sentenced by Judge James C. Wilson to 5 years at the United States Penitentiary at Leavenworth, Kans. On December 23, 1933, he filed a petition in the District Court of the United States for the Northern District of Texas, seeking leave to withdraw his plea of

guilty. On December 30, 1933, there was a hearing on this motion, at the conclusion of which the motion was overruled.

On January 15, 1934, appellant petitioned for appeal from "the verdict and judgment returned herein." On February 17, 1934, a verdict and judgment returned herein." On February 17, 1934, a bill of exceptions was filed, which contains the testimony taken before Judge Wilson on December 30, 1933, when the appellant moved to withdraw his plea of guilty. On May 10, 1934, the United States Circuit Court of Appeals for the Fifth Circuit entered judgment to dismiss the appeal in the above-entitled cause.

> OFFICE OF THE POSTMASTER GENERAL, Washington, D. C., March 7, 1935.

Hon, KENNETH MCKELLAR

Hon. Kenneth McKellar,

Chairman Committee on Post Offices and Post Roads,

United States Senate, Washington, D. C.

Dear Senator McKellar: I am in receipt of your letter of March
6, in which you transmit a copy of a letter which was read into
the Congressional Record yesterday by Senator Long, of Louislana, and in which you have requested me, if convenient, to
furnish your committee such statement with respect thereto as I may care to make.

The letter of Senator Long is merely a restatement of the reck-less insinuations previously made by the Senator, with the excep-tion that it contains the following new charges:

(1) That I tentains the following new charges:

(1) That I intervened in the prosecution of a criminal case in the State of Tennessee involving the affairs of the American National Bank, of Nashville, by maneuvering "the personnel and conduct of the personnel of those connected with the Department of Justice having the matter in hand, both in person and through agents", by in any way bringing about the removal of a United States attorney and the appointment of a special man to appear

the grand jury.

(2) That I exercised control of the Department of Justice in the proceedings before a United States grand jury in Kansas City.

(3) That "through the firm of Stone & Webster" I exercised influence in the selection of "all engineers of influence in charge

of and supervising public works or in which the United States Government is in any manner concerned."

(4) That at my direction post-office inspectors "set upon" certain witnesses whom the Senator from Louisiana asserts conferred with him in order to "scare" them and "suppress development of the truth."

In response, I make the following statement:

(1) I have never intervened, directly or indirectly, in the conduct of any investigation by the Department of Justice or anybody else into the affairs of the American National Bank, of Nashville,

(2) I have never, directly or indirectly, intervened in any matter whatsoever having to do with any case or investigation by the Department of Justice in Kansas City or elsewhere.

(3) I have never exercised the slightest influence upon the selection of any engineers or other agents of the Public Works Administration or the Government through Stone & Webster or any other

(4) There is not a word of truth in the statement that at any time I directed post-office inspectors to set upon or intimidate any

Very respectfully yours,

JAMES A. FARLEY, Postmaster General.

THE SECRETARY OF THE TREASURY

Washington.

My Dear Mr. Charman: Pursuant to your verbal request, I hasten to reply further to your letter of March 6, which I received at 9:30 this morning, to comply with your request that my statement be submitted to you by I o'clock today.

I note on examining Senator Long's letter of March 6, a copy of which you enclose, that no specific reference is made to the Treasury Department or to the Procurement Division. However, it is not my decided to wignest. Treasury Department or to the Procurement Division. However, it is not my desire to suggest any technical or formal difficulties, and I assume from your letter that you feel if there is the slightest implication of any irregularity reflecting, even by indirection, upon this Department, the matter should be gone into fully and the complete facts be put at the disposal of your committee. With this position I am thoroughly in accord and shall reply to your letter at this time as fully as the urgency of your request permits, upon the understanding, of course, that any further information desired by your committee is entirely at your disposal and that, if there are any questions which remain unanswered as a result of this letter, or any records or files of the Treasury Department or the Procurement Division which your committee desires, your further request will be complied with to the fullest extent that is within my power. within my power.

I am informed that, included in the material already forwarded to your committee, is a letter from Mr. Louis Glavis, Director of Investigations of the Public Works Administration, dated August 22, 1934, addressed to the Director of Procurement, in which Mr. Glavis lists ten items which he feels should be brought to the Director's attention as a result of the investigation made by Mr.

Glavis' organization. Glavis' organization.

In order to acquaint you with the factual background on these ten points, I feel that, in view of the shortness of time, I cannot do better than to enclose for your information a photostatic copy of a letter written to Mr. Glavis by the Director of Procurement on February 27, 1935. It is my hope that this letter will give you with sufficient particularity all information bearing upon these questions. While no specific statement to that effect is made in Senator Long's letter, I am prepared to assume from his reference to Stewart & Co. and Driscoll & Co. that he makes reference to the matter of the bidding on the superstructure of the New York Post Office Annex. The history of this incident is somewhat complicated, but the following are the principal actions leading to the final result:

the final result:

On February 28, 1933, bids for this project were opened. The matter was held in abeyance without the acceptance of any bid pending the inauguration of the new administration on March 4, and thereafter during the consideration of the comprehensive public-works program being developed by the present administration. After the passage of the National Industrial Recovery Act it was determined that further Federal buildings would be erected out of funds allotted by the Public Works Administration. Such funds were allotted for this project, but by reason of the additional requirements of the National Industrial Recovery Act it was necessary to change somewhat the terms of contracts for public works. For this reason supplemental bids were requested from the bidders on the original project.

On October 2, 1933, these supplemental bids were opened. Geo.

from the bidders on the original project.

On October 2, 1933, these supplemental bids were opened. Geo. F. Driscoll & Co. was found to be the low bidder and James A. Stewart & Co. the second low bidder. Stewart & Co. protested that the low bidder was disqualified by reason of failure to comply with the requirements surrounding the President's reemployment agreement. Conflicting decisions of the Attorney General and the Comptroller General resulted in my decision that the only practical course to follow was to reject both bids and to readvertise.

tical course to follow was to reject both bids and to readvertise.

I should state at this point that the basis for bidding on both the original and supplemental bids had been for alternative requirements, including on the one hand a completed building and on the other a building with the fourth and fifth floors incomplete, due to the fact that it had not yet been determined whether the additional space would be necessary to meet immediate requirements. For this reason the readvertising was also made on the basis of these same alternatives.

On December 27, 1933, the bids on the basis of this readvertisement were opened and it was found that Geo. F. Driscoll & Co. was the low bidder for the completed building and Stewart & Co. for the building with the fourth and fifth floors uncompleted.

On account of this development, it became necessary to determine finally which type of building should be selected. While the matter was being considered, open charges of inequity and favoritism were made in connection with both low bidders. It was now evident that a determination of which type of building should be

ism were made in connection with both low bidders. It was now evident that a determination of which type of building should be built would automatically result in the conclusion as to which contractor would become the successful bidder. In order to avoid any charges that the administration officials of the Government were in that way guilty of favoritism or bad faith, it was again decided to reject both bids and to readvertise. However, to avoid a repetition of the incident just described, these bids were called for not on the basis of alternatives, but only for the construction of a completed building. of a completed building.

When, after public advertisement, these bids were opened on February 21, 1934, Stewart & Co. was found to be low bidder, and for that reason the contract was awarded to it.

Following is a list of these bidders, with the amounts of their bids:

James Stewart & Co	\$4, 287, 700
Geo. F. Driscoll Co	4, 378, 580
Kenney Bros., Inc.	4, 393, 000
Joseph Meltzer, Inc.	4, 678, 000
Charles T. Wills	4, 836, 500

I might, in passing, make two further observations: First, that on both the original bid and the supplemental bid the same bidder was low on both alternatives, and it was only when the bids of December 27, 1933, were opened that it was found that different bidders were low on the two alternatives; and, second, that the final contracts awarded resulted in a saving to the Government, over the previous lowest bid for comparable work, of over \$100,000.

over the previous lowest bid for comparable work, of over \$100,000. Finally, I note that Senator Long refers on page 4 of his letter to a charge that engineers supervising public works have formed a network of supervision "to enure to the advantage and control of said Farley." If this charge is intended to refer to the engineers of the Procurement Divison of the Treasury Department, I have every confidence that it is without foundation; but I shall be most pleased to have Senator Long submit to me any evidential foundation for such a charge which, so far as I know, is now being made for the first time, and I shall immediately institute a thorough and comprehensive investigation of this allegation, the results of which will be entirely at the disposal of your committee. results of which will be entirely at the disposal of your committee. Respectfully yours,

H. MORGENTHAU, Jr., Secretary of the Treasury.

Hon. KENNETH MCKELLAR. United States Senate.

> TREASURY DEPARTMENT, Office of Comptroller of the Currency, Nashville, Tenn., August 12, 1933.

A. V. MCLANE,

United States District Attorney,

Middle District of Tennessee, Nashville, Tenn.

Six: You will be advised that during the course of the regular periodical examination of the American National Bank of Nash-

ville, Tenn., which examination was begun on July 6, 1933, the following unusual, "if not irregular," transactions are brought to our attention, which are in violation of section 5209 of the National Bank Act.

Bank Act.

Comptroller's call for report of condition December 31, 1931: A note for \$600,000, signed by Nashville & American Trust Co., carried in the assets of the American National Bank, was eliminated over the period through the following procedure: A note of the Fourth and First Banks, Inc., carried by the Nashville American Trust Co. for \$884,238.47, was discounted at par with the First National Bank of St. Louis, Mo., with a repurchase agreement signed by both the American National Bank and the Nashville American Trust Co. However, the books of neither show this repurchase liability. (On Dec. 31, 1931, the national bank gave the State bank credit for \$500,000 on its books, showing this amount due to and from the State institution, and the State bank set up corresponding entries increasing its cash and due from banks corresponding entries increasing its cash and due from banks \$500,000.) No cash was involved in the transactions, the entries were purely fictitious on the part of both banks, and said entries reversed on January 5, 1932, hence it can readily be seen that such untrue statements are deceiving.

The records reveal that the cashier of the American National Bank, M. E. Barr, was granted a loan by said bank under date of June 26, 1933, for the sum of \$2,500, which is a strict violation of the Banking Act of 1933.

Comptroller's call for report of condition June 30, 1933: Transactions between the American National Bank and the Union & Planters National Bank, of Memphis, Tenn., which are no more or less than fictitious entries for the purpose of padding or window dressing, and which transactions lend aid to deceiving the supervising officials of the banking business, namely, Comptroller of the Currency, chief national-bank examiner and field examiners, and the depositing public, and such as is shown by the following tabulation of dates and amounts:

Date	Due from Union & Planters National Bank	& Planters
June 26, 1933.  June 27, 1933.  June 28, 1933.  June 29, 1933.  June 30, 1933.  July 1, 1933.  July 2, 1933.  July 3, 1933.  July 4, 1933.  July 4, 1933.  July 5, 1933.  July 6, 1933.  July 6, 1933.	\$21, 520, 56 22, 477, 44 15, 122, 50 15, 961, 70 217, 423, 79 218, 823, 64 218, 823, 64 223, 582, 52 223, 582, 52 221, 675, 22 24, 608, 29	\$303, 276. 39 279, 091. 31 295, 127. 14 999, 020. 48 1, 400, 797. 22 1, 006, 955. 66 1, 018, 352. 79 1, 018, 352. 79 636, 214. 31 294, 750. 89

Hence it can readily be seen such entries compiled for purpose of window dressing over the period which it was known there would be a call for published statement.

Respectfully submitted for your consideration.

(Signed) F. A. GUILES, National Bank Examiner, 717 First National Bank Building, Atlanta, Ga.

UNITED STATES OF AMERICA, District of Columbia, City of Washington:

Before me, the undersigned authority, personally came and appeared Albert Caya, who being duly sworn, deposes and says:

appeared Albert Caya, who being duly sworn, deposes and says:

That he was formerly business agent of the Carpenters' District Council of Washington, D. C., and vicinity; that while he was performing his duties as business agent it came to his attention that, immediately after the window glass was taken out of the crates in which it was delivered from the manufacturer to the James Stewart Construction Co. job on the I. C. C. and Labor Building at Fourteenth and Constitution Avenue, these boxes were burned; that he was further informed by the glaziers who worked on this job that the labels on each and every glass were removed immediately, obviously, and in his opinion, for the purpose of concealing the inferior quality of the glass, which did not comply with the specifications and to conceal the name of the manufacturer and the materialmen; that all of the facts and allegations made herein are true and correct.

ALBERT CAYA.

Sworn to and subscribed before me this 8th day of March 1935. CHARLES E. ALDEN. [SEAL]

My commission expires September 1, 1937.

## MINORITY VIEWS

We concur in the findings of the majority of the committee that upon the record there has not been presented a prima facie case for an investigation of the charges contained in Senate Resolution 74.

It is our view, however, that the widespread circulation of these charges has created suspicion in the public mind. We believe that the interests of the parties concerned and the public welfare can best be served by a prompt and thorough investigation of the charges made in Senate Resolution 74.

ROBERT M. LA FOLLETTE, Jr., W. WARREN BARBOUR, E. W. GIBSON.

### ADDITIONAL MINORITY REPORT

The undersigned respectfully disagree with the report of the

majority of the committee:
The charges made in Senate Resolution 74 are of a serious na The charges made in Senate Resolution 74 are of a serious nature, and in view of the fact that the author of the resolution has repeatedly stated on the floor of the Senate and before the committee that he can and will furnish witnesses and evidence to sustain the charges made, and that in all fairness to the Postmaster General he should be accorded an opportunity to vindicate himself and to allay the suspicion that has been created in the public mind by the constant reiteration of these charges:

We, therefore, recommend that a prompt and thereugh investigations.

We, therefore, recommend that a prompt and thorough investi-gation be made of the charges set forth in Senate Resolution 74.

LYNN J. FRAZIER, THOS. D. SCHALL.

During the reading of the report,

Mr. McNARY. Mr. President-

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Oregon?

Mr. McKELLAR. I yield.

Mr. McNARY. Would the Senator be willing to have the remainder of the report published in the Congressional RECORD without reading?

Mr. McKELLAR. There is not much more of it, and I hope the Senator will let me read it. These charges have been filed in the Senate. It will take only a few minutes more to read the findings of the committee. They ought to

Mr. McNARY. I thought, inasmuch as the Senator is not going to ask for any action tonight, he might be willing to have the remainder of the report printed without reading.

Mr. McKELLAR. Oh, no. I want the Senate to hear the full report.

After the reading of the report,

Mr. McKELLAR. Mr. President, I ask that the letters I send to the desk may be made a part of the report, and printed with it.

The PRESIDING OFFICER. Without objection, it is so

ordered.

Mr. McKELLAR. The Caya affidavit was the only answer to the request of the committee that the Senator from Louisiana furnish names of witnesses and a statement of what they would testify. In my opinion, this affidavit has no evidentiary force whatsoever.

Mr. LA FOLLETTE. Mr. President-

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Wisconsin?

Mr. McKELLAR. Although I desire to address the Senate on one of the features of the report, I think I ought to yield and let the Senator present the views of the minority at

this point; and I do yield. Mr. LA FOLLETTE. Mr. President, I ask that brief views of the minority may be read by the clerk.

The PRESIDING OFFICER. The clerk will read. The legislative clerk read as follows:

## MINORITY VIEWS

We concur in the findings of the majority of the committee that upon the record there has not been presented a prima facie case for an investigation of the charges contained in Senate Resolu-

It is our view, however, that the wide-spread circulation of these charges has created suspicion in the public mind. We believe that the interests of the parties concerned and the public welfare can best be served by a prompt and thorough investigation of the charges made in Senate Resolution 74.

ROBERT M. LA FOLLETTE, Jr. W. WARREN BARBBOUR. E. W. GIBSON.

Mr. FRAZIER. Mr. President, will the Senator from Tennessee yield to me?

Mr. McKELLAR. I yield.

Mr. FRAZIER. I desire to present additional minority views, which I ask to have read at the desk.

The PRESIDING OFFICER. The clerk will read. The legislative clerk read as follows:

## ADDITIONAL MINORITY VIEWS

The undersigned respectfully disagree with the report of the

majority of the committee.

The charges made in Senate Resolution 74 are of a serious nature, and in view of the fact that the author of the resolution has repeatedly stated on the floor of the Senate and before the committee that he can and will furnish witnesses and evidence to

sustain the charges made, and that in all fairness to the Postmaster General he should be accorded an opportunity to vindicate himself and to allay the suspicion that has been created in the public mind by the constant reiteration of these charges.

We therefore recommend that a prompt and thorough investigation be made of the charges set forth in Senate Resolution 74.

LYNN J. FRAZIER. THOS. D. SCHALL.

Mr. McKELLAR. Mr. President, I ask the indulgence of the Senate while I refer to one matter which is not a part of my report but is a statement I desire to make personally about the Tennessee matter. I refer to the charge that was filed in reference to the American National Bank, of Nashville, Tenn., and two of its officers.

This institution is one of the largest and strongest in our State. Former Senator Lea, one Joe Reece, and one Richard M. Atkinson, the attorney general—not the State attorney general but the prosecuting attorney-for the county of Davidson, in which Nashville is situated, got together and formed a conspiracy, for reasons of their own, to destroy the American National Bank and its officials a year or two ago, and that conspiracy was the origin of these charges.

As we know, one of those gentlemen is now in prison, and another one of them, Mr. Joe Reece, has been convicted of misappropriating something like \$100,000 of Tennessee bonds.

Those men resolved to destroy this bank if possible, and since that time they have waged a relentless campaign against the bank to accomplish their purpose.

At the time they started their attack the deposits of the bank were \$25,000,000, or thereabouts. The bank had correspondents all over Tennessee, and the consequences of the success of these three men and their associates in their plot to destroy the bank would have had very serious financial consequences in Tennessee.

Mr. LONG. Mr. President-

Mr. McKELLAR. I decline to yield at this time.

Later on Mr. Atkinson, one of those engaged in the conspiracy, and who was prosecuting attorney for that county, went before the grand jury and undertook to have the officers of the bank, Mr. Paul Davis and Mr. Vance Alexander. indicted for some alleged violation of the law. He brought the matter before one grand jury, and that grand jury refused to indict. He brought it before another grand jury, and the second grand jury refused to indict. He brought it before a third grand jury, and the third grand jury refused to indict.

About that time one of these men, who has since been convicted, was brought before Mr. Atkinson's court, and Atkinson declined to prosecute him, so the presiding judge had to appoint a district attorney, or an attorney general, as we call him, in his place, to prosecute.

Later on, when Mr. Reece became active in his peculations, and when he took the money of the State, that did not belong to him, this same district attorney, R. M. Atkinson, who was here in Washington and personally gave to the Senator from Louisiana the alleged facts concerning this bank matter, declined to prosecute Reece, and the Governor of the State had to intervene and appoint a district attorney to prosecute in the place of Mr. Atkinson. Mr. Atkinson remained in the trial of the case, ostensibly as the State's representative, but really he did everything he could to defend this man Reece who had stolen \$100,000 of bonds of the State. Notwithstanding that, the defendant Reece was convicted, and the case is now pending in the Supreme Court of Tennessee on the appeal of the defendant, Reece.

I wish to say that I know all these people. In my judgment, there is not a scintilla of reason why that case should be brought here and tried again on the floor of the Senate. The two men whom the Senator from Louisiana denounced. as he has been denouncing so many on the floor here lately, Mr. Paul Davis, the president of the bank, and the other, Mr. Vance Alexander, the vice president of the bank, are two of the best men in our State, and there are no better men in any State than those gentlemen. They have not committed any wrong. They are honest, high-minded, upright, and splendid gentlemen. They are the victims of a foul conspiracy, as above stated, and the people of Tennessee

have upheld them, four grand juries have upheld them, the courts have upheld them in every way possible.

Mr. LONG rose.

Mr. McKELLAR. Mr. President, I am not going to yield at the present time. I will yield to the Senator in a moment.

I forgot to state that having failed in the State court, his associate, whose name I have forgotten, ran up here. The district attorney general ran up here to the Department of Justice and tried his best to get these two bank officials indicted by the Federal court. The Department of Justice here did everything in the world it could to help them. It sent a lawyer down there to investigate, it sent an accountant or auditor down there to investigate, and instructed the district attorney down there to examine the case carefully. All three of them, the district attorney, the assistant, and the special attorney went before the grand jury, and again the grand jury, the Federal grand jury, refused to indict those two honest and honorable men, Mr. Davis and Mr. Alexander, just as honest gentlemen as there are anywhere in this or any other country.

Atkinson and his associate, from whom the Senator from Louisiana received this information, have been repudiated in every way by the local authorities down there, and I am astounded to think that even the Senator from Louisiana would listen to charges made by the men who have been up here in the last few days talking to him in his office, Mr. Atkinson and the young man with him, whose name I have now forgotten. But I desire to say to the Senate that the charges against these two splendid men—one Paul Davis and the other Vance Alexander—are absolutely without foundation, and I hope that the Senator from Louisiana, before he listens to the traducers of these men, will look into the case a little more carefully.

Now, I want to say one more thing.

Mr. LONG. Mr. President, will the Senator yield?
The VICE PRESIDENT. Does the Senator from Tennessee yield to the Senator from Louisiana?

Mr. McKELLAR. Not at present, Mr. President.

The VICE PRESIDENT. The Senator declines to yield.

Mr. McKELLAR. The Senator from Louisiana, for some purpose, possibly because Mr. Norman Davis is an official of the Federal Government, included as one of the manipulators—I believe he called it—in this bank transaction Norman Davis. Norman Davis happens to be a brother of Paul Davis, the president of the bank. Norman Davis has not lived in Tennessee in a quarter of a century. I think he owns some stock in the American National Bank. He is not a director; he is not an officer of the bank. He knows nothing in the world about the affairs of the bank, except what his brother tells him. He is not a citizen of Tennessee at all. He has nothing to do with the running of the affairs of that bank. He is a citizen of New York and has lived there many years.

I want to tell the Senate what has happened. Ordinarily when you talk about a bank it is like talking about the virtue of a woman—it ruins the woman. But what has happened to this bank? This bank had \$25,000,000 in deposits when this conspiracy was formed to destroy it; this bank's deposits have increased to \$42,000,000, or 70 percent since the wild charges were made by these men, two of whom have already been convicted and sentenced to prison; and I want to say that I make this speech about that bank for the purpose of denouncing these aspersions as absolutely untrue, and found to be untrue by at least four grand juries in Tennessee.

By the way, I overlooked another grand jury. This man Joe Reece lives in Johnson County in east Tennessee, right next to the North Carolina line; a mountain county, as we call it, and Reece seems to have some influence up there. He went up there and had Mr. Davis and Mr. Alexander indicted in that county, where neither one of them had ever been in their lives, showing the length to which the conspirators were willing to go. As soon as the court brought the case before it, the indictments were dismissed. Thus all the courts, practically, those that had jurisdiction and those which did not have jurisdiction, have decided in favor of Davis and Alexander.

But at last these conspirators found a method of getting before the public. They saw that the Senator from Louisiana [Mr. Long] was in eruption up here, and they came up and gave their case against Davis and Alexander to that Senator, and he has brought charges against these two splendid men.

I want to say to the Senator from Louisiana in all kindness, that I take it that he has been absolutely mislead about these two men.

Mr. LONG. Mr. President, will the Senator yield?

Mr. McKELLAR. They are as honorable men as are to be found anywhere and they ought not to be further persecuted in my judgment.

I yield to the Senator.

Mr. LONG. Who is F. A. Guiles?

Mr. McKELLAR. I never heard of him.

Mr. LONG. Well, he is a national-bank examiner.

Mr. McKELLAR. I never heard of him.

Mr. LONG. I do not know Mr. Reece, except I heard that a man named Reece was convicted.

Mr. McKELLAR. The Senator heard that he had stolen \$100,000 of bonds while he was commissioner of insurance in Tennessee.

Mr. LONG. Yes.

Mr. McKELLAR. And that he had been convicted of it? Mr. LONG. I heard that.

Mr. McKELLAR. Why, these men, Atkinson, and his associate, whose name I have forgotten, who have been associating with the Senator for the last 2 or 3 days, have told him all about Reece. Oh, yes; they have told him all about Reece.

Mr. LONG. The names that I have submitted were a former United States attorney, a former State's attorney, and an assistant State's attorney. Has any one of them been convicted of anything?

Mr. McKellar. I just spoke about one of them, Atkinson. Mr. Atkinson was State's attorney for Davidson County down there, and his term expired, and he did not run any more, and Mr. Atkinson was the same man who refused to prosecute former Senator Luke Lea, and the judge had to appoint another district attorney, Mr. Seth Walker, to do the work which Mr. Atkinson had been elected to do. Then I will say another thing about Mr. Atkinson. He was appointed to represent the State. It was his duty to prosecute Reece, and he would not do it, and the Governor of the State stepped in and appointed the Honorable Seth Walker to take charge of the case, regardless of the district attorney, and thereupon Mr. Reece was tried and convicted of stealing the \$100,000, in spite of the active assistance of Atkinson, whose sworn duty it was to prosecute Reece.

Mr. LONG. I am trying to get some information from the Senator. As I understand, neither the former Attorney General, or assistant State's attorney, or United States attorney have ever been indicted or prosecuted or convicted for any crime?

Mr. McKELLAR. I do not know that they have yet.

Mr. LONG. Those are the three names given. Now the Senator says he does not know Mr. F. A. Guiles, of the Treasury Department.

Mr. McKELLAR. I do not know Mr. Guiles.

Mr. LONG. I have in my hand a letter showing that it was the Treasury Department of the United States which directed these charges to the United States attorney for the middle district of Tennessee.

Mr. McKellar. Suppose they did. Those charges were found to be untrue and no true bill has been found. The courts have decided already in favor of these men, Messrs. Davis and Alexander. The Senator from Louisiana, without any knowledge of the facts, hooked up with two men, Atkinson and his associate, who have been repudiated in our State, and undertakes to make their false charges openly here; and unless the Senator takes a different course, he is undertaking with them to destroy a great bank in my State and two of the best men I know.

Mr. LONG. Mr. President, the Senator, I think, will believe that no one would like to do Mr. Paul Davis justice more

than myself, but I have in my hand the report and instructions of the Treasury Department, through Mr. F. A. Guiles, the national-bank examiner for the district in which Nashville is located, telling Mr. A. V. McLean, United States attorney for the middle district of Nashville, Tenn., that these gentlemen have violated a number of statutes and committed a number of downright frauds therein enumerated, and commanding that proper steps be taken against them. Now, I do not know Mr. McLean: I do not know Mr. Guiles, but when these three gentlemen indicate to me that they are willing to testify, and exhibit voluminous Government reports, I do not see how the Senator could hold it against me if I asked a committee to be appointed to review these Government reports which the Treasury Department says show downright fraud, criminality, corruption, and stealing. They may be wrong about it. I wish the Treasury Department might be made to correct this matter. Let me say to my friend from Tennessee that if the Treasury Department has slandered these men, I would be willing to investigate the Treasury Department just as I would Farley. I would be honest

Mr. McKELLAR. The courts of Tennessee have decided in favor of these two gentlemen, Mr. Paul Davis and Mr. Alexander. I do not think the Senator ought to listen to vague statements and innuendos made by the two men whom he perhaps never heard of before who have come here and have been closeted with him time and time again in the last 2 days, so I am informed, and have called on the Senator as a last resort and after all other courses have failed.

Mr. LONG. The Senator has been wrongly informed.

Mr. McKELLAR. They are here. Mr. LONG. Yes; they are here.

Mr. McKELLAR. The Senator has been talking to them?

Mr. LONG. They have been to my office.

Mr. McKELLAR. Of course they have.

Mr. LONG. I will state to the Senator what was the occasion. They came to my office, not on their suggestion, but at my request.

Mr. McKELLAR. I do not know at whose request, but if the Senator requested those two men to come here he was performing a very good job of muckraking. The courts of Tennessee have decided this bank case. They have decided that the report of the Treasury official, which the Senator has read, was wrong. There has been every opportunity to show that it was right. But what has that to do with the charges against Farley?

Mr. LONG. Just one more question, if my friend will yield, and he has been very nice in that regard. He has said, "The courts." Is it not a fact it was the grand jury alone, as to which I will state that I have four affidavits ready to produce from four members of that grand jury, as well as from the United States attorney, that they removed the United States attorney and sent a Farley man down there under Farley's instructions, who made a speech before the grand jury telling them they should not indict. I do not know whether these four grand jurors are swearing truly or not.

Mr. McKELLAR. The Senator does not know what they will swear.

Mr. LONG. I do not know if the Treasury report is true or not. I do not know if the statement of the United States attorney is true or not. However, with these voluminous documents attested I think the Senator is probably doing me a wrong and doing Norman Davis a wrong in not opening up this Pandora's box.

Mr. McKELLAR. The Senator is muckraking a little bit too much. What has Farley to do with this? What has Norman Davis to do with it? There is no evidence connecting them with it. Mr. Farley and the Attorney General of the United States both state Farley had nothing to do with The Senator is mistaken in this matter like he is about all his other charges against Farley.

## RECESS TO MONDAY

Mr. ROBINSON. Mr. President, I had hoped and it had been hoped by the Senator from Virginia [Mr. Glass], March 1, 1935.

Chairman of the Committee on Appropriations, that a conclusion might be reached before the end of this week concerning the pending joint resolution, but upon investigation and inquiry it is found that it would be impossible to conclude the main controversy affecting the matter tomorrow for the reason that some Senators who desire to be present will be absent from the city.

For that reason, and with the approval of the Chairman of the Committee on Appropriations, I move that the Senate stand in recess until 12 o'clock noon on Monday.

The motion was agreed to; and (at 5 o'clock and 35 minutes p. m.) the Senate took a recess until Monday, March 11, 1935, at 12 o'clock meridian.

# NOMINATIONS

Executive nominations received by the Senate March 8 (legislative day of Mar. 4), 1935

COLLECTOR OF INTERNAL REVENUE

Walter J. Rothensies, of Red Lion, Pa., to be collector of internal revenue for the first district of Pennsylvania, to fill an existing vacancy.

## APPOINTMENT IN THE REGULAR ARMY MEDICAL CORPS

To be first lieutenant with rank from February 28, 1935 First Lt. Aloysius Thomas Waskowicz, Medical Corps Reserve.

# APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY TO SIGNAL CORPS

First Lt. Haskell Hadley Cleaves, Infantry (detailed in Signal Corps), with rank from May 1, 1931.

### TO AIR CORPS

Second Lt. Harry Stephen Bishop, Coast Artillery Corps (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Charles Albert Clark, Jr., Field Artillery (detailed in Air Corps), with rank from June 10, 1932.

Second Lt. David Nicholas Crickette, Field Artillery (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Paul R. Gowen, Corps of Engineers (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Robert Broussard Landry, Infantry (detailed in Air Corps), with rank from June 10, 1932.

Second Lt. Samuel Abner Mundell, Infantry (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. John Morgan Price, Infantry (detailed in Air Corps), with rank from June 10, 1932.

## PROMOTIONS IN THE REGULAR ARMY

## TO BE COLONELS

Lt. Col. Mark Lorin Ireland, Quartermaster Corps, from March 1, 1935.

Lt. Col. Charles Avery Dravo, Infantry, from March 1, 1935. Lt. Col. Charles Roberts Pettis, Corps of Engineers, from March 1, 1935.

## TO BE LIEUTENANT COLONELS

Maj. Oscar Wolverton Griswold, Infantry, from March 1,

Maj. Harding Polk, Cavalry, from March 1, 1935.

Maj. Robert Horace Dunlop, Adjutant General's Department, from March 1, 1935.

Maj. Emil Fred Reinhardt, Infantry, from March 1, 1935.

## TO BE MAJORS

Capt. Calvin Earl Giffin, Air Corps, from March 1, 1935. Capt. Gustaf Hugh Ericson, Coast Artillery Corps, from March 1, 1935.

Capt. Frederick Lofquist, Coast Artillery Corps, from March 1, 1935.

Capt. John Harold Wilson, Coast Artillery Corps, from

March 1, 1935. Capt. Napoleon Boudreau, Coast Artillery Corps, from

March 1, 1935.

Capt. George Peterson Winton, Field Artillery, from

#### TO BE CAPTAINS

First Lt. John Harrison Stokes, Jr., Infantry, from March 1, 1935.

First Lt. Jesse Ellis Graham, Infantry, from March 1, 1935. First Lt. Jerome David Cambre, Infantry, from March 1,

First Lt. Burrowes Goldthwaite Stevens, Infantry, from March 1, 1935.

First Lt. Alexander Thomas McCone, Field Artillery, from March 1, 1935.

First Lt. Thomas Markham Brinkley, Infantry, from March 1, 1935.

First Lt. Reginald Worth Hubbell, Infantry, from March 1,

First Lt. Donald William Sawtelle, Cavalry, from March 1, 1935.

First Lt. Paul Wilkins Kendall, Infantry, from March 1,

First Lt. Charles Henry Moore, Jr., Infantry, from March 1, 1935.

First Lt. James Wentworth Freeman, Ordnance Department, from March 1, 1935.

First Lt. Alexander John Mackenzie, Infantry, from March 1, 1935.

First Lt. Wiley Vinton Carter, Signal Corps, from March 1,

First Lt. Ira Platt Swift, Cavalry, from March 1, 1935.

First Lt. Wilbur Eugene Dunkelberg, Infantry, from March 1, 1935.

First Lt. Arthur Pulsifer, Signal Corps, from March 2, 1935.

#### TO BE FIRST LIEUTENANTS

Second Lt. Charles Freeman Kearney, Infantry, from March 1, 1935.

Second Lt. Julian Broster Lindsey, Infantry, from March

Second Lt. Robert Lawrence Love, Infantry, from March

1, 1935. Second Lt. Thomas Norfleet Griffin, Infantry, from March

Second Lt. George Frederick Conner, Infantry, from March

1, 1935. Second Lt. Clebert Leon Hail, Infantry, from March 1, 1935.

Second Lt. Arthur Knight Noble, Infantry, from March 1,

Second Lt. Samuel Edwin Mays, Jr., Infantry, from March

1, 1935. Second Lt. Robert Campbell Johnson, Infantry, from March 1, 1935.

Second Lt. Robert Van Meter Smith, Infantry, from March

Second Lt. George Van Millett, Jr., Infantry, from March 1, 1935.

Second Lt. Lionel Theodore Roosevelt Trotter, Infantry, from March 1, 1935.

Second Lt. Edwin Michael Van Bibber, Infantry, from March 1, 1935

Second Lt. Whitside Miller, Infantry, from March 1, 1935. Second Lt. George Elston Price, Air Corps, from March 1. 1935.

Second Lt. Richard Clark Lindsay, Air Corps, from March

Second Lt. John Gordon Fowler, Air Corps, from March 2, 1935.

Second Lt. John Lyle Nedwed, Air Corps, from March 2, 1935.

### PROMOTIONS IN THE PHILIPPINE SCOUTS

## TO BE CAPTAIN

First Lt. Eustaquio Sabio Baclig, Philippine Scouts, from March 1, 1935.

### PROMOTIONS IN THE NAVY

### MARINE CORPS

the Marine Corps from the 1st day of February 1935.

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#### POSTMASTERS

#### AT.ARAMA

Velma P. Mickam to be postmaster at Bridgeport, Ala., in place of E. F. Whitcher. Incumbent's commission expired March 8, 1934.

Alida J. Cox to be postmaster at Spring Hill, Ala., in place of A. J. Cox. Incumbent's commission expired May 16, 1934. Agnes O. Harrison to be postmaster at Frisco City, Ala., in place of W. A. Giddens, removed.

#### ALASKA

James H. Gilpatrick to be postmaster at Sitka, Alaska, in place of E. D. De Armond. Incumbent's commission expired January 13, 1935.

#### ARIZONA

John B. Boone to be postmaster at Coolidge, Ariz., in place of D. H. Nutt. Incumbent's commission expired January 22, 1934.

Albert H. Adams to be postmaster at Scottsdale, Ariz., in place of J. L. Conrad, deceased.

Horace L. Lay to be postmaster at Amity, Ark., in place of W. C. Allen. Incumbent's commission expired December 16, 1933.

Thomas S. Reynolds to be postmaster at Bradley, Ark., in place of T. S. Reynolds. Incumbent's commission expired February 20, 1935.

Lewis E. Smith to be postmaster at Cabot, Ark., in place of R. L. Goad. Incumbent's commission expired June 9, 1934.

Hazel N. Poe to be postmaster at England, Ark., in place of J. A. Skipper. Incumbent's commission expired June 17, 1934.

Elmer Austin to be postmaster at Gravette, Ark., in place of J. S. Thompson. Incumbent's commission expired June 24, 1934.

Leo D. Perdue to be postmaster at Louann, Ark., in place of G. O. Starnes. Incumbent's commission expired May 25, 1932.

Cordelia R. Jackson to be postmaster at Marianna, Ark., in place of H. M. Jackson, deceased.

### CALIFORNIA

Ford E. Samuel to be postmaster at Alameda, Calif., in place of H. M. Hammond, retired.

William J. Beadle to be postmaster at Alhambra, Calif., in place of B. N. Marriott. Incumbent's commission expired February 6, 1934.

Raymond P. Hawkins to be postmaster at Alleghany, Calif. in place of R. P. Hawkins. Incumbent's commission expired December 18, 1934.

Carl T. Mills to be postmaster at Angels Camp, Calif., in place of H. R. Barden. Incumbent's commission expired April 2, 1934.

Will A. Shepard to be postmaster at Auburn, Calif., in place of C. F. Richter. Incumbent's commission expired April 22, 1934.

Kathleen M. Rousseau to be postmaster at Belmont, Calif., in place of E. J. McGowan, removed.

Joe H. Moore to be postmaster at Calipatria, Calif., in place of I. M. Benson. Incumbent's commission expired May 7. 1934.

Irene C. Cator to be postmaster at Carmel, Calif., in place of W. L. Overstreet. Incumbent's commission expired September 19, 1933.

Bertha A. Williams to be postmaster at Cloverdale, Calif... in place of J. A. Thompson. Incumbent's commission expired February 28, 1933.

Josephine M. Costa to be postmaster at Downieville, Calif. in place of J. M. Costa. Incumbent's commission expired February 21, 1935.

Thomas J. Caffery to be postmaster at El Monte, Calif., Brig. Gen. James C. Breckinridge to be a major general in | in place of C. T. Myers. Incumbent's commission expired February 5, 1933.

Hazel M. McFarland to be postmaster at Folsom City, Calif., in place of H. M. McFarland. Incumbent's commission expired February 21, 1935.

Clara M. Scott to be postmaster at Kerman, Calif., in place of O. B. Randall. Incumbent's commission expired April 8, 1934.

Nathan L. Rannells to be postmaster at La Jolla, Calif., in place of E. J. Thompson, removed.

Albert H. Abbott to be postmaster at La Verne, Calif., in

place of J. C. Titterington, resigned.

Alice E. Tate to be postmaster at Lone Pine, Calif., in place of A. E. Tate. Incumbent's commission expired February 20, 1935.

Vernie E. Sherraden to be postmaster at Ludlow, Calif., in place of V. E. Sherraden. Incumbent's commission expired December 20, 1934.

William T. Martin to be postmaster at Montague, Calif., in place of R. G. Isaacs. Incumbent's commission expired June 4, 1934.

Louis A. Thomas to be postmaster at National City, Calif., in place of C. D. Eddy. Incumbent's commission expired June 24, 1934.

Julia A. Monahan to be postmaster at Newcastle, Calif., in place of C. H. Silva. Incumbent's commission expired April 22, 1934.

Suda B. Gallaher to be postmaster at Orange Cove, Calif., in place of W. L. Robbins. Incumbent's commission expired December 18, 1933.

Arvin P. Ralston to be postmaster at Patterson, Calif., in place of W. F. Hanell. Incumbent's commission expired May 7, 1934.

James R. Simmons to be postmaster at Pismo Beach, Calif., in place of C. M. McCoy. Incumbent's commission expired June 4, 1934.

John Ransom Casey to be postmaster at Pomona, Calif., in place of H. B. Westgate. Incumbent's commission expired June 24, 1934.

Joseph L. Hamilton to be postmaster at Puente, Calif., in place of G. E. Cross. Incumbent's commission expired April

William A. Needham to be postmaster at Rialto, Calif., in place of R. E. Watts. Incumbent's commission expired June

Manuel Dos Reis, Jr., to be postmaster at San Anselmo, Calif., in place of C. L. Covalt. Incumbent's commission expired June 4, 1934.

Donald M. Stewart to be postmaster at San Diego, Calif., in place of E. W. Dort. Incumbent's commission expired

Floyd Godfrey to be postmaster at San Dimas, Calif., in place of O. D. Way. Incumbent's commission expired February 6, 1934.

Amelia S. Rose to be postmaster at San Lorenzo, Calif., in place of Emma Kessler, resigned.

John R. Hutchison to be postmaster at Santa Maria, Calif., in place of E. T. Ketcham. Incumbent's commission expired March 11, 1930.

Lowell C. Pratt to be postmaster at Selma, Calif., in place of J. J. Heckman, transferred.

John W. Russel to be postmaster at Tujunga, Calif., in place of P. P. Correll, deceased.

Clarence H. Godshall to be postmaster at Victorville, Calif., in place of C. M. Moon. Incumbent's commission expired April 2, 1934.

Edward I. Leake to be postmaster at Woodland, Calif., in place of A. R. Armstrong, removed.

Fred C. Alexander to be postmaster at Yosemite National Park, Calif., in place of F. C. Alexander. Incumbent's commission expired January 28, 1935.

Robert H. DeWitt, Jr., to be postmaster at Yreka, Calif., in place of F. C. Pollard. Incumbent's commission expired June 4, 1934.

### COLORADO

Arthur D. Robb to be postmaster at Flagler, Colo., in place of Z. C. McBride. Incumbent's commission expired December 11, 1933.

#### CONNECTICUT

Moses W. Rathbun to be postmaster at Noank, Conn., in place of C. M. Chester. Incumbent's commission expired December 16, 1933.

William M. Logan to be postmaster at West Cheshire, Conn., in place of W. M. Logan. Incumbent's commission expired April 28, 1934.

#### DELAWARE

Bradford P. Jones to be postmaster at Bridgeville, Del., in place of J. W. Dimes. Incumbent's commission expired December 10, 1932.

Roland F. Quillin to be postmaster at Laurel, Del., in place of A. S. Hearn, removed.

Philip E. Touhey to be postmaster at Yorklyn, Del., in place of S. S. Dennison. Incumbent's commission expired June 20, 1934.

#### FT.ORTDA

Minnie H. Vick to be postmaster at Apopka, Fla., in place of C. L. Sickles. Incumbent's commission expired July 3, 1934.

George H. Stokes to be postmaster at Callahan, Fla., in place of W. B. Wingate, resigned.

Matye E. Mills to be postmaster at Cross City, Fla., in place of M. E. Mills. Incumbent's commission expired March 2, 1935.

Alexander G. Shand to be postmaster at Fort Lauderdale, Fla., in place of W. C. Bretz. Incumbent's commission expired January 7, 1935.

Hugh M. Edwards to be postmaster at Mayo, Fla., in place of L. H. Davis, resigned.

Hansel D. Leavengood to be postmaster at Ocala, Fla., in place of F. H. Logan, removed.

John P. Puckett to be postmaster at Perry, Fla., in place of T. W. Lundy, removed.

James D. Pearce to be postmaster at St. Petersburg, Fla., in place of R. M. Hall. Incumbent's commission expired January 22, 1935.

Owen L. Godwin to be postmaster at Sebring, Fla., in place of W. D. Holloway. Incumbent's commission expired March

# GEORGIA

Moses J. Guyton to be postmaster at Dublin, Ga., in place of E. R. Orr. Incumbent's commission expired May 9, 1934.

Nell Raley to be postmaster at Mitchell, Ga., in place of W. T. Kitchens. Incumbent's commission expired February 6, 1934.

Sam Tate to be postmaster at Tate, Ga., in place of S. Tate. Incumbent's commission expired February 25, 1935.

Willie B. Persons to be postmaster at Warm Springs, Ga., in place of L. L. Mathis. Incumbent's commission expired May 29, 1934.

### HAWAII

Takeo Takashita to be postmaster at Hanapepe, Hawaii, in place of Shinichi Okamura. Incumbent's commission expired December 11, 1933.

Daniel A. Devine to be postmaster at Hilo, Hawaii, in place of B. D. Chilson, removed.

Kenichi Masunaga to be postmaster at Kealia, Hawaii, in place of K. Masunaga. Incumbent's commission expired February 5, 1935.

Hung Luke to be postmaster at Kohala, Hawaii, in place of H. Luke. Incumbent's commission expired April 28, 1934.

Martin D. Dreier to be postmaster at Lihue, Hawaii, in place of T. E. Longstreth. Incumbent's commission expired January 18, 1933.

Margaret C. White to be postmaster at Wahiawa, Hawaii, in place of W. K. Kelii, removed.

Kenichi Oumi to be postmaster at Waialua, Hawaii, in place of F. W. Carter. Incumbent's commission expired January 31, 1933.

Masaru Yokotake to be postmaster at Waimea, Hawaii, in place of Frank Cox. Incumbent's commission expired April 28, 1934.

#### ILLINOIS

Amy S. Beirne to be postmaster at Alpha, Ill., in place of E. H. Paine. Incumbent's commission expired April 16, 1934.

Benjamin H. Gardner to be postmaster at Ava, Ill., in place of Roger Walwark. Incumbent's commission expired May 7, 1934.

Roger M. Tippy to be postmaster at Carterville, Ill., in place of C. W. Bishop, removed.

Roy Ansel Brooks to be postmaster at Carthage, Ill., in place of J. P. Beckman, deceased.

Ace C. Parris to be postmaster at Champaign, Ill., in place of O. L. Davis. Incumbent's commission expired February 25, 1935.

Allene R. Adkins to be postmaster at Elkville, Ill., in place of E. D. Graeff, removed.

Roy M. Cocking to be postmaster at Erie, Ill., in place of J. L. Pfundstein, removed.

Fred J. Bohnenkemper to be postmaster at Germantown, Ill., in place of F. J. Bohnenkemper. Incumbent's commission expired February 4, 1935.

Grace Reichert to be postmaster at Grand Chain, Ill., in place of J. R. McIntire. Incumbent's commission expired March 18, 1934.

George G. Vaughan to be postmaster at Hurst, Ill., in place of C. S. Coyle, removed.

Richard C. Patterson to be postmaster at Johnston City, Ill., in place of O. C. Baiar, removed.

Floyd E. Keller to be postmaster at Jonesboro, Ill., in place of T. H. Plemon, removed.

Augustian P. Pope to be postmaster at Kane, Ill., in place of L. D. Irwin. Incumbent's commission expired April 16, 1934.

William H. McAlpin to be postmaster at Marion, Ill., in place of Oldham Paisley, removed.

John J. Matejka to be postmaster at Oaklawn, Ill., in place of G. F. Harnew. Incumbent's commission expired February 28, 1933.

John S. Browning to be postmaster at Royalton, Ill., in place of J. T. Livingston, resigned.

Reuben C. Thomason to be postmaster at Tamms, Ill., in place of J. E. Miller. Incumbent's commission expired December 18, 1933.

Scott W. Hershey to be postmaster at Taylorville, Ill., in place of Frank Reed, removed.

Maude B. Youart to be postmaster at Thebes, Ill., in place of LeRoy Gammon, deceased.

Aaron McLain Akin to be postmaster at Thompsonville, Ill., in place of E. S. Bundy, removed.

Charles F. Loeb to be postmaster at Urbana, Ill., in place of John Gray. Incumbent's commission expired December 9 1934

Frank Breycha to be postmaster at Villa Park, Ill., in place of August Treu. Incumbent's commission expired May

Harry C. Stradler to be postmaster at Westfield, Ill., in place of Lela Seneff, removed.

William E. Berry to be postmaster at Zeigler, Ill., in place of LeRoy Howell. Incumbent's commission expired January 31, 1934.

### INDIANA

Clarence A. Thompson to be postmaster at Columbus, Ind., in place of J. E. Reed, removed.

Albert Seufert to be postmaster at Ferdinand, Ind., in place of W. J. Daunhauer, removed.

Jesse M. Kemp to be postmaster at Kempton, Ind., in place of G. W. Gossard, resigned.

Henry E. Delp to be postmaster at Marshall, Ind., in place of J. A. McCluer. Incumbent's commission expired December 18, 1933.

Rolla E. Pinaire to be postmaster at Ramsey, Ind., in place of A. I. Martin, resigned.

### IOWA

Floyd Finney to be postmaster at Arlington, Iowa, in place of W. E. Anderson. Incumbent's commission expired April 28, 1934.

Henry S. King to be postmaster at Ashton, Iowa, in place of W. M. Bausch, retired.

George P. Rounds to be postmaster at Clermont, Iowa, in place of G. H. Hackmann. Incumbent's commission expired December 18, 1933.

J. Joseph Bonnstetter to be postmaster at Corwith, Iowa, in place of J. W. Duckett, retired.

Ida Belle Stokes to be postmaster at Emerson, Iowa, in place of M. B. Gibson. Incumbent's commission expired January 16, 1934.

Martha E. O'Connor to be postmaster at Gilman, Iowa, in place of R. A. Dunkle. Incumbent's commission expired April 28, 1934.

Clarence H. Kemler to be postmaster at Marshalltown, Iowa, in place of M. S. McFarland, deceased.

John E. Amdor to be postmaster at Massena, Iowa, in place of W. C. McCurdy. Incumbent's commission expired March 18, 1934.

Denton N. Layman to be postmaster at Newell, Iowa, in place of L. E. Couch, removed.

Jennie E. Cagley to be postmaster at Plainfield, Iowa, in place of Oscar Smith. Incumbent's commission expired January 22, 1934.

Lynn O. Smith to be postmaster at Rockford, Iowa, in place of Luvern Leigh. Incumbent's commission expired June 24, 1934.

Irene C. Schmidt to be postmaster at West Point, Iowa, in place of H. F. Brinck. Incumbent's commission expired June 4, 1934.

#### KANSAS

Bertha B. Maichel to be postmaster at Overbrook, Kans., in place of J. H. Andrews, resigned.

John L. Larson to be postmaster at Randolph, Kans., in place of E. C. Newby, removed.

Mary A. Neff to be postmaster at Winona, Kans., in place of L. I. Burdick, removed.

### KENTUCKY

Laura V. Coleman to be postmaster at Anchorage, Ky., in place of H. O. Hausgen. Incumbent's commission expired May 29, 1932.

Hattie R. Tanner to be postmaster at Barlow, Ky., in place of J. I. Harlan, resigned.

Jesse B. Pope to be postmaster at Brooksville, Ky., in place of W. H. Metcalfe, resigned.

Milton T. Fullenwider to be postmaster at Shelbyville, Ky., in place of Lisle B. Hanna. Incumbent's commission expired December 8, 1934.

Mary K. Diersing to be postmaster at Shively, Ky., in place of M. K. Diersing. Incumbent's commission expired March 18, 1934.

### MAINE

Helen L. Swan to be postmaster at Hampden Highlands, Maine, in place of J. B. Lewis. Incumbent's commission expired January 16, 1934.

Winnifred J. Libby to be postmaster at Ocean Park, Maine, in place of W. J. Libby. Incumbent's commission expired March 22, 1934.

### MARYLAND

George M. Mowell to be postmaster at Glencoe, Md., in place of G. M. Mowell. Incumbent's commission expired February 20, 1935.

### MASSACHUSETTS

Mary E. O'Toole, to be postmaster at Leominster, Mass., in place of J. C. Smith, retired.

### MICHIGAN

Henning R. Sjolander, to be postmaster at Ishpeming, Mich., in place of William Trebilcock. Incumbent's commission expired April 28, 1934.

# MINNESOTA

Charles B. Smith to be postmaster at Alexandria, Minn., in place of C. L. Coy, removed.

Marie H. Sands to be postmaster at Alvarado, Minn., in place of G. T. Sands, resigned.

Thomas H. Brandon, to be postmaster at Annandale, Minn., in place of W. W. Towler. Incumbent's commission expired May 28, 1933.

John E. Pasch, to be postmaster at Barnesville, Minn., in place of Bernard McGrath. Incumbent's commission expired January 31, 1934.

Walter L. Dickson to be postmaster at Big Falls, Minn., in place of A. B. Paul. Incumbent's commission expired December 18, 1933.

Peter Evensen to be postmaster at Bigfork, Minn., in place of W. F. Bischoff. Incumbent's commission expired April 8, 1934.

Egbert J. Sutherland to be postmaster at Chatfield, Minn., in place of E. O. Thorson, removed.

James B. Hubbell to be postmaster at Forest Lake, Minn., in place of J. B. Hubbell. Incumbent's commission expired June 20, 1934.

Gabriel T. Torgrimson to be postmaster at Grand Meadow, Minn., in place of Albert Myhre. Incumbent's commission expired April 2, 1934.

Irene G. Almquist to be postmaster at Harris, Minn., in place of D. C. Jarchow. Incumbent's commission expired December 18, 1933.

Edward J. King to be postmaster at Hastings, Minn., in place of Anna Johnson. Incumbent's commission expired April 2, 1934.

Paul M. Saemrow to be postmaster at Morristown, Minn., in place of P. W. Gorrie. Incumbent's commission expired December 20, 1932.

Robert E. O'Donnell to be postmaster at Mound, Minn., in place of E. F. Koehler, removed.

Otto A. Kubat to be postmaster at Owatonna, Minn., in place of M. J. Brown. Incumbent's commission expired April 2, 1934.

George H. Tome to be postmaster at Pine Island, Minn., in place of G. H. Tome. Incumbent's commission expired April 2, 1934.

Robert S. Cowie to be postmaster at Rothsay, Minn., in place of O. H. Jacobson. Incumbent's commission expired February 9, 1933.

### MISSISSIPPI

Nicie R. Evans to be postmaster at Bassfield, Miss., in place of N. R. Evans. Incumbent's commission expired February 21, 1935.

Fred Eugene Brister to be postmaster at Bogue Chitto, Miss., in place of H. A. Sasser, removed.

Minnie B. Dubuisson to be postmaster at Long Beach, Miss., in place of M. B. Dubuisson. Incumbent's commission expired March 2, 1935.

Erma L. Morris to be postmaster at Seminary, Miss., in place of C. F. Taylor, resigned.

### MISSOURI

Emmett O. Griffin to be postmaster at Carterville, Mo., in place of C. E. Ault. Incumbent's commission expired March 8, 1934.

Elta E. Eubank to be postmaster at Clifton Hill, Mo., in place of P. M. Essig. Incumbent's commission expired December 11, 1933.

George L. Chancellor to be postmaster at Goodman, Mo., in place of H. M. Phillips, resigned.

Albert J. Robinson to be postmaster at Gorin, Mo., in place of Irene Parrish. Incumbent's commission expired January 31, 1933.

Joseph W. Evans to be postmaster at Hale, Mo., in place of C. E. Bedell, resigned.

James T. Glass, Jr., to be postmaster at Holden, Mo., in place of J. M. Boisseau, removed.

Jessalee Nash to be postmaster at Hollister, Mo., in place of C. E. Jennings. Incumbent's commission expired March 18, 1934.

Laurence D. Estill to be postmaster at Lawson, Mo., in place of W. A. Black, removed.

Edna S. Spencer to be postmaster at Malta Bend, Mo., in place of M. E. Blackburn. Incumbent's commission expired May 13, 1934.

Ivan Weber to be postmaster at Richmond, Mo., in place of C. E. Traylor. Incumbent's commission expired June 19, 1933

John F. Vermillion to be postmaster at Salisbury, Mo., in place of R. A. Gehrig, removed.

Charles E. Logan to be postmaster at Spickard, Mo., in place of P. G. Wild. Incumbent's commission expired May 9, 1934.

#### MONTANA

Clarence W. Hektner to be postmaster at Dutton, Mont., in place of E. M. Goodell. Incumbent's commission expired June 24, 1934.

D. Francis Crowley to be postmaster at Lewistown, Mont., in place of C. R. Fowler. Incumbent's commission expired May 13, 1934.

James J. Price to be postmaster at Three Forks, Mont., in place of William Fraser. Incumbent's commission expired January 8, 1933.

#### NEBRASKA

John F. McGill to be postmaster at Center, Nebr., in place of Lulu Woodbury, resigned.

George J. Scott to be postmaster at Crawford, Nebr., in place of C. W. Fritts, removed.

Albert J. Nacke to be postmaster at Hebron, Nebr., in place of E. E. Correll, removed.

George D. Parker to be postmaster at Johnson, Nebr., in place of E. E. Rodysill. Incumbent's commission expired December 16, 1933.

Herman Stahly to be postmaster at Milford, Nebr., in place of E. E. Ely, resigned.

Mable A. Foreman to be postmaster at Palmyra, Nebr., in place of I. B. Lamborn. Incumbent's commission expired December 16, 1933.

Charles J. Mullaney to be postmaster at Walthill, Nebr., in place of G. F. McMullen, resigned.

### NEW JERSEY

Everett H. Antonides to be postmaster at Belmar, N. J., in place of Charles Keiderling, Jr. Incumbent's commission expired April 2, 1934.

Michael H. Connelly to be postmaster at Bloomfield, N. J., in place of H. E. Harris. Incumbent's commission expired February 25, 1933.

Martin L. Mulvey to be postmaster at Landing, N. J., in place of G. E. Obdyke. Incumbent's commission expired April 22, 1934.

Edward J. Turpin to be postmaster at Mays Landing, N. J., in place of C. H. Mingin, resigned.

Stephen W. Margerum to be postmaster at Princeton, N. J., in place of W. H. Cottrell, deceased.

Leon P. Kays to be postmaster at Stanhope, N. J., in place of W. B. Lance. Incumbent's commission expired February 2, 1932.

# NEW MEXICO

Roy L. Cook to be postmaster at Albuquerque, N. Mex., in place of Berthold Spitz, deceased.

Paul Nesbitt to be postmaster at Chama, N. Mex., in place of E. C. Thatcher. Incumbent's commission expired June 4, 1934.

Henry Gallegos to be postmaster at Grant, N. Mex., in place of Charles Neustadt. Incumbent's commission expired April 22, 1934.

Anna R. Scott to be postmaster at Logan, N. Mex., in place of Gertrude Warrender. Incumbent's commission expired March 22, 1934.

Frank O. Papen to be postmaster at Tererro, N. Mex., in place of C. S. Earickson. Incumbent's commission expired October 10, 1933.

### NEW YORK

John L. Purcell to be postmaster at Aurora, N. Y., in place of James Avery. Incumbent's commission expired April 8, 1934.

Hattie B. Dye to be postmaster at Cassadaga, N. Y., in place of H. M. Hall. Incumbent's commission expired March 22, 1934.

Arthur Goggin to be postmaster at Clymer, N. Y., in place of W. L. Schruers. Incumbent's commission expired April 8, 1934.

William J. Gleason to be postmaster at Cortland, N. Y., in place of H. L. Smith. Incumbent's commission expired December 16, 1933.

Charles C. Curry to be postmaster at Dansville, N. Y., in place of H. W. DeLong, Jr. Incumbent's commission expired June 20, 1934.

Georgia B. Ostrander to be postmaster at Ghent, N. Y., in place of M. E. Teator. Incumbent's commission expired December 16, 1933.

William C. Sharp to be postmaster at Greenwich, N. Y., in place of Howard McClellan. Incumbent's commission expired March 18, 1934.

Fred Wheeler to be postmaster at Hudson, N. Y., in place of C. E. Hardy. Incumbent's commission expired December 20, 1932.

George H. Raum to be postmaster at Kenoza Lake, N. Y., in place of W. N. Moulthrop. Incumbent's commission expired March 8, 1934.

Frederick M. Dennin to be postmaster at Lake Placid, N. Y., in place of Solomon Feinberg, resigned.

Dudley C. Merritt to be postmaster at Locust Valley, N. Y., in place of T. W. Crane. Incumbent's commission expired April 28, 1934.

William H. Ordway to be postmaster at Mount McGregor, N. Y., in place of W. H. Ordway. Incumbent's commission expired December 18, 1934.

Frank D. Hurd to be postmaster at Napanoch, N. Y., in place of F. D. Hurd. Incumbent's commission expired February 20, 1935.

Edward V. Canavan to be postmaster at Niagara Falls, N. Y., in place of F. G. Newell. Incumbent's commission expired December 16, 1933.

Percy C. Tatem to be postmaster at Old Westbury, N. Y. Office became Presidential July 1, 1933.

Oren G. Hunter to be postmaster at Parish, N. Y., in place of O. W. House. Incumbent's commission expired December 18, 1933.

Robert A. Lundy to be postmaster at Ray Brook, N. Y., in place of R. A. Lundy. Incumbent's commission expired February 25, 1935.

Virginia L. Dennison to be postmaster at Sackets Harbor, N. Y., in place of S. G. Stratton, removed.

Victor J. Banfield to be postmaster at Van Etten, N. Y., in place of V. J. Banfield. Incumbent's commission expired January 13, 1935.

Fred Burns to be postmaster at Walden, N. Y., in place of W. B. Stewart. Incumbent's commission expired January 28, 1934.

Gertrude M. Ackert to be postmaster at West Park, N. Y., in place of G. M. Ackert. Incumbent's commission expired January 22, 1935.

### NORTH CAROLINA

Wiley H. Taylor to be postmaster at Beaufort, N. C., in place of R. B. Wheatly, resigned.

Robert D. McLeod to be postmaster at Biscoe, N. C., in place of Bettie Martin, removed.

Willard T. Martin to be postmaster at Bryson City, N. C. in place of A. J. DeHart, resigned.

Richard Homer Andrews to be postmaster at Burlington, N. C., in place of W. R. Freshwater, removed.

George E. Walker to be postmaster at Hemp, N. C., in place of C. S. Lewis, resigned.

Ernest W. Ewbank to be postmaster at Hendersonville, N. C., in place of R. H. Staton. Incumbent's commission expired February 10, 1934.

Anna D. Rathbone to be postmaster at Lake Junaluska, N. C., in place of A. E. Ward. Incumbent's commission expired April 16, 1934.

Raymond R. Eagle to be postmaster at New Bern, N. C., in place of R. F. Shupp, resigned.

George W. Stuart to be postmaster at Troy, N. C., in place of T. N. Harris, removed.

Sterling B. Pierce to be postmaster at Weldon, N. C., in place of F. M. Carter, deceased.

Savannah B. Smoak to be postmaster at Wilkesboro, N. C., in place of W. E. Linney. Incumbent's commission expired April 28, 1934.

Montgomery T. Speir to be postmaster at Winterville, N. C., in place of M. T. Speir. Incumbent's commission expired February 25, 1935.

#### NORTH DAKOTA

Mildred B. Johnson to be postmaster at Ashley, N. Dak., in place of J. N. McGogy. Incumbent's commission expired May 19, 1932.

George Christensen to be postmaster at Beach, N. Dak., in place of J. L. Kinsey, resigned.

George J. Boley to be postmaster at Carrington, N. Dak., in place of J. E. Galehouse. Incumbent's commission expired February 11, 1931.

John B. DuRand to be postmaster at Ellendale, N. Dak., in place of W. L. Saunders, removed.

Levurn R. Church to be postmaster at Haynes, N. Dak., in place of H. E. M. Dyson, resigned.

Ronald Keeley to be postmaster at Hazen, N. Dak., in place of R. E. Itskin. Incumbent's commission expired January 11, 1934.

Jay J. Eaton to be postmaster at Medora, N. Dak., in place of L. S. McDonald, resigned.

Clifton G. Foye to be postmaster at Steele, N. Dak., in place of J. E. Smith. Incumbent's commission expired March 22, 1934.

#### OHIO

Gerald L. Whaley to be postmaster at Fayette, Ohio, in place of G. P. Phillips. Incumbent's commission expired April 28, 1934.

Lee B. Milligan to be postmaster at Lowellville, Ohio, in place of L. B. Milligan. Incumbent's commission expired February 4, 1935.

Albert P. McQuade to be postmaster at New Straitsville, Ohio, in place of W. T. Sprankel, deceased.

# OKLAHOMA

Clarence D. Hull to be postmaster at Carnegie, Okla., in place of W. C. Campbell. Incumbent's commission expired December 20, 1932.

Leonard C. Peterman to be postmaster at Davis, Okla., in place of D. M. Rose. Incumbent's commission expired March 18, 1934.

Luther C. Dobbs to be postmaster at Davidson, Okla., in place of L. C. Dobbs. Incumbent's commission expired July 3, 1934.

Joe B. Steele to be postmaster at Ringling, Okla., in place of L. E. Shull. Incumbent's commission expired September 18, 1933.

Bradford M. Risinger to be postmaster at Sand Springs, Okla., in place of H. H. Snow. Incumbent's commission expired April 28, 1934.

Ulysses S. Shockley to be postmaster at Yale, Okla., in place of H. G. Brandenburg. Incumbent's commission expired April 28, 1934.

### OREGON

Vincent Byram to be postmaster at Gold Beach, Oreg., in place of Vincent Byram. Incumbent's commission expired February 20, 1935.

Volney E. Lee to be postmaster at North Powder, Oreg., in place of V. E. Lee. Incumbent's commission expired December 18, 1933.

William Reid to be postmaster at Rainier, Oreg., in place of C. M. Victors, removed.

Emil F. Messing to be postmaster at Vernonia, Oreg., in place of E. F. Messing. Incumbent's commission expired February 20, 1935.

# PENNSYLVANIA

Theodore C. Lamborn to be postmaster at Berwyn, Pa., in place of O. H. Tavenner, transferred.

Dorothy C. Westrick to be postmaster at Colver, Pa., in place of C. D. Doerr. Incumbent's commission expired May 2 1934

Albert Van Horn to be postmaster at Dawson, Pa., in place of K. M. Dom, resigned.

James J. McNany to be postmaster at Du Bois, Pa., in place of L. J. Lukehart, transferred.

John R. Duffy to be postmaster at Harrisville, Pa., in place of K. B. Barnes, removed.

James M. Eagan to be postmaster at Jermyn, Pa., in place of A. B. Winter. Incumbent's commission expired June 20, 1934.

Michael J. Pitoniak to be postmaster at Jessup, Pa., in place of G. M. Bisignani, removed.

Stephen M. Telep to be postmaster at Mayfield, Pa., in place of William Rosemergy. Incumbent's commission expired April 2, 1934.

Edward F. Janussewski to be postmaster at Monessen, Pa., in place of H. J. Bearer, removed.

Blanche C. Anderson to be postmaster at Monongahela, Pa., in place of B. L. Rose. Incumbent's commission expired March 8, 1934.

Stanley B. Janowski to be postmaster at Nanticoke, Pa., in place of T. J. Morgan, removed.

Charles W. Aldrich to be postmaster at New Milford, Pa., in place of D. C. Vail. Incumbent's commission expired May 29, 1934.

Olin V. Deterick to be postmaster at Orangeville, Pa., in place of A. E. Patterson. Incumbent's commission expired April 22, 1934.

J. Ross Owens to be postmaster at Parkesburg, Pa., in place of S. G. Garnett. Incumbent's commission expired June 20, 1934.

Cora B. Rufe to be postmaster at Riegelsville, Pa., in place of L. K. Johnson. Incumbent's commission expired February 10, 1934

Ann Conner to be postmaster at Rossiter, Pa., in place of M. B. Daugherty. Incumbent's commission expired January 8, 1934.

William J. Forsythe to be postmaster at Sligo, Pa., in place of J. J. Neil, resigned.

Samuel C. Zellers to be postmaster at Stewartstown, Pa., in place of J. E. Anstine. Incumbent's commission expired January 8, 1934.

Wooda N. Carr to be postmaster at Uniontown, Pa., in place of W. G. Ghrist, removed.

Ruth B. Walker to be postmaster at Unity, Pa., in place of W. E. Vance. Incumbent's commission expired April 28, 1934.

### PUERTO RICO

Jenaro Vazques to be postmaster at Central Aguirre, P. R., in place of Jenaro Vazques. Incumbent's commission expired February 25, 1935.

# RHODE ISLAND

Edward F. McCarthy to be postmaster at Wakefield, R. I., in place of W. R. Easterbrooks. Incumbent's commission expired May 20, 1934.

Thomas J. Durand to be postmaster at West Warwick, R. I., in place of A. J. Reno. Incumbent's commission expired February 6, 1934.

### SOUTH CAROLINA

Benjamin Rutledge Fuller to be postmaster at Clinton, S. C., in place of R. P. Blakely. Incumbent's commission expired July 3, 1934.

Thomas E. Stokes to be postmaster at Darlington, S. C., in place of T. E. Stokes. Incumbent's commission expired February 25, 1935.

Walter T. Barron to be postmaster at Fort Mill, S. C., in place of W. T. Barron. Incumbent's commission expired January 22, 1935.

Hobson B. Taylor to be postmaster at Kershaw, S. C., in place of H. B. Taylor. Incumbent's commission expired May 2, 1934.

George S. McCravey to be postmaster at Liberty, S. C., in place of G. S. McCravey. Incumbent's commission expired December 20, 1934.

Raymond Phillips to be postmaster at Seneca, S. C., in place of Ben Harper, removed.

#### SOUTH DAKOTA

Florence Ferguson to be postmaster at Canton, S. Dak., in place of M. P. Juel. Incumbent's commission expired June 26, 1934.

Harry H. Jarl to be postmaster at New Effington, S. Dak., in place of F. W. Farrington. Incumbent's commission expired April 28, 1934.

#### TENNESSEE

Robert K. Branscom to be postmaster at Coal Creek, Tenn., in place of R. D. Lindsay, removed.

William R. Massey to be postmaster at Harriman, Tenn., in place of E. C. Roberts, removed.

George R. McDade to be postmaster at Norris, Tenn. Office became Presidential July 1, 1934.

Jean N. McGuire to be postmaster at Sweetwater, Tenn., in place of C. E. Pennington, retired.

#### TEXAS

Howard L. Smith to be postmaster at Alamo, Tex., in place of L. E. Wigton. Incumbent's commission expired May 2, 1934.

Hugh B. Edens to be postmaster at Big Lake, Tex., in place of H. B. Edens. Incumbent's commission expired December 20, 1934.

Jasper N. Fallis to be postmaster at Clifton, Tex., in place of F. W. Nelson, resigned.

Robert H. Foster to be postmaster at Cooper, Tex., in place of C. V. Rattan. Incumbent's commission expired March 18, 1934.

Clark A. Fortner to be postmaster at Crosby, Tex., in place of C. A. Fortner. Incumbent's commission expired February 20, 1935.

Raymond Ross to be postmaster at Del Rio, Tex., in place of B. J. McDowell. Incumbent's commission expired July 1, 1934.

Gladys J. Leary to be postmaster at Estelline, Tex., in place of E. O. Wright. Incumbent's commission expired April 15, 1934.

Daniel B. Shrader to be postmaster at Frisco, Tex., in place of Jennie Baccus. Incumbent's commission expired June 19, 1933.

Curtis R. Blake to be postmaster at Frost, Tex., in place of S. O. Hyer, retired.

R. Lawrence Brucks to be postmaster at Hondo, Tex., in place of A. M. Finger. Incumbent's commission expired March 18, 1934.

Aureil J. Wigley to be postmaster at Ingleside, Tex., in place of Prescilla Nelson. Incumbent's commission expired July 3, 1934.

SeLeta L. Dennis to be postmaster at Jacksboro, Tex., in place of J. H. Wilson, removed.

Richard Hubbard Lemmon to be postmaster at Jefferson, Tex., in place of W. E. Singleton. Incumbent's commission expired February 14, 1935.

Charley J. McCollum to be postmaster at Lockney, Tex., in place of Homer Howard. Incumbent's commission expired May 29, 1934.

Roger H. Henderson to be postmaster at Longview, Tex., in place of J. T. Hopkins, removed.

Amos H. Howard to be postmaster at Lubbock, Tex., in place of J. L. Vaughan. Incumbent's commission expired December 8, 1932.

A. J. Gardner to be postmaster at Muleshoe, Tex., in place of B. W. Carles, removed.

William O. Haislip to be postmaster at Nederland, Tex., in place of J. R. Ware, deceased.

Maude A. Price to be postmaster at Petrolia, Tex., in place of M. A. Price. Incumbent's commission expired January 28, 1934.

Jack B. York to be postmaster at Pharr, Tex., in place of R. E. Slocum. Incumbent's commission expired May 2, 1934

Hobart Lytal to be postmaster at Quinlan, Tex., in place of J. W. Blount, removed.

Adlai C. Breustedt to be postmaster at Seguin, Tex., in place of A. P. Stautzenberger. Incumbent's commission expired May 16, 1934.

Jewell F. Cobb to be postmaster at Seminole, Tex., in place of T. F. Lindley. Incumbent's commission expired May 16, 1934.

Robert A. Meuth to be postmaster at Skidmore, Tex., in place of E. J. Spiekerman. Incumbent's commission expired January 8, 1933.

Tennie B. Colbert to be postmaster at Stamford, Tex., in place of W. T. Phillips. Incumbent's commission expired January 28, 1934.

Nena M. Iiams to be postmaster at Sugar Land, Tex., in place of N. M. Iiams. Incumbent's commission expired February 20, 1935.

Edgar H. McElroy to be postmaster at Waxahachie, Tex., in place of J. B. Graham. Incumbent's commission expired January 22, 1935.

#### UTAH

A. Clair Ford to be postmaster at Kanab, Utah, in place of J. S. Dalley. Incumbent's commission expired May 20, 1934.

Anna M. Long to be postmaster at Marysvale, Utah, in place of A. M. Long. Incumbent's commission expired March 22, 1934.

William Brooks to be postmaster at St. George, Utah, in place of Walter Cannon. Incumbent's commission expired April 3, 1934.

William Hason Hillyard to be postmaster at Smithfield, Utah, in place of J. E. Sheffer. Incumbent's commission expired May 20, 1934.

#### VERMONT

Charles R. Hazen to be postmaster at Chester Depot, Vt., in place of L. S. Richardson, deceased.

J. Clarence Nolin to be postmaster at Jericho, Vt., in place of G. H. Hutchinson. Incumbent's commission expired December 16, 1933.

Daniel F. Aher to be postmaster at Springfield, Vt., in place of E. F. Illingworth, transferred.

Daniel P. Healy to be postmaster at White River Junction, Vt., in place of C. W. Cameron. Incumbent's commission expired December 16, 1933.

### VIRGINIA

Mary Drewry to be postmaster at Capron, Va., in place of E. E. Rawlings, deceased.

James D. Crawford to be postmaster at Keysville, Va., in place of G. H. Osborne. Incumbent's commission expired January 7, 1935.

Homo D. Gleason to be postmaster at Lovingston, Va., in place of H. D. Gleason. Incumbent's commission expired May 20, 1934.

Jessie S. Overby to be postmaster at Stanleytown, Va., in place of R. J. Stanley, resigned.

William T. Fosque to be postmaster at Wachapreague, Va., in place of G. F. Stiles, removed.

### WASHINGTON

Fred E. Booth to be postmaster at Castle Rock, Wash, in place of J. A. Dean. Incumbent's commission expired May 7, 1934.

Edith M. Lindgren to be postmaster at Cosmopolis, Wash., in place of E. M. Lindgren. Incumbent's commission expired January 22, 1933.

Lennie L. Grant to be postmaster at Langley, Wash., in place of W. J. Hunziker. Incumbent's commission expired May 29, 1934.

Leonard McCleary to be postmaster at McCleary, Wash., in place of Leonard McCleary. Incumbent's commission expired December 18, 1933.

Leon L. Stock to be postmaster at Marysville, Wash., in place of G. L. Deu Pree. Incumbent's commission expired April 2, 1934.

Peyton B. Hoover to be postmaster at Rochester, Wash., in place of H. R. James. Incumbent's commission expired April 2, 1934.

Raymond M. Badger to be postmaster at Winthrop, Wash., in place of R. M. Badger. Incumbent's commission expired February 4, 1935.

### WEST VIRGINIA

James T. Murphy to be postmaster at Grafton, W. Va., in place of Alphonse Leuthardt, removed.

Thomas J. Hamilton to be postmaster at Moundsville, W. Va., in place of T. S. Riggs. Incumbent's commission expired May 16, 1934.

#### WISCONSIN

George H. Kilb to be postmaster at Adell, Wis., in place of E. W. Guth. Incumbent's commission expired March 18, 1934.

Grant E. Denison to be postmaster at Carrollville, Wis., in place of G. E. Denison. Incumbent's commission expired January 22, 1935.

Joseph K. Hesselink to be postmaster at Cedar Grove, Wis., in place of H. W. Lemmenes. Incumbent's commission expired March 22, 1934.

Basil J. Faherty to be postmaster at Cuba City, Wis., in place of W. H. Goldthorpe. Incumbent's commission expired May 2, 1934.

Clarence L. Jordalen to be postmaster at Deerfield, Wis., in place of C. L. Jordalen. Incumbent's commission expired March 18, 1934.

Leonard J. Mulrooney to be postmaster at Fennimore, Wis., in place of B. B. Powers. Incumbent's commission expired June 4, 1934.

James D. Cook to be postmaster at Marinette, Wis., in place of E. W. LeRoy. Incumbent's commission expired February 20, 1933.

John Bichler to be postmaster at Port Washington, Wis., in place of H. F. Delles, removed.

Mae McCoy to be postmaster at Sparta, Wis., in place of J. H. Zehrte. Incumbent's commission expired April 22, 1934

Carl C. Schlecht to be postmaster at Woodruff, Wis., in place of G. L. Johnson. Incumbent's commission expired January 8, 1934.

# HOUSE OF REPRESENTATIVES

FRIDAY, MARCH 8, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our blessed Father in Heaven, as we wait in the noontide light of Thy holiness, we pray that sin in all its hideous forms may become revolting to us. Thou who bringest back the landscape from captivity, who causeth the dead things of earth to find themselves and who drivest the night away from the eyes of weary watchers, receive us as Thy children for the sake of Thine only begotten Son. Amid the discipline of life, fulfill in us all righteousness in what we do and say. Through striving and experience may the royal graces be positive and definite in our daily conduct. We pray, blessed Lord, to send upon us Thy richest gifts, giving culture to intellect, wisdom to imagination, and unselfishness to ambition. Grant that the particles of truth, the causes that break them up and make them fragmentary, may be brought together in substantial unity. Fortify us this day with those virtues that spring up under the arch of honor, faith, and submission. In our Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

### MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On March 2, 1935:

H. R. 3982. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River between Rockport, Ind., and Owensboro, Ky.;

H. R. 4983. An act to authorize a transfer of forest reservation lands in Forrest and Perry Counties, Miss., to the State of Mississippi or to the War Department, and for other purposes: and

H. R. 5701. An act granting the consent of Congress to the State of Indiana to construct, maintain, and operate a free highway bridge across the Wabash River at or near La Fayette, Ind.

On March 4, 1935:

H. R. 3373. An act for the relief of Anna S. Carrigan; and H. J. Res. 140. Joint resolution to provide for the completion of the publication of the writings of George Washington.

On March 5, 1935:

H. R. 529. An act granting compensation to George S. Conway, Jr.

On March 6, 1935:

H. R. 3464. An act to amend certain sections of the Code of Law for the District of Columbia, approved March 3, 1901, as amended, relating to descent and distribution.

On March 7, 1935:

H. J. Res. 94. Joint resolution providing for the participation of the United States in the California-Pacific International Exposition to be held at San Diego, Calif., in 1935 and 1936; authorizing an appropriation therefor; and for other purposes.

CAROLYN S. BRENEMAN

Mr. WARREN. Mr. Speaker, I offer a privileged resolution from the Committee on Accounts and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 104 (Rept. No. 331)

Resolved, That there shall be paid out of the contingent fund of the House to Carolyn S. Breneman, daughter of Henry R. Breneman, late an employee of the House, an amount equal to 6 months' compensation, and an additional amount, not to exceed \$250, to defray funeral expenses of the said Henry R. Breneman.

The resolution was agreed to.

A motion to reconsider was laid on the table.

### PHYLLIS HEIM

Mr. WARREN. Mr. Speaker, I offer another privileged resolution from the Committee on Accounts and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 146 (Rept. No. 332)

Resolved, That there shall be paid out of the contingent fund of the House to Phyllis Heim, daughter of Eugene Heim, late an employee of the House, an amount equal to 6 months' compensation, and an additional amount, not to exceed \$250, to defray funeral expenses of the said Eugene Heim.

The resolution was agreed to.

A motion to reconsider was laid on the table.

### CASIMIR PULASKI

Mr. TERRY. Mr. Speaker, there is a resolution pending in the House requesting the President to set aside October 11 as a memorial day for Count Pulaski, the Revolutionary War hero. I am filing today a resolution adopted by the General Assembly of the State of Arkansas calling upon Congress to pass the pending resolution.

I am particularly interested in this resolution because my home county, Pulaski, is named in honor of Count Pulaski,

of Revolutionary fame.

### THE UNEMPLOYMENT PROBLEM

Mr. NELSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein copy of an address delivered by Robert Fechner, Director of Emergency Conservation Work.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. NELSON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address of Robert Fechner, Director Emergency Conservation Work, as delivered at the Forum, Mount Pleasant Congregational Church, Washington, D. C., February 3, 1935:

So much has been said and written about the problem of unemployment during the past 5 years that all phases of this serious feature of the depression must be quite well understood by our entire population. However, although the seriousness of the problem was fully understood, there was very little practical effort made to solve the problem during the first few years of the depression.

depression.

The interest of President Franklin D. Roosevelt in this problem was not a sudden one. During the 4 years that he had served as Governor of our most populous State he had daily seen the disastrous effects of a large number of the population being unemployed and had given long and serious thought as to what might be done to be helpful. He had also discussed the matter with a great many people and organizations who were likewise interested

When the National Democratic Convention meeting in Chicago in the summer of 1932 tendered him the nomination for President, and he made his historic flight to Chicago to personally appear before the convention to accept the nomination and at the same and he made his historic hight to Chicago to personally appear before the convention to accept the nomination and at the same time outline his program for meeting existing conditions, one of the most important features of his acceptance speech was that portion devoted to the need for finding work for idle hands. It was, therefore, not surprising when immediately after his inauguration in March of 1933, and the calling of the new Congress in a special session during that month the first message of the President, designed to inaugurate his recovery program, should have been directed toward relieving unemployment and accomplishing useful work. These two purposes have been firmly held by the President to be of equal importance. Emphasis has continually been placed on the fact that neither the dole nor charity was a desirable method of relieving unemployment, and so the President asked the new Congress to authorize the setting up of an agency to relieve unemployment and to accomplish useful work in fields that would not be competitive with private industry. Congress promptly granted the requested authorization and early in April 1933 the Emergency Conservation Work program was officially launched by the appointment of a Director and an Advisory Council representing the Department of Labor, the War Department, the Department of Agriculture, and the Department of the Department of Agriculture, and the Department of the Interior.

A careful study had convinced those in authority that the group A careful study had convinced those in authority that the group most urgently in need of help was that large army of young men who had arrived at working age, or who for various reasons had left our schools and colleges during the previous 5 years, and because of prevailing industrial and business conditions had found it impossible to secure any kind of employment. It was decided to enroll 250,000 young men between the ages of 18 and 25 coming from families who had been on public-welfare relief. The Labor Department was charged with the responsibility of selecting these enrollees. They promptly met the task, and it is a matter of record that never in the history of this Nation has such a large number of men been selected, enrolled, conditioned, equipped, and transported to their destination in such a brief period. By the end of June 1933 this vast army had been located in 1,468 camps scattered throughout all the States of the Nation.

end of June 1933 this vast army had been located in 1,468 camps scattered throughout all the States of the Nation.

After this quarter of a million juniors had been selected it was realized that something more was needed. These men were expected to accomplish useful work, but practically every one of them were totally inexperienced in the work that they would be called on to perform. It was therefore decided that an increment of 25,000 local experienced men would be added to the camps to serve as leaders to the inexperienced boys in their daily tasks. The wisdom of this arrangement was quickly demonstrated.

After the juniors had been placed in camps an insistent demand that our war veterans be given a part in the general program was

After the juniors had been placed in camps an insistent demand that our war veterans be given a part in the general program was agreed to by the President and 25,000 war veterans were enrolled. As an actual fact 28,000 war veterans were enrolled because 3,000 war veterans who had composed the so-called "bonus army" coming to Washington in the spring of 1933 were enrolled as a group. The war veterans were selected by the Veterans' Administration and this agency has continued to have complete supervision over the participation of war veterans in emergency conservation work. This made a total of 303,000 enrollees.

Attention was called to the desperate condition of many Indians on their western reservations and the President authorized the setting apart of sufficient funds to employ 14,000 Indians under practically the same conditions as other enrollees, although their supervision and direction was handled entirely by the Bureau of Indian Affairs.

The benefits of this work were also extended to Alaska, Puerto Rico, Hawaii, and the Virgin Islands, and about 5,000 individuals

Rico, Hawali, and the Virgin Islands, and about 5,000 individuals are engaged on conservation work under our general program in these island possessions.

The supervisions of this great organization was a tremendous responsibility. Those in authority were convinced that there was only one agency available that could be called on to accept a responsibility for the health, safety, and welfare of the men in the camps. That agency was the Regular Army. The Army was therefore called upon to select and prepare the camp site to insure their proper location from a sanitary standpoint as well as availability of adequate water supply, to provide the shelter, subsistence, clothing, medical attention, and everything else that was so necessary for the well-ordered life of the men in the camps. The Army performed a signal service in completely meeting these onerous duties. As was to be expected, just as soon as it became known that the Army was to have a vital part in emergency conservation work there were numerous protests from individuals and organizations who were earnestly and patriotically striving to promote world peace

and a reduction in the crushing burden of military armament. Many sincere people feared that under the control of the Army military discipline and training would inevitably develop in the camps. President Roosevelt made his position very clear on this important point and the War Department likewise emphasized their participation as not having any militaristic meaning. After 2 years it can again be asserted that there has been nothing that would justify any suspicion that militarism has had the slightest part in the emergency conservation-work program.

justify any suspicion that militarism has had the slightest part in the emergency conservation-work program.

It is proper to point out, however, that life in the camps has brought practically all of the benefits of ordinary military training to the enrollees; that is, they have been taught the vital importance of how to live together, of mutual cooperation, of personal cleanliness, of regular habits, and the physical work has built up their bodies so that the beneficial effects will be evident in succeeding generations. The Army deserves great credit for the splendid task that it has so efficiently performed. Equally important and equally effective has been the service rendered by the National Forest Service and the National Park Service and other cooperating Federal bureaus, together with the State organizations. Conservation work, as applied to our natural resources, had

Cooperating Federal bureaus, together with the State organizations. Conservation work, as applied to our natural resources, had been fully appreciated for many years past. The first Roosevelt directed public attention to the importance of conserving what was left of our national forests, to the prevention of soil erosion, and the curbing of our constantly recurring floods that caused so many disasters in various sections of the country. These Federal agencies had carried on their important work for years in the face of discouraging limitations, but always hoping that the time would come when a real adequate conservation program could be would come when a real adequate conservation program could be inaugurated. Plans had been prepared for this eventuality, and therefore when they were offered an opportunity for which they had dreamed they were, to some extent at least, prepared to take

immediate advantage of it.

The saving of our growing trees was considered to be of the first importance; therefore, during the early period of emergency conservation work major attention was given to the building of truck trails, fire breaks, the extension of telephone lines, and other measures that experience had taught were necessary for preventing and controlling forest fires. The prevention and eradication of tree disease and pest infestation were likewise vitally important. The forest fires are so spectacular and do their damage so quickly that everyone can easily visualize how important it is that this greatest menace to our standing forests should be curbed. The destructive-ness of tree disease and pest infestation is not so apparent nor so spectacular, but it is almost equally destructive. Just a few years ago a blight originating in other countries attacked and killed prac-tically all of the chestnut trees in the entire eastern area of the tically all of the chestnut trees in the entire eastern area of the United States. At the present time our beautiful elm trees are threatened with complete destruction because of the importation of a disease that gained a foothold a few years ago in the vicinity of New York and quickly spread to other areas. The pine beetle and gypsy moth are examples of pest infestation that have caused enormous damage.

Flood control and soil erosion are of almost equal importance in Flood control and soil erosion are of almost equal importance in our conservation work. The removing of timber from our mountains and other areas has exposed the soil to washing from heavy rains that has caused billions of tons of fertile soil to be washed down into our stream beds and valleys.

Wildlife conservation is an important part of our general con-

servation program.

Last but not least are the recreational needs of the Nation. Last but not least are the recreational needs of the Nation. With increasing leisure time at the disposal of larger numbers of our citizens, it is a proper responsibility of the Federal Government, as well as the various States, that attractive and accessible recreational areas should be provided. The development of a great State system of parks to supplement our National Park System is not solve desirable but unsurely needed.

of what the figures really mean. The expenditure of more than \$500,000,000 is an important item, and our citizens have a right to know what return our Nation can expect from this expenditure. During the past 18 months of emergency conservation work we spent approximately \$550,000,000. In reports submitted by cooperating agencies we are informed that during the same period useful work, whose value could be measured in a fairly accurate way, had been accomplished to the amount of approximately \$291,-000,000. In addition, approximately \$146,000,000 had been paid in cash allowances to the enrollees. Of this amount about \$130,-000,000 had gone directly to the dependent families of the enrollees. In a great many cases this had meant the removal of the family from public-welfare relief, and in every case it meant that family from public-welfare relief, and in every case it meant that the locality or the State had been assisted in its tremendous burden of welfare relief by this expenditure of the Federal Gomes. Government.

The effect on industry of these vast expenditures has also been significant. The average of \$150,000 is spent daily for food. Great quantities of clothing and shoes were necessary, trucks and passenger cars, ambulances and other automotive vehicles were bought in such quantities as to have a material effect on that industry and related lines.

In the construction of the camp buildings that were necessary.

In the construction of the camp buildings that were necessary on house the men, several hundred million feet of lumber were required. Great quantities of cots, mattresses, sheets, blankets, and all of the other things that are inevitably necessary in an organization of this character were hought. Even the item of transpor-Pation of this character were bought. Even the item of transpor-

tation has been tremendous, and millions of dollars has been paid to railroads and bus companies for transporting enrollees from their homes to the camps and return.

While all this material result was important it is generally conceded that by far the most important result of emergency conservation work has been the effect on the enrollees themselves. Because of the very condition under which these men had lived prior to their enrollment in C. O. Camps, it was not to be wondered at that they came to the camps in a discouraged resentful. prior to their enrollment in C. C. Camps, it was not to be won-dered at that they came to the camps in a discouraged, resentful, and many times a hopeless frame of mind. Under the sympathetic care of those in authority, they quickly responded to their new surroundings. Plain but wholesome food, comfortable sleeping quarters, regular hours, and the work which they were required to perform, quickly resulted in restoring these men to normal con-

During the first 18 months of this work approximately 850,000 enrollees were in the camps; some of them for a few months, but most of them staying the limit, which is permitted under the

regulations.

regulations.

The men are provided with an adequate program of recreation, including baseball, volley ball, football, boxing, wrestling, track athletics, and such like activities which they are encouraged to engage in under competent leadership during their leisure time. They are required to work 8 hours per day 5 days per week, which time includes transportation from the camp to the work project and return and the lumb hour.

They are required to work 8 hours per day 5 days per week, which time includes transportation from the camp to the work project and return and the lunch hour.

The educational needs are not overlooked, although the very nature of the camps and their work make it difficult to carry on educational work in the usual sense of the term, nevertheless a serious effort has been made and reasonably satisfactory results have been accomplished to give those enrollees who are interested an opportunity to better fit themselves for a place in our business and industrial life when the opportunity comes to them.

The religious life of the men has not been neglected. An adequate number of full-time Army reserve chaplains serve the camps in providing religious work and services, and many thousands of local clergymen have also rendered invaluable service in supplementing the work of the regular chaplains.

When the camps were first being established there was great fear expressed by many localities that the presence of 200 men in a camp would prove a serious menace to the peace and safety of the community. The record clearly shows that these fears were entirely groundless. One of the things in which those who are responsible for emergency conservation work are most proud has been the personal conduct of the enrollees. Of course, there have been individual instances of wrongdoing. There have even been a few regrettable cases where a large group of enrollees have created a distribution. been individual instances of wrongolong. There have even been a few regrettable cases where a large group of enrollees have created a disturbance, but considering the whole record there can be no doubt that the men have conducted themselves in a most exemplary manner. They are welcomed in the homes and in the local activities in the vicinity of the camp, and they have appreciated the manner in which they have been received by the community.

In summing up the accomplishments of emergency conservation work it is felt that any unbiased investigation will sustain the claim that this has been one of the most useful activities in which our Federal Government is engaged, and it is confidently believed that its good work will continue for many years.

# RIGHTS-OF-WAY TO THE GOLDEN GATE BRIDGE

Mr. WELCH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include at this point a joint resolution by the senate of the State of California relative to accepting amendments to permit from the Government of the United States for the construction of approach roads and toll areas over certain rights-of-way leading to the Golden Gate Bridge in the Presidio of San Francisco Military Reservation, and relating to the retrocession by the Congress of the United States of jurisdiction over said rights-of-way and toll areas as relocated.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The joint resolution is as follows:

LEGISLATIVE DEPARTMENT, STATE OF CALIFORNIA, Sacramento, Calif., January 26, 1935.

To the President of the United States, the Vice President, the Secretary of War, the Speaker of the House of Representatives, and the Senators and Representatives of the State of California in Congress:

I am directed to inform you that the California Legislature on January 22, 1935, adopted the following:

California State Senate Joint Resolution 6 (By Senator McGovern)

Relative to accepting amendments to permit from the Government of the United States for the construction of approach roads and toll areas over certain rights-of-way leading to the Golden Gate Bridge in the Presidio of San Francisco Military Reservation, and relating to the retrocession by the Congress of the United States of jurisdiction over said rights-of-way and toll areas as relocated Whereas on February 13, 1931, the Secretary of War pursuant to authority in him vested by section 6 of the act of Congress

approved July 5, 1884 (23 Stat. 104), granted to the Golden Gate Bridge and Highway District a right-of-way for the extension, maintenance, and operation of a State road across the Presidio of maintenance, and operation of a State road across the Presidio of San Francisco Military Reservation, Calif., and across the Fort Baker Military Reservation, including space for toll booths and facilities for regulating traffic, and also the right to erect, operate, and maintain the ends of the Golden Gate Bridge with cable anchorages, upon the said military reservations; and Whereas said grant has been accepted by the Golden Gate Bridge and Highway District and also by the Legislature of the State of California under the terms of Senate Joint Resolution No. 11 of the forty-ninth session of the Legislature of the State of California.

forty-ninth session of the Legislature of the State of California;

whereas the said permit and grant were amended by amendments dated April 1, 1931, May 1, 1933, and July 21, 1933, which said three amendments have been accepted by the Golden Gate Bridge and Highway District and approved and accepted by joint resolutions of the Legislature of the State of California; and

Whereas on the 19th day of March 1934 the Secretary of War did grant to the Golden Gate Bridge and Highway District a further modification of said permit as amended, and being a modification providing for the enlargement of the toll area theretofore granted under the original permit in the Presidio of San Francisco Military Reservation, which said amendment and modification of the date last mentioned is hereby expressly referred to; and

Whereas it was in said last-named modification and amendment expressly provided that the amendments and modifications therein

expressly provided that the amendments and modifications therein contained should not become effective and the original permit of February 13, 1931, should remain unchanged thereby unless and until the said Golden Gate Pridge and Highway District should have accepted said amendment and unless and until the State of

have accepted said amendment and unless and until the State of California should have, with respect to said amendment, taken the same formal action which it was required to take with respect to the original permit, and which is set forth in paragraph 11 and subparagraphs 11a, 11b, and 11c of that instrument, as a condition precedent to the taking effect thereof: Now, therefore, be it Resolved by the Senate and Assembly of the State of California, jointly, That said modification and amendment dated the 19th day of March 1934 to said permit dated February 13, 1931, as amended by amendments dated April 1, 1931, May 1, 1933, and July 21, 1933, granted by the Secretary of War to the Golden Gate Bridge and Highway District, be, and the same hereby is, together with each, all, every, and singular the terms, conditions, limitations, reservations, and requirements therein contained, accepted by and on behalf of the State of California; and be it further

tions, and requirements therein contained, accepted by and on behalf of the State of California; and be it further Resolved, That the State of California does hereby make application to the Congress of the United States for a retrocession of jurisdiction over the rights-of-way and toll area as relocated and amended by said modification dated the 19th day of March 1934 in lieu of and superseding the application for retrocession of jurisdiction over the right-of-way heretofore granted across the Presidio of San Francisco Military Reservation in the original permit of February 13, 1931 in case said relocation of the right-of-way and toll

San Francisco Military Reservation in the original permit of February 13, 1931, in case said relocation of the right-of-way and toll area is finally granted to the Golden Gate Bridge and Highway District; and be it further

\*Resolved\*, That the State of California will, in case such retrocession of jurisdiction is granted by Congress, accept such retrocession of jurisdiction and will assume the responsibility of managing, controlling, policing, and regulating traffic thereon, all subject to the following limitations and to such other limitations as Congress may prescribe:

may prescribe:

(a) That nothing in said permit contained shall be construed to (a) That nothing in said permit contained shall be construed to give to the State of California or any of its agents authority at any time to regulate traffic of military personnel or vehicles upon the said bridge or roads. All traffic upon said roads and upon said bridge shall be free from any tolls, charges, or any form of obstruction by State or other agencies against military and naval personnel and their dependents, civilians of the Army and Navy traveling on Government business under military authority, and Government traffic.

(b) That whenever in the judgment of the Secretary of War or

(b) That whenever in the judgment of the Secretary of War or his authorized representative any emergency exists which justifies it, he may assume exclusive control and management of said bridge and roads and may then in his discretion prohibit, limit, or regulate

traffic thereon.

(c) That nothing in said permit contained shall be construed to confer upon the State courts the right to try persons subject to military law for crimes or offenses committeed on said roads or upon said bridge within the boundaries of the respective military reservations involved, but the courts of the United States or military tribunals as now or hereafter provided by law shall retain exclu-

tary tribunals as now or hereafter provided by law shall retain exclusive jurisdiction to try such persons for such offenses; be it further Resolved. That the State of California does hereby agree to make such relocated right-of-way and toll area in the Presidio of San Francisco Military Reservation in said amended permit described a part of the system of public highways of the State; and be it further Resolved. That copies of this resolution be transmitted to the President of the United States, to the Secretary of War, to each House of Congress, and to the Senators and Representatives in Congress of the State of California.

GEORGE J. HATFIELD, President of the Senate. Speaker of the Assembly.

J. A. Beek. Secretary of the Senate. ARTHUR A. OHNIMUS, Chief Clerk of the Assembly.

STEPHEN A. DOUGLAS-THE DUTIES OF REPRESENTATIVES

Mr. CHRISTIANSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein two paragraphs from an address delivered 75 years ago by Stephen A. Douglas.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. CHRISTIANSON. Mr. Speaker, while I do not approve of factious and purely partisan criticism of the Chief Executive and do not believe that a Member of Congress should oppose an administration measure for no better reason than that it is an administration measure, I deem even more mischievous the disposition that has so often been exhibited, to make the Congress a mere rubber stamp for the President, an echo of the voice from the White House. Especially reprehensible is the use of patronage and of threats of political reprisal to bend the Legislative to the Executive will.

As a member of the minority, I am not subject to the party whip, for I have no patronage to lose; but I am concerned, nevertheless, and the whole Nation is concerned, for when the party whip is used to force the adoption of legislation which the Congress, left to its own judgment, would not enact, or the rejection of measures of which it would otherwise approve, all the people suffer the consequences and parliamentary government suffers deterioration. So much did the founding fathers fear Executive interference, that they sharply delimited Executive power; their experience had taught them the danger of leaving too much authority in the hands of one man, and they sought to avoid the evils which in other lands had flowed from usurpation. Had they foreseen the subtle ways in which sovereignty may be wrenched from a people, they undoubtedly would have provided even more effective safeguards.

I would call the attention of the Members of the House, and especially those of the majority, to an interesting page in our history. Stephen A. Douglas, a great Democrat, refused to accept the Lecompton constitution on the ground that forcing Kansas to enter the Union as a slave State violated the principle of popular sovereignty which he had enunciated. President Buchanan called upon the recalcitrant Senator to recant, threatening him with political extinction if he did not. No Member of Congress, declared Buchanan, had ever been successful in opposing a President of his own party. The Little Giant replied, "Mr. President, General Jackson is dead! "

The threat from the White House was carried into execution. Douglas was deprived of his patronage and removed from the chairmanship of the Committee on Territories-His appointees were dismissed from office; administration papers fiercely attacked him. Although he was about to make his celebrated campaign against Abraham Lincoln, the Senator from Illinois refused to weaken. Instead, he rose from his seat in the Senate and hurled this thunderbolt in the direction of the White House:

the direction of the White House:

I do not recognize the right of the President or his Cabinet, no matter what my respect may be for them, to tell me my duty in the Senate Chamber. The President has his duty to perform under the Constitution, and he is responsible to his constituency. A Senator has his duty to perform under the Constitution, and, according to his oath, he is responsible to the sovereign State he represents as his constituency. A Member of the House of Representatives has his duties under the Constitution and his oath, he is responsible to the people who elected him. The President has no more right to prescribe tests to Senators than Senators have to the President. Suppose we here should attempt to prescribe a test of faith to the President of the United States; would he not rebuke our impertinence and impudence as subversive of the fundamental principle of the Constitution? Would he not is us that the Constitution and his oath and his conscience were his guides; that we must perform our duties and he would perform his and let each be responsible to his own constituency?

Sir, when the time comes that the President of the States to himself, what becomes of the sovereignty of the States? When the time comes that a Senator is to account to the Executive and not to his State, whom does he represent? If the will of my State is one way and the will of the President the other, am I to be told that I must obey the Executive and betray my State, or else told that I must obey the Executive and betray my State, or else told that I must obey the Executive and betray my State, or else told that I must obey the Executive and betray my State, or else told that I must obey the Executive and betray my State, or else told that I must obey the Executive and betray my State, or else told that I must obey the Executive and betray my State, or else told the states and the part of the Constitution?

Attest:

And is every man who holds a petty office in my State to have the question put to him, "Are you Douglas' enemy? If not, your head comes off." Why? "Because he is a recreant Senator; because he chooses to follow his judgment and his conscience, and to represent his State, instead of obeying my Executive behest." I should like to know what is the use of Congresses, what is the use of Senates and Houses of Representatives, when their highest duty is to obey the Executive in disregard of the wishes, rights, and honor of their constituents.

#### EXTENSION OF REMARKS

Mr. DEAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and to include therein a short editorial appearing in one of the daily papers in my district on March 5 of this year paying tribute to the President and his recovery program.

Mr. RICH. Mr. Speaker, reserving the right to object, is that an editorial?

Mr. DEAN. A short editorial; yes. Mr. RICH. Mr. Speaker, I object.

# PERMISSION TO ADDRESS THE HOUSE

Mr. NICHOLS. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

Mr. CULLEN. Mr. Speaker, reserving the right to object, we are very anxious to dispose of the Home Owners' Loan Corporation bill at the earliest possible moment, and I regret to say that we have grown into a practice of granting unanimous consent to various Members to address the House after the business on the Speaker's desk is disposed of. I have no objection ordinarily to those requests, but we find ourselves in the very unhappy position of trying to pass legislation. The Home Owners' Loan Corporation bill is a very important bill and the country is awaiting our action. I was in the hope that the House could dispose of it today in a couple of hours if we devoted our full time and energy to the consideration of the bill; then following that if we have any time left we could bring up the "pink slip" bill. I do not think the Members ought to be making these requests, because in the final analysis it is interfering with the business of the House, and we have now arrived at a period when we are going to be pretty busy considering important legislation.

Mr. NICHOLS. The gentleman has taken more time than I would have taken.

Mr. CULLEN. I have no objection, if the gentleman will bear with me.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. STEAGALL. Mr. Speaker, reserving the right to object, I exceedingly regret that the situation is such that I must insist on going forward with the business at hand. This is something that I have never done as a Member of the House, but as chairman of the committee, I am forced to object to any further interference with pending business.

Mr. NICHOLS. I asked the gentleman for 5 minutes vesterday.

The SPEAKER. Objection is heard.

Under the previous order of the House, the Chair recognizes the gentleman from New Jersey [Mr. Kenney] for 20 minutes.

### A NATIONAL LOTTERY

Mr. KENNEY. Mr. Speaker, it is my privilege to urge upon this House the passage of a great emergency measure. There is important legislation to come up today, and I have been a proponent of home-owners loan legislation; but, in my opinion, the subject of my remarks is also extremely important to the people of our country.

I am not only advocating but I am urging the Membership of this House to take up and pass my bill providing for a national lottery. A national lottery was an issue in my last campaign—made so by the press at least—and returned here, I not only propose a national lottery but I press it. It is a great emergency measure and we have not yet lifted the emergency existing in this country.

I proposed a lottery bill at the last term of the Congress. An emergency existed then. Oh, I can remember the inaugural address of our great President and the call of the Congress to meet in a special session. The banks of the country were closed. Many Members of this House did not

have their transportation fare to the Capital to represent their congressional districts. They were obliged, in the emergency, to go through their districts, some of them, and take up a good, old-fashioned collection. It was partly by such means that our Congress assembled here early in March 1933. The efficacy of small contributions by our citizens was demonstrated.

When the Congress, went into session we passed the Economy Act. That was the measure that instilled confidence in the minds of the people of this country. It showed that we were bound to maintain the credit of the United States and were determined to do so. We decided to and did curtail the ordinary expenses of government. It is true that many were hurt and injured by the Economy Act, and most of all the veterans. They were again called upon by the country to make the greatest sacrifices. That act called for sacrifices, but it had the effect of establishing renewed faith in our Government. Soon the President and Congress realized that too much had been required from the veterans, and it was considered equitable that veterans' allowances reduced by the Economy Act should, so far as possible, be restored.

Relief measures were necessary of enactment in the general distress. The Congress necessarily had to appropriate large sums of money for extraordinary expenditures to carry out the program designed for the relief and economic recovery of our people.

While our expenses were mounting, revenue available from ordinary sources was limited. I was concerned about the situation. It occurred to me that while we were piling up a heavy national debt on one side of the ledger, some means should be found to raise up the Government income on the other side without resorting to further taxation, which the membership of this House will properly agree has become as great a burden as our taxpayers can stand. So I began to look into history a little bit. I had heard so many Members refer on the floor to our forefathers, to the wisdom of the founders of this Republic, and I went to the history books. As a result I came to the conclusion that the lottery was the most ready and effective means of raising revenue in an emergency. Small contributions from our citizens had, in the past, done wonders and were available to the Government in the great national crisis.

First of all it appeared that up to the year 1833, in Pennsylvania alone, 98 lotteries were conducted for the benefit of churches. Twenty-three were Presbyterian, 22 Lutheran, 20 Episcopal, 11 Reform, 5 Calvinist, 3 Roman Catholic, 2 Hebrew, 1 Baptist, and 1 Universalist. Ten of the lotteries were erected for the combined benefit of different denominations.

Many schools and colleges were also beneficiaries of the lottery. It pulled many of them through trying times. And then I came to the way the great Washington met a crisis—and it cannot be gainsaid that he had to deal with emergencies.

When money was scarce and hard to get, the Father of our Country, than whom no greater American has arisen, George Washington, in his wisdom and prudence, resorted to the lottery as a means of raising revenue for the public good.

Washington, on one occasion, was interested in the building of a great military road and to raise the needed money sponsored the Mountain Road Lottery. Here in this House of Representatives at this moment is a reproduction of a ticket used in the lottery signed "G. Washington", the original of which is on file in the Congressional Library, and at this point, Mr. Speaker, I ask unanimous consent to print the ticket in the Record, insofar as it may conform to the rules of the House.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The matter referred to is as follows:

Number 191; 1768. This ticket [no. 191] shall entitle the possessor to whatever prize may happen to be drawn against its number in the Mountain Road Lottery.

G. WASHINGTON.

Congress to meet in a special session. The banks of the country were closed. Many Members of this House did not during the Revolutionary War, when funds were low and

insufficient from ordinary sources to carry on the war, and I found from the Journal of the Continental Congress this provision:

Congress took into consideration the report of the Committee on Ways and Means of supplying the Treasury.

This is from the journal of Friday, November 1, 1776:

Resolved. That a sum of money be raised by way of a lottery for defraying the expenses of the next campaign, the lottery to be drawn in the city of Philadelphia.

I have read this, Mr. Speaker, because if I told this to the House, perhaps it would not be believed, for I have heard some Members here say they did not know anything about a

Again I wondered how Washington convened the Congress of the United States at the first session under the Constitution. By a little research work I discovered that the First Congress had no appropriate place to meet after our independence had been won, and the City of New York invited the Congress to assemble in its City Hall to enact laws for the Nation. Congress accepted the hospitality of New York and met there for the first time.

It involved the outlay of a large amount of money for it was necessary to alter and repair the building and a large deficit existed.

The city of New York could not raise the necessary money from ordinary sources so its officials went to the legislature of the State, for permission to raise the funds to make up the deficit by means of a lottery. Permission was granted, the lottery was had and the city paid its bill.

Again, lest the membership have any doubt I shall read the preamble to chapter 8 of the Laws of the State of New York, in the year 1790. This is the preamble:

Whereas the mayor, aldermen, and commonalty of the city of New York by their petition have represented to the legislature that from a desire to accommodate the Congress of the United States in the most convenient and satisfactory manner they have not only expended in repairing and improving the City Hail such money as has been heretofore raised for this purpose, but are also indebted in the farther sum of 13,000 pounds on this account, a sum far beyond their power to discharge without legislative aid and have prayed that a law might be passed to authorize the raising the said money by one or more lotteries.

Congress later authorized a lottery and there is precedent for such a measure.

When the city of Washington, now the District of Columbia, was being built Congress authorized a lottery for the purpose of supplying the funds for the erection of public

I happened to come into possession of what I believe is the only lottery ticket issued under the act of Congress now extant, and I should like to invite your attention particularly to this ticket.

The lottery ticket bears on its face the eagle, the same insignia found on money of the United States, and in a scroll from the eagle's mouth are engraved the words "National Lottery."

And down here [indicating on ticket] in the left-hand corner you observe the words "By authority of Congress."

That means this Congress, the Congress of the United

This particular lottery was conducted for the purpose of erecting two public-school houses, a penitentiary, and a town hall in the District.

Mr. Speaker, I ask leave to extend my remarks by inserting the ticket in the RECORD so far as it may comply with the rules of the House.

The SPEAKER. Is there objection?

There was no objection.

The matter referred to follows: Sixth Class

\$40,000

NATIONAL LOTTERY NO. 1093 Prize of \$40,000 15,000 10,000 5,000 100 10 100

Highest prize

This ticket will entitle the possessor to such prize as may be drawn to its number, if demanded within 12 months after the completion of the drawing: Subject to a deduction of 15 percent. Payable 60 days after the drawing is finished. Washington City, September 1822.

By authority of Congress.

T. H. GILLISS, Manager.

For erecting two public-school houses, a penitentiary, and town

Mr. KENNEY. Today an emergency still exists, and I should like to read you an excerpt from an editorial appearing in the February issue of National Republic, a magazine of fundamental Americanism:

That a real emergency now exists in the United States, no one in deny. What was painted as one in March 1933 is only a mirage can deny. What was painted as one in M compared to what actually exists today.

In any case, we are confronted with the task of providing more and more funds for the National Treasury, and the point has been reached where we must have additional revenue to meet the ever-growing expenditures. We cannot continue to impose tax upon tax upon the already overburdened taxpayer, and all borrowing must be repaid; if not by us, then by our children, or our children's children.

There is more need now for a lottery than there was a year ago. We have coming here a program of legislation providing for old-age pensions, job insurance, and social security. Then there is the work-relief bill, and coming in very soon the bonus bill. All of these measures combined call for an immense outlay. Our intake should be increased. and can be, and in no way as satisfactorily as by means of a national lottery.

Now, every Member of this House, in my opinion, would like to have the soldiers paid their adjusted-service certificates. If there is any opposition, it is from an angle other than the merit of the case. The bill will come in here next week, but, mind you, we are warned that the President of the United States is going to veto it, and we are also put on notice that the Senate is going to chew it up after we get through with it.

The bill may meet with difficulties which can be avoided. Funds are available for payment of the bonus and for reducing the national debt. If tapped by taking up and passing my lottery bill, there will be no justification for the Senate interfering or for the President of the United States vetoing the bonus bill. I know that the President of the United States is too great an American not to let a bill go through this Congress for a national lottery, and with it we would have a bonus bill that would please everyone, not only the soldiers but the business men of the country, the chambers of commerce, even the National Economy League, which concerns itself not with how you raise the money but the way in which you spend it. Everyone would be pleased, the Nation would be enthused and thrilled.

Mr. BOYLAN. Mr. Speaker, will the gentleman yield? Mr. KENNEY. Yes. Mr. BOYLAN. May I ask the gentleman to give the House

an idea in his opinion of how much money a year we could raise by his proposed lottery?

Mr. KENNEY. I am glad the gentleman inquired as to that. Mr. Donnelly, Assistant Solicitor of the Post Office Department, on August 23, 1932, said:

During the past 2 years not less than a billion dollars have been kept from going out of this country in support of foreign lotteries.

That comes from the Post Office Department, and you will recognize that the years referred to were probably the leanest in the history of the country. Pasted on this sheet which I have here [indicating on sheet foreign lottery tickets] you will see lottery tickets from 30 different countries. It is said that we will not loan any more money to Europe, but we give the countries over there our money by patronizing their lotteries. We are sending money there in large amounts, estimated to be anywhere from two hundred million to five hundred million dollars each year, and, again, according to Mr. Donnelly, half a billion dollars a year is kept from going out of the country. Here is a ready fund to come to the assistance of the Government, a fund which would very likely grow to \$1,000,000,000 a year.

Let me read now an excerpt from a letter I received from Mabel Smith, of Phoenix, Ariz. She approves of a lottery and

First, this kind of tax is voluntary. None needs to buy a coupon who does not desire to. Therefore the curse of direct compulsory taxes is missing. This will appeal to the wealthy income taxpayer. Secondly, this will bring in a large flood of money from those who never paid any income or real-estate taxes and this will mightily please the wealthy class and the Economy League. This money from nontaxpayers will be spent in gambling in some form regardless and nearly all of which is dishonest and the player getting an impossibly small chance, if any.

I find in this section many neonle who are steadily and quietly

I find in this section many people who are steadily and quietly taking foreign coupons, etc. I also find that those who do not gamble, and this includes the writer, would satisfy a normal appearance. tite to take a chance if we could salve our conscience in so doing and doing so in front of our children. To know absolutely that the thing was 100-percent honest would be the next thing I would have to be sure of, and again this would be an absolute fact.

We have done much to protect our people in their investments. We undertook to do this by passing the stock-exchange bill. Other legislation has come before Congress with the same purpose in mind; but we have done nothing to help our people invest in honest lottery tickets. Oh, yes; we have prohibited, but we have not prevented. Lottery tickets, foreign and domestic, are sold in every section of the country. Foreign tickets, yes, and fraudulent lottery tickets operated by dishonest individuals throughout this country. It was shocking the other day to learn that in the city of New York, in the Bronx alone, millions of dollars a year are paid into the lotteries of a private individual.

Mr. YOUNG. Mr. Speaker, will the gentleman yield?

Mr. KENNEY. Yes. Mr. YOUNG. Henry Fielding, a great English author of the eighteenth century, wrote:

A lottery is a taxation on all the fools in creation.

Does not the gentleman believe that a lottery is simply another scheme to soak the poor, that the rich people would not buy lottery tickets, but that the poor people would buy them and pay the taxes?

Mr. KENNEY. The poor people pay for everything, whether lottery tickets or anything else. The gentleman will find today that the poor people on relief are the ones who in normal times sustain this country. If the poor were employed and were able to expend their money for lottery tickets or anything else, the gentleman would find the wheels of industry in this country spinning around. It is only when the poor, who build up our institutions by their nickels and dimes, quarters and dollars, are contributing their money and putting it in circulation that things are going on normally. The lottery of the Government would not be compelled to seek new buyers of tickets to yield vast revenues. Our people everywhere are spending money on lotteries, most of which goes to undesirables or out of the country.

The SPEAKER. The time of the gentleman from New Jersey has expired.

Mr. MERRITT of New York. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. MERRITT of New York. Mr. Speaker, will the gentleman yield?

Mr. KENNEY. Yes.

Mr. MERRITT of New York. Will the gentleman tell me what percentage of the population of the United States have been buying these lottery tickets in the past 2 years?

Mr. KENNEY. Judging from my contacts and information fully 95 percent of the people buy lottery tickets of one kind or another, many of which are fraudulent. Our people are being mulcted by racketeers in fraudulent domestic and foreign lotteries and the foreign lotteries conducted by or under the auspices of other governments are being supported in large part by our citizens who are prevented from participating in an honest and lawful lottery in this country.

Mr. BOYLAN. Mr. Speaker, will the gentleman yield? Mr. KENNEY. I yield.

Mr. BOYLAN. Before the gentleman concludes, would he be good enough to submit copies of these lottery tickets? One I notice is for \$40,000, capital prize, and if you add the numerals of the number on that ticket, it amounts to 13-1 plus 9 plus 3. I should like the gentleman to tell the House whether or not that ticket won the prize.

Mr. KENNEY. That ticket won the prize. [Laughter and applause.] We are here to do rescue work. Let us pass

the lottery bill.

The SPEAKER. The time of the gentleman from New Jersey has again expired.

#### SOPHIE DE SOTA

The SPEAKER laid before the House the following message from the President, which was read by the Clerk:

To the House of Representatives:

In compliance with the request contained in the resolution of the House of Representatives (the Senate concurring) of March 6, 1935, I return herewith H. R. 330, entitled "An act for the relief of Sophie de Sota."

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 6, 1935.

Mr. RUDD. Mr. Speaker, I ask unanimous consent for the immediate consideration of a concurrent resolution, which I send to the desk.

The Clerk read as follows:

#### House Concurrent Resolution 16

Resolved by the House of Representatives (the Senate con-curring), That the action of the Speaker of the House of Repre-sentatives and of the President of the Senate in signing the en-rolled bill (H. R. 330), entitled "An act for the relief of Sophie de Sota", be rescinded, and that in the reenrollment of the said Sota", be rescinded, and that in the recomment of the sale bill the Clerk of the House of Representatives be, and he is hereby, authorized and directed to make the following correction, namely: Strike out the words "de Sota" wherever they appear in said bill and tible and insert in lieu thereof the words "de Soto."

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. Rupp]?

There was no objection.

The concurrent resolution was agreed to. A motion to reconsider was laid on the table.

# ADDITIONAL HOME-MORTGAGE RELIEF

Mr. STEAGALL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 6021) to provide additional home-mortgage relief, to amend the Federal Home Loan Bank Act, the Home Owners' Loan Act of 1933, and the National Housing Act, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 6021, with Mr. Celler in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. The Clerk will read the bill for amend-

The Clerk read as follows:

Be it enacted, etc., That the Federal Home Loan Bank Act, as amended, is amended by striking out the word "three" from the fifth line of paragraph (6) of section 2 thereof, and inserting in lieu thereof the word "four."

Mr. MARTIN of Colorado. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. Martin of Colorado: Page 1, after line 6, insert a new section to read as follows:

"Sec. 2. That section 2 (c) of the Home Owners' Loan Act of 1933 as amended, is amended to read as follows:

"(c) The term "home mortgage" means a first mortgage on real estate, consisting, in the case of rural or suburban property, of not more than 20 acres, in fee simple or on a leasehold (1) under a lease for not less than 99 years which is renewable, or (2) under a lease having a period of not less than 50 years to run from the date mortgage was executed, upon which there is located a dwelling for not more than four families, used by the owner as a home or held by him as his homestead, and having a value not exceeding \$20,000; and the term "first mortgage" includes such

classes of first liens as are commonly given to secure advances on real estate under the laws of the State in which the real estate is located, together with the credit instruments, if any, secured thereby."

Mr. MARTIN of Colorado. Mr. Chairman, I can explain this proposed amendment very briefly. It is simply an amendment to qualify what are called suburban tracts for home loans. It is taken from a bill introduced by me and presented to the Committee on Banking and Currency.

It may not be generally known, but there is a twilight zone in the administration of the home-loan and farm-loan laws. between 2 acres and 20 acres, which are not qualified for either loan. If a tract of land consists of less than 20 acres, it is not considered a farm unit and it is not eligible for a farm loan. If it contains more than 2 acres, the excess above the 2 acres is not considered in the appraisal of the property, no matter what it may be worth. Now, it operates in this way: Suppose a man owns a suburban tract of land consisting of 10 acres. If he wants to refinance it with a home loan, the Home Loan Corporation, as I understand, and I have had some practical experience in this matter, would appraise the home, that is, the house or the residence; it would appraise the garage, it would appraise those improvements which are commonly appurtenant to the home, and 2 acres of ground, and that is all. The other 8 acres would be disregarded no matter how it was improved or what it was worth. If it were improved with an orchard or anything else it would be disregarded. The result would be that the appraisal would not be sufficient to refinance the encumbrance against the property.

I made inquiry, for instance, in my home county, and I was told that there were about 500 suburban tracts which fall within this category or twilight zone. If that were carried out over the State of Colorado, it would amount to perhaps 5,000 such tracts. Nationally it would amount to three or four or five hundred thousand such tracts. I have been told there are hundreds and hundreds of those tracts all around the District of Columbia. They are around every city or town in the country. So I am not presenting anything to you at all that is peculiar to my home town or my home county. There are suburban tracts in every county and around every town in the United States that cannot qualify for either a farm loan or a home loan.

I yield to the gentleman from Georgia.

Mr. COX. I was wondering if the gentleman was not in error in stating that the Home Loan Board had put out a regulation under which land in excess of 2 acres could not be appraised as part of the security for a home loan. Is not the gentleman in error about that?

Mr. MARTIN of Colorado. This amendment was drafted by the legislative counsel, but it was sent to me by the most able home-loan attorney in the State of Colorado. It was based on facts within our common knowledge. This regional home-loan attorney drafted the amendment and sent it down to me. He had turned down these suburban-tract applications because they were not authorized to consider, for purposes of appraisal and valuation, any land surrounding a home, or on which it was located, in excess of 2 acres.

Mr. Chairman, I want it understood that in seeking this amendment I am not criticizing the administration of the home-loan law. I know personally of cases in which I think there have been inequities and injustices, but on the whole I believe it has been of great benefit to the home owners of the country. Speaking for my own State, it has loaned something like \$20,000,000 since the passage of the act in June 1933-\$20,000,000 advanced to home owners who could not have gotten a dollar from any other source. It has been well managed. I have heard no hint of graft or scandal. I am quite sure that such a management would not favor such an amendment as I offer if there were not a real need for it. I am strongly in favor of increasing the capitalization of the Corporation to \$4,750,000,000, as will be proposed by the committee, but the law ought to be clarified or made definite so that these suburban-home tracts are made eligible for loan relief.

Mr. COX. I think the gentleman is in error, because, as I understand the regulations, there is no such regulation imposed by the Board. In other words, if a home should be upon a tract of 100 acres it would still be a home.

Mr. MARTIN of Colorado. Mr. Chairman, I will say to the gentleman that there is nothing definite about this in the law at all. The law is silent. Home acreage is not mentioned in the law. The amendment which would clear up this question at least could not harm anything. They are not doing it now. They are not appraising anything above 2 acres. I do not see any harm in the amendment if the law now permits the loan as the gentleman contends. It would be of great benefit to the owners of thousands and thousands of these suburban tracts all over the country by qualifying these tracts for home loans.

I want to say right now that I hope the House will strike out any limitations of time from the operation of the provision granting the new appropriation. The Home Owners' Loan Corporation did not need any authority from Congress to shut off new applications the 15th of last November. They did not need any authority of Congress to shut off four or five hundred thousand applications, some of which had been pending for a year or more, simply because they had not gotten into the hands of the legal department. They were cut off by an order from the Home Owners' Loan Corporation. If this \$1,500,000,000 becomes exhausted, they can again cut off applications in the same way. I hope the Members will support my amendment.

[Here the gavel fell.]

Mr. MARTIN of Colorado. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute to call attention to the specific language of my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. MARTIN of Colorado. My amendment, as read, seems to be quite a lengthy one, but all it does is to reenact paragraph (c) of section 2 of the Home Loan Act just as it exists right now, except that it inserts these words:

Consisting, in the case of rural or suburban property, of not more than 20 acres.

This is all the change it makes. I think the chairman of the committee knows that all the change my amendment makes in existing law is in the definition of the term "home mortgage"; where it says "the term 'home mortgage' means a first mortgage on real estate in fee simple", then I add these words:

Consisting, in the case of rural or suburban property, of not more than 20 acres.

Otherwise it is the law as it exists right now. As I say, the only change my amendment makes in this law is to qualify hundreds of thousands of these suburban tracts for home loans.

[Here the gavel fell.]

Mr. STEAGALL. Mr. Chairman, the last statement of the gentleman would seem sufficient to cause very serious consideration of this amendment before its adoption. The total number of applications for loans that have been granted by the Home Owners' Loan Corporation down to this time, or the beginning of this year, amounted to only 800,000. We are told that if this amendment is adopted there will be hundreds of thousands of applicants under the new provision.

Mr. MARTIN of Colorado. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. MARTIN of Colorado. I said there were hundreds of thousands of such tracts. Of course, I cannot tell what percentage of the owners of such tracts would want to take advantage of the Home Loan Act.

Mr. STEAGALL. If we are to assume that the cases are as numerous and as meritorious as the gentleman has indicated, it would necessitate reconsideration and complete revamping of this legislation. This bill has been worked out upon a basis of the rules, regulations, and provisions of the

law as they have obtained down to this time, and if we open up the Corporation to applications of the type provided for in this amendment, it would be necessary to establish large additional funds to take care of the new applications.

I am not aware that any arbitrary rule has been fixed setting a limit to the acreage surrounding a suburban home that might be considered in the valuation basis for loans by the Home Owners' Loan Corporation; but, in any event, this provision, if adopted, would make it possible for applicants to utilize farm lands and their values as distinguished from a home and its appurtenances used for the purpose of a domicile and the shelter of a family. It would invite loans upon a new basis foreign to the purpose of the law and foreign to the uses contemplated of funds appropriated. It seems to me that it would be susceptible of grave abuse. Farm lands are provided for already by legislation now in existence.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. JOHNSON of Oklahoma. If the H. O. L. C. had not adopted and carried out a policy of lending so much money to the large insurance companies and to the great building-and-loan associations rather than to the distressed home owners, does not the gentleman feel it would now have sufficient money to take care of just such cases as the gentleman from Colorado has in mind in offering the pending amendment?

Mr. STEAGALL. The gentleman, of course, invites me into a discussion that is not quite pertinent to the amendment under consideration.

He directs my attention to the general policy of the Board in administering funds provided by the Home Owners' Loan Corporation. This matter has been discussed at length in general debate, and I thought it had been made clear that the granting of applications by the Home Owners' Loan Corporation Board has been done with consideration directed to the distressed home owner, and only in very limited and rare cases were loans granted in the case of institutions for the relief of general conditions.

[Here the gavel fell.]

Mr. STEAGALL. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. COX. Will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Georgia.
Mr. COX. Mr. Chairman, I should like to call the attention
of the gentleman to the fact that a joint committee has been
set up by the Farm Credit Administration and the Home
Owners' Loan Corporation, which deals with just such cases
as are aimed at in the amendment offered by the gentleman
from Colorado to the bill. It has been stated to me by Mr.
Fahey, Chairman of the Home Owners' Loan Corporation,
that there are no cases which cannot be handled under these
regulations.

Mr. STEAGALL. There is no question that they will be taken care of in one of the two systems, either by farmloan agencies or by the Home Owners' Loan Corporation.

Mr. MARTIN of Colorado. They are not taken care of.

Mr. COX. There is admitted to be a weakness in the farmcredit law, and it is understood to ask Congress at the present session for an amendment whereby no such complaint as is made by the gentleman from Colorado will arise.

Mr. STEAGALL. May I say that I do not mean to deny any statement of fact which the gentleman from Colorado makes. I undertake to say that the law at present provides for taking care of such applications in one system or the other

Mr. MARTIN of Colorado. But neither system takes care of them and will not take care of them unless the law is amended.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado [Mr. MARTIN].

The question was taken; and on a division (demanded by Mr. Martin of Colorado) there were—ayes 45, noes 58.

So the amendment was rejected.

Mr. THOMASON. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. Thomason: On page 1, line 6, strike out the word "four" and insert in lieu thereof the word "eight."

Mr. THOMASON. Mr. Chairman, Congress has taken care of nearly every class of distressed debtors except the owners of small apartment houses. I should like to say a word for the owners of small apartment houses all over the country.

The Farm Credit Administration has loaned millions on the farms and ranches in every State of the Union. The H. O. L. C. has done a fine work, in my opinion, in connection with the loans on residences, and the R. F. C. has been looking after the industrial loans. But I undertake to say there is not a Member of this House who does not have some people in his district, especially if he comes from a small town or city, who does not have some fine people who own apartment houses and cannot get their mortgages refinanced anywhere. I know in my own city of El Paso many worthy people, including railroad men, widows, veterans, people who perhaps went to the Southwest for their health, who had a few thousand dollars they did not know what to do with. and they bought a piece of land in a desirable section of the city or near some good school or railroad shops or something of that sort, and built a small apartment house costing some \$30,000 or \$40,000. I want it understood I am not speaking for the big hotels or the big apartment houses in the large cities or on behalf of promoters or sellers of wildcat stocks. I am speaking in behalf of the little man who put his life savings in one of these small apartment houses and he, his wife, and his children, if he has any, are living in one of the apartments. The property is their homestead, and the only one they have. It is the only home they have. They had hoped the rents from the apartment would not only pay off the debt they owed but would also provide them with something to live on in their old age.

Mr. Chairman, I have personal knowledge of the situation in my own city. They have tried in vain to get their debts refinanced anywhere. Private mortgage, as well as building-and-loan companies, have turned them down. Government agencies say they are ineligible. Now, what damage or harm can come, if it is in truth a homestead and the security is ample? A little man has put his savings into that kind of property—perhaps twenty, thirty, or forty thousand dollars, and now is being foreclosed upon. I say he is entitled to relief. I have tried every one of these agencies, and you cannot get a loan of this kind. Such an individual is not eligible in any other class of legislation that we have passed.

Mr. RANDOLPH. Will the gentleman yield?

Mr. THOMASON. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. I am in agreement with the gentleman, and for this further reason: When we do not give that class of people relief we place a penalty upon them.

Mr. THOMASON. You not only do that, but there is no agency to which they can apply. If it is good for the property owner who has three or four familes in his apartments, why is it not good for an apartment house with eight families? I should like to make it 12 or 20, if it is some good citizen who has put his life savings into that kind of property.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. THOMASON. I yield to the gentleman from New York

Mr. FITZPATRICK. If the amendment offered by the gentleman is adopted, will it do what he is advocating?

Mr. THOMASON. Yes; it will give the owner of an 8-apartment property the same opportunity for a loan as the 4-apartment man. I should like to make it at least 12, but I know it would not be adopted.

Mr. ELLENBOGEN. Will the gentleman yield?

Mr. ELLENBOGEN. I am in accord with the gentleman, but I should like to call the attention of the Members to the fact that the gentleman's amendment is not an amendment of the Home Owners' Loan Corporation Act, but an amendment to the Home Loan Bank Act.

Mr. THOMASON. I do not care which act makes that class eligible. Right now they cannot get a loan anywhere from any agency that the Government has set up. I am going to try out everything until these deserving people get relief. I want to see more loans on small homes and apartments that are actually used, occupied, and enjoyed by good, honest, home-loving people who have their all tied up in such property. They are the backbone of the country and will do anything in reason to save their homes. It is our duty to look after them first.

Mr. ELLENBOGEN. I am in accord with the gentleman, but I want to say to my colleague that this would not mean the expenditure of any Federal money, but would only affect the matter of eligibility.

Mr. THOMASON. It just means that such a man would be eligible to go somewhere and borrow some money. Make these people eligible and I will take my chances on getting some loans.

Mr. DUNN of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. I yield.

Mr. DUNN of Pennsylvania. I agree entirely with what the gentleman has said, and I maintain that everything he has said about the small apartment owner is true.

Mr. THOMASON. As I have said, I am not speaking for the big apartment owner, but this is a meritorious amendment and I hope the committee will adopt it. Hundreds of loans have been made to the big fellows with fine, palatial homes costing forty or fifty thousand dollars. I do not approve of many of those loans. Much of the criticism of this class of loans has been deserved. It is neither fair nor just to make this kind of loan when right across the street is some small apartment owner about to be kicked out into that same street.

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, let me show how illogical the amendment of the gentleman from Texas is. The gentleman offers this amendment to the provision of the bill on page 1, which seeks to amend the Federal Home Loan Bank Act. The Federal home-loan system bears the same relation to the thrift and building-and-loan associations in this country as does the Federal Reserve System to the national banks in the set-up of the Federal home-loan bank system, which was created in 1932.

This bill defines what paper or what mortgages shall be eligible and it has limited the size to those buildings that do not exceed apartments for four families. The amendment offered by the gentleman from Texas seeks to raise the number from 4 to 8.

The gentleman does not accomplish any good whatsoever, neither does he accomplish the purpose that I believe he has in mind with his amendment, for all that the amendment seeks to do is to raise the amount and increase the unit number of the property behind the mortgages that shall be eligible for discount by the Federal home-loan bank system. Consequently, he is not going to get any Federal funds for this purpose. All that he does is to change the Federal home-loan bank discount system on mortgages so as to inflict a penalty upon the building-andloan associations of the country, and compel them, if he could, to make loans on larger properties on which they probably do not now loan.

The primary function of the building-and-loan association is to inspire and induce people to become home owners; not investors and not people who build 8, 10, and 12 apartment buildings as an investment; and what this amendment seeks to do is nothing more than to alter the Federal home-

Mr. THOMASON. I yield to the gentleman from Penn- | loan bank system set-up so as to inflict a penalty upon and enlarge the scope of the building-and-loan associations that are scattered from one end of the country to the other, and the gentleman would not get a dollar for the purpose he has in mind.

> I do not believe it is necessary to say anything further about the illogical tenor of the amendment insofar as it applies to section 1 of the bill.

> Mr. ELLENBOGEN. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman.

Mr. ELLENBOGEN. The gentleman is correct in saying that this would not change the Home Owners' Loan Act, but it would do some good. It would permit such financial institutions as building-and-loan associations and similar institutions-

Mr. DIRKSEN. It would not do any good there.

Mr. ELLENBOGEN. Yes; it would, if they had mortgages on apartment buildings up to eight apartments they could then deposit such mortgages with the Home Loan banks and obtain a loan on the security of such collateral and for this reason I believe the gentleman is mistaken in saying it will do no good.

Mr. DIRKSEN. It only confers a discount privilege on these mortgages, but the building-and-loan associations are not compelled to take them, nor to make such loans in the first instance. A mortgage on such a property cannot be rediscounted by the Federal home-loan bank system unless first made by a lending institution.

Mr. ELLENBOGEN. But it does give them the right to exercise their choice or their discretion in the matter.

Mr. THOMASON. Let me say to the gentleman that this is not to promote new buildings, this is to try to save the fellow who has a little apartment house and is about to lose it, and the amendment just makes such paper eligible for discount.

Mr. DIRKSEN. I may say to the gentleman from Texas that he fails in his purpose there, because there is nothing mandatory in the law to compel building-and-loan associations to make such mortgages. So the amendment falls on barren ground and should be voted down by the committee.

Mr. KELLER. If the proposed amendment does not achieve the purpose which the gentleman has in mind, how can such purpose be achieved?

Mr. DIRKSEN. You can add it as an amendment to one of the sections with respect to the Home Owners' Loan amendment; but why seek to penalize and overthrow the set-up of building-and-loan associations in this country that are devoted almost entirely and exclusively to the propagation of thrift, as well as the purpose of home ownership?

Mr. KELLER. We are trying to save homes.

Mr. DIRKSEN. Yes; but you are amending the wrong section of the bill, because this refers to the Federal homeloan bank system.

Mr. KELLER. Why does not the gentleman challenge the amendment under the rules?

Mr. DIRKSEN. I am only telling the gentleman his amendment is entirely illogical to this section of the bill.

Mr. THOMASON. I will take my chances on that. [Here the gavel fell.]

Mr. REILLY. Mr. Chairman, I move to strike out the last

Mr. STEAGALL. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. REILLY. Mr. Chairman, the argument presented by the gentleman from Illinois, who is a member of the committee, is right to the point. You cannot affect the building-and-loan organizations by asking them to lend their money on eight apartment buildings. The building-and-loan associations are designed to help those who build homes and not apartment houses. Under existing law, if a man has two homes mortgaged and is in danger of losing them, he can only get relief with respect to one home, the one in

care of men who have money enough to build apartment

All of this legislation is designed to protect the home owner, and as the law now stands three apartment buildings are acceptable for discount. The pending bill raises this limit to four apartment buildings to make it conform to the Home Owners' Loan Act, as well as the Housing Act; and to adopt the amendment of the gentleman from Texas [Mr. THOMASON] would disorganize and throw the whole scheme

It may be all right to get up here and make a plea for the poor fellows who have put their money in an eight-room apartment house, but they are not the people contemplated to be relieved and assisted by this kind of legislation.

Perhaps we may later on pass laws to take care of all the people who may own all kinds of buildings, but at the present time Congress has passed legislation to take care of home owners for three apartments, where the man lives in it; but it does not contemplate taking care of more than that. I hope the amendment will be defeated.

Mr. CROSS of Texas. Will the gentleman yield?

Mr. REILLY. I yield.

Mr. CROSS of Texas. If it is logical to adopt this amendment, then it would be logical to adopt an amendment where he has several houses. My colleague is correct.

Mr. THOMASON. But he could not live in but one house. Mr. CROSS of Texas. He could live in any one of the separate houses.

Mr. THOMASON. He has to live in the homestead, and these people live in the apartment house, which represents all they have in the world.

The CHAIRMAN. The question is on the amendment of the gentleman from Texas [Mr. Thomason].

The question was taken; and on a division (demanded by Mr. Thomason) there were 45 ayes and 109 noes.

So the amendment was rejected.

Mr. COCHRAN. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I hope I do not have to vote for this bill in the form it comes from the committee. If I understand this bill, no additional applications are going to be accepted by the Home Owners' Loan Corporation. Only applications now on file can be considered. It provides that \$1,500,000,000 additional bonds can be issued. When they stopped accepting applications, they had \$800,000,000 remaining and \$1,800,000,000 in applications pending. They will need approximately \$1,000,000,000 to take care of the applications now in the various offices.

Now, if you are going to stop accepting applications, why did you give them \$500,000,000 more than is necessary?

The original law provides that until the distress period is reached the home owner cannot apply for a loan. In other words, he cannot apply until he is in distress. There are hundreds of thousands of people in this country who could not apply for a loan because they were not in distress but who are in distress today.

Are they not entitled to have their day as well as those whose loans expired a year ago? It is not fair to cut them out

This is the best legislation that has been passed by the Democratic Party since it has been in control, and by this bill you are going to undo all that you have done.

When the time comes, I am going to move to amend section 9 if no member of the committee does. That is the section that has the provision "only applications heretofore filed can be considered." It also carries the provision for the issuance of \$1,500,000,000 additional in bonds.

Not only shall I move to provide for acceptance of new applications but I am also going to move to increase the amount for new bonds to \$2,500,000,000. There is no reason in the world why we should not continue to help the people who cannot borrow money from any other source and save their homes for them.

I come from a big city-St. Louis. The banks of my city will not loan money to home owners. To get into a building-and-loan association one must have money, and the

which he lives. We cannot set up an institution here to take | people I refer to have not the money necessary to get into a building-and-loan association, nor have they money to pay their taxes.

> If you want to make a Bolshevik out of a citizen of this country, just take away from him his life savings which are invested in the home. He has denied himself and family many pleasures in order to put money in a home. He is honest and will pay the loan.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. Yes; I yield to the gentleman from Georgia.

Mr. COX. I have heard it stated that the committee had voted favorably on offering an amendment to receive applications for 60 days after the passage of this law.

Mr. COCHRAN. That will not satisfy me. Make it the rest of the year, not 60 days, and I shall vote for the amendment. If it is for less, I shall move to amend it to make it at least 6 months.

Mr. COX. Also that the committee agreed to increase the amount by a quarter of a billion dollars.

Mr. COCHRAN. That, likewise, is not sufficient. If you do not do it now, you will before we adjourn. I want to see the people who have not had an opportunity up to now get a chance to save their homes, people whose distress period has arrived since they stopped accepting applications and others who will soon be in distress. They are entitled to

This is a good law, and I beg of you not to stop it at this time.

I introduced an amendment the opening day of the session providing for authority to issue \$3,000,000,000 additional bonds.

This is a bill that should have been passed the first week of this Congress. It should not have been delayed until now, 2 months after we have been in session. The committee should have brought in this bill in order to save the homes of many people of this country, and we would have done that very thing if we had brought it in the first week of Congress.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from New York, whose voice has been raised almost daily appealing for early consideration of this legislation.

Mr. FITZPATRICK. Does the gentleman believe that this amount should be raised to two and a half billion dollars?

Mr. COCHRAN. Absolutely; and we could do that without doing any harm to anyone. We do not take money out of the Treasury. We simply issue bonds and get the best security in the world as collateral.

Mr. FITZPATRICK. And they should continue to receive applications during the rest of this year?

Mr. COCHRAN. Absolutely, to continue not only the rest of the year but until the banks and private interests are ready again to finance homes, by loaning money to renew outstanding indebtedness.

Mr. FITZPATRICK. There are thousands of people today who cannot pay their taxes or assessments who were all right a year ago.

Mr. COCHRAN. Not thousands, but hundreds of thousands are in that position and need help.

Mr. HEALEY. Mr. Chairman, will the gentleman yield? Mr. COCHRAN. Yes.

Mr. HEALEY. Is it not a fact that the banks have since started foreclosure proceedings on many of the homes of persons whose applications are now in the Home Loan office.

Mr. COCHRAN. I cannot answer whether the banks have started proceedings or not, but I know that individuals have. You can stop them by amending this bill when section 9 is reached. [Applause.]

Mr. ELLENBOGEN. I am in full accord with the gentleman, and I hope the House will agree with him.

Mr. HANCOCK of North Carolina. Mr. Chairman, I rise in opposition to the pro forma amendment. We have come to the crux of this whole situation, and we may as well settle it right now. In the words of the Scriptures, "Come, let us | home financing directly by the Government. Do not forget reason together." The committee plans to offer an amendment which will greatly liberalize section 9 of the bill as it is now written. The present section provides for applications heretofore filed, and so forth. After the word "filed" the committee would offer an amendment something like

And for applicants who in good faith have heretofore sought relief of the Corporation.

Any person who had sought relief of the Corporation would be able within 60 days after the effective date of this law to have his application acted upon by the Corporation. In addition to that, this amendment will increase the authorized bond issue \$250,000,000, making a total of \$4,750,000,000.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. HANCOCK of North Carolina. Yes.

Mr. FITZPATRICK. How about the man who has not made application at the present time. Under the proposed amendment would he get relief?

Mr. HANCOCK of North Carolina. He would not get relief unless he had in good faith sought relief of the Corporation. Mr. FITZPATRICK. Previous to the enactment of this

Mr. HANCOCK of North Carolina. Under the terms of that language it would not be necessary that he actually filed an application.

Mr. FITZPATRICK. But he must have sought relief previous to the enactment of the law.

Mr. HANCOCK of North Carolina. He must have made some effort in good faith to secure relief of the Corporation.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. HANCOCK of North Carolina. Yes.

Mr. COX. Seriously, does the gentleman and his committee believe such an amendment means anything?

Mr. HANCOCK of North Carolina. We believe it does. I am satisfied it leaves it largely discretionary with the Board.

Mr. COX. Does it not mean that no distressed home owner in this country will have the slightest chance of obtaining a loan unless he filed his application prior to November 13. 1934?

Mr. HANCOCK of North Carolina. I do not think that is a true statement or a proper interpretation of this amendment; and if it would not take care of those who had in good faith sought relief of the Corporation, I would not vote for it. I do not believe in gestures or efforts to mislead. Nothing could be more cruel than to arouse a false hope in the breast of a distressed home owner.

Mr. COX. Will the gentleman tell the committee what one would have to do to show that he had heretofore in good faith sought to obtain relief from the Home Owners' Loan Corporation?

Mr. HANCOCK of North Carolina. All he would have to do would be to present a letter or other evidence showing that he had written to any State agency asking information about taking care of his loan or made inquiry of some person connected with the Corporation looking to securing relief.

Mr. COX. Would he not have to show that he had actually filed an application?

Mr. HANCOCK of North Carolina. Certainly not.

Now, let me tell you I am as much interested in the distressed home owner as any man in this House. My record will prove it. I have been actively engaged in trying to fabricate every piece of legislation that has been brought in during this emergency period to assist home owners. There is no citizen in America, in my opinion, who is entitled to more consideration than a distressed home owner; but remember, they have had 18 months within which to file applications. Do you know that a week before the stop order was issued there were only approximately 6,000 applications filed? It is the judgment of the Board, with whom we have discussed this matter, that under this amendment every eligible worthy person who sought relief would be protected in his home ownership. We know that the time must come, and it must come quickly, when we must call a halt on this question of

that the big lending institutions are feasting on this

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. HANCOCK] has expired.

Mr. WOLCOTT. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I know the committee has given very sober and serious thought to the situation which confronts the administration and the country with reference to further relief for home owners who are in distress, but I cannot agree with my own committee in the action which it has taken in confining this relief to persons who, in good faith, prior to the date this amendment takes effect, sought relief under this act. I know there are thousands who were shut off on November 14 from filing applications for relief. They took the Home Owners' Loan Corporation at its word when it published the fact that it was going to receive no more applications. In consequence of this, these people did not apply for relief. How in the world the Home Owners' Loan Corporation or the Home Loan Board or any other agency can be left to interpret what was in the mind of each individual who might have otherwise applied for relief I do not know, and I do not believe any other Member of this House knows

As a substitute for the committee amendment which has been read, I propose, by amendment or substitution, to open the door for the receipt of applications for at least 60 days so that no one will be shut off-and I am not so sure but that we should go even beyond that, but I am willing to go along with the administration and keep it down to 60 daysand that the sum should be raised by at least \$500,000,000. So my substitute to the committee amendment will be that we open the door in order that we may receive new applications for at least 60 days, and that the amount be raised to \$5,000,000,000, which will raise the amount immediately available for loaning purposes \$2,000,000,000.

Mr. REILLY. Will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. REILLY. Does the gentleman believe there was any distressed mortgagor in this country who had not made preparation to ask for a loan from the Government?

Mr. WOLCOTT. Oh, yes; I believe there were thousands of them who had been hanging on by the skin of their teeth. They were hanging on because they had a sense of pride and they hoped they would be able to take care of their own obligations without help by the Government. Now they have used up all of their reserves and they find themselves in distress, and they have to go to their Government because they can go nowhere else for this relief.

Mr. HANCOCK of North Carolina. Will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. HANCOCK of North Carolina. Does not the gentleman believe there are a million mortgagors in America today who would like to put their mortgage in Uncle Sam's lap?

Mr. WOLCOTT. I do not doubt that in the least, but there are certain restrictions placed upon the eligibility of this paper. In the first place, he must have been in involuntary default under the act previous to June 13, 1933; but if he were not in default on that date, he must prove to the satisfaction of the Home Owners' Loan Board one of three things—that he is in default since then by reason of an economic condition, by reason of misfortune, or by reason of unemployment beyond the control of the applicant. There are these three limitations. Therefore, there is a limitation placed upon the number of applications which the Corporation can consider.

Based upon the number of applications which were coming in when they arbitrarily and summarily shut the door on November 14, assuming that they continued at that rate, and in 60 days' time all of those who would have applied in the interim would make application, there would be 72,000 applications, based upon the fact that they were coming in at that time at the rate of 6,000 a week. There would be 72,000 applications. The average loan is for \$3,000. So we have to increase the amount in order that this relief may be granted.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. Wolcott] has expired.

Mr. MEAD. Mr. Chairman, I rise in opposition to the proforma amendment.

Mr. Chairman, I come from a State where there were located the greatest number of distressed mortgages in America, and perhaps in the world. I am therefore constrained to agree with my colleague from Michigan IMr. Wolcottl, who has just addressed you, and to oppose the amendment which will be proposed by the committee.

The gross home-loan applications in our State, either closed or undergoing examination, total 134,628.

As of February 23, in New York State, the loans approved number 74,466 in the amount of \$385,733,880. The closings completed amounted to 63,146 in the amount of \$326,720,242. Of the gross applications of 134,628, about 35,000 have been rejected.

They are now proceeding to close the balance and estimate the total closings, when the work is completed and provided no further applications should be accepted, as approximately 100,000 loans.

In view of the excellent work that is being accomplished in our State by this splendid agency of the Federal Government, I believe that specific and determined authority ought to be implied in the amendment so that there will be no questions as to the rights of the applicant. In other words, if we increase the loaning facilities of this agency, we ought to accept applications, new and old, for a specific stated time. Then there would be no question of the interpretation of the amendment by the agency; the meaning of the Congress would be clear and final.

While I am talking about this agency in New York State I want to say that although it was cautious and perhaps a little hesitant in getting under way, it is an example, and a splendid example of the efficient operation of a governmental activity. There is in charge of the agency in the State of New York a man by the name of Vincent Dailey who has given an excellent account of himself. He has prevented partisan politics from being a consideration in any case in connection with applications for home loans.

He has gone so far as to dismiss employees who in any way, directly or indirectly, developed the partisan aspect of any case.

On yesterday the distinguished minority leader took the floor to say that there were no closings in his community until 3 weeks before election. The minority leader and myself were in agreement in speeding up the work of this agency in our State. We all felt that it was a little cautious in getting started. A review of the record, however, indicates that while they were a little slower in the north counties than they were in the larger cities it was due in large part to the inadequate facilities and services that could be secured to bring about the consents and the closings in that section of the country.

I recall as early as last June an organization was sent into Oswego County to expedite closings in this particular work; and the excellent quality of the work and the great number of closings accomplished by the Home Owners' Loan Corporation in Oswego and adjacent communities brought about the editorial praise of the newspapers in that district. The record as it applies to the Thirty-first Congressional District, represented so ably in the House by our genial colleague the gentleman from Potsdam [Mr. SNELL], is also worthy of mention. The Corporation began closings there in July of 1934 when 44 closings were effected; 64 closings were effected in August, 86 in September, 116 in October, and 161 in November before election. Today there are 311 closings in all in the Thirty-first Congressional District. While I will agree that they were slow in starting, that was due to the inadequate facilities and personnel necessary in order to bring about consents and approvals in that particular territory. We can well be proud of this agency in our State. It has In the service of the Home Owners' Loan Corporation in our State politics never have interfered with the orderly management of this Federal agency. Home owners have always been extended the right to select their own insurance broker or insurance company. The selection of companies to prepare the abstracts of titles has likewise been absolutely free from partisan consideration. The only real, substantial criticism which may have been directed against the agency in our State is the fact that they could not, because of the shortage of funds, accept all of the applications submitted to them.

I am happy to be able to testify to the splendid record established by the H. O. L. C. in the Empire State. We have in Messrs. Laporte and Dailey two capable public servants, and they have in turn surrounded themselves with a capable and efficient staff. Altogether they have accomplished a great deal for our people and our State, and with the passage of this bill the people of the Empire State can look for a continuation of this excellent service.

[Here the gavel fell.]

Mr. SIROVICH. Mr. Chairman, I rise in opposition to the pro forma amendment. Mr. Chairman, the preservation of life and the protection of the home should be the fundamental concepts of all civilized society. The home is the foundation upon which the superstructure of all government is reared. The home is the institution where the father is the leader, the mother the coleader, and the children the subjects. What is more sacred, more sublime, more noble, more lovable in all our memories than the home? The home should be the symbol of unity, harmony, love, cooperation, and mutual respect. The progeny of every family is imitative in character, disposition, and temperament. As go the parents, so go the children. As go the children, so goes the home. As goes the home, so goes the nation, civilization, and the world. Destroy the home and you destroy society, civilization, and everything that goes with it.

What are the factors that should preserve every American home? First, child-welfare legislation that protects the health, vigor, and vitality of the youth of our country. Second, we must give economic security to all men and women who are willing to work in order to earn a livelihood and support those who are dependent upon them. Third, we must provide, through unemployment insurance, for those who are derelicts and driftwood of economic injustice and who find themselves the tragic victims of hunger, penury, and want. Fourth, we must protect our old mothers and fathers, who have given their all upon the altar of service to our country in times of peace. We must look after their health, happiness, and contentment through old-age pensions when they are no longer able to work in the quarries of life. Fifth, high and above everything else, to secure these blessings that I have enumerated we must pass legislation that will preserve and conserve the home, which is the foundation upon which all society must rest.

In every home, be it in a large city or town, on the plains, in the valleys or on the mountain sides, there is a little inscription upon the humble walls which inspires us to nobler and higher aspirations. This sentiment reads "God bless our home" or "Be it ever so humble, there's no place like home."

This Republic should never destroy the faith or hope in our institutions through the destruction of the home. The bill that is now being considered before the House of Representatives is one that provides for additional home-mortgage relief.

This bill is designed to liberalize and humanize the Federal Home Loan Bank Act, by bringing assistance in their great hour of need to the tragic victims of our economic depression, by enabling individual home mortgage borrowers to be assisted in the preservation and protection of all they have left in life—their home, hearth, and fireside.

about consents and approvals in that particular territory.

We can well be proud of this agency in our State. It has established a fine record. It should be continued. IApplause.]

hour of need and stand behind him until the clouds of the heard him on the floor make speeches on that question. economic depression pass away and the sunshine of prosperity

The Home Owners' Loan Corporation, which is doing such wonderful work for the benefit of the people of the United States, has received applications from over 1,700,000 home owners. It will necessitate, besides the \$2,000,000,000 that have already been appropriated, an additional two or three billion dollars to adequately serve all eligible applicants who are crying pitifully to protect their investments and their homes. I shall gladly, loyally, and happily support such constructive legislation that will protect the homes of our American citizens.

Mr. Chairman, the report of operations for the week ending February 28, 1935, of the Home Owners' Loan Corporation of New York State is one of the most brilliant records of accomplishment and achievement in the preservation and protection of the home. Up to the present moment we have had 134,629 applications. Preliminary appraisals completed to date are 126,701. Mortgagees consents obtained to date, 107,446. Final appraisals completed, 88,074. The total loans approved up to the 1st of March are \$386,540,400. This means a record unsurpassed and never equaled in any nation of the world or in any State of our Union.

The gentleman who is responsible for this magnificent contribution to the service of the people of our State, and who enjoys the respect and esteem of the men and women whom he has helped in their desperate and tragic hour of need, is none other than the State manager of the Home Owners' Loan Corporation of New York State, Hon. Vincent

This eminent and scholarly gentleman was graduated from Georgetown University with distinction and honor. He is a brilliant journalist, a successful business man and merchant, and an intellectual student of social and economic problems. Next to our gifted and versatile State and National chairman, James A. Farley, he is the outstanding Democratic leader of our party in the State of New York. Genial, generous, gracious, he is honored, loved, and respected by everyone irrespective of political partisanship. It is a great privilege and pleasure for me to pay the tribute of my homage and respect to this modest, unassuming, thoughtful public servant for his devotion to his ideals and for the patriotic service he has rendered in making the Home Owners' Loan Corporation the outstanding agency of relief and the model for every other State to emulate.

Mr. Chairman, I would be remiss in my duties as a Member of this House if I failed to pay tribute to the loyal, outstanding, and efficient services rendered by the Hon. Dan Skilling, former deputy in the Home Owners' Loan Corporation, Mr. Ward, the present supervisor under Mr. Dailey, as well as the entire staff and personnel, for their indefatigable and persevering work, for their sympathetic and humane cooperation rendered to the citizens of New York who sought their advice, aid, and cooperation in preserving intact their life savings, symbolized in the preservation of their homes. Mr. Chairman, come what may, legislate as we will, let us remember that which we should never forget, the American home must be preserved. [Applause.]

[Here the gavel fell.]

Mr. CULKIN. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CULKIN. Will the gentleman yield?

Mr. SIROVICH. I yield to the gentleman from New York. Mr. CULKIN. The gentleman from New York has eulogized Mr. Dailey, chairman of the New York State Democratic Committee, who, I am informed, has been appointing Democrats from top to bottom in this service. I assume there is no question about that proposition.

Mr. SIROVICH. I question and challenge the accuracy of that statement.

Mr. CULKIN. The gentleman is advocating civil service, I assume. I have seen statements in the press and have

Does not the gentleman think that better service would be rendered and men better equipped to serve the public in this organization if this whole proposition was under civil service and let the chips politically fall where they may?

[Here the gavel fell.]

Mr. SIROVICH. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes to answer the gentleman's question.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SIROVICH. Mr. Chairman, the Home Owners' Loan bill that was originally drafted and which is in the documentary archives of our building was a bill I drafted and which Mr. Luce, who was ranking member of the Committee on Banking and Currency, took and used in preparing the present Home Owners' Loan Corporation bill. When that bill came before the House I voted that all men and women working under the Home Owners' Loan Corporation should take a competitive civil-service examination. I was then an advocate of the merit system. I am today an exponent of that same principle. But it was a Republican organization that had elected Herbert Hoover as President of the United States. He appointed Franklin Fort and other members who organized the personnel of the Home Owners' Loan Corporation, who failed to provide a civil-service status for these men and women now working in the various offices of the Home Owners' Loan Corporation. Personally, I am in favor of every man and woman in the departments taking a competitive civil-service examination and taking politics out of every appointment, thereby enabling Members of Congress to do their work as Members should instead of looking for jobs for their constituents. [Applause.]

Mr. MEAD. Will the gentleman yield?

Mr. SIROVICH. I yield to the gentleman from New York. Mr. MEAD. I would like to know from my distinguished colleague, the gentleman from New York, if the civil-service proposal of his would also extend to the agents of the Farm Loan Board, all of whom are Republicans in the State of New York?

Mr. SIROVICH. For the benefit of my dear friend and colleague, the Chairman of the Committee on the Post Office and Post Roads, James Mead, I would like to say that I am in favor of extending the civil service to Republicans and Democrats alike in every job of the Government of the United States. For the benefit of the gentleman from New York [Mr. Culkin], for whom I have great admiration, I desire to state that when the hearings of the Civil Service Subcommittee, of which I have the honor to be chairman, will be completed. I shall recommend a noncompetitive civilservice examination for everyone who now holds office to give them all a civil-service status and to protect them in the security of their positions. This has been the principle that has operated for the past 52 years, in every Republican and Democratic administration.

[Here the gavel fell.]

Mr. SISSON. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 2 additional minutes. The CHAIRMAN. Is there objection to the request of

the gentleman from New York?

There was no objection. Mr. SISSON. Will the gentleman yield?

Mr. SIROVICH. I yield to the gentleman from New York. Mr. SISSON. I want to ask the distinguished gentleman from New York, whose sentiments regarding the civil service I admire as much as does the other gentleman from New York [Mr. Culkin], if in his answer to the question propounded by the gentleman from New York [Mr. CULKIN] he would qualify it by saying that he would not allow the civil service to apply in the same way that the Republican Party did, which blanketed tens of thousands of employees in the service of the Government without a civil-service examination and then built a civil-service wall around them?

Mr. SIROVICH. To answer the distinguished gentleman, may I say that so long as the Republicans have been filling

their respective positions as Republicans without civil service I think the Democrats should be entitled to do the same, although I believe in the merit system.

I sincerely hope and trust that the day is not far distant when men and women willing to render public service as a career will find their hopes and aspirations realized by taking a competitive civil-service examination where merit shall prevail and equal opportunities be granted to all without the guarantee of equal accomplishment or success. So long, however, as the Republicans in the past have taken advantage of the spoils system, the only solution left for my Democratic colleagues today is to give good government to the Republicans and good jobs to efficient Democrats until the civil-service bill that my colleagues and I are working on shall once and for all eliminate the spoils system in the conduct of our Government. [Applause.]

[Here the gavel fell.]

Mr. COX. Mr. Chairman, I move to strike out the paragraph.

Mr. Chairman, pertinent to the last statement made by the gentleman from New York, I wonder if in addition to what he has stated he likewise favors the observance of the quota provision of the original act?

The gentleman from New York, the leader of the minority, yesterday criticized the Home Owners' Loan Corporation for the way it has administered the law in the State of New York. May I call the committee's attention to the fact that the State of New York fared better than any State in the Union in the sense that a larger proportion of applications that were filed in that State were actually put through and loans made. In New York up to February 14 there were 134,629 applications filed. The total amount involved was \$690,369,000 plus. There was actually loaned in New York in the retail operations of the Corporation the enormous sum of \$325,655,265. The State of Ohio fared better than any of the States, not that the total amount loaned in the State was greater or quite as great as in the State of New York, but upon a per capita basis the State did fare better than the others.

Mr. Chairman, the purpose of my taking the floor at this time and speaking to the pro forma amendment anticipating that when the section of the bill is reached where an amendment of this character or substance will be in order, such an amendment will be offered, to call attention of the Members to the fact that unless the act is amended providing for receiving new applications the result will be that the larger States will get practically all the money that is provided for in the bill. Let us take the State of Ohio. On a per capita basis the State of Ohio has received in most instances 3 to 1, and in some cases as high as 10 to 1 as much money per capita as other States.

Members who come from the outlying States, the smaller States of the Union, if they are to have any reasonable expectation of their constituents or the people of their States getting any of this one and three-quarters billion dollars then it is to their interest to support the amendment which will provide for the opening of the doors and the admittance of new applicants. You will find in some communities where the distress was no greater than in others the applicants came in by the hundreds, whereas in other communities there were comparatively few applications filed.

Now, I take the position that it would be unfair for this House to so frame this legislation as to give preference to those who have heretofore filed their applications. If the money voted is insufficient to take care of all applicants, then loans should be made upon the basis of comparative present needs and distress.

[Here the gavel fell.]

Mr. CULKIN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, over a thousand years ago the Chinese Nation had a civil-service law and a civil-service scheme of things. We decry and belittle them, and yet, after a thousand years, the administration, forgetting the assassination of Garfield by Guiteau, who was an officeseeker, utterly destroys and strikes down civil service.

What the gentleman from New York has said in regard to Oswego County, which is my home county, is true. Vincent Dailey took excellent care of that county, as the gentleman stated; but our quarrel here is with the proposition of putting men into these positions solely on the ground that they have a political endorsement and irrespective of technical fitness.

I am going to give you a leaf out of the Republican book. We are temporarily in the minority, but we are fast coming back, and next year, with the assistance of sundry gentlemen who are now going very far to the left, we are going to elect a Republican President and a Republican House. So be kind to us for the time being, and we will be kind to you then. [Laughter.]

When Andrew Mellon went into the Treasury he found there a host of Democratic officeholders, hundreds of them, and many of them excellent technicians. They had been placed there in the Wilson administration by the endorsement of Joe Tumulty, who was then the private secretary of the President. Andrew Mellon never removed one of those men, and unless you people have removed them, they are there today. They were doing their work well, and Secretary Mellon acted in a public capacity as he would have done in his own personal business. It was the rational thing to do.

That is one instance of the devotion of the Republican Party to the cause of civil service. I wish to reemphasize the statement of the eloquent, scholarly gentleman from New York [Mr. Sirovich], who says that civil service is an essential proposition where orderly progress and good government are involved.

The handling of public money should not be turned over to the gross, sordid hands of politics, either Democratic or Republican. Public moneys should be handled through the medium of officials qualified by technical experience for such positions.

Vincent Dailey is a Democrat, a fine gentleman personally, but he is a Democrat, unashamed and unafraid; and from the top to the bottom the men who are engaged in the field work of this great enterprise of the Government in my State no one went on the job, irrespective of technical fitness, but the men who had the endorsement of the chairman of the local county committee. Many of those men were excellent poll workers, good at getting out the vote. When they applied to their chairman he did not discriminate very much but endorsed them as fast as they applied.

I could tell this House of certain departures from the strict path of duty where I believe political influences played a part. Why, Mr. Chairman, it is inevitable, under such a dispensation, that politics should play a part. The administration has added 80,000 Democrats to that number of exempt positions in the public service. That does not make for efficiency. We are taking a step back when we put this great institution of the Home Loan into the realm of political patronage. I think we might well take a leaf out of the book of the greatly abused Mr. Mellon, who, as I say, left in the Treasury every Democrat who was then in office, and most of them are there today. [Applause.]

[Here the gavel fell.]

Mr. FORD of California. Mr. Chairman, I move to strike out the last word. When this bill H. R. 6021, popularly known as the "home owners' loan bill", was originally brought to the Banking and Currency Committee, it called for additional bonds in the amount of \$4,500,000,000. I made an honest effort to amend the bill so that the amount of additional bonds we were providing for would be raised from \$1,500,000,000 to \$2,000,000,000. After a long and serious discussion on the merits of my amendment, it was put to a vote and, in the judgment of the committee, it was decided that \$250,000,000 was the largest sum that we could get at this time. That would make the total amount \$4,750,000,000 instead of \$5,000,000,000 that my original amendment called for, or an additional sum of \$1,750,000,000, which is \$500,-000,000 more than the Home Owners' Loan Corporation asked for in the first place. My purpose in getting an additional \$500,000,000 was this: I wanted the additional money

so that the Home Owners' Loan Corporation could, in the ! period between the time the Congress would set up new and more liberal private money-loaning facilities to take care of these home owners who are now in distress. You will note in the bill there is \$250,000,000 provided to set up Federal home-loan banks. These banks are designed primarily to take care of the kind of loans the Home Owners' Loan Corporation handles. In addition to that, we have before our Banking and Currency Committee at this time a measure which is designed, if it passes, to enable all member banks of the Federal Reserve to take first mortgages of 20 years' maturity to the Federal Reserve bank and have them rediscounted the same as ordinary commercial paper was discounted under the old Federal Reserve law. That ought to open up a tremendous reservoir of mortgage money, and we are told by Mr. Eccles. Governor of the Federal Reserve Board, that there is about \$10,000,000,000 of that kind of money available at this time in the savings banks and the commercial banks of the country. Because of this large sum of available bank funds real-estate loans should be readily available, as it should take 2 or 3 years before those banks could exhaust their present heavy cash resources. While this new law will provide rediscount privileges to real-estate mortgages, the banks probably would not have to go to the Federal Reserve Board to have these mortgages rediscounted at this time, but if a cloud appeared on the financial horizon they could go, and their assets would still be as liquid as they are today. The Federal Reserve officials are convinced that this money will seek the mortgage-loan field. It is because I am hoping this private money will come into the field within 60 or 90 days after the passing of the new Federal Reserve banking bill, and take up these loans, that I asked for an additional sum to tide over the present distressed home owner and get the money from the Government until such time as private money would get into the field. If, after these changes have been made; if, after this rediscount privilege has been afforded the banks, they do not get busy and loan money to distressed property owners, the United States Government will have to take them over and proceed to do the job itself.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. FORD of California. Yes.

Mr. FITZPATRICK. Is the gentleman in favor of opening loans for new applications after this bill is passed?

Mr. FORD of California. On the basis of the amendment the committee is to offer; yes.

Mr. FITZPATRICK. But the amendment means nothing, insofar as new loans are concerned.

Mr. FORD of California. I would not say that.

Mr. DONDERO. Does not the gentleman think that the real test for the eligibility of the application ought to be the involuntary distress of the home owner, regardless of

Mr. FORD of California. That is the test provided in the bill.

Mr. DONDERO. Yes; but should not that be the test as we follow it out in this bill?

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. SISSON. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. STEAGALL. Mr. Chairman, before the gentleman begins, I ask unanimous consent that all debate upon this section and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SISSON. Mr. Chairman, I perhaps hinted yesterday what my own individual position is regarding the closing of applications at the present time for home owners' loans. That is, whether or not the receiving of new applications should be chopped off at this time. I recognize the force of all the gentleman from Maryland [Mr. Goldsborough] has said, and the force of all the gentleman from California [Mr. FORD] has said, although frankly—and I hope the gentleman from California is still in the Chamber—there has been a

most remarkable change in his attitude in the last 24 hours. because he thought the other day that I was backing down. I am not in favor of suspending the receiving of new applications now, although I recognize that there are a lot of banking institutions, banks, and building-and-loan associations, and so forth, that have a lot of rotten mortgages on their hands that they would like to unload onto Uncle Sam.

Probably they have already loaded a few on, but I think we may trust the administration of the Home Owners' Loan Corporation to sift them out and get the worthy cases, the really distressed cases, the cases where the equity of the home owner has not been entirely lost, where there is still something left to salvage, and to reduce the loading down of the taxpayers of the United States to the minimum. I would rather take the chance of even loading us up with a few more rotten mortgages than to perpetrate the gross injustice that would be perpetrated if we refused to receive any new applications.

Let us look at the record. I know personally of hundreds of cases where the distressed home owners went to the regional offices seeking advice about filing applications, as long ago as last June, and where they were urged to go back and try to make peace with their mortgagee. They were led along and influenced by one means or another. Unfortunately, those who failed to file an application were. in my opinion, many of them, not only eligible, but among our most honest and conscientious citizens, because they were not trying to load their burdens onto the taxpayers. They were trying to save their own homes just as long as they could, and I will never vote to let them down. [Applause.]

Now, what is this committee doing? Frankly, I cannot defend the position of the committee in this particular respect. I say it with all due deference to every man on the committee. Every man on that committee is absolutely honest and is trying to do the best he can. It was a difficult task. But I say we have let the House believe we were going to keep that open for some length of time. Any amendment which has for its purpose, its text, that we are going to say, "Well, Mr. Applicant, Mr. Home Owner, you did not file an application, but if you can show that you, in good faith, intended to, we will pass upon your application now", should be rejected. As a lawyer who has tried lawsuits for 25 years, I have seen too much of the poppycock of trying to prove good faith, or the lack of it, and I am not satisfied to leave the decision on that question to any administration, although I have the greatest confidence in Mr. Fahev.

The CHAIRMAN. The time of the gentleman from New York [Mr. Sisson] has expired.

All time has expired.

The pro forma amendment was withdrawn.

The Clerk read as follows:

SEC. 2. Subsection (k) of section 6 of the Federal Home Loan

Bank Act, as amended, is amended to read as follows:

"(k) All stock of any Federal home-loan bank shall share in dividend distributions without preference."

Mr. DINGELL. Mr. Chairman, I move to strike out the last word.

Mr. STEAGALL. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. DINGELL. Mr. Chairman, in September 1934, following our experience with the Federal Housing Administration, in the field of loans for home construction and repairs, I sent out a questionnaire to 20,000 industrialists having a capitalization of \$50,000 or over to determine the needs of industry insofar as it applied to building. The survey covered every State in the Union. We have on file over 5,000 questionaires returned to us, which definitely show that there is over \$970,000,000 worth of construction ready and waiting. Sixty-two percent of this amount of industrial construction can be financed from the reserves of the manufacturers by

themselves, but 38 percent of this great amount cannot be financed without assistance such as provided by the Federal Housing Act.

The limited time at my disposal will not give me an opportunity to disclose all that we learned through this thorough survey. I spent a great deal of my time and money in order to determine what the needs of industry really are. We must remember that over 40 percent of all of our unemployed are in the building industry. I took up this matter of industrial financing for construction with Mr. Moffett, of the Federal Housing Administration, and with Jesse Jones, of the R. F. C. Later the question was discussed at the White House.

The \$50,000 loan proposal which I made and which ultimately came to the committee was originally incorporated in my bill H. R. 4687. The exact terms I specified in my bill were lifted and incorporated in the Steagall bill and were emasculated to a lesser figure of \$25,000. As the original proponent of the idea I am not looking for the peacock feathers, nor do I care to bask in the spotlight by myself, but I say that since Mr. Moffett, as Administrator of the Federal Housing Administration, had given my bill and its provisions his unqualified approval. The original provision of \$50,000 should be reinstated in the bill. The Federal Housing Administration finds that it can only use \$100,-000,000 of the \$200,000,000 which was granted by the Seventy-third Congress, and Mr. Moffett is very anxious to come to the aid of the unemployed and to the aid of industry which needs modernization, repairs, and new machinery. The borrower will pay the insurance premium on the entire loan which the Government insures up to 20 percent.

I learned that the committee in its wisdom saw fit to cut in half the original amount, so I consulted again with the Federal Housing Administrator, and he expressed keen disappointment, because he points out that he has a usable surplus of \$100,000,000 which was allowed by Congress, and now we are trying to prevent him from applying it to its proper use. Mr. Moffett knows his position. He knows that industry needs some assistance, and he has the money which Congress allowed for this purpose. Why hamstring an agency of the Government by limiting the amount of a loan to \$25,000 when the Administrator states his fund is ample enough to cover applications of \$50,000?

I have spent many long months studying this one important phase and I am prepared to debate it with any man on

Mr. SISSON. Will the gentleman yield?

Mr. DINGELL. I yield.

Mr. SISSON. I take it that the gentleman from Michigan approves of the position which I attempted to set before the House in the remarks I made yesterday on this particu-

Mr. DINGELL. Without any qualification whatsoever. Mr. SISSON. Namely, under title I, increasing that authorization up to \$50,000 for the purposes stated by the gentleman?

Mr. DINGELL. That is right.
Mr. SISSON. Is the gentleman aware of the fact that this bill, as originally introduced in the House by the Chairman of the Committee on Banking and Currency, contained the precise provision for which the gentleman is now contending?

Mr. DINGELL. I pointed that out early in my discourse. Mr. SISSON. The committee, without giving any reason, and by a vote of 12 to 11, reduced that \$50,000 to \$25,000, and I challenge anyone to deny that statement.

Mr. O'CONNOR. Will the gentleman yield to me?

Mr. DINGELL. I yield. Mr. O'CONNOR. The gentleman is aware that I am going to propose an amendment, through some member of the committee, to carry out the administration's wishes, to carry that amount at \$50,000?

Mr. DINGELL. I thank the gentleman from New York. Mr. Chairman, I have presented this amendment and felt, in all modesty, that inasmuch as I had devoted so much time to this subject that it was fitting that I offer such an amendment, but I gladly yield the privilege to the distinguished

gentleman from New York. In fact, I would rather that he propose it.

Mr. O'CONNOR. I have no pride of authorship, but the gentleman spoke to me and I told him that I was already prepared to do it.

Mr. DINGELL. I present herewith a comprehensive report of the survey prepared by my consultant, Moritz Kahn, one of the world's foremost architects and engineers. I do so for the benefit of the Members.

> ALBERT KAHN, INC., ARCHITECTS AND ENGINEERS, Detroit, November 24, 1934.

Hon. JOHN D. DINGELL.

Congressman, Fifteenth District of Michigan,

Detroit, Mich. Dear Sin: As per your request of October 4, I submit herewith my preliminary report on the replies to the questionnaires recently distributed amongst industrialists. At that time you suggested that, in addition to my compilations, I should give you my personal views on the present condition of the heavy industries in this country and also any suggestions which might assist you in formulating the bill you propose to introduce to revive the heavy industries. industries.

The compilations so far made are included in the accompanying

report. My personal views are expressed in this letter.

It is well recognized that there can be no return of normal conditions in the United States until there is a revival of our heavy industries, the stagnation of which is the main cause of continued unemployment.

The marked improvement made during the past 18 months in our consumer goods industries can be considered only a palliative. The permanent cure must be sought in the rehabilitation of the heavy industries

Amongst the latter the construction industry, which is the most important in this country, is the one which today suffers the greatest hardship in that lack of activity therein accounts for approximately 40 percent of our unemployed, leaving out of consideration those who can be classed as unemployed even under normal conditions.

With their reduced purchasing power the unemployed in the construction industry account for the great bulk of the remaining unemployed. Hence by solving the problem in the construction industry we will be most likely to solve the entire problem tion industry we will be most likely to solve the entire problem of our unemployed. While the National Housing Act will prove a great stride to-

ward the desired goal, we stand to gain even more from a national program of construction of commercial and industrial buildings, and for several reasons:

This field has lain dormant for 5 years.
 Industrial projects are larger than home-building projects, and with the same amount of effort will absorb more men.

(3) The unemployed can be more expeditiously absorbed in industrial projects than in home building.

(4) An industrial plant, after being put into operation, will in turn give employment to men outside of the construction

industry.

It is immediately granted that in many branches of manufacture production capacity is already greater than consumption demand and that one of the causes of the present depression is the insufficiency of consumption. It is therefore essential that no new plants

ciency of consumption. It is therefore essential that no new plants be built for such industries where this condition applies. There are many industries, however, where this state of affairs does not apply, and herein we will find great scope for development. As a single instance let us consider the brewing industry.

Prior to prohibition more than 1,400 brewerles were operating in this country. Most of these plants were dismantled during the days of prohibition. Up to January 1 of this year less than 600 plants had been reinstated. During the year 1916 the production of beer in the United States amounted to 66,000,000 barrels. The population of the 28 States then "wet" was 71,677,000. At the present time 3.2 beer has been legalized in 42 States and the District present time 3.2 beer has been legalized in 42 States and the District of Columbia, having a total population of 117,183,000. Based on the per capita consumption of 1916, the consumption power of the the per capita consumption of 1916, the consumption power of the country is at present about 100,000,000 barrels per annum, although the demand is not nearly at this rate today, owing to the lack of purchasing power caused by unemployment. In any event, these figures show that under normal conditions we can easily support expansions of existing plants and/or the construction of 1,500 new plants, the construction cost of which will exceed \$134,000,000 in buildings and \$196,000,000 in new equipment. Lack of finances appears to be the principal cause for the delay in the development of this particular industry.

Other industries can be cited wherein modifications or new plants are urgently needed today, such as the manufacture of air-conditioning equipment, radio equipment, new mechanical equipment, household appliances, drugs and chemicals, food products, paperbox containers, and the like.

In many industries plant modifications or expansions are also required on account of the obsolescence, new methods of production, or the natural growth which has taken place in the past 5 years.

During the past 15 years there has been a radical development in the design of industrial buildings to increase their efficiency and to provide better conditions for the workers. In many industries old

buildings can be replaced by new buildings, the savings in the operating cost of which would be sufficient to amortize the construction cost in a relatively short time.

It is erroneous to draw the general conclusion that during a

period of depression manufacturers should refrain from investing capital in "bricks and mortar." In spite of the depression, we must keep abreast of the times. We cannot sleep ourselves into pros-

As stated in my report, a survey of the situation shows that we need in this country today industrial construction, the total cost of which is conservatively estimated at \$970,000,000, exclusive of the cost of new equipment. If this work were put in hand it would, together with the activities of the National Housing Act, result in the employment of more than 3,000,000 men.

Of this total amount of work, 62 percent can be carried out by industrialists who are themselves able to finance the cost thereof; the remaining 38 percent can be put in hand only if financial aid is available.

the remaining 38 percent can be put in hand only if financial aid is available.

Of the total amount of work, 36 percent can be started immediately; the remaining 64 percent is stated in the replies to be dependent upon a return of normal conditions.

Reverting to the brewing industry, it is well known that lack of finance is the greatest obstacle to be overcome, and the reason for this is quite apparent. The repeal of the eighteenth amendment is but a recent event, therefore the new brewing industry is in its infancy. Practically all brewing companies recently incorporated were dependent upon outside financing. Those first started experienced little difficulty, but soon the sources of funds seemed to dry up and for the past year it has been almost impossible for new brewing corporations to find the necessary capital for construction work or for the purchase of equipment. Several other industries, according to the replies received to the questionnaires, are in a similar plight, though probably not to the same extent.

the same extent.

In my survey of the replies received I noted that in a great majority of cases where lack of finances was stated to be the cause

majority of cases where lack of finances was stated to be the cause of delay in construction, the repliers expressed their opinions that the Government should not be called upon to provide the necessary loans, and expressed the hope that funds would be made available through banking institutions, with long-term periods of repayment. In truth, many repliers stated that their confidence in the Government would be increased if the Government would refrain from incurring further obligations.

During the last session of Congress the Reconstruction Finance Corporation was authorized to lend to industry the sum of \$300,000,000. The Federal Reserve System was also empowered to lend \$249,000,000. Of the total sum of \$549,000,000 thus made available, less than \$30,000,000 was loaned to industry up to a recent date, and Jesse F. Jones, Chairman of the Reconstruction Finance Corporation, confessed his inability to answer the question, "Why doesn't industry borrow more?" The answer will probably be found in the vast amount of "red tape" and the onerous conditions which were placed in the way of the prospective borrower. Much can be done by the Government to alleviate these conditions.

But there is no reason why the Government should bear the entire burden. Sufficient funds are in the hands of our banking institutions; all that is required is a general loosening up of long-term credit. According to the replies to the questionnaire, prospective borrowers are asked to mortgage practically everything they have, and even then they are offered only short-term loans. This is a rather interesting condition in view of the statement made by J. Pierpont Morgan, during an investigation, to the effect that loans made by his corporation backed by securities and collateral involved them in relatively greater losses than loans based on the character and history of the borrower. Mr. Morgan stated that in his experience losses from loans based on character and history were practically negligible.

It is to be hoped that our Government may succeed in creating a situation under which banking institutions will resume the long-But there is no reason why the Government should bear the attre burden. Sufficient funds are in the hands of our banking

It is to be hoped that our Government may succeed in creating a situation under which banking institutions will resume the long-term lending of the vast accumulation of funds now on hand, thereby obviating the need of Government appropriations for the revival of the construction industry.

Referring to the potential construction projects, the execution of which is dependent upon a return of normal conditions, we should bear in mind that the purpose of a national construction program is to affect a return of normal conditions, and thus we have a circle of expected events. We are faced with the question, "Must a return of normal conditions precede a revival of the construction industry, or must new construction precede a return of normal conditions?"

I am of the opinion that these events must be coincident and can be brought about only by the cooperation of four groups, each of which must do its share—the Government, the banking institutions, the industrialists, and labor. The Government is anxious, and in fact has already started to make the necessary read-

institutions, the industrialists, and labor. The Government is anxious, and in fact has already started to make the necessary readjustments. Banking institutions should be encouraged and enabled to loosen up on long-term credit. Industrialists in turn must be courageous enough to assume a slight amount of risk. And labor must let down on its demands. The proper coordination of the efforts of these four groups will bring about the desired results, and then it will not matter whether "the egg came first, or the chicken."

To assist you in the preparation of your bill, I submit the following suggestions which might be worthy of further study:

(1) Modify the Securities Act of 1933 to facilitate the obtaining

(2) Eliminate for a period taxes on capital expenditures for industrial construction and equipment.
(3) Revise undistributed earnings tax to permit accumulation of profits to be expended for buildings and equipment.
(4) Enable bankers to discount long-term loans to industry.
(5) Arrange for greater cooperation between the department which is urging bankers to make loans and the department in charge of bank examiners. charge of bank examiners.

(6) Create a department which will foster better cooperation between bankers and industrialists.

between bankers and industrialists.

Dealing with the last-mentioned suggestion, there are some departments in Washington at the present time which go far out of their way to help those seeking information and their assistance. I know of instances where information was asked of some departments, and not only was all available information immediately forwarded but it was, in fact, accompanied by personal letters inviting the inquirer to ask for more information if necessary. This spirit of cooperation is exceedingly valuable. A similar desire to prove of assistance to industrialists would, in my opinion, make the department I suggest a very valuable one.

Very truly yours.

Very truly yours,

MORITZ KAHN.

REPORT ON REPLIES TO QUESTIONNAIRES DISTRIBUTED ON OR ABOUT **OCTOBER 25, 1934** 

NOVEMBER 24, 1934.

Hon. JOHN D. DINGELI

Congressman Fifteenth District of Michigan

Detroit, Mich.

Preamble

DEAR SIR: In accordance with your instructions of October 4 last, I submit a report dealing with the answers to the question-naires you recently mailed to industrialists. The purpose of this questionnaire was to obtain information which would assist you in formulating an act to foster the construction of commercial and industrial buildings.

On or about October 25, 19,000 questionnaires were sent out. Most of the 4,280 replies came back within 10 days thereafter. Some, however, are still trickling in.

A thorough analysis of the information contained in these re-

plies presents a statistical problem which I have been unable to deal with finally in the time allotted to me.

Realizing your desire to obtain as quickly as possible some information for your act, I thought it advisable to submit this

many of the replies gave information which was not sufficiently explicit. Probably further information should be obtained from these sources. In some cases I came to the conclusion that estimates given for the value of prospective construction work were excessive, and in such cases I thought it advisable to reduce the estimates governed by our experience in the industrial subsection.

estimates, governed by our experience in the industrial sphere.

I would point out that my estimate of the total value of the heavy construction work waiting to be executed in this country is, if anything, on the low side. It was thought that your purpose would be better served by keeping the figures conservative.

### CONCLUSIONS FORMULATED

Based on a study of the replies received, and adopting the data

Based on a study of the replies received, and adopting the data given as a cross-section of general conditions throughout the country, I feel warranted in formulating the following conclusions:

(1) There are now waiting to be carried out in this country, and within the near future, new industrial plant modifications and/or expansions, the total cost of which approximates \$970,000,000.

\$970,000,000.

(2) Of this total amount of work, 36 percent can be started immediately; the remaining 64 percent is stated in the replies to be dependent upon a return of normal conditions.

(3) Of this total amount of work, 62 percent can be carried out by industrialists who state they are themselves able to finance the constructions; the remaining 38 percent can be put in hand only if financial aid is available. (See note below.)

(4) The number of potential projects wherein the above amount can be expended totals 11,587. This number is subdivided as follows: 7,645 projects each costing from \$1,000 to \$50,000; 1,962 projects each costing from \$50,000 to \$100,000; 1,683 projects each costing from \$500,000 to \$100,000; 195 projects each costing from \$500,000 to \$1,000,000; 102 projects each costing over \$1,000,000.

Further time would enable me to tabulate the different States wherein the construction work is contemplated; the amounts applicable to various trades; the amounts necessitated by various causes, such as obsolescence, new-process developments, or normal

causes, such as obsolescence, new-process developments, or normal growth; and the amounts involved in various types of structures, such as administration buildings, factories, warehouses, or power

NOTE.—In the great majority of cases where lack of finance was stated to be the cause of delay in construction, the repliers stated that in their opinion the Government should not be called upon to provide the necessary loans and expressed the hope that funds would be made available through banking institutions, with longterm periods for repayment.

### METHOD OF PROCEDURE

A specimen of the questionnaire sent out is shown below. questionnaires were sent to 19,014 manufacturers capitalized at \$50,000 or more, and only to those who would be likely to give the most representative information. These questionnaires were dis134, 000, 000

As will be noted, the questionnaire required no signature of the replier. This was for the purpose of placing as little restraint as possible on him in an attempt to gain his unbiased replies and suggestions. In many cases, however, the replies were signed. To determine the percentage of construction work available in each State the stamp cancelations on the return envelopes were carefully noted.

Basis of conclusions arrived at Approximate total number of manufacturers in 147,000 United States Approximate number of manufacturers capitalized at 32, 400 19,014 215 18, 799 4, 282 836 3,446 ties \_\_\_\_\_Consequent weight factor 10.8 9. 29 1, 246 11, 587 Number of projects reported\_\_\_\_\_\_ Number of potential projects (weighted)\_\_\_\_\_ Total value of construction work reported\_\_\_\_\_ \$89, 781, 500 Total value of potential projects (weighted). \$836,000,000 Estimated value of expansions or new constructions in brewing industry (information obtained from a recent survey and not included in the above

> Total value of potential construction work\_\_\_ 970,000,000 SPECIMEN OF QUESTIONNAIRE

1. Do you contemplate any immediate modification or expansion

of your plant?

2. Is any modification or expansion being delayed for some reason; and if so, why?

figure)

3. Would your construction program be expedited by the availability of funds resulting either from a general loosening up of credit by banking institutions or a reasonable method of governmental financing?

4. Would a return of normal conditions (1926 standard) justify any modification or expansion of your plant within the next 3 years?

5. Would such modification or expansion be necessitated by-

(a) Obsolescence of existing plant;
(b) New developments in production; or
(c) The growth of your industry in general?
6. Would such modification or expansion involve your—
(a) Office or administration building;
(b) Mere

(b) Manufacturing building; (c) Warehouse; or (d) Power plant?

7. At present-day prices, what would be the approximate expenditure on such modification or expansion excluding the cost of manufacturing equipment?

8. Kindly give me any other information which you think may ssist me in formulating the terms of a bill to provide stimulation to construction through loans to industry.

John D. Dingell

Member of Congress, Fifteenth District of Michigan. 7310 Grand River Avenue, Detroit, Mich.

# SUGGESTIONS CONTAINED IN REPLIES

In answer to question 8 few repliers gave suggestions to assist you in formulating your bill. Most of the repliers took advantage of this question to express their suggestions as to what the Government should do to alleviate present conditions. The following are typical examples of suggestions most frequently made:

(1) Inspire confidence in the Government.

(2) Stop Government interference with industry.

(3) Eliminate Government competition with industry.

(4) Balance the Budget.

(5) Stabilize the dollar.
(6) Modify section 7A of the N. R. A.
(7) Prevent the adoption of a 30-hour week.
(8) Government efforts in this emergency should be kept up only until private enterprise has been enabled to carry on.

In the following pages I include abstracts of letters and suggestions made in reply to question 8. These quotations are typical of the views most frequently expressed. The files of letters received are available for more careful study at your convenience. Very truly yours,

MORITZ KAHN.

# ADDENDUM

ABSTRACTS OF LETTERS AND SUGGESTIONS MADE IN REPLIES TO QUESTION 8

Although we appreciate the worthiness of your motives in attempting to secure the resuscitation of the heavy industries, nevertheless we do not believe that the solution to this lies so much in providing facilities for getting the money for construction of commercial and industrial buildings, but rather lies in giving assurance

tributed in States where manufacturing is the principal, or one of to the business man that his business over the next 2 or 3 years will not be subject to unexpected hazards other than those which can be normally foreseen.

It is our experience that the ordinary good business man is not spending money for expansion of his facilities at this time because of the uncertainty which lies ahead.

Due to the attitude of the administration, increased labor costs and difficulties with strikes can easily be foreseen. The inability and unwillingness of the administration to commit itself on the question of the Budget and its unwillingness to curb and check the vast outpouring of emergency spending leaves little reason for the business man to proceed to make capital investment with any assurance.

assurance.

If a reasonable certainty of the future were to be given, we feel that this of itself would provide the necessary stimulation to expansion of facilities without setting up any additional machinery. We feel that it is not inadequacy of facilities and of money which is now lacking so much as it is the uncertainty of what the admin-

We believe there is a large volume of orders that is waiting to be placed, depending upon the buyers being able to secure capital with which to make purchases on terms that would permit them to pay it back over a period of 10 years' time. Many industrial corporations have lost money heavily during the past 3 or 4 years; their surplus has been reduced to a low level, if not entirely wiped out. New funds from the sale of capital stock are, practically speaking, not available. A great many of these industrial corporations are fundamentally sound, are a good financial risk, and have the courage to go ahead on improvements, replacing of old machinery, fixing up buildings that need repair, possibly to add to their line of product, if funds for that could be offered at, say, 4 percent over a period of 10 years' time, amortization to start in 1 year after the loan is secured, beginning the return slowly and working up to the larger amounts to be paid at the end of the loan period.

Would not favor loans to industry by any governmental agency. Favor modification of Security Act so as to enable legitimate companies to borrow through regular channels from the public for worth-while capital improvements.

While we do not profess to know the administration's problems, while we do not process of a continuation of an unbal-anced Budget, uncertainty as to the value of a dollar, and the further threat of business arrestment are the biggest obstacles in the path of a real upward surge. With assurance to business on these points, it is my belief that the improvement in business these points, it is my belief that the improvement in business would do far more toward relieving the unemployment situation than has been done to date. This job would then be done on a sound basis and, I think, would be accomplished in a surprisingly short time. The prospects of sales, particularly in the capital goods industries, considering stagnation over the past 5 years or more and the matter of obsolescence, are, to my mind, phenomenal, and all that is needed is confidence to go ahead.

In our opinion, it will be necessary for Congress to enact laws which will make it illegal to strike or picket plants until the Gov-ernment authorities have had the time to hold hearings and render a decision as to the merits of the controversy. Section 7A of the N. R. A., in our opinion, is one of the principal causes of the present unsettled condition. We make this statement with no bias on our part, because we have never had the slightest trouble and are now paying rates considerably higher than the highest

Believe loans to industries should come through regular banking channels and that the important thing to assure the proper flow of such loans is to clarify the Government attitude, which will remove fear and uncertainty from business minds. In our own case, we are developing our facilities without fear and with great confidence in the future of our own industry.

Modify labor clauses in N. R. A. Particularly legislate by order collective bargaining with a joint committee of majority and minority groups and/or individual. Thus settle forever interpretation of section 7A.

Free business from politics. Restore confidence by sound legislation. Stop considering the manufacturer and merchant as public enemy no. 1. Investigate labor organizations running amuck under the leadership of racketeers. We are all tired, disgusted, and desperate.

Our construction and reconstruction program is about completed; but if we could gain confidence that private industry is going to be allowed to enjoy a fair return on its investment, we would proceed with other projects we have in mind.

There never has been a time when our Government has injected into our labor-industry relationship the uncertainty that can be credited to section 7A. It is just as unfair to labor as it is to industry, and after 1 year of uncertainty as to the meaning, and with direct reversals within the administration itself, it now seems probable that the lack of clarity was intentional so that the administration can have labor think that it was being helped and at the same time have industry see that the meaning was sufficiently obscure to leave question.

We believe loans to industry should be made through regular banking channels and should be subject to discounting by Federal revenue banks and R. F. C. Terms should be at low rate of interest and over a 10-year period, with retirement features for sinking fund created by a percent of annual earnings.

Many technical improvements and inventions in the chemical Many technical improvements and inventions in the chemical industry are awaiting release. Research has progressed beyond the ability of industry to finance its developments. The establishment of available long-term credits, say, over a period of 10 to 15 years, would provide means for many undertakings now lying dormant. They are the type of development which requires new construction, new equipment, new sales and advertising projects. They create new markets and provide opportunity not only for common and skilled labor but for professional and executive personnel as well.

Herein lies, in my estimation, a great and new field for employ-

Stop Federal Government competition with private industry, both directly and indirectly, and end uncertainty caused by constantly changing experiments.

A sound dollar, faith in Government, and promise of no Government interference is essential.

The only suggestion we have is that when formulating your bill do nothing that will cost the Government money, as every Government cost means higher taxes and the prospect of higher taxes, in our opinion, would probably result in the situation of having any stimulation in building, as a result of Government lending, more than offset by curtailment of building on the part of those records who have money. people who have money.

Extension is a difficult question as long as the Government dictates policies.

We believe that if bank credit was made more easily obtainable by reliable firms through regular bank channels, business would quickly improve, and it will be unnecessary for the Government to make any further expenditures in business.

Frankly, we do not believe that any artificial stimulation will be required to encourage business men to go ahead in the normal process of expansion if they could be assured, as I said above, of the road that lies ahead and be left free to exercise their own judgment, initiative, and ability along these lines.

Please do not understand from the above that I am in any way Please do not understand from the above that I am in any way an old rugged individualist. I am thoroughly in accord with a reasonable amount of Government supervision along the general lines of the N. R. A. We were one of the first concerns to sign the President's original agreement and are working with whole-hearted cooperation in the codes governing our industry, but I cannot help but feel that there is still too much theory and not enough balanced judgment in most of the plans which have so far come to us from Washington.

# COPY OF TYPICAL COMPLETE REPLY RECEIVED

In reply to your letter of October 25 and the questionnaire enclosed with it, I am listing the answers to your questions in the order in which they appear on the questionnaire, and following these answers you will find some remarks on this whole subject.

these answers you will find some remarks on this whole subject.

1. Do you contemplate any immediate modification or expansion of your plant? Answer. No.

2. Is any modification or expansion being delayed for some reason; and if so, why? Answer. Yes; because we are concerned about the administration's policy on tariffs, on the Budget, on the gold content of the dollar, on interpretation of 7a of the N. I. R. A., on a minimum working-hour act, on future taxes, and further experimentation and class legislation.

2. Would your construction program be expedited by the avail-

3. Would your construction program be expedited by the availability of funds resulting either from a general loosening up of credit by banking institutions or a reasonable method of governmental financing? Answer. No; because we have sufficient funds of our own and we have banking credit if we wish it.

4. Would a return of normal conditions (1926 standard) justify any modification or expansion of your plant within the next 3 years? Answer. Yes.

5. Would such modification or expansion be necessitated by-

(a) Obsolescence of existing plant? Answer. No.
(b) New developments in production? Answer. Yes.
(c) The growth of your industry in general? Answer. Yes.
6. Would such modification or expansion involve your—

(a) Office or administration building? Answer. No.
(b) Manufacturing building? Answer. Yes.
(c) Warehouse? Answer. Yes.
(d) Power plant? Answer. No.

7. At present-day prices, what would be the approximate expenditure on such modification or expansion, excluding the cost of manufacturing equipment? Answer. \$75,000.

8. Kindly give me any other information which you think may assist me in formulating the terms of a bill to provide stimulation to construction through loans to industry.

I see no need for the bill you suggest. Beyond any doubt a pick-up in the heavy industries is not being held up for lack of funds. The banks are available for such funds in cases where companies themselves do not have the funds to expand without companies themselves do not have the funds to expand without borrowing.

I believe that your proposed bill will have but little effect on the heavy industries, because it is not the depression or lack of credit facilities, but lack of confidence that is keeping industry from expanding. In 1931–32 there was a depression and we spent \$3,000,000 to construct a new plant. Today we would not dare to

do that.

The President has been asked time and time again to tell us

The President has been asked time and time again to tell us what he intends to do. His refusal to say anything but empty words creates not only lack of confidence but very strong suspicions that he hesitates disclosing his plans because he has bad news in mind. The psychological effect of his refusal to commit himself is continuing the depression.

It is reported that the Michigan Alkali Co. in your own State has a program of construction in mind which would eliminate all unemployment in the city of Wyandotte. I am told that that company does not go ahead for the reasons given above, and because as soon as work started there would be a horde of labor agitators and Communists who would involve labor in more strikes agitators and Communists who would involve labor in more strikes and riots.

Thus far these Communists have been aided by the adminis-

tration and strikers placed on relief rolls.

Do you suppose people are going to risk their money for expansion under such conditions?

Do you know that the many alien Communists whom the courts have ordered deported are not being deported, and that in the Department of Labor, the Bureau which dealt with these deportations, has been eliminated?

Business needs assurance on which it can depend that common sense, square dealing, and honesty from the administration may be expected, and that the administration will stamp out communism and disorder instead of fostering it; that it will cease competing with business.

Unless these steps are taken all the fine credit schemes in the world will do little, if any, good.

Yours very truly,

JANUARY 22, 1935.

Hon. JAMES A. MOFFETT,

Chairman Federal Housing Administration,

New Post Office, Washington, D. C.

Dear Sir: On Thursday last you asked me to estimate the value of industrial plant modification and/or expansion which would result from loans to industrialists under either of two conditions:

First, if the loans were limited to \$25,000. Second, if the loans were limited to \$50,000.

The report I sent to Congressman DINGELL under date of Novem-The report I sent to Congressman DINGELL under date of November 24, 1934, dealt only with new building construction. The figures therein mentioned do not include the value of repairs to existing buildings and equipment, nor the cost of new equipment required. For your purpose, these items should be included.

I estimate that the granting of loans limited to \$25,000 will influence during the coming year expenditures on industrial plants totaling \$910,000,000. The granting of loans limited to \$50,000 will influence expenditures totaling \$1,350,000,000.

I am of the opinion that in either case the total amount of loans required by industrialists will not exceed 38 percent of the total expenditures.

total expenditures.

Further, to my report of November 24, 1934, we should bear in mind that during the past 5 years industrialists have reduced to a minimum their expenditures on plant and equipment maintenance. Assuming they spent in that period only half the amount they would have spent under normal conditions, I estimate there is to be made up a backlash in the amount of \$4,864,-000,000 to cover the cost of merely repairs to existing plants and equipment.

equipment.

To this figure should be added the cost of new buildings now required to a total value of \$970,000,000 (see report Nov. 24, 1934), as well as an expenditure on new equipment in the amount of \$1,525,000,000, making a total prospective expenditure of \$7,359,000,000 by industrialists on plants and equipment.

This additional expenditure of \$7,359,000,000 in the heavy goods industries would go far to eliminate our unemployment problem. Such a national program could well be fostered in conjunction with the operations of the F. H. A.

Of this total work to the value of \$2,650,000,000 could be started

Of this total, work to the value of \$2,650,000,000 could be started immediately, providing financial aid were afforded through banking institutions. The necessary financial assistance would not exceed 38 percent of the expenditure, or about \$1,000,000,000. If the \$1,000,000,000 loans were insured by the Government to the extent of 20 percent, the \$200,000,000 obligation on the part of the Government would be of little consequence compared with the beneficial results attainable.

Very truly yours,

MORITZ KAHN.

The Clerk read as follows:

SEC. 5. Clauses numbered (1) and (2) of subsection (b) of section 10 of the Federal Home Loan Bank Act, as amended, are amended to read as follows: "(1) the home mortgage loan secured by it has more than 20 years to run to maturity, or (2) the home mortgage exceeds \$20,000 or."

Mr. YOUNG. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, reference has been made to the outstanding record that has been made in the State of Ohio as to the number and the amount of the loans made, and I am very proud that the State I represent as Congressman at large has been a leader in the saving of homes. I am glad to pay tribute to Henry G. Brunner, the State manager of the Home Owners' Loan Corporation in Ohio, who at the time he was appointed was chairman of the Democratic State executive committee of the State of Ohio. The facts are, however, that since the adoption of this institutional amendment of April 28, 1934, too many loans have been made in the State of Ohio, as well as in other States, to mortgagors who really were not in distress at all. In fact, it is safe to assert that in the last 6 months of 1934 the majority of loans made in the State of Ohio were made to help liquidate banking institutions. The banks of this country took advantage of the Home Owners' Loan Act. We in Congress intended that this great corporation would save the homes of the people of our country. We wanted to make the Home Owners' Loan Corporation the greatest humanitarian corporation in all the world. I hope the Congress will repeal the institutional amendment of April 28, 1934. I understand, in fact, that the committee has agreed to this. I hope that hereafter distress of the individual will be the sole test of eligibility under this act. I hope also that this will be made wide open, as the gentleman from Georgia [Mr. Cox] suggested. I hope that the home owners of the country will be given not 60 days, but until December 31, to make applications, and that all home owners of this country who are in distress—that to be the sole test—will be given an opportunity to apply for the relief that we in Congress intended, irrespective of whether they have made application before or within 60 days.

Mr. DUNN of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield.

Mr. DUNN of Pennsylvania. They may be given an opportunity to make application until December 31, but what guarantee is there that they will get the loan? This is quite another matter.

Mr. YOUNG. I agree with the gentleman that there has been maladministration on the part of officials of the Federal Home Loan Bank Board here in Washington. There has been too much red tape emanating from Washington. There have been too many restrictive regulations directed from Washington. I desire an authorization of an increased bond issue in the sum of at least \$2,500,000,000 and that this be made wide open for all applicants who are genuinely in distress, and that it be held open until December 31.

Mr. DUNN of Pennsylvania. Does the gentleman think that \$2,500,000,000 would be sufficient?

Mr. YOUNG. Answering the gentleman from Pennsylvania, I call his attention to the fact that this Congress convenes again in January 1936, and if the sum authorized has not proven sufficient we may then legislate further to try to make this Corporation continue to be what we in Congress intended it should be. [Applause.]

[Here the gavel fell.]

Mr. MERRITT of New York. Mr. Chairman, I move to strike out the last two words.

It has often been said that the Home Owners' Loan Corporation was, in a sense, a charitable organization. In my opinion, I do not think that a very fair statement. There is no doubt in my mind that many unscrupulous people have taken advantage of this agency of our Government. However, the greatest number of applications are just ones and there is no doubt that the applications pending in the various offices are also just ones.

All mortgage companies in and around New York are either in the hands of receivers or are operating on a restricted basis under the supervision of the New York State banking department, and, as a matter of fact, the only companies not restricted are very small ones; therefore it is most imperative that these home owners have a place whereby they can have their mortgages extended, and that place is the Home Owners' Loan Corporation.

I am one of the Representatives at large in my State, but in the particular congressional district in which I live, and which is represented by my colleague, Mr. Bacon, there is a situation existing, brought about not by the home owners, but by the lending institutions, so that it is impossible to renew most of the mortgages that have become due in the last year or two. I refer particularly to the houses that were built in large quantities, block after block, and sold to wage earners, including school teachers, firemen, and policemen, and, may I say in passing, that these school teachers, firemen, and policemen received the first solicitation as buyers of these houses because of the good risk they represented.

As for the remaining owners of these houses, it is safe to assume that the wage earner was in a position to amortize the liens against his house on a safe and sound basis.

I might also suggest that, according to the articles I have read, it seems as though the \$1,500,000,000 that this bill calls for, will only take care of those applications already submitted to the agency, therefore, I am in favor of having an additional amount set aside to take care of those applicants who have not had the privilege of submitting their application for a loan.

I do not believe there is a Member of Congress who will deny the fact that the people who make the very best citizens of our land are the ones owning homes and paying taxes that help to run our Government; therefore, I ask the cooperation of all the Members of the House in the passage of this bill so that the vast number of home owners who are unable to meet the requirements of mortgage loans on their homes by reason of their inability to obtain extensions or replacements thereof, or the requisite additional financing, in order to prevent foreclosure, may be protected.

Mr. BRUNNER. Mr. Chairman, will the gentleman yield?

Mr. MERRITT of New York. I yield.

Mr. BRUNNER. Is it not a fact that in the county in which the gentleman resides over 23,000 applications were filed?

Mr. MERRITT of New York. Yes.

Mr. BRUNNER. Is it not also a fact that some 10,000 applicants have received their loans?

Mr. MERRITT of New York. I think the gentleman is correct.

Mr. BRUNNER. By the simply process of deduction we have at least 13,000 who are in distress. Does the gentleman not think we should extend the time within which to file applications?

Mr. MERRITT of New York. Yes; we shall have to extend the time.

Mr. BRUNNER. And we shall have to increase the amount also?

Mr. MERRITT of New York. It is imperative to extend the time, also additional funds, so those in distress may have an opportunity to submit their applications.

Mr. SABATH. Is it not a further fact that the gentleman's district is recognized as one of the richest down State districts in the State of New York?

Mr. MERRITT of New York. The gentleman should know that I do not happen to represent any particular district, as I am elected at large.

[Here the gavel fell.]

Mr. RABAUT. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I rise today to ask the simple question, Why is it that the Congress should depart from that which gave the Seventy-third Congress the gold star of its existence? The Seventy-third Congress seemed particularly interested in the distressed home owners of this Nation. The Seventy-third Congress came to the rescue of the distressed home owners of the Nation, and I see no reason for chang-

ing now. If we had distress then, and we recognized it, we should see the distress that still exists and recognize it now.

When we talk about changing the date and putting it back to the 13th of last November, and admit that we cut off the applicant automatically by an arbitrary ruling of the Board, I tell you that was not the purpose or intention of this body, and we should not abide by it. That final date for the applicant should be set in the future. We should be mindful of, we should be interested in, and we should be solicitous for those back home who sent us here to be their Representatives in this national body.

Mr. Chairman, the Home Owners' Loan Corporation was the greatest humanitarian stroke of the Congress. It should be continued, not for a term of 60 days, not for a term of another year, but we should go to the defense and the protection of the homes of the Nation. Why, I ask, should we appropriate money for the Army and the Navy? To defend what? Are we defending an oil well or an industry, or are we marching to the defense of our homes and the people that constitute in them the rock upon which the Government is Mr. Chairman, consider this seriously. The homes of this Nation should enjoy the greatest protection from this body. We have no reason to desert them. We should not crawl behind the abuse that has been heaped upon the Home Owners' Loan Corporation by the bankers and the loan companies of this Nation, but rather we should eliminate them and go to the kernel of the nutshell of this proposition and be the defenders, the protectors, and the champion of the homes, and the people in them, of this land. [Applause.]

Mr. Chairman, I am a home lover. I am an old-fashioned home lover, and I stand before you the father of nine children. [Applause.] The loss of a home is a great loss. It disturbs the basic unit of society, it tears the eyes of mothers and it sterns the face of dads, and I intend henceforth to battle for the poorest shack in this country.

Mr. STACK. Will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Pennsylvania.

Mr. STACK. Who has the power to extend this time?

Mr. RABAUT. This body.

Mr. STACK. Why can we not get together and extend the time, then?

Mr. RABAUT. I think we will extend it. I would hate to see a Representative return to his people and confess to them that he had a part in an activity that discontinued this act which formed a protection around the homes of this Nation.

Mr. DUNN of Pennsylvania. Will the gentleman yield?
Mr. RABAUT. I yield to the gentleman from Pennsylvania.

Mr. DUNN of Pennsylvania. Will the gentleman please tell me how in the world an unfortunate man today who is out of a job is ever going to have his home saved?

Mr. RABAUT. I do not know.

Mr. DUNN of Pennsylvania. I know the Home Owners' Loan Corporation does not make provision for a man who owns a home if he cannot guarantee to pay up the principal and interest.

Mr. RABAUT. I am not attempting to make this a charitable activity. I know some people will fail in this regard, but I do not favor transferring the home owner to the mercy of those institutions that passed out on us at a crucial moment, at that moment when the collapse came and the life savings of many were wiped away.

[Here the gavel fell.]

Mr. STEAGALL. Mr. Chairman, I move that all debate on this section close in 10 minutes.

The motion was agreed to.

Mr. GREEN. Mr. Chairman, I see no reason why the time should not be extended in order to permit all meritorious cases to apply for loans. I ask unanimous consent to extend my remarks in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

CATTLE-TICK AND SCREW-WORM CONTROL

Mr. GREEN. Early in this session I introduced H. R. 3020 which provides for funds to continue the cattle-tick eradication program and to initiate a program for the control of the screw worm. These two pests are a great menace to stock, particularly in the States of the South. The screw worm is a comparatively new pest in the States of the Southeast and during the warm months of 1934 did thousands of dollars worth of damage to the stock in my State. There are also serious infestations in Georgia, Louisiana, and other Southern States. It is worse, of course, in the warm months, therefore, the necessity for prompt action to begin a control program before the warm weather sets in. We have been able to obtain approval for the proposed appropriation of the Secretary of Agriculture, the Bureau of the Budget, and, I understand, the House Appropriations Committee will soon favorably present this matter to the House. Funds for tick-eradication work are almost exhausted and we find it necessary for prompt action to appropriate further funds because if the program has to be halted, the tick-free areas in Florida and other infested States, will rapidly become reinfested.

I urge my colleagues to join in the support of these two worthy appropriation items.

#### FROST WARNINGS

Florida is asking for a small sum to increase the Weather Bureau facilities for the State. It is very important that the Weather Bureau have sufficient funds to carry to the various parts of Florida frost-warning services. This is particularly needed in the Citrus Belt and in the wintervegetable belt of our State. If properly warned as to approaching cold or frost, the growers, many of them, cover the tender vegetables, thus protecting them from the cold. The fruit growers, many of them, have provided their groves with smudges and other warming devices and with this service will be able to protect their groves against any reasonably cold weather. This frost-warning service is now accorded to the growers of California and Texas and it is only just and proper that Florida have the same facilities. This is a most worthy request of our Florida fruit and vegetable growers. The cost is negligible.

Mr. PIERCE. Mr. Chairman, my object in rising at this time is not with the thought that I am going to change anyone's vote or influence anyone at this stage, but to correct the Record and keep things straight so far as the good State of Oregon is concerned.

Yesterday, when the gentleman from New York, Mr. HAMILTON FISH, mentioned a letter written in Oregon in the fall of 1934, I thought he had reference to another incident that happened many weeks earlier. I now find that he had reference to a letter written in Portland on October 29, 1934, which letter may be found in the Congressional Record of Thursday, March 7, 1935, at page 3151. This letter is signed by four citizens of Portland, Oreg., who had obtained loans from H. O. L. C .- persons who were in no way connected with any particular organization-and the letter was entirely voluntary. This letter gives great credit to former Congressman General Martin for the part he played in securing the passage of the original H. O. L. C. Act, and these four beneficiaries simply asked the citizens of Oregon to vote for General Martin for Governor. The H. O. L. C. organization was not responsible for the letter and was in no way connected with it. When I think of the fierce, blood-curdling speeches that the gallant Congressman from New York has so often made in this House in regard to Communists, I just wonder if he is not accustomed to "seeing things." This letter was not political nor in any way partisan. It had nothing to do with the Democratic organization or the organization of the H. O. L. C., and nothing that carries the least shadow of a questionable act at all on the part of any person in that organization. If his campaign against the Communists is similar to this, he is certainly concerned about trifles which should have no attention in these strenuous days. It was Shakespeare who coined the phrase " Much Ado About Nothing", and I am grateful to him for it as I apply it to the present activities of our friend from New York.

a matter of much concern to those interested. My former colleague. General Martin, and myself accepted the first general manager for Oregon, and the entire set-up in the main office was named by that manager, who, we afterward learned, was the choice of mortgage companies interested in this legislation. Many now believe that he was entirely too close a friend of the building and loan associations to be intrusted with so important a position. It is true that perfectly good applications for loans, filed early, were sidetracked for applications that were being pushed by the banks and building-and-loan associations. I do not know the percentage, but I presume that 90 percent of the loans made in Oregon helped some mortgage company or building-andloan association. They unloaded bad loans which they carried on their books. I am firmly convinced that this entire scheme was born in the brain of the big boys, and the poor, distressed home owner was the screen behind which the holders of millions of dollars of bad loans made by banks, building-and-loan associations, and insurance companies could hide.

The favored ones saw to it that proper appraisers were appointed, and other men occupying key positions were also satisfactory to these interests. When the applications came in they were able to see that the bad loans of the buildingand-loan associations and other financial concerns had rightof-way. Their uncollectible loans, amounting to millions, were assumed by the Government and the mortgagees received, in exchange for their rotten paper, tax-exempt Government bonds, fully guaranteed both as to principal and interest. I wish I could believe, as many of you do, that the Department in Washington was entirely blameless. If they did not know, they could have known and they should have known, as it was their business to know. And, if they did not know, they simply lay down on their job, and Mr. Fahey, who has been praised to the clouds in this House, is at least guilty of negligence. He sent his men constantly from Washington, and he and they must have known what was going on, not only in Portland, Oreg., but all over the Nation. His admission before the Rules Committee that 97 percent of all the money loaned by the H. O. L. C. found its way into the coffers of banks, insurance companies, and buildingand-loan associations condemns him and proves, to my mind, conclusively, that instead of being an efficient official, laboring in the interests of the distressed home owner, he has simply officiated as the head of the group that plundered the Treasury for millions of Government bonds. I believe future years will find millions in uncollectible loans on the books of the H. O. L. C.

They claim to have discharged 2,116 appraisers. I wonder if it was for incompetence or because those appraisers did not play the game, and were often interested in giving honest valuations instead of looking after the bad loans of the big boys. This talk about politics is camouflage-just simply a screen to hide behind.

Washington ignored our pleas for better organization, for more efficient management, that delays of a year or more be stopped, and that rank favoritism be abolished.

Then in early September 1934, when General Martin was in the heat of his campaign for Governor, suddenly a man from Washington arrived in Portland, Oreg., and removed the State manager and many others, some of whom were highly efficient and were dismissed without a day's notice, much to the consternation of myself and General Martin. Talk about being Democratic politics-my dear colleagues, politics had nothing to do with it, it was simply big business, with its hand in the National Treasury. Those men were kept who could be depended upon to play the game. After this wholesale slaughter in early September, we enjoyed the society of a manager from Tennessee. Yes, a carpetbagger. but a very pleasant gentleman. Then, without consulting with anyone holding a political position, a manager was appointed, who was recommended, I have been told, by the Realty Board of Portland, Oreg.

It is certainly pleasing to know that in some States these H. O. L. C. set-ups have been models of perfection, but how

The management of the H. O. L. C. in Oregon has been | my colleagues can come into the Well of this House and highly praise this arm of the Government is beyond my comprehension

> Of course, this bill will pass without a record vote. We must accept it because there really are distressed home owners who may get a crumb. It will make a total of four and a half billions of H. O. L. C. tax-exempt bonds, and in lieu of this great obligation the Government will become the owner of four and a half billions of mortgages scattered from ocean to ocean. Now, honestly, what will be the loss? The gentleman from Indiana [Mr. Greenwood] estimated a loss of 5 percent. He is certainly an optimist, and would have no difficulty in seeing the doughnut, whether the hole is there

> When we used to borrow money from the banks in the good old days of the past, and submitted to the bank a property statement, and admitted in that statement that we had guaranteed somebody's loan, the banker always insisted that we should count that guaranty as a debt, and the banker was usually right. If one guarantees a note for another he usually has that note to pay.

> The Government is certainly going to have thousands of homes on its hands. As a Government, we are in the realestate business right. Add to this four and a half billions, two billions for farm mortgages. Six and a half billions of tax-exempt securities will bring, I estimate, about three billions in losses to the Government. When we in the future talk about the debts of this Nation, we shall, I fear, be obliged to add at least three billions on account of bonds issued for H. O. L. C. and the Farm Credit Administration.

> I have heard it stated here in the Well that the R. F. C. was established to unload private debts of the railroads and the banks on the public through the Government. Since I have been here I have often wondered if this might not prove true.

[Here the gavel fell.]

Mr. TRUAX. Mr. Chairman, the question has been asked, How can the home of the unemployed workman be saved? I am attempting to answer that question. Such a man in distress can be saved the same as this Congress saved the farmers of this Nation by the enactment into law of the Frazier-Lemke farm bankruptcy bill, passed on June 15, on the last day of the Seventy-third Congress, by this House and the Senate of the United States.

Mr. KVALE. Mr. Chairman, will the gentleman yield?

Mr. TRUAX. Yes; I yield. Mr. KVALE. Has the gentleman made any effort to prepare such an amendment?

Mr. TRUAX. I have; but I am not sure that it is germane, I will say to the gentleman.

What is wrong with the home owners of this country today? It is the same old trouble of the money-lending Shylocks that not only take away a man's home, but obtain a deficiency judgment against him, and mortgage his future earnings and his future life by such deficiency judgments.

In the farm bankruptcy bill we eliminated deficiency judgments once and for all time. We provided for a scaledown on such a debt to its value today.

I want to point out to you that 10 out of 11 Federal courts of this country have held this bill to be constitutional, and a hearing before the United States Supreme Court will be had the fore part of next month, and my prediction is that this bill will be held constitutional by the United States Supreme Court. Then why should we wait: why should we hesitate and allow these tens of thousands and these hundreds of thousands to have their homes taken away from them? If this economic distress has slain its tens of thousands, the money-lending pirates and buccaneers of this country have slain their hundreds of thousands by their foreclosures and their deficiency judgments. Why should this Congress hesitate? You can protect the unemployed and helpless and small-home owner by the same mechanics and by the same methods.

The hope is expressed by some on this floor that the private banking institutions and the private money-lending institutions will resume their money-lending operations and

that they will again take over the refinancing of homes. I have no doubt in my mind whatsoever that they will never resume these operations. They will never take them over, and the only way that these home owners can save their homes is by Government refinancing and by a 5-year moratorium, the same as we have given the farmers of this country.

I care not whether you increase your funds one and onehalf billion dollars or three billion dollars, you have got to stop, once and for all, the damnable money lenders and Shylocks of this country. [Applause.]

[Here the gavel fell.]

The Clerk read as follows:

6. The Federal Home Loan Bank Act, as amended, amended by inserting a new section following section 10, to read as follows:

"SEC. 10A. Each Federal home-loan bank is authorized to make advances to nonmember mortgagees approved under title II of the National Housing Act. Such mortgagees must be chartered institutions having succession and subject to the inspection and supervision of some governmental agency, and whose principal activity in the mortgage field must consist of lending their own funds. Such advances shall not be subject to the other provisions and restrictions of this act, but shall be made upon the convisions. funds. Such advances shall not be subject to the other provisions and restrictions of this act, but shall be made upon the security of insured mortgages, insured under title II of the National Housing Act. Advances made under the terms of this section shall be at such rates of interest and upon such terms and conditions as shall be determined by the Federal Home Loan Bank Board, but no advance may be for an amount in excess of 90 percent of the unpaid principal of the mortgage loan given as security."

Mr. HOLLISTER. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Hollister: On page 5, line 12, strike out "A" and insert "b."

Mr. HOLLISTER. Mr. Chairman, it is a typographical error that a capital A is in the bill at this point. There is already a section 10a, and therefore this should be section 10b.

The amendment was agreed to.

The Clerk read as follows:

Sec. 7. Section 13 of the Federal Home Loan Bank Act, as amended, is amended by inserting after the word "bank" in the second line thereof the words "and consolidated Federal home-loan bank bonds or debentures."

Mr. BINDERUP. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. BINDERUP: On page 6, after line 3,

insert a new section to read as follows:
"Sec. 7. Section 13 of the Federal Home Loan Bank Act, amended, is further amended as follows: 'Provided, however, That no corporation, organization, or institution which charges a rate of interest of more than 5 percent on its loans, or which pays any of its officers or employees a salary of more than \$3,000 per annum, shall be entitled to participate in any of the privileges or benefits of this art."

Mr. STEAGALL. Mr. Chairman, I make the point of order against the amendment that it is not germane to the section.

Mr. BINDERUP. May I ask the gentleman, as a matter of information, why this is not germane to the section.

The CHAIRMAN. The burden is upon the gentleman to show that the amendment is germane. The Chair will hear the gentleman if he cares to offer any argument upon its germaneness.

Mr. BINDERUP. Mr. Chairman, the amendment is germane because it pertains to the entire substance of the bill. It is very difficult to separate the three sections of the Home Loan Act pertaining, first, to the home-loan bank and the Home Loan Corporation and then to the housing provision. This is purely a limitation, that is all.

The CHAIRMAN. Does the gentleman from Alabama wish to be heard on his point of order?

Mr. STEAGALL. No, Mr. Chairman. As we view the matter, the amendment has no relation to the section.

The CHAIRMAN. The Chair is ready to rule.

The Chair believes the amendment of the gentleman is not germane to section 7, but quite foreign to it, and, therefore, sustains the point of order.

The Clerk read as follows:

SEC. 8. Section 19 of the Federal Home Loan Bank amended, is amended by adding at the end thereof the following: I ter security than if it is merely used as a home. I say to

"The receipts of the Board, except the receipts arising from assessments upon the Federal home-loan banks, shall be deposited in the Treasury of the United States, and may be from time to time withdrawn therefrom for the performance of the duties of the Board, and such funds other than the receipts from assessments upon the Federal home-loan banks may be expended without regard to the provisions of any other law and shall not be construed to be Government funds or appropriated moneys." to be Government funds or appropriated moneys.

Mr. ELLENBOGEN. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. ELLENBOGEN: Page 6, line 19, at the

"SEC. 8A. That section to read as follows:

"Sec. 8A. That section 2 (c) of the Home Owners' Loan Act of 1933 be amended to read as follows:

"Sec. 2 (c). The term "home mortgage" means a first mortgage on real estate in fee simple or on a leasehold under a renewable lease for not less than 99 years, upon which there is located a dwelling for not more than 4 families and containing not more than one shop or storeroom, used by the owner as a home or held by him as his homestead, and having a value not exceeding \$20,000; and the term "first mortgage" includes such classes of first liens as are commonly given to secure advances on real estate under the laws of the State in which the real estate is located, together with the cradit instruments if any secured thereby." the credit instruments, if any, secured thereby.

Mr. ELLENBOGEN. Mr. Chairman, this amendment is an amendment to the Home Loan Act passed in 1933. It is an amendment to section 2 (c), which contains the definition of an eligible home. The proposed amendment only adds these few words, "and containing not more than one shop or store."

At the present time a home is eligible that contains not more than four apartments. At the time the act was passed we omitted to expressly provide for a home with a small shop or a small storeroom in the property. At the present time, in most cases, their applications have been held ineligible under the provisions of the act.

I want to repeat that the only change the amendment proposes to make is to make eligible under the terms of the act these homes containing not more than one shop or a storeroom.

I know thousands of home owners who have had their loans declined, because their property contained a small shop or a small storeroom. In many of these cases the applicant, the home owner, was carrying on in that shop a small business-like a cobbler's shop or a small grocery store, or some other commercial activity—and had been living in it as long as 20 years. In spite of that his loan was declined. I hope this Committee will accept this amendment and that my colleagues will support it.

I want to call attention to the fact that a similar amendment was passed by the House last year but it was thrown cut in conference.

Mr. CARPENTER. Will the gentleman yield?

Mr. ELLENBOGEN. I yield.

Mr. CARPENTER. I have had a number of instances in my district where the parties appealed to me for relief along the line suggested by the gentleman from Pennsylvania, and I know of no reason why these persons should not have relief that is provided in the gentleman's amendment. I hope the amendment prevails.

Mr. REILLY. Will the gentleman yield?

Mr. ELLENBOGEN. I yield.

Mr. REILLY. Is it not a fact that where the shop is merely incidental to the home that relief is given?

Mr. ELLENBOGEN. The Board in theory has made such a ruling, but the offices throughout the country have thrown such loans out, and the Board in Washington has sustained their rulings. I want an explicit declaration in the law so that there shall not be any question about it.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. ELLENBOGEN. Yes.

Mr. RANDOLPH. I am in agreement with the amendment for the reason that I believe we should encourage that person who is trying to bring some income into his home whereby he may pay the loan back to the Government.

Mr. ELLENBOGEN. I thank the gentleman for his suggestion, because a home containing a shop or a store is betthe distinguished gentleman from Wisconsin that if the Board wants this done why not put it in the law; why object to the amendment? I hope the Committee will agree to the

Mr. MAVERICK. Mr. Chairman, will the gentleman yield?

Mr. ELLENBOGEN. Yes.

Mr. MAVERICK. I want to give an example. In my home town, San Antonio, there is a man who sold his home because he was out of a job, and he opened up a small business on Broadway and lived on the place. It is his home. They found out that the combined value of his ice-cream machines, his little restaurant, was slightly more than the portion slept in, or his home, and it was decided he could not make a loan because it was "predominantly commercial." Under the laws of Texas, this is his only homestead. It is the only thing that he has in the world. Some worthless people who have a home and a separate business or job have made loans and do not pay up, but this fellow cannot do it. This is a penalty on thrift. I think if we are going to give relief to the people, especially the small merchant, we have to have that included. We talk about "big business", but we keep a small merchant from existing because of a technicality. Let us give these people relief.

Mr. DORSEY. Mr. Chairman, will the gentleman yield? Mr. ELLENBOGEN. I shall gladly yield to my distin-

guished colleague from Pennsylvania.

Mr. DORSEY. Is it not true that there has not been any uniform regulation of these combined-use buildings, and the purpose of the gentleman's amendment is to clear up that situation?

Mr. ELLENBOGEN. That is the situation. I might say to my colleague from Wisconsin [Mr. REILLY] that in the beginning those homes were held to be eligible by the Home Owners' Loan Corporation but that later they were excluded. The CHAIRMAN. The time of the gentleman from Penn-

sylvania has expired.

Mr. HOLLISTER. Mr. Chairman, I rise in opposition to the amendment. The gentleman from Pennsylvania [Mr. ELLENBOGEN] is in error when he states that the presence of a shop or a store necessarily invalidates a loan. The test which is made by the Corporation is whether or not the property concerned is primarily a residence or primarily a business. The Corporation has felt, and it would seem to me properly so, that inasmuch as this is a home owners' loan corporation, a corporation set up for the purpose of assisting home owners, they must in the nature of things limit the relief given to what is essentially a home rather than what is essentially a business. Regulations have been laid down along these lines. Of course, there are many borderline cases, cases where it is difficult to say immediately whether the property in question is more of a business than it is a home or more of a home than it is a business. The Board has informed the committee that there is a special committee of the Home Owners' Loan Corporation sitting in Washington to which these border-line cases are referred. This committee takes these border-line cases and finally decides them, leaning where it possibly can toward giving the relief. If there is any doubt in the mind of the committee, it holds that the building concerned is not essentially a business.

Mr. MAVERICK. - Mr. Chairman, will the gentleman yield?

Mr. HOLLISTER. Yes. Mr. MAVERICK. I want to give this example, which is the case before the Home Owners' Loan Corporation.

Mr. HOLLISTER. Will the gentleman please ask me a question? I have only a few minutes.

Mr. MAVERICK. We will get his time extended. The point is this: Probably, as a matter of fact, the business property is proportionately worth slightly more than the part in which the man sleeps.

Mr. HOLLISTER. I do not think the test is made in

Mr. MAVERICK. Oh, yes; it was in this case, and I can give the gentleman the name of the case. It is the Blue

Bonnet Confectionery, or something like that. It is the only home this man has. Under the constitution of the State of Texas it is his homestead, and yet he cannot make a loan on it and he is paying 8-percent interest.

Mr. HOLLISTER. Mr. Henry L. Doherty, of whom the gentleman has probably heard, lives in a penthouse on top of the Cities Service Building in New York City. That is his only home. Would the gentleman think it was eligible under the Home Owners' Loan Corporation?

Mr. MAVERICK. No: but this is the only home the man has, and it is a small business; and that is construed under the law of Texas as a homestead. It is not a penthouse. Besides, no loan can be made on a value over \$20,000.

Mr. HOLLISTER. After all, we must draw the line somewhere. To try to delineate in any particular legislation the exact place where the line must be drawn as between a residence and a business seems to me beyond the possibility of what this House can do. It seems to me this must be left to the general rules of the Corporation, believing that the Corporation, which is trying to do the best job it can, will so lay down its regulations as to take under its wing all proper

Mr. ELLENBOGEN. Will the gentleman yield?

Mr. HOLLISTER. I yield to the gentleman from Pennsyl-

Mr. ELLENBOGEN. I had a case where a home owner had a small shop in his storeroom, and he was actually served with foreclosure papers and they wired to Washington and Washington examined the case and rejected it.

Mr. HOLLISTER. I cannot yield further. The only answer I can make to the gentleman is that when you are dealing with 1,000,000 or 2,000,000 applications, there will always be a few cases of unfairness, a few hard cases which you and I or anyone would say should have been covered. The old adage that hard cases make bad law is evident in some of the things we are trying to do here. We must try to lay down certain general limitations and leave it to the regulations of the Corporation to fill up the blanks.

Mr. RANDOLPH. Will the gentleman yield? Mr. HOLLISTER. I yield.

Mr. RANDOLPH. I believe the real reason why we should place this provision definitely in the law is because of the interpretations which have been placed on rulings up to date. I believe, further than that, that we place a penalty upon the

Mr. SABATH. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, last year by nearly a unanimous vote a similar amendment was adopted. Unfortunately the conferees failed to agree upon it. I was in hopes that the committee, in view of the vote last year, would embody the provision in this bill. I desire to stand by the committee on this bill, which I am ready to do with a few minor exceptions, and this is one of them.

I consider this an important amendment, an amendment that will eliminate discrimination. I am not ready or willing to rely on the interpretation of some of the appraisers who were in the field or here in the Washington office. We had Mr. Fahey before our committee and examined him on this very proposition. He was under the impression that in a majority of the cases favorable action is had on appeal here to Washington. I think it is manifestly unfair to subject the little fellow, who cannot afford to engage an attorney or assistants, to that additional expense. The purpose of this amendment is to give people who, perchance, may have a small store or a shoe shop or a bakery shop or any other small place of business on a first floor, with 2 flats or 4 flats above, the same privilege that is accorded to the home owner who may not have any such shop or store in his building.

Mr. MAY. Will the gentleman yield?

Mr. SABATH. I yield.

Mr. MAY. Is it not a fact that the possibility of a man's being permitted to have some kind of a commercial enterprise in his home will enable him to earn enough money to

discharge the tax liens and make repairs, and things of that a truck, or works on docks, or works on the railroads; a man kind, which he might not otherwise have?

Mr. SABATH. That is correct. The gentleman is always right. These loans will be safer than many of those that have been made on mortgages owned by insurance companies or by banks.

Mr. DONDERO. Will the gentleman yield?

Mr. SABATH. I yield.

Mr. DONDERO. What we are trying to do is to protect the man who lives in the back of his shop and runs the front of it for an-income, or who lives over the store? He has an income that almost insures the loan. Is that not correct?

Mr. SABATH. That is correct. I recollect the gentleman cooperated with me last year in having that amendment adopted, and I was thankful to him then and I am thankful to him now that he joins with me for such a noble and just cause for relief.

Mr. RANDOLPH. Will the gentleman yield?

Mr. SABATH. I yield.

Mr. RANDOLPH. I am in agreement with the line of argument which has been presented by the distinguished gentleman from Illinois. I believe the reason we should pass this bill at this time is because as it now stands we place a penalty upon thrift.

Mr. SABATH. Yes. The gentleman is correct.

Mr. BROWN of Michigan. Will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Michigan. Mr. BROWN of Michigan. Is this substantially the same

as the amendment which the gentleman offered last year?

Mr. SABATH. Yes; substantially the same amendment.
Mr. BROWN of Michigan. I note that it does not include
the word "store." I think it should be amended to include
the word "store."

Mr. SABATH. I think it does include the word "store." At least I suggested to the gentleman to put the word "store" in there.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. Sabath] has expired.

Mr. BROWN of Michigan. Mr. Chairman, I ask unanimous consent that the amendment be amended in line 10, after the word "shop", to include the word "store" and a comma, so that it will read "shop, store, or storeroom."

Mr. ELLENBOGEN. Mr. Chairman, I accept the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan [Mr. Brown]?

There was no objection.

Mr. SWEENEY. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, the distinguished member of the Committee on Banking and Currency, Mr. Hollister, who addressed the House a few moments ago, stated he thought this matter should be one of regulation vested in the Board. I should like to take sharp issue with that statement. Here is a golden opportunity for the Members of this House to right a wrong. When we started to investigate the activities of the Home Owners' Loan Corporation or tried to do so, at least, my mail was deluged with complaints from those who claimed they were discriminated against because they had a small store, a butcher shop, or a barber shop, or something like that. In the district of the gentleman from Pennsylvania [Mr. Crossy] there is a typical case which I should like to cite. Down the road on the Lincoln Highway a young man has a stand where he caters to tourists; he sells soft drinks and sandwiches.

He operates that stand 7 months of the year, but lives there all the year around. He made an application for a home owner's loan. It is his only home. The application was denied. One mile down the road another man operates a beer parlor all the year around, lives there, and he secured a loan.

I have had evidence presented to me of cases where loans were made on greenhouses and hotels. Why the discrimination against the man who is barely making a living by conducting a small business? You allow a man to get a loan on his home if he is in distress—a man who operates

a truck, or works on docks, or works on the railroads; a man who makes more money sometimes than the man struggling along trying to run a butcher shop or a barber shop. I do not believe the decision should be left with the Board, because the Board will not carry out equitable means of giving relief to distressed owners in this class of cases.

I have a letter in my files from a member of the legal staff of the Home Owners' Loan Corporation in Washington in which he wrote to a constituent in Ohio that the interpretation of homestead—that is, whether a business and dwelling combined would fall within that classification—is left in the final analysis to each State manager. This means you have 48 different kinds of interpretations as to what constitutes a homestead; and unless you adopt the Ellenbogen amendment or some amendment like it you are going to have a continuation of 48 State managers deciding from political viewpoints primarily what constitutes a homestead.

Mr. ELLENBOGEN. Mr. Chairman, will the gentleman yield?

Mr. SWEENEY. I yield.

Mr. ELLENBOGEN. At the present time the employees in the district offices are afraid to accept stores and homes combined because they are afraid of being separated from their jobs if they displease the home office.

Mr. SWEENEY. There is no question at all about that. Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. SWEENEY. I yield.

Mr. BROWN of Michigan. The gentleman understands that this amendment is still subject to the \$20,000 limitation?

Mr. SWEENEY. I understand that.

Mr. BROWN of Michigan. No loan may be made in excess of that amount?

Mr. SWEENEY. That will not affect the class of people I am speaking about, for most of these applications will be well below \$20,000 appraisal; most of them will come from small merchants, whose places of business are attached to the dwellings.

- Mr. GRAY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. SWEENEY. I vield.

Mr. GRAY of Pennsylvania. If the gentleman will permit, I call his attention to another instance in my district, the case of a man and his wife who owned a home which had a little store in it but which was not being used by them. They made application for a loan. In the meantime, in order to try to preserve their home, they had to earn their living and moved to New Jersey from Pennsylvania. They got word from the Home Owners' Loan Corporation in the district that inasmuch as they had moved to New Jersey no action could be taken on the loan, but that if they would return to their home town in the district the loan would be granted. These people moved back to their home and then were refused a loan because their building had a little storeroom in it.

Mr. SWEENEY. There are hundreds of cases similar to the one pointed out to the House by the gentleman from Pennsylvania. Unless this Congress has the intestinal fortitude I think it has to write into the law positive direction about some of these things, the same difficulties will be experienced all over again.

[Here the gavel fell.]

Mr. ROGERS of New Hampshire. Mr. Chairman, I rise in favor of the amendment, and for this reason: It seems to me that while we discuss the great problems of capital, of labor, of producer, and consumer we are too likely to forget that the fundamental principle on which we must ultimately expect to bring back national recovery in this country rests in the hope, the spirit, and the patriotism which are instilled into the hearts, the minds, and the soul of the American citizens in the American homes. [Applause.]

When we talk about homes we must, in many cases, include therein shops, stores, and offices, which are just as much a part, or may be just as much a part, of the American home as the bedroom, the kitchen, or the dining room itself. For myself, I had the honor of being born on a farm in New Hampshire, a farm upon which horses, cows, and pigs were raised. Dwelling house, shed, and barn on that farm were connected, were part of the same structure; yet my mother and father and my grandparents lived in the home on that farm, on which horses and oxen were used to carry on the work. The same principle applies to a home which has in it a shop, a store, or an office. In order that there may be no discrimination, I think we should unanimously adopt the amendment which has now been offered to correct the abuses which have resulted under the previous construction of this act. [Applause.]

[Here the gavel fell.]

Mr. SISSON. Mr. Chairman, I ask unanimous consent that the gentleman from New Hampshire be granted 1 additional minute in order that I may ask him a question.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SISSON. Will the gentleman yield?

Mr. ROGERS of New Hampshire. I yield to the gentleman from New York.

Mr. SISSON. May I ask the gentleman if he has considered the fact that the amendment which he is supporting will have no efficacy unless the bill as now reported is so amended as to provide additional time for the filing of application?

Mr. ELLENBOGEN. Will the gentleman yield to me to answer the question?

Mr. ROGERS of New Hampshire. I yield to the gentleman from Pennsylvania.

Mr. ELLENBOGEN. The gentleman from New York is mistaken because there are thousands and thousands of applications in the files which have been rejected, and if this amendment is agreed to they could be brought up and reconsidered.

Mr. ROGERS of New Hampshire. I think that statement clearly shows the intent of Congress in the matter.

Mr. SADOWSKI. Mr. Chairman, I offer a substitute amendment, which I send to the desk.

The Clerk read as follows:

Substitute amendment offered by Mr. Sadowski for the amendment offered by Mr. Ellenbogen: Subsection (c) of section 2 of the Home Owners' Loan Act of 1933 is amended by striking out the period at the end of the pargraph and inserting in lieu thereof a colon and the following: "Provided, That nothing herein contained shall be construed to define a homestead in such a way as to eliminate a home which contains a store or stores or any place of business but which in all other respects is the homestead of the mortgagor."

Mr. SADOWSKI. Mr. Chairman, I offer this substitute amendment because it will take care of more cases than is covered by the other amendment. I have in my district a lot of homesteads built on 30-foot lots which contain 2 stores and 5 or 6 living rooms. That is all the man owns. It is in every sense of the word a homestead. It is his home.

Under the amendment as offered by the gentleman from Pennsylvania, that sort of a homestead would be eliminated. He should be given every consideration because that is his homestead and it should come in under this act.

Mr. FITZPATRICK. Under the amendment they could rent the store?

Mr. SADOWSKI. They could rent the store, but it would still be his homestead.

Right now the interpretation is different in every State. The State manager in one State may say that a homestead containing one store is a homestead. In another State he will rule that out. This should be equalized so that it is the same all over the country. In the past certain State managers throughout the country have been able to eliminate homesteads on the ground that the home was incidental to business. That is not the case. The business is incidental to the home. When a man has a little grocery store or barber shop, even if he is renting out a small part of the store for another business, it is still his home, and the business is inci-

dental to the homestead. He should receive aid and assistance under the Home Owners' Loan Act.

Mr. Chairman, the amendment which I offer is very sensible. It still leaves a certain amount of discretionary power in the Home Owners' Loan Corporation. At present section 2 (c) reads as follows:

(c) The term "home mortgage" means a first mortgage on real estate in fee simple or on a leasehold under a renewable lease for not less than 99 years upon which there is located a dwelling for not more than four families, used by the owner as a home or held by him as his homestead and having a value not exceeding \$20,000; and the term "first mortgage" includes such classes of first liens as are commonly given to secure advances on real estate under the laws of the State in which the real estate is located, together with the credit instruments, if any, secured thereby.

#### The amendment reads:

Provided, That nothing therein contained shall be construed to define a homestead in such a way as to eliminate a home which contains a store or stores or any place of business but which in all other respects is the homestead of the mortgagor.

This amendment has a lot of sense and merit to it, and I think should be adopted.

Mr. DONDERO. Will the gentleman yield?

Mr. SADOWSKI. I yield to the gentleman from Michigan. Mr. DONDERO. Does not the gentleman mean to include in his amendment the word "vendee" under a land contract as well as the mortgagor of a business property? Unless the gentleman does that he will exclude a large number of people in Michigan and other States.

Mr. SADOWSKI. The Home Owners' Loan Corporation has given that interpretation in Michigan.

Mr. DONDERO. That that class would be considered the same as other mortgagors?

Mr. SADOWSKI. Yes.

[Here the gavel fell.]

Mr. STEAGALL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this presents a complete departure from the purposes underlying the Home Owners' Loan Corporation legislation. There is a twilight zone between property that is essentially residential and property in which the commercial or business use to which it is devoted predominates. The Board of the Corporation assured the committee considering this legislation that the test applying in cases of applications of this type was to ascertain the predominating purpose and use to which the property was devoted. If it was found that the principal use of the property was as a domicile, the loan would be eligible so far as the character of the property offered in the mortgage is concerned. On the contrary, if the commercial or business use to which it is devoted constituted the chief characteristics of the use made of the property it would be excluded for that reason.

Mr. Chairman, under this amendment any store, shop, or storeroom, or any business piece of property coming within the definition, regardless of its value, would be eligible for a loan and would be automatically thrown into the eligible class. It would be the duty of the Board to consider it the same as they would the application of any individual home owner in the land endeavoring to secure a mortgage upon a piece of property used exclusively as a domicile. In that situation a man owning one of the thousands of commercial houses and business properties that are unfortunately out of use at this time could by installing any pretense of home equipment and furniture and, as the language of the amendment says, "make it his homestead", would be eligible for a loan under this act.

Gentlemen say I am in error when I state that this would apply to property regardless of value; but I am entirely correct in my statement because, while the original Home Owners' Loan Corporation Act excluded applications for loans on homes in excess of a valuation of \$20,000, amendments to the act have taken off the limitation as to value.

Mr. ELLENBOGEN. The gentleman is mistaken about that.

Mr. STEAGALL. So that any storehouse in which the owner installed equipment or furniture and treated it as a

amendment.

Mr. SABATH. No: the limitation would apply.

Mr. STEAGALL. This amendment would invite abuses. The Board advises our committee that in its judgment the Board would be flooded with applications that are not essentially and fundamentally applications for the relief of bona fide home owners and home occupants.

[Here the gavel fell.]

Mr. STEAGALL. Mr. Chairman, I ask unanimous consent to proceed for 2 more minutes, so that I may yield for questions.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman vield?

Mr. STEAGALL. I yield to the gentleman from Michigan. Mr. BROWN of Michigan. Do I understand from the gentlemen's argument that if the language were cleared up so that the \$20,000 limitation would apply the gentleman would have no objection?

Mr. STEAGALL. Oh, no; the principle would be the same. I called attention to that, however, to point out the defects in this amendment which evidently have been overlooked, and which shows the difficulty of undertaking to legislate on the floor in matters so technical, where we must act in haste and without full opportunity for discussion and consideration.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Kentucky. Mr. MAY. Waiving the question of dual use of the property as a home and as a business enterprise combined, the gentleman will agree with me that under the law of every State in the United States taxes are a first lien against the property, and the gentleman will also agree with me that when you apply to this Corporation for a loan you are always required to pay your taxes, procure fire insurance, and cyclone insurance.

Mr. STEAGALL. The gentleman is entirely in error.

Mr. MAY. Oh, no; I have had the experience.

Mr. STEAGALL. I am speaking of the law. I do not know about the experience of the gentleman. The law provides for taking care of liens and taxes, as well as the debt owed by a distressed mortgagee.

Mr. MAY. And in addition to that, this has to be done every year for 15 years, if your loan runs that long. Why would it not be good business policy to grant a loan on a place that is a combination enterprise, such as a home upstairs and a business place downstairs?

Mr. STEAGALL. Oh, it may be a good business proposition to relieve any distressed mortgagor or to remove all mortgages off of all the real estate in the United States, but what we are attempting to do by this particular legislation is to use funds out of the Federal Treasury for the purpose of preventing the foreclosure of homes, so that our citizens and their families may not be turned into the highways without shelter. We ought not to depart from that principle in this legislation.

Mr. Chairman, I move that all debate on this section and all amendments thereto do now close.

The motion was agreed to.

Mr. ELLENBOGEN. Mr. Chairman, I ask unanimous consent to proceed for 1 minute in order to call the attention of the distinguished gentleman from Alabama to a statement which he has made.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ELLENBOGEN. Mr. Chairman, surely the gentleman from Alabama, the distinguished chairman of the committee, does not want to inform the House that there is any law that removed the limitation of \$20,000 on a home. As the Home Owners' Loan Act now stands, there are two limitations: First. A loan cannot exceed \$14,000, and, second, the appraised value of the home cannot exceed \$20,000. These limitations are not affected by my proposed amend-

home would be automatically eligible for loans under this | ments, and I believe the gentleman from Alabama should admit this.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Michigan.

Mr. FITZPATRICK. Mr. Chairman, may we have the

original amendment and then the proposed substitute amendment again read?

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk again read the Ellenbogen amendment and the Sadowski substitute amendment.

The CHAIRMAN. The question is on the substitute amendment.

Mr. DUNN of Pennsylvania. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. DUNN of Pennsylvania. The gentleman from Alabama moved to close all debate. Was it on the amendment or on the section?

The CHAIRMAN. It was on the amendment and all amendments thereto.

Mr. BUCHANAN. And not on the section.

The CHAIRMAN. Not on the section. The question is on the substitute offered by the gentleman from Michigan.

The question was taken; and on a division (demanded by Mr. Dunn of Pennsylvania) there were-ayes 26, noes 78.

So the substitute amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from New Jersey [Mr. Ellenbogen].

The question was taken; and on a division there wereayes 95, noes 48.

So the amendment was agreed to.

Mr. BUCHANAN. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 6, strike out lines 11 to 19, inclusive, and insert the

"On and after July 1, 1935, the receipts of the Board shall be deposited in the Treasury of the United States, and there is hereby authorized to be appropriated to defray the expenses of the Board as authorized by law such amount as may be necessary.'

Mr. BUCHANAN. Mr. Chairman and gentlemen of the Committee, all amendments heretofore offered have been enlarging amendments. This is a restrictive amendment on the power of the Board to get money and not account for it.

If you gentlemen of the Congress desire to hold control of this superboard, you must insist on making appropriations for administration of it at every session of Congress. When you realize that the Board, under this language, can assess any amount of money on these subsidiary corporations and organizations they see fit, in their judgment, to levy, it seems to me that the Congress should be informed about it.

Let me explain the reason I am doing this is because in following out my duty as Chairman of the Committee on Appropriations I should bring to the attention of the House any bad monetary administration set up by any legislative bill, and it matters not what it may be.

The Federal Bank Board is a superboard. Its functions are to control and supervise the Federal home-loan banks, and there are 12 of them, in 12 districts; to control and supervise the Home Owners' Loan Corporation; to control and supervise the Federal Savings and Loan System; and to control and supervise the Federal Savings and Loan and Insurance Corporation. The Federal Government has contributed so far in cash approximately \$125,000,000 to purchase stock in the home-loan banks and in addition the privilege to issue bonds of that system, which can be purchased both by the H. O. L. C. and by the Treasury. Federal Government has contributed \$200,000,000 in cash to subscribe to stock of the Home Owners' Loan Corporation. It has contributed \$50,000,000 in cash to the Federal Savings and Loan System for investment in stocks of the various Federal savings and loan associations and has permitted \$100,000,000 in bonds of the H.O.L.C.-which the Government guarantees both as to principle and interest-to be marketed to provide funds for the Federal Savings and Loan Insurance Corporation to operate. None of that money has | been paid back. Do you not think that the Congress owes it to the people to keep supervision of all of the administrative expenses of this superboard? How can it do it? What is the law? The law authorizes this Home Loan Bank Board to levy a proportionate share of its administrative expenses in the form of assessments upon each one of these separate and distinct organizations. The permanent appropriation bill that we passed last year stopped that, so far as the Federal home-loan banks are concerned, and the bill we passed a few days ago carried \$264,000 for administrative expenses of the Home Loan Bank Board. That action in placing those assessments under annual control was correct, and the same principle ought to apply to assessments levied on these separate corporations and organizations, so that every year this superboard will have to come before the Committee on Appropriations and give an account of its stewardship of its administrative expenses. That supervision should be continued at least until the Government has been paid back its money and these institutions become private institutions or acquit all their financial obligations to the Government.

Mr. HANCOCK of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. Yes.

Mr. HANCOCK of North Carolina. I am impressed with the argument the gentleman has made. I want to know whether he would be willing to let this same law apply to the Federal Reserve System?

Mr. BUCHANAN. I most certainly would, but there is a distinction between the Federal Reserve System and this. If we do not stop forming corporations and giving them carte blanche to spend money, we will soon have a Government run, and its powers controlled, by soulless corporations throughout this country. This Congress should maintain supervisory authority to investigate the need for every dollar of public money that goes through the hands of any Government corporation.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BUCHANAN. Mr. Chairman, I ask unanimous consent to proceed for 5 minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HANCOCK of North Carolina. The gentleman has

not answered my question.

Mr. BUCHANAN. Here is the distinction between this Board and the Federal Reserve System. The Federal Reserve System or the Federal Reserve banks do not owe the Government anything. In fact, the Government owes them. Every cent of money they have invested is their own and any assessment made on a Federal Reserve bank or a member bank by the Federal Reserve Board comes out of the bank's private money. The Government has no direct interest because they owe the Government nothing. But I would even vote for a similar amendment on that. No organization, unless they have something to hide, should object to coming to Congress and presenting their case.

Mr. SWEENEY. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. Yes.

Mr. SWEENEY. Has not the Government an investment of \$114,000,000 in the Federal Reserve?

Mr. BUCHANAN. No; not in the member banks.

Mr. SWEENEY. In stock investment?

Mr. BUCHANAN. Oh, the gentleman means this last thing?

Mr. SWEENEY. No; when we first established the System.

Mr. BUCHANAN. Oh, that has been paid off. They may owe the Government something on capital stock since the depression, and if they do, then let us put a similar amendment on the statute books in respect to them.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. Yes.

Mr. MAY. Do I understand the gentleman from Texas to say that the four loaning or insuring agencies under the

supervision of the Federal Home Loan Bank Board are spending hundreds of thousands of dollars and perhaps millions of dollars without any accounting made of it to anybody, even to the General Accounting Office or otherwise?

Mr. BUCHANAN. I say that under this bill, with the exception of assessments levied on the Federal home-loan banks for administrative expenses, they can assess what they please and spend what they please and it is declared by this bill not to be public money or appropriated money. Just listen to this. Let me read to you the section that I have moved to strike out. It is section 8, on page 6:

The receipts of the Board, except the receipts arising from The receipts of the Board, except the receipts arising from assessments upon the Federal home-loan banks shall be deposited in the Treasury of the United States, and may be from time to time withdrawn therefrom for the performance of the duties of the Board, and such funds other than the receipts from assessments upon the Federal home-loan banks may be expended without regard to the provisions of any other law and shall not be construed to be Government funds or appropriated moneys.

Pass that and you will have lost control of the administrative expenses of that superboard, except those which come from just one group of the four organizations.

Mr. FIESINGER. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. Yes.

Mr. FIESINGER. In addition to the \$200,000,000 the Government guarantees these bonds up to \$4,500,000,000?

Mr. BUCHANAN. Why, certainly, guarantee the bonds

Mr. FIESINGER. And if there are any losses on that, the Government stands that?

Mr. BUCHANAN. Certainly. I hope the chairman of the committee will accept this amendment.

Mr. RAMSPECK. Will the gentleman yield to me?

Mr. BUCHANAN. I yield.

Mr. RAMSPECK. Is it not true that under this section which the gentleman is seeking to strike out they handle millions of dollars of the Home Owners' Loan Corporation, with a spread of 2 percent on \$4,500,000,000 worth of bonds, and do not account to anybody for that?

Mr. BUCHANAN. I would not go that far.

Mr. RAMSPECK. I mean they are not subject to accounting by the General Accounting Office?

Mr. BUCHANAN. The President issued an Executive order last year putting all these institutions under audit by the General Accounting Office. Another provision of this bill will come up later, whereby this bill takes the Federal Saving & Loan Insurance Corporation out from under the auditory authority of the General Accounting Office.

Mr. CONNERY. Will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. CONNERY. I want to get clear the purpose of the gentleman's amendment. The gentleman wants to bring this back for accounting through the Appropriations Committee? Is that it?

Mr. BUCHANAN. Through the Appropriations Committee of this House and this Congress.

Mr. CONNERY. Instead of giving them carte blanche? Mr. BUCHANAN. Absolutely.

Mr. CONNERY. I think the gentleman is right.

Mr. CRAWFORD. Will the gentleman yield?
Mr. BUCHANAN. I yield.
Mr. CRAWFORD. In explanation of the contributions which the Government has made, does that represent cash contributions?

Mr. BUCHANAN. Cash contributions.
Mr. CRAWFORD. For stock in these associations?
Mr. BUCHANAN. For stock in these associations and by direct appropriations, too.

The CHAIRMAN. The time of the gentleman from Texas [Mr. Buchanan] has expired.

Mr. STEAGALL. Mr. Chairman, I move that all debate on this section and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. Buchanan].

The amendment was agreed to.

Mr. MARTIN of Colorado. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Martin of Colorado: Page 6, line 19, after the word "moneys", insert a new section to be known as

section 8 (a), as follows:

"The seventh sentence of section 4 (d) of the Home Owners'
Loan Act of 1933, as amended, is amended to read as follows: 'As
used in this subsection, the term "real estate" includes only real
estate consisting, in the case of suburban property, of not more
than 10 acres, held in fee simple or on a leasehold (1) under a
lease for not less than 99 years which is renewable, or (2) under
a lease having a period of not less than 50 years to run from the
date the mortgage was executed, upon which there is located a
dwelling for not more than four families used by the owner as a
home or held by him as a homestead and having a value not exceeding \$20,000."

Mr. STEAGALL. Mr. Chairman, I reserve a point of order. Mr. ELLENBOGEN. I reserve a point of order. I make the point of order, Mr. Chairman.

Mr. MARTIN of Colorado. I trust the gentleman will reserve his point of order.

Mr. ELLENBOGEN. I reserve the point of order.

Mr. MARTIN of Colorado. Mr. Chairman, the Committee, in my judgment, has just made two very beneficial improvements on this bill, and I was heartly in favor of and voted for both of them. I just want to give the Committee a chance to make a third beneficial amendment.

The amendment I have just offered would really be a companion amendment to the one I offered earlier in the day defining "home mortgages" so as to include rural or suburban tracts not exceeding 20 acres. The argument I made on that amendment applies to this one. That amendment, as I pointed out to the committee, was intended to fill in a twilight zone between the 2-acre tracts as applied to homes and the minimum limitation of 20 acres as applied to farms. I have, however, made this concession to the Committee in the pending amendment, I have struck out the word "rural" and left in only the term "suburban"; and I have reduced the limitation from 20 acres to 10 acres. So that if my amendment is adopted, the only change it will make in existing law will be that real estate will be defined to include a suburban tract of not exceeding 10 acres upon which a home loan may be made.

As I pointed out to the Committee previously, there is nothing in this amendment peculiar to my district or to my county or to my home town; it applies to every district, to every town, and to every city in the United States.

I call attention to the further fact that the vast majority of these suburban tracts which are not now eligible for a home loan are occupied by mechanics, workers, office clerks, small professional men, lawyers, and doctors who perhaps make a living in the city but live in the suburbs, people who have their homes on these small tracts which are barred of the privilege of the home-loan law simply because the excess acreage over 2 acres is not considered in the appraisal and, therefore, the amount of loan which could be made on the 2 acres is insufficient to refinance the indebtedness against the entire tract.

Mr. FIESINGER. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Colorado. I yield.

Mr. FIESINGER. I may have misunderstood the gentleman; is the limitation 20 acres or 10 acres?

Mr. MARTIN of Colorado. The limitation in this amendment is 10 acres. I have also stricken out the word "rural" which was in the other amendment; so that it is limited to 10 acres and to suburban tracts. Of course, if my amendment were adopted, in order to make it effective we should make the same changes in the home-mortgage section of the Home Loan Act of 1933, but that would be a very simple matter.

If you adopt this amendment, you are going to open the loan privilege to many thousands of needy and deserving people who occupy such tracts adjacent to every town and city in the United States.

Mr. BOYLAN. Mr. Chairman, will the gentleman yield? Mr. MARTIN of Colorado. I yield.

Mr. BOYLAN. Why cannot these individual owners make application now if they are on these tracts? What is to prevent them from making individual applications?

Mr. MARTIN of Colorado. I am talking about individual owners; I am not talking about property held jointly or by a colony; I am talking about the workingman, the clerk, the small doctor, lawyer, or little business man who occupies the 5 or 10 acres but whose property is not eligible for a home loan because the Home Loan Corporation will consider only 2 acres adjacent to the house and disregard the rest of it in the matter of appraisal. The adoption of this amendment will enable such an individual to refinance his indebtedness.

Mr. BOYLAN. The gentleman's amendment covers the case of a man who has one house on a tract of ground of 10 acres or less, and not several houses.

Mr. MARTIN of Colorado. Just one house on a suburban tract.

[Here the gavel fell.]

Mr. COX. Mr. Chairman, I rise in opposition to the amendment without waiving the point of order which has already been reserved.

Mr. Chairman, I understand that the class of property owners referred to by the gentleman from Colorado is now eligible for loans. I would like to repeat a statement made to me this afternoon by Mr. Fahey, the Chairman of the Home Loan Board, which was that there are no property owners occupying a twilight zone, as contended by the gentleman offering this amendment, not eligible to a loan either from the Farm Credit Administration or from the Home Loan Corporation. There has been set up a joint committee representing the Farm Credit Administration and the Home Owners' Loan Corporation to which all applications for loans are filed where there is doubt as to which agency of the Government should handle them; and since the setting up of this joint committee these difficulties now referred to are being handled satisfactorily to both the agencies and the borrowers.

The further statement was made to the effect that the Farm Credit Administration admits that, with regard to the law under which it operates, there is a weakness in the sense that to be acceptable as security for a loan the property must be productive to the extent of insuring upkeep and repayment.

In other words, in your experience you have found that the Farm Credit Administration, in the making of a loan, will not act favorably upon an application unless it be made to appear that the property produces sufficiently to enable the borrower to meet the charges made against him under the loan. I am told that the Farm Credit Administration concedes that in that respect the law needs to be amended and has stated that it will come in and ask Congress for an amendment to that effect. With that amendment certainly there will be no necessity whatever for the adoption of the pending amendment, particularly since the class sought to be protected under the amendment is already being taken care of by this joint committee or commission which I have referred to, being the creature of the two agencies of the Government, the Farm Credit Administration and the Home Owners' Loan Corporation.

Mr. MARTIN of Colorado. May I ask the gentleman what this proposed amendment, that he says is coming in, will do? What will the amendment be?

Mr. COX. This will involve a repetition of what I have already stated.

Mr. MARTIN of Colorado. Will it take in the twilight zone in acreage between 2 acres and 20 acres?

Mr. COX. Yes; if classified as a farm it will, and under the existing conditions where there is difficulty in making classifications, the whole matter is being handled entirely satsfactory to the borrower by this joint committee.

Mr. MARTIN of Colorado. May I say to the gentleman that there would not be any difficulty identifying or classifying a suburban tract. We know what "suburban" means. That has a fixed definition. Why not specify a suburban tract of not to exceed 10 acres and classify that as a home?

There would not be any difficulty in administering a provision of that sort.

Mr. COX. There is in the present law no limitation as to acreage. The gentleman comes in with an amendment intended to liberalize the law but which does fix a limitation.

Mr. MARTIN of Colorado. There is a limitation in the regulation and the application of the law, I may say to the gentleman, just as conclusive as a law.

[Here the gavel fell.]

Mr. STEAGALL. Mr. Chairman, I withdraw my point of order.

Mr. ELLENBOGEN. Mr. Chairman, I withdraw my point of order and offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Ellenbogen to the amendment offered by Mr. Martin of Colorado: After the word "family" insert "and containing not more than one shop, store, or store-room."

Mr. ELLENBOGEN. Mr. Chairman, the purpose of my amendment is simply to make the amendment of the gentleman from Colorado [Mr. Martin] consistent with my prior amendment adopted by the House. I believe the gentleman from Colorado [Mr. Martin] will accept my amendment.

Mr. MARTIN of Colorado. Mr. Chairman, I accept the amendment offered by the gentleman from Pennsylvania [Mr. Ellenbogen], because I would not want to disturb his amendment in any way. I am very much in favor of the amendment.

Mr. ELLENBOGEN. The amendment offered by the gentleman from Colorado is a very good one and should be adopted.

The CHAIRMAN. The question is on the amendment to the amendment offered by the gentleman from Pennsylvania [Mr. Ellenbogen].

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado [Mr. MARTIN], as amended.

The question was taken; and the Chair being in doubt, the Committee divided, and there were—ayes 68, noes 72.

So the amendment as amended was rejected.

The Clerk read as follows:

Sec. 9. The first sentence of subsection (c) of section 4 of the Home Owners' Loan Act of 1933, as amended, is amended to read as follows:

"(c) In order to provide for applications heretofore filed the Corporation is authorized to issue bonds in an aggregate amount not to exceed \$4,500,000,000, which may be exchanged as hereinafter provided, or which may be sold by the Corporation to obtain funds for carrying out the purposes of this section or for the redemption of any of its outstanding bonds, and the Corporation is further authorized to increase its total bond issue for the purpose of retiring an amount of its outstanding bonds equal to the amount of the increase; such retirement to be at maturity or by call or purchase or exchange or any method prescribed by the Board with the approval of the Secretary of the Treasury: Provided, That no bonds issued under this clause shall have a maturity date later than 1952: Provided further, That the total bond issue shall not be increased by the amount of any bonds retired from the proceeds of the collection of principal on loans."

Mr. HANCOCK of North Carolina. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. Hancock of North Carolina:

"Section 9 is amended to read as follows:

"Sec. 9. The first sentence of subsection (c) of section 4 of the Home Owners' Loan Act of 1933, as amended, is amended to read as follows:

"(c) In order to provide for applications heretofore filed, and for applicants who in good faith prior to the date this amendment takes effect sought relief by formal application, letter, or otherwise, who file their applications within 60 days after this amendment takes effect, the Corporation is authorized to issue bonds in an aggregate amount not to exceed \$4,750,000,000, which may be exchanged as hereinafter provided, or which may be sold by the Corporation to obtain funds for carrying out the purposes of this section or for the redemption of any of its outstanding bonds, and the Corporation is further authorized to increase its total bond issue for the purpose of retiring an amount of its outstanding bonds equal to the amount of the increase; such retirement to be at maturity or by call or purchase or exchange or any method prescribed by the Board with the approval of the Secretary of the Treasury: Provided, That no bonds issued under this

clause shall have a maturity date later than 1952: Provided further, That the total bond issue shall not be increased by the amount of any bonds retired from the proceeds of the collection of principal on loans."

Mr. HANCOCK of North Carolina. Mr. Chairman, ladies and gentlemen of the Committee, this amendment is presented as a committee amendment. It does not represent, however, the unanimous consent of the Committee on Banking and Currency; but a majority of the committee approved the amendment at an executive meeting held this morning. It represents the majority view of your committee in reference to a proper solution of this perplexing problem. As I stated a while ago, section IX is the heart of this bill. In considering this amendment, which is a redraft of section IX of the printed bill, we are called upon to make an important decision. From the debate, it is quite evident that sentiment in the committee is sharply divided as to how much further the Corporation should go in refinancing mortgages. In view of the testimony of the officials of the Corporation that the amount stated in the bill would very probably take care of all eligible applications now on file, we could not in good faith make other applications, which may be later filed, eligible without increasing the bond authorization. I have no fault to find with those who disagree with my view.

I sincerely believe that all of us are devoted to the crusade in which this Corporation has been engaged. Personally, I would much prefer erring on the side of extreme consideration for the distressed home owner than on the principle of being even sound in my judgment. It is my best judgment, however, that this amendment offers the best solution of our problem, all things considered. In the light of the divergent views expressed here today, no one person can hope to have his view incorporated into the law, and it is imperatively necessary that we reach some compromise. If I did not conscientiously believe that there is merit in the amendment, I would not be standing here sponsoring it. Of course, if the membership desires to open the doors of the Corporation so as to include applicants who have not heretofore sought relief of the Corporation, this amendment should not be adopted.

If a majority of the Members, however, feel that, in keeping with the administration's wishes and its desires to taper off the activities of the Corporation, mortgage relief should be extended only to those who made an effort in one way or another to secure a loan but were blocked by representations of officials of the Corporation that no further loans would be made, this amendment would seem to fully protect every one of those cases.

Personally, I have not been willing to accept the language of the section as written in the bill, because I know that there are thousands of worthy cases which were cut off because of no fault of their own and who have no other means of saving their homes. On the other hand, I recognize that it would be gravely dangerous at this juncture of the governmental situation to take any action which would contemplate continued unlimited activity on the part of the Corporation. I tried yesterday as best I could to explain my philosophy of the mortgage situation and why I felt that it was necessary that we proceed slowly and cautiously in the matter of direct lending at this time. It is pretty alluring and attractive to any man to vote relief of any kind to people who are in distress. There is a limit, however, to which any government can go, and in my opinion we are fast approaching the deadline in this country.

We should not forget that the Corporation now owns approximately 25 percent of all the urban mortgages in this country and that 95 percent of all the bonds that have been issued have found their way into the big financial lending institutions. In other words, regardless of the precautions that have been taken by the officials of the Corporation, many a dollar in bonds has gone to bail out mortgages from institutions which were amply able to carry them along.

With the authorization provided in this amendment, it is believed that all the eligible applications now on file and all additional applications which could qualify under the language of the amendment could be adequately cared for. When we have done this, we believe we should call a halt and give the private institutions an opportunity to resume their normal lending activities. Unless this is done, I fear the future of every thrift and home-financing institution in America.

Please realize that it is not the disposition of the committee or myself to impose any view on the House contrary to their conscientious judgment. It is your problem to determine after you have been given all the information which came to us as members of the committee. We offer this amendment in absolute good faith, and we believe, based on the testimony and information which has been furnished to us, that it will enable the Corporation to go as far as it can safely go at this time. Let me remind you that in the week prior to the stop order, applications had dwindled to around 6,000 a week. At the same time the ratio of ineligible applications increased materially. This is convincing to me that if you open wide the doors and extend indefinitely the life of this Corporation, millions of people not in distress will seek to take advantage of this legislation by dumping their obligations in Uncle Sam's lap. The further we go the harder it will be to stop, and I appeal to you in the name of what I believe to be best for our country to adopt this amendment.

[Here the gavel fell.]

Mr. SISSON. Mr. Chairman, I ask unanimous consent that the gentleman from North Carolina may have 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SISSON. Mr. Chairman, will the gentleman yield? Mr. HANCOCK of North Carolina. I gladly yield.

Mr. SISSON. I just want to make sure that I understand, and that the House understands, the effect of this amendment. To illustrate it concretely: Am I correct in assuming that one who now files an application at any time within 60 days after the passage of this act, the question of whether that application shall be received or acted upon is within the discretion of the Home Owners' Loan Corporation administration?

Mr. HANCOCK of North Carolina. That interpretation is correct to the extent that the Corporation would have the right to determine whether the applicant had, prior to the enactment of this act, sought relief of the Corporation.

Mr. SISSON. Am I also correct in assuming that an applicant who has not heretofore filed his application is not entitled, as a matter of right, to have his application passed upon, but rather it must be determined within the discretion of the Home Owners' Loan Administration whether he has, in good faith, attempted heretofore to file an application.

Mr. HANCOCK of North Carolina. It would not be altogether in the discretion of the Corporation; but the Board would, of course, in doubtful cases have to pass on the question of the applicant's having sought relief prior to the effective date of this act.

Mr. BROWN of Michigan. If the gentleman will permit; I think the gentleman is a little incorrect in his answer to our colleague on the committee. If an application is filed under the amendment of the gentleman from North Carolina at any time prior to the effective date of this act, it may be acted upon.

Mr. SISSON. No.

Mr. BROWN of Michigan. If an application is made by letter, or otherwise, under this amendment, prior to the effective date of this act, then the application may be considered. This is the language of the amendment.

Mr. SISSON. May be, but not must be.

Mr. KOPPLEMANN. Will the gentleman from North Carolina answer that question?

Mr. SISSON. The applicant is not entitled to it as a matter of right.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. HANCOCK of North Carolina. I gladly yield.

Mr. FITZPATRICK. The gentleman answered a question of mine when he had the floor a short while ago, that the new applications made after the enactment of this act would be refused unless they had previously communicated with the Corporation. That was the gentleman's statement.

Mr. HANCOCK of North Carolina. Now, let me make it as clear as I can. My understanding is that under this amendment any person who files an application at any time within 60 days from the effective date of this amendment, such application would be eligible for consideration by the Corporation, provided that such person had, prior to the effective date of this act, sought relief of the Corporation either by formal application, letter, or otherwise.

Mr. SISSON. I think that is a fair answer as far as it goes. But will the gentleman answer this question: Is it not a fact that under this amendment it is within the power and discretion of the Home Owners' Loan Corporation to determine, as a question of fact, whether the applicant has in good faith hitherto sought relief of the Corporation?

Mr. HANCOCK of North Carolina. No; not entirely, I will say to my good friend from New York; because it is my judgment that any applicant who had written a letter to any State agency of the Corporation would be qualified under this amendment; and it even goes further than that—because we use the term "or otherwise." I think that the writing of a letter or any formal action of that kind would be conclusive as to the right of a person to have his application passed upon, provided it was filed within 60 days from the effective date of this act.

Mr. FITZPATRICK. Assuming a man has not communicated with the Corporation up to the enactment of this act, but after its enactment makes an application, under the gentleman's amendment he could not receive a loan?

Mr. HANCOCK of North Carolina. He could not, under my interpretation.

Mr. FTTZPATRICK. Then that eliminates all new applications after the enactment of this act except those who have communicated with the Corporation previous to the enactment of this act?

Mr. HANCOCK of North Carolina. If the House adopts this amendment, as I have said before, no application would be eligible, regardless of when it was filed, unless the applicant had sought relief of the Corporation at some time prior to the effective date of its enactment. I certainly hope that I have made the question of eligibility perfectly clear.

Mr. FITZPATRICK. Why not take the restrictions off and give them 60 days from the enactment of the act?

Mr. HANCOCK of North Carolina. That is a matter entirely in the discretion of the House.

[Here the gavel fell.]

Mr. WOLCOTT. Mr. Chairman, I offer a substitute amendment, which I have sent to the Clerk's desk.

The Clerk read as follows:

Page 6, line 24, after the word "filed" insert "and for applicants who file their applications within 60 days after this amendment takes effect", and on page 6, line 25, strike out the "\$4,500,000,000" and insert "\$5,000,000,000."

Mr. WOLCOTT. Mr. Chairman, I have offered this amendment as a compromise of sentiment on further home relief.

If I had my own way about it I would make this law very definite, so that the relief would not be shut off in any particular until private lending agencies were in a position to take over and give relief to home owners. [Applause.]

In this bill we set up a fund of \$250,000,000 by which the Home Owners' Loan Corporation may purchase stock in Federal building and loan associations which are expected to eventually take over the financing of the home loans.

There is a period in which there will be no relief whatever for the home owner unless we continue the Home Owners' Loan Act, because it will be some time before these private agencies will adequately be able to take over the financing of home loans.

Let me refer to what our President had to say about the need for this relief when he sent the bill to us on April 13, 1933. He said: Implicit in the legislation which I am suggesting to you is a declaration of national policy. This policy is that the broad interests of the Nation require that special safeguards should be thrown around home ownership as a guaranty of social and economic stability, and that to protect home owners from inequitable enforced liquidation, in a time of general distress, is a proper concern of the Government.

I agree with him, and you agreed with him at that time on this subject. Many of you agreed with him that the need of distress was not completely over when you voted last month for the bill which would authorize \$5,000,000,000 to carry on relief.

We must be consistent. If we recognize that there is a need in this country for an appropriation of \$5,000,000,000 for relief, there is likewise a need for the preservation of

social and economic stability of this Nation.

This is in line with the appropriation of \$5,000,000,000 for relief. If we can afford to grant \$5,000,000,000 to the needy of this Nation, surely we can afford to loan a billion and a half or two billion dollars more to the home owners, and it is estimated by Mr. Fahey, of the Home Owners' Loan Corporation, that there need be the loss of not one cent on these loans. For that reason, at least until we can get this private machinery into motion, whereby these home owners can get relief through building and loan associations, and until the policies of the banks change somewhat so that they can get relief through banks, I think we should continue the relief afforded by the H. O. L. C. I defy any gentleman here now to send any of his constituents to any bank in the United States and get one cent of money for home-mortgage relief. You cannot do it. There is no money in the banks for the relief of home owners. There is no money in the building and loan associations under the laws of many of our States for home owners, and the only place that the home owner has to go to get money for relief is to the Congress of the United States, and we should stand up like men and meet this responsibility just as we did on April 13, 1933, when the President asked us to do this.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. Yes.

Mr. DINGELL. Is not the gentleman's impression that the H. O. L. C., when the bill was first proposed in this House, was insufficiently provided for, when we asked for only \$2,000,000,000?

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. DINGELL. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended for 2 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DINGELL. I want the gentleman to answer the question. When the H. O. L. C. bill was proposed here we asked for \$2,000,000,000. We found that that was inadequate, that we should have asked for \$3,000,000,000 at least in the first instance, and certainly an additional billion or a billion and a half later. We find ourselves now, after being in a jam for 2 or 3 months, in a situation where we need additional funds. Is it not a fact that we have gone along all of these 18 months always running in arrears?

Mr. WOLCOTT. Yes. We saw the necessity for increasing it this last year. Of course the argument was that they will be here next year asking for an increase. I hope I will not be charged with being a demagogue when I say that so far as this relief is concerned we cannot stop it until we adopt a general policy of cutting relief off, and when you adopt that general policy I may go along with you, but so long as we are appropriating \$5,000,000,000 for general relief I think it is a mighty poor policy for us to start denying the home owners relief.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. Yes.

Mr. MAY. Does the gentleman's amendment extend the time 60 days beyond the passage of this act?

Mr. WOLCOTT. Yes; it opens the door for 60 days beyond the effective date of this amendment, so that anybody can file an application. Realizing that the billion and a half

dollars which we have set up will be no more than enough to take care of 500,000 applications now pending, which probably will be granted, I have added another \$500,000,000 in the hope that that will be sufficient to take care of all applications filed within this period of time.

The CHAIRMAN. The time of the gentleman from Mich-

igan has again expired.

Mr. SISSON. Mr. Chairman, I speak in opposition to the substitute amendment offered by the gentleman from Michigan [Mr. Wolcott]. I appreciate that the effect of that amendment is to extend the time 60 days beyond the passage of this act for the receiving of new applications, but it also increases the authorization of bonds by \$500,000,000. As I have said as many times as I have had opportunity, I am in favor of extending the time a reasonable time, say 60 days, for the receiving of new applications, because I can see no other way in which this act can be administered, and we will finally get out of the real-estate business without at the same time doing a great injustice to many worthy home owners in distress, after keeping it open for that length of time. I think there are many of us here who appreciate that in doing that we will to some extent unsettle the mortgage market. To a certain extent we will prevent lending institutions from resuming their normal functions. The main thing is that this shall be kept open long enough to receive the filing of applications in worthy cases, not leaving it to the arbitrary discretion of any board. I am unwilling to do that.

Mr. DUNN of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. SISSON. Not now. I am in sympathy with the purpose of the gentleman from Michigan [Mr. Wolcott], but Congress will be in session here for 4 or 5 months longer, and 60 days from now or 90 days from now it can be determined by the Home Owners' Loan Board whether the \$1,500,000,000 now proposed, plus the \$600,000,000 more not used, will be sufficient to take care of these cases, and the effect upon the country will be far better if we simply authorize and direct that this shall be kept open for 60 days and then we can determine when the time comes if this is enough to take care of the worthy cases.

The best advice which our committee has received is that it will be enough. I therefore ask you to vote down the amendment offered by the gentleman from Michigan [Mr. Wolcott], because the gentleman from Michigan [Mr. Brown] will soon offer an amendment which I believe will

satisfy the situation.

Just one thing further, Mr. Chairman. The committee amendment, much as I regret to say it, does not meet the situation. It leaves it to the discretion of the Home Owners' Loan Board to determine whether an application has been made in good faith heretofore or whether an attempt has been made to make an application. It is nothing but a naked thing, and that certainly should be voted down.

The CHAIRMAN. The time of the gentleman from New

York [Mr. Sisson] has expired.

Mr. DUNN of Pennsylvania. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. Dunn of Pennsylvania: On page 6, line 25, after the word "exceed", strike out "\$4,500,000,000" and insert in lieu thereof "\$6,000,000,000."

Mr. STEAGALL. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. Does the gentleman make the point of order? The Chair thinks the point of order is good.

Mr. STEAGALL. I make the point of order, Mr. Chairman.

The CHAIRMAN (Mr. Celler). The Chair suggests to the gentleman from Pennsylvania [Mr. Dunn] that he await decision on the substitute and then he can offer his amendment relating to the amount.

Mr. DUNN of Pennsylvania. Very well, Mr. Chairman.

Mr. COCHRAN. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. Cochran to the committee amendment offered by Mr. Hancock of North Carolina: After the word "filed", in line 2 of the committee amendment, strike out down to and including the word "effect", in line 5, and insert in lieu thereof the following: "as well as future applications"; and strike out "\$4,750,000,000" and insert in lieu thereof "\$5,550,000,000."

Mr. STEAGALL. I reserve a point of order against the amendment.

Mr. COCHRAN. I would like the gentleman to state his point of order.

Mr. STEAGALL. I reserve the point of order.

Mr. ELLENBOGEN. Will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. ELLENBOGEN. There is no time limit at all in the gentleman's amendment?

Mr. COCHRAN. I will explain the amendment I have offered.

I have offered this amendment to the amendment offered by the gentleman from North Carolina. My amendment strikes out the following words: "and for applicants who in good faith prior to the date this amendment takes effect, sought relief by a formal application, letter, or otherwise, who filed their application within 60 days after this amendment takes effect"; and I am also increasing the amount of bonds that can be issued \$1,000,000,000.

The purpose of my amendment to the amendment is this: We all know that no one can go to the Home Owners' Loan Corporation until he is in distress; until he has applied for a loan and has been turned down by real-estate men, by banks, and others. Then and then only can a man go to the Home Owners' Loan Corporation.

Now, if you have a mortgage of \$5,000 upon your house and that mortgage is due July 1, you cannot possibly be in distress until July 1. The gentleman from Michigan [Mr. Wolcottl, has told you that he challenged anyone to name a bank in this country which would loan a dollar on real estate; and no one was able to name a bank. It is impossible to find real-estate companies which will advance any money in my city to home owners unless the mortgage is about 50 percent of the value of the home. Just as the gentleman said, if we are going to help people in distress, let us help them, and shut off nobody until the bonds have all been issued.

Mr. COX. Would not the gentleman be willing to divide his amendment?

Mr. COCHRAN. I am willing to divide the amendment. I will ask permission to do so when I am recognized by the Chair after completing my remarks.

Mr. COX. If the gentleman would divide his amendment I think he would stand a chance of having it passed.

Mr. COCHRAN. I will divide the amendment. I repeat, if we are going to help the home owners, let us help them, but not only help those who have been in distress in the past, or at present in distress, but let us help those who will be in distress later.

Mr. CONNERY. Will the gentleman yield? Mr. COCHRAN. I yield.

Mr. CONNERY. If the gentleman divides his amendment, what will be the effect?

Mr. COCHRAN. The questions will be voted on separately.

Mr. CONNERY. But what are the two things to be separated?

Mr. COCHRAN. One is to raise the amount \$1,000,000,000 and the other is to accept future applications without any limiting date, until the bonds are gone. That is the effect of my amendment to the amendment. It is to continue the Home Owners' Loan Corporation as it was up to the time they discontinued taking applications. It is also the purpose of the amendment to provide additional money. They will need \$1,000,000,000 to take care of the applications that were on file prior to November when they stopped receiving them. At least that is what Mr. Fahey told me in letters, not once but two or three times.

Mr. TABER. Will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. TABER. Would there be any assurance that there would be any new loans made even if the gentleman's amendment were adopted? Would not the funds carried by the gentleman's amendment all be exhausted by pending applications?

Mr. COCHRAN. According to Mr. Fahey there was in the office \$1,800,000,000 in applications. At the time he wrote me they had \$800,000,000 additional in bonds. Therefore it takes \$1,000,000,000 additional to take care of what they have on file. If the amendment offered by the committee survives, they will only have \$500,000,000 to take care of new applications. I say that is not sufficient.

Mr. SNELL. Will the gentleman yield for a question?

Mr. COCHRAN. I yield.

Mr. SNELL. What proportion of those applications will be granted? Did Mr. Fahey tell the gentleman that?

Mr. COCHRAN. He did not say.

Mr. SNELL. A great many of them will be turned down? Mr. COCHRAN. He said they were on file. No doubt many will be turned down.

Mr. SNELL. That does not mean they will be granted? Mr. COCHRAN. We do not know what percentage will be granted.

Mr. SNELL. Probably a small percentage so far.

Mr. COCHRAN. Now, I would like to ask the gentleman from New York a question. Can the gentleman conceive of any better security in the world on which to loan money than a man's home?

Mr. SNELL. No; not if it is all right. I am for it.

[Here the gavel fell.]

Mr. HEALEY. Mr. Chairman, I offer an amendment to the substitute offered by the gentleman from Michigan [Mr. WOLCOTT 1.

The Clerk read as follows:

Amendment offered by Mr. Healey to the substitute offered by Mr. Wolcott: Strike out "60 days" and insert in lieu thereof "6

Mr. WOLCOTT. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. The gentleman will state it.

Mr. WOLCOTT. Is an amendment to a substitute in order at this time?

The CHAIRMAN. It is in order if properly offered at this

Mr. HEALEY. Mr. Chairman, in the light of our past experience with this whole situation, we ought to realize that in 60 days conditions will not be so altered as to warrant the discontinuance of home owners' relief, although we all hope they will be improved. I know that every effort is being made by this Corporation to extend facilities to private lending organizations so that they may be able to adequately take over the field of home financing. I wish, however, to recite the fact that it was but a few days after the H. O. L. C. announced that it was not going to receive any more applications that wholesale foreclosure proceedings started everywhere. I know in my own State that a few days after the Home Owners' Loan Corporation office there ceased taking applications, one bank threatened to start foreclosure proceedings in 32 cases, although these particular mortgagors had applications then pending in the reviewing section of the H. O. L. C. office, and presumably satisfied all of the requirements of the Home Owners' Loan Corporation. This bank threatened to start proceedings to foreclose immediately when it was known that the H. O. L. C. appropriation had become exhausted and that the applications then on file in the Home Owners' Loan office were not going to receive any more action.

Yesterday I heard my distinguished colleague from Massachusetts [Mr. Gifford] say that we ought to get out of this business and not compete with the private lending agencies. I think the great majority of Members of Congress would like to see that thing accomplished, but where are these people going; to what private lending agencies are these home owners in distress going? Do we want to put them at the mercy of the cold-blooded institutions that started to foreclose their homes a few days after the Home Owners' Loan Corporation announced it could not receive any more applications?

After all, this money we have authorized for this humane purpose is coming back in a fairly regular way. According to the testimony of Mr. Fahey, Chairman of the Home Owners' Loan Corporation, there originally was about 33½ percent of these mortgages in default, but after they notified these people who were in default the percentage was cut down to about 16. This is a gigantic enterprise. There never was such a big mortgagee in history as Uncle Sam is today, and a default of only 16 percent is not alarming. We are not only lending this money on the physical property of the home owners of our country, but we are depending upon their industry, their integrity, and their honesty.

Mr. Chairman, we need to keep this organization going at least another 6 months to relieve the distressed home owners. The same reason now exists for extending this relief that existed at the very outset when we enacted this humane legislation. If the banks will not lend to the distressed home owners of our country, then the Government must continue to finance the homes of our people. It is necessary to extend the time for new applications under existing conditions. It is necessary also to increase the amount so that we may take care of future applicants as well as take care of those who already have their applications on file.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. HEALEY. I yield.
Mr. RABAUT. Would not the gentleman agree to extend the time a year, to make the date a year hence, for then we will be in session and have a chance to work on it?

Mr. HEALEY. I think 6 months is a fairly reasonable time. If private lending organizations are ever going to take over the mortgage field, they ought to be in a position to do so by that time; and if at the expiration of that time they are not, we may have to enact further relief legislation for home owners.

[Here the gavel fell.]

Mr. GIFFORD. Mr. Chairman, I wish to repeat a part of the comment I made yesterday, namely, that according to my understanding the administration itself does not wish more than \$1,500,000,000 additional. The Home Owners' Loan Corporation, which must also know what the administration wants, asks only for \$1,500,000,000. Those of you who were elected to back up the President, who is now certainly worried over the money that you have been freezing, should not want to increase the authorization in this particular matter. I am very watchful of your side of the House, as to how carefully you are following the wishes of your own President; and I should like to call the attention of the committee to my intense surprise that the Chairman of the Committee on Expenditures, who is supposed to be watchful of the expenditures of the Government, today wants to add a billion or more to this appropriation; way beyond what the administration wants, far in excess of what the Home Owners' Loan Corporation itself wants.

I cannot help but express considerable surprise at that, even though I know I have as much sympathy as anyone else.

Mr. Chairman, I want to say a word for Massachusetts. I recently had a communication stating there was a large amount of money in our building-and-loan associations, as we call our cooperative banks, ready to be loaned on real estate, and they wanted real-estate mortgages.

Mr. HEALEY. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Massa-chusetts.

Mr. HEALEY. I want to read the headlines of a little story in the Springfield Republican. "Upward trend found here in foreclosures; same situation noticed in 27 other States during January."

Mr. GIFFORD. I agree that foreclosures have not stopped, but the gentleman will not refute the statement that our cooperative banks cannot live unless they take on new mortgages. Of course, they are more careful than they were formerly. They do not lend up to 80 percent of the value. I would refer to the many things we have done to relieve this mortgage situation. We have a banking bill wherein the Federal Reserve itself will take mortgages and rediscount

them for 20 years. Many other things have been done. We shall have to taper off very soon.

Mr. Chairman, I repeat what I said yesterday. Some people are distinctly frightened about the capital structure of this Nation being frozen. During the war everybody was busy. Most people were earning a real income. But when you fight in a depression the only way suggested is to freeze your very capital structure. This is getting on very dangerous ground. Why do you on the other side go against your own President, whom you so desired and whom you promised to follow, when he has a bear by the tail and trying to let go a little? Why do you not help him?

[Here the gavel fell.]

Mr. FORD of Mississippi. Mr. Chairman, I rise in opposition to a part of the committee amendment offered by the gentlemen from North Carolina [Mr. Hancock]. I was somewhat amused at the language of the amendment as it was read by the Clerk, and I listened attentively while the gentleman was trying to explain its meaning to the Membership of the House. We are all in accord with the idea that the Home Owners' Loan Corporation is a blessing to the country and that it has done more than possibly any other governmental agency in saving homes of our people, and even with all the argument we have heard on this bill, none are opposed to the extension of the Corporation, or a reasonable appropriation so that the Corporation may continue to make loans to the deserving home owners. I am extremely happy to see the committee increase the amount of bonds which the Corporation can issue to \$4,750,000,000 instead of limiting the amount to \$4.500,000,000. As I understand it. this will give the Corporation \$1,750,000,000 with which to make additional loans to home owners who are now unable to borrow funds from any other source and who are now facing foreclosure, under mortgages, or sales of their homes because of their inability to pay taxes. The thing that concerns me most is the language of the amendment regarding the eligibility of applicants. That part of the amendment dealing with the eligibility of applicants is as follows:

in order to provide for applications heretofore filed and for applicants who file their applications within 60 days after this amendment takes effect and who in good faith prior to the date this amendment takes effect sought relief under this act the Corporation is authorized to issue bonds \* \* \*.

The first question we ask ourselves is, who will be eligible to receive the \$1,750,000,000 that we are about to make available to this Corporation by our votes? The only ones that have any assurance under the language of this amendment are the ones who have actually filed their applications before this date. What construction will the Corporation place upon the words "good faith"? And may we also ask what construction the Corporation will place upon the words sought relief under this act"? It was rather amusing in listening to the gentleman [Mr. Hancock] when questions were propounded to him as to the meaning of his amendment and so far the gentleman has failed to explain it. There is not a member of the Banking and Currency Committee, or a Member of this House that can explain the meaning of this amendment. If the Members of Congress are unable to interpret, or place a reasonable construction upon the law they are about to vote upon, I am at a loss to understand how the Membership can vote intelligently upon the amendment or how it could be intelligently used for the benefit of the people after it had been enacted into law.

Mr. Chairman, I hope that the membership of the Banking and Currency Committee and the other Members of this House will not think that I am critical or unkind in any way when I say that it appears that there is no intention on the part of the officers of the Home Owners' Loan Corporation to extend loans to any home owners except those that have already filed their applications, and that this amendment is more or less a cloak for the position they have taken. Are we to tell our constituents that "we voted to extend the credit of the Government to the Home Owners' Loan Corporation in the amount of \$1,750,000,000 to help those who had already filed their applications, but to those of you who are in financial distress and who are about to lose your

homes, we are unable to help you because you did not get in on the ground floor "?

When our friends write us to know if they can qualify as an applicant for a loan we will have to write them that we are unable to tell them because we do not know the meaning of the law which we have passed. It will be embarrassing for us to have to write such to our constituents but there is nothing else that we can tell them unless we clear up the language of the amendment by voting for the substitute to the amendment offered by the gentleman from Missouri [Mr. COCHRAN] or the substitute to the amendment offered by the gentleman from Massachusetts [Mr. HEALEY] or the substitute to the amendment offered by the gentleman from Michigan [Mr. Wolcott]. There are thousands of people all over this country who are desirous of obtaining loans from the Home Owners' Loan Corporation and who went to the office of the local correspondent or local attorney and asked them about filing their applications for loans but were told that orders had been issued in Washington that no further applications would be received because of lack of funds. Surely this Congress will not turn a deaf ear to deserving people like that who are as much entitled to a loan as the more fortunate who managed to get their applications on file first. We should not sit here as Members of Congress and let any such amendment be adopted. If we intend to continue the Home Owners' Loan Corporation we should rise up like men and provide that the people should have a reasonable length of time in which to file applications for the benefits which we are about to provide. If we are not willing to open the doors to all by adopting the amendment of Mr. Cochran, then let us extend the time in which applications may be filed for a period of 6 months and if the House is not willing to extend the time for a 6-month period as proposed by the gentleman from Massachusetts, let us give them 60 days as proposed by the gentleman from Michigan so that the people of our country may file their applications and receive the benefits of an act which we are all agreed is so necessary and so vital to the home owners of this country. If we do not have the courage to do this I hope that the Senate will correct the error. [Applause.]

[Here the gavel fell.]

Mr. STEAGALL. Mr. Chairman, I ask unanimous consent that all debate on the pending amendments close in 20 minutes

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. COCHRAN. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. The gentleman will state it.

Mr. COCHRAN. Is this the proper time to ask for a division of the question on my amendment?

The CHAIRMAN. That would properly come when the question recurs on the gentleman's amendment.

Mr. COCHRAN. Mr. Chairman, I ask unanimous consent that I may be permitted to divide the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri that his amendment be divided?

There was no objection.

Mr. CONNERY. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Missouri [Mr.

Mr. Chairman, I have listened very attentively to the discussion on these various amendments. It will be remembered that in every congressional district in the United States a short while before the Congress convened these loans were stopped suddenly. I understand one of the reasons for the stopping of the loans was that Mr. Fahey could be held criminally liable if he spent one cent more than provided in the original Home Owners' Loan Corporation bill. If I

am wrong in that statement, the chairman will correct me.

The information given to me was that they were not taking any chances, even though they had some money left over, although not enough to take care of all the loans. They were not going to leave themselves open to being placed in such a position.

One amendment has been offered providing for 60 days and another amendment provides for 6 months, but neither of the amendments would take care of the same situation that occurred before Christmas. In other words, next November you will be faced with the same proposition. Again, there will not be sufficient money available, and the loans will be stopped, and then you will be flooded with letters and telegrams from people asking why they cannot get their loans through.

The Cochran amendment provides an indefinite right to apply. Now, what is so terrible about this? My distinguished colleague, the gentleman from Massachusetts [Mr. Healey], in his fine address brought out plainly the fact that this money is coming back to the Government. They have only 16 percent of defaults even in these terrible times. So the Government is not going to lose this money.

Now, in your veterans' cases, with respect to veterans' compensation, year after year we extended the time. We would say that a man could not apply for compensation after a certain time, and finally we reached the stage where we practically left it open indefinitely for the veterans. This is the same proposition, because this involves people who were not lucky enough to file their applications in time or people who did not even know what the law required-and yet you say they must have known. They do not know about such things. Do you know that at the present time, while I am talking here, there are veterans in the United States who do not know they are entitled to the soldiers' bonus that was passed in 1925, and their dependents do not know about it? There are thousands of people in the United States who do not know the situation with regard to laws or with regard to what they are entitled to under these laws.

These people should be given such opportunity. Distress is the first and fundamental reason for going to the Home Owners' Loan Corporation. So you are not doing the Government any harm by allowing these people an indefinite period of time. You want to aid them if they are in distress. This is the purpose of the law.

The amendment of the gentleman from Missouri [Mr. Cochran] adds to the appropriation, so that when you go home, whether it is in May, June, or July, or whenever it is, there will be no chance for this same situation to occur whereby they will suddenly shut off on these loans and the people will lose their homes, as many have done, through the banks foreclosing.

Mr. HEALEY and Mr. SISSON rose.

Mr. CONNERY. I first yield to the gentleman from Massachusetts.

Mr. HEALEY. The gentleman from Michigan [Mr. Wolcott] offered a substitute which does increase the appropriation by \$500,000,000, making it an even \$5,000,000,000. My amendment merely extends the time within which a person may apply for a loan.

Mr. CONNERY. Of course, the Cochran amendment provides an indefinite period of time and offers more than that in the way of financing them.

Mr. SISSON. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. I yield.

Mr. SISSON. I agree with everything the gentleman has said as to his purposes, and I know how sincerely sympathetic he is, and I can assure the gentleman I feel very much the same way, and I do believe that this should be kept open a sufficient length of time to take care of the worthy, distressed cases and that it should not be left to the arbitrary discretion of the Home Loan Board. However, the gentleman, of course, knows there is now authorized \$1,500,000,000 additional.

Mr. CONNERY. Yes.

Mr. SISSON. And we are advised by the Board, and I believe fairly so, that the applications were decreasing and going down at a very rapidly increasing ratio prior to the time they were cut off on November 13 last. This being so, our best information is that within the next 3 months, certainly, they can tell how much more, if any, will be required.

[Here the gavel fell.]

to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. SISSON. Now, Congress will still be here-I think the gentleman knows that much better than I do, probablyat a later date than the date when it will be necessary to determine what amount will be needed, and I am with the gentleman in believing that a sufficient amount should be authorized to take care of the worthy, distressed cases.

Mr. CONNERY. I understand that, but may I make this statement to the gentleman. The gentleman says that Congress will be here. The gentleman knows and I know that as soon as this bill gets out of the House and is passed by the Senate and signed by the President, that will be the end of the Home Owners' Loan Corporation for this session. That always happens, and you cannot come in here 3 months from now and say that you need more money, because if you do they will not pay any attention to it.

Mr. SISSON. The question of greatest importance is not so much additional authorization as it is to keep this open for at least 60 days to take care of the worthy, distressed

Mr. CONNERY. I am in favor of leaving it open indefinitely.

Mr. SISSON. I am not.

Mr. CONNERY. As long as the Government is not going to lose the money, and the Cochran amendment will provide for leaving it open indefinitely.

[Here the gavel fell.]

Mr. STEAGALL. Mr. Chairman-

Mr. ELLENBOGEN. Mr. Chairman, a parliamentary inquiry. Is the time that the gentleman from Alabama consumes taken out of the 20 minutes?

The CHAIRMAN. It is.

Mr. STEAGALL. Mr. Chairman, the Home Owners' Loan Corporation Board submitted to the Congress a provision for the appropriation of \$1,250,000,000 additional funds, which they estimated would be sufficient to take care of the pending applications.

The amount was raised to \$1,500,000,000. The committee desired to make sure that ample funds were provided to care for all applications on hand. The committee later decided to offer an amendment to provide \$1,750,000,000 additional funds to carry on this work.

The amendment of the committee before the House carries \$500,000,000 in addition to the sum asked for by the Board charged with the administration of this fund.

In addition to that the committee amendment provides that all applications shall be considered, and any applicant who was prevented from filing his application on account of the order of November 13, 1934, except those in the legal department, shall have the opportunity of having his application filed and passed on.

There was nothing harsh or unjust in the order of November 13, 1933, terminating the consideration of applications. The Board found that they had not sufficient funds with which to take care of all applications, and the common-sense way of dealing with that situation was to take the applications that had been filed, and that in the very nature of things came first for consideration, and apply the remaining funds to loans arising out of those applications.

There is nowhere any proof that the committee has been able to find to justify the apprehension that the amount provided in the amendment of the committee-\$1,750,000,000will not be amply sufficient to take care of all applications that have been filed, as well as all cases where applications were prevented by the order of the Board promulgated on November 13, 1934.

Now, are we going to take off all limitations; are we going to accept as permanent the distress conditions we have sought to relieve? Are we going to say that the activities of the Government shall continue indefinitely? One of the amendments makes that proposal. And I submit that if we extend the time for all applications indiscriminately for a period of

Mr. CONNERY. Mr. Chairman, I ask unanimous consent | 60 days or for a period of 6 months, as is suggested in one amendment, it will precipitate a flood of applications in all remaining cases as to which there is any basis or hope of favorable action by the Home Owners' Loan Corporation.

Mr. Chairman, I ask unanimous consent to proceed for 2 minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama that he proceed for 2 minutes. The Chair hears none.

Mr. STEAGALL. Mr. Chairman, we are advised by those in charge of the administration of this law that we have reasonable grounds to expect an early resumption of loans by lending institutions in the country and a return to more normal conditions. But it is not believed that such a resumption is possible so long as we stand ready to carry on this business out of funds supplied by the Treasury of the United States. I think it unjust and unkind on the part of Members of the House to question the good faith or the sympathetic attitude of this administration in its efforts to afford relief to distressed citizens in the United States from the danger of foreclosure of mortgages on their homes. There is nothing in the record to justify that. The record abundantly refutes such an imputation. If it is found at any time that the anxiety expressed here is justified, the record bears me out in the statement that this administration can be trusted to come again to the rescue of distressed home owners in the United States, as it has done by repeated action in the past.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. Yes.
Mr. O'CONNOR. Is it not a fact that the administration believes that \$1,250,000,000 would adequately meet this

Mr. STEAGALL. The administration approved a bill, prepared with utmost care, providing an additional sum of \$1,250,000,000. The committee, out of an abundance of anxiety to anticipate any possible distress in the country, and to meet the wishes of the House, raised the amount to a billion and a half. Again the Committee on Banking and Currency agreed to raise the amount to a billion and threequarters, as provided in the committee amendment. Still we are told that we are attempting, harshly and arbitrarily, to deny relief to home owners! The President is entitled to the approval of this Congress on this measure, just as he enjoys the approval of the American people for all his humanitarian efforts to relieve distress in the United States.

Mr. DUNN of Pennsylvania. Mr. Chairman, a few minutes ago I sent an amendment to the desk.

The CHAIRMAN. At that time a point of order was made. to the gentleman's amendment, and that point of order was sustained. If the gentleman wishes to address the Committee on the pending amendments, he is recognized for 5

Mr. DUNN of Pennsylvania. I shall not consume 5 minutes, because the Members look as if they are getting hun-The amount I asked for in the amendment is \$6,000 .-000,000. In my candid opinion, the said amount is not too large of a sum to obtain from the Federal Government if it will save the homes of our people. About half an hour ago a gentleman made a statement on the floor that we told the voters in our districts we would support the President of the United States. When I was campaigning for the office of Congress I impressed on the minds of the people in my district that I would do my utmost as a Congressman to save the homes of every man and woman in the United States. If \$6,000,000,000 is too excessive then we can use the amount of money which is necessary. In other words, it is not mandatory to spend the \$6,000,000,000 unless it is needed. I do not doubt that every Congressman wants to do his best to alleviate the suffering of the people in his district. Therefore, Mr. Chairman, I maintain that \$6,000,000,000 is not too much.

Mr. CONNERY. Mr. Chairman, will the gentleman yield? Mr. DUNN of Pennsylvania. Yes.

Mr. CONNERY. The distinguished Chairman of the Committee on Banking and Currency just said that this is what the President wants and this is all he asked for, but from our past experience with legislation in this House this bill will go over to another body and the other body will put on what is demanded by the American people, and the House of Representatives will be regarded as the enemy of the American people in the eyes of the people.

Mr. DUNN of Pennsylvania. I agree with what the gentleman said. I hope the time is not far distant when we will have but one House and that will be the House of

Representatives. [Applause.]

Mr. ELLENBOGEN. Mr. Chairman, will the gentleman yield?

Mr. DUNN of Pennsylvania. Yes.

Mr. ELLENBOGEN. How much time has the gentleman left?

The CHAIRMAN. There are 4 minutes remaining.

Mr. BOYLAN. Mr. Chairman, I demand the regular order.

Mr. ELLENBOGEN. I want to make this observation—

Mr. BOYLAN. The gentleman has not the right to do that.

Mr. ELLENBOGEN. The gentleman from Pennsylvania has 4 minutes, and he has yielded to me.

The CHAIRMAN. Does the gentleman from Pennsylvania yield to his colleague?

Mr. DUNN of Pennsylvania. Yes.

Mr. BOYLAN. But the gentleman cannot yield time; the gentleman can yield only for a question.

Mr. DUNN of Pennsylvania. I am yielding for a question. Mr. ELLENBOGEN. Is it not a fact that the distinguished chairman of the committee, the gentleman from Alabama [Mr. Steagall], reported out a bill which changed the recommendation of the administration when he cut down the amount allowed for repairs from \$50,000 to \$25,000, and now he tells us that we should follow the administration? I hope the learned gentleman from Alabama [Mr. Steagall] will go along with the administration in that respect.

Mr. DUNN of Pennsylvania. What we should do is to follow the dictates of our conscience, and let our actions be in the interest of the distressed people of our country. [Applause.]

Mr. SABATH. Mr. Chairman, as one who originally advocated this legislation, as one who is familiar with the unfortunate conditions that exist, and the situation the home owners find themselves in, I feel very keenly on the question before us.

Personally I would be delighted to see every home owner in the United States accommodated, aided and relieved, but there are limitations, and I do not believe it is wise to authorize billions and billions that are not requested, and which I doubt very much will ever be used. Mr. Fahey stated that he believed \$1,250,000,000 would suffice to take care of all pending applications. The committee, after due consideration, has increased it to \$1,500,000,000, which would leave more than \$500,000,000 for the new applicants, which I believe is more than sufficient. In view of that fact, I believe that the amendment extending the time within which to file applications for 60 days should be adopted, and the bill as originally introduced, providing for \$1,500,000,000 additional funds, should prevail. That should satisfy each and every one of us who is interested in the home owners and the administration as well.

Mr. WOLCOTT. Will the gentleman yield?

Mr. SABATH. I yield.

thinks?

Mr. WOLCOTT. Does not the gentleman think it is incumbent upon the Congress of the United States to establish the policy under which the Home Owners' Loan Corporation shall continue?

Mr. SABATH. There is no policy provided for in this bill. Mr. WOLCOTT. Does the gentleman think the Congress of the United States should be bound by what Mr. Fahey The CHAIRMAN. The time of the gentleman from Illinois [Mr. Sabath] has expired.

All time has expired.

The question is on the amendment offered by the gentleman from Missouri [Mr. Cochran] to the committee amendment offered by the gentleman from North Carolina [Mr. Hancock]. The amendment to the committee amendment by unanimous consent was divided, and the Clerk will report the first part of the amendment.

Mr. SISSON. Mr. Chairman, I object.

Mr. COCHRAN. A point of order, Mr. Chairman. I received unanimous consent to divide the amendment.

The CHAIRMAN. The Clerk will report the first part of the amendment offered by the gentleman from Missouri to the amendment offered by the gentleman from North Carolina.

The Clerk read as follows:

Amendment offered by Mr. Cochran to the committee amendment offered by Mr. Hancock of North Carolina: After the word "filed", in line 2, strike out down to and including the word "effect" in line 5 and insert in lieu thereof the words "as well as future applications."

The CHAIRMAN. The question is on the amendment to the committee amendment.

The question was taken; and on a division (demanded by Mr. Connery and Mr. Dunn of Pennsylvania) there were ayes 68 and noes 103.

So the first part of the amendment to the committee amendment was rejected.

The CHAIRMAN. The Clerk will report the second part of the amendment to the committee amendment.

The Clerk read as follows:

Second part of amendment offered by Mr. Cochran to the committee amendment:

Strike out "\$4,750,000,000" and insert in lieu thereof "\$5,550,-000,000."

The CHAIRMAN. The question is on the second part of the amendment to the committee amendment.

The question was taken, and the second part of the amendment to the committee amendment was rejected.

The CHAIRMAN. The question now recurs upon the amendment offered by the gentleman from Massachusetts [Mr. Healey], in the nature of an amendment to the substitute amendment offered by the gentleman from Michigan [Mr. Wolcott].

The question was taken; and on a division (demanded by Mr. Connery and Mr. Dunn of Pennsylvania) there were ayes 65 and noes 120.

So the amendment to the substitute amendment was rejected.

The CHAIRMAN. The question now recurs on the substitute amendment offered by the gentleman from Michigan [Mr. Wolcott] to the committee amendment.

The Clerk again reported the substitute amendment to the committee amendment.

The question was taken; and on a division (demanded by Mr. Dunn of Pennsylvania) there were ayes 71 and noes 112.

So the substitute amendment to the committee amendment was rejected.

Mr. WOLCOTT. Mr. Chairman, I demand tellers.

The CHAIRMAN. Ten Members have risen; not a sufficient number.

Tellers were refused.

The CHAIRMAN. The question recurs on the committee amendment offered by the gentleman from North Carolina [Mr. Hancock].

The Clerk again reported the committee amendment.

Mr. ELLENBOGEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ELLENBOGEN. If this amendment is voted down, then an amendment which I understand is to be offered by a member of the committee, and which is more liberal, would be in order?

The CHAIRMAN. The Chair cannot anticipate what amendments will be offered from the floor.

Mr. MARTIN of Colorado. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MARTIN of Colorado. Debate has been closed on this section and all amendments, but is not an amendment in order without debate.

The CHAIRMAN. An amendment to the committee amendment is in order.

Mr. MARTIN of Colorado. I wish to offer an amendment to the committee amendment.

Mr. SWEENEY. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. The gentleman will state it.

Mr. SWEENEY. Do I understand that the request of the chairman of the committee to close all debate on the pending amendment in 20 minutes is applicable to this amendment?

The CHAIRMAN. All amendments which were pending at that time and amendments thereto. There is no further debate on the pending amendment or amendments thereto.

Mr. STACK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. STACK. Will the Chair please answer the question as to the lifetime of the original act that was passed in 1933? The CHAIRMAN. The gentleman does not state a parlia-

mentary inquiry. The Clerk will report the amendment offered by the gentleman from Colorado [Mr. MARTIN].

Mr. MARTIN of Colorado. Mr. Chairman, I was apprised that an amendment was in order. I cannot write out an amendment in a second.

The CHAIRMAN. The gentleman will state his amendment so it can be reported.

Mr. MARTIN of Colorado. Mr. Chairman, I move that all the language in the committee amendment following the word "heretofore", in line 24, page 6, with regard to the filing of future applications be stricken out, and that instead there be inserted, after the word "heretofore", in line 24, the words " or hereafter."

Mr. STEAGALL. A point of order, Mr. Chairman. The CHAIRMAN. It is rather difficult for the Chair to follow the amendment.

Mr. MARTIN of Colorado. After the word "heretofore' in line 24, page 6, insert the words "or hereafter", and strike out all of the committee amendment regarding the time for ffling future applications following the word "heretofore."

The CHAIRMAN. The Chair is unable to gather the import of the gentleman's amendment from the gentleman's statement. The gentleman should reduce his amendment to writing so we can fully understand what the gentleman intends to present to the House.

Mr. MARTIN of Colorado. Mr. Chairman, I have not had time to reduce my amendment to writing. I have no copy of the committee amendment, which is on the Clerk's desk.

Mr. STEAGALL. Mr. Chairman, I make a point of order against the amendment. The House has just voted on the identical proposition.

The CHAIRMAN. The Chair sustains the point of order. Mr. MARTIN of Colorado. I have heard no such amendment.

Mr. SWEENEY. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. The gentleman will state it.

Mr. SWEENEY. Do I understand that we are foreclosed from offering further amendments to section 9?

The CHAIRMAN. No. Further amendments may be offered.

The question is on the committee amendment offered by the gentleman from North Carolina [Mr. HANCOCK].

The question was taken; and the Chair being in doubt, the Committee divided, and there were—ayes 119, noes 72.

So the committee amendment was agreed to.

Mr. MILLER. Mr. Chairman, I offer an amendment, The Clerk read as follows:

Amendment offered by Mr. MILLER: At the end of section 9, on page 7, line 14, insert the following as a new section:

"That section 4 (d) of the Home Owners' Loan Act of 1933, as amended, be amended by adding: 'Provided, That for the purpose of this act, levies of assessments upon real property, made by any special district organized in any State for public improvements, shall be treated as general tax levies are treated and the lien created by such improvement districts upon the real property said district, to secure the payment of such improvement-district levies shall be considered as attaching to such real property at the levies shall be considered as attaching to such real property at the time fixed by such improvement district for the payment of such levies and assessments and not before; and, for the purposes of this act, the lien of any mortgage placed upon any such real property by the owner thereof shall be considered a prior lien with reference to such improvement-district lien securing the payment of all said improvement-district assessments not due at the time the said owner executes such mortgage. The reasonableness of the total annual burden of taxes and assessments of all kinds upon any property offered as security for the payment of a loan made by property offered as security for the payment of a loan made by the Corporation and the effect of such total levies upon the loanable value of such property are matters for the determination of the Home Owners' Loan Corporation Board, but no deduction shall be made from the loanable value of any property for improve-ment-district assessments or levies not due at the time of making such loan in any instance where the total annual taxes and assess ments borne by the said property for all purposes does not exceed a sum which in the discretion of the Board is a reasonable annual tax burden for such property: *Provided*, That in arriving at the loanable value, in no instance shall any deductions be made on account of such improvement-district liens, taxes, and/or assessments not due at the time of making the loan where the aggregate amount of annual taxes, levies, and assessments of all kinds and for all purposes upon the property offered for security does not exceed a sum equal to 5 percent of the value of such property as fixed by the Home Owners' Loan Corporation appraisement.

Mr. STEAGALL. Mr. Chairman, I make the point of order that the amendment is not germane.

Mr. MILLER. Mr. Chairman, will the gentleman reserve his point of order?

Mr. STEAGALL. Mr. Chairman, I reserve the point of order.

Mr. MILLER. Mr. Chairman, the reason I asked the gentleman from Alabama to reserve his point of order was to give me an opportunity to explain the purpose of the amendment. So far as I know, this amendment does not affect any State except Arkansas. It affects us because of a peculiar constitutional provision in our State in reference to the levying of taxes in improvement districts. We in Arkansas proceed to levy taxes under the improvement district law in order to evade a constitutional provision of the constitution adopted in 1874.

The section of the law that this amendment seeks to change provides that the taxes due against property at the time the application is received shall be deducted from the mortgage, and it further provides that no discrimination shall be made under this act against any home mortgage by reason of the fact that the real estate securing such mortgage is located in a municipality, county, or taxing district

which is in default upon any of its obligations. Now, this provision of the law protects every municipality, county, city, or taxing district, and all property located in a taxing district except in the State of Arkansas, where our improvement taxes become an existing lien in whole. In other words, to illustrate the point, if the taxes on a piece of property is \$500 for the paving of a street, although the \$500 is payable over a period of years, the entire \$500 becomes at once a lien on that piece of property. Under the operation of the law in Arkansas, the whole of that \$500 is deducted from the loanable value, not the amount that is payable yearly or due at the time the mortgage is executed. The \$500 is not in default at all, but the entire sum is deducted from the loanable value, whereas in most of the States where this cost of improvement was paid by general tax levies, there would be deducted only such taxes as might be due and not the whole which may become due over a period of years.

That is all I am asking for.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. MILLER. I yield to the gentleman from New York. Mr. FITZPATRICK. In our State it is a direct assessment, and they have a period of 10 years in which to pay. It is a direct assessment and it is charged up just the same.

Mr. MILLER. Is the entire amount of the charge deducted?

Mr. FITZPATRICK. The entire amount. They have a. period of 10 years to pay it on the installment plan.

pay; but what I am objecting to is the deduction of the entire amount when it is not payable and cannot be paid except in yearly installments.

Mr. FITZPATRICK. If one wanted to sell the property,

it would be charged up to the mortgage?

Mr. MILLER. No; not under our system. If they would take the assessed benefits into consideration, it would be a different proposition.

Mr. FITZPATRICK. If the property is sold and the deed delivered, you would have to pay your own assessments.

Mr. MILLER. No: not under our law and not under the decisions of our supreme court. We have had this matter up with the Home Owners' Loan Corporation before and for a while it functioned all right.

Mr. FITZPATRICK. In our State you would have to do it unless you inserted it in the contract; otherwise you would

have to give a clear deed.

Mr. MILLER. We are in the situation where the court has held that such a tax is not a breach of warranty in a deed even, but the Home Owners' Loan Corporation takes the whole amount off. I am just asking for the benefit of those property owners that they be given the same consideration that property owners in every other State receive. This amendment protects the rights of the Home Owners' Loan Corporation. It does not interfere at all with orderly administration but simply results in equitable treatment; that is all. That is the effect of this amendment.

Mr. KVALE. Will the gentleman yield?

Mr. MILLER. I yield to the gentleman from Minnesota. Mr. KVALE. Has the gentleman consulted with the committee? Is it not possible the committee would accept the gentleman's amendment?

Mr. MILLER. I did not have an opportunity to consult with the committee until after they had acted upon the bill. Mr. KVALE. At least the committee might not actively

resist the gentleman's amendment.

Mr. MILLER. I do not think they will actively resist it because it can do no harm. It cannot hurt the Home Owners' Loan Corporation. It puts the improvement taxes upon the same basis as general taxes, that is all. If any installments of taxes are due when the mortgage is executed, they are deducted from the mortgage, but the whole amount which will become due and payable over a period of years should not be deducted from the loanable value.

Mr. STEAGALL. Mr. Chairman, I move that all debate on this section and all amendments thereto do now close.

The question was taken; and on a division (demanded by Mr. McLeon) there were—aves 122 and noes 15.

So the motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arkansas.

The question was taken; and on a division (demanded by Mr. MILLER) there were—ayes 41 and noes 69.

So the amendment was rejected.

The Clerk read as follows:

Sec. 10. Subsection (j) of section 4 of the Home Owners' Loan Act of 1933 is amended by adding at the end thereof the following: "No person shall be appointed or retained as an officer, employee, agent, or attorney in any regional or State office of the Corpora-tion, who was, at the date of the establishment of such office, not a resident of the region or State served by such office. This amendatory provision shall go into effect within 90 days after the date of enactment thereof."

Mr. BROWN of Michigan. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Brown of Michigan: Page 7, after line

Amendment offered by Mr. Brown of Michigan: Page 7, after line 24, insert the following new section:
"Sec. 11. Subsection (1) of section 4 of the Home Owners' Loan Act of 1933, as amended, is amended by striking out the last comma therein and the following: 'or in any case in which the home mortgage or other obligation or lien is held by an institution which is in liquidation."

Mr. BROWN of Michigan. Mr. Chairman, this is a committee amendment proposed to the committee by the gentleman from Ohio [Mr. HARTER]. The purpose is to eliminate the so-called "institutional amendment" which we

Mr. MILLER. We have a period of 10, 15, or 20 years to | adopted last year. Under the provisions of the law prior to the adoption of that amendment in 1934, no mortgagor who was not in distress could be relieved. By the amendment of 1934, mortgagors whose mortgages were not in default or men who were not in distress but whose mortgages were held by institutions which were in liquidation were granted the benefits of the act.

It caused a great deal of criticism in the State of Ohio, in the State of Michigan, and in many other parts of the country because relief was given to mortgagors who were not in distress. The gentleman from Ohio gave an instance of a county judge, receiving a salary of \$12,000 per year, who had a mortgage that was not in default and who was relieved because his mortgage happened to be in an institution that was in liquidation. The committee believes that that kind of relief should not be given. This is an opportunity to lessen the demand upon the Corporation. The language which will be eliminated from the present section (1) of section 4 of the act is as follows:

Or in any case in which the mortgage or other obligation or lien is held by an institution which is in liquidation.

It will confine the operations of the Corporation and the benefits of the act solely to mortgagors who are in distress, whose mortgages were in default prior to June of 1933, or who since that time have been unable to pay their debts by reasons beyond their control. The committee feels that the elimination of this provision of the law is a real improvement and asks its adoption.

Mr. FIESINGER. It does not limit the institutional feature, but it will limit the mortgagor under distress.

Mr. BROWN of Michigan. The gentleman is exactly right. We do not limit or prevent aid to persons who have mortgages in institutions, if those mortgages are in default or were in default prior to June of 1933; but we do prevent aid to persons whose mortgages are in good standing, merely because those mortgages are in institutions which are in liquidation.

Mr. HARLAN. Will the gentleman yield?

Mr. BROWN of Michigan. I yield to the gentleman from

Mr. HARLAN. In these liquidating institutions they are called upon to collect on their mortgages. There are lots of mortgagors who are drawing good money and have good salaries, but, if called upon today to pay their mortgage,

could not do it any more than any man in distress.

Mr. BROWN of Michigan. The institution cannot call for payment of the mortgage if it is not in default.

Mr. HARLAN. Why not, if they are liquidating? That is the difficulty.

Mr. BROWN of Michigan. No: they cannot.

Mr. HARLAN. If they are liquidating-

Mr. BROWN of Michigan. They cannot in Michigan.

Mr. HARLAN. That may be true in Michigan.

Mr. BROWN of Michigan. If the mortgage is not due, surely they cannot call for payment upon it.

Mr. HARLAN. These mortgages that are given to institutions are made from year to year, and they are callable at any time and, whether the interest is paid or not, they are subject to being foreclosed in a great many States, as, for example, in Ohio. Now, what are we going to do with such cases?

[Here the gavel fell.]

Mr. SWEENEY. Mr. Chairman, I ask unanimous consent that the gentleman may have 2 more minutes to answer

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SWEENEY. Do I understand that the effect of this amendment is to wipe out the wholesale divisions created in these banks that are in liquidation?

Mr. BROWN of Michigan. That is true, insofar as their operations relate to mortgages that are not in default.

Mr. SWEENEY. And it does not preclude the mortgagor, who has an obligation due the bank from going to the Home Owners' Loan Corporation and having it given consideration.

Mr. BROWN of Michigan. That is true.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Michigan. I yield.

Mr. DONDERO. I think the gentleman from Ohio had the same thing in mind that I did. Is a man denied relief because his mortgage is in an institution which is in course of liquidation, even though the mortgage is in default?

Mr. BROWN of Michigan. No; if the mortgage is in default, he is entitled to relief under the bill.

[Here the gavel fell.]

Mr. WOLCOTT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I rise in opposition to this amendment because I cannot see any particular need for the amendment. The Home Owners' Loan Corporation did not ask for the amendment. The committee, to be sure, voted upon it and accepted it as a committee amendment, and the reason the committee accepted it as a committee amendment, or at least some of the reasons given, were that the Home Owners' Loan Corporation had made some mistakes in the administration of this law. These mistakes in the administration of the law precipitated a resolution asking for an investigation of the Home Owners' Loan Corporation.

Undoubtedly, there have been mistakes made. I think in one case it developed, as the gentleman from Michigan pointed out, that a judge in Ohio had his mortgage taken over and it developed that this judge was receiving an annual salary of \$12,000 a year, but this is an isolated case.

This provision was put in the bill last year at your instance, because we wanted to do just what will be done if this provision stays in the bill. We will give relief to depositors in closed banks. You gentlemen got up here last year and said you were in favor of this Government doing something for the depositors in closed banks. As a consequence, this committee wrote into the act this language, which was adopted by the House, which allowed the Home Owners' Loan Corporation to go into closed institutions and take over the mortgage assets of these closed institutions for the purpose of paying dividends to the depositors.

We have listened all the way through this discussion to a great deal of talk about baling out the banks, as if baling out the banks meant paying the stockholders in those banks some money. There has not been one cent of the money paid by the Home Owners' Loan Corporation that has ever reached the pockets of a stockholder, but every cent, over and above the cost of liquidation, has gone to pay the depositors in these closed banks, and now you men who were so jealous of your rights last year to have some relief given to closed banks, I hope you will not vote today to take from the Home Owners' Loan Corporation the instrument by which they are now giving relief to closed banks and through which those institutions are paying depositors who otherwise might receive nothing.

We have had some inconsistencies here. The gentleman from Maryland said that 90 percent of this fund is used to bale out banks. The Home Owners' Loan Corporation told us in committee they had used an infinitesimal amount of their money for the purpose of baling out banks, but I will say to you, frankly, when you bale out a bank today that is in liquidation, you bale out the depositor and you give him some money with which to buy the necessities of life, and that is just what we are trying to do. Vote against this, if you want to, but do not be proud of your record in this House when it comes to answering letters from your constituents who say their banks are closed and they have not been able to get any part of their deposits. You should remember that you voted for the only thing in this bill which will give any relief to those people.

Mr. SWEENEY. Mr. Chairman, will the gentleman yield? Mr. WOLCOTT. I yield.

Mr. SWEENEY. Does not the gentleman know that the effect of the operations of the wholesale division of these banks in liquidation is that it helps to minimize the double

liability that attached itself to stockholders and directors, many of whom are responsible for the bank's closing up?

Mr. WOLCOTT. I will say to the gentleman that so far as the information that comes to me is concerned, there has been less than 10 percent of that double liability collected up to the present time, and the benefit to the depositors, so far as double liability is concerned, is infinitesimal. The assets of the bank are what we want liquidated. We want to get some money into the bank in order that the conservator or the receiver may be able to pay some dividends to the depositors.

We have given the R. F. C. that authority. Why restrict it in this act?

[Here the gavel fell.]

Mr. BROWN of Michigan. Mr. Chairman, I ask unanimous consent that the gentleman may have 1 more minute to answer a question.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BROWN of Michigan. Does not the gentleman know that practically all the banks in his State and in my State have received loans from the Reconstruction Finance Corporation?

Mr. WOLCOTT. Yes; and I know further that there are 19 closed banks in Macomb County, in my district, that would not be able to pay 1 cent to their depositors if they had not got the money from the Home Owners' Loan Corporation.

Mr. BROWN of Michigan. But the job has been done and did not most of this money come from the R. F. C. and other agencies of the Government?

[Here the gavel fell.]

Mr. COX. Mr. Chairman, I move to strike out the last word.

Mr. RABAUT. Mr. Chairman, I move that the Committee do now rise.

The CHAIRMAN. The gentleman from Michigan moves that the Committee do now rise.

The question was taken; and on a division there were 108 ayes and 48 noes.

Mr. CULLEN. I ask for tellers.

The CHAIRMAN. Tellers are demanded. The Chair will count.

Mr. CULLEN. Mr. Chairman, I withdraw the demand for tellers.

So the Committee determined to rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Celler, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill (H. R. 6021) to provide additional home-mortgage relief, to amend the Federal Home Loan Bank Act, the Home Owners' Loan Act of 1933, and the National Housing Act, and for other purposes, and had come to no resolution thereon.

#### LEAVE OF ABSENCE

Mr. O'Connell, by unanimous consent, was given leave of absence for Friday, Saturday, and Monday, on account of the death of a relative.

## ADJOURNMENT

Mr. CULLEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 17 minutes p. m.) the House adjourned until tomorrow, Saturday, March 9, 1935, at 12 o'clock noon.

#### COMMITTEE HEARING

COMMITTEE ON THE POST OFFICE AND POST ROADS (Saturday, Mar. 9, 10:30 a. m.)

Continuation of hearings on bills pertaining to offenses against the Postal Service, Room 213, old House Office Building.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND | RESOLUTIONS

Under clause 2 of rule XIII.

Mr. CONNERY: Committee on Labor. H. R. 6450. A bill to accord labor proper opportunity for protection of rights granted by the Congress, and for other purposes; without amendment (Rept. No. 333). Referred to the Committee of the Whole House on the state of the Union.

Mr. DOXEY: Committee on Agriculture. H. R. 6424. bill to continue the Cotton Control Act, to exempt a limited quantity of cotton from the tax thereunder, to provide for the better administration of such act, and for other purposes; with amendment (Rept. No. 335). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. H. R. 2049. A bill to amend an act entitled "An act authorizing the Chippewa Indians of Minnesota to submit claims to the Court of Claims", approved May 14, 1926 (44 Stat. L., 555); without amendment (Rept. No. 336). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. H. R. 4126. A bill to reserve certain public-domain lands in Nevada and Oregon as a grazing reserve for Indians of Fort McDermitt, Nev.; without amendment (Rept. No. 337. Referred to the Committee of the Whole House on the state of the Union.

## REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII.

Mr. TURNER: Committee on Military Affairs. H. R. 1368. A bill for the relief of Virden Thompson; without amendment (Rept. No. 334). Referred to the Committee of the Whole House.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. H. R. 4372. A bill for the relief of Charles L. Graves; without amendment (Rept. No. 338). Referred to the Committee of the Whole House.

# CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 5633) for the relief of Sarah Abbott, and the same was referred to the Committee on War Claims.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CELLER: A bill (H. R. 6533) to amend an act entitled "An act to extend the functions of the Reconstruction Finance Corporation for 2 years, and for other purposes", approved January 31, 1935; to the Committee on Banking and Currency.

Also, a bill (H. R. 6534) to regulate the fees of referees in bankruptcy, and to otherwise amend the Federal Bankruptcy Act; to the Committee on the Judiciary.

By Mr. KELLER: A bill (H. R. 6535) granting the consent of Congress to the State of Illinois and the State of Missouri, to construct a free highway bridge across the old channel of the Mississippi River between Kaskaskia Island, Ill., and St. Marys, Mo.; to the Committee on Interstate and Foreign Commerce.

By Mr. QUINN: A bill (H. R. 6536) to repeal the act entitled "An act to prohibit the importation and the interstate transportation of films or other pictorial representations of prize fights, and for other purposes"; to the Committee on Interstate and Foreign Commerce.

By Mr. BUCK: A bill (H. R. 6537) to amend certain plantquarantine laws; to the Committee on Agriculture.

By Mr. DEMPSEY: A bill (H. R. 6538) for the relief of

By Mr. FISH: A bill (H. R. 6539) to amend section 15 (a) of the Interstate Commerce Act, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. HOPE: A bill (H. R. 6540) to amend the Packers and Stockyards Act, 1921; to the Committee on Agriculture.

By Mr. PETERSON of Georgia: A bill (H. R. 6541) to provide for the establishment of a national monument on the site of Fort Morris in Liberty County, Ga.; to the Committee on the Public Lands.

By Mr. ROGERS of Oklahoma (by departmental request): A bill (H. R. 6542) to define the exterior boundaries of the Navajo Indian Reservation in New Mexico, and for other purposes; to the Committee on Indian Affairs.

By Mr. SMITH of Virginia: A bill (H. R. 6543) to permit construction, maintenance, and use of certain pipe lines for petroleum and petroleum products in the District of Columbia: to the Committee on the District of Columbia.

By Mr. STUBBS: A bill (H. R. 6544) to conserve the water resources and to encourage reforestation of the watersheds of Santa Barbara County, Calif., by the withdrawal of certain public land, included within the Santa Barbara National Forest, Calif., from location and entry under the mining laws; to the Committee on the Public Lands.

By Mr. KOPPLEMANN: A bill (H. R. 6545) to assure to persons within the jurisdiction of every State the equal protection of the laws, and to suppress and punish the crime of lynching; to the Committee on the Judiciary.

By Mr. McMILLAN: A bill (H. R. 6546) to provide for the establishment of a United States Coast Guard life-saving station on Hunting Island, S. C.; to the Committee on Merchant Marine and Fisheries.

By Mr. LLOYD: A bill (H. R. 6547) authorizing the appointment of a Commissioner for the United States Court for China and defining his duties; to the Committee on Foreign Affairs.

By Mr. McGEHEE: Resolution (H. Res. 156) to investigate the administration of the Virgin Islands; to the Committee on Rules.

By Mr. SMITH of Virginia: Joint resolution (H. J. Res. 202) to provide for the printing with illustrations and binding in cloth of 110,000 copies of the Special Report on the Diseases of the Horse; to the Committee on Printing.

Also, joint resolution (H. J. Res. 203) to provide for the printing, with illustrations and binding in cloth of 110,000 copies of the Special Report on the Diseases of Cattle; to the Committee on Printing.

By Mr. ANDREW of Massachusetts: Joint resolution (H. J. Res. 204) authorizing the erection of a memorial to the late Jean Jules Jusserand; to the Committee on the

## MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of North Dakota, regarding the participation of the Bank of North Dakota in the facilities of the United States Treasury for the issuance of currency in the name of the Bank of North Dakota; to the Committee on Banking and Currency.

Also, memorial of the Legislature of the State of New Mexico, memorializing Congress for consent to tax interstate sales of goods for use or consumption within the State; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of New Mexico, regarding the construction of a Federal highway from Santa Fe to Las Vegas; to the Committee on Roads.

# PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURCH: A bill (H. R. 6548) to provide for a review by the Department of War of the case of the late the State of New Mexico; to the Committee on the Judiciary. | Capt. Bartlett James; to the Committee on Military Affairs,

By Mr. EAGLE: A bill (H. R. 6549) for the relief of Horton & Horton; to the Committee on War Claims.

By Mr. HARTER: A bill (H. R. 6550) for the relief of Ida M. Almstaedt; to the Committee on Claims.

Also, a bill (H. R. 6551) granting a pension to Sarah Penberthy; to the Committee on Pensions.

By Mr. JOHNSON of West Virginia: A bill (H. R. 6552) granting a pension to Erma Petty; to the Committee on Invalid Pensions.

By Mr. LARRABEE: A bill (H. R. 6553) granting an increase of pension to Sarah Conrad; to the Committee on Pensions.

Also, a bill (H. R. 6554) granting an increase of pension to Martha E. McLellen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6555) for the relief of Arthur Witte; to the Committee on Claims.

Also, a bill (H. R. 6556) for the relief of Harrison Simpson; to the Committee on Claims.

Also, a bill (H. R. 6557) for the relief of Templeton Livingston: to the Committee on Military Affairs.

Also, a bill (H. R. 6558) for the relief of Thomas A. Ryland, also known as "Thomas Ryland"; to the Committee on Military Affairs.

Also, a bill (H. R. 6559) for the relief of John E. Gill; to the Committee on Naval Affairs.

Also, a bill (H. R. 6560) for the relief of Charles G. Keiser; to the Committee on the Civil Service.

Also, a bill (H. R. 6561) granting a pension to Martha Willoughby; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6562) for the relief of Charley H. Caldwell; to the Committee on Military Affairs.

Also, a bill (H. R. 6563) granting a pension to Mary Roberts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6564) granting a pension to Hattie E.

Shobe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6565) granting a pension to Elizabeth

Rice; to the Committee on Invalid Pension.

Also, a bill (H. R. 6566) granting a pension to John L. Richman; to the Committee on Pensions.

Also, a bill (H. R. 6567) granting a pension to John E. Mann; to the Committee on Pensions.

Also, a bill (H. R. 6568) granting a pension to Charles H. Mattingly; to the Committee on Pensions.

Mattingly; to the Committee on Pensions.

Also, a bill (H. R. 6569) granting a pension to Anna Barton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6570) granting a pension to Mary A. Hart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6571) granting an increase of pension to Mary Ellen Oliver; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6572) granting an increase of pension

to Bruce Winklepleck; to the Committee on Pensions.

By Mr. McGEHEE: A bill (H. R. 6573) for the relief of

the estate of Aaron Z. Duggan, deceased; to the Committee on Military Affairs.

Also, a bill (H. R. 6574) for the relief of the dependents of

Also, a bill (H. R. 6574) for the relief of the dependents of Max Grady Sullivan, deceased; to the Committee on Military Affairs.

Also, a bill (H. R. 6575) for the relief of Maj. Omer A. Newhouse; to the Committee on Claims.

By Mr. MAAS: A bill (H. R. 6576) to authorize the presentation of a Distinguished Flying Cross to Maj. Francis T. Evans, United States Marine Corps; to the Committee on Military Affairs.

By Mr. MASSINGALE: A bill (H. R. 6577) for the relief of Mrs. W. B. Nix and Mrs. J. A. Nix; to the Committeee on Claims

By Mr. MERRITT of New York: A bill (H. R. 6578) for the relief of Joseph A. Therry; to the Committee on Claims.

By Mr. ROMJUE: A bill (H. R. 6579) authorizing a preliminary examination of the dam at the northern end of Gray Island, in Clark County, Mo., with a view to the control of floods; to the Committee on Flood Control.

By Mr. RYAN: A bill (H. R. 6580) granting a pension to Della M. C. Rudolph; to the Committee on Pensions.

By Mr. SOMERS of New York: A bill (H. R. 6581) to authorize the appointment of Paul Burns, former second lieutenant, Field Artillery, United States Army, to such rank on the active list, and for other purposes; to the Committee on Military Affairs.

By Mr. THOMPSON: A bill (H. R. 6582) granting a pension to Helen R. Pitney; to the Committee on Invalid Pensions

By Mr. TINKHAM: A bill (H. R. 6583) authorizing the President of the United States to appoint Wallace F. Safford to the position and rank of captain in the Army of the United States and immediately retire him with the rank and pay of a captain; to the Committee on Military Affairs.

Also, a bill (H. R. 6584) for the relief of Bartholomew Moynahan; to the Committee on the Civil Service.

By Mr. TOLAN: A bill (H. R. 6585) for the relief of Robert W. Miller; to the Committee on Claims.

By Mr. WILCOX: A bill (H. R. 6586) for the relief of W. R. McLeod; to the Committee on Claims.

By Mr. WOLVERTON: A bill (H. R. 6587) for the relief of certain purchasers of land in the Borough of Brooklawn, State of New Jersey; to the Committee on Claims.

By Mr. ZIMMERMAN: A bill (H. R. 6588) for the relief of Myrtle Anderson; to the Committee on Claims.

# PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3228. By Mr. ANDREWS of New York: Twenty petitions containing approximately 300 names of residents of the Fortieth Congressional District of New York, protesting against the enactment of House bill 5423; to the Committee on Interstate and Foreign Commerce.

3229. By Mr. BEITER: Petition of the Buffalo Master Bakers' Association, Buffalo, N. Y., urging the repeal of the processing tax on ingredients that go into the manufacture of bread; to the Committee on Ways and Means.

3230. By Mr. BLAND: Petition of four citizens of Clopton, Va., urging that Congress pass a uniform Federal old-agepension law that must be adopted by the States before any Federal aid or relief is available; to the Committee on Ways and Means.

3231. By Mr. BOYLAN: Petition signed by William G. Henry, and other residents of the Fifteenth Congressional District of New York City, vigorously opposing the Wheeler-Rayburn public-utility bill; to the Committee on Interstate and Foreign Commerce.

3232. Also, petition signed by Miss Dorothy S. Brambaugh and other residents of the Fifteenth Congressional District of New York City, opposing the passage of the Wheeler-Rayburn public-utility bill; to the Committee on Interstate and Foreign Commerce.

3233. By Mr. BUCK: Memorial of the California State Legislature, relative to accepting amendments from the Government of the United States for the construction of approach roads and toll areas over certain rights-of-way leading to the Golden Gate Bridge in the Presidio of San Francisco Military Reservation, and relating to the retrocession by the Congress of the United States of jurisdiction over said rights-of-way and toll areas as relocated; to the Committee on Roads.

3234. By Mr. BUCKLER of Minnesota: Petition of Simon Ellefson and Martin Swanson, of Lancaster, Minn., in behalf of members of Post No. 214 of the American Legion, Department of Minnesota, members of the Lancaster Civic and Community Club, and business and professional men of the community and vicinity, favoring the immediate cash payment of the soldiers' adjusted-service certificates; to the Committee on Ways and Means.

3235. Also, petition of M. L. Myhre, president, Wolverton, Minn., in behalf of the Business Mens' Association of Wolverton, Minn., favoring the Vinson bill (H. R. 3896) to make the immediate cash payment of the soldiers' adjusted-service certificates; to the Committee on Ways and Means.

3236. By Mr. DUFFEY of Ohio: Petition of 136 citizens of Toledo, Ohio, urging passage of the Townsend old-age revolving pension plan to be financed by a Nation-wide Federal sales tax; to the Committee on Ways and Means.

3237. By Mr. FOCHT: Petition of E. W. Thomas, of Burnham, and numerous other citizens of Lewistown, Mifflin County, a part of the Eighteenth Congressional District of Pennsylvania, opposing House bill 5423 and Senate bill 1725, the public-utility bills; to the Committee on Interstate and Foreign Commerce.

3238. Also, petition of Frank K. Metzaer, Burnham, and various other residents of Burnham and Lewistown, a part of the Eighteenth Congressional District of Pennsylvania, opposing House bill 5423 and Senate bill 1725, the public-utility bills; to the Committee on Interstate and Foreign Commerce.

3239. By Mr. HAINES; Petitions signed by 83 of his constituents of the Twenty-second Pennsylvania District, protesting against the public-utility bills; to the Committee on Interstate and Foreign Commerce.

3240. By Mr. HART: Memorial of the House of Assembly of the State of New Jersey (the senate concurring), requesting that the Congress of the United States enact an amendment to the United States Internal Revenue Act of 1934, preventing the imposition of a tax upon any State or Territory of the United States, the District of Columbia, or any political subdivision, agency, or district thereof; to the Committee on Ways and Means.

3241. Also, memorial of the House of Assembly of the State of New Jersey (the senate concurring), requesting that the Congress of the United States enact the Frazier-Lemke bill without further delay; to the Committee on Banking and Currency.

3242. By Mr. HEALEY: Petitions of certain employers and employees of Cambridge, Mass., concerning the Black-Connery bill; to the Committee on Labor.

3243. By Mr. HOEPPEL: Petition of the Los Angeles County Council of the Veterans of Foreign Wars of the United States, urging the passage of the Patman bill (H. R. 1), providing for immediate payment of the bonus; to the Committee on Ways and Means.

3244. Also, resolutions of the citizen taxpayers of the northeastern part of South Dakota at Webster, S. Dak., February 9, 1935, commending and endorsing the Townsend plan of old-age revolving pensions, and urging its enactment into law, with the additional provision that a considerable portion of the necessary funds be raised by taxing big fortunes with a large inheritance tax and big incomes by large graduated income tax proportioned according to the ability of the taxpayer to pay, and according to the protection and benefits which he is deriving from our Government; to the Committee on Ways and Means.

3245. By Mr. LESINSKI: Petition signed by groups 53, 2341, 460, 1427, 1277, and 170 of the Polish National Alliance of the United States of America, directing the President of the United States to proclaim October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

3246. Also, resolution 13006 of the Common Council of the City of Dearborn, Mich., asking that October 11 of each year be set aside as General Pulaski's Memorial Day; to the Committee on the Judiciary.

3247. Also, resolution of the City Council of Wyandotte, and the Common Council for the City of Ecorse, Mich., memorializing the Congress to proclaim October 11 of each year General Pulaski's Memorial Day; to the Committee on the Judiciary.

3248. By Mr. MEAD: Petition of the Buffalo Lumber Exchange, Buffalo, N. Y., requesting Congress to remove or suspend the duty on rough lumber from contiguous countries; to the Committee on Ways and Means.

3249. Also, petition of the Polish National Alliance, Group 890, Buffalo, N. Y., memorializing Congress to proclaim October 11 General Pulaski's Memorial Day; to the Committee on the Judiciary.

3250. By Mr. MERRITT of New York: Petition of Helen Clifton, of 132 East Forty-fifth Street, New York City, N. Y., and approximately 50 members of the Central Club for Nurses, urging Congress to defeat the Wheeler-Rayburn bill; to the Committee on Interstate and Foreign Commerce.

3251. Also, petition of Theodore G. Steinway and some 50 income taxpayers of New York City, urging Congress to repeal the publicity feature of section 55 (b) of the Revenue Act of 1934; to the Committee on Ways and Means.

3252. Also, petition of May Robb, of 415 East Thirteenth Street, New York City, and approximately 20 additional signers of residents in that vicinity, urging Congress to defeat the Wheeler-Rayburn public-utility bill; to the Committee on Interstate and Foreign Commerce.

3253. Also, petition of Grace N. Hickey, of 140 East Twenty-eighth Street, New York City, and approximately 40 other signatures of residents of New York City, urging Congress to defeat the Wheeler-Rayburn bill; to the Committee on Interstate and Foreign Commerce.

3254. Also, petition of Austin P. Canfield, secretary, and several hundred members of International Union of Operating Engineers of Local Union No. 184, New York City, urging Congress to support the amendment introduced by Senator McCarran, providing for the payment of prevailing rate of wage, etc.; to the Committee on Appropriations.

3255. Also, petition of Charles Auth, of 422-430 East Fifty-third Street, New York City, and other citizens and tax-payers, urging Congress to defeat the Wheeler-Rayburn bill; to the Committee on Interstate and Foreign Commerce.

3256. Also, petition of John Howard Hanway and other residents of Pelham Manor, N. Y., urging Congress to defeat the Wheeler-Rayburn bill; to the Committee on Interstate and Foreign Commerce.

3257. Also, petition of Charlie Meyer, 39-12 Main Street, Flushing, N. Y., and other residents of Flushing, Elmhurst, College Point, and vicinity, urging Congress to defeat the Wheeler-Rayburn bill; to the Committee on Interstate and Foreign Commerce.

3258. Also, petition of Stella Casale, 664 Eighteenth Street, Brooklyn, N. Y., and several hundred additional signers, calling upon Congress to defeat the Wagner Economic Security Act; to the Committee on Interstate and Foreign Commerce.

3259. Also, petition of I. B. Katz, of 1624 Tenth Avenue, Brooklyn, N. Y., and approximately 62 residents of Brooklyn and vicinity, urging Congress to defeat the Black bill (S. 87) and the Connery bill (H. R. 2746); to the Committee on Labor.

3260. By Mr. O'MALLEY: Memorial of the Legislature of the State of Wisconsin, urging the Congress of the United States to embody in a national relief program the following provisions: (1) Making available to the unemployed sufficient work at a wage scale enabling the maintenance of a reasonable and decent standard of living; (2) work for those unemployed not dependent upon relief but in need of aid to make possible the payment of taxes and interest on their homes; (3) adequate Federal employment, thus making unnecessary added obligations, indebtedness, and increased taxes by local units of government already overburdened; (4) reimbursement to various counties and municipalities of the State the sum of \$6,000,000, representing the amount contributed by them during the year 1935 as their share of unemployment relief; to the Committee on Appropriations.

3261. Also, memorial of the Legislature of the State of Wisconsin, urging the Congress of the United States to enact legislation providing work for those home owners who, due to unemployment, are unable to meet the required payments on the principal or interest, or both, and, further, that such work be provided for under public-works projects through local, State, or Federal Governments; to the Committee on Appropriations.

3262. Also, memorial of the Legislature of the State of Wisconsin, urging the Congress of the United States to provide for public power development and more particularly rural electrification in the upper Mississippi Valley as provided in the essential features of measures relative thereto

now pending in the Congress of the United States; to the Committee on Military Affairs.

3263. Also, memorial of the Legislature of the State of Wisconsin, urging the Congress of the United States to take immediate steps to amend the Constitution of the United States providing that the Congress of the United States submit to the people of the Nation an opportunity to declare themselves in favor of the declaration of war by a popular referendum vote except in the event of a war to repel an invasion of this country when such referendum shall not be deemed necessary; to the Committee on the Judiciary.

3264. Also, memorial of the Legislature of the State of Wisconsin, protesting to the President and Congress of the United States against further reciprocal tariff or trade agreements by which the best interests of American farmers are

sacrificed: to the Committee on Ways and Means.

3265. Also, memorial of the Legislature of the State of Wisconsin, urging the Congress of the United States to pass immediately the legislation necessary to empower and direct the Government of the United States to monopolize the manufacture and sale of war munitions; to the Committee on Military Affairs.

3266. Also, memorial of the Legislature of the State of Wisconsin, urging the Congress of the United States to reduce the excise tax on intoxicating liquors and beer, and other fermented malt beverages; to the Committee on Ways

and Means.

3267. Also, memorial of the Legislature of the State of Wisconsin, urging the Congress of the United States to enact legislation to provide for a code of fair competition for the farmer, to establish the cost of production to farmers, and to provide for a reasonable profit on their investments; to the Committee on Agriculture.

3268. Also, memorial of the Legislature of the State of Wisconsin, urging the Congress of the United States to pass uniform laws regulating motor vehicles in interstate service; to the Committee on Interstate and Foreign Commerce.

3269. Also, memorial of the Legislature of the State of Wisconsin, urging the Congress of the United States to enact the pending Frazier-Lemke Finance Mortgage Act; to the Committee on Banking and Currency.

3270. Also, memorial of the Legislature of the State of Wisconsin, urging the Congress of the United States to enact legislation providing for Federal aid to high schools; to the Committee on Education.

3271. By Mr. PFEIFER: Petition of the Fur Dressers' & Fur Dyers' Association, Inc., New York City, urging repeal of the 10-percent excise tax on furs wholesaling at \$75 and over; to the Committee on Ways and Means.

3272. Also, petition of the Bush Terminal Co., New York, concerning the Black-Connery bills (S. 87 and H. R. 2746);

to the Committee on Labor.

3273. Also, petition of the Aerovox Corporation, Brooklyn, N. Y., concerning the 30-hour-week bill; to the Committee on Labor.

3274. Also, telegram of the Finnigan Post, No. 242, American Legion, Brooklyn, N. Y., concerning the Vinson bonus bill; to the Committee on Ways and Means.

3275. By Mr. POLK: Petition of John D. Morehead, recording secretary, and the entire membership of Tate Council, No. 400, Junior Order of United American Mechanics, urging the passage of House Joint Resolution No. 69, creating in the Department of Justice a Bureau of Alien Deportation; to the Committee on Immigration and Naturalization.

3276. By Mr. RICH: Petition of the Business and Professional Women's Club of Williamsport, Pa., protesting against House bill 5423 and Senate bill 1725, known as the "utilities bill"; to the Committee on Interstate and Foreign Commerce.

3277. Also, petitions of citizens of Bradford, Pa., protesting against House bill 5423 and Senate bill 1725; to the Committee on Interstate and Foreign Commerce.

3278. By Mrs. ROGERS of Massachusetts: Petition of the City Council of Woburn, Mass., endorsing the resolution of the senior Senator from Massachusetts in which he directs

the attention of the Secretary of Labor to the necessity for creating appointments for young men and women between the ages of 18 and 30; to the Committee on Labor.

3279. By Mr. ROGERS of Oklahoma: Petition of Joseph Edge and numerous other citizens of Niceville, Fla., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3280. Also, petition of D. G. Harper and numerous other citizens of Ponce De Leon, Fort Walton, and De Funiak Springs, Fla., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means

3281. Also, petition of Jake Hendricks and numerous other citizens of Winnfield, La., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3282. Also, petition of Butler Gipson and numerous other citizens of Arcadia, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3283. Also, petition of George Forster and numerous other citizens of Darrow and Union, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3284. Also, petition of Rev. G. B. Hill and numerous other citizens of Amite, La., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3285. Also, petition of James Overstreet and numerous other citizens of Lakeland, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3286. Also, petition of Richard A. Baddie and numerous other citizens of Florence, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3287. Also, petition of George Hill and numerous other citizens of Aliceville and Tuscaloosa, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3288. Also, petition of Edward Crawford and numerous other citizens of Quinton and Dora, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the committee on Ways and Means.

3289. Also, petition of A. G. Johnson and numerous other citizens of Sylacauga, Ala., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3290. Also, petition of W. L. Vintson and numerous other citizens of Dora, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-agepensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3291. Also, petition of Arthur Hamilton and numerous other citizens of Brewton, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3292. Also, petition of L. Hall and numerous other citizens of Hamilton, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3293. Also, petition of Joe Carter and numerous other citizens of Hamilton, Ala., favoring House bill 2856, by

Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3294. Also, petition of Paul Hill and numerous other citizens of Ohatchee and Lincoln, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3295. Also, petition of Evan White and numerous other citizens of Paducah, Ky., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3296. Also, petition of M. B. Kidwell and numerous other citizens of Kansas City, Cleveland, and Avondale, Mo., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3297. Also, petition of Andrew Suggs and numerous other citizens of Duncan, Alligator, and Hillhouse, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3298. Also, petition of Dave Ross and numerous other citizens of Union Church and Crystal Springs, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3299. Also, petition of Will Brown and numerous other citizens of Duck Hill and Grenada, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3300. Also, petition of Frank Reed and numerous other citizens of Pace, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3301. Also, petition of Aron Robinson and numerous other citizens of Sidon, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3302. Also, petition of Z. E. Bowman and numerous other citizens of Anderson, S. C., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3303. Also, petition of Harvey Buckman and numerous other citizens of Quincy, Ill., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3304. Also, petition of Russell Wyatt and numerous other citizens of White Hall and Patterson, Ill., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3305. Also, petition of Charles Von and numerous other citizens of Oakdale, Nashville, and Addieville, Ill., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3306. Also, petition of James S. Gilliland and numerous other citizens of Pocahontas, Edwardsville, and Vandalia, Ill., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3307. Also, petition of Horace Robinson and numerous other citizens of Newark, N. J., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3308. Also, petition of R. E. Hayden and numerous other citizens of Bassett, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-

age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3309. Also, petition of A. S. Forehand and numerous other citizens of Earl, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3310. Also, petition of Lewis William and numerous other citizens of Round Pond, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3311. Also, petition of Henry Parks and numerous other citizens of Madison, Ga., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3312. Also, petition of Allen B. Layfield and numerous other citizens of Macon, Ga., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3313. Also, petition of Ray Suddath and numerous other citizens of Brownsville, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3314. Also, petition of W. A. Collins, Jr., and numerous other citizens of Sparta, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3315. Also, petition of J. W. Hoover and numerous other citizens of Nashville, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3316. Also, petition of Dick Sydnor and numerous other citizens of McKenzie, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3317. Also, petition of Frank Bland and numerous other citizens of Wyatt, Mo., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3318. Also, petition of L. Ramsey and numerous other citizens of Gadsden and Halls, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3319. Also, petition of J. J. Williams and numerous other citizens of Fulton, Ky., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3320. Also, petition of Damacio Cordova and numerous other citizens of Truchas, N. Mex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3321. Also, petition of John H. Stone and numerous other citizens of Lebanon and Eldridge, Mo., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3322. Also, petition of Samuel Henry Ritter and numerous other citizens of Greeley and Bunker, Mo., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3323. Also, petition of Charles Harper and numerous other citizens of Fagus, Mo., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age

pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3324. Also, petition of J. H. Dishner and numerous other citizens of Princeton and Rock, W. Va., favoring House bill 2856, by Congressman Will Rocks, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3325. Also, petition of A. C. Miller and numerous other citizens of Killarney, W. Va., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3326. Also, petition of W. T. Granger and numerous other citizens of Old Dock, N. C., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3327. Also, petition of J. M. Breeden and numerous other citizens of Lumberton, N. C., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3328. Also, petition of J. E. Garrison and numerous other citizens of Pennington Gap and Dryden, Va., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3329. Also, petition of R. L. Mullens and numerous other citizens of Clintwood, Georges Fork, and Millard, Va., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3330. Also, petition of James McKinley and numerous other citizens of Jefferson County, Ky., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3331. Also, petition of A. J. Rigney and numerous other citizens of Sunnybrook, Ky., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3332. Also, petition of Bob Boatright and numerous other citizens of Mayfield, Ky., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3333. Also, petition of J. P. Gibson and numerous other citizens of Heller and Lookout, Ky., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3334. Also, petition of Spurgeon Foster and numerous other citizens of Collirene, Benton, and Gordonsville, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3335. Also, petition of J. O. Hathaway and numerous other citizens of Black, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3336. Also, petition of S. T. Grove and numerous other citizens of Scottsboro, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3337. Also Petition of Joe Cole and numerous other citizens of Collinsville and Henagar, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3338. By Mr. RUDD: Petition of J. F. Bragg, Long Island City, N. Y., concerning section 55B of the Revenue Act of 1934; to the Committee on Ways and Means.

3339. Also, petition of the West Disinfecting Co., Long Island City, N. Y., concerning section 55B of the Revenue Act of 1934; to the Committee on Ways and Means.

3340. Also, petition of B. Schwanda & Sons, New York City, concerning section 55B of the Revenue Act of 1934; to the Committee on Ways and Means.

3341. Also, petition of R. J. Atkinson (hardware), Brooklyn, N. Y., concerning section 55B of the Revenue Act of 1934; to the Committee on Ways and Means.

3342. Also, petition of Steinway & Sons' employees, New York City, regarding section 55B of the Revenue Act of 1934; to the Committee on Ways and Means.

3343. Also, petition of Grand Lodge Brotherhood of Railroad Trainmen, Cleveland, Ohio, concerning the McCarran amendment to the work-relief bill; to the Committee on Ways and Means.

3344. Also, petition of Charles Auth and seven other citizens of Greater New York, concerning the Rayburn-Wheeler public utility holding companies legislation; to the Committee on Interstate and Foreign Commerce.

3345. By Mr. SADOWSKI: Petition of the Forty and Over Club, of North Detroit, Mich., endorsing House bill 2827; to the Committee on Ways and Means.

3346. Also, petition of International W. O. Br. 2012, endorsing House bill 2827; to the Committee on Ways and Means.

3347. Also, petition of group no. 1758 of the Polish National Alliance, asking that October 11 of each year be set aside as General Pulaski Memorial Day; to the Committee on the Judiciary.

3348. Also, petition of group no. 848 of the Polish National Alliance, asking that October 11 of each year be set aside as General Pulaski Memorial Day; to the Committee on the Judiciary.

3349. By Mr. SAUTHOFF: Joint resolution of the State of Wisconsin, memorializing the Congress of the United States to enact the pending Frazier-Lemke finance mortgage bill; to the Committee on Banking and Currency.

3350. Also, joint resolution of the State of Wisconsin memorializing the Congress of the United States to reduce the excise tax on intoxicating liquors and beer and other fermented malt beverages; to the Committee on Ways and Means.

3351. Also, joint resolution of the State of Wisconsin, relating to a code of fair dealing, and to establishing of the cost of production to farmers and a reasonable profit on their investments; to the Committee on Agriculture.

3352. Also, joint resolution of the State of Wisconsin, memorializing the Congress of the United States to enact legislation providing for Federal aid to high schools; to the Committee on Education.

3353. By Mr. SCHAEFER: Petition of Council No. 1169, Polish National Alliance, East St. Louis, Ill., urging Congress to designate October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

3354. Also, petition of the Illinois Women's Auxiliary of Progressive Miners of America, Marissa, Ill., urging limitations of individual annual incomes to \$50,000 and urging a redistribution of the Nation's wealth through work with adequate wages; to the Committee on Ways and Means.

3355. Also, petition of the Illinois Women's Auxiliary of Progressive Miners of America, Marissa, Ill., urging congress to pass an old-age pension measure during the present session; to the Committee on Ways and Means.

3356. Also, petition of the Illinois Women's Auxiliary of Progressive Miners of America, Marissa, Ill., urging Congress to accept the Lundeen measure on social unemployment insurance (H. R. 2827); to the Committee on Labor.

3357. Also, petition of General Assembly, State of Illinois, urging the United States Government to take action to curb the use of a certain, vicious, habit-forming narcotic, commonly known as "marijuana", which has become alarmingly prevalent among a large proportion of the adolescents of that State; to the Committee on the Judiciary.

3358. By Mr. TRUAX: Petition of H. T. Blosser and other citizens of Fostoria, Ohio, requesting the passage of the Patman bonus bill (H. R. 1); to the Committee on Ways and Means.

3359. Also, petition of the National Restaurant Association, Chicago, Ill., by their president, Charles A. Laube, condemning Government restaurants and urging its members throughout the Nation to stand in opposition to any Government official who defends this form of competition, because the operation of restaurants and cafeterias on a rent-free and tax-free basis in Government buildings has been a serious source of unfair competition to legitimate restaurants, and the Federal Government has received recommendations for an abatement of this practice from a congressional investigating committee headed by Congressman Joseph B. Shannon, but has continued this business; to the Committee on Labor.

3360. Also, petition of Lucas County Unemployed League, of Toledo, Ohio, by their president, Paul Kolinski, urging that Congress adopt the amendment of the prevailing wage scale on all work-relief projects in the public-works bill; to the Committee on Labor.

3361. Also, petition of United Automobile Workers, Local 18463, Cleveland, Ohio, by their secretary, R. E. Reisinger, endorsing the Lundeen bill (H. R. 2827); to the Committee on Labor.

3362. Also, petition of board of control of the Summit County Democratic Executive Committee, Akron, Ohio, by their secretary, Forrest D. Myers, demanding of all our elected and appointed officials in National, State, county, and city administrations of which they have control an immediate dismissal of all Republicans wherever possible and to replace them with worthy Democrats, because it has been customary for elected Democrats to give jobs to members of the Republican Party; to the Committee on Patronage.

3363. By Mr. WITHROW: Memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to reduce the excise tax on intoxicating liquors and beer and other fermented malt beverages; to the Committee on Ways and Means.

3364. Also, memorial of the Legislature of the State of Wisconsin, relating to a code of fair dealing and to the establishing of the cost of production to farmers and a reasonable profit on their investment; to the Committee on Agriculture.

3365. Also, memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to enact legislation providing for Federal aid to high schools; to the Committee on Education.

3366. Also, memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to enact the pending Frazier-Lemke finance mortgage bill; to the Committee on Banking and Currency.

3367. By Mr. WOLCOTT: Petition of H. A. Ramsey, of St. Clair, Mich., and 120 other members and supporters of the Farmers Unions in St. Clair County, Mich., urging the prompt enactment of the Frazier-Lemke refinancing bill; to the Committee on Agriculture.

3368. By the SPEAKER: Petition of the City Council of the City of Omaha, Nebr.; to the Committee on the Judiciary.

3369. Also, petition of the city of Long Beach, Calif.; to the Committee on Ways and Means.

3370. Also, petition of the Common Council of the City of Rochester, Minn.; to the Committee on the Judiciary.

3371. Also, petition of the city of Minneapolis, Minn.; to the Committee on the Judiciary.

3372. Also, petition of the Miami Lions Club; to the Committee on Ways and Means.

3373. Also, petition of the Chamber of Commerce of Greenlee County, Ariz.; to the Committee on Ways and Means.

3374. Also, petition of the Common Council of the City of Trinidad, Colo.; to the Committee on the Judiciary.

3375. Also, petition of the city of Perth Amboy, N. J.; to the Committee on the Judiciary.

3376. Also, petition of the Ecorse Village Council, Michigan; to the Committee on the Judiciary.

3377. Also, petition of the Common Council of Nutley, N. J.; to the Committee on the Judiciary.

# HOUSE OF REPRESENTATIVES

SATURDAY, MARCH 9, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, Thou dost call us unto Thee: in Thy tabernacle is the mercy seat; here we tarry. We are not exempt from the great lot of mankind. We cannot read life's mysteries; do Thou grant that it may be good for us to hold that suffering, the tragedy, and the loss of human life, and the blight of hope are all working out the highest and holiest good. Strong Son of God, we thank Thee that in the defiles of doubt and in the valley of despondency, there is an unwavering light that forever beats against the throne of the Lamb and His glory. Let it fall and send us dreams that shame realities. O Master, let it shine on street, mart, and alley and upon all those who are cast out of human sympathy. We bear to Thee a prayer for good health, happiness, and heavenly joy to bless our homes. Regard our Speaker and all Members in divine favor. Bless all schools and all churches and let their influences be augmented a thousandfold. In Thy holy name. Amen.

The Journal of the proceedings of yesterday was read and approved.

#### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Thorne, its enrolling clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5913. An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1936, and for other purposes.

#### SUPREME COURT JUSTICES RETIREMENT BILL

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to proceed for a few minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. SUMNERS of Texas. Mr. Speaker, an interpretation which seems to have been placed upon statements made during the debate on the Supreme Court Justices retirement bill puts the members of the Supreme Court in a false attitude I think before the country. I rise to place a clarifying statement of facts in the Record which I think every Member of the House will approve.

Mr. BLANTON. Mr. Speaker, if the gentleman will permit, the press improperly reported my colleague as stating that he had conferred with a member of the Supreme Court and that that member had suggested this bill. I think that placed my colleague in a false attitude. He did not make that statement and I do not think he intended to make it. Is not that correct?

Mr. SUMNERS of Texas. That is correct. As to the responsibility for originating the bill, I originated it. Mine is the entire responsibility. I sought to work out an arrangement under which Justices of the Supreme Court who reach the retirement age and length of service which we have provided by law for district and circuit court judges, may also retire instead of resigning, thus leaving themselves subject to assignment to lighter duties instead of doing nothing, just as district judges and circuit judges who have retired are now eligible to assignment to lighter duties.

Before introducing the bill, I discussed its workability with one of the Justices of the Supreme Court, because he was in a position to know, just as I would have discussed, with someone in a position to know, any bill, before introducing it, affecting the machinery of any other branch or department of the Government. I was not solicited to introduce this bill

by anybody connected with either the judicial or the executive branch of the Government.

These judges of the Supreme Court are not asking anything from Congress. Congress cannot give them anything or take anything from them. These judges come to the Supreme Court under a contract with the people for lifetime employment at a salary which Congress cannot take from them or reduce, which contract is imbedded in the Constitution in this language.

The Constitution provides that:

The judges, both of the Supreme and Inferior Courts, shall hold their offices during good behavior, and shall, at stated times, receive for their services, a compensation which shall not be diminished during their continuance in office.

These provisions have an interesting background. formerly controlled the judgment of courts. When William and Anne came to the throne it was sought to free the judiciary of this control by providing in the Acts of Settlement, 1700, that judges should hold office during good behavior and have a fixed compensation. The tenure of these judges even after the Acts of Settlement was held to end with the death of the King. By the first act of George III, some 28 years before the writing of our Constitution, this defect was cured and death of the King thereafterward had no effect upon the tenure of the judges. Blackstone, quoting from the Journal of Commons, 1761, I believe, says that "he, King George, looked upon the independence and uprightness of the judges as essential to the impartial administration of justice as one of the best securities of the rights and liberties of his subjects and is conducive to the honor of the Crown."

When we came to write our Constitution there were many propositions advanced with reference to the appointment of judges of the Supreme Court. Mr. Randolph submitted the first plan, which was that Congress should appoint. It was also suggested that the President should appoint; that the Senate should appoint; and that the Senate should nominate and the President appoint; and finally the plan which was adopted; but each of these plans carried the provision that the judges should hold office during good behavior and have a fixed compensation. The provisions in our Constitution as to tenure and security of pay are the ones which had been worked out and incorporated in the British Constitution, which were a tenure of office for life, with the salary fixed beyond the reach of the Executive or the Congress during the lifetime of the judge.

Looking to our own history, since the adoption of the Constitution, until the act of April 10, 1869, there was no provision for the resignation of Federal judges. The debates in Congress on that act show that it was deemed necessary because, with no arrangement for resignation, judges did not resign. On March 29, 1869, Congressman Bingham, of Ohio, who was in charge of the bill, made the following statement on the floor of the House (Congressional Globe, vol. 87, Appendix, p. 337):

It is well known that at least two of the present Justices of the Supreme Court of the United States, although they may live for years, will not long be able, by reason of the infirmities of age, to take their places upon the Supreme bench. It is well known that one of the most eminent members of that bench is not able today to reach the bench without being borne to it by the hands of others. It is but fit and proper that such a man should be given the opportunity to retire upon his salary, carrying with him his honors of office and holding his commission until the day of his death.

Senator Charles Sumner, of Massachusetts, on April 7, 1869 (id., p. 574), stated on the floor of the Senate:

I take it our object is to accomplish both; to give to judges who have earned an honorable retreat what they have earned, and to secure complete efficiency to the courts. If we can accomplish these two results, we shall do much.

Under the provisions of that act Federal judges may resign on full pay.

The next act was that of 1919, which provides that Federal judges, other than Supreme Court Judges, instead of resigning as provided by the act of 1869, may retire and be subject to assignment to lighter duties, thus giving the Government an opportunity for the same money then paid resigned judges

to procure this additional service and at the same time have an opportunity to assign more vigorous men to the general duties of the courts. This act of 1919 removed the element of uncertainty calculated to deter a judge from surrendering his guaranteed life salary fixed by the Constitution in his contract with the people when he went on the Supreme Court

The bill introduced by myself raises the question whether in view of the fact that the Constitution gives to Supreme Court Justices this life tenure and fixes their salary for life beyond the power of the legislative or executive branches of the Government to reduce, it would not be wise when the Supreme Court Justices reach the same retirement age and length of service approved by Congress and by experience with reference to other Federal judges, that the same provisions of the act of 1919 be extended to these judges of the Supreme Court with reference to retirement which is extended to all other Federal judges, so that they, too, may be allowed to retire and be privileged to perform lighter duties in exchange for what the Federal Government is bound, anyway, to pay them under the Constitution during their life.

#### BONUS LEGISLATION

Mr. HAINES. Mr. Speaker, I ask unanimous consent that I may insert in the RECORD at this point a copy of Resolution 52, passed by the General Assembly of the State of Pennsylvania, calling on Congress to enact legislation for the immediate cash payment of the adjusted-service certificates.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to extend his remarks in the RECORD and to include therein the resolution referred to. Is there objection?

There was no objection. The resolution follows:

#### Resolution 52

Whereas the immediate cash payment of the adjusted-service certificates will increase tremendously the purchasing power of millions of the consuming public distributed uniformly throughout the Nation and will provide relief for the holders thereof who are in dire need and distress because of the present unfortunate eco-nomic conditions, and will lighten immeasurably the burden which citles, counties, and States are now required to carry for relief; and

cities, counties, and States are now required to carry for relief; and Whereas the payment of said certificates will not create any additional debt but will discharge and retire an acknowledged contract obligation of the Government: Now, therefore, be it Resolved (if the senate concur), That since the Government of the United States is now definitely committed to the policy of spending additional sums of money for the purpose of hastening recovery from the present economic crisis, the General Assembly of the Commonwealth recommends and urges the immediate cash payment at face value of the adjusted-service certificates with cancelation of interest accrued and refund of interest paid, as a most effective means to that end; and be it further

effective means to that end; and be it further

Resolved, That a copy of this resolution, properly attested by the
chief clerk of the senate and the chief clerk of the house of representatives, be forwarded by the chief clerk of the house of representatives to the Senate and the House of Representatives of the Congress of the United States and to each Senator and Representative from the Commonwealth of Pennsylvania therein.

The foregoing is a true and correct copy of the resolution adopted

by the house of representatives the 20th day of February 1935, and concurred in by the senate the 6th day of March, 1935.

Wilson G. Sarig,

Speaker House of Representatives. W. P. Gallagher, Chief Clerk House of Representatives.

JOHN E. McHirdy,

Chief Clerk Senate.

#### H. O. L. C. DISCRIMINATION

Mr. DUNN of Mississippi. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on H. R. 6021, the home owners' loan bill under consideration.

The SPEAKER. Is there objection?

There was no objection.

Mr. DUNN of Mississippi. Mr. Speaker, in the consideration of H. R. 6021, which contains amendments to the Federal Home Loan Bank Act of 1933 and the National Housing Act, I desire to make a few observations which I believe to be fundamental.

I recognize the fact that the H. O. L. C. has been a great alleviating process to our people in the matter of saving their homes, but at the same time I further realize that the various acts deal with so many generalities until the original intent of the Congress has been miserably and hurtfully misinterpreted to a certain class of bona fide citizens.

I trust my colleagues will understand that I am sincerely and whole-heartedly in favor of the pending bill, which, in fact, is really a bill of amendments to the original bill. The home owners' loan bank law and the Home Owners' Loan Act of 1933 are both fruitful in the matter of national emergency insofar as the original intent of Congress is concerned; but I have had some experience, not professionally but from a standpoint of charity, in seeing the actual misinterpretation of the intent of the Congress in the matter of granting loans to home owners. These misinterpretations, in my judgment, result from the administrative policies of the Home Loan Board, who are, after all, the powers that be when it comes to the proposition of who is entitled to a loan and who is not.

I am a great believer in nondiscrimination when it comes to the question of seeing that our American citizens are entitled to full accord on such matters, regardless of political favoritism. In this wise I wish to call attention to the Congress of several cases in my district where widowed wives and husbands were not granted loans on their homes for the reason that they did not physically occupy these homes, but were entering into the twilight of life, which necessitated their residing with either sons or daughters who could be there to personally care for and look after their afflictions and infirmities.

The cases I have referred to are cases where the parties, one in particular, owned a home, all of her earthly belongings, and which was about to be lost under a foreclosure proceeding, a sweet old lady some 70 years of age, living with kinsmen who cared for her at a moment when she was entitled to the same affection and care of her children as your mother or my mother. This good woman and citizen made application to the Board for a loan. She told them that her home would be lost unless the loan was made. Her home was situated in the city of Meridian, Miss. The Board replied that the loan could not be made, apparently because this good woman and citizen told the truth; that is to say, that she did not physically occupy the house.

I cannot believe that the Congress would allow such an interpretation of the administrative policies of the acts, but to date it exists and I am advised by some of my colleagues that attempts were made in the Seventy-third Congress to particularly identify those who could participate in the fruits of these emergency acts, but that the Congress has steadfastly adhered to the rule that all emergency acts passed under and by virtue of the request of the present administration should be administrative in policy and in no wise fundamental as concerns the prospective measurements of the act itself. I believe this most unfair, especially in cases where there is such an infinitesimal line of demarcation bordering strictly upon favoritism.

## EXCEPTIONS

I know of many cases where this administrative policy which I speak of has been flagrantly violated, so that in truth and fact it shows the interpretation as has been alluded to is but a hunk of red tape, stifling the intent of the administration and corralling the nurtured sons of political favoritism in the realm of discrimination. I know of people who did not reside in their particular homes in my district but who had bankers and big interests vitally interested in their property holdings and who secured their loans by wiring and phoning their Congressmen and Senators, and otherwise becoming idolatrous to a scheme of government supposed to be fair to all alike.

I know that these exceptions have been made and loans granted when such big interests began their political maneuvering to accomplish loans which in turn resulted in fruits to them. I voice disapproval to such exceptions for the reason that this is a direct slap at the provisions of the Constitution of the United States of America giving equal rights to the citizens of the United States in matters of this sort. Even the Ten Commandments, as holy as they are in their prescription from the Deity, deny that such a discrimination and such a favoritism can be used even during normal times,

much less during times when our very economic life is imperiled, and I do hope that those responsible for the enactment of these laws and those responsible for the provisions of administration will correct such tyrannical interpretations and favoritisms. I could say the same thing with reference to the Farm Loan Board and the activities of the Federal land bank, because I know that political favoritisms, unjust exactments, and misinterpretations of the administrative policies of the Farm Loan Board and the Federal land bank have wielded a mighty force of discontent among my people because of political hypocrisy and favoritism.

I shall vote for H. R. 6021. I have no other recourse, but in passing may I say this, that unless all applications filed since the middle of November 1934 are placed in line like all others, a noticeable tirade will result from the same sort of discrimination which I have described.

I trust my colleagues will understand my position and appreciate the fact that unless matters of this sort are brought to the attention of the Congress through observation and experience, legislation can never become fundamental.

#### ADDITIONAL HOME-MORTGAGE RELIEF

Mr. STACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by placing therein my appreciation of the Home Owners' Loan Act in regard to the relief it has brought to the distressed home owners in the United States.

The SPEAKER. Is there objection?

There was no objection.

Mr. STACK. Mr. Speaker, ladies and gentlemen, my colleagues of the House, the subject that I am about to speak on interests the people of whom Abraham Lincoln, the great emancipator, once said: "The Lord must have loved them, He made so many of them—the common people."

Speaking as one of them I know their needs. I know full well their interest is not so much in whether you and I, their Representatives, will appropriate vast sums to build airplanes and battleships, or appropriate vast sums to prosecute giant power projects, great reforestation programs, national and international highways.

These people, whose servants you and I are, or at least ought to be, are not so much interested in what sort of an ambassadorial mansion this Nation shall have in France, Germany, Spain, and the other great foreign countries, but they are, however, interested, yea! vitally interested in their own homes, no matter how humble they may be.

Our great humanitarian and almost inspired President, in his efforts to help all our people, has made great strides toward restoring the morale of the American Nation and, I say to you, my dear friends, that in my humble judgment, the greatest single factor that has contributed toward restoring the confidence of our people is the work that has been done heretofore, through the Home Owners' Loan Corporation.

The Home Owners' Loan Corporation, as you know, was created by an act of the last Congress at the behest of the President to relieve the distressed home owner who was unable to continue payments of his obligation and was threatened with the loss of his home.

The act was loosely drawn because of the lack of provision for a sufficient appropriation to provide for the flood of applications that poured in at its inception, and especially when Congress passed the necessary legislation to guarantee the principal on the bonds, which became legal for trust funds in my State of Pennsylvania.

As a result of this lack of funds, more than 24,000 applications, which had been filed in the Philadelphia district (Delaware, Montgomery, Northampton, Lehigh, Bucks, and Chester Counties) and had not reached the title stage, were thrown into the scrap heap and the Corporation refuses to receive any more applications, although the act specifically provided that applications for loans were to be received for a period of 3 years after its passage. As a result of this, chaos has hit the mortgage market, and banks were unable or unwilling to take up the slack, and because of their unwillingness, within the next 60 days in Philadelphia alone, 2,600 homes are going to sheriff's sale.

Now, that is the condition right at this minute that is facing the people in Philadelphia and, no doubt, in your districts. What are you and I going to do about it? Are we going to sit idly by while the sheriff's hammer knocks down at public sale your constituents' homes and my constituents'

Coming from Philadelphia, the city of homes, as I do, the birthplace of "Old Glory", whose cradle rocked the tiny spark of liberty down in the old statehouse many years ago, I am here to tell you that it does not make much difference whether you and I shall return to Congress or not, but I am telling you that it will mean much to our people back home for you and me, their Representatives, to see to it that sufficient money is appropriated by this Congress so that the Home Owners' Loan Corporation will immediately begin to function where it left off the last day of last November. Again I tell you that it does not make much difference whether you and I come back here to Congress or not, "Old Glory" will still be the grandest flag in the world, America will still be the land of the brave and the home of the free, and I hope the wheels of the new deal will continue to revolve; but I am telling you that if you allow the bankers to take our peoples' homes away from them, my prayer for you will be, God help America!

Mr. Speaker, my saddest recollection as a barefooted boy in Ireland was the eviction of my people on the roadside because they could not meet the demands of the absentee landlords. Therefore I ask you, my colleagues of the House, that you see to it that enough bonds are floated to take care of all our people, the people of your district and my district, who are actually in distress whether they have filed an application for a loan or not when this appropriation is

Preserve our homes, where true patriotism and morals are taught at our American mother's knee. I thank you.

THE INDEPENDENT ORDER OF ODD FELLOWS-A GREAT INTERNATIONAL FRATERNITY

Mr. CARTWRIGHT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a speech made by my colleague, the gentleman from Minnesota [Mr. PITTENGER].

The SPEAKER. Is there objection?

There was no objection.

Mr. CARTWRIGHT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein an address delivered by Congressman PITTENGER, of Minnesota, at an Odd Fellows' meeting held at the Hotel Bradford at Boston, Mass., and over the National Broadcasting radio station on the evening of March 7, 1935.

Congressman PITTENGER is grand sire of the Independent Order of Odd Fellows and, as such, has jurisdiction over this fraternal organization throughout the world.

The address delivered by Grand Sire PITTENGER, and which was broadcast by the National Broadcasting Co., is as follows:

My friends of New England, I am glad to meet this magnificent audience of 3,000 persons, members of one of the great fraternal organizations of the world, the Independent Order of Odd Fellows. I am here in the historic city of Boston, sacred soil of America, as the guest of the Odd Fellows of Massachusetts. I am happy to bring the greetings of the sovereign grand lodge not only to this grand jurisdiction, but to the neighboring jurisdictions of New England that are here represented.

England that are here represented.

I join with the members of the local Odd Fellows committee in expressing my appreciation to the National Broadcasting Co. for this opportunity to also talk to a radio audience about our great

I speak only facts when I tell you that Odd Fellowship is not a new institution in Massachusetts. While the first Odd Fellows new institution in Massachusetts. While the first Odd Fellows lodge on the North American Continent was organized at Baltimore, Md., on April 26, 1819, it is to be noted that the second Odd Fellows lodge on the continent was organized at Boston, Mass., on March 26, 1820, just 11 months after the order was introduced in America. The records speak eloquently of a long and distinguished service of Odd Fellowship in Massachusetts. Recent figures show 240 subordinate lodges, with a membership of approximately 55,000 men. In addition, the ladies' auxiliary, known as the "Rebekahs", numbers 212 lodges, with a membership of approximately 31,000 sisters. With these figures before me, I can say without any exaggeration that the sovereign grand lodge is proud of the membership of this great jurisdiction of Massachusetts.

Now, I want to talk to this audience for a few minutes tonight about fraternities. America has been blest with numerous fraternal organizations or lodges. Perhaps on no other continent have fraternal organizations flourished and prospered as they have here. Why fraternal organizations? What is their purpose? What have they done? These are some of the questions that you tonight may be asking, and especially if you are not members of any fraternity. I am glad to answer those questions.

Mankind has traveled a long road from barbarism to fraternalism. There was a time when the law of the jungle prevailed among the peoples of the earth. Tribes were the unit, and they moved about from place to place. When the aged or the crippled or the helpless infants impeded the progress of the tribe, they were car-

helpless infants impeded the progress of the tribe, they were Carried out into the woods and left to perish. This was the rule of the survival of the fittest. As man developed into a civilized state, the rule still persisted. Man was a selfish creature, and self-interest crowded out all other impulses. This was true in

Then one day, on the 26th of April 1819, five men met at a tavern or hotel in Baltimore. They had come to this country from England. They had belonged to an Odd Fellows lodge in England. They met to form the first lodge here. That was about 116 years They met to form the first lodge here. That was about 116 years ago. Those men were strangers in America. They were foreigners. They were friendless. They faced the prejudice and suspicion of the people here. They decided to organize on this continent a new fraternity, based upon the idea that one should assist a brother in adversity and misfortune. They decided to do away with the law of the jungle, and to bear one another's burdens. The law of friendship and love was to replace the law of selfishness and hatred. And so the first Odd Fellows lodge was organized.

Those men were filled with a desire to render service to humanity. They were about to undertake one of the most important tasks ever given to man to perform. They did not know it, but they were about to organize the first great international fraternal organization in America. They must have talked in terms of fraternity. I visualize them, Thomas Wildey and four others, as they sat around the table. Someone said, as they talked matters over:

"We must have a definite understanding as to what our lodge is going to do. No Odd Fellow is to be buried in a pauper's grave,

is going to do. No Odd Fellow is to be buried in a pauper's grave, by strangers. We will give to departed brothers a last loyal measure of devotion and respect. Tender hands will place the body, from by strangers. by strangers. We will give to departed brothers a last loyal measure of devotion and respect. Tender hands will place the body, from which life has departed, in its last resting place, and loving hearts will keep green the memory of the good deeds of the departed. We pledge this to one another, and we are going to organize a fraternity along these lines."

Then another brother probably remarked:

"But we have a duty to the living. The widows and orphaned children of our departed members need care and attention. We will help them with food, and clothing, and fuel if needed. The orphans must have a home and an education, so that they will

orphans must have a home and an education, so that they will develop into clean and law-abiding men and women. We are going to take care of these children when death takes from them the protection of a father or mother."

And as they continued the discussion into the late hours of the

night some brother, perhaps, said something like this:
"Some day we will be too old to work. That will also be true

of other members of our fraternity. I do not like to see an old brother who may have lost all of his property go to the almshouse, We ought to take care of our aged members. We should not leave them to the mercy of strangers."

And so, in some such fashion as this, Odd Fellowship came into existence. I do not here trace its progress. It has had its ups and downs, its periods of prosperity and of depression. But always this great fraternity, after which the others are patterned, has grown and enlarged the field of opportunity to meet the increasing demands of mankind.

Starting with one lodge of five members in 1819 our order has spread over the world. We have chartered lodges in Australasia, Czechoslovakia, Denmark, Latin America, Netherlands, Norway, Poland, Sweden, and Switzerland.

Our order is world-wide. It teaches the great principles of friendship, love, and truth. They are taught in every language, and every tongue can speak its message.

and every tongue can speak its message.

On the North American Continent latest figures show approximately 15,000 lodges for men and 10,000 lodges for women. Our membership of this continent consists of over 1,100,000 men and over 700,000 women. In the matter of finances, the funds of the order invested in lodge buildings and otherwise are approximately \$82,000,000. There are on the continent 65 homes devoted to the care of aged persons and orphaned children. These homes have a financial value of over \$13,000,000. These are facts. They permit of only one conclusion, namely, that the Independent Order of Odd Fellows is solid and stable, and able to carry out the great purposes for which it was organized. These lodges and homes are the working tools, so to speak, which we use in carrying out the commands and obligations of our fraternity. Those commands and obligations are "to visit the sick, relieve the distressed, bury the dead, and educate the orphan." In 25,000 local units or organizations or lodges this program for the betterment units or organizations or lodges this program for the betterment of mankind has been enacted.

of mankind has been enacted.

It is true that changing conditions have somewhat modified our program. For example, 40 or 50 years ago it was the common thing for the members to volunteer as watchers or attendants at the bedside of the sick, the brothers taking turn night after night for that purpose. In many sections this is still done. Today, in the large cities, hospitals and nurses have done away with this ancient custom. But regardless of economic and gove

ernmental changes, the old rule that nothing of value can be substituted for friends still prevails. Without friends we are helpless. Fraternal contacts make friends, and there is no greater asset in the world. No governmental relief can ever be as effective as the help of a friend.

Let me give you an actual case. Last November I was out in the country, on the old homestead, down in Indiana, and I visited the Odd Fellows' lodge where I was initiated. At the close of an interesting meeting the presiding officer stated that Brother Jones had been ill with pneumonia for a month; that 40 acres of corn had been ill with pneumonia for a month; that 40 acres of corn was in the field and ought to be shucked and put in the corn crib; that in a couple of days every member who could do so was requested to come over and help harvest the crop. Now, this was fraternity. It was also Odd Fellowship. No governmental agency has ever functioned or ever will function as efficiently as did the presiding officer of this little country lodge on this occasion. He talked the language of friendship and brotherly love, and he translated the language of friendship and brotherly love, and he translated the language of friendship and brotherly love, and he translated the language of friendship and brotherly love, and he translated the language of friendship and brotherly love. lated it into action.

lated the language of friendship and brotherly love, and he trainslated the language of friendship and brotherly love, and he trainslated it into action.

Now, I presume that some of you folks will say that this is a sales talk. And I want to frankly admit that it is just exactly that. I want to sell to you the idea that fraternity and fraternal organizations in the United States and Canada are worthy of consideration by every man and woman eligible to knock at their doors. Fraternal organizations that have acquired any standing have done some good in the world. The Independent Order of Odd Fellows has good wishes and good will for all of its sister fraternities. All fraternities have the same great objective. Yet I say to you now that every statement I have made tonight, or that I will make, can be verified by the records. To you who have never become interested in fraternities, I am glad to tell you that you need that association more than it needs you. You do no one a favor to join the Independent Order of Odd Fellows or any other fraternal organization. They honor you when they accept your application for membership. The advantages are largely one-sided, and in favor of the individual who knocks at the door of the lodge room in the belief that friendship is a priceless jewel to be won by service for your fellow men.

won by service for your fellow men.

lodge room in the belief that friendship is a priceless jewel to be won by service for your fellow men.

If we pass by these great objectives of Odd Fellowship, to visit the sick, relieve the distressed, and to bury the dead, without further discussion, we still have another great field of its activity that ought to appeal to every man and woman who wants to engage in a noble undertaking. I refer to the 65 homes which this order maintains on the continent. Those homes assure care and comfort for our aged members during the remaining years of their life. But the great objective of the Odd Fellows' homes is the care and education of the orphaned children of our deceased members. Surely no person listening to this talk who has ever seen a child, with its father and mother gone, with need for care and guidance, in a world where the great mass of mankind live to themses alone, can deny to that child the privilege of a home and an education. Now, these Odd Fellow homes to which I refer open the gateway of opportunity to just that class of children. Our hearts beat faster and our souls feel happier in the thought that these orphaned children are furnished a home and are given an education, and are turned out into the world staunch and true citizens of the country where they reside. Each member of our great fraternal organization can feel a well-earned satisfaction in the thought that he or she has contributed in a modest way to this noble purpose. No governmental institution can ever perform this great work as efficiently as fraternal organizations can do it. Those of you who respond to the appeal of patriotism can well consider the great patriotic task which the fraternal organizations of America, including the one for which I speak tonight, have undertaken. There is nothing that will contribute more to the stability of government patriotic task which the fraternal organizations of America, including the one for which I speak tonight, have undertaken. There is nothing that will contribute more to the stability of government than to have the young men and young women trained in the duties and the responsibilities of citizenship. That is just the thing that every great fraternal organization in America is doing with every orphaned child that comes within the field of their endeavor. This magic circle of service awaits you folks who have never comprehended the adage, "It is more blessed to give than to receive." receive

The Independent Order of Odd Fellows is nonpolitical and non-sectarian. Men and women of all political parties and of all creeds are welcome if they will subscribe to a belief in the God of the universe, and if they believe in the gospel of love. Our broad platform in this regard may well be expressed in the lan-guage of Larry Ho, our Minnesota poet, who said:

"I haven't any creed that would Stand a questioning test, I only play the game And do my level best;

To earn three honest meals a day,
To sing and dream and laugh, To split my sorrows and my joys No worse than half and half;

To carry love within my heart, A smile upon my face, To add a little sunshine, To this earthly dwelling place;

And out of simple human things, To gather now and then The deeper wisdom that can see How God still walks with men."

The ritual of Odd Fellowship is of Biblical origin. The beautiful story of the friendship of David and Jonathan is a part of our teachings. The parable of the good Samaritan is likewise essentiations.

tial to the ritual of the order. Then the great lesson of truth is presented to those who come within our circle. Odd Fellowship treats "truth" as one of the great virtues. Indeed, we need more of this characteristic among the peoples of the earth today. Truth and education should go hand in hand. When citizens of stability and character think and act the truth, they have reached a high pinnacle of civilization.

"Cried the sword, I ran it through With my bloody blade But behold it does not show That a thrust was made.

"Cried the fire, I burned it black With devouring flame, While the zealots pile the pyre But 'tis now the same.

"Cried the bomb, I blew it up With an anarch burst But behold it is the same As it was at first.

"Then it was That weapons knew
They in vain had wrought,
Naught on earth can kill a thought But another thought."

In conclusion, my friends, the symbol of Odd Fellowship is the three links, a sacred chain which we hope in the years to come will bind mankind together as brothers. The "motto" of Odd Fellowship is "Friendship, love, and truth", and the order welcomes to its membership those who subscribe to these great principles.

#### BONUS LEGISLATION

Mr. NICHOLS. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. NICHOLS. Mr. Speaker, I am advised that Wednesday the Ways and Means Committee of this House voted 14 to 11 to send to the floor for consideration, H. R. 3896, which is known as the "Vinson bill", and which is a bill to provide for the payment of the World War adjusted-service certificates.

I am also advised that there is now under consideration a rule which, if adopted, will make it possible for H. R. 1, which is the Patman bill, for the payment of adjusted-service certificates, to be offered as a substitute for the Vinson bill.

This will, of course, bring before the House for immediate consideration a subject which has demanded the attention of the people of this Nation for a great many years; that is, the payment of the adjusted-compensation certificates held by the veterans of the World War.

It will bring this question to the immediate consideration of the House in two forms.

One, under the Patman bill, which provides for the payment of the adjusted-compensation certificates through the issuance of currency in the form of United States notes, and the other, the Vinson bill, which provides that the payment of said certificates shall be made through the United States Treasury; and it is generally admitted that since the sum to pay the certificates is a little in excess of \$2,000,000,000, that this amount of money cannot be raised by taxation; thus it will be necessary to raise the funds for the payment of the certificates through the issuance of Government securities.

By reason of the difference in the method of paying the certificates, as provided in the two bills, there has arisen quite a controversy throughout the Nation as to which of the bills is the better.

That, together with the fact that the Vinson bill is receiving the backing of the heads of the American Legion, has caused a great deal of pressure, through the medium of telegrams and letters, to be placed upon the Members of Congress, urging them to support one bill or the other.

I received well in excess of 50 telegrams yesterday and the day before from American Legion posts and individuals of the Legion in my district and State, urging me to support the Vinson bill.

And right here I want to say that, in my opinion, the rank and file of the American Legion, and other service organizations, and the ex-service men who are not members of any organization, are not now, nor have they ever been, concerned with the method by which the money to pay their certificates

would be raised; and, although the Vinson bill is receiving the backing of the heads of the American Legion, I am sure that the rank and file of that organization is not at all concerned with which of these measures is finally enacted into

By reason of the above statement, I wish to take this opportunity of advising the House, the citizenship of my district and State, and the ex-service men of the Nation as a whole as to what my stand on this matter is and will be.

I continue to hear statements made in cloakrooms and corridors, on the floor of this House, and in general conversation that the Vinson bill was introduced for the purpose of muddying the water, and in the hope that by the confusion caused in the ranks of those who favored the payment of the soldiers' bonus the passage of any soldiers' bonus legislation in this session of Congress would be blocked. Whether or not this is true, I do not say. I am sure, however, that by its introduction the ex-service men of this Nation, who would be the beneficiaries of bonus legislation, have lost ground which it will be difficult for them to regain.

If the rule above referred to is adopted, making it possible for the Patman bill to be substituted for the Vinson bill, the Patman bill will, of course, come up for consideration by the House first. That will necessitate a vote by the House upon the Patman bill first; and were I to follow the strict mandate laid down to me by the telegrams which I have referred to I would be forced to vote against the Patman bill. But if the Patman bill passed, even though I did vote against it, then the only recorded vote that I would have would be a vote against the payment of the soldiers' bonus, because it would then be adopted and the House would have no opportunity to vote for the Vinson bill.

By so doing I would break faith with, and my pledge to, the ex-service men and the interested parties in my district. Thus I shall vote for the first one of those measures which

it is my opportunity to do.

I, of course, have my own idea as to which one of these plans is the better, but by reason of the great need of the ex-service men of this Nation, and by reason of the fact that I think they are so justly entitled to the payment of these adjusted certificates, I shall not quibble over the means by which they are paid.

I am cognizant of the fact that if the Patman bill passes both the House and the Senate and the President vetoes the measure and we are not able to pass it over his yeto that it will be immediately said by some that had we passed the Vinson bill it would not have been vetoed. This might truly be the situation. But I am constrained to the opinion, after many times having been advised through the press and by other means, that the President is at this time opposed to the payment of the adjusted-compensation certificates; that he would veto any measure which provided for their immediate payment in cash.

This is a chance that I, and the rest of you ladies and gentlemen of this body will have to take, and I sincerely hope that you will appreciate the obligation that this Government owes to those boys who, in a time of need, so willingly took up her defense, and with a smile on their lips and a song in their heart, marched out to do battle for the protection of our hard-won democracy and the democracy of a strife-ridden world, and will cast your votes for the payment of the adjusted-compensation certificates in cash in whatever manner the opportunity first is afforded you. [Applause.]

## FRAZIER-LEMKE BILL

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing therein at this point a copy of Senate Concurrent Resolution No. 10, passed by the Legislature of Texas.

The SPEAKER. Is there objection? There was no objection.

The matter referred to follows:

Senate Concurrent Resolution 10

Whereas, unless immediate relief is given, hundreds and thousands of additional farmers will lose their farms and their homes, and millions more will be forced into our cities and villages, and

the army of the unemployed will necessarily increase to alarming

Whereas there is no adequate way of refinancing existing agricultural indebtedness, and the farmers are at the mercy of their mortgagees and creditors throughout this State and Nation; and Whereas the Frazier-Lemke refinance bill, being Senate 212 and House Resolution 2066, in the Congress of the United States, provides for the liquidating and refinancing of agricultural indebted.

vides for the liquidating and refinancing of agricultural indebted-ness at a reduced rate of interest through the Farm Credit Ad-ministration and the Federal land banks; and Whereas the Frazier-Lemke bill has the endorsement of 22 State

legislatures and, in addition, the lower houses of the States of New York and Delaware, and of many commercial clubs, chambers of commerce, bank organizations, and of business and professional men and women, as well as the great majority of the farmers of

this Nation; and
Whereas the enactment of this bill will have a vital effect not

Whereas agriculture but upon all classes of industry; and
Whereas agriculture is the basic industry of this country, and
there can be no recovery until agriculture is put upon a sound
basis: Now, therefore, be it
Resolved, That it is the sense of your memorialists, the Legis-

lature of Texas (the senate and the house concurring), that the Congress of the United States should enact the Frazier-Lemke bill

Congress of the United States should enact the Frank without further delay; and be it further Resolved, That a copy of this memorial, duly authenticated, be sent by the secretary of state to the President of the Senate and the Speaker of the House of Representatives of the United States, and to each Senator and Representative in Congress from this State, to the President of the United States, and to United States Senator LYNN J. FRAZIER and Congressman WILLIAM LEMKE.

WALTER F. WOODUL, President of the Senate.

I hereby certify that Senate Concurrent Resolution No. 10 was adopted by the senate February 19, 1935, by the following vote: 21 yeas, 2 nays.

BOB BARKER, Secretary of the Senate.
COOKE R. STEVENSON,
Speaker of the House of Representatives.

I hereby certify that Senate Concurrent Resolution No. 10 was adopted by the House of Representatives February 20, 1935.

LOUISE SNOW Chief Clerk of the House of Representatives.

#### OLD-AGE PENSION PLAN

Mr. WHITE. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. WHITE. Mr. Speaker, I am in receipt of a joint memorial of the Legislature of the State of Idaho in support of the Townsend old-age-pension plan, and I ask unanimous consent that it may be inserted in the RECORD at this point.

The SPEAKER. Is there objection?

There was no objection.

The matter referred to follows:

## Senate Joint Memorial 5

To the honorable Senate and House of Representatives of the United States of America in Congress assembled:

Whereas there exists within the United States a condition of acute economic distress; and

whereas by reason of such economic distress there has been created a wide-spread condition of unemployment; and Whereas such economic distress and unemployment have resulted in much suffering and want of the necessities of life; and Whereas it has become the public policy of the United States to take affirmative steps to relieve the conditions aforesaid; and Whereas there is proposed for enactment by the Congress of the United States certain constructive legislation commonly known as the "Townsend old age pension revolving fund plan", having for its purpose the creation of a National Treasury fund to be maintained by the people of the United States and used for the payment of old-age pensions; and

Whereas it appears that by the operation of such plan a substantial percentage of those persons of advanced years now holding positions in the industries of this Nation will be relieved of the necessity of labor for their sustenance and retired from service

necessity of labor for their sustenance and retired from service to permit employment of younger persons now unemployed; and Whereas it appears that by the operation of such plan, large sums of money will be released and required to circulate freely to the elimination of hoarding, and the inestimable benefit of trade;

Whereas by the operation of such plan the aged and infirm will receive of the bounties of this Nation and be enabled to contribute substantially to its commercial prosperity without constituting a burden upon employed persons of limited means: Now, therefore, be it
Resolved by the Senate of the State of Idaho (the house of

representatives concurring). That we most respectfully urge upon the Congress of the United States the enactment of the said. Townsend old age pension revolving fund plan, as now proposed;

be it further

Resolved, That the secretary of state of the State of Idaho be, and he is hereby, directed to forthwith forward certified copies of this memorial to the Senate and House of Representatives of the United States of America, and to the Senators and Representatives in Congress from this State.

WHAT THE GOVERNMENT IS DOING IN THE WAY OF PUBLIC POWER IN THE TENNESSEE VALLEY AREA

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by inserting therein an address I delivered in Washington a few days ago.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Speaker, under the permission granted to me to extend my remarks in the RECORD, I insert the following address delivered by me before the National Conference of the Public Ownership League of America in Washington, D. C., February 25, 1935:

Mr. RANKIN. Mr. Chairman, we are in the beginning of a new era in the development of our civilization; the dawning of the electric age.

If we but make the proper use of the great wealth of electric energy which nature has placed at our command, then we will have spread out before us and our children the most glorious period mankind has ever known.

Outside of the soil from which we live, electricity is the greatest natural resource in all the world. There is enough hydroelectric power in our navigable streams and their tributaries to light all the homes, cook all the meals, and run all the machinery in America. It is national wealth and should be used for the benefit of all.

The first voice that ever broke over this earth in the very dawn of creation was, "Let there be light"; and from the beginning of Genesis to the end of Revelation there is not a word said about the

right of the Power Trust to own it or to control its distribution.

Electricity is a divine gift. It was offered to man for centuries—
yes, for ages—before he ever learned to harness it or comprehend its worth

Throughout uncounted centuries Almighty God wrote his name in fire on the midnight darkness. His thunders hurled their recurring challenge to come and investigate. Throughout succeeding ages, man stood appalled and viewed with fear and trembling this terrible, scintillating, awe-inspiring, and sometimes death-dealing, apparition.

It was not until about 200 years ago that glorious old Benjamin Franklin, experimenting with his key and kite, first solved that ancient mystery, captured from the lightning's flash an electric spark, and revealed to the world a new source of energy that was

destined to change the civilization of mankind.

A little more than 50 years ago, Thomas A. Edison, the greatest inventive genius of the human race, inserted a loop of wire into a vacuum tube, generated into it an electric spark, and created the first incandescent lamp, the first electric light.

By that one act he did more to change the course of our civilization than has any other human being who has ever lived in all the tides of time.

He not only gave us a new method of lighting our halls and our homes, but he also gave us the spark that fires the gas that drives the motor machine—the automobile, the airplane, and the submarine. He made possible the X-ray and the radio. He eliminated time and space, gave us a new system of overland transportation, enabled us to navigate the air, and taught us to roam with safety on the bottom of the seas.

He made possible all that great multiplicity of electrical equipment and appliances now used to lift from the shoulders of toiling humanity the great burdens under which mankind has struggled since the beginning of time.

In other words, he gave us the greatest ascendency over the forces of nature and the greatest command over our surroundings ever attained in all the history of the human race.

The generation and distribution of hydroelectric power to reach every human being in America, at rates based upon the cost of production and distribution, is one of the very serious problems with which we now have to deal. The power business is necessarily a monopoly. Since no monopoly affecting the lives of vast numbers of people should be entrusted to uncontrolled private selfish interests, it therefore follows that this monopoly should be controlled or operated through or by some public agency. Especially is that true with reference to the hydroelectric power in our navigable streams and their tributaries, which, as I said a moment ago, is national wealth, public property, and should be used for

ago, is national wealth, public property, and should be used for the benefit of all the American people.

We have in the Tennessee Valley a great national power project, through which this plan is being worked out. As most of you know, I led the fight in the House for the bill creating the Tennessee Valley Authority; and especially for section 12, which was the very heart of the bill, introduced in the Senate by Senator Norris and in the House by myself, giving the Authority the right to build transmission lines, sell and distribute power, and build additional dams on the Tennessee River. I will not bore you with the details of the battle waged over that section of the measure. Suffice it to say that we won out, and that salutary provision was incorporated in the law as finally passed and approved by the President, creating the Tennessee Valley Authority.

Let me pause here to say that the T. V. A. is one of the most valuable organizations connected with this or any other Government. It is literally building for us a new civilization and is making it possible for us to enjoy the full and liberal use of electric energy—one of the greatest blessings mankind has ever known. known.

The T. V. A. is one of the most profitable investments the American people have ever made. It is now saving them millions upon millions of dollars every year, by bringing down electric light and power rates all over the country. By establishing its "yardstick" for the measurement of these rates and informing the public as to the value of electric energy, when based upon the cost of production, transmission, and distribution, it is forcing a reduction of light and nower rates from one end of the country. a reduction of light and power rates from one end of the country to the other, and these reductions have just begun.

We are going to keep up this fight until we place electric lights and power in reach of every human being in America, at rates

and power in reach of every human being in America, at rates they can afford to pay.

As you probably know, the first contract for the sale of electric energy from Muscle Shoals was made by the T. V. A. with the city of Tupelo, Miss., my home town. It went into effect on February 7, 1934.

At the time of the passage of this measure, the power companies were huming power from the Government at Muscle Shoals

panies were buying power from the Government at Muscle Shoals at 2 mills per kilowatt-hour and selling it to domestic consumers at 2 mills per kilowatt-hour and selling it to domestic consumers 300 yards away, in Florence, Ala., and throughout that entire section of the country, at the following monthly rates: 10 cents per kilowatt-hour, first 30 kilowatt-hours; 8 cents per kilowatt-hour, next 300 kilowatt-hours; 6 cents per kilowatt-hour, next 350 kilowatt-hours; 5 cents per kilowatt-hour, next 350 kilowatt-hours; 5 cents per kilowatt-hour excess.

This price of 2 mills per kilowatt-hour was yielding the Government a fair profit, and if all the power the Muscle Shoals project was capable of producing had been generated and sold at the dam at 2 mills per kilowatt-hour, it would have amortized the Government's investment within a reasonable time.

The Power Authority of New York found, after a thorough investigation, that if 80 percent of the power to be produced by the St. Lawrence project were marketed, it could be generated and transmitted 300 miles for a little less than 3½ mills per kilowatthour. That would also provide for amortizing the investment.

Therefore, it will be seen that the Government was losing nothing, but was really making money by selling this power at the

ing, but was really making money by selling this power at the Muscle Shoals dam at 2 mills per kilowatt-hour. And yet you will see, from examining the rates which I have just quoted, that 1,000 kilowatt-hours, which cost the power company the total sum of \$2, when sold to them at 2 mills per kilowatt-hour, was sold by the power company to the ultimate consumer for \$66.10—that is, where one consumer used the entire 1,000 kilowatt-hours.

But if it was sold to 100 consumers, using 30 kilowatt-hours each a month, which was about the average domestic consumption in that area at that time, then this 1,000 kilowatt-hours, which cost the company \$2, would cost those consumers \$100. One of those small domestic consumers, who used 30 kilowatt-hours per month, paid \$3 for electricity which cost the power company a total of 6 cents at the dam and which, according to the New York Power Authority, could have been transmitted 300 miles and sold for less than 33 cents.

than 9% cents.

This 1,000 kilowatt-hours could have been transmitted 300 miles and sold for a little less than \$3.25; yet, when sold to these small consumers, not 300 miles away, but 300 yards away, it cost them the sum of \$100

My God, what a racket! No wonder they did not want the Norris Rankin Muscle Shoals bill passed, with the salutary provisions contained in section 12. On that spread between the \$2 paid for this power at the dam, and the \$100 wrung from the helpless consumers at Florence in Alabama, Iuka, Corinth, Booneneipiess consumers at Florence in Alabama, flika, Corinta, Booneville, Baldwin, Nettleton, Fulton, Aberdeen, Columbus, Macon, Miss., and other points in Alabama, Mississippi, and Tennessee—on that spread are based the holding companies that are now spending millions of dollars on propaganda—telegrams, letters, petitions, publicity, and lobbyists—trying to defeat the administration's efforts to pass legislation that would rescue the American people from the ravages of these racketeers.

Under the Tupelo contract, the following retail "yardstick" rates for domestic consumers were established: First 50 kilowattrates for domestic consumers were established: First 50 kilowatthours, per month, at 3 cents per kilowatt-hour. Next 150 kilowatt-hours, per month, at 2 cents per kilowatt-hour. Next 200 kilowatt-hours, per month, at 1 cent per kilowatt-hour. Excess: Over 400 kilowatt-hours, per month, at 4 mills per kilowatt-hour. Compare these rates with the rates the power companies were charging in the Muscle Shoals area 2 years ago, and you will find the comparative cost of this 1,000 kilowatt-hours to be as

	Former power company rates	T. V. A. rates
10 cents per kilowatt-hour first 30 kilowatt-hours	\$3.00 13.60	\$0.90 3.60
	21. 00	2.40
7 cents per kilowatt-hour next 300 kilowatt-hours		
7 cents per kilowatt-hour next 300 kilowatt-hours 6 cents per kilowatt-hour next 350 kilowatt-hours 5 cents per kilowatt-hour next 150 kilowatt-hours.	21. 00 7. 50	1.40

Thus, it will be seen that this 1,000 kilowatt-hours now cost a customer in Tupelo, Miss., 75 miles from Muscle Shoals, the sum of \$8.90, while under the old Power Trust rates it would have cost him \$66.10 within 300 yards of the Muscle Shoals Dam, where it cost the power company the sum of \$2.

At that time the power companies were charging the same rates for commercial lighting that they were for domestic use. The commercial "yardstick" rates provided by the T. V. A. in the Tupelo contract are as follows:

Tupelo contract are as follows:

BASIC COMMERCIAL RATE FOR SERVICE EFFECTIVE FEBRUARY 7, 1934

Available to commercial customers taking service from the mu-

nicipality's secondary system: First 250 kilowatt-hours, per month, at 3 cents per kilowatthour.

Next 750 kilowatt-hours, per month, at 2 cents per kilowatt-

Next 1,000 kilowatt-hours, per month, at 1 cent per kilowatt-

hour. Excess: Over 2,000 kilowatt-hours, per month, at 0.8 cents per

month.

Even with a slight surcharge of 10 percent added, this brought an enormous saving to the merchants of that city. I have before me some duplicate receipts showing what these commercial consumers paid under the old rates and what they paid under the new T. V. A. rates.

Here is one merchant who used 210 kilowatt-hours in January 1934, for which he paid \$17.78 under the old rates. In March he used 311 kilowatt-hours for which he paid \$9.59, under the T. V. A.

Another used 821 kilowatt-hours in January, for which he paid \$62.85 under the old rates. He used 840 kilowatt-hours in March, for which he paid \$21.23 under the T. V. A. rates. These are typical cases and show what these reductions amount to in dollars and cents

The industrial rates in Tupelo under the T. V. A. contract are as follows:

BASIC INDUSTRIAL RATE FOR SERVICE, EFFECTIVE FEBRUARY 7, 1934

Available to industrial power users having demands in excess of 10 kilowatts. Service at primary-distribution voltage or secondary-distribution voltage at discretion of municipality.

Demand charge: \$1 per kilowatt per month.

Demand: Maximum integrated 30-minute period.

Energy charge: First 10,000 kilowatt-hours per month at 10 mills per kilowatt-

Next 25,000 kilowatt-hours per month at 6 mills per kilowatthour.

Next 65,000 kilowatt-hours per month at 4 mills per kilowatthour.

Next 400,000 kilowatt-hours per month at 3 mills per kilowatthour.

Excess over 500,000 kilowatt-hours per month at 2.5 mills per kilowatt-hour.

kilowatt-hour.

The tremendous savings made as a result of these new rates has helped our struggling small industries to pull through what otherwise would have been a most trying and difficult period. I see here one small industry in Tupelo consumed 1,680 kilowatt-hours during the month of January, for which it paid \$92.19 under the old rates. In March, this same company consumed 2,080 kilowatt-hours, for which it paid \$56.23 under the T. V. A. rates.

A cotton mill consumed 204,803 kilowatt-hours of electric energy in January 1934 at a cost of \$3,181.33, under the old rates. In March it used 258,000 kilowatt-hours, for which it paid \$1,896.40 under the T. V. A. rates. It used 26 percent more power in March than it did in January, and yet its power bill was reduced 40 percent.

40 percent.

If this cotton mill had paid the same rates for power in March that it paid in January, this 258,000 kilowatt-hours would have cost \$4,008.

In other words, that cotton mill saved \$2,112 on its March power bill. Spread that over 12 months, and at that rate this one small cotton mill would save \$25,000 a year on its power bill

These unquestioned facts and figures show what the American people would save on their electric light and power bills if we could only get electric energy furnished to them at rates based upon the cost of production and distribution.

This contract has been in effect for I year, and here are some of the net results:

Rate of increase in consumption of electricity under low T. V. A. rates at Tupelo, Miss.

RESIDENTIAL

	of cus-	Average	Total kilowatt- hours sales	Number of→		
Month		kilowatt- hours per customer		Refriger- ators	Ranges	Water heaters
Mar. 1, 1934	974	42	41, 100	195	15	4 6
Apr. 1, 1934	974	45	44, 100	204	19	
May 1, 1934	974	48	47, 132	258	19	
June 1, 1934	984	61	59, 919	329	40	
July 1, 1934	996	70	69, 590	447	71	21
Aug. 1, 1934	1,001	86	86, 039	476	84	21
Sept. 1, 1934	1,005	89	89, 855	517	97	25
Oct. 1, 1934	1, 011	80	80, 646	529	111	29
Nov. 1, 1934	1, 028	98	101, 391	540	128	
Dec. 1, 1934	1, 033 1, 039	104	107, 570 107, 102	549 559	139 150	36 43

Rate of increase in consumption of electricity under low T. V. A. rates at Tupelo, Miss.—Continued

Month	Number customers	Average kilowatt- hours per customer	Total com- mercial kilowatt- hour sales
Mar. 1, 1934	321	183	58, 301
Apr. 1, 1934	333	197	69, 867
May 1, 1934	345	209	71, 130
June 1, 1934	344	245	83, 870
July 1, 1934	349	258	89, 860
Aug. 1, 1934	353	284	100, 141
Sept. 1, 1934	352	289	101, 478
Oct. 1, 1934	358	275	98, 382
Nov. 1, 1934	360	293	105, 609
Dec. 1, 1934.	362	360	130, 082
Jan. 1, 1935	367	348	127, 769

You will note that the use of electric energy for both domestic and commercial consumption more than doubled during that first year. The average monthly domestic consumption went from 42 kilowatt-hours to 103 kilowatt-hours, and the average monthly commercial consumption went from 183 kilowatt-hours to 348 kilowatt-hours, while the use of electrical appliances grew by leaps and bounds.

leaps and bounds.

One eminent authority, in referring to this Tupelo report, says:
"In my 37 years' experience I don't believe I have ever observed such a remarkable demonstration of what can be done by a low-priced electricity. You will observe the consumers and the average kilowatt-hour per customer have more than doubled. The total sale of electricity has been approximately two and one-half times what it formerly was. The refrigerators have jumped from 195 to 559. The electric ranges have jumped from 15 to 150, or 10 times as many electric ranges. Water heaters started from nothing to 43; and almost a similar experience with the commercial users of elecand almost a similar experience with the commercial users of electricity."

Here is a report made by the mayor of Tupelo at the end of the first year of operation under this T. V. A. contract. It shows the most gratifying results, and is sufficient within itself to answer all the critics of the Tupelo contract. I read from the report:

Income account of electricity department of the city of Tupelo,
Miss., Feb. 7, 1934, through Jan. 31, 1935

Miss., Feo. 7, 1934, through Jan. 31, 1935	
Operating revenue:	
Metered revenues: Tot	al 12 months
Residential	_ \$21, 809, 78
Commercial	26, 413, 98
Industrial	
Municipal lighting	
Municipal power	
Sales to other activities	
Penalties (cut-ins)	
Surcharges on base rates	
Total operating revenues	_ 88, 295, 04
Operating expenses	
Gross operating income	43, 332, 56
Operating ratio, 50.92 percent.	THE REAL PROPERTY.
Other operating reductions:	
Uncollectible consumers' accounts	69.89
Uncollectible consumers' accounts Taxes or equivalent assignable to operations	6 657 35
Depreciation on tangible plant and equipment	5, 227. 2
Total other operating deductions	11,954.4
Operating income	
Nonoperating revenues:	
Rent revenues	296.00
Miscellaneous nonoperating revenues	351.80
Total nonoperating revenues	647.80
Gross income	32, 025, 94
Gross income deductions:	
Interest accrued on bonds	_ 2, 243.0
Interest accrued on other debt	_ 337.50
Contractual deductions from income	4, 570. 54
Total gross income deductions	7, 151. 10
Net income	
Disposition of net income:	
Appropriations to long term debt redemption	n - 3, 173. 9
Balance transferred to unappropriated surplus	_ 21,700.88

I call your attention to the fact that there is included an item of \$6,657.32 taxes, or included in lieu of taxes, which a private company would probably have had to pay. Note also an item of \$5,227.21 to cover depreciation; also, items for interest and sinking funds on outstanding debts. In fact every possible element of

expense is provided for, and then there is a net profit balance of \$21,700.88

As was pointed out by one editorial writer, the result of this first year's operation in Tupelo was much better even than this statement of Mayor Nanney's of that city would indicate. He points out that the gross income for the year was \$88,295.04, and that the expenses of operation were \$44,962.48, leaving a net profit of \$43,332.56. From this sum was deducted \$11,954.42 for taxes and depreciation, \$7,151.10 for interest on bonds and notes, and \$3,173.96 was placed in the reserve account for emergencies. Therefore, it will be seen that the profit really accruing to the city included also these last three items, which added to the \$21,700.88, would show a total profit of \$43,332.56.

\$21,700.88, would show a total profit of \$43,332.56.

I submit that this is a marvelous showing, one of which any city might well be proud, and one that all the propaganda of the Power Trust cannot discount or explain away.

What is being done in Tupelo is also being done, more or less, in Corinth, Amory, Booneville, Iuka, Fulton, Pontotoc, and every other city or town in that area that is receiving power from Muscle Shoals at the T. V. A. rates.

It has been contended by the opposition that the T. V. A. rates are too low and that the T. V. A. does not take all elements of cost into account. That is not true. They count every element of cost, including 5 percent of their gross income to be paid the State of into account. That is not true. They count every element of cost, including 5 percent of their gross income to be paid the State of Alabama in lieu of taxes, and then get more than twice as much for this electricity as the power companies were paying for it before this bill was passed. The power companies did not kick then. They were getting this power at 2 mills a kilowatt-hour, which they said was all it was worth, since it was then, and is now, being produced, according to the Army engineers' report, at 1½ mills per kilowatt-

But the power companies, and especially the holding companies which own and control them, say that they have many items of expense the T. V. A. does not have to meet. That is true. Here are some of them:

some of them:

1. Dividends on watered stock.

2. Tributes to holding company.

3. Enormous salaries which grafting officials and directors pay themselves—from \$25,000 to \$250,000 a year—invariably taken out of the companies' assets at a time when its stocks have declined to

the companies assets at a time when its stocks have declined to the vanishing point and when both the operating company and the holding company are hopelessly bankrupt.

4. Bonuses and other rake-offs, some of which make the salary of a member of the T. V. A. look like a tip to the waiter.

5. Money spent to hire high-priced lawyers for their political influences such as are now bombarding Congress against the utility

6. Expenses of propaganda such as they are now spending by the millions on telegrams, letters, etc., trying to browbeat Congress into defeating the administration's bill to put an end to racketeering through holding companies.

7. Then there is the money spent to buy up newspapers and magazines. They used to buy advertisements in newspapers. They then began to buy headlines, news columns, and editorials.

Now they just buy the papers or a controlling interest in them and hire their own editors and reporters.

8. Then there are their expensive lobbyists around Congress and

the various State legislatures, to say nothing of the campaign expenses they have to put up for their candidates for office.

All these things cost money, and there are many other items that I have not mentioned, such as radio speakers, school-book writers, college professors, that have been found on their pay rolls.

writers, college professors, that have been found on their pay rolls.

All these things are expensive, even when paid for in watered stocks. No wonder they had to spread the price of \$2 worth of electricity and sell it to the defenseless consumers in the Muscle Shoals area of Mississippi, Alabama, and Tennessee for \$100. Otherwise, how would the Commonwealth & Southern, one of these holding companies that is now bombarding Congress against the utility bill, how would they have got the money to pay the president of that concern \$130,000 salary in 1932—more than twice the salary of the President of the United States after he returned his cut; how else could they have met such expenditures in the depths of the greatest depression of all times without exploiting the helpless consumers of electric lights and power?

You see, the T. V. A. does not have to meet such expenditures, and therefore it is able to sell power at rates based upon the cost of production and distribution.

Now let's turn to the question of rural electrification. This is

Now let's turn to the question of rural electrification. This is

Now let's turn to the question of rural electrification. This is one of the most important phases of this great program—taking cheap electricity to the farm homes of America.

If we can supply every farmer with electric lights and power at T. V. A. rates, so that he may light his home and his barn, pump his water, run his refrigerator, electric churn, radio and other necessary electrical appliances, at a reasonable cost, we will be giving him real farm relief that will make farm life more pleasant, more profitable, more attractive, and more abundant.

Shortly after the passage of the Muscle Shoals bill, I began to organize county electric power associations in the district which I have the honor to represent. The object of these associations was to get power from Muscle Shoals at T. V. A. rates, not only for

was to get power from Muscle Shoals at T. V. A. rates, not only for the people in the towns and cities, but to get it carried to every farm home in the county, if possible.

I want to call your attention to what has been done through the County Electric Power Association in Alcorn County, Miss. In my opinion, they have the ideal system, and I heartily commend it to the people of every section of the country. The power system in Corinth, the county seat of Alcorn County, was formerly owned by the Mississippi Power Co. It was sold to the Tennessee Valley

Authority, which in turn sold it to the Alcorn County Electric Authority, which in turn sold it to the Alcorn County Electric Power Association, which was incorporated under the laws of the State of Mississippi as a non-profit-sharing institution. During the summer of 1934 this county association entered into this contract with the Tennessee Valley Authority to purchase all of its electrical properties in the county, and at the same time entered into a contract with the T. V. A. for the purchase of electric energy at wholesale.

Although the rates in Corinth had already been reduced by the Dower company as a result of the example set by the T. V. A. in the

power company as a result of the example set by the T. V. A. in the publication of its yardstick rates and the public demand for rate reduction which the example of the T. V. A. had inspired, yet this Alcorn County Electric Power Association immediately gave the consumers an additional reduction in rates averaging about

the consumers an additional reduction in rates averaging about 50 percent.

For instance, 50 kilowatt-hours which cost a domestic consumer \$4.60 under the rates prevailing before the T. V. A. Act was passed had been reduced by the power company to \$3.50, and the Alcorn County Electric Power Association reduced it to \$1.50. As I pointed out recently, 50 kilowatt-hours of electricity a month costs a farmer in Iowa \$7.50; in Kentucky, \$4.60; \$6 in New York; \$3.25 in Virginia; and \$6.20 in Arkansss—under the rates now charged by the power companies where they serve any farmers at all.

One hundred kilowatt-hours under the rates prevailing at the

One hundred kilowatt-hours under the rates prevailing at the time of the passage of the T. V. A. Act would have cost a consumer in Corinth \$8.60 a month, and if he had lived in the rural districts, there would have been an additional amount added as a line charge. The power company reduced it to \$5.35 to a consumer in Corinth, and the county association immediately reduced it to \$2.50 it to \$2.50.

Now, remember that the county association made its rates to apply to the people in the rural districts the same as in the city of Corinth. Three hundred kilowatt-hours a month, at the time of the passage of the T. V. A. Act, would have cost a domestic consumer in Corinth \$23.60. That was reduced to \$9.35 by the power company after the T. V. A. Act went into effect and the county association reduced it to \$5.50.

At the time the T. V. A. Act was passed 1,000 kilowatt-hours a month, which by the way, was costing the power company \$2 at Muscle Shoals, 50 miles from Corinth, when sold to one domestic consumer in the city of Corinth would have cost him \$66.10. At the present time it costs him \$8.90, whether he lives in the city of Corinth, in the town of Rienzi, or out in the rural district.

Of course, even under the rates now charged by the power companies, after they have made their boasted reductions, this 1,000 kilowatt-hours a month would cost a farmer \$19.59 in Georgia,

panies, after they have made their boasted reductions, this 1,000 kilowatt-hours a month would cost a farmer \$19.59 in Georgia, \$19.80 in Pennsylvania, \$34 in Kentucky, \$41.89 in Maine, \$35.90 in Arkansas, \$45.50 in Virginia, \$46.50 in Iowa.

Under the contract with the T. V. A., this county association is to pay for the entire system over a period of years out of the earnings from its operation. In addition to the present distribution system, its contract provides that the T. V. A. is to build approximately 100 miles of rural lines. This will furnish a network of lines reaching into practically every community in the county.

As I said, the electric rates throughout the county are uniform and members share equally in the benefits of the program, regardless of their location. Rates to the residents in the city are identical with the rates paid by the farmers in the rural districts. The property originally transferred to this county association by the T. V. A. was valued at \$114,633, and it was estimated that the cost of the construction of these rural lines will be about \$125,000. The county association is obligated to reimburse the T. V. A. for the full cost of these properties and to pay interest at the rate of the full cost of these properties and to pay interest at the rate of 3½ percent on the deferred payments.

Each consumer buys a membership in the association, which he

may pay for in full or he may pay by the month at the rate of 1 cent per kilowatt-hour of electricity up to 100 kilowatt-hours. For instance, if he pays \$1.50 for 50 kilowatt-hours of electricity, he pays then 50 cents, or 1 cent per kilowatt-hour, into the county association. If he only uses 25 kilowatt-hours, he pays 25 cents a month; if he uses 100 kilowatt-hours, he pays \$1 into the County Association; but no matter how much more he uses, the monthly installment will not amount to more them. installment will not amount to more than \$1.

I have before me a report of the Alcorn County Electric Power Association for the first 6 months of its existence. It shows that the gross operating revenues during that 6 months amounted to \$38,460.26, and the gross operating expenses, including maintenance and taxes, amounted to \$19,884.29. This gave the association a net operating revenue of \$18,595.97. After all adjustments for depreciation and for interest on long-term debt, there remained a balance net profit of \$14,435 to be transferred to surplus. This did not include any of the proceeds from the amortization charge of 1 cent per kilowatt-hour. If these proceeds had been included, the net balance available for transfer to surplus account would be approximately \$19.370. approximately \$19.370.

At this rate the present properties of this county association would be completely amortized within 3 to 4 years, and the entire cost, including the construction of the 100 miles of rural power lines, would be entirely wiped out within 6 or 7 years.

At the same time it has given the commercial consumers reduc-At the same time it has given the commercial consumers reductions averaging 50 percent on top of the reductions that had already been made as result of the activities of the T. V. A. One hundred kilowatt-hours, which a year ago cost a commercial consumer in Corinth \$7, now costs him \$4.30, including the \$1 per month amortization fund, which makes his electric bill amount to \$3.30. A merchant who used 300 kilowatt-hours a year ago paid \$21 for it; today it will cost him \$9.35. One who used 800 kilowatthours a year ago paid \$52 for it; today it will cost him \$20.35. One who used 1,400 kilowatt-hours a month a year ago paid \$82 for it;

today it costs him \$29.15.

Reductions have also been made in the industrial power rate which have enabled the many small industries in the city of Corinth to keep going, pay their employees, and to show reasonable profits on their operations during the time this contract has been in effect.

I commend this county unit system because I believe it is the best plan that has yet been developed to reach all the people in a given area with cheap electric lights and power and to treat them

all alike.

It is rebuilding the farm homes of that section. Someone has said that it is taking "light to the homes and hope to the hearts" of those distressed farmers. It gives them the power to run the farm machinery, enables them to enjoy all the comforts and conveniences that the city or town affords, and lifts the burdens of drudgery from the shoulders of the farmers, their vives and their children. It is literally building for them a wives, and their children. It is literally building for them a new civilization.

This is not a temporary proposition, but is to last for all time to come. To me it is the consummation of a life's dream. It is worth something to live in this marvelous age, this dawn of the electric era, and to watch the wonderful developments now being

carried forward.

But to me it means more than that. To have been one of the But to me it means more than that. To have been one of the active participants in this great movement—one of the greatest of modern times—to see the light of this new civilization breaking over the district which I have the honor to represent, and to see its first benefits come to the people who have honored me with their suffrage, brings a degree of satisfaction that I dare say has come to few public men on this earth.

Whenever I see the glow of an electric light, whether it be in the factory window, over the merchant's counter, or in the humblest cabin home, I can say in my heart that I have helped to lighten that man's burdens.

to lighten that man's burdens.

want to see this work carried forward as rapidly as possible until it reaches every community and every home in America.

#### ADDITIONAL HOME-MORTGAGE RELIEF

Mr. STEAGALL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 6021) to provide additional home-mortgage relief, to amend the Federal Home Loan Bank Act, the Home Owners' Loan Act of 1933, and the National Housing Act, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 6021, with Mr. Celler in the chair.

The Clerk read the title of the bill.

Mr. BLANTON. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. Did not the Committee stop its business vesterday on the Brown amendment? Is the Brown amendment still pending?

The CHAIRMAN. The Brown amendment is still pending. When the Committee determined to rise, the amendment offered by the gentleman from Michigan [Mr. Brown] was pending.

Mr. COX. Mr. Chairman, I move to strike out the paragraph.

Mr. STEAGALL. Mr. Chairman, I ask unanimous consent that debate upon this section and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. COCHRAN. Mr. Chairman, I object. There is no reason to hurry this bill today. Let us take our time. We have got all day.

Mr. STEAGALL. I withdraw the request, Mr. Chairman. Mr. COX. Mr. Chairman, when the Committee determined to rise last evening the amendment offered by the gentleman from Michigan [Mr. Brown] was being considered. The purpose of that amendment is to deny loans to any individual whose mortgage is held by an institution in process of liquidation. I do not think there is any necessity for the adoption of the amendment, for the reason that this work of the Corporation has practically closed. With the winding up of some pending applications there is not likely to be any further activity of the Corporation along this line.

The Corporation entering into this activity in the beginning, as I have heretofore called to the attention of the Committee, was at the instance of the President. It will be recalled that the Corporation, because of the necessity of setting up its organization and providing some form of procedure, was slow in getting out the money in its hands, and it was because of that condition and because of the distress of depositors in closed banks that it was urged that the Corporation enter into some arrangement with the representatives of closed institutions, in the interest of clearing up their affairs.

Of course, it will be understood that a receiver of a closed institution has no option but to foreclose when a loan matures and the borrower cannot pay. The receiver must then realize on the assets of the institution in liquidation as rapidly as possible.

The activity of the Corporation was undertaken in cooperation with the Reconstruction Finance Corporation and the officers of the Comptroller of the Currency and State regulatory authorities. When the Corporation began operations the deposits and savings of millions of workers and small businesses were tied up in over 6,000 insolvent institutions, holding over \$660,000,000 of frozen home mortgages.

Mr. HANCOCK of North Carolina. Will the gentleman vield?

Mr. COX. I yield.

Mr. HANCOCK of North Carolina. The gentleman understands that if the Brown amendment is adopted it would not disqualify the Corporation from continuing its activities with institutions that are in liquidation, other than with respect to mortgages that are not in default?

Mr. COX. Let me answer the gentleman by stating that the Corporation has not, in the handling of this class of business, taken over mortgages which were not in distress.

Mr. HANCOCK of North Carolina. Oh, yes. I beg the gentleman's pardon. The testimony before our committee is to the effect that it has taken over mortgages that were not is distress, but only a very small percentage. It was a way to aid the mortgagor and depositors of closed banks at the same time.

Mr. COX. It was only in exceptional cases that that was done. Of course, there were few instances, but it was not the policy of the Corporation to take over mortgages not in distress.

Mr. HANCOCK of North Carolina. That is absolutely correct. May I make this further observation, that under the Brown amendment, any mortgage that is in distress in a closed institution would still be eligible.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. Cox] has expired.

Mr. COX. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Without objection, it is so ordered. There was no objection.

Mr. COX. The Corporation, this division, has refinanced \$377,330,817 for the benefit of 133,139 home owners. When the small balance now in the legal department is cleared, the amount refinanced will approximate \$400,000,-000 out of more than \$3,000,000,000 given to the Corporation up to the present time. Two hundred and sixty million dollars of home mortgages in these institutions have been refused consideration for lack of mortgage distress.

Mr. BLANTON. Will the gentleman yield?

Mr. COX. I yield.

Mr. BLANTON. There are cases where, as early as January 1934, the mortgagee agreed to accept bonds. The Board carried the application on and on and delayed it for months until the mortgagee went into liquidation, where it can no longer act. Now it is not in a position to take bonds and the Board has refused to make the loans. Under the bill as drawn, without the Brown amendment, would they be permitted to reopen those cases and make those loans?

Mr. COX. I will yield to the author of the amendment to answer that question.

Mr. BLANTON. Well, I will ask the author, With his amendment would they be permitted to reopen those cases and make the loans?

Mr. BROWN of Michigan. If they are in default.

Mr. BLANTON. If they are in default, although the mortgagee is in liquidation, they can reopen these cases, with the gentleman's amendment?

Mr. BROWN of Michigan. They could do it either under the bill as it is, or with my amendment.

Mr. COX. The Corporation has rejected mortgages to the extent of \$260,000,000 in these closed institutions, for lack of distress, and will have saved over 133,000 homes from foreclosure through this Department, and disbursed \$400,-000,000 to hundreds of thousands of needy small depositors. Receivers were often obliged to agree to a reduction in the amount of the bank's claims, which had to be approved by Federal and State authorities and by the courts. As I stated at the outset, I understand there is not much further business of this character that the Corporation will be called upon to handle. I at first interpreted the Brown amendment to mean that the Corporation would not be permitted to make loans to any mortgagor whose mortgage was held by an institution in process of liquidation.

Mr. BROWN of Michigan. Will the gentleman yield?

Mr. COX. I yield.

Mr. BROWN of Michigan. I am sure the gentleman is wrong in his conclusion. If the mortgage is in default, it may be taken over in any event.

Mr. COX. But the Corporation does not refinance mortgages that are not in default and classified as distress.

Mr. HARTER. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, my remarks shall be addressed to those sections of the bill under consideration (H. R. 6021) which relate to the Home Owners' Loan Corporation and the granting of authority for the issuance of additional bonds so that the loaning activities of the Corporation may be continued.

Let me congratulate the Banking and Currency Committee upon the extensive hearings which they have held and the painstaking inquiry they have made into the necessity of granting additional funds.

As many of us know, high administration officials did not believe it necessary to continue the activities of the Home Owners' Loan Corporation and were reluctant to authorize the use of further public moneys for this purpose.

No Federal elected or appointed official is closer to the people than Members of Congress. We are in position to know conditions that exist in our respective districts—the distress that exists; whether private loaning agencies will make mortgage loans to distressed home owners; whether there is any further need of governmental lending; if foreclosures are decreasing—in general, just what the condition of our constituency is.

And when it was reported in November that no further home-loan applications would be received, and it was rumored that home-loan activities were to cease and that no more funds would be made available, a storm of protest arose in my district in Ohio. From every county in the district the cry went up from the distressed home owners—the mortgagees, and there are distressed mortgagees—the business men, and the lending institutions, that this was no time to fold up

I realize the Government cannot go on indefinitely and assume the burden of refunding all of the urban mortgages in the United States, but there is real distress among the people which should be relieved. A reasonable continuance of these efforts on behalf of the distressed home owner, in my judgment, will go far toward stabilizing the real-estate market and real-estate prices.

Therefore the consideration of this bill and its early passage deeply concerns the people of my district. They will be gratified to know that Congress has given attention to their needs.

Mr. Chairman, I rise in favor of the Brown amendment. I believe that if the Membership of this House thoroughly understood what the Brown amendment is designed to do,

there would not be any doubt what the action of this body upon this amendment would be.

The Brown amendment is an amendment to subsection (1) of section 4 of the Home Owners' Loan Act. This section was adopted April 27, 1934. The Brown amendment strikes out the last clause of subsection (1) of section 4 of this clause reading as follows: "or in any case in which the home mortgage or other obligation or lien is held by an institution which is in liquidation." The section, outside of the last clause, provides, briefly, that no home mortgage or other obligation or lien shall be acquired by the Corporation, and no cash advances shall be made unless the applicant was in involuntary default on June 13, 1933, with respect to the indebtedness on his real estate and is unable to carry or refund his present mortgage indebtedness: Provided, That the foregoing limitation shall not apply in any case in which it is specifically shown to the satisfaction of the Corporation that a default after such date was due to unemployment or to economic conditions or misfortunes beyond the control of the applicant

The language stricken out by the Brown amendment permitted banks which were in liquidation upon their own motion to have their mortgages refunded and was designed for the purpose of freeing those institutions from their frozen assets. The object behind the language of original subsection (1) was sound; the plan was a wise one to get namey into the hands of the depositors in these closed institutions; but in carrying out the act and in its administration many of these institutional loans were given preference over those of less fortunate persons whose loans were held by banks, individuals, mortgage-lending institutions, and by insurance companies that were not in liquidation. The result has been that in many of the States, including my own, there has been an inequitable carrying out of this provision of the act; those who happened to have their mortgages in closed institutions were given a great advantage in the making of loans. Their loans were put through speedily while their neighbors whose mortgages were held by other banks and institutions did not have the advantage of having their loans made as promptly, although their distress may have been very much greater than the distress of those whose loans were held by the closed institutions. The Brown amendment would put everybody on the same basis of equality; the distressed home owner will have the same opportunity from this time on in the securing of additional loans.

The committee yesterday saw fit to authorize \$1,750,000,000 additional to carry on the work of making loans to these distressed home owners. Let us see to it that every distressed home owner has the same opportunity as his neighbor; let us not give to these institutions that happen to hold a lot of mortgages, advantages which should not be theirs. I could cite you numerous cases in my own community where advantages have been taken of this Corporation through this method and individual distressed mortgagors have had no relief.

[Here the gavel fell.]

Mr. HARTER. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HARTER. As has been said upon the floor of this House very frequently yesterday and today, there have been mistakes made by officials, agents, and representatives of the Corporation. Such a tremendous volume of mortgage loans could not have been handled without some errors in judgment. On the whole, however, the measure has brought relief to hundreds of thousands of distressed mortgagors.

The record of the State office at Columbus, Ohio, of which Mr. Henry G. Brunner is the State manager, is worthy of the highest commendation. Ohio ranks, I believe, first in total number of loans closed and second in the dollar value of loans completed.

The gravest criticism that has been made in Ohio and throughout my district is that of the wholesale operation. Unfortunately, throughout Ohio, particularly in the great cities of Cleveland, Toledo, Akron, Youngstown, and elsewhere, there was great banking distress. Many banks were unable to open after the bank holiday and were put in liquidation.

Upon the adoption of the institutional amendment of April 1934 these banks immediately took advantage of this opportunity and refunded millions of dollars' worth of frozen mortgages. In fact, I am told that the total amount of the wholesale operations in Ohio comes to about \$144,000,000, while the retail operation, as of February 14, amounted to approximately \$211,000,000. Thus it will be seen that nearly threesevenths of the bonds disbursed in Ohio went to banks and the criticism that is made is that the distressed home owner, whose mortgage did not happen to be held by a liquidating institution—was last received and preference given to putting through promptly and expeditiously the applications on behalf of banks in the hands of liquidators.

Unfortunately, some glaring errors occurred in the case of persons who were in no wise distressed and not eligible for a home loan, except under the provisions of this amendment, who had their loans promptly refunded while their less fortunate and more distressed fellow citizens have not yet received relief from the H. O. L. C.

Emergency slips were put upon the bank case mortgages so that they could be hurried through to final disbursement, while other mortgagors had to wait their turn, and many of them have not had their applications granted yet.

I shall read a portion of a letter I received from one of the fee attorneys under date of January 25, 1935:

Liquidating bank cases at this writing are being advanced to fee attorneys. Distressed applicants, as you know, have been unable to have their applications advanced since November 16, 1934.

I am writing this to acquaint you of two concrete cases sent to me, as fee attorney, to close. One involves the home of Mr. ——, Akron, Ohio. You probably know Mr. —— and the connection he has with —— at a salary of \$400 per month. He owed the First Central \$1,721.15, balance of mortgage on home property; said mortgage, however, had matured. This case has been disbursed and closed. The other application is that of Mr. ——, vice president of —— Co. since 1921, now drawing \$700 per month salary. He owes the First Central \$3,679 on the mortgage on his home. I am enclosing a copy of an original letter in the file. This case was sent from 640 North Main Street (district office of H. O. L. C.) to me on December 15, 1934, with the following notation: "November 7, 1934, this is eligible. The distress of the closed bank is substituted for that of the applicant."

Mr. Chairman, this is what has occurred in many cases. The gentleman from Michigan, in opposing the Brown amendment yesterday, said that the amount of funds that had been disbursed under this section was negligible. I deny that such is the fact. The statement of the Corporation is to the effect that about 15 percent of all the funds that have been disbursed under this act have gone to these wholesale cases.

In the State of Ohio more than 40 percent of all the money that has come into the State has been turned over to closed institutions. As I previously stated, the purpose back of that was all right, but in many instances the money has not gone into the hands of the depositors of those banks. In my own community I know of a bank that had deposits of more than \$30,000,000 and every dollar that has come in through homeloan bonds—and there have been hundreds of thousands of dollars in mortgages refunded in that institution—has gone back to the R. F. C. in Washington,

No individual will suffer if we adopt this amendment. If he is a distressed home owner and eligible, he may have his loan refunded, whether it is held by a closed institution or held by anyone else. All will be equal, and no one class of cases will have the right-of-way over any other class.

I am happy to say that I proposed an amendment to the present bill—H. R. 6021—and have presented it fully to the Banking and Currency Committee of this House, which in turn has seen fit to adopt it as a committee amendment. This is the Brown amendment we are now considering. This eliminates from the present bill the language contained in subsection L of section 4 of the act, as amended April 27, 1934, and will do away entirely with the bulk or wholesale operations.

From this time on, and in the further lending activities of the Corporation, the distress of the individual home owner and the value of the security he offers will be the sole test of eligibility.

It is my well-considered opinion that for a limited time further applications on behalf of distressed home owners should be received. Many who held off, utilizing all of their savings and their meager earnings, in order to protect their real estate by making payments upon their mortgages, find themselves at the end of their resources and are facing fore-closure unless we open the way for relief to them. The fact that they have been provident and more fortunate up to this date than some of their neighbors does not mitigate their distress, and they should be given an opportunity to file their applications and have their eligibility determined.

If the public once knows that a deadline of, say, 60 days after the passage of this act has been set, all are warned that they must take advantage of the act within such limit of time if at all.

Let us pass this measure promptly in the hope that it may be fully enacted and approved at the earliest possible moment. It was designed as a relief measure, and while the original act has been of tremendous assistance to many of our citizens, the work is not complete. This measure has been long delayed. It is to be hoped that no further unreasonable delay will be encountered in its enactment. [Applause.]

[Here the gavel fell.]

Mr. ANDREWS of New York. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. Andrews of New York: Page 7, line 17, after the word "following", insert a new paragraph to read as follows—

Mr. BLANTON. Mr. Chairman, a point of order. Does not the amendment offered by the gentleman from Michigan [Mr. Brown] have to be disposed of before another amendment is offered? This is not offered as an amendment to the Brown amendment.

The CHAIRMAN. The amendment offered by the gentleman from Michigan [Mr. Brown] is a proposed new section to follow section 10.

Mr. BLANTON. Then all amendments which would perfect the text should be voted upon before the Brown amendment.

The CHAIRMAN. All amendments that perfect section 10 would naturally come before the amendment offered by the gentleman from Michigan [Mr. Brown]; that is correct.

The Clerk resumed the reading of the amendment, as follows:

Insert a new paragraph to read: "In the appointment of agents and the selection of employees for said Corporation, and in the promotion of agents or employees, no partisan political test or qualification shall be permitted or given consideration, but all agents and employees shall be appointed, employed, or promoted solely upon the basis of merit and efficiency. Any member of the Board who is found guilty of a violation of this provision by the President of the United States shall be removed from office by the President of the United States and any agent or employee of the Corporation who is found guilty of a violation of this section by the Board shall be removed from office by said Board."

Mr. BLANTON. Mr. Chairman, I make the point of order that the amendment is not germane to the section to which it is offered as a new section, it is not germane to the succeeding sections, it is not germane to the bill, and it interferes with the ordinary discretion of an executive.

The CHAIRMAN. The Chair will hear the gentleman from New York [Mr. Andrews] on the point of order.

Mr. ANDREWS of New York. Mr. Chairman, this amendment was offered to this section a year ago in the consideration of this very measure, and at that time the ruling was it was germane and there was a vote on it by roll call.

The CHAIRMAN. Does the gentleman from Texas [Mr. BLANTON] desire to be heard?

Mr. BLANTON. Mr. Chairman, this bill nowhere deals with politics or deals with partisan appointments. It does not embrace this subject. The amendment which the gentle-

cal amendment.

The CHAIRMAN. The Chair is ready to rule.

The amendment offered by the gentleman from New York [Mr. Andrews] seeks to amend subsection (j) of section 4 of the Home Owners' Loan Act of 1933, which in effect provides for the appointment and compensation of officers, employees, agents, attorneys, and so forth. The pending amendment seeks to change the phraseology of subsection (j) of section 4 relative to said appointment of agents, employees, attorneys, and so forth, and in that sense it is germane to subsection (j) of section 4 of the Home Owners' Loan Act of 1933, and therefore is germane to the pending bill. The point of order is overruled.

Mr. ANDREWS of New York. Mr. Chairman, I consider the passage of this measure possibly the most worthy consideration of this session. I want to stop to recall to your mind the very large organization set up by this act which must handle these loans in which we are all so much interested. If we stop to think of it, this is probably the largest single business organization within the Government. This organization handles nothing but purely business matters. It should not be interested in a partisan, political consideration along with business matters. I am not saying that in any office that has been the case, although I have heard some dissatisfaction expressed in connection with the handling of loans by Members on your side of the House.

Mr. Chairman, I personally believe this amendment would be good protection not only to members of the Democratic Party but to each individual Democratic Member in his district, to be able to point out to your constituents, whether Republican or Democrat, that such provision is now in this act, even if you voted it down last year. I believe it would be a good protection to your President and to the Democratic side of this House. I believe the day will come in many of your districts when you would appreciate having such provision actually written into this measure.

Mr. BLANTON. Will the gentleman yield?

Mr. ANDREWS of New York. I yield to the gentleman from

Mr. BLANTON. Of course, the gentleman believes in his amendment generally as a sound piece of legislation?

Mr. ANDREWS of New York. I certainly do.

Mr. BLANTON. Then if that is true, and if the minority were the majority, the gentleman would be in favor of passing a resolution to prevent the Republican Party from considering politics in reference to postmasters when they appoint Republicans to every postmastership in the United

Mr. ANDREWS of New York. I do not know that I would. I think this is quite a different matter.

Mr. BLANTON. Then the whole system that has existed for 50 years would have to be changed.

Mr. GINGERY. Will the gentleman yield?

Mr. ANDREWS of New York. I yield to the gentleman from Pennsylvania.

Mr. GINGERY. Does not the gentleman know that there is at present a rule that no politician may hold a job in the Home Owners' Loan Corporation?

Mr. ANDREWS of New York. I do not know where the rule is, if there is one, or how it is applied.

Mr. GINGERY. I was fired out of a job there, so I had to run for this office. Many others were kicked out, too.

Mr. ANDREWS of New York. I know the matter of patronage comes up in a consideration of this question. But if the Members on that side are not getting jobs in this Home Owners' Loan Corporation, and I assume you are recommending good men, you might as well vote for this amendment and get the credit for it. Of course, if you are putting up efficient applicants, this amendment would not stop those individuals from getting a good job.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of New York. Yes.

Mr. FITZPATRICK. We passed the home-loan bank bill in the Seventy-second Congress under the previous adminis-

man from New York [Mr. Andrews] offers is strictly a politi- | tration. Did the gentleman or anyone on his side suggest the same kind of amendment at that time?

Mr. ANDREWS of New York. This amendment was offered last year and was not agreed to, largely through the vote of the Democrats.

Mr. FITZPATRICK. I am referring to the Seventy-second Congress, when we passed the home-loan bank bill, when Mr. Hoover was President. Did the gentleman suggest the same amendment at that time?

Mr. ANDREWS of New York. No; at the time it was passed, we understood there was going to be a Democratic administration operating the Government. [Laughter.]

Mr. FITZPATRICK. But Republicans were already in office, and most of them hold office today.

Mr. ANDREWS of New York. That may be true. In conclusion. I simply want to say that I think the majority of our people, if they knew this situation, would want to see the home-loan bank operated under this amendment with the knowledge it would be a protection for each one of you, as well as a protection for our citizens, and I believe the amendment should be voted favorably, and I hope someone will ask for a roll call so we may see how many believe in operating the system in this way.

Mr. STEFAN. Mr. Chairman, will the gentleman yield? Mr. ANDREWS of New York. I yield.

Mr. STEFAN. The gentleman referred to the fact that this amendment was voted down a year ago. Is this the amendment that Mr. Norris offered in the Senate, which was later voted down in the House?

Mr. ANDREWS of New York. Yes; this is the same as the so-called "Norris amendment."

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I move to strike out the last word.

Every time this legislation has been considered in the House, statements have been made that are not based upon

In the Seventy-second Congress, during the administration of Mr. Hoover, we passed a bill, as the gentleman from New York has just stated. That bill, however, was a fraud upon the public. It absolutely provided no relief. I attempted to amend that bill so as to make it workable, but with the assistance of members of the committee on both sides of the House, my amendments were defeated.

I offered an amendment to guarantee the principal on the bonds as well as the interest, and I stated that until this was done we would never get any benefit for distressed people from the legislation which was then pending.

I firmly believe my amendment would have been adopted when I offered it if it had not been for the fact that the Committee rose at 4:30 in the afternoon, when I had consumed the 30 minutes that had been allowed me, and the next morning, when the House met, the gentleman from Alabama, Mr. Steagall, and the gentleman from Massachusetts, Mr. Luce, who had conserved their time, rose and told the Members of the House that such an amendment would cost the Government \$24,000,000,000. Since that time we have guaranteed the principal and we have guaranteed the interest, and you can see how much money this has cost. The misstatement defeated my amendment at the time. . I was denied the right to answer their argument before the vote was taken.

The committee now tell us that Mr. Fahey says the amount in this bill is going to be sufficient. I say that Mr. Fahey does not know what he is talking about if it is intended to take care of the home owners of this country who are going to find themselves in distress when their mortgages become due this year. If you want to shut down under this act and stop making loans, come out and say so. That is just what

I do not have the act before me, but the pending amendment refers to subsection (1) of section 4 of the act, and I should like someone to answer the question as to whether or not the Brown amendment would prevent me, if I happen to have a mortgage in a closed bank that is in liquidation, from going to the Home Owners' Loan Corporation and

asking for a loan to take up my mortgage when it becomes due, say, in 40 days from now.

Mr. BLANTON. Mr. Chairman, will the gentleman yield? Mr. COCHRAN. I yield to my friend from Texas. Mr. BLANTON. If the gentleman's mortgages were not

pressing him, he could not receive relief; in other words, unless they were threatening to foreclose.

Mr. COCHRAN. I understand I would have to be in distress or I would not be recognized, but I am in distress when my mortgage becomes due and I have no way to refinance.

Mr. BLANTON. If the gentleman were in distress, he could get some relief from the bill itself.

Mr. COCHRAN. Even though my mortgage be in a closed

Mr. STEAGALL. Oh, Mr. Chairman, I thought it had been made clear to the House that this amendment not only does not prevent the extension of relief directly for the benefit of the mortgagor whose mortgage is held by an institution in process of liquidation but that the purpose of the amendment is to confine the relief extended so that the benefit inures solely, or at least primarily, to the benefit of the mortgagor, so that the funds cannot any longer be

tutions Mr. COCHRAN. I am satisfied with the amendment, upon the explanation of the gentleman from Alabama that an individual can be recognized.

employed in wholesale loans for the benefit of lending insti-

I hope before the final vote is taken upon this bill the House will see the wisdom of extending the time beyond 60 days and also of increasing the amount of additional bonds that can be issued.

Mr. SISSON. Mr. Chairman, will the gentleman yield? Mr. COCHRAN. I yield.

Mr. SISSON. Is the gentleman aware of the fact that the bill as it stands now does not extend the time 60 days beyond the passage of the act, as a matter of right, but only as a matter of discretion and as good faith is proved?

Mr. COCHRAN. I fully understand that, and that is the reason I offered the amendment yesterday.

Mr. Chairman, we are told that unemployment has increased. That means citizens who own their homes, at least many of them, find themselves today unable to care for the payments due on the outstanding mortgage. Their distress period is just arriving. Heretofore they have not applied for loans but will soon find it necessary to do so. You are shutting them out under the provisions of this bill. I am pleading for the little fellows who have homes worth three, four, five, or six thousand dollars. The ones who have saved sufficient from their pay envelops to try to purchase a place that they can call "home." Their life savings are in that home, small as it might be, but they have an equity that they will lose if they cannot borrow to refinance the outstanding obligation. We can loan money to great corporations, to railroads, and, in my opinion, it is very doubtful if you will ever get it back; but we are going to deny the citizens of our country a reasonable loan to save their homes. The security offered is far better than that which we receive from the giant corporations and the railroads. There is no watered stock in the home. Our monetary system might fail, Government bonds might be affected; but unless an act of God destroys the home, it will always be there, and it can always be sold for an amount equal to that advanced. I urge you not to deny this relief to the home owner.

I have letter after letter asking me if Congress is going to provide for those who cannot file now because the mort-gages are not due. They tell me the holders of the notes insist that when the mortgages become due they must be reduced, or they will not be refinanced. They say that they have been out of employment and cannot reduce the notes at this time. Therefore, they will lose their property unless we provide, through the Home Loan Act, ways and means for them to refinance. It is that class I am thinking of today when I appeal to you not to close the door.

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I have had something to say heretofore about the general principle of this bill; I think the fallacy running all through it is that no loan is ever made to a home owner. [Applause.]

Under the bill the Government is going to continue to lend money to 97 percent of the amount to institutions. The home owner today with no mortgage on his home, and who is in the greatest distress, cannot get a loan anywhere. What home owner ever gets a loan? It is the fellow who holds the mortgage who gets the money.

Mr. REILLY. Will the gentleman yield?

Mr. O'CONNOR. Yes.

Mr. REILLY. Has there been any bar to anyone's filing an application?

Mr. O'CONNOR. The home owner cannot file an application under this act unless he is burdened by an existing mortgage.

Mr. SNELL. Will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. SNELL. I have received a letter from a constituent which bears out the gentleman's statement. Under the same circumstances as described by the gentleman, she has been renting her home to get enough to live on. Now she cannot rent it and it is for sale for taxes.

Mr. O'CONNOR. This bill is for the relief of the moneylending institutions.

Mr. ANDREWS of New York. Will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman.

Mr. ANDREWS of New York. I have an amendment pending and no Democrat has spoken against it. I wonder if they all agree to it. [Laughter.]

Mr. HANCOCK of North Carolina. Will the gentleman

Mr. O'CONNOR. Yes; gladly.

Mr. HANCOCK of North Carolina. The gentleman made a statement that 97 percent of these loans went to corporations. The gentleman ought also to state to the House that which he knows to be a fact, that 97 percent of all the mortgages are owned by money-lending institutions.

Mr. O'CONNOR. The gentleman said "urban."

But I rose to talk about section 10.

Mr. HOLLISTER. Does the gentleman from New York expect to vote against the bill?

Mr. O'CONNOR. I have not made up my mind yet. I might. [Laughter.]

I rose to talk about section 10, which provides that no person shall be appointed as an officer of the Corporation unless he lives in the State where he functions. I regret somewhat that that kind of legislation should be necessary, but in view of the arbitrary, unreasonable, and egotistic attitude of the present head of the Corporation, I feel that we should put that amendment in effect. [Applause.]

For instance, let me show you the situation in New York. Of course, we have no lawyers in New York, we have no people experienced in real-estate business in New York. We must import them from the other States.

We have in New York a regional Home Owners' Loan office, probably the largest in the country. The head of that office, the manager, is a gentleman from Pittsburgh, who was a tax advisor to the Mellon family. Of course, I do not know whether he is a Democrat. I do not know that the Mellons ever had any Democrats around them. The chief assistant to that gentleman is a man named "McGlynn", from Pennsylvania. The treasurer is a man named "Banister", from Massachusetts. The head attorney is a man named "Furniss", from Massachusetts. The head litigation attorney is a man named "Keefer", from Massachusetts. The legal adviser is from Chicago and I have not his name at the moment. The head of delinquent accounts is a man named "Jones", from South Carolina. The head of the tax department is a Mr. Davis of Texas. The head of the mortgage arrears is not from New York-I could not find for the moment from what State or Territory he came; maybe Hawaii. The manager of the legal department is a young man from New Jersey who just got out of law school. So on down the list. Everyone in charge in the regional office in

New York is from one of these other great States of the Union.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BLANTON. Mr. Chairman, I offer a preferential amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Blanton: Page 7, line 19, after the word "office" insert "or congressional district"; and in line 21, after the word "State", insert "or congressional district, respectively"; and in line 22 strike out the last sentence of the paragraph beginning with the word "this."

The CHAIRMAN. The Chair suggests to the gentleman from Texas that the gentleman withhold his amendment until the committee has disposed of the other perfecting amendment offered by the gentleman from New York [Mr. Andrews].

Mr. BLANTON. That amendment added a new section, Mr. Chairman. Mine is perfecting the text of section 10.

The CHAIRMAN. Both are perfecting amendments, and the Chair thinks it is best to conclude the deliberations and vote upon the Andrews amendment before we take up the gentleman's amendment.

Mr. BLANTON. I make the point of order that any amendment that changes the text in any way or seeks to perfect it is preferential, and is to be voted upon before an amendment simply adding something to the bill. This is striking out part of the bill itself.

The CHAIRMAN. The Andrews amendment does something to the bill in the way of perfecting it, and that is exactly what the gentleman's amendment does, and the committee would have two perfecting amendments pending at the same time if the gentleman's amendment was offered at this time. The Chair suggests that the gentleman withhold his amendment until we conclude deliberations and vote on the Andrews amendment. The Chair will then recognize the gentleman from Texas.

Mr. RAMSPECK. Mr. Chairman, I rise in opposition to the Andrews amendment. The amendment offered by the gentleman from New York [Mr. Andrews] was voted on in this body in the last session of Congress and is known as the "Norris amendment." Those of you who read the Congressional Record at the time the amendment was discussed in the other body will remember that the Corporation went on record in writing at that time as being opposed to the institution of civil service for employees of the Corporation. To my mind that is proof conclusive that the kind of merit system they have in mind is a system that permits the insiders to control the appointment of the employees in the Corporation, and simply excludes those they do not want to consider.

Mr. ANDREWS of New York. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. Yes.

Mr. ANDREWS of New York. As I recall, the President of the United States was in support of the amendment at the time it was considered in the Senate.

Mr. RAMSPECK. The gentleman may be correct, but that does not change my opinion about the position of the officers of the Corporation when they refused the only merit system of selecting employees that has ever been devised in this country.

Mr. STEAGALL. But is not this the situation today, that we are now going down the road with the administration of this agency of the Government, and if we were to attempt to put into complete operation the principles underlying the amendment, it would compel the Home Owners' Loan Corporation to start over and review and revamp the entire personnel in order to comply with the rule laid down in the amendment.

Mr. RAMSPECK. Perhaps that is so, but the point I make is that the system they have substituted for what they please to call the spoils system is not a system of merit, but it is a worse spoils system than the old system by which elected representatives of the people made the recommendations. They have substituted the recommendation of appointed officers who are responsible to no one. [Applause.]

Mr. HOEPPEL. Mr. Chairman, will the gentleman yield? Mr. RAMSPECK. Yes.

Mr. HOEPPEL. Answering the gentleman from Alabama [Mr. Steagall], it is my observation that if we will replace the inefficient, incompetent people in southern California in the H. O. L. C., we will make more progress, and then put in people who can pass an examination.

Mr. RAMSPECK. I say to the gentleman from New York [Mr. Andrews], the author of the amendment, if he will offer an amendment to put the employees under civil service, I shall support him, but I will not support any policy that turns over to the executive officers of this Government the right to select public employees without regard to the interest and welfare of the elected representatives of the people, either Democratic or Republican. [Applause.]

Mr. HANCOCK of North Carolina. Will the gentleman state to the House what has been the record of the Corporation so far as making loans to distressed home owners in his district is concerned?

Mr. RAMSPECK. In my district they have made a great many loans, but the personnel policy in the State of Georgia has been rotten, and it is so all over the country. [Applause.] They have selected people who have no regard whatever for the public. They have adopted the policy of "the public be damned", and it is not fair to the people of this country to impose upon them employees in public office who do not have regard for the distressed people of the country and who have no sympathy with them.

Mr. SHORT. Will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. SHORT. I think what the gentleman from Georgia has said is absolutely true. I do not condemn or blame the majority party for appointing good, honest Democrats as officers, employees, and agents to administer this act, but I do condemn them for discriminating among applicants who apply for loans.

Mr. RAMSPECK. I condemn that also, if such a situation exists anywhere.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. RAMSPECK] has expired.

Mr. RAMSPECK. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. RAMSPECK. Since the gentleman from North Caroline [Mr. Hancock] has brought the matter up, let me go into this Georgia situation. They put in charge of the Georgia office a man who is president of a building-and-loan association, doing business with the Corporation. He is also connected with a building-material firm selling products to contractors who get business from the Corporation. That was brought to the attention of the gentleman's committee, and, in my judgment, the committee ought to have acted upon it, because it is a well-known principle that a public servant ought not also represent a private interest dealing with a public agency. [Applause.]

Mr. PIERCE. Will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. PIERCE. Is that not true throughout the whole Nation?

Mr. RAMSPECK. There is no question about the fact that the Home Owners' Loan Corporation is in the hands of agencies engaged in loaning money upon real estate.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. FITZPATRICK. Does the gentleman know where there has been any discrimination made against those who have made applications for loans on account of politics?

Mr. RAMSPECK. I am not charging anything of that sort, but I am discussing a policy which I think is as old as the history of this Nation, namely, that a public servant ought to be free from any private interest dealing with the agency which he heads. I will say to my colleague from North Carolina [Mr. Hancock] that he would not for a moment stand on this floor and defend the appointment of the

president of a railroad company as a member of the Inter- | state Commerce Commission. This is the same principle. I yield to the gentleman from North Carolina.

Mr. HANCOCK of North Carolina. I heartily concur, as a matter of principle, that no man should serve two interests: but is it not a fact that the man to whom the gentleman referred just now has faithfully, efficiently, and honestly discharged his duty, and that the distressed home owners in my friend's district have been fully and adequately cared for, and that more loans have been made in the gentleman's district than in any other district in Georgia?

Mr. RAMSPECK. It is true that more loans have been made in my district than in any other district in Georgia. We have 10 Members in Congress, and approximately oneseventh of the population of the State and one-quarter of the wealth of the State is in my district. Therefore there is more demand for it. I make no charges against the integrity or honesty of this man, but I say he is not in sympathy with the people he is serving. He does not treat them with courtesy. He is not the type of personality that ought to head a public institution. But I am not discussing that. I am discussing the principle involved, of putting in charge of this great Corporation, a Corporation which has approximately \$5,000,000,000 of the people's money to administer, people who are engaged in the business of lending money on real estate. That is a wrong principle, and this Congress ought to change it. [Applause.]

Mr. KOPPLEMANN. Will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. KOPPLEMANN. In the gentleman's State of Georgia, if the gentleman, as Congressman, should write to any of the personnel officers in charge in his district concerning an application which has been referred to him or upon which he has been questioned by a constituent, does he give the gentleman the information or does he not?

Mr. RAMSPECK. He does not; and further than that, my judgment is that an applicant is discriminated against if he takes a congressional endorsement to any personnel

Mr. KOPPLEMANN. Let me ask the gentleman further why he is not given this information?

Mr. RAMSPECK. I cannot answer the question, but I do not want to go into the question of patronage. I am not interested in patronage. I believe in civil service. If I had my way, every employee of the Government would be under civil service. [Applause.] But I do not propose to follow the gentleman from New York [Mr. Andrews] in his subterfuge, which simply puts the power into the hands of these appointive officers of the Government, who are responsible to nobody, and I hope this House will vote down the amend-

Mr. SWEENEY. Will the gentleman yield? Mr. RAMSPECK. I yield.

Mr. SWEENEY. In view of the very frank statement made by the gentleman on the floor today, does not the gentleman believe we ought to investigate the Home Owners' Loan Corporation?

Mr. RAMSPECK. I think it would have served a good purpose to investigate the personnel policy of the Home Owners' Loan Corporation, but I am not making any charges about graft or about favoritism in the making of loans. As far as I know, there has been nothing of that sort in my district. I am discussing a policy which is as old as this Government itself, namely, that we must keep our employees of the Government free from private interests. [Applause.]

The Committee on Banking and Currency is to be commended for including in this measure the amendment to the Home Owners' Loan Act offered by my colleague from Georgia [Mr. Brown].

This matter is section 10 of the bill, and provides that persons employed in the State and regional offices must have been residents of the State or region served by the office at the time the office was established.

I particularly wish to commend the manner in which my colleague secured the adoption of this provision by the unani-

mous consent of the committee, so I am informed. It is seldom, if ever, that a new member of a committee is so successful in putting through such an important amendment.

This is a just, and, I think, wise change in the personnel policy of the Corporation. It is not fair to the citizens of the country to have this agency manned by people sent into the regional offices from other sections of the country. We have capable and qualified men who can fill the positions, men and women who understand the people of their own sections and who are in sympathy with their distress. Our people are entitled to deal with their fellow citizens, and should not be required to transact their business with strangers.

If any employee of the Corporation cannot be trusted to serve faithfully in his own section or State, then he should not be an employee of this Corporation.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. Ramspeck] has again expired.

Mr. GRAY of Indiana. Mr. Chairman, if the object here is to save homes, we are overlooking some vital elements necessary and indispensable to such relief. We must go further than this bill. Since the home owners purchased their homes and contracted these mortgage debts, there has been a fall of values depreciating his home as security more than one-half while his mortgage debt has remained the same. Under this fall of values and the price level there is not one in a hundred home owners who are facing foreclosure of their mortgage whose property now will meet the appraisement required to refinance his loan. Until there is a rise of real-estate values, a restoration of the general property price level, there can be no substantial relief provided for the distressed home owners, and their homes will be foreclosed and they will become tenants under landlords.

But even the very few distressed home owners who can meet the appraisement required will not be able to save their homes under this bill. Without first, a restoration of earnings and income they can no more meet their mortgage installments, the payment of their taxes and accruing interest after being refinanced by the Home Loan Corporation, than they could meet these payments before. Over 240,000 of these refinanced home owners are now already in default on their new mortgages and must be foreclosed and taken over by the Government instead of the original mortgagee and the Government will become the landlord of the thousands who are still unable to pay. But this is not all the failure being suffered. This is not all the complications in which the Government is being involved without benefit or relief to the home owners. In the city of Chicago alone, refinanced home owners are in default in the payment of two millions of taxes which the Government is being compelled to pay to protect the securities of these new mort-

With the Government guaranteeing the payment of both the interest and the principal of these bonds and its liability for taxes assessed, the obligations of the Government are fast mounting in multiplied millions of dollars, all without relief to the home owners. Without a restoration of the general price level and without first restoring earnings and income to the people, to the home owners of the country, the provisions of this bill will fail of relief; all will be futile and in vain to save and salvage the home owner's home.

The mortgages now in default upon the home owner's home are largely renewal debts made and contracted under a higher property value and when the home owners of the country were making ample earnings and income to meet the interest and installment payments. While these prosperous conditions remained, the mortgage holders' security was adequate with the excess value of these homes, and the home owners with earnings and income were assured of their time to pay. They were amply able to meet their obligations, and both borrowers and lenders were assured, satisfied, and content with their obligations and relations. And if these property valuations and the earnings and income existing at the time the mortgages were made had continued on uninterrupted, both the home owner's home would have been secured and the home-mortgage lenders would have been assured in the payment and collection of the debt.

But when the manipulating bankers left in control of our money system secretly contracted and withdrew one-half of the money and credit in use and circulation to increase and multiply the value of their bond and war-debt claims, the effect of the contraction of money under the operation of monetary laws was to force down the prices and values, lowering the valuation of the home owner's home far down below the mortgage lien and left the mortgage lender without security for its mortgage debt. The home owners finding themselves without income were unable to meet their payments and the lenders finding themselves without adequate security for their loans, joined with the home owners for relief and in the demand for the Government to guarantee and refinance these mortgages.

While this is called a home owner's bill, it is being taken advantage of more by lenders, more to serve mortgagees than mortgagors in the collection of otherwise impossible debts, and to relieve mortgagees from taking over depreciated property in payment and of far less value than the loan at the time the mortgage was made. In operation and effect this legislation is a misnomer or erroneously labelled. It is being used more to relieve insurance companies, banks, and trust companies, to enable them to transfer their investments to the Government and the loss to be borne by taxpayers of the country.

To make this a home-owner's loan in fact, as well as in name and form, we must first restore the property price level to the level of values when the mortgages were made. We must first restore the earnings and income of home owners and this legislation will not be needed. Building-and-loan associations and private lenders would again refinance the home owners and the Government would be relieved of these impossible obligations and responsibilities. Without a restoration of property values, without a return of earnings and income, the effort to relieve distressed home owners is a farce, a mockery, and a delusion, raising the hopes of the home owners only to cast them down again. To bring full and adequate relief to the home owners of the country, as well as to all other distressed people, will only require a reversal of the currency manipulations and operations which forced down values and the price level and values and prices will be restored again.

Until there is a restoration of values, until there is a rise in the general price level, until there is a return of earnings and income, a restoration of the taxpaying power, the interest and the debt-paying power, and until the monetary operations forcing down values are reversed and values again restored, there can be no relief to the home owners. The banks' artificial means of lending and spending, the destruction of food crops and the materials for clothing, and the reduction of the necessaries of life, while the people are suffering and in want, will prove a disappointment and failure, a vain maneuver serving only for the time.

The CHAIRMAN. The question is on the amendment of the gentleman from New York [Mr. Andrews].

Mr. BLANTON. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. Is this the amendment which would prevent the appointment of Democrats and require the appointment of Republicans? If it is I am against it

ment of Republicans? If it is, I am against it.

The CHAIRMAN. That is not a parliamentary inquiry.

The question is on the amendment of the gentleman from New York [Mr. Andrews].

The question was taken; and on a division (demanded by Mr. Andrews) there were—ayes 52, noes 118.

So the amendment was rejected.

Mr. BLANTON. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Blanton: Page 7, line 19, after the word "office", insert the words "or congressional district"; and in line 21 after the word "State", insert the words "or congressional district, respectively"; and in line 22 strike out the last sentence beginning with the word "This."

Mr. STEAGALL. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 10 minutes.

The motion was agreed to.

Mr. BLANTON. Mr. Chairman, under the present law and after this bill is passed this board will have in each county and in each congressional district a local county attorney to pass on titles, and a local county appraiser.

Until the first of this year my district embraced 19 counties in Texas. In these 19 counties I had selected, hand-picked them, 19 splendid attorneys, the best in my district, 1 from each county; and 19 splendid gentlemen as appraisers, 1 from each county. They were appointed. Not a single objection has ever been raised to one of those attorneys. Objection was raised to only one appraiser. He was the son of former Congressman, Hon. Joseph V. Cockrell; he was a grand nephew of former United States Senator from Missouri, Francis M. Cockrell, whom many of the oldtimers here knew. He was a high-class man, one of the finest men in my district, and one of the ablest men in my district. He knew all the people in his county and their history and every piece of property for 40 years back. The only objection raised against him was that arrogant Mr. Fahey claimed he was too old. I called attention to the fact that one member of this board was 71 years of age—older than the appraiser was, and notwithstanding he had been the appraiser for over a year and had made several hundred appraisals, he was supplanted by another, without one single word notifying him about it. He was not told that his services were unsatisfactory. He was not notified that he was deemed too old. He was not advised that he had been fired. Not one word of complaint did they send him. Without any notice, and without any hearing he was supplanted and boycotted and no more appraisals were sent him. It was a most damnable outrage.

When his home citizens found it out they sent this H. O. L. C. Board a vigorous protest signed by the chamber of commerce, the newspapers, the bankers, the mayor and city officials, many of the county officials, many of the clubs, and many of the leading, substantial citizens of the city, certifying that Judge Cockrell was a man of strict honor and integrity, was able and efficient, and was well qualified to make such appraisals.

But he had not paid \$10 to Chairman Fahey's big chief appraiser here, Philip W. Kniskern, for Kniskern's book he was unloading on all appraisers, and did not pay his own way to Dallas, 200 miles from home, to be examined on Kniskern's book; hence he was boycotted.

Hon. Fred Cockrell is as well qualified as any member on that Board to handle any office that was within the gift of the H. O. L. C., but they arbitrarily objected in their own minds but said not a word to him about it. Now let me tell you about this chief appraiser known as "Mr. Philip Kniskern." In order to get rid of all appraisers over the country that had been appointed by Congressmen, and allowed to do so by Chairman Fahey, Mr. Philip Kniskern required every single appraiser in the United States, although they had been appraising for 18 months, to take a Philip Kniskern examination that was in a book Philip Kniskern had just written on evaluations. This book was specially designed by Philip Kniskern to get rid of congressional appointees. He required those appraisers at first to pay \$10 apiece for his book. If they did not pay the \$10, they did not pass. [Laughter.] He finally got down to the point where he would sell the book for \$6 when many refused to buy it at \$10. In the State of Texas, and in many of the other States, since the Philip Kniskern examination was held they have removed practically every appraiser who did not buy Kniskern's book. Every one of them in my district who did not buy that Philip Kniskern book has been removed. Yet they has been appraising satisfactorily for 18 months.

If Chairman Fahey were to live a thousand years he would not have as much sense as Judge Fred Cockrell has now, and Chairman Fahey would not be any abler or better qualified on property values.

After these faithful, loyal, county appraisers had ably and diligently performed valuable service on starvation pay for over 18 months, I want you to see just what kind of a notice was sent them, requiring them to be examined on Philip Kniskern's new book:

Home Owners' Loan Corporation, Dallas, Tex., January 11, 1935.

Mr. RICHARD McCARTY,

Albany, Tex.

Dear Sir: Pursuant to instructions from Washington through Mr. R. Franklin Hull, regional appraiser of this Corporation, a written examination for the appraisal personnel of this district is written examination for the appraisal personner of this district is to be held in Dallas on Friday, January 18, 1935, at 1 p. m. This examination is to be given for the benefit of those of our fee appraisers who did not take the August examination and new appraisers appointed subsequent to that date, and for those who did take the examination but now wish to make an effort to raise

did take the examination but now wish to make an effort to raise their rating.

In line with instruction from the Washington office of this Corporation, our previously appointed fee appraisers, who do not receive a final approved grading, are not qualified for further appraisal work after December 31, 1934.

The grading heretofore assigned to you by the Appraisal Division, as a result of your failure to take the August examination and based upon your record in Washington, does not qualify you for further appraisal work for this Corporation until such a time as your rating is raised to a satisfactory standard; opportunity, accordingly, is offered you in the above-written examination to effect such a rating.

At this time we have no definite knowledge as to the extent of future appraisal work for the Corporation. However, the possession of an approved grade will qualify you for any future appraisal work that may develop in the event additional funds for H. O. L. C. use should be appropriated by Congress.

Expenses of the trip to Dallas for the purpose of taking the examination will not be paid by the Corporation.

It is requested that you advise the writer, by return mail, in

It is requested that you advise the writer, by return mail, in the enclosed envelop, as to whether you will be present for the examination on the above date; prompt advice is essential in order that satisfactory arrangements for the examination may be

Yours very truly,

J. J. THAMES, Division Appraiser.

They had sent such a formal notice out in August demanding that appraisers appear in Dallas on their own expenses.

But Col. Dick McCarty did not pay Philip Kniskern \$1 for his book, and he did not pay out \$50 in expenses and waste a lot of time going to and from Dallas, 200 miles from his home, to take Mr. Philip Kniskern's examination, initiated by Mr. Autocrat Fahey to get rid of congressional appointees. He felt that after appraising all appraisals in Shackelford County without criticism for 18 long months he ought to be qualified. And I want to show you Col. Dick McCarty's reply:

Office of Country Journalism, Albany, Tex., January 14, 1935.

Home Owners' Loan Corporation, Dallas, Tex.

(Attention J. J. Thomas, Division Appraiser.)

Dear Sir: In accordance with your request that I advise you whether or not that I will be in Dallas for an examination to see whether I am qualified as fee appraiser, which examination is to be held on the 18th of January, I beg now to advise you I will not be

In your letter you stated that the expenses of such a trip would not be paid by the Home Owners' Loan Corporation. You further stated, in effect, that inasmuch as I failed to appear at Dallas for the August examination, if I did not appear for this examination I would not be qualified for further appraisal work after December 31 last. I take it, therefore, that I am no longer the appraiser for this country. for this county.

After checking my records, I find that during the more than 18 months' work as fee appraiser for this county I have made 23 appraisals, 22 of which were in this county and 1 made upon your special request at Stamford, Tex. Eight of the appraisals were made at Moran, Tex. I have traveled 400 miles in such work, and for my work and expense you have paid me during the 18 months only \$115.

I can easily understand how it would be profitable for one in the more populous centers to attend at his own expense such trips for examination, but I fail to understand how the Washington office can expect it of one receiving the meager compensation such as I have received to do so.

Inasmuch as I am automatically discharged for refusing to attend the Dallas meeting to be held on January 18 at my own expense, I am sending a copy of this letter to the Honorable Thomas L. Blanton, Congressman from this district, through whose courtesy and without any solicitation I received this appointment, to the end that he may appoint my successor. letter of January 11 to me is also forwarded to him.

Very truly yours,

RICHARD H. MCCARTY.

Stamford is about 40 miles from Albany where Colonel McCarty lives, and Moran is 15 miles from his home. And with all such travel at his own expense, he had received only \$115 for 18 months' work. Yet they wanted him to spend

\$50 to go 200 miles to Dallas to take Kniskern's examination.

So they removed Hon. Richard H. McCarty, and when they did it they removed a splendid gentleman in my old home county, where I was married and where some of my children were born. And if Autocrat Fahey does not reinstate these men, I am going to punish him on every occasion.

Col. Dick McCarty is known as the "prince of journalists" all over the United States. His matchless editorials have been copied frequently in the New York Times and other metropolitan newspapers. He is one of the best-known country editors in the United States, and one of the best beloved men in the United States. He had a birthday not long ago and the editors from all over Texas, 600 miles away, gathered at his little home town and gave him a 2-day celebration. Last fall when this Kniskern examination came on they notified him to appear. Col. Dick McCarty has known intimately the people of his county for 40 years. He knows every piece of property in the county, and its history. It was simply ridiculous for Autocrat Fahey to require him to take this Kniskern examination. He refused to go and was removed. Had he paid \$10 for Kniskern's book he would not have been removed.

Mr. Chairman, all on earth my amendment does is to require this autocratic Board and arrogant Mr. Fahey to appoint the county attorneys in your district from your district and not send outsiders there from 400 to 1,000 miles away. If my amendment is adopted, it will require this autocratic Board, headed by this prince of autocrats, Mr. Fahey, the most arrogant man who ever held a public office in the United States, when they appoint a county appraiser in your district, to appoint that county appraiser from the men in your district and not send in some henchmen from distant places out of your district. [Applause.]

[Here the gavel fell.]

Mr. STEAGALL. Mr. Chairman, the first provision of the amendment before the House is somewhat in conformity with the section as drawn; but the latter part of the amendment, which provides that the language following the period in line 22 down to and including the period in line 24 be stricken from the bill, presents a matter of serious importance.

The bill would require the Board to name their attorneys, agents, and employees from among residents of the State or region in which they serve and those to be retained would be required to meet this qualification. The committee thought that time should be given for the Board to readjust these appointments to meet the requirements laid down in this section. So the provision was adopted which allows 90 days for the Board to make proper rules and regulations to make their appointments conform to the standards established.

Mr. Chairman, if the amendment now offered is adopted, it will become immediately operative on the passage of this bill, and will necessitate a task practicably impossible. It will lead to confusion, to unnecessary expense, and will seriously handicap and embarrass the Board in continuing the work which we regard as so urgent. The Corporation must go forward with this work immediately to meet the distressed conditions of the country. The amendment would eliminate proper time for the Board to put these requirements into effect and would greatly hamper the administration of this act, and I think would present very serious difficulties. For this reason the amendment should not be adopted.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to withdraw the last clause of my amendment, as some of the Members seem to object to it. That is the clause relating to the 90 days. I ask that that part be eliminated.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Clerk will report the modified amendment.

The Clerk read as follows:

Modified amendment proposed by Mr. Blanton: On page 7, line 19, after the word "office" insert "or congressional district", and in line 21, after the word "State", insert "or congressional district, respectively."

The CHAIRMAN. The question is on the amendment | offered by the gentleman from Texas [Mr. Blanton], as modified.

The amendment was agreed to.

Mr. RAMSPECK. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. RAMSPECK: On page 7, line 22, after the word "office", strike out the period, insert a comma, and the following: "or who is an officer or director of any firm, corpo-ration, or association engaged in lending money on real estate."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. RAMSPECK].

The amendment was agreed to.

The CHAIRMAN. The question now recurs on the amendment offered by the gentleman from Michigan [Mr. BROWN]. The Clerk will read the amendment for information.

The Clerk read the Brown amendment, as follows:

Amendment offred by Mr. Brown of Michigan: Page 7, after line 24, insert the following new section:

"Sec. 11. Subsection (1) of section 4 of the Home Owners' Loan Act of 1933, as amended, is amended by the striking out the last command therein and the following: 'or in any case in which the home more reason of the above the last command the following: 'or in any case in which the home more reason of the policy of the last command the following: 'or lies to be a section of the last command the following: 'or lies to be a section of the last command the following: 'or lies to be a section of the last command the following: 'or lies to be a section of the last command the following that the last command the following the last command the last command the last command the last command the last comm the home mortgage or other obligation or lien is held by an institution which is in liquidation."

The amendment was agreed to.

Mr. MASSINGALE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Massingale: Page 7, line 25, insert

a new section to read as follows:

"Sec. 11. Section to read as follows.

"Sec. 11. Section 4 of the Home Loan Act of 1933 is amended by adding the following subsection following subsection (h):

"Provided, No person shall be allowed to act as appraiser if he is in the employ of any company holding a loan on the property, or if he is interested in the subject matter of the loan."

Mr. SWEENEY. Mr. Chairman, does not the Ramspeck amendment, which has just been adopted, cover this?

Mr. RAMSPECK. If the gentleman will permit, I think the amendment just adopted, which prevented the employment of any person who is an officer or director in a corporation, firm, or association engaged in lending money on real estate, would cover the purpose the gentleman has in

Mr. MASSINGALE. I do not think so.

Mr. Chairman, the purpose of this amendment is thisand I want to say to the House that so far as I am concerned I am favorable to the bill, not because I believe in the bill as it has been recommended for passage by the committee, but I am for it somewhat like a drowning man catches at a straw. If we can get any kind of relief out of this bill-and I think it is remote that we are going to get any; that is, I mean the common people of the country-I want what little

there may be a prospect of getting.

I admired yesterday the frank and fair statement that was made by the gentleman from Maryland [Mr. Golds-BOROUGH ]. When this bill first was presented here I thought I was an ingrate; I thought I was cruel and suspicious, because I had the idea, from what I saw of the operation of this bill down in Oklahoma, that somebody was being milked and that a fraud was being perpetrated upon the people of the country. After I heard the explanation of the gentleman from Maryland [Mr. Goldsborough] of what took place in Congress when this bill was passed I came back to my original idea of what this bill was intended for. These eulogies that were paid the building-and-loan associations and other agencies in dispensing this money for the Government of the United States kind of impressed me. I thought perhaps they were doing a benevolent piece of work, but I discover that this bill originated simply for the purpose of taking over the frozen assets of the building-and-loan companies and other lending institutions of the country and was not intended to benefit the fellow who needed help on his home.

This amendment, I really believe, is the only one that has been proposed here that is in the interest of Uncle Sam and, God knows, from what has come out in the hearings on

this bill, he needs some sympathy. Here we have appropriated or expended nearly \$3,000,000,000, and the buildingand-loan companies own the bank, they appoint the appraisers and they just do business with one another. Now. there ought to be a stop to this for what little is to be dispensed in the future, and I want to say to you that when I say "little", I say it advisedly. Why, we have only \$1,750,000,000 more to put out. Now, we ought to take care of the Government to some extent with respect to that money, and let me give you this-I know this kind of operation is going on down where I live. A lot of building-andloan companies are in liquidation, and they are selling and unloading to the Government of the United States the very worst form of their securities at 100 cents on the dollar.

Mr. ELLENBOGEN. Mr. Chairman, will the gentleman

Mr. MASSINGALE. I yield. Mr. ELLENBOGEN. I want to add to what the gentleman has said that in many cases the attorneys for the banks also examine the titles.

Mr. MASSINGALE. Yes, they do that; and it is a one-sided business which I think ought to stop. We ought to appoint appraisers who are not members and have no stock in any building-and-loan association.

Now, they do this in Oklahoma-I do not know what they are doing here, and let me give you this as a qualification for an appraiser in Oklahoma. This is from Mr. John F. Mahr, the Home Owners' Loan Corporation administrator in the State of Oklahoma. He wrote me a letter and gave me the privilege, he said, of naming some fellows whom he might consider to act as appraisers down there, and here is his language:

Please bear in mind when making your recommendation that in order to qualify, the applicants must be thoroughly grounded in the real-estate and home-mortgage business or be an active architect or home builder. They must not only have a knowledge of home values but must have demonstrated the same as an active appraiser for a going lending concern, Federal or State court.

[Here the gavel fell.]

Mr. SISSON. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 3 additional minutes. The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MASSINGALE. This means he has to be connected with a building-and-loan association and I really think that the man intended that the word "going" should qualify not only the lending concern, but that it should qualify the two courts mentioned, the Federal court and the State court. The only courts in our part of the country that are going" courts now are courts of foreclosure. They are foreclosing real-estate mortgages on farms and on city property and if you take that kind of litigation out of court we have no courts that are doing business down in Oklahoma.

I will say to you gentlemen this, and I want you to bear this in mind-the Government of the United States is entitled at least to a degree of protection in this matter. In this \$1,750,000,000 that we are yet to give away, let us fix it so that if a fellow on the outside, a home owner, wants to come in and borrow on his home, he will not be turned down by the title examiner and the appraiser who belong to a building-and-loan association and his loan will not be laid aside, but give him a shot at it. As I told you a while ago, I know of loan companies down in Oklahoma that are in process of liquidation insofar as their debts are concerned.

[Here the gavel fell.]

Mr. MASSINGALE. Mr. Chairman, I ask unanimous consent to proceed for 2 minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. MASSINGALE. I find this condition down there: The Government of the United States is going down there among these depressed people, and the people are more depressed in my part of the world than anywhere else in this Nation. They are paying 100 percent on the dollar to the

building-and-loan associations for the loans, and the loan | company is liquidating its indebtedness and paying old men and women 65 cents on the dollar for money that they have had there for 3 and 5 years. Now, that is the object of my amendment. I have another amendment-I do not know whether I am going to get time to offer it or not. I want to offer it for the RECORD. It is to the effect that these loan agencies, building-and-loan associations that are in liquidation, or those attempting to satisfy their debts at a discount-that we shall not do any business with them; that they shall take these bonds that the Government of the United States is turning into their laps and have their creditors, men and women who have put money up on withdrawal stock, which they agreed when they got the money to satisfy on 30 days' demand-that they cannot go out and settle their debts at 65 cents on the dollar and get money from the United States 100 percent on frozen assets.

Mr. GOLDSBOROUGH. Mr. Chairman, I move that all debate on this section and amendments thereto now close.

The motion was agreed to.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Oklahoma [Mr. Massingale]. The question was taken; and on a division (demanded by

Mr. Nichols) there were 61 ayes and 63 noes.

Mr. MASSINGALE. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. Hancock of North Carolina and Mr. Massingale.

The Committee again divided; and the tellers reported that there were 93 aves and 54 noes.

So the amendment was agreed to.

Mr. MASSINGALE. Mr. Chairman, I believe that the amendment above proposed and which was adopted by the House is an amendment that no fair-minded business person could object to. In fact, I do not believe that any buildingand-loan association, or any other loan agency, should object to it. As stated above, the Government has expended approximately \$3,000,000,000, and the bulk has gone to money-lending agencies on real estate. As I understand from what has been said on the floor of the House, a very small part of it has gone in the way of direct loans to owners

I certainly have no objection to any loan agency being helped and rehabilitated by the Government of the United States, provided an indirect benefit of the beneficence of the Government gets to the owner. I am not accusing any building-and-loan association, or any other agency, of committing any act that any other person similarly situated would not as a rule do. When this law was passed it was intended, as revealed in a statement by one of the committee, Mr. Goldsborough, of Maryland, that Congress meant to appropriate and it has appropriated huge sums of money, up to this time, for the express and avowed purpose of saving building-and-loan associations and other loan agencies from loss and probable ruin.

However, it is not fair to the Government of the United States to give to the loan agencies the right to spend this money and the right to appraise the properties and loans. I think the Government of the United States ought to have some person, not connected with the beneficiaries of the act, to see that it has some form of protection, and it was for that reason that I introduced the amendment above referred to.

As I have stated, it must be apparent that this amendment is not only decent, but citizens of the United States ought to be willing to concede that their Government, which is lavishing billions of dollars for recovery, should be given some consideration as to the value of the securities it is dealing in and not leave the whole transaction up to the persons intended to be benefited by the act.

Now, this amendment is carrying an additional \$1,750,-000,000, and perhaps more, to be further distributed to these various loan agencies, and while the Government has had no protection, so far as representation is concerned, in the negotiations that have heretofore taken place, I insist that |

it should be represented in the expenditure of the additional \$1,750,000,000.

I think this amendment will mean also that the individual home owner is assured of greater participation in the benefits intended to be distributed to the people under this law, than they would receive without some wholesome provision providing that the loan companies shall not be allowed to act as appraisers where they are interested in the subject matter of the loan, and that no other person should be allowed to act as appraiser if he is in the employ of any company whose loan is being absorbed or taken over by the Government.

In other words, I do not think that the loan agencies should be permitted to act as juror, witness, and court, in determining what the Government should pay for these loans and leave Uncle Sam in the role of looking on with his check book in his hand ready to fill in whatever amount the loan agency suggests, and to have no voice in the

During the discussion of this act, the following proceedings appear in regard to another amendment offered by me:

Mr. Massingale. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

The Clerk read as follows:

Amendment by Mr. Massingale: Amend section 4 of Home Owners' Loan Act of 1933, by adding a new subsection, following subsection M of section 4 of said act, as follows:

"(N) Provided, That when any building-and-loan association receives bonds from this Corporation at 100 cents on the dollar, such building-and-loan association shall be required to pay holders of its stock, its depositors, and its other creditors 100 cents on the amount invested by such stockholders, depositors, and creditors in said building and loan association, and it shall not be permitted to settle with any of its stockholders, depositors, or other creditors by distributing to them, or any of them, the bonds of this Corporation on any agreement, contract, or understanding of this Corporation on any agreement, contract, or understanding that requires such stockholder, depositor, or other creditor, to discount his claim against such building-and-loan association."

I offered this amendment for the reason that I have been informed that there are loan companies in Oklahoma who are liquidating their indebtedness, and by that I mean this: Some companies have sold what is called "withdrawal stock", or have taken from people large sums of money on deposit, and have given their stock for that money with the understanding that they could surrender their stock and get their money with interest. Some of this money has been on deposit for several years and upon demand being made for its return, a return has been refused, not because the building-and-loan association did not want to pay it perhaps, but because it could not pay it on account of depressed conditions, and since the Government has come to their rescue by taking up their frozen loans, I do not think it is fair that the Government should do business with such loan companies at 100 cents on the dollar and permit the loan companies to require their depositors to discount their claims against the loan companies.

When this last amendment was proposed, the Chair ruled the amendment not to be germane to the act under consideration and, of course, I have no complaint to make and I believe that the Chair was technically correct in sustaining the point of order to this amendment. There are a number of men I know in the building-and-loan business in western Oklahoma that will agree with me in this: They, themselves, would not approve of such conduct on the part of any building-and-loan association with which they are connected. I do not believe that the class of men to whom I refer would engage in such practices, but this amendment was proposed in an effort to check and control those who did require that their creditors discount their claims against them and who did, at the same time, take money from the Government of the United States at the full face value of the loans, which the Government is paying off for them in order that they may keep their heads above the water and in order to keep their loan associations from ruin. There are things in connection with the making of these loans that the people should know.

Some 800,000 loans have been handled by the H. O. L. C. since this law was enacted, and these transactions took place within the short period of 15 months. I think the | average loan was approximately \$3,000, and it is reported that 240,000 of the 800,000 loans handled are in default. If one-third of the loans handled have become in default on payments, interest, and taxes in 15 months, it stands to reason that a much larger percent of the 800,000 loans will be in default later on; and this means that the Government will be compelled to pay off the taxes or else begin a wholesale foreclosure business. We have enough foreclosure business now; in fact, the courts are jammed with foreclosures; and I fear that the Government of the United States is on the road to becoming the greatest landlord, so far as town and city residences are concerned, that the world has ever known anything about.

In all, approximately \$5,000,000,000 has been handed over by the Government of the United States for use by mortgage companies, loan agencies, building-and-loan associations, and other concerns holding mortgages on city property. Five billion dollars is a vast sum of money.

I am going to give my support to this bill, not because I want to do it in its present lop-sided form, but I am supporting it in the hope that with the amendments approved during the recent hearing on the bill, the people in distress have a prospect of getting some little relief and perhaps it will enable some of them to save their homes.

It was stated on the floor of the House, and advanced as an argument for the favorable consideration of the bill, that the loan companies would not make any new loans and that it was up to the Congress to provide this additional \$1.750,-000,000 in order to save the homes of the people in the cities and towns. I fully agree with the statement that no further private loans are going to be made and why should they be made when it is known to the world that Congress is going to extend further credit of \$1,750,000,000 to these agencies which now have mortgages? This will enable them to collect 100 cents on the dollar on many loans that are of doubtful value. Such companies, of course, are not interested in making new loans; it is a far more profitable business to them to let the Government clear their note cases by taking over their uncollectible notes at 100 cents on the dollar.

I further contend that this present bill is an incongruous law and should not have been passed without further amendment. For instance: as the law reads, a person having an apartment of more than four units, is not eligible for a loan in any event. Though his building is worth \$25,000, if he desires to borrow \$1,000 to take up an existing loan on his apartment, he is not eligible to receive the loan. It is not designed so much to help him save his home; the main purpose is to help him borrow more.

On the other hand, it makes no difference what the size of his apartment may be, whether a 2-unit apartment or a 25-unit apartment, he is allowed to borrow as much as \$50,000, if he wants to spend that money on repairs and go deeper in debt. It does not take any argument to show that such incongruous provisions of the bill will not be

I am wondering, when supporting this measure, if the Members of Congress from the greater cities of the country are going to be as generous to my class of people as I am to them and their class of people. Congress is going to be confronted with an act providing that the Government of the United States make direct loans to farmers to protect their farm homes from foreclosure. This contemplated piece of legislation only calls for \$3,000,000,000, \$2,000,-000,000 less than the amount appropriated under this bill. I do not claim that the farmer is any more entitled to protection than the city dweller, but he is certainly entitled to as much consideration and to the same protection that is given to the town man.

Another bill of importance to the farmer, that will call for the expenditure of moneys, is a bill providing for protecting the soil from wind and water erosion and, generally, to conserve the land of the country. The appropriations contemplated in the two bills mentioned in behalf of farmers will aggregate but little more than 50 percent of what

has already been authorized for expenditure by the Government in behalf of the fellow living in the cities and towns.

I sincerely trust that when these farm-relief measures come up for consideration of the Congress that there will be no hesitancy in rendering to the farmer a like service to that rendered the beneficiaries of this piece of legislation.

Mr. SWEENEY. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. Sweeney: After the Massingale amendment, which is now section 12 of the bill, add a new section to read as follows:

"Sec. 13. The fourth sentence of section 4 (d) of the Home Owners' Loan Act of 1933 is amended to read as follows:

"Each home mortgage or other obligation or lien so acquired shall be carried as a first lien or refinanced as a home mortgage by the Corporation on the basis of the price paid therefor by the Corporation, and shall be amortized by means of monthly payments sufficient to retire the interest and principal within a period of sufficient to retire the interest and principal within a period of not to exceed 15 years, but the amortization payments of any home owner may be made quarterly, semiannually, or annually if in the judgment of the Corporation the situation of the home owner rejudgment of the Corporation the situation of the home owner requires it. Effective 30 days after the passage of this act, payments of any or all obligations due the Home Owners' Loan Corporation from a home owner may be paid at any branch agency of said Home Owners' Loan Corporation, or of any post office or subsection of any post office throughout the United States.'"

Mr. HOLLISTER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.
Mr. HOLLISTER. It is impossible to tell from the reading by the Clerk just where this amendment will appear in the bill or in the original act. As I understand it, the Massingale amendment was to subdivision (h) of section 4, and this is to follow the Massingale amendment in the original act?

The CHAIRMAN. The Massingale amendment was adopted, and that was section 12.

Mr. HOLLISTER. Section 12 of the bill? The CHAIRMAN. That was an amendment to section 4 of the original act to follow subdivision (h).

Mr. HOLLISTER. Does this follow as another subdivision? The CHAIRMAN. No; it becomes a new section of this present bill.

Mr. HOLLISTER. I understood the Clerk to read it as following the Massingale amendment. Is that correct?

The CHAIRMAN. It is not.

Mr. SWEENEY. Mr. Chairman, the only new matter in this amendment is that providing a means of convenience of payment. It provides that effective 30 days after the passage of the act payment of any and all obligations due the Home Owners' Loan Corporation may be made at any branch agency of said Corporation or at any post office or substation of any post office throughout the United States.

Mr. MOTT. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. Does the gentleman from Ohio yield for that purpose?

Mr. SWEENEY. I yield.

Mr. MOTT. I am still unable to understand from the Chairman's statement just where we are in the bill. What is the last section that the Clerk read?

The CHAIRMAN. The amendment of the gentleman from Oklahoma [Mr. Massingale] is a new section to the pending bill, H. R. 6021, and it became section 12 of the bill that we are now considering. The amendment now pending, if it prevails, will become section 13 of this bill.

Mr. MOTT. And where will this section go in the old act? The CHAIRMAN. It would be an amendment to section 4 (d) of the old act.

Mr. MOTT. Will the Chairman inform me to what section of the pending bill the amendment is now offered?

Mr. SWEENEY. It is section 10.

The CHAIRMAN. It follows the amendment of the gentleman from Oklahoma.

Mr. MOTT. Is that an amendment to section 10?

Mr. SWEENEY. It is a new section.

The CHAIRMAN. That became a new section. The amendment of the gentleman from Oklahoma became section 12, and if the pending amendment prevails, it will become section 13 of the pending bill.

Mr. MOTT. I did not hear section 11 of the bill read. Has that section been read and disposed of?

The CHAIRMAN. Section 11 of the pending bill has not vet been read.

Mr. MOTT. That answers my question.

Mr. SWEENEY. The existing law does not provide any methods of payment or how they shall be made. Regulations required payments to be forwarded to Washington. I am sure it is the experience of many Members of the House who are familiar with the subject that the home owners have been compelled to go to the post office and buy a money order at an expense of 25 cents or more each month and send that money order to Washington. The Board is contemplating now the establishment of regional offices throughout the country where these collections may be received. This change helps but does not correct the situation. Take, for example, the State of Pennsylvania. If the regional office is located at Harrisburg, then the home owner in Pittsburgh, in Altoona, or any other place, who has obligations to pay to the corporation, if he has no checking account must, of necessity, go to the post office and get a money order and mail his remittance to Harrisburg. That will amount to 25 cents or more each time, on an average, and three or four dollars a year means a lot to these poor people. I am asking that the facilities of the post offices of this country be placed at the disposal of these home owners, so that they can go to the nearest post office or substation and make their monthly payments instead of purchasing a money order and mailing it to the Home Owners' Loan Corporation at Washington or the regional office in their State if they do not happen to live in the city where the agency is located. We have placed at the disposal of the Treasury Department the facilities of the post offices throughout the Nation to sell baby bonds. We utilize public Federal buildings for a great many things, sometimes at great expense to the Government. Let us help these distressed home owners and not subject them to additional expense.

Mr. GOLDSBOROUGH. Mr. Chairman, will the gentleman yield?

Mr. SWEENEY. Yes.

Mr. GOLDSBOROUGH. To what section of the original act does the gentleman's amendment properly belong? Mr. SWEENEY. Section 4 (d) of the original act.

The first part of my amendment is already in the act. have incorporated that entire sentence and added the new matter referred to.

Mr. GOLDSBOROUGH. Mr. Chairman, I ask unanimous consent that the amendment be again reported.

The CHAIRMAN. Without objection the Clerk will again report the amendment.

There was no objection, and the Clerk again reported the Sweeney amendment.

Mr. GOLDSBOROUGH. I think the committee has no objection to the amendment.

Mr. SWEENEY. With the understanding that the committee has no objection, I am satisfied the House will adopt my amendment.

Mr. DIRKSEN. Mr. Chairman, let me suggest to the members of the committee they have set up a bookkeeping system in the Home Owners' Loan Corporation, and they are mailing out their remittance notices, and people mail in their remittances. There is nothing to prevent the Corporation from setting up branch collection offices under paragraph (k) of section 4 of the original act, which says the Board is authorized to make such bylaws, rules, and regulations, not inconsistent with the provisions of this section, as may be necessary for the proper conduct of the affairs of the Corporation. So why should we necessarily try to impose further restrictions upon them and cramp their style as far as the mere matter of bookkeeping is concerned? After all, the Corporation can best determine for itself how it shall collect this money and how the remittance notices shall be sent out. I see no reason why this amendment should be adopted.

Mr. CONNERY. Will the gentleman yield? Mr. DIRKSEN. I yield.

Mr. CONNERY. The Corporation will not do it at all unless it is set out in the law for them. The gentleman from Ohio [Mr. Sweeney] is trying to protect these people. I know that in our own place they are gradually cutting out the branch offices. There will be no branch offices for the small cities and towns, and they will have to mail in their remittances to the big cities. That will mean an expense, There will not be any branch office to take care of that unless it is written into the law that they can go to the post offices in the little towns or villages.

Mr. DIRKSEN. Let me suggest that if we set up a lot of collection offices in every post office and have a man stationed there for that work, manifestly we will add to the force down here as well as the field force in administering the thing.

Mr. CONNERY. It would help the people, and the small amount it will cost will not amount to anything.

Mr. SWEENEY. Will the gentleman yield? Mr. DIRKSEN. I yield.

Mr. SWEENEY. I am satisfied the Home Owners' Loan Corporation will be with us for a long time; that they will have to set up a repair department, a collection department, and all that sort of thing. This method is simply giving the poor people a chance to make their remittances in their own home town.

Mr. DIRKSEN. Let me suggest that everybody who is designated to receive money will have to be bonded. It makes it possible to write a great many bonds, which might prove to be an interesting possibility.

Mr. SWEENEY. There are many people there now who are already under bond.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. Dirksen] has expired.

Mr. HOEPPEL. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Ohio [Mr. SWEENEY1.

The Clerk read as follows:

At the end of the amendment offered by Mr. Sweeney insert the following: "Interest on the unpaid balance of the obligation of the home owner to the Corporation shall be at a rate not exceeding 4 percent per annum."

Mr. HOEPPEL. Mr. Chairman, we have been told that the measure we are considering is a relief measure, and indeed it is; but unfortunately relief has been extended in too many instances to financial institutions rather than to our distressed citizens, with the result that the acute suffering of our people, with its insidious demoralization of the fibers of society, continues. In proof of this assertion and for the information of the Membership of the House, I should like to read from a clipping received today, pertaining to conditions in southern California, in reference to the Federal Emergency Relief Administration:

# HUNDREDS STARVE-STARVATION, DISEASE

That is the subhead. Speaking with reference to the investigation launched by the unemployed relief workers of Los Angeles County, the article reads:

During the 10 minutes allotted to state her case, Mrs. Purdy painted a sordid word picture of "slow starvation" in scores of families, rapid spread of tuberculosis among women and school children and babies crying for milk.

Written opposite this is a statement from my correspondent, as follows:

I am told that thousands of gallons of milk went down the sewer to keep up the price.

I am convinced in my own mind that conditions like this are existing.

I also wish to read an extract from a letter received yesterday from a man who served overseas with me in France. He is a fine, outstanding, worthy American citizen with a wife and two children. This is what he states:

Things seem to be going from bad to worse for me out here, and the time is not far distant when I will have to take my bundle and  buoyant hopes as long as I can but have arrived, frankly, where I haven't the slightest trace of a definite plan or a cheering hope.

My worldly possessions are the clothes I am wearing, and my monetary census amounts to the round number naught. I have to borrow a stamp to get this to you. This is not sob-sister stuff, but actual conditions, and when men like me begin to use what little brains they have, with gaunt starvation and even worse humiliation confronting us from every angle, and multiply my isolated case by a million and add 11,000,000 additional, it is not difficult to believe that there possibly may not be another national election in 1936. This can no more endure than it did in a similar time in France, when the people took matters in hands. I hope it will not come, but I am fearful of it.

Conditions such as are pictured in this letter and in the article read absolutely demand that we devote our most earnest thought and endeavor toward alleviating in every possible way the burden of distress which is pressing so heavily upon our people. We cannot afford to disregard one avenue of relief, one opportunity for extending a helping hand to our overburdened, suffering citizens.

Referring to my amendment, which seeks to reduce the interest exacted from the distressed home owner from 5 to 4 percent, I wish to say that when we passed the original Home Owners' Loan Act we provided an unguaranteed bond which bore 4-percent interest, and we then charged the distressed mortgagor 5 percent, which was adequate under those conditions. Now, since we have guaranteed the bonds, and since they are selling under 3 percent, Uncle Sam is acting the part of Shylock when he continues to exact 5 percent from the distressed mortgagor. From the standpoint of justice to our distressed home owners, this amendment ought to be adopted. If it is not adopted in this House, I think it is very probable that a similar amendment will be offered and adopted in the Senate. The Senate has already sent over to us a bill providing 31/2 percent interest on loans to our distressed farmers. This bill, reducing the interest rate to the farmer, has met opposition in committee and has not yet been reported to the House for action, notwithstanding its merit and the relief which is contemplated to be given to our distressed farmers. If we do not adopt my amendment at this time, providing similar relief to our distressed home owners, I believe it is very probable that the bill will come back to us from the Senate with 'an amendment of this nature, for the Senate has by its action in providing for reduction of interest rates to our farmers expressed itself as opposed to interest profiteering on the part of the

It may be said that we cannot get the funds, but I would remind those who make such statements that we are selling baby bonds today at 2 percent and less. Why can we not utilize these funds obtained from baby bonds to purchase our own Home Owners' Loan Corporation bonds? In addition, we have over a billion dollars on deposit in Postal Savings which we lend to the private banker at 21/2 percent without any security. These Postal Savings funds should likewise be applied to the purchase of Home Owners' Loan Corporation bonds. Under this procedure, if my amendment is adopted and the interest rate reduced to 4 percent, there will still be a profit to the Government of approximately 11/2 percent on the interest charged the distressed home owner. If we continue to exact 5 percent interest from the distressed home owner, the Government would make a profit as high as 21/2 percent per annum if we applied our own Federal funds in the purchase of the bonds. Even though we do not apply Federal funds as we should for this purpose, there is still a profit of more than 21/4 percent accruing to the Government from the interest payments of the distressed home owner on the funds which are today obtained from the private banking hierarchy.

I contend that the Government should not make a profit on interest exactions from the distressed home owner as it is doing today to the tune of two and a quarter percent, not including the cost of the Home Owners' Loan mortgage transactions.

# ONE-PERCENT INTEREST GUARANTEES PROFIT

I have in my office a communication from a building and loan association in which I hold certificates advising me that they can make a good profit on the handling of loans where | then I hope the committee will vote on the amendment.

they lend money at 1 percent more than they themselves pay for the funds deposited. As the Government has very little overhead, and as the Home Owners' Loan Corporation transactions have been handled generally in block or large groups, and as the funds are obtained through the sale of bonds in huge amounts, it is reasonable to assume that the Home Owners Loan Corporation would make a profit if they charged the home owners not more than 1 or 11/4 percent more than they themselves pay to the private lender for the necessary funds

If this amendment of mine is adopted, the distressed home owner will be saved at least \$47,500,000, which is no small figure to the hundreds of thousands of home owners who are in mortgage distress and also out of employment.

Of course, it is understood that those in the Congress who favor the bankers and the building-and-loan associations will oppose this amendment, inasmuch as the 4-percent interest which I propose for the home owner who obtains relief from the Home Owners' Loan Corporation would be virtually only one-half of what the home owner is required to pay today to the private banker and the private building-and-loan associations, exacting 7 and 8 percent and even higher rates of

If we wish to do something for the distressed citizen, we can do it in this instance without expense to the taxpayer, and we should do it, even though our action may not meet with the approval of the private financial leaders, whose principal agency is centered in Wall Street.

#### DISABLED VETERANS ALSO PAY UNNECESSARY INTEREST TRIBUTE

Notwithstanding that the Government has more than sufficient Postal Savings available, and also that Government issues at 3 percent or less are continually oversubscribed by the Wall Street money barons, we find it is still necessary for disabled war veterans, borrowing on their life insurance policies, to pay the Veterans' Administration 6 percent interest for such loans.

Many private insurance companies charge less than 6 percent when their policyholders are forced to borrow on their policies, and no fair-minded individual, recognizing these facts, can justify the interest exaction of 6 percent which the Veterans' Administration demands when unemployed and desperate veterans are forced to borrow on their policies.

At a later date I shall discuss this question in more detail and show, from official records, that the record of the Government in the insurance business justifies a serious doubt as to the benefits accruing to the individual citizen through Government competition with private business.

[Here the gavel fell.]

Mr. STEAGALL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, our advices are that the cost of handling loans on real estate of the type provided for in this bill runs between 1 and 2 percent, as developed by the experience of the established lending institutions of the country. It costs on an average about 3 percent and above to obtain the funds with which to carry on the work of the Home Owners' Loan Corporation. Everybody can understand that in setting up an emergency institution of this kind, with foreclosures widespread throughout the Nation, with conditions of distress so accentuated as to demand this unusual and extraordinary effort of the Government to come to the rescue of the home owners of the country, it is inevitable that with an institution of this type there should be a higher initial expense in putting the system into operation; so that the interest rate would be somewhat greater than the rate which experience shows is necessary in the lending institutions of the United

Mr. HOEPPEL. Mr. Chairman, will the gentleman yield? Mr. STEAGALL. I am sorry; I have not time to yield. Mr. HOEPPEL. The gentleman has unlimited time. The

gentleman ought to yield to me and let me answer his state-

Mr. STEAGALL. Mr. Chairman, I decline to yield. We must finish this bill today. I want to make a statement, and

Mr. Chairman, this is the situation: People of this country who were confronted with foreclosures upon their homes, with the danger of having their families left without shelter, are not concerned with a trivial difference in the interest rate to be paid if they can refinance their indebtedness and save their homes. It is easy to talk about reducing interest rates; that makes good reading back home; but it is a trivial thing to the individual borrowers who are about lose their homes. It will be a serious thing for them, however, if we so hamper and handicap the Home Owners' Loan Corporation in the matter of interest charges that they are forced to employ stricter methods of appraisal, to restrict their loans, and curtail the relief that they have been enabled to afford the citizens of the country who are in danger of losing their homes. That is what is going to happen if we put an interest rate into effect that will involve enormous losses to the Government. Everybody knows that the problem of losses is bound to confront the Home Owners' Loan Corporation sooner or later. If we want to give money away, that is another matter. But I am sure this House desires to adhere to the policies upon which we embarked; that we desire to go forward with this work until the task is finished and not attempt to throw difficulties and handicaps into the management of this organization and the lending of these funds. There could be but one result from such a policy, and that would be to tighten up requirements and to restrict the relief to be afforded the distressed citizens of the country. The rates of interest being paid by mortgagors financed by the Home Owners' Loan Corporation are the lowest ever known in the United States.

I ask that the amendment be voted down.

Mr. Chairman, I move that all debate on this section and all amendments thereto do now close.

Mr. HOEPPEL. Mr. Chairman, will the gentleman yield before he presses his motion?

Mr. STEAGALL. No.

The CHAIRMAN. The question is on the motion of the gentleman from Alabama.

The question was taken; and on a division (demanded by Mr. Mott and Mr. Hoeppel) there were-ayes 100, noes 27. So the motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. HOEPPEL] to the amendment offered by the gentleman from Ohio [Mr. SWEENEY].

Mr. HOEPPEL. May we have the amendment read?

The CHAIRMAN. Without objection, the amendment to the amendment may be read.

The Clerk read the Hoeppel amendment to the Sweeney amendment.

The amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. SWEENEY].

The amendment was agreed to.

Mr. TRUAX. Mr. Chairman, I offer an amendment in the form of a new section.

The Clerk read as follows:

Following Sweeney amendment: Section 4 of the Home Owners' Loan Act of 1933, as amended, by adding at the end thereof a new subsection to read as follows:

# "STAY OF PROCEEDINGS

"If on or within 5 years after the day this amendment takes "If on or within 5 years after the day this amendment takes effect any home owner or owner of real property occupied by such owner files an application to refinance the mortgage or other indebtedness upon his home or real property occupied by such owner under the provisions of this act and said application is refused, rejected, or unduly delayed and such owner and applicant is in default in the payment of either principal or interest of any debt secured by a mortgage on such home or real property, or of taxes the nonpayment of which constitutes a default under such mortgage such default shall constitute an act of bankruptcy and such gage, such default shall constitute an act of bankruptcy, and such home owner being therefore unable to pay his or her debts as they fall due shall be deemed insolvent and a bankrupt for the purpose of this title.

"No proceeding to foreclose or otherwise to enforce any claim against or out of the home, or real property of such bankrupt and no sale or foreclosure, execution, or otherwise shall be instituted, further prosecuted, held, or made on or within 5 years after the day this act takes effect except upon petition in bankruptcy duly

filed in a court of the United States pursuant to the act of July 1, 1898, entitled 'An act to establish a uniform system of bank-ruptcy throughout the United States', as heretofore amended."

Mr. STEAGALL. Mr. Chairman, I make a point of order against the amendment that it is not germane to the section which it seeks to amend.

Mr. TRUAX. Will the gentleman withhold his point of order?

Mr. STEAGALL. All debate has been closed on all sections and amendments thereto.

Mr. TRUAX. This is a new section.

The CHAIRMAN. The Chair sustains the point of order. because the amendment as offered by the gentleman from Ohio [Mr. TRUAX] is not germane to the section of the pending bill or to the section of the act of 1933 it seeks to amend. It is not within the province of the Banking and Currency Committee to pass upon matters of bankruptcy; bankruptcy is the gist of the gentleman's amendment. That is a matter which would be within the province of the Judiciary Committee. For these reasons and others the point of order is sustained.

Mr. MASSINGALE. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. Massingale: Amend section 4 of Home Owners' Loan Act of 1933, by adding a new subsection, following subsection M of section 4 of said act, as follows:

"(N) Provided, That when any building-and-loan association

receives bonds from this Corporation at 100 cents on the dollar, such building-and-loan association shall be required to pay holders of its stock, its depositors, and its other creditors 100 cents on the amount invested by such stockholders, depositors, and creditors in said building-and-loan association, and it shall not be permitted to settle with any of its stockholders, depositors, or other creditors by distributing to them, or any of them, the bonds of this Corporation on any agreement, contract, or understanding that requires such stockholder, depositor, or other creditor, to discount his claim against such building-and-loan association."

Mr. STEAGALL. Mr. Chairman, I make the point of order that the amendment is not germane to the section. It deals with a subject foreign to anything covered by this proposed legislation.

The CHAIRMAN. Does the gentleman from Oklahoma [Mr. Massingale] desire to be heard on the point of order?

Mr. MASSINGALE. Mr. Chairman, I hastily drew up this proposed amendment, but it occurs to me it is germane to this subject.

The CHAIRMAN. The Chair has examined as carefully as he could the amendment offered by the gentleman from Oklahoma [Mr. Massingale], which seeks to amend section 4, subsection (m) of the Home Owners' Loan Act of 1933. The Chair feels that in view of the fact the gentleman's amendment refers to building-and-loan associations, which is not covered by subsection (m) of section 4 of the Home Owners' Loan Act of 1933, the point of order is well taken because the amendment is not germane. The Chair therefore sustains the point of order.

Mr. MOTT. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Morr: Page 7, following section 10, insert a new section: "Subsection (j) of section 4 of the Home Owners' Loan Act of 1933 is amended by striking out the following language contained in the first sentence of said section: without regard to the provisions of other laws applicable to the employment or compensation of officers, attorneys, or agents of the United States."

Mr. MOTT. Mr. Chairman, this is the civil-service amendment, and it puts all officers and employees of H. O. L. C. under civil service. The reason it is offered, aside from its intrinsic merit, which is generally admitted by everyone, is that through it I want to accept an offer which was made on the floor a few minutes ago. While the gentleman from Georgia was speaking in opposition to the civil-service amendment offered by the gentleman from New York [Mr. Andrews], the gentleman from Georgia stated that had the gentleman from New York offered a straight civil-service amendment he would be glad to support it. This remark received a considerable amount of applause from both sides of the House, and I really think the Democrats concurred in | we enacted into law the Frazier-Lemke Farm Bankruptcy it even to a louder extent than the Republicans.

Now, Mr. Chairman, this is simply an amendment bringing all employees of the Home Owners' Loan Corporation under the civil-service laws of the United States. It is so simple that no one can misunderstand it. It merely amends section 4 of the original act by eliminating the language exempting H. O. L. C. employees and officers from civil service, and if adopted, the amendment will automatically put them all under civil service.

This is the kind of a civil-service amendment the gentleman from Georgia stated on the floor he would support, and, as I have said, his offer was loudly applauded by Democrats. Well, Mr. Chairman, here is now that precise amendment. I am anxious to see whether our friends on the other side will vote as they applaud, or whether this amendment, like the Andrews amendment, will be voted down by a straight party vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon [Mr. Mott].

Mr. McFARLANE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.
Mr. McFARLANE. Does this include putting the Republican Members of Congress under civil service?

The CHAIRMAN. That is not a parliamentary inquiry. The question was taken: and on a division (demanded by Mr. Morr), there were—ayes 43, noes 103.

So the amendment was rejected.

Mr. WOLCOTT. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. The gentleman will state it.
Mr. WOLCOTT. Will the Chair inform me whether the

Brown amendment, adding a new paragraph, has been voted

The CHAIRMAN. The Brown amendment added a new section which became section 11 of the pending bill.

Mr. WOLCOTT. That amendment has been voted upon? The CHAIRMAN. It has been voted upon and adopted. The Clerk read as follows:

Sec. 14. Subsection (m) of section 4 of the Home Owners' Loan Act of 1933, as amended, is amended by striking out "\$300,000,000" and inserting in lieu thereof "\$400,000,000."

Mr. STEAGALL. Mr. Chairman, I ask unanimous consent that the Clerk be instructed to number the sections properly, as we proceed with the bill, in view of the fact that the section numbers should be changed.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. TRUAX. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the amendment which I offered a moment ago and which was ruled out of order, under the rules of this House, is the only legislation, in my humble judgment, that will relieve from foreclosure and save from losing their homes the hundreds of thousands and millions of home owners who have not been able or who will be unable to refinance their home mortgages.

I call your attention to the fact that this word "mortgage" is the most hideous word that can be uttered to these distressed people. This word "mortgage", composed of the two French words "mort", meaning death, and "gage", meaning the hand of death, is what this word is doing to these distressed people-literally choking and strangling them to an economic death.

Much solicitude has been presented and much sympathy has been offered for the thousands of people who cannot be reached by the legislation which we have now enacted. Regardless of all the speed that may be attached to these new amendments and this new legislation, even though I admit you have stirred up these bureaucrats in the H. O. L. C., as well as the autocrats, yet what are you going to do about the poor devil who cannot or will not be reached. Are you going to continue to let him sacrifice his home, his all, the same as you did with the American farmer until June 23, 1934, when

Act? This is the only vehicle that can be used; the only mechanics that can be employed is to enact my amendment for a national moratorium that will be declared constitutional by every court in this land. My moratorium amendment is constitutional because it is an amendment to the National Bankruptcy Act, an act over which the Congress of the United States has plenary power. You are the only body, the only agency in the world that can help these people and save their homes. Do you expect help from the money lenders and the Shylocks? Why, you might as well go and stand upon the beach and bid the main flood to abate its usual height. You may as well question the wolf as to why he has made the ewe bleat for her lamb. You may as well undertake to do anything most hard as to seek to soften that than what is harder—his damnable money-lender's heart.

Mr. Chairman, the man who has a home may be rich in the eyes of his family. He may have a roof to shelter those whom his heart holds dearest. His table may be furnished with frugal fare, and if he has the dauntless courage of manhood and woman's deathless love, he may be far richer, this humble worker, than the millionaire in his marble halls. [Applause.]

[Here the gavel fell.] The Clerk read as follows:

SEC. 16. Section 6 of the Home Owners' Loan Act of 1933, as amended, is amended by adding the following sentence at the end thereof: "For the purposes of this section, the Secretary of the Treasury is authorized and directed to allocate and make immediately available to the Board out of the funds appropriated pursuant to section 5 (g) the sum of \$200,000, which shall be in addition to the funds heretofore appropriated or made available pursuant to this section, and shall be subject to the call of the Board and shall remain available until expended. Such funds shall be seed impartially in the promption and development of local thrift used impartially in the promotion and development of local thrift and home financing institutions whether State chartered or Federal."

Mr. SISSON. Mr. Chairman, I move to strike out the last

Mr. Chairman, I want to direct the attention of Members on both sides of the House, because this is an entirely nonpartisan matter and a nonpartisan question, to a provision which appears in the latter part of this bill in section 22, wherein the Housing Administration is authorized to insure loans for the purpose of modernization and repair, when made upon commercial business places, small manufactories, and so forth, to the extent, as appears in this bill, of \$25,000, and I direct your attention to the fact that my colleague from the State of New York, Mr. O'CONNOR, will offer an amendment at the appropriate place for the purpose of increasing this \$25,000 authorization to \$50,000, as the maximum limit. I also call your attention to the fact that this does not involve any appropriation of money. It does not involve any additional authorization as to the amount of liability which the Government assumes through the Housing Administration. It is merely a broadening of its power under this section to set the wheels of industry going, to put men to work, and I especially direct your attention to the fact that this is the emergency part of the act. It expires the 31st of December of this year, while the remaining portions of the act are permanent, being the reconstruction portions. This was placed in operation about the middle of last August and as showing the interest the country has been taking in this, over 12,700 financial institutions, with resources of over \$44,000,-000,000, have signed the credit-insurance contracts under title I of this act and 4,400 of them at the present time are actually reporting modernization loans under this section.

Now, why am I directing the attention of Members to this? Ladies and gentlemen of the committee, this is an administration measure. This was requested by the Federal Housing Administration. They came in and asked for it—the most important provision that could be given to them.

In proof of that I call your attention to the fact that the original bill as introduced by the Chairman of the Banking and Currency Committee contained an authorization for \$50,000, and in committee, by a vote of 12 to 11, without giving any sound reason for it whatever, the Banking and Currency Committee cut it in two to \$25,000.

We heard yesterday the appeal of the Chairman of the Banking and Currency Committee to follow the administration. And then the Banking and Currency Committee gives you a "gold brick", because there are a lot of men in this Chamber who voted for the home-owners' loan provision, believing there was 60 days' extension within which, as a matter of right, distressed home owners could have their loans considered by the Home Owners' Loan Administration. But you did not get anything of the sort for your constituents. You got something that looked like the real thing. You got a gold brick."

I am sorry to say that, but I am obliged to say it because I do not want you to follow the ordinary presumption that the committee is always right.

[Here the gavel fell.]

Mr. HOLLISTER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I believe that some further explanation should be made, in view of the statement made by the gentleman from New York, so that the membership of the Committee may understand what it is we are discussing.

The Housing Act, which was passed last year, was supposed to take care of the individual home, and approached the question of home mortgages from several points of view.

Title I provided that the Government would insure to the extent of 20 percent a line of credit which an institution approved by the Housing Administration might extend to a borrower, no one of which loans could exceed \$2,000.

In other words, there was to be no insurance of any particular loan. The insurance was to be of the line or credit which the private institution was to give, as approved by the Housing Administration. If the Housing Administration approved a \$50,000 line of credit, and there was a loss of \$10,000 altogether, the Government took that loss; if there was a loss of \$15,000 altogether, the Government would take a loss of \$10,000, or 20 percent of the line of credit the institution might have, which the Government agreed to insure.

These loans were limited to \$2,000, and were for modernizing, renovating, and improving homes. The provision in this bill-and I am not now discussing the merits of it, but merely pointing out to the members of the committee what it means—extends this insurance to a line of loans up to \$25,000 for each loan, as made by accredited institutions. If the line of credit which the Housing Administration extends to the lending institution should be \$100,000, they might make four \$25,000 loans, and if one of those was completely lost, the Government would have to pay \$20,000, because the Government is insuring 20 percent of the whole line of credit that the institution puts out, and the institution itself would take a loss of \$5,000. If the loss were only \$10,000, either in one or two or three loans, the Government would take the whole loss.

The reason I emphasize that is because so many people have the idea that the Government insures 20 percent of each individual loan, and they say there will be no loss to the Government because the lending institutions will be particularly careful not to make loans when they may have to take 80 percent of the loss. That is not the case. The lending institution might not have to take any loss whatsoever, even if they lost two or three loans, depending on the amount of the loss and on the size of the line of credit that the Government gave. Incidentally, in the present bill these loans are to be made not on mortgage security but they are supposed to be character loans, the theory being that if there is a man of good character and good prospects he should be able to borrow up to \$2,000 to improve his

The suggestion is made that \$25,000 should be loaned on apartment houses, commercial buildings, hotels, and so forth, without security, with which to put in machinery or to add a wing or to make certain improvements to the real estate. It is a considerable extension from the \$2,000 in the original bill to the \$25,000 in this bill, or \$50,000 before it was amended in committee. If we look at this as an idea wanted it \$50,000 and the \$25,000 was a compromise, the

that we are trying to pump money out to boost industry and thereby willing to take a loss to the Government-

The CHAIRMAN. The time of the gentleman from Ohio

Mr. SISSON. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended 5 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HOLLISTER. If the theory of this is that the Government is going to back any pumping out of private money, no matter how it is done, there is no particular reason to limit it to \$25,000 or \$50,000 or even \$100,000, if we are careful enough in the accredited institutions that we support. What we must understand, however, when we go into this, that it is no longer a small-home proposition, that we are branching out on a pretty large scale, and are taking a certain risk in Government money, and naturally to the extent that the limit is raised from \$2,000 to \$25,000 or \$50,000, to that extent the Government is taking a larger risk than when it is taking on a lot of \$2,000 loans.

Mr. SISSON. Mr. Chairman, will the gentleman yield?

Mr. HOLLISTER. Yes.

Mr. SISSON. First, I want to thank the gentleman for his unusually fair and clear statement, although it is not unusual for him. It is the same statement that the gentleman always makes, whether in committee or on the floor.

Mr. HOLLISTER. I thank the gentleman.

Mr. SISSON. I call the gentleman's attention to the fact that the total liability assumed by the Government under this section still remains the same, \$200,000,000.

Mr. HOLLISTER. That is correct.

Mr. SISSON. But I think the gentleman probably inadvertently or else with an understanding of this section a little different from mine-although it is not very importantsaid that there was a distinction as between the insured loan made for the purpose of rehabilitating factories, commercial places, etc., and the insured loan for the purpose of modernizing homes. Does not the gentleman understand that the limit of the 20 percent applies to all of the loans under the approval of the lending institution?

Mr. HOLLISTER. Oh, absolutely. As a matter of fact, I might suggest to the gentleman that if this thing is to go to \$25,000, I see no reason for any limit whatsoever. If the Government will approve a lending institution and back the kind of loans that institution will make up to \$25,000, I see no reason to limit it to any particular kind. It seems to me that it might be wide open.

Mr. DINGELL. Mr. Chairman, will the gentleman yield? Mr. HOLLISTER. Yes.

Mr. DINGELL. I wonder if the gentleman understands that the Federal Housing Administrator approves fully the original amount of \$50,000 as presented in the bill?

Mr. HOLLISTER. There is no question about that.

Mr. DINGELL. He approves that because he has a surplus of \$100,000,000 to take care of this problem.

Mr. HOLLISTER. He has more than that.

Mr. DINGELL. He admits that he has at least \$100,-

Mr. HOLLISTER. He has not any cash on hand. The gentleman means that the provisions of the original bill have not been exhausted.

Mr. DINGELL. That is right. There is \$100,000,000 on the insured loans.

Mr. HOLLISTER. More than that.

Mr. DINGELL. Congress has provided \$200,000,000, and the Federal Housing Administrator bases his decision on a survey which I made. We are all familiar with the fact that 40 percent of our unemployed are in the building industry. Is there any reason why the committee should have cut that to \$25,000? Why did not the committee eliminate it entirely?

Mr. HOLLISTER. I can answer the gentleman very easily on that. A great number of the members of the committee thought it should not be in there at all. A number of them theory being that on \$25,000 loans there will be less loss than | on \$50,000.

Mr. DINGELL. I am obliged to disagree with the gentleman. The loss is 20 percent on any loan, whether it is \$25,000 or \$50,000, and it applies to the total within the portfolio of a certain institution.

Mr. HOLLISTER. That is correct.

Mr. DINGELL. So it does not make any difference in the final analysis.

Mr. DONDERO. Will the gentleman yield?

Mr. HOLLISTER. I yield to the gentleman from Michigan. Mr. DONDERO. In the example which the gentleman gave, if there are \$100,000 in loans made and there are losses

up to \$20,000, do I understand that the Federal Government stands the entire \$20,000 loss and the loaning company does not stand any part of it?

Mr. HOLLISTER. That is correct.

Mr. DONDERO. No matter whether the loss is in one loan or several loans?

Mr. HOLLISTER. No matter whether the loss be all in one loan or in four or five loans. That is correct.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. HOLLISTER] has expired.

Mr. BLANTON. Mr. Chairman, I move to strike out the last two words.

Mr. STEAGALL. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. BLANTON. Mr. Chairman, the purpose of the Housing Act was to furnish a means to modernize homes. It did not embrace apartment houses or hotels or office buildings. It was to modernize homes.

Section 22 of the bill, to which the gentleman called attention, seeks to enlarge that purpose, authorizing \$25,000 for apartment houses, hotels, and office buildings. Instead of passing the amendment as the gentleman suggests, doubling the \$25,000 to \$50,000, I am in favor of adding a period after the word "property", in line 23, page 13, and striking out the balance of that paragraph, so that all of the money will be used to modernize homes.

Mr. O'CONNOR. Will the gentleman yield to me?

Mr. BLANTON. In just a moment I will.

Then we would carry out the original purpose of the Housing Act, and then there would be plenty of money in this appropriation for actual home owners to modernize their homes. If this money is going to be used for apartment houses, hotels, and office buildings, either one of two things will happen. Either this money will be spent so lavishly on other purposes that most home owners will not be able to get money to modernize their homes, or else all home owners will be denied absolutely any relief whatsoever, for all of it will be spent on big apartment houses, big hotels, and big office buildings in the big cities, at \$50,000 a whack.

Mr. O'CONNOR. Will the gentleman yield? Mr. BLANTON. I yield.

Mr. O'CONNOR. The gentleman realizes that in my district in New York, for instance, and in many districts throughout the metropolitan centers, no home-loan mortgage has ever been made?

Mr. BLANTON. And I will tell the gentleman why. Many of those homes are mansions that cost several hundred thousand dollars each. The gentleman is seeking to grant this relief to apartment houses instead of to home owners. For instance, he would have them loan money to apartment houses like the Shoreham, the Alban Towers, the Kennedy-Warren, the Broadmoor, the Westchester, the Cathedral Mansions, and the Wardman Park, which house enough people to start a new city here in Washington. Now, that is not the purpose of the Home Loan Act or of the Housing Act.

Mr. O'CONNOR. No; that is not the purpose. Mr. BLANTON. But whenever you take in big apartment houses and big hotels and big office buildings, there |

will not be any money for the home owners. You could grant \$50,000 each, under such provision, to all of the big office buildings in Radio City. You could embrace every kind of building.

Mr. O'CONNOR. I hope the gentleman is not going to adopt the method of Mr. Fahey by trying to overwhelm me with words.

Mr. BLANTON. No. I am going to yield now and let the gentleman use his own words, because I am in sympathy with him whenever he attacks Mr. "Autocrat" Fahey.

Mr. O'CONNOR. In my district in Manhattan no loan has ever been made under this act. We have principally apartment houses and tenements. Those tenements are the homes of the people who live in them. Those tenements have been their homes for 25, 50, and 75 years. All the proposed amendment does is to permit alterations on their homes, insured only to 20 percent by the Government, so that cold-water flats may be turned into modern homes.

Mr. BLANTON. But the gentleman from Ohio pointed out just how far that might go. And as soon as the apartments were renovated on Government funds the landlords would double the rents on the tenants.

Mr. O'CONNOR. There is one billion five hundred million available by private agencies for alterations, 75 percent of which goes directly for labor.

Mr. BLANTON. I am sorry I cannot yield further. The gentleman will be heard in his own time. However, I am in favor of limiting these funds to the purposes of the Housing Act, which is to renovate homes. I am in favor of granting to the home owners the right to modernize their homes. These big apartment houses are not their homes. They live in them, of course, but the people who live in them would not be benefited, as they would be forced to pay higher rents. The owners are the ones who are being benefited. At the same time this Government is being placed where it may take a big loss, as was pointed out by the gentleman from Cincinnati a moment ago.

Mr. REILLY. The object of including this provision in the bill is because after a survey by the Housing Corporation they could not use the billion dollars given them, and they want to take in another field in order to take that up.

Mr. BLANTON. If the gentleman from New York wants to pass that kind of a bill and wants to take in big apartment houses and big hotels and big office buildings, he ought to bring in a separate measure and let it stand on its own feet. But we should not rob these home owners of their funds to modernize.

The CHAIRMAN. The time of the gentleman from Texas [Mr. Blanton] has expired.

The Clerk read as follows:

SEC. 18. Section 8 of the Home Owners' Loan Act of 1933, as amended, is amended by adding at the end thereof a new subsection to read as follows

tion to read as follows:

"(f) No person, partnership, association, or corporation shall, directly or indirectly, solicit, contract for, charge, or receive, or attempt to solicit, contract for, charge, or receive, from any person applying to the Corporation for a loan, any moneys, check, note, or other form of obligation, representing payment of any difference which may exist between the market value and the par value of the bonds of Home Owners' Loan Corporation. Any person, partnership, association, or corporation violating the provisions of this subsection shall, upon conviction thereof, be fined not more than \$5,000 or imprisoned not more than 2 years or both."

Mr. SAUTHOFF. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. SAUTHOFF: Page 11, line 3, after the

period at the end of said line, add the following:

"(g) In case foreclosures are prosecuted to conclusion the plaintiff shall not obtain any default judgment for any sums still unpaid after all recourse has been had and exhausted against the collateral securing the loan."

Mr. STEAGALL. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Wisconsin is recognized for 5 minutes.

Mr. SAUTHOFF. Mr. Chairman, I shall not need to take the 5 minutes. I just want to make two observations. One is that we are pouring steadily into these various needs for emergency relief vast sums of Government money; we are not relieving with any private money. As the gentleman from Massachusetts pointed out yesterday, the banks now hold \$14,000,000,000 of the Government's \$28,000,000,000 that has been poured into these various relief operations. The second observation is that the banks are holding and not releasing any private funds. Until they do we shall simply have to keep on pouring money constantly into these channels. What I want to see happen is some private money released for the purpose of taking up private business enterprise. You all know just as well as I that whenever you have gone to a bank they cannot make a loan even though your collateral be five or six times the value of the loan you solicit. What does the bank tell you? I have a bank at home with \$11,000,000 of deposits and \$5,000,000 of reserves, but it will not lend this money. I have gone in with collateral five or six times as great as the loan I wanted to make, and they said. "We cannot make the loan because the bank examiners throw out the note if it is for a longer time than

The thing I think we ought to do, and the thing to which I call the attention of the Committee on Banking and Currency, is to pass legislation that will compel a bank to pay taxes on anything they carry in their reserves over 25 percent, in order to release some of this money and get it into the channels of trade. There is plenty of money; the trouble is, the money is idle, there is no velocity to it. Until you get it out and get some velocity to it you cannot do business. Such legislation will force the banking department to liberalize its ruling that a bank cannot take a note with a maturity date greater than 30 days. That is why I am offering this amendment. I want to afford some relief, because, after all, you know as well as I do that if these home owners' loans have to be foreclosed there is no sense in taking a default judgment good for 20 years thereafter. They will not have any assets. Give them a chance to get back on their

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. SAUTHOFF. I yield.

Mr. WHITE. Does not the gentleman think the repeal of the tax-exempt provision on Government securities would bring his plan into operation?

Mr. SAUTHOFF. No; I do not think it would.

Mr. FORD of California. Mr. Chairman, will the gentleman yield?

Mr. SAUTHOFF. I yield.

Mr. FORD of California. The philosophy the gentleman has just expressed should make him want to vote for this provision to raise the limit from \$25,000 to \$50,000, because it is going to bring private money out and put it to work. That is exactly what it is intended to do.

Mr. STEAGALL. Mr. Chairman, I make the point of order against the amendment that it is not germane to the section.

The CHAIRMAN. The Chair has examined section 8 of the original act, which the amendment of the gentleman from Wisconsin seeks to amend. The pending amendment relates to default judgment in foreclosure action and the effect of foreclosure upon the collateral behind the mortgage. In other words, the amendment refers to civil diffi-culties and remedies. Section 8 of the original act relates well-nigh exclusively to penalties to criminal action for the forging, altering, or counterfeiting of any debenture or bond of this Corporation and refers specifically to the Criminal Code. Criminal penalties cannot be mixed with civil remedies. For these reasons, the Chair is of opinion that the amendment of the gentleman from Wisconsin is not germane and, therefore, sustains the point of order.

Mr. STEAGALL. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 5 minutes.

Mr. McFARLANE. Mr. Chairman, reserving the right to object, I ask unanimous consent to return to that section of the bill to which the amendment of the gentleman from Wisconsin would be germane.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. O'CONNOR. Mr. Chairman, reserving the right to object, who is going to determine to which section of the bill the amendment is germane?

Mr. McFARLANE. I understood the Chair had ruled that the amendment would be germane to an earlier section of the

The CHAIRMAN. The Chair is not able to state to what section of the bill it would be germane.

Mr. McFARLANE. I understood, from speaking to the chairman a while ago, that this amendment would be germane to an earlier section of the bill.

The CHAIRMAN. No. The Chair sustained the point of order that the amendment was not germane to section 8, subdivision (a) of the original act.

It is not the province of the Chair to indicate to what section such an amendment might be germane.

Mr. STEAGALL. Mr. Chairman, I object to the request of the gentleman from Texas.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. GIFFORD. I wish to direct my remarks to these socalled "character loans" and increasing them from \$2,000 to \$25,000. Is it any argument for the gentleman from New York to make that the limit of the losses is only \$200,000,000 anyhow? Is it to be assumed that we might well lose the whole \$200,000,000?

Mr. Chairman, I think a report ought to be made as to the success or amounts made on this particular type of loans. A list of the approved banks was read; also the number of banks that had made such loans. Many banks would not make those loans for more than 1 year. Do we realize that in many distant localities borrowers who may and do go to New York City where there are several banks, we understand, that will take such loans no matter where they originate, knowing that out of the total number of those several loans they could not probably lose over 20 percent, which is insured by the Government.

Mr. SISSON. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from New York. Mr. SISSON. I am sure the gentleman does not want to mislead the House. The gentleman, I believe, inadvertently made a misstatement when he said that the bank could only lose 20 percent.

Mr. GIFFORD. No. I said the limit of liability to the Government is \$200,000,000.

Mr. SISSON. Yes; and the limit of liability is also 20

Mr. GIFFORD. Mr. Chairman, I wish to stress the point that the limit of loans to be assumed by the Government is \$200,000,000. We insure the liability of one banking institution to 20 percent of its losses. Now, increasing from \$2,500 to \$25,000 without security on a character loan, so-called, is going far afield; and when you extend it to \$50,000, it seems to me that it is going altogether too far in this by allowing the R. F. C. a lot more money to take care of industrial loans on only adequate security, so called. We here attempt to bring in apartment houses, hotels, and industrial activities without security in spite of the unfortunate record which they have made in the last few years in most localities.

Mr. DINGELL. Will the gentleman yield?
Mr. GIFFORD. I yield to the gentleman from Michigan.
Mr. DINGELL. Does the gentleman know that the insurance feature of the bill provides that one-fourth of 1 percent premium is incumbent upon the borrower, and that is five times the experience on losses from this type of loan?

Mr. GIFFORD. Mr. Chairman, may I get to the point, if I can? With the \$2,000 character loans distributed as they are, we do not expect to lose very much money. Why tack on a feature in the bill where we would be assured to lose a lot of money? That is not good banking. It is going altogether too far. I rather criticize banks taking loans from far-distant localities. Ultimately it will lead to large

losses. I would like to ask the gentleman if he thinks a bank in New York City should be willing to take loans from any part of the country which are presented to them simply because they know that the Government is going to take care of a 20-percent loss? To increase it to \$50,000 might be a means of jeopardizing the real intent of the Housing Act.

Mr. O'CONNOR. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from New York. Mr. O'CONNOR. The Members from New York City have

taken pretty good care of Cape Cod.

Mr. GIFFORD. Yes. They sent carload after carload of cabbage bought in the State of New York to relieve the farmers of New York to New England, enraging New England farmers, and allowed to decay in storehouses. We do not forget that unfair and odorous transaction.

Mr. O'CONNOR. We voted for the fish and oysters in the gentleman's community.

Mr. GIFFORD. How has New York City cared for us? I would like to know.

Mr. O'CONNOR. There have been 12,700 institutions which have accepted these loans. They are not all in New York City. They are all over the country.

[Here the gavel fell.]

The Clerk read as follows:

Sec. 19. Paragraph (5) of subsection (c) of section 402 of the National Housing Act is amended by adding the following sentence at the end thereof: "The Corporation shall be entitled to the free use of the United States mails for its official business in the same manner as the executive departments of the Government, and shall determine its necessary expenditures under this act and the manner in which the same shall be incurred, allowed, and paid, without regard to the provisions of any other law governing the expenditure of public funds."

Mr. WILLIAMS. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Williams: On page 11, line 9, after the word "Government", change the comma to a period, insert quotation marks, and strike out the remainder of the paragraph.

Mr. WILLIAMS. Mr. Chairman, this amendment is in accordance with the amendment offered by the gentleman from Texas [Mr. Buchann] on yesterday and adopted by the Committee. It will be observed that this section refers to the use of mails by the Federal Savings and Loan Insurance Corporation. The first part of it I think should stand, but the part I request be stricken is the part which removes their accounts from the audit of the General Accounting Office. I think there can be no objection to this amendment, and I do not care to discuss it further. It simply places the accounts of that Corporation, in accordance with the Executive order of the President, as I understand it, on exactly the same basis as all other corporations, namely, that they shall submit their expenditure accounts to the General Accounting Office for audit.

Mr. CONNERY. Will the gentleman yield?

Mr. WILLIAMS. I yield to the gentleman from Massachusetts.

Mr. CONNERY. And brings back to our Appropriations Committee a little of our previously removed power?

Mr. WILLIAMS. Yes.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. WILLIAMS].

The amendment was agreed to.

Mr. CARPENTER. Mr. Chairman, I move to strike out the last word.

Mr. STEAGALL. Mr. Chairman, if the gentleman from Kansas will permit, I ask unanimous consent that all debate on this section and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. CARPENTER. Mr. Chairman, I would like to ask the chairman of the committee a question in advance of what I have to say in regard to this bill. Under the law as it now exists, or as provided in this bill, will local agents of the

Home Owners' Loan Corporation be granted the free use of the mails in connection with the transmission of their reports, as well as their other official business?

Mr. WILLIAMS. The gentleman is referring to the section we are now considering?

Mr. CARPENTER. Yes.

Mr. WILLIAMS. No; this paragraph has no application to them at all. This refers to the National Housing Act.

Mr. CARPENTER. Is there any provision of law that will give them this privilege?

Mr. WILLIAMS. No; they have not that privilege now. Mr. CARPENTER. Mr. Chairman, I rise to suggest that there should be an amendment adopted for that purpose. In my State, last year, the local agents of the Home Owners' Loan Corporation in the various counties were given orders not to take any more applications. Their pay ceased then and there and yet they were given orders from the Home Owners' Loan Corporation to go out and appraise and check up different loans and to run all over the country and make any number of investigations. They did this, and at the same time their right to the free use of the mails was stopped. They did not have the use of the free use of the mails; they had to use the mail and pay postage. They spent a lot of money in this way, and they also had expenses for office rent, for gasoline, and other matters, to say nothing of their own time, for which they were not reimbursed. This condition lasted from 3 to 6 months. The agents all over the State of Kansas for 6 months were out several hundred dollars of expenses, including a large amount for postage. These men should be reimbursed for these expenditures. The matter is now before the head of the Corporation here in Washington, and they have been promised an investigation of the matter and some definite action. I think the least we can do is to give them the right to use the mails like other Government agencies, free of charge, when they are transacting Government business.

Let me say further that soon we will pass this bill, and in doing so we are fulfilling a pledge we have made to our constituents during the past few months that this Congress would enact legislation to further carry on the Home Owners' Loan Corporation and give these people relief, because before the first of the year we know that the Home Owners' Loan Corporation ceased receiving and acting on applications, and we were flooded with requests from people who had applications pending for the last year and were about to receive their loans when such relief was shut off.

I wish to commend the committee for the hard work it has done, and I am pleased that we were able on the floor here to get amendments adopted that will help this legislation. We have had the experience of the operations of this act for the past year. We know its weak points and I am pleased that we got through an amendment that will make a man having a little shop in connection with his home eligible for a loan, and other beneficial amendments.

There is one objection I wish to voice here, although I do not believe there is any proper place for such an amendment; but I want the Home Owners' Loan Corporation to know how we feel in regard to this law and its operation and be advised of the intention of Congress. There has grown up a practice in considering applications for loans of considering provisions that are not in the act, and I refer to the practice indulged in by the Corporation that if Dun & Bradstreet or some other credit agency makes an adverse report against a man they refuse to grant him a loan.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield there?

Mr. CARPENTER. Yes.

Mr. O'CONNOR. We tried to find out from the chairman of the Corporation why he employed Dun & Bradstreet, who was behind the employment of them, and what Dun & Bradstreet could find out about a home owner. We never were able to find out, except that hundreds of thousands of dollars have been paid to Dun & Bradstreet because of some connection they have with somebody in the Home Owners' Loan Corporation. [Applause.]

Mr. CARPENTER. I may say, in conclusion, if a man had a good standing or favorable rating with Dun & Bradstreet, he would not need to apply for any such loan. [Applause.] [Here the gavel fell.]

The Clerk read as follows:

SEC. 25. The last sentence of section 2 of the National Housing Act is amended to read as follows: "No insurance shall be granted under this section to any such financial institution with respect to any obligation representing any such loan, advance of credit, or purchase by it in excess of \$2,000 for the purpose of financing alterations, repairs, and improvements on real property other than apartment houses, hotels, office and other commercial buildings, hospitals, and manufacturing or industrial plants; and no insurance shall be granted under this section to any such financial institution with respect to any obligation representing any such loan, advance of credit, or purchase by it in excess of \$25,000 for the purpose of financing alterations, repairs, and improvements on real property improved by apartment houses, hotels, office, and other commercial buildings, hospitals, and manufacturing or industrial plants; including installation of new permanent equipment and machinery in such manufacturing or industrial plants; nor unless the obligation bears such interest, has such maturity, and contains such other terms, conditions, and restrictions as the Administrator shall prescribe."

Mr. HANCOCK of North Carolina. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

On page 13, strike out section 25.

Mr. HANCOCK of North Carolina. Mr. Chairman, ladies and gentlemen of the Committee, in offering the amendment to strike out section 22 of the printed bill, or 25 of the bill as it now stands, I am sure no one in this House, notwithstanding the inuendoes which have been made, will think that I am motivated by any sectional interest. I am merely trying to keep the Government's operations on a sound basis. If this amendment is adopted, title I of the original act will remain the law as it now stands and permit the Federal Housing Administration to continue to insure small loans through approved institutions for the purpose of enabling the people throughout the country who cannot secure credit otherwise to improve, renovize, and modernize their homes. My good friend, Mr. Hollister, has already splendidly explained what is before us. Based on the testimony which was presented to us by Mr. Eccles, Mr. Dean, Mr. Riefler, and Mr. Fahey last year, this was supposed to be the real purpose of title I of the Federal Housing Act. Loans were limited to \$2,000 to any one person. It was represented that millions of homes in this country were in dire need of repair and that through a renovizing program they could be put back in decent living condition. It was also believed that through this means of financing, improvements could be made which would add to the living comforts of thousands of families. Coincident with this desirable objective was the hope of stampeding private capital into action, stimulating the durable-goods industries, and putting men back to work. I always had my misgivings about the success of this plan, but as the Record will show, I was willing to go along with this program, hoping that I was wrong.

Here is what has happened, according to the testimony of the Administrator and his assistants: Up to February 12, approximately \$40,000,000 in advances through approved institutions has been insured by the Housing Administration under title I. Since the Government is liable up to 20 percent of the aggregate amount of loans insured through any one institution, its liability up to date amounts to approximately \$8,000,000. It has cost approximately one and onehalf million dollars, or 19 percent, based on the Government's liability, to bring about this small amount of housing activity. Under the act \$200,000,000 was set apart to insure loans up to a billion dollars. I have no doubt but that those in charge have done the best they could under general conditions, and I have not a single word of criticism to say against the personnel of the Administration. I am still hopeful that it may yet bring about a great revival of business activity through stimulation of the durable-goods industries. Of course, my first concern is in seeing that these funds provided in title I are used to bring about better homes, and thereby better living conditions, among the masses of the people in this country.

If section 22 of the printed bill becomes a part of the law. it practically means the abandonment of the original purpose, and no longer will this sum of money be used for assisting small home owners but will be gobbled up by commercial and industrial institutions throughout the country. If you do not strike out the section, as I propose by my amendment to do, it is my prediction that the entire amount of balance in the insurance account, amounting to \$192,000,000, will go to pay losses to the large banks and big installment financing companies in this country. Mr. Moffett advised us that out of a total of \$40,000,000 of loans insured, approximately \$6,500,000 had been insured through the National City Bank in New York. I am perfectly willing to see the Government assist in a sound way every legitimate industry and commercial establishment in this country, but we have already provided through the Reconstruction Finance Corporation a plan and a means for doing this. If this amendment of mine does not carry, it means that your Government will, in my opinion, be practically giving a bonus of 20 percent in order to entice and induce these institutions to do what they should voluntarily and patriotically do to aid in bringing about recovery. Under the present regulations, the borrower under title I of the present law pays 9.72 percent interest on his loan. Under regulations prescribed by the Federal Housing Administration, if the borrower defaults on an installment, the lending institution can add a 5 percent additional charge, which makes the interest or cost 14.72 percent on every hundred dollars. Please do not forget that these are what may be termed "character" loans, and, according to the testimony before our committee last year, no security could be lawfully taken. Do you think it is right to require the small home owner to mortgage his home to the Home Owners' Loan Corporation and permit commercial and industrial corporations to secure \$50,000 loans, guaranteed up to 20 percent by the Government, without any security? In other words, if this amendment is not stricken out, it means in a way that these lending institutions would be liable for only about 70 cents on every dollar which they lend. In making this statement I am assuming that they will collect an average of 10 percent interest throughout the life of the loan. I cannot but think that this is unsound, unfair, and contrary to sound public policy. It is even worse than that.

Mr. SISSON. Mr. Chairman, will the gentleman yield?

Mr. HANCOCK of North Carolina. I yield.

Mr. SISSON. If the gentleman prefers to finish his statement before yielding, I shall gladly wait.

Mr. HANCOCK of North Carolina. No; I am always glad to stop any time for my friend from New York.

Mr. SISSON. The gentleman's courtesy exceeds my ability to ask the question. I know the gentleman does not want to mislead the House any more than he would be guilty of helping one section of the country at the expense of another; but when the gentleman stated that the Administration has spent a million and a half dollars for the purpose of securing advancements of loans to the extent of about \$40,000,000, the gentleman should give the House the information so that it could take into account that this was one of the last acts passed in June 1934 and that the Administration, in spending the one and one-half million dollars, had to organize its administration set-up here and its set-ups all over the United States. So how can the gentleman say that one and a half million dollars was spent simply for the purpose of getting these loans?

The CHAIRMAN. The time of the gentleman from North Carolina his expired.

Mr. DINGELL. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended 5 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HANCOCK of North Carolina. We all know that in getting an organization off to a start, expense is usually greater than at any other time. However, the Housing Administration has spent \$2,300,000 in connection with all of its work, including the little that has been done under title II and nothing under title III. I asked Mr. McDonald, Assistant Administrator, these questions, which will be found

on page 70 of the record of hearings, and which I think will be of interest to the Membership of the House:

Mr. Hancock. Under this section right here, the American Radiator Co. could make a contract with a hospital, or some manufacturing or industrial plant, to install a steam or hot-water heating system, involving the expenditure of \$40,000, and you would be in

position to insure that loan?

Mr. McDonald. We would, if they secured the money from a bank that is approved by us, or other financial institution that

was approved by us, or other mancial institution that was approved by us.

Mr. Hancock. Now, may I ask this one further question?

You say that the corporation or the Administration has insured loans up to about \$50,000,000?

Mr. McDonald. \$40,000,000?

What has it cost you so far to make these loans or effect that insurance?

Mr. Hancock. \$40,000,000? What has it cost you so far to make these loans, or effect that insurance?
Mr. McDonald. An analysis of that would show that we have

spent approximately \$1,500,000 on title I.

As I have tried to state before, if section 22 remains in the bill, we are departing far and wide from the original purpose of this act, and the Government will be engaged in making further contributions or gifts to the lending institutions approved by the Administrator. This is bad business, as sure as you live.

Mr. REILLY. Mr. Chairman, will the gentleman yield? Mr. HANCOCK of North Carolina. Yes; I yield.

Mr. REILLY. I know that my colleague wants to give the Committee full information. Is it not a fact that Mr. Moffett and Mr. McDonald both testified that their efforts in this housing business had resulted in expending \$250,000,000 by private enterprise?

Mr. HANCOCK of North Carolina. Mr. McDonald and Mr. Moffett both claimed that through their activities the Housing Administration has indirectly agitated or stimulated the spending of \$250,000,000. This is, of course, largely a guess, though it may be an entirely correct one. I am not contending that the administration of this act has not produced some good results, and I am inclined to believe that there is a wonderful potential opportunity for mortgage activity involved in the proper and effective administration of title II of the Housing Act. I question seriously, however, whether title III will ever amount to what its proponents hoped it would. I believe it is unsound and therefore unworkable. Time will tell.

Mr. SISSON. Mr. Chairman, will the gentleman yield?

Mr. HANCOCK of North Carolina. Yes.

Mr. SISSON. The gentleman last year was not opposed to taking \$500,000,000 for building-and-loan associations and putting it through the House when the committee brought in a bill which was emasculated, which had the heart taken out of it, and we had to put this real bill on the statute books through a minority report against the wishes of the gentleman now speaking and most of the rest of the committee.

Mr. HANCOCK of North Carolina. The gentleman's statement is partially correct. I felt then that greater good could have been brought about toward stimulating building activity and home ownership if the amendment I proposed last year had become a law than under the plan involved in the Housing Act; and I still believe that I was right. Judging by what has happened, I am inclined to think that most any other Member of the House will agree with me. I want to say, however, that the building-and-loan associations have shown nothing but a friendly attitude toward the Housing Administration and have tried in every practical way to cooperate in making their plans and efforts effective. No representative of the building-and-loan associations has ever said one word to me with respect to the amendment which I am proposing.

Mr. DINGELL. Will the gentleman yield? Mr. HANCOCK of North Carolina. Yes.

Mr. DINGELL. Who pays the insurance premium on

Mr. HANCOCK of North Carolina. The borrower pays for it by way of a reduction of his loan, but the Government will in the final analysis pay much more if these big \$50,000 loans turn out to be sour, as I believe at least 20 percent of them will.

Mr. DINGELL. I beg to differ with the gentleman. Permit me to say that the premium is paid by the borrower and it is five times the amount of the loan.

Mr. HANCOCK of North Carolina. I do not understand it to be exactly that way. And if the Government is not in the picture and has no ultimate liability, why did we appropriate \$200,000,000 to take care of the losses?

The CHAIRMAN. The time of the gentleman from North

Carolina has expired.

Mr. HANCOCK of North Carolina. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HOOK. And what would the building-and-loan associations do under the same circumstances?

Mr. HANCOCK or North Carolina. The building-and-loan associations are the real, genuine thrift and home-financing institutions in this country and have toted their part of the burden throughout this depression. They make amortized mortgage loans and charge an average rate of interest between 6 and 7 percent. I suggest you examine their record for the past several years.

Mr. HOOK. Can the gentleman tell me why it is, because of actions of the Federal Housing Administration, that the building-and-loan associations have been forced to cut down their interest rates?

Mr. HANCOCK of North Carolina. Surely no one would claim that anything which has been done by the Federal Housing Administration under title I has had the slightest influence on interest rates charged by building-and-loan associations. The policy of the Roosevelt administration, together with a plethora of idle money in the lending institutions, have combined together to bring about a lower rate of interest in all financing, which is very desirable, wholesome, and constructive.

Mr. TAYLOR of South Carolina. Will the gentleman yield?

Mr. HANCOCK of North Carolina. I yield. Mr. TAYLOR of South Carolina. As a matter of fact, building-and-loan associations are not interested in the class of loans that the Federal Housing Administration is intending to take care of.

Mr. HANCOCK of North Carolina. Not particularly. want to also say that these institutions are not interested in seeing the bond authorization of the Home Owners' Loan Corporation increased beyond the amount recommended by officials of the Corporation. They have favored a slowing up of the Corporation's activities in the belief that private enterprise could take care of the mortgage situation. Whether they are right remains to be seen. I hope they are. I regret that my friend from Oklahoma a while ago spoke as he did about the building-and-loan associations. Of course, I do not know the local situation in Oklahoma. I think I should say here, however, that the record shows that building-andloan associations have been carrying more than a third of all urban mortgages in the country and have been responsible for the ownership of more homes than any other type of lending institutions. I believe it is also correct that, though they carry a third of the urban mortgages, they have received only approximately 14 percent of the bonds issued by the Home Owners' Loan Corporation to refinance mortgages.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. HANCOCK] has expired.

Mr. O'CONNOR. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we might as well get right down to brass The building-and-loan associations are the interest tacks. behind the committee bill. Their lobbyist, Mr. Bodfish, who has been haunting these halls for years, is responsible for the amendment offered by the gentleman from North Carolina [Mr. Hancock]. [Applause.] The building-and-loan associations fought this housing bill a year ago when it was just prepared.

Mr. HANCOCK of North Carolina. Will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. HANCOCK of North Carolina. Is the gentleman against building-and-loan associations?

Mr. O'CONNOR. I am against them serving their own selfish interests.

Mr. HANCOCK of North Carolina. May I ask the gentleman another question?

Mr. O'CONNOR. Yes; if I have time.

Mr. HANCOCK of North Carolina. Does the gentleman know that Mr. Bodfish is not in the gallery?

Mr. O'CONNOR. Well, the gentleman knows better than I do. I do not know. [Laughter.]

I am informed that Mr. Bodfish was responsible for the appointment of the chief counsel of the Home Owners' Loan Corporation under the Hoover administration, Mr. Russell, of Georgia, who still occupies that position; and the administration is now being opposed by our own committee as it was in the housing bill last year, and this House had to take the matter in its own hands and reverse the committee for opposing the administration.

Now, this bill came in here from the administration with \$50,000 for these alterations to apartment houses, and so forth. The committee, contrary to the wishes of the administration, cut the amount down to \$25,000. Now, the gentleman from North Carolina, not speaking for the committee, not representing the committee, proposes to strike out this entire provision. Now, let us have it out right here. Let us see whether the building-and-loan associations of this country or of certain sections of the country are bigger than the administration, which the people have elected to control the destinies of our country and who we on this side of the aisle, at least, are supposed to represent.

Mr. HANCOCK of North Carolina. Will the gentleman yield further?

Mr. O'CONNOR. No; not now. Now, what has the committee done? It has added \$500,000,000 in loans to mortgagees, not mortgagors. As I said before, 97 percent of the loans will go to institutions, including building-and-loan associations. The building-and-loan associations are primarily interested. That increase is contrary to the wishes of the administration, and I hope that we may have a rollcall vote on whether or not this House will sustain that departure from the wishes of the administration.

Mr. HANCOCK of North Carolina. Will the gentleman yield for a question?

Mr. O'CONNOR. I yield.

Mr. HANCOCK of North Carolina. Is the gentleman authorized to speak for the administration?

Mr. O'CONNOR. No; I am not. I just pick things out of the air around here. [Laughter.]

Now, let us take this section as to bringing loans for alterations to apartment houses, and so forth. What does it provide? In my district in New York, as I said before, no home owners' loan has ever been made, nor could it be made, because of the type of dwellings. We have individual homes, but because of the land value no loan could be made within the \$20,000 limitation; but we do have tenements, and we have apartments which are the real homes of our people. Some of our people have lived in them for half a century. All this provision I proposed does is to permit the Housing Administration, included in this bill, to guarantee, up to 20 per cent, loans made by other people, not by the Government, for alterations and repairs, so that these slum residences, these cold-water flats, may be converted into livable places for the people in the urban and congested centers.

Now, what does it all mean? Loaning four and a half or five million dollars under the Home Owners' Loan Act does not put one man to work.

The CHAIRMAN. The time of the gentleman from New York [Mr. O'Connor] has expired.

Mr. O'CONNOR. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. O'CONNOR. The fundamental principle of getting out of the depression is to put men to work. That is the

only way we shall ever get out of it. It is estimated by the Housing Administration that if you grant them authority to guarantee loans made by private institutions up to \$50,000. they will have applications for \$1,500,000,000, 75 percent of which amount will go directly to labor. So that \$1,100,-000,000 will be paid to labor. It is not Government money. Under this Housing Administration program no Government money is used at all. It is not a guaranty by our Government of four or five billion dollars, as in the Home Owners' Loan Corporation.

Mr. CONNERY. Will the gentleman yield?
Mr. O'CONNOR. I yield.
Mr. CONNERY. I am in sympathy with the gentleman's purpose. The gentleman does not think that that money which would go to labor would be \$50 a month, does he?

Mr. O'CONNOR. No; I hope not.
Mr. CONNERY. Because I would not be in favor of that. Mr. O'CONNOR. I know the gentleman would not favor that.

I was sympathetic with the amendment offered by the gentleman from Texas [Mr. Thomason] yesterday to include loans on apartments under the Home Owners' Loan Corporation Act. I do not know why they should not have been included.

Mr. HANCOCK of North Carolina. Will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. HANCOCK of North Carolina. Does the gentleman not think that security ought to be taken for all these loans?

Mr. O'CONNOR. Why, before a loan is made, under title I of the Housing Act, the bank itself-and there are 12,700 of them which have been authorized to loan to date-determines whether or not the loan should be made, and all the Government guarantees is at most 20 percent of the loan. It is estimated the loss on that is much less than it is under the Home Owners' Loan Corporation by reason of the dipping into the Treasury of the building-and-loan associations.

Mr. HANCOCK of North Carolina. Mr. Chairman, will the gentleman yield for another question?

Mr. O'CONNOR. Yes; but I want to talk about buildingand-loan associations.

Mr. HANCOCK of North Carolina. I will ask unanimous consent that the gentleman may have additional time.

The gentleman knows, does he not, that the Administrator of the Federal Housing Act states that the larger they make these loans the greater the percentage of loss involved? Is this correct?

Mr. O'CONNOR. I do not know that; that may follow as an economic principle, but I am not sure.

This bill as introduced by the Chairman of this great Committee on Banking and Currency allowed the guarantee of loans up to \$50,000; but, as in the case of the housing bill last year, the committee emasculated the bill. The committee reduced the limit to \$25,000, and now one member of the committee, on his own responsibility, would wipe out the whole provision. I do not know whether we are serving building-and-loan associations or the people of this country. We are serving the people who want to remodel their homes up to a loan of \$50,000. The Government guarantees that loan only to 20 percent. The gentleman knows that, but I suppose he felt it would be a strategic thing to wipe out the whole section and thereby to stop any increase whatever. I do not believe his committee will support him. I have reason to believe the committee will accept my \$50,000 amendment.

Mr. HANCOCK of North Carolina. Mr. Chairman, will the gentleman yield for a question?

Mr. O'CONNOR. Yes; gladly. There is no more conscientious, lovable, or intelligent Member of this House than the distinguished gentleman from North Carolina [Mr. HANCOCK 1.

Mr. HANCOCK of North Carolina. The gentleman just referred to the fact that he led a movement last year that licked the committee.

Mr. O'CONNOR.

Mr. HANCOCK of North Carolina. Does the gentleman intend to do it again this year?

Mr. O'CONNOR. I hope to.

Mr. McFARLANE. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. Yes. Mr. McFARLANE. Is it not true that the building-andloan associations have unloaded most of their undesirable paper on the Government?

Mr. O'CONNOR. Of course they have.

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. O'CONNOR. The good paper was taken by the R. F. C. Mr. CONNERY. Mr. Chairman, will the gentleman yield? Mr. O'CONNOR. I yield gladly to my beloved colleague from my native State.

Mr. CONNERY. I want to get this clear in my mind. The committee moved to strike out the entire section. Is the gentleman from New York going to offer an amendment to raise it to \$50,000?

Mr. O'CONNOR. Of course. The committee knew I was going to do that.

Mr. STEAGALL. Mr. Chairman, will the gentleman yield? Mr. O'CONNOR. I yield gladly to the distinguished Chairman of our great Committee on Banking and Currency. No Member of this House is more painstaking or industrious than my good friend, Mr. STEAGALL.

Mr. STEAGALL. The gentleman has inadvertently made an erroneous answer to the gentleman from Massachusetts.

Mr. O'CONNOR. I am sorry, if I did. Mr. STEAGALL. The committee took the middle course by adopting a compromise plan that fixed the sum at \$25,000.

Mr. O'CONNOR. I understand that action was taken by a vote of 12 to 11.

Mr. STEAGALL. I do not remember the vote.

Mr. O'CONNOR. The gentleman may not remember the vote, but the gentleman might be able to refresh his memory.

Mr. STEAGALL. I am not sure I remember what it was. I do not know that I would consider it proper to divulge it or what good it would do if we stated it.

I wish to advise the gentleman that the committee is not offering the amendment he is now discussing; it is not a committee amendment.

Mr. O'CONNOR. Then in view of the chairman's statement, I retire from the floor at this moment, confident that Mr. Hancock's amendment, not sponsored by his own committee, will be voted down.

Mr. STEAGALL. I hope the gentleman will not misunderstand me now. The pending amendment is to strike out that provision of the bill.

Mr. O'CONNOR. I understand that thoroughly-that the committee does not sponsor the amendment. It should, therefore, be defeated.

Mr. WOLCOTT. Mr. Chairman, I offer a perfecting amendment, which is at the desk.

The CHAIRMAN. The Clerk will report the amendment. The Clerk read as follows:

Amendment offered by Mr. Wolcott-

Mr. GOLDSBOROUGH (interrupting the reading). Mr. Chairman, I want to be recognized on the amendment of the gentleman from North Carolina.

The CHAIRMAN. The gentleman from Michigan has been recognized.

Mr. GOLDSBOROUGH. I was on my feet seeking recognition

The CHAIRMAN. Will the gentleman from Michigan allow the gentleman from Maryland to address the Committee on the pending amendment of the gentleman from North Carolina?

Mr. WOLCOTT. Mr. Chairman, I am a member of the committee, and have already been recognized.

Mr. GOLDSBOROUGH. Mr. Chairman, it certainly is not proper to break into this particular argument at this

Mr. WOLCOTT. Mr. Chairman, I offered a perfecting amendment.

The CHAIRMAN. It is in order to offer a perfecting amendment, and that is what the gentleman has done. The gentleman from Maryland may at a later time ask recognition to discuss the amendment offered by the gentleman from North Carolina.

The Clerk will report the amendment offered by the gentleman from Michigan.

The Clerk read as follows:

Amendment offered by Mr. Wolcorr: Page 14, line 3, after the word "of" where it appears the second time, strike out "\$25,000" and insert in lieu thereof "\$50,000."

Mr. WOLCOTT. Mr. Chairman, as the gentleman from New York has rightfully said, when this bill first came to us it provided for insurance on property improved by apartment houses, hotels, office and other commercial buildings, hospitals, manufacturing and industrial plants, including the permanent equipment and machinery in such manufacturing and industrial plants to the amount of \$50,000. The committee reduced the amount to \$25,000. After contemplating what will be the effect of this reduction, I believe the amount should be replaced at \$50,000 in accordance with the suggestions and the recommendations made by the Federal Housing Administration.

If the Federal Housing Act does anything at all it puts men to work; and, bear in mind, that this is not a bill for the home owner, it is not a bill for the industrialist, it is not a bill for the hotel proprietor, or the apartment-house proprietor, or the office-building proprietor, it is a bill designed primarily to give impetus to the building trades and to give employment in the building trades.

When we had the housing bill before us last year we were told that it was hoped that through the operation of this act which insured loans up to \$2,000 for the renovation and repair of homes that it would put 5,000,000 men back to work; but the home owners of the Nation have not responded, they have not asked for loans.

They do not want to renovize. They do not want to increase the indebtedness against their homes until they can have some assurance that the economic condition is such that their income will be stabilized and more or less permanent so that they may be able to retire this indebtedness. We hope by including hotels, apartment houses, industries, and all of these other things which come within the purview of the bill that if it is adopted business will have more courage in this respect than the private owner has had and that business will expand. More equipment will be bought. That is the thing we want them to do. We want to give impetus to the heavy industries of the United States, such as the building industry, the steel industry, the machine in-

the present time.

Mr. O'CONNOR. Will the gentleman yield?
Mr. WOLCOTT. I yield to the gentleman from New York.
Mr. O'CONNOR. For the information of the House, the amendment which the gentleman offers is the same one that I propose to introduce to raise the amount to \$50,000?

dustry, and all of those things that are lagging behind at

Mr. WOLCOTT. I understand from the gentleman's remarks that is so.

Mr. O'CONNOR. I am glad the gentleman, as a member of the committee, offered that amendment.

Mr. WOLCOTT. Mr. Chairman, I introduced this amendment because I sincerely hope that industry will respond better than the home owners have responded and that impetus will be given to the building trades in the United States so that men may be put back to work.

Mr. CONNERY. Will the gentleman yield?
Mr. WOLCOTT. I yield to the gentleman from Massachu-

Mr. CONNERY. Experience has shown all through the past that you cannot have real prosperity in the country until the building trades are prosperous.

Mr. WOLCOTT. That is what I have been told.

Mr. FORD of California. Will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from California. Mr. FORD of California. If the philosophy that the

amount \$25,000 is good, to carry that logically forward, would

not \$50,000 be twice as good?

Mr. WOLCOTT. I would assume that to be true, because the bill specifically provides that if the loan is made for \$26,000 or for any amount over \$25,000 no part of the loan will be insured. Let us have that definitely in mind. Twentyfive thousand dollars on a \$40,000 loan is not insured. If the loan is for \$30,000 or \$35,000 or for any amount over \$25,000, no part of it is insured; so to play perfectly safe and to give business at least a fair margin we should put it up to at least \$50,000. Then if the loan is for \$26,000 or \$30,000, or anything under \$50,000, it will be insured.

[Here the gavel fell.]

Mr. DINGELL. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

refuse to grant the loans.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from New York. Mr. FITZPATRICK. Up in my district I have received complaints that there are thousands and thousands of applications for loans in order to renovate houses, but the banks

Mr. WOLCOTT. Of course, that is a matter of local administration. I do not see how the Federal Housing Administration can control whether a local bank shall or shall not make a loan. We have to bear this fact in mind, that today there are \$2,400,000,000 of excess reserves in the Federal Reserve banks lying idle. Now, idle money does not do anybody any good. It does not even do the banks any good, because idle money results in reduced interest rates being paid to the depositors, thereby decreasing the purchasing power of the Nation. If this act is worth anything at all, it is an inducement to the banks to loan out money to the industries and to put their reserves to work. This will give acceleration to the velocity of our credit currency. What we have been trying to do in every one of these instances is to give acceleration to the rapidity with which money and credit may be turned over. We increase that velocity in this bill. The Members who are in favor of increasing the velocity of money and credit currency should be in favor of increasing this amount to \$50,000.

Mr. FORD of California. Even if we increase it to \$50,000, the bill does not bar a man who wants to make a \$2,000 loan? Mr. WOLCOTT. No. Anything under \$50,000 will be

Mr. HANCOCK of North Carolina. Will the gentleman

Mr. WOLCOTT. I yield to the gentleman from North

Mr. HANCOCK of North Carolina. Apropos of the statement made by the gentleman from New York [Mr. O'Con-NOR], is it a fact the building-and-loan associations stated in their report to us that they were not interested at all in

Mr. WOLCOTT. Just before rising, I referred to the recommendations made by Mr. Bodfish, and my memory is he stated he was not interested in this particular section.

Mr. CONNERY. Will the gentleman yield?
Mr. WOLCOTT. I yield to the gentleman from Massachusetts.

Mr. CONNERY. I have a specific instance in mind. Does this refer to apartment houses?

Mr. WOLCOTT. Yes. I may qualify that statement by saying that this bill does not insure loans made for the construction of new apartment houses on unimproved property. It does not insure loans made for the purpose of building new hotels, but it does insure loans made for the purpose of additions to units already constructed.

Mr. CONNERY. That is what I want to know. Suppose a man has an old shack of a house, practically a barn, and he changes it into an apartment house for the housing of

four or five families, making it a decent place to live in and

rents it for a decent rental, would he come under this bill?
Mr. WOLCOTT. Yes. If a man has a factory building worth \$5,000 that needs renovating or repair, he can make the repairs and build alongside of it on the same property another unit, and if the unit costs less than \$50,000, it will be insured.

Mr. SISSON. Will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from New York. Mr. SISSON. Referring to the question asked by the gentleman from North Carolina [Mr Hancock] about the attitude of Mr. Bodfish, I am sure the gentleman recalls that last year when Mr. Bodfish testified at great length before our committee, he opposed two of the features of this act, one authorizing the organization of national mortgage associations and the other giving authority to carry on low-cost housing projects; and, whether in deference to Mr. Bodfish or not, the committee took those features out of the bill. Mr. Prall and I had to bring in a minority report in reference to that matter.

[Here the gavel fell.]

Mr. SISSON. Mr. Chairman, I ask unanimous consent that the time of the gentleman from Michigan be extended 3 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MAVERICK. Who is Mr. Bodfish?

Mr. SISSON. Mr. Bodfish is the representative of a group of building-and-loan associations.

Did not the gentleman note a remarkable change this year in the position of Mr. Bodfish? Did he not come in and make a virtue out of necessity, either that or did he not find that the building-and-loan associations themselves had some benefits forced upon them even though their interest rates were brought down?

Mr. WOLCOTT. I remember one incident very well, when the gentleman from New York came in with the other gentleman from New York [Mr. O'CONNOR] and restored, I think, title 2 of the bill as it was then known, which appears now as title 3 and which had been stricken out in the committee. I cannot say from my own memory why the committee struck it out, but I do have in mind that there was some discussion at that time that they might be able to build up a home-financing octopus which would reach throughout the United States and take over the building-and-loan associations, and I presume because of this that Mr. Bodfish may have been opposed to it.

Mr. SISSON. Now, fairly, did not Mr. Bodfish come in this time and frankly say not that he changed his mind. but that he approved in general of this act?

Mr. WOLCOTT. I believe with respect to this particular provision-

Mr. SISSON. No; not with respect to this particular pro-

Mr. WOLCOTT. Which I think was section 19 of the old act, Mr. Bodfish says, "Not germane to our institutions or shareholders." This is the recommendation he made.

I hold no brief for Mr. Bodfish, I am simply answering the question of the gentleman from North Carolina.

Mr. HANCOCK of North Carolina. In order to keep history straight, is it not a fact that the building-and-loan associations of this country, through their representative, Mr. Morton Bodfish, last year and this year, heartily approved the activities provided for in title I?

Mr. WOLCOTT. Let us understand each other. So far as I am personally concerned, I do not care what Mr. Bodfish recommended and I do not care what the various building-and-loan associations recommended. I want this bill passed so that we can give relief and provide employment. [Applause.] I am not here representing the building-andloan associations-Mr. Bodfish is. I do not hold any brief for him. I want to put men back to work and that is why I am asking that this limitation of \$25,000 be increased to \$50,000. [Applause.]

[Here the gavel fell.]

amendment.

Mr. Chairman, a good deal has been said here about the part the building-and-loan associations have played in this amendment. I think it might be said by me that I am the man who introduced this amendment or made the motion in the committee; and I am sure that the building-and-loan associations have had absolutely nothing to do with that part of it.

Someone stated here that this was not a home owners' bill, a bill to help the home owners of this country, and I want to ask the man who follows me to point out a single section of this bill or a single provision in the original Housing Act of which the section under discussion is an amendment which has reference to anything except the home owners of this country. No mention of or provision for industrial loans or insurance is in it anywhere from start to finish. In the first place, the title is the Housing Act. If it did not mean that, then it is a fraud on its face, and should never have been brought before the Congress. The very first title provides for the renovation and improvement, not of hotels, not of apartment houses, not of office buildings, but of homes; and the second title provides for the guarantee of mortgages on what? Not on industrial concerns, not on apartment houses, not on hotels or office buildings, but on homes of a certain value.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield? Mr. WILLIAMS. I cannot yield.

The third title of that act provides for the establishment and setting up of national mortgage associations; what for? Not to act as a place for the discount of loans on industrial concerns but on the homes of the country. The fourth title of that act sets up the Federal Savings & Loan Insurance Corporation not for the purpose of bringing institutions that make loans on industrial concerns in this country into that insurance corporation but to provide insurance of the accounts of the home-building association, the home-loan association, and the saving and thrift institutions of this country and to encourage and help these home-financing institutions.

Finally, under title V of that act designated "miscellaneous" various amendments are made not for industrial loans but amendment to the Home Owners' Loan Act and the Federal Home Loan Act. So I say there is not a word in the original act, nor is there a word in the act under consideration except this particular clause which contemplates loans to industry.

Another reason why I think this ought to be stricken is that it has no place in the pending bill. If we want to legislate in the interests of these commercial and industrial concerns-and I am not opposed to that-let us carefully consider and enact such legislation. We ought to pass, and we did pass such legislation in this Congress as well as in the last, providing for loans to industry and to commerce by both the Federal Reserve banks and the R. F. C.

If we want to enact additional legislation providing loans for commerce and industry, if we want to go into that field, let us do it by separate legislation and not tack it on to legislation which is designed solely and alone for the home owners of this country. [Applause.]

Again, I do not consider it sound to grant loans to apartment houses or office buildings or industrial plants in the sum of either \$25,000 or \$50,000 without security. The home owner and the farmer is required to give a mortgage upon his home or his farm to secure a loan for \$500 or \$1,000, and why should an apartment house or any other commercial enterprise have an unsecured loan to the extent of \$50,000 insured by the Government? We have already gone too far in trying to bail out some of these concerns.

In many cases the reputation of those back of the apartment and office buildings are none too savory. Their manipulations, together with the contractors, the real-estate agents, and the money sharks, have resulted in the loss of millions to the innocent investors. Their offense smells to high heaven. Their acts and conduct have already amounted to a national scandal. It became so notorious that Congress appointed a committee to investigate the matter, and a pic-

Mr. WILLIAMS. Mr. Chairman, I rise in favor of the | ture of the situation has been presented to us by two of the members of that committee, the distinguished gentlemen from Illinois [Mr. SABATH and Mr. DIRKSEN]. In the face of what has been done by some of those financing and operating hotels, apartment houses, and office buildings, it is proposed in this home-loan bill to have the Government insure their unsecured loans to the extent of \$50,000. This is not only outside the scope of this bill but is thoroughly unsound and will result in the small-needy-home owner being pushed entirely into the background and forgotten. The provision of this bill granting insurance to commercial and industrial concerns should be stricken out.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, last year we passed an act authorizing the Reconstruction Finance Corporation to use \$300,000,000 for loans to industry. Then we conferred upon the Federal Reserve banks the authority to extend an additional \$280,-000,000 for the same purpose, those loans to be limited to the purchase of raw material and the payment of pay rolls.

Apparently not much of this money was disbursed, because when the report of the Reconstruction Finance Corporation came before the Banking and Currency Committee we found that after months of operation, out of a total of \$300,000,000 they had only disbursed something like \$6,500,000 and had made commitments of only \$39,500,000. It seemed credit was frozen everywhere. So a committee, headed by Dr. Nerlove, of the Treasury Department, composed of 66 men, went into the Federal Reserve district in Chicago, which constitutes the Seventh Federal Reserve District. What did they find?

Here is what they found: Lots of industries would like to borrow money for the purposes set forth in the bill, but no provision had been made for retiring existing indebtedness. such as accrued interest on loans and accrued taxes, and since they were thinking always of the original security behind the loans the loans were not made. We are hoping by the amendment offered by the gentleman from Michigan authorizing the use of this money up to \$50,000 that conditions will improve. Now, remember this is not for new construction. Just remember the language of the bill: "Improvements, alterations, and repairs." Not a dime of this is to be used for new construction. What do we improve? What do you alter? What do you repair? You improve, alter, or repair an existing structure. You have to find out what the fiscal situation is with respect to that structure; you have to find out about the management of the corporation or the hotel or apartment before you can determine whether they are going to get the loan.

Consequently, while these are character loans, the lending institutions making them are going to be rather careful of what is behind them; and I venture to say no banker in his right mind would loan as much as \$10,000, \$15,000, or \$20,000 on any kind of insurance from Uncle Sam if he knew he was only going to get \$5,000 of the original amount back. He is not going to be hoodwinked or deluded into any kind of a proposal where there will be any loss, if he can help it.

Now, then, think of all the apartments and commercial buildings or industries that need machinery. They would like to borrow up to \$50,000. But what is behind them? Just recall that ahead of any other kind of security will come tax liens. There is no provision in this section to pay existing or accrued indebtedness against the property. No banker in his right mind is going to make a loan under this section even if you put it up to \$200,000 for the purposes they have in mind. I do not think this section is worth a tinker's hoot in stimulating the durable-goods industry.

We have had a lot of experience before the special investigating committee of the House with respect to apartments, hotels, and so forth. We found the fees, taxes, and all that sort of thing had accumulated; consequently no banker or lending institution is going to lay any money on the line to help them expand when they have an existing indebtedness staring them in the face that must be liquidated first.

How did the R. F. C. get around that matter? It made a regulation down there stating that not to exceed 15 percent of the loan could be used for taxes or for existing indebtedness. Still it did not do any good, because the most eloquent evidence of whether it did any good or not is the fact that out of \$300,000,000 they have only disbursed \$6,500,000.

I am quite in sympathy with Mr. O'CONNOR, the gentleman from New York, in his desire to stimulate the durable-goods industry and thereby stimulate employment. But this is not the way to do it.

The proper thing to do would be to set up a loan system whereby a part of the funds so advanced could be used for the purpose of retiring existing taxes and first-mortgage liens so that loans could actually be made for purposes of expansion, alteration, repair, and improvement.

The assistant to the Federal Housing Administrator holds out great hope that some benefit will accrue from this section. I disagree with the distinguished gentleman. These modernization and expansion character loans, predicated on a single name to the paper, can only be an impetus to construction and building if some provision is made to retire existing indebtedness and taxes; and, until that is done, it will have little or no effect on the construction industry.

It occurs to me that a proper approach to this problem would be an authorization of loans to apartments, hotels, commercial and industrial structures, a substantial portion of which could be used for the retirement of existing indebtedness. When this is done, not only will we be able to do some good under the proposed amendment to this bill but we will be able to give real effect to the industrial small-loan measure which was enacted by the Seventy-third Congress.

As I see the problem, we should, instead of passing a futile section such as is now before the committee, introduce a separate bill, liberalizing the provisions of the R. F. C. and Federal Reserve Act, so that loans to needy industries can actually be made, without having to resort to the red tape that has heretofore emasculated the provisions of the previous measures. Consequently, whether the amendment of the gentleman from Michigan is adopted or not is of small import. It merely points the way to the necessity for legislating for a host of small industries, apartments, and commercial buildings which are estopped from receiving loans from the R. F. C. and the Federal Reserve and which will receive no benefit whatsoever from a repair or alteration loan.

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. GRAY of Pennsylvania. I object.

Mr. STEAGALL. Mr. Chairman, this proposition has been debated thoroughly and ably. Members of the committee understand fully what is involved. I have no doubt they can also appreciate the difficulty confronting the Committee on Banking and Currency in reaching a conclusion. The two views which have been expressed here this afternoon were also expressed in our committee and finally instead of adopting the provision for the insurance of loans up to \$50,000 for repairing and improving commercial, industrial, office, and other buildings of that type we decided upon a compromise and fixed the amount of loans that may be insured for improvements to that class of property at \$25,000. We left the amount of loans to be insured upon residential property at \$2,000.

One motion now pending is to strike the entire provision from the bill. The other is to make the amount of such loans eligible for insurance \$50,000. The members of the committee understand, I am sure, that if the motion to strike out the provision permitting insurance of loans up to \$25,000 is stricken from the bill, the law will remain as it is now, with only the provision for the insuring of loans for improvement of homes up to \$2,000.

Mr. Chairman, the House understands the proposition, so I move that all debate on this section and all amendments thereto do now close.

Mr. SISSON. Mr. Chairman, may I ask the gentleman to withhold his motion as I desire to offer an amendment.

Mr. STEAGALL. Mr. Chairman, I ask to withdraw the motion in deference to my associate on the committee who wishes to offer an amendment.

Mr. SISSON. Will the chairman of the committee give me an opportunity to offer a merely perfecting amendment, which I think the gentleman is familiar with, after the vote is had on the pending amendment? We can do this without any debate. It will take me just a minute to explain.

Mr. STEAGALL. I have no objection to the gentleman's offering the amendment, but I have had no opportunity to report to him privately. I undertook to consult with members of the committee, but I could not do so.

Mr. Chairman, I renew my motion that all debate on this section and all amendments thereto do now close.

The question was taken.

Mr. O'CONNOR. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. The gentleman will state it.

Mr. O'CONNOR. Mr. Chairman, the gentleman from New York [Mr. Sisson], just asked permission to offer another amendment to this section. The chairman of the committee had no objection; but if debate is closed on the section, the gentleman from New York will not be able to explain his amendment which is an important administration amendment.

The CHAIRMAN. The gentleman is correct about that.

Mr. BLANTON. Mr. Chairman, I make the point of order that a vote has been had and the Chair has counted both the ayes and noes, and you cannot interrupt a vote by a parliamentary inquiry.

The CHAIRMAN. The Chair had not announced the vote. Mr. STEAGALL. Mr. Chairman, it was my purpose to withdraw the motion in order to permit the gentleman from New York to offer his amendment and to have the moment's time which he requested. When I made that suggestion the gentleman asked me a question, and I supposed that everyone understood that that was the purpose for which he wished me to withdraw the motion. I hope the Chair will let the motion be withdrawn so that the gentleman may offer his amendment and discuss it for a moment.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. BLANTON. Mr. Chairman, I object to the motion being withdrawn. It is time to take a vote on the amendments

The question was taken; and on a division (demanded by Mr. O'CONNOR) there were—ayes 103, noes 92.

So the motion was agreed to.

Mr. MARCANTONIO. I demand tellers.

Tellers were refused.

Mr. STEAGALL. Mr. Chairman, I ask unanimous consent that all Members may have 5 legislative days within which to extend their remarks in the Record.

The CHAIRMAN. The Chair thinks that request should be made in the House.

Mr. O'CONNOR. Mr. Chairman, the gentleman from Alabama may request that all Members who have spoken in Committee may have 5 legislative days within which to revise their remarks.

Mr. STEAGALL. Mr. Chairman, I ask unanimous consent that all Members who have spoken in Committee may have 5 legislative days within which to revise and extend their remarks in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. Wolcott], which the Clerk will again report.

The Clerk read the Wolcott amendment.

The question was taken; and the Chair being in doubt, the Committee divided, and there were—ayes 118, noes 89.

Mr. HANCOCK of North Carolina. Mr. Chairman, I demand tellers.

Mr. O'CONNOR. Mr. Chairman, I move that the Committee do now rise.

mines to rise, the request for tellers will be considered as pending?

The CHAIRMAN. The gentleman is correct.

The question is on the motion of the gentleman from New York that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Celler, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 6021) to provide additional home-mortgage relief, to amend the Federal Home Loan Bank Act, the Home Owners' Loan Act of 1933, and the National Housing Act, and for other purposes, had come to no resolution thereon.

Mr. BEITER. Mr. Speaker, a revolution in the homemortgage refinance is inevitable. By the prompt passage of H. R. 6021, a bill to provide additional home-mortgage relief, this revolution can be directed into channels of immeasurable benefit to the home owner, labor, business, and to the individual and cooperate investors in mortgage securities like-

The kind of revolution needed lies in immediately establishing a new viewpoint regarding the pitiful situation in which the equity owner finds himself today. Despite an extraordinary record of more than a century attesting to the soundness and stability of realty generally and owneroccupied homes, particularly, the home owner, despite an abundance of investment funds, finds it impossible to borrow even a small sum on an unencumbered property, much less replace an existing mortgage, regardless of paid-in equity.

Had the mortgage companies and banking institutions allocated to the mortgagors some of the benefits received from the Reconstruction Finance Corporation, this legislation would not be necessary.

It is my opinion that if the mortgage companies do not find some way to pass on to the others the aid they are getting, they will precipitate a series of foreclosures which will demoralize both the property and the mortgage markets.

The customary valuation appraisal of real estate by seasoned appraisers is one based on intrinsic value, since it is a fact that real estate does not and cannot under present methods of dealing possess or hope to possess an immediate market at all relative to true values.

Therefore, it is manifestly unfair ever to place appraisals of realty on a market-value basis (except in rare cases), since the machinery through which it operates denies as yet the necessary channels.

Despite this well-known fact some timid mortgagees are prone in times of stress to weigh the value of their collateral on this illogical basis and too readily rush to foreclose for such technical offenses as nonpayment of taxes, amortization or principal payment on maturity, and so forth, offenses today that carry extenuating factors and call for unusual

Of course, there are some of the leading mortgage companies that are refraining from drastic action in foreclosure matters where violations are understandable, and I hope that their procedure will set an example for the shorter-sighted institutions and individuals.

In the short time that has been allotted to me I have not attempted to fully outline the action of the short-sighted and hysterical mortgagees.

If repeated and wholesale foreclosures of real estate were to be the order of the day, it would soon make its impress on public opinion, and the much-vaunted stability of real estate would be destroyed in the public mind. A distinction should be made concerning vacancies that would exist under some degree of readjusted normalcy, and emergency vacancies of improved property should be classified today.

I trust that there will be a suspension of home foreclosures until this body and the Senate has had an opportunity to pass the legislation now being considered, thereby avoiding a human tragedy on the one hand and wanton destruction of mortgage-security investments on the other. Justice and

Mr. BLANTON. Mr. Chairman, if the Committee deter- mercy recommend this course. The welfare and safety of the Nation demand it.

ADDITIONAL SECRETARIAL ASSISTANCE FOR MEMBERS OF CONGRESS

Mr. WHITE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. WHITE. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following letter from Tom L. Greer, a business man of my district, and my reply thereto explaining my views in regard to the need of additional secretarial assistance for Members of Congress:

HUMBIRD LUMBER Co.,
Sandpoint, Idaho, February 28, 1935.

The Honorable Compton I. White,
Representative from Idaho, Washington, D. C.
My Dear Compton: I am constrained to send you a couple of clippings, one from the Chronicle and the one concerning your bill to increase the number on the Government pay roll, from the Sandrout Pauletin

Sandpoint Bulletin.

I cannot conceive of a man as economical as I know you to be wanting to add more people to the Government pay roll, when you cannot possibly find money enough to pay those that are there now. I thought you had realized that it is the ambitton today of everyone, both man and woman, to get on the Federal pay roll, for the wages are higher and the incidentals greater than in any

rivate business, taken as a whole.

I was pleased to see that your House carried out our President's desire to have the relief appropriation unallocated. I am frank to say that it is the general opinion here among those who have given the matter any thought that if the requirement of paying "going" the matter any thought that if the requirement of paying "going" wages is attached to the bill, it will mean the fallure of the Democratic regime, for so long as anyone can work for the Government he will never quit to work for an individual. We have seen it in the past 2 years, and it will mean a continuation of this depression and perhaps the end of our form of government, which, it seems, to a great many of those in Washington, would not be undesirable. The "Merry-Go-Round" article is evidence that Messrs. Person and Allen have their fingers on the pulses of the people of the Nation, and, if I have heard the expression once I have heard it a dozen times that our President is trying to carry water on both shoulders. With the large majority of Democrats in Conon both shoulders. With the large majority of Democrats in Congress, they have decided to do the usual thing that large majorities do—scrap among themselves until they finally lose out, accomplishing nothing.

Pardon me for this effusion, but this editorial was so to the point

that I felt I should congratulate you in aiding this appropriation through your branch of Congress.

With kindest regards, I remain,

Very respectfully yours,

TOM L. GREER.

Mr. T. L. GREER, Sandpoint, Idaho.

DEAR TOM: I am more than glad to receive your letter of February 28 with reference to my bill to add to the clerical assistants of the Congressmen. I deeply appreciate the spirit in which your

of the Congressmen. I deeply appreciate the spirit in which your letter was written.

It was disappointing to find that there is a misunderstanding of the existing situation down here on the part of so many earnest business men like yourself. In the first place, I might state what I find, from experience, is needed in a congressional office: A good executive secretary is needed to handle the affairs of the office and the correspondence. For his and the Congressman's assistance, a the correspondence. For his and the Congressman's assistance, a good, competent stenographer is needed to take dictation from both and to handle the files in the office. In addition, you need a well-qualified assistant to make investigations, compile data, and prepare digests of facts affecting legislation under consideration and to handle special departmental matters—just such an assistant as would be required in the office of a busy attorney.

Anything short of this curtails the usefulness and value of the service that a Representative of a congressional district can render his constituents, and it is my candid opinion that if a man is sent to Congress, and for any reason does not measure up to the standard that is set here, he has no business in the House of Representatives.

sentatives.

In contacting the many sections and departments of the executive branches of the Government, it is appalling to find the enormous number of people on the Government pay roll who are rendering a minimum of service, and the extravagance and prodigal rendering a minimum of service, and the extravagance and prodigal spending of money by the departments. It seems so silly to adopt a penny-wise and pound-foolish policy by false economy on the part of the Congressmen themselves who are clothed with power to control the appropriations and should effect true economy instead of some petty, false curtailment of their own usefulness by failure to supply sufficient clerical assistants.

As a plain business proposition, when you assign a man to a job or task, to secure sufficient and effective work you must supply the necessary tools. You don't send a man to the woods to get timber with a dull ax or an inefficient crew. In plain woods parlance, we have been working short-handed in the congressional offices ever

since the many Government activities have been added by recent recovery legislation.

Do you know there are over 100 public-works applications which have been approved out there, and presented to the Department of Public Works here, and that in considering these applications passing through the departments—applications that are most important to the people of the several communities of my district—some little technicality arises and the application is shelved. If the Congressman were properly assisted, someone representing those people could go into the departments to ascertain the difficulty, advise the applicants back home so they could meet the requirements, and thereby get the application through before the appropriation is exhausted. I say to you frankly that if these applications were properly looked after, it would take a Congressman's entire time during the period of their examination and consideration. of their examination and consideration.

Then there are the cases of people who are in trouble with their home-loan applications, and those who desire to take advantage of the Federal housing program, or the thousand-and-one people who are in trouble with their farm-loan applications and appeal to the Congressman for help; the innumerable veterans who have been unjustly dealt with by the Veterans' Administration and appeal to the Congressman to straighten out their pension and hospitalization matters, or the dozen things that will promote the veterans' welfare.

veterans' welfare.

Surely a Congressman, to represent the people as I believe they should be represented, should have an opportunity to study legislation, particularly appropriations. I believe you will agree with me that a great deal of time and effort and money has been wasted by lengthy investigations which have amounted to nothing. If a Congressman were up and doing, he should be able to make some integrations on his own initiative and some persons to the Deinvestigations on his own initiative and send someone to the Departments to dig out the facts. Still, when we want to secure the authority to get some small measure of results with the assistance of an adequate clerical staff, we are confronted with misunder-standings and delusions on the part of the people who do not realize what true economy means, for the waste here is colossal. I believe some of it can be charged to the pressure of work that absorbs a Congressman's time in handling routine matters, which prevents a proper study and consideration of the Government's business in the numerous Departments where waste and extravagance is rampaut.

I stand by the action I have taken in attempting to secure needed help and believe that the House by its inferiority complex has stood in its own light, which has resulted in the failure to remedy the very thing they are trying to correct.

Sincerely yours.

### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. Brooks, for 4 days, on account of important busi-

To Mr. Gavagan, indefinitely, on account of official busi-

To Mr. Kennedy of New York, for 3 days, on account of illness

To Mr. Lewis of Maryland, for the day, on account of illness.

### ADJOURNMENT

Mr. CULLEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 56 minutes p. m.) the House adjourned until Monday, March 11, 1935, at 12 o'clock noon.

### COMMITTEE HEARING

COMMITTEE ON THE PUBLIC LANDS (Monday, Mar. 11, 10:30 a. m.)

Continuation of hearings on bill (H. R. 3019) providing for certain amendments to the Public Domain Grazing Act.

# EXECUTIVE COMMUNICATIONS, ETC.

264. Under clause 2 of rule XXIV a communication from the President of the United States, transmitting an estimate of appropriation for the Department of State for the fiscal years 1934-35, amounting to \$12,086, for implementing the Narcotics Limitation Convention of 1931 (H. Doc. No. 134), was taken from the Speaker's table, referred to the Committee on Appropriations, and ordered to be printed.

# REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII.

Mr. AYERS: Committee on Indian Afiairs. H. R. 1395. A bill to provide funds for cooperation with the public-school

board at Covelo, Calif., in the construction of public-school buildings to be available to Indian children of the Round Valley Reservation, Calif; without amendment (Rept. No. 339). Referred to the Committee of the Whole House on the state of the Union

Mr. BLAND: Committee on the Merchant Marine and Fisheries. S. 619. An act to amend section 27 of the Merchant Marine Act, 1920; with amendment (Rept. No. 340). Referred to the Committee of the Whole House on the state of the Union

Mr. DOBBINS: Committee on the Post Office and Post Roads. H. R. 6511. A bill to amend the air mail laws and to authorize the extension of the Air Mail Service; without amendment (Rept. No. 341). Referred to the Committee of the Whole House on the state of the Union.

### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BEITER: A bill (H. R. 6589) to extend certain benefits of the Public Health Service to certain seamen, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. YOUNG: A bill (H. R. 6590) to amend section 2 of the act approved June 30, 1879, to permit women to serve as jurors in the courts of the United States; to the Committee on the Judiciary.

By Mr. CONNERY: A bill (H. R. 6591) to amend section 4426 of the Revised Statutes of the United States, as amended by the act of Congress approved May 16, 1906; to the Committee on Merchant Marine and Fisheries.

By Mr. FERGUSON: A bill (H. R. 6592) to provide for control of flood waters in the United States; to the Committee on Flood Control.

By Mr. GREENWOOD: A bill (H. R. 6593) to extend the time for the construction of a bridge across the Wabash River at a point in Sullivan County, Ind., to a point opposite on the Illinois shore; to the Committee on Interstate and Foreign Commerce.

By Mr. ROBINSON of Utah: A bill (H. R. 6594) to aid in providing the people of the United States with adequate facilities for park, parkway, and recreational-area purposes, and to provide for the transfer of certain lands chiefly valuable for such purposes to States and political subdivisions thereof; to the Committee on the Public Lands.

By Mr. McSWAIN (by request): A bill (H. R. 6595) to amend section 47 (c), National Defense Act, as amended, relating to military training required to entitle members of the Reserve Officers' Training Corps to receive commutation of subsistence; to the Committee on Military Affairs.

Also (by request), a bill (H. R. 6596) to amend the War Department Appropriation Act relative to the operation of motor-propelled vehicles; to the Committee on Military

By Mr. IGLESIAS: A bill (H. R. 6597) to exempt certain articles processed in Puerto Rico from taxes imposed under the Agricultural Adjustment Act; to the Committee on Agriculture.

By Mr. ELLENBOGEN: Resolution (H. Res. 157) to request the Board of the Home Owners' Loan Corporation to permit the filing of new applications until final enactment of H. R. 6021; to the Committee on Banking and Currency.

By Mr. MAAS: Joint resolution (H. J. Res. 205) to extend the payment period and reduce the interest rate for loans under the Home Owners' Loan Act of 1933; to the Committee on Banking and Currency.

By Mr. IGLESIAS: Joint resolution (H. J. Res. 206) to amend the Agricultural Adjustment Act, approved May 12, 1933 (Public Law No. 10, 73d Cong.); to the Committee on Agriculture.

By Mr. LORD: Joint resolution (H. J. Res. 207) authorizing the States of New York, New Jersey, Pennsylvania, Connecticut, Massachusetts, New Hampshire, and Vermont to enter into a certain agreement; to the Committee on the Judiciary.

### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DOCKWEILER: A bill (H. R. 6598) granting a pension to Janie Morehous; to the Committee on Invalid Pensions.

By Mr. ELLENBOGEN: A bill (H. R. 6599) for the relief of John Charles Klein; to the Committee on Claims.

By Mr. FIESINGER: A bill (H. R. 6600) granting a pension to Elmer E. Whaley; to the Committee on Pensions.

By Mr. HANCOCK of New York: A bill (H. R. 6601) to confer jurisdiction on the Court of Claims to hear and determine the claim of George B. Marx, Inc.; to the Committee on War Claims

By Mr. JOHNSON of Oklahoma: A bill (H. R. 6602) for the relief of Dr. Ernest B. Dunlap; to the Committee on Indian Affairs.

By Mr. MONTET: A bill (H. R. 6603) to provide for a preliminary examination and survey for the improvement, enlargement, and extension of the Florence Canal, located in Vermilion Parish, La.; to the Committee on Rivers and Harbors.

By Mr. NELSON: A bill (H. R. 6604) granting a pension to Amanda Napier; to the Committee on Invalid Pensions.

By Mr. PETERSON of Florida: A bill (H. R. 6605) for the relief of the Bank of Wildwood; to the Committee on Claims.

By Mr. REECE: A bill (H. R. 6606) for the relief of John E. Slagle; to the Committee on Military Affairs.

By Mr. ROMJUE: A bill (H. R. 6607) authorizing a preliminary examination of Fox River and its tributaries in Clark County, Mo., with a view to the control of floods; to the Committee on Flood Control.

By Mr. SCRUGHAM: A bill (H. R. 6608) for the relief of Las Vegas Hospital Association, Las Vegas, Nev.; to the Committee on Claims.

By Mr. SNYDER: A bill (H. R. 6609) granting an increase of pension to Margaret C. Mills; to the Committee on Invalid Pensions.

By Mr. VINSON of Kentucky: A bill (H. R. 6610) granting a pension to Dora McCallister; to the Committee on Invalid Pensions.

By Mr. WELCH: A bill (H. R. 6611) for the relief of Martin J. Blazevich; to the Committee on Claims.

# PETITIONS. ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3378. By Mr. ANDREW of Massachusetts: Petition of the Common Council of the City of Salem, Mass., urging the adoption of a resolution to make October 11 of each year a General Pulaski's Memorial Day; to the Committee on the Indicary

3379. By Mr. BRUNNER: Resolution of the Queensboro Federation of Mothers' Clubs, Inc., an organization of 127 individual clubs, and a membership of over 30,000 mothers, endorsing the efforts and object of the Home Loan Continuance Committee of Queens County to further appropriation for the Home Owners' Loan Corporation to enable it to continue the refinancing of distressed home owners; to the Committee on Banking and Currency.

3380. By Mr. BUCKLER of Minnesota: Petition of F. H. Meader, commander, and George E. Femling, adjutant, of Dent, Minn., in behalf of the members of the Haimerl Post of the American Legion, Department of Minnesota, of Dent and vicinity, in Minnesota, praying for the passage of the Vinson bill (H. R. 3896) to make the immediate cash payment of the soldiers' adjusted-service certificates; to the Committee on Ways and Means.

3381. Also, petition of John T. McDonald, of Hawley, Minn., commander of the Johnson Post of the American Legion of Hawley, Minn., in behalf of members of the post, praying for the passage of the Vinson bill (H. R. 3896) to make the immediate cash payment of the soldiers' adjusted-service certificates; to the Committee on Ways and Means.

3382. Also, petition of H. G. Roysland, commander, and H. S. Gordon, adjutant, and members of the Tangen Post, No. 114, of the American Legion, Department of Minnesota, of Fosston and vicinity in Minnesota, asking for passage of the Vinson bill (H. R. 3896) to make the immediate cash payment of the soldiers' adjusted-service certificates; to the Committee on Ways and Means.

3383. By Mr. COSTELLO: Resolution of the Holy Name Society of St. Brigid's Parish, of Los Angeles, Calif., expressing their sorrow for the attitude of Mexican governmental officials in curtailing religious worship, in that it threatens to destroy the happy relations existing between citizens of different faiths and races even in southern California; to the Committee on Foreign Affairs.

3384. By Mr. DELANEY: Petition of Illuminati, a group of women in Brooklyn, N. Y., interested in public affairs, urging the repeal of that section of the Internal Revenue Act of 1934 pertaining to the publication of income-tax returns; to the Committee on the Judiciary.

3385. By Mr. DUFFY of New York: Petition of Group No. 1200 of the Polish National Alliance of the United States, of Rochester, N. Y., memorializing Congress to enact House Joint Resolution 81 and Senate Joint Resolution 11, directing the President of the United States to proclaim October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

3386. Also, petition of the Council of the City of Rochester, endorsing the general principle of old-age security; to the Committee on Ways and Means.

3387. By Mr. FISH: Petition of 22 residents of the city of New York, in support of House Concurrent Resolution 7, protesting against religious persecutions in Mexico, and requesting the President to use his good offices with the Mexican Government and with other nations to permit the fullest freedom of religious worship and to put an end to religious persecution wherever it may exist; to the Committee on Foreign Affairs.

3388. Also, petition of 464 residents of the Twenty-sixth Congressional District, New York, in opposition to the Rayburn bill (H. R. 5423), providing for the abolition of publicutility holding companies; to the Committee on Interstate and Foreign Commerce.

3389. By Mr. FULMER: Concurrent resolution of the House of Representatives of the Legislature of South Carolina, requesting Congress to exempt from taxation 750 pounds of flue-cured tobacco to each grower under the Kerr-Smith bill; to the Committee on Agriculture.

3390. By Mr. HULL: Joint resolution of the Wisconsin Legislature, memorializing Congress to enact an adequate oldage-pension law; to the Committee on Ways and Means.

3391. By Mr. KENNEY: Concurrent resolution of the One hundred and Fifty-ninth Legislature of the State of New Jersey, requesting that the Congress of the United States enact an amendment to the United States Internal Revenue Act of 1934, preventing the imposition of a tax upon any State or Territory of the United States, the District of Columbia, or any political subdivision, agency, or district thereof; to the Committee on Ways and Means.

3392. Also, petition of the Columbian Fusionist, 27 Monroe Street, New York City, unanimously ratifying, confirming, and approving the national-lottery bill without reservation or amendment; to the Committee on Ways and Means.

3393. By Mr. KVALE: Petition of 465 residents of the State of Minnesota in the counties of Lyon, Murray, and Nobles, urging adoption of the Townsend plan for old-age pensions; to the Committee on Ways and Means.

3394. Also, petition of 605 residents of the State of Minnesota in the counties of Kandiyohi, Lyon, and Nobles, urging adoption of the Townsend plan for old-age pensions; to the Committee on Ways and Means.

3395. Also, petition of 156 residents of the State of Minnesota in the counties of Chippewa and Lac qui Parle, urging adoption of the Townsend plan for old-age pensions; to the Committee on Ways and Means.

3396. Also, petition of 398 residents of the State of Minnesota in the counties of Lac qui Parle, Murray, Nobles, Redwood, and Yellow Medicine, urging adoption of the Townsend plan for old-age pensions; to the Committee on Ways and Means.

3397. Also, petition of 638 residents of the State of Minnesota in the counties of Lac qui Parle, Lyon, Kandiyohi, and Yellow Medicine, urging adoption of the Townsend plan for old-age pensions; to the Committee on Ways and Means.

3398. By Mr. McFARLANE: Petition of the Texas Legislature, memorializing Congress to enact the Frazier-Lemke bill without further delay; to the Committee on Agriculture.

3399. By Mr. MURDOCK: Petition of the grade 4 clerks of the Ogden Railway Mail Terminal, Ogden, Utah, requesting the passage of a law restoring grades in the Railway Mail Service to the status they would have had if the Economy Act had not been passed; to the Committee on the Post Office and Post Roads.

3400. By Mr. PFEIFER: Telegram of the American Legion and Disabled American Veterans, comprising 350 veterans hospitalized at Sunmont, N. Y., urging support of bonus legis-

lation; to the Committee on Ways and Means.

3401. Also, petition of St. Patrick's Holy Name Committee, Washington, D. C., protesting against the indignities and outrages being committed by the Mexican Government against the Catholics in Mexico; to the Committee on Foreign Affairs.

3402. By Mr. POLK: Petition signed by S. L. Sprinkle and 70 other citizens of Peebles, Ohio, urging the passage of the Townsend plan for the relief of the aged, and for other purposes; to the Committee on Ways and Means.

3403. By Mr. REED of Illinois: Petition signed by W. A. Searl, 433 Fox Street, Aurora, Ill., and 39 others, recommending the adoption of the Townsend plan for old-age revolving pensions; to the Committee on Ways and Means.

3404. By Mr. ROGERS of Oklahoma: Petition of C. J. Salemi and numerous other citizens of Baton Rouge, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3405. Also, petition of E. W. Weathersbee and numerous other citizens of Bingham and Carthage, N. Mex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month;

to the Committee on Ways and Means.

3406. Also, petition of Andrew White and numerous other citizens of Frierson, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3407. Also, petition of J. W. Terry and numerous other citizens of Wagoner, Okla., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3408. Also, petition of Ramon Tapoya and numerous other citizens of Talpa and Taos, N. Mex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3409. Also, petition of L. C. Oliver and numerous other citizens of Princeton and Eddyville, Ky., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3410. Also, petition of Merdia Walker and numerous other citizens of Dawson Springs, White Plains, and Crofton, Ky, favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3411. Also, petition of Dave Richardson and numerous other citizens of Valerda, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3412. Also, petition of Leroy Schiller and numerous other citizens of Miles City, Mont., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3413. Also petition of J. W. Wyatt and numerous other citizens of Tillar, Ark., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3414. Also, petition of Robert Johnson and numerous other citizens of Grady and Gould, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3415. Also, petition of Columbus Walker and numerous other citizens of Marshall, Tex., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3416. Also, petition of C. D. Daughter and numerous other citizens of Huntsville, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3417. Also, petition of George W. Reed and numerous other citizens of Drakesboro, Ky., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3418. Also, petition of George Cline and numerous other citizens of Adolphus, Ky., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3419. Also, petition of W. M. Holt and numerous other citizens of Dexter, Paducah, and Almo, Ky., favoring House bill 2856, by Congressman Will Rosers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3420. Also, petition of F. C. Chapman and numerous other citizens of Henderson, Ky., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3421. Also, petition of Samuel Gold and numerous other citizens of Paducah, Ky., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3422. Also, petition of J. F. Durham and numerous other citizens of Greenville and Travellers Rest, S. C., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3423. Also, petition of W. B. Shelnut and numerous other citizens of Travellers Rest, Greenville, and Taylors, S. C., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3424. Also, petition of Miles L. Peak and numerous other citizens of Spartanburg, Cowpens, and Glendale, S. C., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3425. Also, petition of J. M. Mitchell and numerous other citizens of York, S. C., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3426. Also, petition of Charles Simmons and numerous other citizens of Wilmar, Ark., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3427. Also, petition of D. D. Lindsey and numerous other citizens of Pine Bluff and Star City, Ark., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3428. Also, petition of Anderson Kemp and numerous other citizens of England and Keo, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3429. Also, petition of Rev. H. C. Ditson and numerous other citizens of Dardanelle and Plainview, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3430. Also, petition of Clinton Polk and numerous other citizens of Umpire, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3431. Also, petition of John Gage and numerous other citizens of Sherrill and Plum Bayou, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3432. Also, petition of Robert Wallace and numerous other citizens of Ratio and Mellwood, Ark., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3433. Also, petition of J. H. Riley and numerous other citizens of Oneida, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3434. Also, petition of Sam D. McRae and numerous other citizens of Denton, Lumber City, and Hazlehurst, Ga., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3435. Also, petition of J. L. Bates and numerous other citizens of Waco and Bowdon, Ga., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3436. Also, petition of Leonard Garrett and numerous other citizens of Trezevant, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3437. Also, petition of L. Carmichael and numerous other citizens of Rogersville, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3438. Also, petition of F. M. Conklin and numerous other citizens of Kingsport, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3439. Also, petition of Thomas Moss and numerous other citizens of Gainesboro, Tenn., favoring House bill 2856, by Congressman Will Rockes, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3440. Also, petition of Frank Dietzel and numerous other citizens of Union City, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3441. Also, petition of C. M. Durbin and numerous other citizens of Hamburg, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3442. Also, petition of L. C. Blythe and numerous other citizens of Celina, Raydure, and Blacks Ferry, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3443. Also, petition of A. J. Rucker and numerous other citizens of Gleason, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3444. Also, petition of Henry Gillbreath and numerous other citizens of Telephone, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3445. Also, petition of Fred Franks and numerous other citizens of Independence and Brenham, Tex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3446. Also, petition of William Moore and numerous of the citizens of Victoria, Tex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3447. Also, petition of Tom Woodard and numerous other citizens of Beaumont, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3448. Also, petition of Frank Burley and numerous other citizens of Kemp and Kaufman, Tex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3449. Also, petition of C. E. Blackwell and numerous other citizens of Jayess and Tylertown, Miss., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3450. Also, petition of Buster Harris and numerous other citizens of Skene and Cleveland, Miss., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3451. Also, petition of Albert Foster and numerous other citizens of Florence, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3452. Also, petition of George W. Cattlett and numerous other citizens of Moundsville, W. Va., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3453. Also, petition of H. O. Barlow and numerous other citizens of Long, Captina, and Wheeling, W. Va., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3454. Also, petition of G. D. Breedlove and numerous other citizens of McAlester and Indianola, Okla., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3455. Also, petition of Edward French and numerous other citizens of Chicago, Ill., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3456. Also, petition of E. M. Neal and numerous other citizens of Shively, Ky., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3457. Also, petition of T. B. Horne and numerous other citizens of Greenwood and Bascom, Fla., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3458. Also, petition of Bailey F. Brooks and numerous other citizens of Caruthersville, Mo., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3459. Also, petition of O. Z. Carlisle and numerous other citizens of Ash, N. C., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3460. Also, petition of Robert Long and numerous other citizens of Helena, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3461. Also, petition of J. A. Carter and numerous other citizens of Shelbyville, Tex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3462. Also, petition of J. J. Shelby and numerous other citizens of Huntsville, Tex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3463. Also, petition of John Ladell and numerous other citizens of Memphis, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3464. Also, petition of John T. Carter and numerous other citizens of Longton, Kans., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3465. Also, petition of H. B. Wade and numerous other citizens of Columbia, Mo., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3466. Also, petition of Bill Harris and numerous other citizens of Des Moines, Iowa, favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3467. Also, petition of M. Barrett and numerous other citizens of Harlem, Mont., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3468. Also, petition of R. T. Simpson and numerous other citizens of Calhoun City, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3469. Also, petition of Julius Tubbs and numerous other citizens of Nettleton, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3470. Also, petition of Arthur Morgan and numerous other citizens of Walnut Grove, Lena, and Tuscola, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3471. Also, petition of G. W. Mayhall and numerous other citizens of Inverness, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3472. Also, petition of Henry Rogers and numerous other citizens of Taylorsville, Springfield, and Jeffersontown, Ky., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3473. Also, petition of Ben Vaughn and numerous other citizens of Gracey and Hopkinsville, Ky., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3474. Also, petition of Otis Hays and numerous other citizens of Guston and Brandenburg, Ky., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3475. Also, petition of R. H. Irwin and numerous other citizens of Bryan, Ky., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3476. Also, petition of David Mix and numerous other citizens of Arlington, Ky., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3477. Also, petition of Frank Kyle and numerous other citizens of Louisville, Ky., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3478. Also, petition of Paul E. Clayton and numerous other citizens of Sorento and Alton, Ill., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3479. Also, petition of Charles F. Orrick and numerous other citizens of Mount Vernon, Ill., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3480. Also, petition of Walter Tomlinson and numerous other citizens of Coffeen, Ill., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3481. Also, petition of J. C. Bains and numerous other citizens of Chelsea and Claremore, Okla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3482. Also, petition of S. A. Michael and numerous other citizens of Healdton, Okla., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3483. Also, petition of Melvin White and numerous other citizens of Pecks Mill, W. Va., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3484. Also, petition of B. W. Cupp and numerous other citizens of Ruckman, W. Va., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3485. Also, petition of J. E. Postlethwaite and numerous other citizens of Fort Myers, Fla., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3486. Also, petition of Calvin Kilpatrick and numerous other citizens of Tallahassee, Fla., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3487. Also, petition of Moses Baker and numerous other citizens of St. Petersburg, Fla., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3488. Also, petition of C. T. Washington and numerous other citizens of Jacksonville, Fla., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3489. Also, petition of J. T. McCullough and numerous other citizens of De Funiak Springs and Ponce de Leon, Fla., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3490. Also, petition of L. Pardon and numerous other citizens of Oak Grove and Lake Providence, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3491. Also, petition of F. Richard and numerous other citizens of Derry and Cloutierville, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3492. Also, petition of Sam Nailes and numerous other citizens of Ashland, Coushatta, and Castor, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3493. Also, petition of W. R. Holloway and numerous other citizens of Plain Dealing, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3494. Also, petition of M. Young and numerous other citizens of Long Leaf, Washington, and Tripplett, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3495. Also, petition of Alex Armstrong and numerous other citizens of Benton, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3496. Also, petition of Robert Hall and numerous other citizens of Clarence and Compti, La., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3497. Also, petition of L. Slaughter and numerous other citizens of Vowells Mills and Many, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3498. Also, petition of John Williams and numerous other citizens of Henagar, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3499. Also, petition of A. P. Adams and numerous other citizens of Hollywood, Ala., favoring House bill 2856, by Congressman Will Rockes, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3500. Also, petition of David J. Collier and numerous other citizens of Centerville, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3501. Also, petition of A. B. Black and numerous other citizens of Union Grove, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3502. Also, petition of Wilson Martin and numerous other citizens of Centerville, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3503. Also, petition of Clarence Douglas and numerous other citizens of Hazel Green, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3504. Also, petition of W. O. Waters and numerous other citizens of Troy and Brundidge, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3505. Also, petition of Thomas Hitt and numerous other citizens of Benton and Tyler, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3506. Also, petition of J. N. Rogers and numerous other citizens of Houston, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3507. Also, petition of R. J. Creech and numerous other citizens of Reader and Chidester, Ark., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3508. Also, petition of Rufus Jeters and numerous other citizens of Forrest City and Lakeside, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3509. Also, petition of Howard McGraugh and numerous other citizens of Lincoln, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3510. Also, petition of Joseph Davis and numerous other citizens of Marianna, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3511. Also, petition of Walter M. Ledbetter and numerous other citizens of Atlanta, Ga., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3512. Also, petition of J. L. Thomas and numerous other citizens of Clem, Roopville, and Bowdon, Ga., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3513. Also, petition of T. T. Shumake and numerous other citizens of Whitesburg, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3514. Also, petition of James V. Bright and numerous other citizens of Beech Bluff and Pinson, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3515. Also, petition of H. W. Bradley and numerous other citizens of Westmoreland and Adolphus, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3516. Also, petition of J. S. Weaver and numerous other citizens of Dallas, Tex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3517. By Mr. RUDD: Petition of Paragon Paint & Varnish Corporation, of Long Island City, N. Y., concerning section 55 (b) of the Revenue Act of 1934; to the Committee on Ways and Means.

3518. Also, petition of the Loose-Wiles Biscuit Co., Long Island City, concerning section 55 (b) of the Revenue Act of 1934; to the Committee on Ways and Means.

3519. Also, petition of Michael A. Lehr, of Bayside, Long Island, N. Y., concerning section 55 (b) of the Revenue Act of 1934; to the Committee on Ways and Means.

3520. Also, petition of National Casket Co., Long Island City, concerning section 55 (b) of the Revenue Act of 1934; to the Committee on Ways and Means.

3521. Also, petition of P. L. Andrews Corporation, Glendale, Long Island, N. Y., concerning section 55 (b) of the Revenue Act of 1934; to the Committee on Ways and Means.

3522. Also, petition of Edward A. Roberts, Flushing, Long Island, N. Y., concerning section 55 (b) of the Revenue Act of 1934; to the Committee on Ways and Means.

3523. By Mr. SAUTHOFF: Joint resolution of the State of Wisconsin memorializing Congress to enact an adequate old-age-pension law; to the Committee on Ways and Means.

3524. By Mr. SHANLEY: Petition of the town of East Hartford, Conn., regarding General Pulaski's Memorial Day; to the Committee on the Judiciary.

3525. By Mr. SMITH of Connecticut: Resolution of Group 2778 of the Polish National Alliance of Thomaston, Conn., signed by Julian Scezepkowski, president; C. Koprpwski, secretary; and J. Michalski, treasurer, memorializing Congress to approve October 11 as General Pulaski's Memorial Day; to the Committee on the Judiciary.

3526. By Mr. SMITH of West Virginia: Resolution of the Charleston Chamber of Commerce, of Charleston, W. Va., opposing House bill 4661 and Senate bill 1417, known as the "Guffey-Snyder coal bills"; to the Committee on Ways and means.

3527. Also, resolution of the Charleston Chamber of Commerce, Charleston, W. Va., opposing House bill 5423, known as the "public utility bill of 1935"; to the Committee on Interstate and Foreign Commerce.

3528. By Mr. TERRY: Resolution memorializing the Congress of the United States to pass, and the President to approve if passed, the General Pulaski Memorial Day resolution now pending in Congress; to the Committee on the Judiciary.

3529. By Mr. TRUAX: Petition of Post No. 3003, Veterans of Foreign Wars, Cleveland, Ohio, by their commander, Arthur J. Oster, and their adjutant, S. C. Drake, urging the passage of House bill 1, the Patman bonus bill, as they believe that said bill is by far the best and fairest bill to the veterans and taxpayer alike now pending before the Congress now in session; to the Committee on Ways and Means.

3530. Also, petition of Crissey Local Ohio Farmers League, Swanton, Ohio, by their secretary, Evelyn Nowowiejski, urging their Congressmen to support the prevailing wage amendment to the public-works relief bill so that the unknown numbers who swarm through city streets and wary the highway hungry and cold, knowing not where to lay their heads, shall have the necessities of life which are their rightful due; to the Committee on Labor.

3531. Also, petition of the Twenty-fourth Ward Unemployment Council, Cleveland, Ohio, urging passage of Lundeen unemployment-insurance bill (H. R. 2827); to the Committee on Labor.

3532. Also, petition of the Jewish War Veterans of the United States, Post 14, Cleveland, Ohio, by their adjutant, Arthur Cohn, urging the passage and enactment into law of the bill (H. R. 1638) for the benefit of Joseph P. Rose; to the Committee on Military Affairs.

3533. Also, petition of Arnold E. Rush and other citizens of Toledo, Ohio, requesting favorable consideration and passage of the Townsend old-age revolving pension plan; to the Committee on Ways and Means.

# SENATE

MONDAY, MARCH 11, 1935

(Legislative day of Monday, Mar. 4, 1935)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

#### THE JOURNAL

On request of Mr. Robinson, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day, Friday, March 8, 1935, was dispensed with, and the Journal was approved.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had agreed to a concurrent resolution (H. Con. Res. 16) rescinding the action of the Vice President and Speaker in signing the enrolled bill (H. R. 330) entitled "An act for the relief of Sophie de Sota", in which it requested the concurrence of the Senate.

### CALL OF THE ROLL

Mr. LEWIS. I note the absence of a quorum, and ask for a roll call.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	King	Pope
Ashurst	Costigan	La Follette	Radcliffe
Austin	Couzens	Lewis	Reynolds
Bachman	Cutting	Logan	Robinson
Bailey	Dickinson	Lonergan	Russell
Bankhead	Dieterich	Long	Schall
Barbour	Donahey	McAdoo	Schwellenbach
Barkley	Duffy	McCarran	Sheppard
Bilbo	Fletcher	McGill	Shipstead
Black	Frazier	McKellar	Smith
Bone	George	McNary	Steiwer
Borah	Gerry	Maloney	Thomas, Okla.
Brown	Gibson	Metcalf	Thomas, Utah
Bulkley	Glass	Minton	Townsend
Bulow	Gore	Moore	Trammell
Burke	Guffey	Murphy	Truman
Byrd	Hale	Murray	Tydings
Byrnes	Harrison	Neely	Vandenberg
Capper	Hastings	Norbeck	Van Nuys
Carey	Hatch	Norris	Wagner
Clark	Hayden	Nye	Walsh
Connally	Johnson	O'Mahoney	White
Coolidge	Keyes	Pittman	

Mr. LEWIS. I announce the absence of the Senator from Louisiana [Mr. Overton] and the Senator from Arkansas [Mrs. Caraway], occasioned by illness, and the absence of the Senator from Montana [Mr. Wheeler], who is necessarily detained from the Senate.

Mr. AUSTIN. I announce that the Senator from Pennsylvania [Mr. Davis] is absent because of illness.

The VICE PRESIDENT. Ninety-one Senators have answered to their names. A quorum is present.

### SOPHIE DE SOTO

The VICE PRESIDENT. The Chair lays before the Senate the concurrent resolution coming over from the House of Representatives, which will be read.

The legislative clerk read the concurrent resolution (H. Con. Res. 16), as follows:

Resolved by the House of Representatives (the Senate concurring), That the action of the Speaker of the House of Representatives and of the President of the Senate in signing the enrolled bill (H. R. 330) entitled "An act for the relief of Sophie de Sota", be rescinded, and that in the reenrollment of the said bill the Clerk of the House of Representatives be, and he is hereby, authorized and directed to make the following correction, namely: Strike out the words "de Sota" wherever they appear in said bill and title and insert in lieu thereof the words "de Soto."

Mr. ROBINSON. I move that the Senate concur in the resolution.

The motion was agreed to.

### PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the Legislature of the State of Kentucky, which was referred to the Committee on Agriculture and Forestry:

#### Senate Resolution 1

Concurrent resolution requesting that the Congress of the United States without further delay pass the Frazier-Lemke farm refinance bill, S. 212 and H. R. 2066

refinance bill, S. 212 and H. R. 2066

Whereas unless immediate relief is given hundreds and thousands of additional farmers will lose their farms and their homes and millions more will be forced into our cities and villages, and the army of the unemployed will necessarily increase to alarming proportions; and
Whereas there is no adequate way of refinancing existing agricultural indebtedness, and the farmers are at the mercy of their mortgagees and creditors throughout this State and Nation; and Whereas the Frazier-Lemke refinance bill, being S. 212 and H. R.

Whereas the Frazier-Lemke refinance bill, being S. 212 and H. R. 2066, in the Congress of the United States provides for the liquidating and refinancing of agricultural indebtedness at a reduced rate of interest through the Farm Credit Administration and Federal land banks; and

Whereas the Frazier-Lemke bill has the endorsement of 22 State legislatures and in addition the lower Houses of the State of New York and Delaware and of many commercial clubs, chambers of commerce, bank organizations, and of business and professional men and women, as well as the great majority of the farmers of

this Nation; and
Whereas the enactment of this bill will have a vital effect not
only upon agriculture but upon all classes of industry; and
Whereas agriculture is the basic industry of this country, and
there can be no recovery until agriculture is put upon a sound
basis: Now, therefore, be it

Resolved, That it is the sense of your memorialists, the members of the Kentucky Legislative Assembly of the State of Kentucky (the senate and the house concurring), that the Congress
of the United States should enact the Frazier-Lemke bill without
further clays: he it further

of the United States should enact the Frazier-Lemke bill without further delay; be it further Resolved, That a copy of this memorial, duly authenticated, be sent by the secretary of state to the President of the Senate and Speaker of the House of Representatives of the United States, and to each Senator and Representative in Congress from this State, to the President of the United States, and to United States Senator Lynn J. Frazier and Congressman William Lemke.

A. B. CHANDLER,
President of the Senate.
W. E. ROGERS,

Speaker House of Representatives.

Approved this February 27, 1935.

RUBY LAFFOON, Governor of Kentucky.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Montana, which was referred to the Committee on Foreign Relations:

# House Joint Resolution 5

Memorializing the United States Senate to ratify at the instant session of Congress the treaty between the United States of America and the Dominion of Canada for the building of the Great Lakes-St. Lawrence seaway

Whereas there is pending before the United States Senate a treaty between the United States of America and the Dominion of Canada for the building of the Great Lakes-St. Lawrence sea-

way; and
Whereas this project has been under scrutiny and analysis by boards composed of the members of the Corps of United States Army Engineers, economic investigators of the Department of Commerce, the International Joint Commission, the United States-St. Lawrence Commission, and many other groups over a long period of years and has had the approval of four Presidents of the United States, of 46 Senators of the United States, and of both the Democratic and Republican Parties in convention assembled; and

Whereas the International Joint Commission found that withwhereas the international Joint Commission found that without considering the probability of new traffic created by the opening of the water route to the seaboard, there existed between the
region economically tributary to the Great Lakes and oversea
points, as well as between the same region and the Atlantic and
Pacific seaboards, a volume of outbound and inbound trade that
might reasonably be expected to seek this route sufficient to justify
the expense involved in its improvement; and

the expense involved in its improvement; and

Whereas the United States Great Lakes-St. Lawrence Commission found the construction of this shipway from the Great Lakes to the sea to be imperative both for the relief and for the development of a vast area in the interior of the continent; and

Whereas the building of this seaway, by affording easy and cheap communication to and from the interior of the continent, would be the greatest farm-relief measure ever passed; and

Whereas no project now before the country in the public works or any other program for work relief begins to have the economic justification this project has, and none will do so much to break the back of the depression, as the money spent on this project would be for durable goods and labor: Now, therefore, be it

Resolved by the House of Representatives of the State of Montana (and the Senate of the State of Montana concurring). That the State of Montana memorialize the Senate of the United States now in session and by the adoption of this resolution, the State

now in session and by the adoption of this resolution, the State of Montana does memorialize the Senate of the United States to ratify, at the present session of the Congress of the United States,

the treaty between the United States of America and the Dominion of Canada providing for the building in accordance with the terms of said treaty a deep waterway canal connecting the Great Lakes with tidewater; and be it further

\*Resolved\*, That the Governor of this State is hereby requested to forthwith transmit to the Senate of the United States a properly authenticated copy of this joint resolution of the House of Representatives and the Senate of the State of Montana.

\*\*W. P. PILGERAM,

\*Speaker of the House.\*\*

\*Ernest T. Eaton,

\*President of the Senate.\*\*

Approved March 5, 1935.

Approved March 5, 1935.

F. H. COONEY. Governor.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Texas, which was referred to the Committee on Interstate Commerce:

### House Concurrent Resolution 24

Whereas for the past several years the public utilities of this

whereas for the past several years the public utilities of this country have grown to such gigantic proportions that they were threatening the very foundation of our Government and economic security of our people; and

Whereas for the past several years the public that they were threatening to your government and economic security of our people; and

Whereas for the past several years the public utilities of this conomic security of our Government and economic security of our people; and

Whereas for the past several years the public utilities of this conomic proportions that they were threatened to such a several years that they were threatened to such a several years that they were threatened to such a several years that they were threatened to such a several years that they were threatened to such a several years that they were threatened to such a several years they were threatened to such a several years that they were threatened to such a several years that they were threatened to such a several years that they were threatened to such a several years that they were threatened to such a several years that they were threatened to such a several years that they were threatened to such a several years that they were threatened to such a several years that they were threatened to such a several years that they were threatened to such a several years that they were threatened to such a several years that they were threatened to such a several years they were threatened to such a several years that they were threatened to such a several years that they were threatened to such a several years that they were threatened to such a several years that they were threatened to such a several years that they wer

publican rule little or nothing was being done to control such organizations; and

Whereas with the coming of the Democratic administration steps were immediately taken by the Federal Trade Commission to make a full and complete investigation of said utilities, showing to the world their practices and policies which do not meet with the approval of the average American citizen; and

Whereas our national administration set forth upon a great and worthy program to expose the practices of these utilities in an effort to squeeze from them their watered stock and construct great hydroelectric projects to furnish the people cheap elecricity by Government-owned plants, and the National Government, through the Public Works Administration, loaned and granted sums of money to various cities for the construction of their own sums of money to various cities for the construction of their own

sums of money to various cities for the construction of their own utility plants; and

Whereas this program and these policies have gone a long way in aiding the public and are expected to extend much further if the program is properly continued: Now, therefore, be it

Resolved, That the Texas House of Representatives (with the senate concurring) go on record and approve, and we do hereby approve, the program of the policies of the national administration in regard to public utilities; and be it further

Resolved, That the Texas House of Representatives (with the senate concurring) go on record as approving, and we do hereby approve, the continuance of such a great and worthy program; and be it further be it further

Resolved, That a copy of this resolution be forwarded to the President and Vice President of the United States and the Speaker of the House of Representatives of the National Congress.

COKE I. STEVENSON,

Speaker of the House. Walter F. Woodul, President of the Senate.

I hereby certify that House Concurrent Resolution No. 24 was adopted by the house on January 31, 1935.

Louise Snow Phinney, Chief Clerk of the House.

I hereby certify that House Concurrent Resolution No. 24 was adopted by the senate on February 27, 1935.

BOB BARKER, Secretary of the Senate.

The VICE PRESIDENT also laid before the Senate the following concurrent resolutions of the Legislature of the State of North Dakota, which were referred to the Committee on Agriculture and Forestry:

# Senate concurrent resolution

Memorializing Congress to establish prices on major farm products that will insure cost of production plus a reasonable profit

Whereas the Government of the United States has assisted practically every class of business in the Nation to carry on during this period of depression; and

Whereas to do so codes have been formulated and regulations and rules have been agreed upon to allow a return for money

and rules have been agreed upon to allow a return for money invested and labor performed; and

Whereas the farming industry, the largest industry of this United States, an industry in which nearly a third of our population is actively engaged; and

Whereas this industry is the life blood of the Nation, the real producer of all wealth, and conducted by an honest, untiring citizenry toiling long days and in many cases deprived of the luxuries and pleasures enjoyed by other classes and professions; and

Whereas even in times of prosperity in other lines of business the farmer was, even by strict economy, gradually losing, and

Whereas many thousands of farm homes have been lost annually, and which is lowering the morale of the greatest industry of our Nation and hindering the return of prosperity to this country at this time; and

at this time; and

Whereas the cause for this condition of our farming industry has been "a price below the cost of production": Now, therefore, be it

be it

Resolved by the Senate of the State of North Dakota (the house of representatives concurring), That this Legislative Assembly of North Dakota respectfully memorialize the Congress of the United States to establish prices on all major products of the farms of this Nation that will give the owners and tillers thereof the cost of production plus a reasonable profit; and be it further Resolved, That attested copies of this resolution be sent to both Houses of the Congress of the United States, to each of the Members thereof from this State, to the Secretary of Agriculture, all of Washington, D. C., and to the State legislatures of the farming States of this Nation.

A. S. Marshall.

A. S. MARSHALL, President pro tempore of the Senate. F. E. TUNNELL,
Secretary of the Senate.
WILLIAM M. CROCKETT,
Speaker of the House.
WALTER S. MARTIN,
Chief Clerk of the House.

#### Senate Concurrent Resolution P

Memorializing Congress to support House Joint Resolutions 15, 83, and 86, introduced in the Congress of the United States by Representative BURDICK

Be it resolved by the Senate of the State of North Dakota (the

house of representatives concurring)—
Whereas Congressman USHER L. BURDICK has introduced in the House of Representatives of the United States Congress the follow-

House Joint Resolution 15, which has for its object the cancelation of all feed and seed loans heretofore made by the United States Government through the Farm Credit Administration to farmers living in the drought district;

House Joint Resolution 83, which has for its object the establish-

living in the drought district;

House Joint Resolution 83, which has for its object the establishment of a national moratorium with respect to debts financed directly or indirectly by Government credit guaranty or authority, in order to prevent foreclosure or execute sales of homes and business establishments in the United States for a period of 2 years; and House Joint Resolution 86, which has for its object the appointment of a joint committee of 7, 3 to be selected from the Senate and 4 from the Members of the House, with full power to inquire into Federal Emergency Relief distribution, including feed for live-stock, and authorizing inquiry into the feasibility of allocating funds for Federal Emergency Relief to the various States; and Whereas we are in hearty accord with all of said several resolutions and the objects to be accomplished thereby: Therefore be it Resolved, That we do urge the Congress of the United States to take such steps as shall be necessary to carry out the purposes of said several resolutions; be it further

Resolved, That copies of this resolution be sent to the Secretary of the Senate, Speaker of the House of Representatives of the United States Congress, and to the Honorable Usher L. Burdick.

A. S. Marshall,

President pro tempore of the Senate.

WILLIAM M. CROCKETT,

Speaker of the House.

Walter S. Martin,

Chief Clerk of the House.

Chief Clerk of the House.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the State of North Dakota, which was referred to the Committee on Finance:

### Senate Joint Resolution F

Memorializing Congress to grant consent to taxation by the several States of certain interstate sales

Whereas necessity for property-tax relief is imperative in North

Whereas 26 States, in an effort to afford property-tax relief and to provide revenue for essential functions of government, have enacted laws imposing taxes based upon or measured by sales of tangible personal property purchased and delivered in such States;

Whereas no less than 65 percent of the population of the United States now resides in States with such laws; and

Whereas by virtue of judicial interpretation of the Federal Constitution the States may not levy without the consent of Congress taxes based upon or measured by sales moving in interstate commerce: and

Whereas as a result of such an interpretation there is a discrimination in favor of interstate sales as against intrastate sales; and Whereas such discrimination if permitted to continue will tend to divert business from normal channels in North Dakota and elsewhere throughout the Union, thus subjecting local merchants to

Whereas it is of vital importance to the welfare of the people of the United States that all things be done to promote the stability of local business in order that the financial structure of North Dakota and other States throughout the Union may be preserved;

Whereas it rests within the power of Congress to permit the

Whereas it rests within the power of Congress to permit the States to levy nondiscriminatory taxes upon sales in interstate commerce; and

Whereas there is pending in Congress Senate file no. 2897, introduced by Hon. Par Harrison, Senator from Mississippi, a bill to enable the States to tax such interstate shipments of goods; and Whereas said measure was passed by the Senate on March 15, 1934, but was not voted upon by the House of Representatives, and hence did not become law; and

and hence did not become law; and

Whereas need for such legislation is imperative in order to correct grave injustice in North Dakota and in all other States throughout the Union where taxes are based upon or measured by sales of tangible personal property: Now, therefore, be it

sales of tangible personal property: Now, therefore, be it

Resolved by the Legislative Assembly of the State of North Dakota, That the Congress of the United States be, and it is hereby,
memorialized to give relief to the State of North Dakota and all
other States imposing taxes based upon or measured by sales of
tangible personal property by immediately providing for the regulation of interstate commerce through granting consent to taxation
by the several States of certain interstate sales as provided by the
measure, S. 2897, introduced by Senator Harrison during the
second session of the Seventy-third Congress; and be it further
Resolved, That copies of this resolution be sent to the presiding
officers of the legislative bodies of all other States of the United
States, with the request that they transmit similar memorials to
Congress, and that copies of this resolution be transmitted to the
President of the United States, to the President of the Senate and

President of the United States, to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, to each of the Members from North Dakota of the Senate and the House of Representatives of the United States, and to the Honorable Par Harrison, United States Senator from Mississippi, author of the measure which would afford the States relief in this important matter.

A. S. MARSHALL, President pro tempore of the Senate. F. E. TUNNELL, Secretary of the Senate.
WILLIAM M. CROCKETT,
Speaker of the House.
WALTER S. MARTIN,
Chief Clerk of the House.

The VICE PRESIDENT also laid before the Senate a concurrent resolution of the Legislature of the State of New Jersey, favoring amendment of the Internal Revenue Act of 1934, preventing the imposition, directly or indirectly, of a tax upon any State or Territory of the United States, the District of Columbia, or any political subdivision, agency, or district thereof, which was referred to the Committee on Finance.

(See concurrent resolution printed in full when presented by Mr. Barbour on the 8th instant, p. 3178, Congressional

The VICE PRESIDENT also laid before the Senate joint resolutions of the Legislature of the State of Wisconsin, favoring the enactment of legislation to reduce the excise tax on intoxicating liquors and beer and other fermented malt beverages, and also the enactment of an old-age pension law, to be financed by the Federal Government, which were referred to the Committee on Finance.

(See joint resolutions printed in full when presented today by Mr. La Follette, p. 3328.)

The VICE PRESIDENT also laid before the Senate joint resolutions of the Legislature of the State of Wisconsin, favoring the enactment of legislation to provide a code of fair competition for farmers, to establish the cost of production to farmers and to provide for a reasonable profit on their investments, and also to enact the pending so-called "Frazier-Lemke farm refinancing bill", which were referred to the Committee on Agriculture and Forestry.

(See joint resolutions printed in full when presented today by Mr. La Follette, p. 3328.)

The VICE PRESIDENT also laid before the Senate a joint resolution of the Legislature of the State of Wisconsin, favoring the enactment of legislation providing Federal financial aid to high schools, which was referred to the Committee on Education and Labor.

(See joint resolution printed in full when presented today by Mr. La Follette, p. 3328.)

The VICE PRESIDENT also laid before the Senate a resolution adopted by the Farmers' Holiday Association of the State of New Mexico, favoring the prompt enactment of the so-called "Frazier-Lemke farm refinancing bill", which was referred to the Committee on Agriculture and Forestry.

He also laid before the Senate a resolution adopted by the | executive committee of the Farmers' Holiday Association of the State of New Mexico, favoring the enactment of the socalled "Patman bill", being the bill (H. R. 1) to provide for the immediate payment to veterans of the face value of their adjusted-service certificates and for controlled expansion of the currency, which was referred to the Committee on Finance.

He also laid before the Senate a letter from the commander of Westmoreland County Council, Veterans of Foreign Wars, of Derry, Pa., transmitting copy of a resolution adopted by the City Council of the Borough of Derry, Pa., favoring the enactment of legislation providing for the cash payment of adjusted-service certificates of World War veterans which, with the accompanying paper, was referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by Datus E. Coon Corps, No. 84, W. R. C., of San Diego, Calif., favoring the adoption of the so-called "Townsend revolving pension plan", which was referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by the Leland (Miss.) Junior Chamber of Commerce, protesting against the ratification of the Great Lakes-St. Lawrence Deep Waterway Treaty, which was referred to the Committee on Foreign Relations.

He also laid before the Senate the petition of the Ministers' Alliance of Springfield, Mo., praying for the enactment of legislation prohibiting the transportation in interstate commerce of advertisements of intoxicating liquors, which was referred to the Committee on Interstate Commerce.

He also laid before the Senate a resolution adopted by the Ministers' Association of Hornell, N. Y., and vicinity, favoring the nationalization of the manufacture and sale of arms and munitions, etc., and the outlawry of war, and remonstrating against proposed naval activities in the Pacific, which was referred to the Committee on Military Affairs.

He also laid before the Senate an open letter from the Jackson Democratic Club of New Orleans, La., signed by Francis Williams, its chairman, relative to certain alleged acts of the senior Senator from Louisiana [Mr. Long], which was referred to the Committee on Privileges and Elections.

He also laid before the Senate petitions of sundry citizens of the States of California, Connecticut, Colorado, Florida, Georgia, Illinois, Indiana, Kentucky, Massachu-setts, Minnesota, Missouri, New York, North Carolina, Pennsylvania, Tennessee, Texas, and Vermont, praying for an investigation of charges filed by the Women's Committee of Louisiana relative to the qualifications of the Senators from Louisiana [Mr. Long and Mr. Overton], which were referred to the Committee on Privileges and Elections.

He also laid before the Senate a letter from the Grayson Share Our Wealth Society, of Grayson, La., signed by its president and secretary, denying published statements to the effect that the senior Senator from Louisiana [Mr. Long] has established a dictatorship in the State of Louisiana, and endorsing that Senator, which was ordered to lie on the table.

He also presented resolutions adopted by the City Commission of Phoenix, Ariz.; the Board of Commissioners of Allegheny County, Pa.; the City Councils of Salem, Mass., and Greenville, Tex., and the Common Councils of Moline and Rochelle, Ill., Indianapolis, Ind., and Cambridge, Ohio, favoring the enactment of pending legislation proclaiming October 11 in each year as General Pulaski's Memorial Day, which were ordered to lie on the table.

Mr. CAPPER presented a resolution adopted by the Cowley County Farmers Union, Winfield, Kans., favoring the passage of the so-called "Frazier-Lemke farm refinancing bill", which was referred to the Committee on Agriculture and Forestry.

Mr. SHIPSTEAD presented a resolution adopted by the County Board of Lincoln County, Minn., favoring the enactment of legislation providing for a more adequate refinancing of farm indebtedness, which was referred to the Committee on Agriculture and Forestry.

Mr. MALONEY presented resolutions adopted by a citizens' meeting held in Falcons Hall, Bridgeport, Conn., protesting against alleged atrocities, mass executions, and unfair rule now existent in Soviet Russia, and favoring the severance of diplomatic relations with the Government of Soviet Russia. which were referred to the Committee on Foreign Relations.

He also presented resolutions adopted by the council of the town of East Hartford and Group No. 1691 of the Polish National Alliance of the United States of North America, of Moosup, in the State of Connecticut, favoring the enactment of pending legislation proclaiming October 11 in each year as General Pulaski's Memorial Day, which were ordered to lie on the table.

Mr. WALSH presented resolutions adopted by Branch No. 28 of the Polish Workmen's Aid Fund, of Lynn, and Lodge No. 108, International Association of Machinists, of Quincy, in the State of Massachusetts, endorsing the so-called "Wagner bill", providing for majority rule in collective bargaining, the outlawry of company-promoted unions, and so forth, which were referred to the Committee on Education and Labor.

He also presented resolutions adopted by the annual convention of the Fifty-fifth Artillery Veterans' Association, at Providence, R. I., favoring the enactment of legislation providing payment of adjusted-service certificates of World War veterans, and also the elimination from Veterans' Administration Regulations of the causative factor requirement for direct service-connected disabilities, which were referred to the Committee on Finance.

He also presented a communication from Harold A. Daley, commander of Post No. 194, the American Legion, of Hamilton, Mass., opposing the enactment of the so-called "Vinson bill" providing immediate payment of adjusted-service certificates of World War veterans, which was referred to the Committee on Finance.

He also presented a letter in the nature of a memorial from the Chicopee (Mass.) Chamber of Commerce, remonstrating against the publication of personal income-tax returns, which was referred to the Committee on Finance.

He also presented a petition of sundry citizens of Worcester County, Mass., praying for the repeal of the so-called "Wheeler-Howard Indian welfare bill", which was referred to the Committee on Indian Affairs.

He also presented a resolution adopted by the executive board of the Catholic Woman's Club of Fall River, Mass., protesting against the enactment of Senate bills 600 and 1375, relating to birth control, which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by the annual meeting of the National Council of Schoolhouse Construction, held in Washington, D. C., favoring the making of increased appropriations for the Public Works Administration to permit more extensive construction of schoolhouses, which was ordered to lie on the table.

Mr. BORAH presented the following joint memorial of the Legislature of the State of Idaho, which was referred to the Committee on Finance:

# Senate Joint Memorial 5

o the Honorable Senate and House of Representatives of the United States of America in Congress assembled: Whereas there exists within the United States a condition of

acute economic distress; and
Whereas by reason of such economic distress there has been
created a wide-spread condition of unemployment; and

Whereas such economic distress and unemployment have resulted in much suffering and want of the necessities of life; and Whereas it has become the public policy of the United States to take affirmative steps to relieve the conditions aforesaid; and

Whereas there is proposed for enactment by the Congress of the Whereas there is proposed for enactment by the Congress of the United States certain constructive legislation commonly known as the "Townsend old-age pension revolving fund plan", having for its purpose the creation of a National Treasury fund to be maintained by the people of the United States and used for the payment of old-age pensions; and

Whereas it appears that by the operation of such plan a substantial percentage of those persons of advanced years now holding

tial percentage of those persons of advanced years now holding positions in the industries of this Nation will be relieved of the

necessity of labor for their sustenance and retired from service to permit employment of younger persons now unemployed; and Whereas it appears that by the operation of such plan large sums of money will be released and required to circulate freely to the elimination of hoarding and the inestimable benefit of trade; and Whereas by the operation of such plan the aged and infirm will receive of the bounties of this Nation and be enabled to contribute substantially to its commercial prosperity without constituting a burden upon employed persons of limited means: Now, therefore, be it

Resolved by the Senate of the State of Idaho (the house of representatives concurring), That we most respectfully urge upon the Congress of the United States the enactment of the said Townsend

congress of the United States the enactment of the said Townsend old-age pension revolving fund plan, as now proposed; be it further Resolved, That the secretary of state of the State of Idaho be, and he is hereby, directed to forthwith forward certified copies of this memorial to the Senate and House of Representatives of the United States of America, and to the Senators and Representatives in Congress from this State.

Mr. METCALF presented the following resolution of the House of Representatives of the State of Rhode Island, which was referred to the Committee on Finance:

House resolution requesting the Senators and Representatives from Rhode Island in the Congress of the United States to use their best efforts to have repealed the new income-tax publicity provision

Whereas there is great delay in the filing of income-tax returns, since the publicity clause of the income-tax law is not in effect until the Commissioner of Internal Revenue defines regulations under which the tax information may be made public; and Whereas there is great agitation for the repeal of the new income-tax publicity provisions, and the House Ways and Means Committee of Congress has favorably reported a resolution for the repeal of the income-tax publicity section of the revenue act: Now, therefore, be it

repeal of the income-tax publicity section of the revenue act:

Now, therefore, be it

Resolved, That this house of representatives respectfully requests the Senators and Representatives from Rhode Island in the Congress of the United States to use their best efforts to have the income-tax publicity section of the revenue act repealed; and the recording clerk is hereby authorized and directed to transmit to the Senators and Representatives from Rhode Island in Congress duly certified copies of this resolution.

Mr. MURRAY presented the following joint resolution of the Legislature of the State of Montana, which was referred to the Committee on Public Buildings and Grounds:

Joint resolution memorializing Congress to use granite and natural stone in construction of public buildings

To the Honorable Senate and the House of Representatives of the United States of America and the Honorable President of the United States of America:

Whereas the Federal Government is contemplating an extensive public-works program, under which many public buildings will be erected throughout the United States; and

Whereas the present status of unemployment in the granite and stone industries in the State of Montana and other granite- and stone-producing States is deplorable, it being estimated that from 80 to 85 percent of granite and stone employees are on Federal relief; and

Whereas the greater portion of the cost of finished granite and stone is incurred by labor; and

Whereas from the standpoint of economy and prudent policy it is advisable that lasting and durable materials be used in the construction of public buildings: Now, be it therefore

Resolved by the House of Representatives of the State of Montana (the senate concurring), That Congress be respectfully urged and petitioned to enact legislation, or to otherwise take appropriate action to require that granite and natural stone be used in the construction of public buildings to be erected under the public-works program; and that the secretary of state be instructed to send copies of this resolution to the President, Vice President, Secretary of the Treasury of the United States, and to the Members of the Congress from the State of Montana.

W. P. PILGERAM, Speaker of the House. ERNEST T. EATON, President of the Senate.

Approved March 5, 1935.

F. H. COONEY, Governor,

Mr. PITTMAN presented the following joint resolution of the Legislature of the State of Nevada, which was referred to the Committee on Interstate Commerce:

Senate joint resolution memorializing Congress to not repeal long-and short-haul clause

To the Congress of the United States:

Your memorialist, the Legislature of the State of Nevada, hereby respectfully represents that

Whereas the measure before your honorable bodies for repeal of the long- and short-haul clause of the Interstate Commerce Act, if adopted and it were possible of enforcement in the spirit that it

is intended, would be a public disaster, no more to the business and economic interests of the inter-Mountain States of the great West than to the railway lines themselves, which are sponsoring this illadvised legislation; and

advised legislation; and

Whereas each year the manufactures of freight-carrying motor vehicles are enlarging the carrying capacities of their units and fleets and immensely broadening their range; and

Whereas the railroad managements are cognizant of these facts, or ought to be, and are striving at the same time to tighten their hold upon us by placing truck haulage under the jurisdiction of the Interstate Commerce Commission, subjecting it to rules and practices inimical to the public welfare; and

Whereas were it possible for the railroads to unite and accomplish this double purpose, it would be an absurdity to permit, expect, or require the truck operators to adopt a back-haul rate and practice in the delivery of intermountain freight similar to what the railroads propose to appropriate to themselves, or to participate in their pretensions of justification therefor; and

Whereas, on the contrary, it would have the effect of causing wide-spread retaliation, both through State legislation and business dealings with shippers, by encouraging motor haulage here and everywhere, and be the worst calamity that could happen to the railroads; and

railroads; and

railroads; and

Whereas for more than 2 years the railroads and their backers in Congress have carried on a vigorous campaign of propaganda, telling their employees and the public that collecting from the public under the name of a back haul for a service not rendered, but if rendered would be a disservice, would have the effect of stimulating railroad employment, which propaganda is false and vicious, to the great disadvantage of employees more than any other class; and

Whereas in previous times when the back-haul practice was in operation the Southern Pacific Co., alone in its latitude and area, absorbed the whole of the added revenue extracted from the public accruing from the back haul, sharing no part of it with connecting lines, which fact refutes and answers the argument of its general need by the railroads or its stimulating employment: Now, therefore, be it

fore, be it

Resolved, That the Legislature of the State of Nevada hereby respectfully requests the Congress to defeat this and all measures now or hereafter before it designed to repeal or nullify the long-and short-haul clause of the interstate commerce law, and, further, to commit itself to a permanent policy of retaining and strengthening said long- and short-haul clause against future agitation for its

Resolved, That copies of this memorial be forwarded to the members of the Nevada delegation in Congress and to members of the Utah and Idaho delegations by the secretary of state of the State of Nevada.

WILLIAM KENNETT,
Speaker of the Assembly.
LEONARD A. WILSON,
Chief Clerk of the Assembly.
FRED S. ALWARD,
President of the Senate.
FRINARD A DUCKES IN EDWARD A. DUCKER, Jr., Secretary of the Senate.

State of Nevada, executive department. Approved February 27,

RICHARD KIRMAN,

Mr. PITTMAN also presented the following joint resolution of the Legislature of the State of Nevada, which was referred to the Committee on Public Lands and Surveys:

Assembly joint resolution memorializing Congress and the Secretary of Agriculture of the United States for relief in the matter of grazing fees for livestock upon the national forests

Whereas the existing schedule of grazing-fee charges exacted for use by Nevada stock-raising settlers of those public ranges upon which their properties necessarily were and still are established, and which have, from time to time, been surrounded by the so-called "national forest withdrawals", are based upon range appraisals covering periods of abnormally high livestock

whereas the continuance of such charge schedules, in the face of existing livestock values far below any known for many years past, can only most seriously impede and retard any reasonable opportunity for recovery and rehabilitation of Nevada's stockraising and ranching settlements, a most important factor in the social and economic structure of our State: Now, therefore, be it Resolved by the Assembly and the Senate of the State of Nevada, That we most earnestly urge upon all Federal officials concerned the extreme need for continuance, for the grazing season of 1935, of the 50-percent reduction in national forest grazing-fee charges as granted for 1932, based upon the charges in effect for 1931; and be it further

and be it further

Resolved, That we urge our Nevada congressional delegation to use every effort toward securing an early and complete range reappraisal, looking to the fixing of forest grazing-fee schedules in keeping with the heavy decline in livestock values that has occurred since the present schedules were determined; and be it

Resolved, That the secretary of state of the State of Nevada be, and he is hereby, directed to immediately forward copies of this

resolution to the President of the United States, to the Speaker of the House of Representatives, to each of our Senators, and to our Representative in Congress.

FRED S. ALWARD,
President of the Senate. EDWARD A. DUCKER, Jr., Secretary of the Senate. WILLIAM KENNETT, Speaker of the Assembly. LEONARD A. WILSON, Chief Clerk of the Assembly.

State of Nevada, executive department. Approved February 27,

RICHARD KIRMAN, Governor.

Mr. LA FOLLETTE presented the following joint resolutions of the Legislature of the State of Wisconsin, which were referred to the Committee on Agriculture and Forestry:

Joint resolution relating to a code of fair dealing, and to the establishing of the cost of production to farmers and a reasonable profit on their investments

Whereas the Congress of the United States has provided certain economic protection to those engaged in commercial and industrial enterprises by means of codes of fair competition promulgated under the National Recovery Act; and
Whereas farmers constitute 40 percent of the population of the United States and an even larger share of the total buying power of the Nation; and

Whereas Congress, by means of the Agricultural Adjustment Act, has endeavored to increase the farmers' buying power, but has not faced the fundamental fact that the farmer is entitled not only to higher prices for certain of his products, but is also entitled to his cost of production for all products plus a reasonable profit on his investment if his buying power is to become permanently restored; and

. Whereas sound recovery cannot be reached in this country until the farmers' buying power is permanently restored: Therefore be it

Resolved by the senate (the assembly concurring). That the Legislature of Wisconsin respectfully memorializes the Congress of the United States to enact legislation to provide for a code of fair competition for the farmer, to establish the cost of production to farmers, and to provide for a reasonable profit on their investments; be it further

Resolved, That properly attested copies of this resolution be transmitted to both Houses of the Congress of the United States and to each Wisconsin Member thereof.

THOMAS J. O'MALLEY, President of the Senate. LAWRENCE R. LARSEN, Chief Clerk of the Senate. J. W. CAROW,
Speaker of the Assembly.
LESTER R. JOHNSON,
Chief Clerk of the Assembly.

Joint resolution memorializing the Congress of the United States to enact the pending Frazier-Lemke finance mortgage bill

Whereas there is now pending in the Congress Senate bill 212, introduced by Senator Frazzer, and House bill 2066, introduced by Representative Lemke, each entitled "A bill to liquidate and refinance agricultural indebtedness at a reduced rate of interest by establishing an efficient credit system, through the use of the Farm Credit Administration, the Federal Reserve Banking System, and creating a Board of Agriculture to supervise the same"; and Whereas this measure, if enacted, will provide an effective method of refinancing the debt-ridden farmer and an efficient and much

Whereas this measure, if enacted, will provide an effective method of refinancing the debt-ridden farmer and an efficient and much needed credit system for the farmer; and

Whereas the liquidation and refinancing of agricultural indebt-edness is necessary to effect rehabilitation of the agricultural industry: Now, therefore, be it

Resolved by the senate (the assembly concurring). That this legislature memorializes the Congress of the United States to pass the Frazier-Lemke finance mortgage bill herein referred to; be it further

Resolved, That properly attested copies of this resolution be sent to both Houses of the Congress and to each Wisconsin Member thereof.

> President of the Senate.
>
> AWRENCE R. LARSEN, Chief Clerk of the Senate. J. W. Carow,
> Speaker of the Assembly.
> Lester R. Johnson,
> Chief Clerk of the Assembly.

Mr. LA FOLLETTE presented the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Education and Labor:

Joint resolution memorializing the Congress of the United States to enact legislation providing for Federal aid to high schools

Whereas the high schools of the United States have suffered greatly from reduced budgets due to the inability of local units of government to raise the necessary money by local taxes; and

Whereas the Legislature of Wisconsin has estimated that the high schools in Wisconsin need assistance in the amount of over \$6,000,000, which cannot be met by the State; and
Whereas most of the high-school districts of the State are obliged to pay an unreasonably high tax in order to support their high schools; and
Whereas the rural towns are unable to the state of the state of the state of the support their high schools; and

whereas the rural towns are unable to pay the high rate of tuition now imposed on them by law, causing many of these towns to go delinquent; and

Whereas in this period of unemployment it is more vital than ever before that young people be enabled to complete a high-school education: Therefore be it

education: Therefore be it

Resolved by the senate (the assembly concurring), That the
Legislature of Wisconsin respectfully memorialize the Congress of
the United States to immediately enact legislation to provide for
adequate financial aid to the high schools, with the provision
that any moneys so received be administered and distributed by
the State department of public instruction, that our property taxpayers may be protected and that our educational system shall not
break down when it is needed most; and be it further

Resolved, That properly attested copies of this resolution be
sent to both Houses of Congress and to each Wisconsin Member
thereof.

THOMAS J. O'MALLEY,
President of the Senate.
LAWRENCE R. LARSEN,
Chief Clerk of the Senate.
J. W. CAROW, Speaker of the Assembly. LESTER R. JOHNSON, Chief Clerk of the Assembly.

Mr. LA FOLLETTE also presented the following joint resolutions of the Legislature of the State of Wisconsin, which were referred to the Committee on Finance:

Joint resolution memorializing the Congress of the United States to reduce the excise tax on intoxicating liquors and beer and other fermented malt beverages

Whereas the high excise tax on intoxicating liquor and beer and other fermented malt beverages promotes unlawful manufacture, possession and sale of such liquors and beverages upon which no taxes are paid; and

Whereas a situation which encourages and promotes bootlegging and indirectly other crimes is a public menace and should be corrected to protect the legitimate dealer, to increase the public revenues, and to prevent crime; and

Whereas the reduction of the tax on beer and other fermented

malt beverages will result in an increased consumption of beer and

other such beverages and lessen the demand for spirituous liquors of higher alcoholic content: Now, therefore, be it

Resolved by the senate (the assembly concurring), That the Legislature of Wisconsin respectfully memorializes the Congress of the United States to reduce the Federal excise tax on intoxicating liquor to \$1.10 per proof gallon and to reduce the excise tax on beer and other fermented malt beverages so that such tax will not and other fermented malt beverages so the exceed \$2 per barrel; be it further Resolved, That properly attested copies of this resolution be sent to the presiding officers of both Houses of the Congress of the United States and to each Wisconsin Member thereof.

THOMAS J. O'MALLEY,

Provident of the Senate.

THOMAS J. O'MALLEY,
President of the Senate.
LAWRENCE R. LARSEN,
Chief Clerk of the Senate.
J. W. CAROW,
Speaker of the Assembly.
LESTER R. JOHNSON,
Chief Clerk of the Assembly.

Joint resolution memorializing Congress to enact an adequate old-age pension law

Whereas the people of Wisconsin, at a referendum at the 1934

Whereas the people of Wisconsin, at a referendum at the 1934 spring election voted overwhelmingly in favor of a compulsory old-age-pension law for this State; and Whereas there is a rapidly growing sentiment over the Nation for old-age pensions to give an adequate security for the aged by means of cash benefits so that they may live out their last years independently and not be compelled to seek the charity of their neighbors or the humiliation of the poor farm; and Whereas it is clearly desirable that an old-age-pension system should be national in its scope and uniform for all States in its provisions: Therefore, be it

\*Resolved by the assembly (the senate concurring). That this

Resolved by the assembly (the senate concurring), That this legislature respectfully memoralizes the Congress of the United States to enact legislation providing for an adequate old-age-pension law to be financed by the Federal Government and to be administered uniformly in each State; and be it further Resolved, That properly attested copies of this resolution be sent to the Congress of the United States and to each Wisconsin Member, thereof:

Member thereof.

J. W. CAROW, Speaker of the Assembly. LESTER R. JOHNSON, Chief Clerk of the Assembly.
Thomas J. O'Maller,
President of the Senate.
LAWRENCE R. LARSEN,
Chief Clerk of the Senate. Mr. POPE presented a joint memorial of the Legislature of the State of Idaho, favoring the adoption by Congress of the so-called "Townsend old-age revolving pension plan", which was referred to the Committee on Finance.

(See joint memorial printed in full when presented today

by Mr. Borah, pp. 3326-3327.)

Mr. POPE also presented a joint memorial of the Legislature of the State of Idaho, favoring the making of adequate appropriations for the Bureau of Mines, which was referred to the Committee on Mines and Mining.

(See joint memorial printed in full when laid before the Senate on Mar. 5, 1935, by the Vice President, p. 2958, Con-

GRESSIONAL RECORD.)

### REPORTS OF COMMITTEES

Mr. GLASS, from the Committee on Appropriations, to which was referred the bill (H. R. 4442) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1936, and for other purposes, reported it with amendments and submitted a report (No. 292) thereon.

Mr. BURKE, from the Committee on Claims, to which was referred the bill (H. R. 340) for the relief of Louis Zagata, reported it without amendment and submitted a

report (No. 290) thereon.

Mr. GIBSON, from the Committee on Claims, to which was referred the bill (S. 2205) for the relief of Thomas F. Cooney, reported it with amendments and submitted a

report (No. 293) thereon.

Mr. BLACK, from the Committee on Claims, to which was referred the bill (S. 2119) for the relief of Amos D. Carver, S. E. Turner, Clifford N. Carver, Scott Blanchard, P. B. Blanchard, James B. Parse, A. N. Blanchard, and W. A. Blanchard, and/or the widows of such of them as may be deceased, reported it with an amendment and submitted a report (No. 294) thereon.

Mr. LOGAN, from the Committee on Military Affairs, to which was referred the bill (H. R. 2678) for the relief of Carl L. Bernau, reported it without amendment and sub-

mitted a report (No. 291) thereon,

Mr. THOMAS of Utah, from the Committee on Military Affairs, to which was referred the bill (S. 1410) for the relief of Thomas G. Carlin, reported it without amendment and submitted a report (No. 297) thereon.

Mr. SHEPPARD, from the Committee on Commerce, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 1855. A bill to revive and reenact the act entitled "An act authorizing H. C. Brenner Realty and Finance Corporation, its successors and assigns, to construct, maintain, and operate a bridge across the Mississippi River at or near a point between Cherokee and Osage Streets, St. Louis, Mo.", approved February 13, 1931 (Rept. No. 295); and

S. 1987. A bill to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Farnam Street, Omaha, Nebr. (Rept. No.

Mr. KING, from the Committee on the District of Columbia, to which was referred the bill (S. 1162) to regulate the business of making small loans in the District of Columbia, and to amend an act to regulate the business of loaning money, etc., approved February 4, 1913, reported it with amendments and submitted a report (No. 298) thereon.

He also, from the same committee, to which were referred the following bills and joint resolution, reported them severally without amendment and submitted reports thereon:

H. R. 83. A bill to provide for the conservation and settlement of estates of absentees and absconders in the District of Columbia, and for other purposes (Rept. No. 299);

H. R. 4538. A bill to change the designation of Lefler Place to Second Place (Rept. No. 300); and

H. J. Res. 134. Joint resolution to continue the Commission for determining the boundary line between the District of Columbia and the State of Virginia for not to exceed 9 additional months, and to authorize not to exceed \$10,000 additional funds for its expenses (Rept. No. 301).

Mr. REYNOLDS, from the Committee on the District of Columbia, to which was referred the bill (H. R. 3477) relating to the incorporation of Trinity College of Washington, D. C., organized under and by virtue of a certificate of incorporation pursuant to the incorporation laws of the District of Columbia, as provided in subchapter 1 of chapter 13 of the Code of Laws of the District of Columbia, reported it without amendment and submitted a report (No. 302) thereon.

Mr. SMITH, from the Committee on Interstate Commerce, to which was referred the bill (S. 1024) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Hampton and Branchville Railroad Co., reported it without amendment and submitted a report (No. 303) thereon.

### BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NEELY:

A bill (S. 2208) for the relief of David J. Pritchard; to the Committee on Claims.

By Mr. TYDINGS:

A bill (S. 2209) to protect American labor and to preserve an essential American industry; to the Committee on Territories and Insular Affairs.

By Mr. CLARK:

A bill (S. 2210) granting an increase of pension to Missouri E. Griffith; to the Committee on Pensions.

(Mr. Bankhead introduced Senate bill 2211, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

By Mr. KING:

A bill (S. 2212) to authorize the Pennsylvania Railroad Co. by means of an overhead bridge to cross New York Avenue NE., to extend, construct, maintain, and operate certain industrial side tracks, and for other purposes; to the Committee on the District of Columbia.

By Mr. THOMAS of Oklahoma (by request):

A bill (S. 2213) to define the exterior boundaries of the Navajo Indian Reservation in New Mexico, and for other purposes; and

A bill (S. 2214) conferring jurisdiction on United States District Courts over Osage Indian drug and liquor addicts; to the Committee on Indian Affairs.

By Mr. BARKLEY:

A bill (S. 2215) to amend the act entitled "An act to provide for the collection and publication of statistics of tobacco by the Department of Agriculture", approved January 14, 1929, as amended; to the Committee on Agriculture and Forestry.

By Mr. COPELAND:

A bill (S. 2216) to authorize the coinage of 50-cent pieces in commemoration of the one hundred and fiftieth anniversary of the founding of the city of Hudson, N. Y.; to the Committee on Banking and Currency.

A bill (S. 2217) for the relief of John Fleckstein; and

A bill (S. 2218) for the relief of Elsie Segar; to the Committee on Claims.

A bill (S. 2219) for the relief of Lt. D. A. Neumann, Pay Corps, United States Naval Reserve Force; to the Committee on Naval Affairs.

A bill (S. 2220) consolidating the post offices in the county of Queens, N. Y.; to the Committee on Post Offices and Post Roads.

By Mr. SHIPSTEAD:

A bill (S. 2221) granting an increase of pension to Bjarne Birkeland; to the Committee on Pensions,

By Mr. BARKLEY:

A joint resolution (S. J. Res. 80) authorizing the erection of a monument to Grover Cleveland in Washington, D. C.; to the Committee on the Library.

By Mr. COPELAND:

A joint resolution (S. J. Res. 81) authorizing the States of New York, New Jersey, Pennsylvania, Connecticut, Mas-

sachusetts, New Hampshire, and Vermont to enter into a | day and have to listen to speeches which have no relevancy certain agreement; to the Committee on the Judiciary.

A joint resolution (S. J. Res. 82) authorizing the erection of a monument to Grover Cleveland in Washington, D. C .; to the Committee on the Library.

### WORK-RELIEF PROGRAM-AMENDMENTS

Mr. COSTIGAN submitted amendments intended to be proposed by him to the joint resolution (H. J. Res. 117) making appropriations for relief purposes, which were ordered to lie on the table and to be printed.

Mr. BONE and Mr. SCHWELLENBACH, jointly, submitted amendments intended to be proposed by them to House Joint Resolution 117, which were ordered to lie on the table and to be printed.

Mr. STEIWER submitted an amendment intended to be proposed by him to House Joint Resolution 117, which was ordered to lie on the table and to be printed.

Mr. THOMAS of Oklahoma. Mr. President, I ask unanimous consent to submit an amendment to the pending joint resolution. I ask that the amendment be printed and lie upon the table, and also that it be printed in the RECORD.

There being no objection, the amendment intended to be proposed by Mr. Thomas of Oklahoma to the joint resolution (H. J. Res. 117) was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

Amendment intended to be proposed by Mr. Thomas of Oklahoma to the joint resolution (H. J. Res. 117) making appropriations for relief purposes, viz: On page 10, after line 9, insert the following:

PART II-FINANCING-EXPANSION OF CURRENCY, THEREBY MAKING IT POSSIBLE FOR THE PEOPLE TO SECURE FUNDS FOR PAYMENT OF TAXES NECESSARY TO BALANCE THE BUDGET AND TO MEET THE INTEREST AND PRINCIPAL OF THE BONDS MADE NECESSARY BY THE APPROPRIATION MADE IN SECTION 1 OF THIS ACT

"SEC. 12. The Secretary of the Treasury is hereby authorized

and directed—
"1. To issue silver certificates against all silver bullion now held or hereafter acquired at its monetary value, and such silver certificates shall be placed in circulation immediately through the payment of maturing obligations.

"2. All silver certificates issued and outside the Treasury, and all silver certificates which may be hereafter issued shall, upon receipt by the Secretary of the Treasury, be reissued and paid out again and kept in circulation as provided for legal tender notes in chapter 146 of the United States Statutes at Large, Forty-fifth Congress, and approved May 31, 1878.

Congress, and approved May 31, 1878.

"Sec. 13. The Secretary of the Treasury is hereby authorized and directed to purchase silver bullion at the rate of not less and directed to purchase silver bullion at the rate of not less than 50,000,000 ounces per month wherever silver shall be procurable at a price to be fixed by him from time to time, and the silver so purchased shall be paid for, held, and deposited as provided by law: Provided, That such purchases of silver shall continue until the proportion of silver to gold in the monetary stocks of the United States shall equal one-fourth of the monetary value of such stocks, or until the price of silver in the world markets, based upon international exchange, shall reach the value of \$1.29 per fine ounce whereupon such purchases shall cease: Provided per fine ounce, whereupon such purchases shall cease: Provided further,

"(a) That at any time the price of silver in such world markets reaches the value of \$1.29 per fine ounce, the mint is hereby opened to the free acceptance of silver upon the basis of 371%

grains of fine silver to the dollar as provided in section 9 of chapter 16 of the First Statutes of 1792;

"(b) That payment for all silver accepted, as provided herein, shall be made in standard silver dollars or in silver certificates at the option of the person, firm, association, or corporation

at the option of the person, firm, association, or corporation tendering silver for coinage;

"(c) That to the end that the necessary proportion of silver may be acquired for our metallic monetary stocks, the Secretary of the Treasury may, in his discretion, exchange gold for silver on a fair and equitable basis of price, and silver certificates shall be issued immediately against all silver thus acquired by such exchange as provided in paragraph I of section 12 hereof;

"(d) That the Secretary of the Treasury is hereby authorized, in his discretion, to accept silver at an agreed price in settlement and adjustment of any balance due the United States; and

"(e) That the Secretary of the Treasury shall make all needful rules and regulations for carrying into effect the provisions of this title."

# DEBATE ON GENERAL APPROPRIATION BILLS-AMENDMENT TO RULES

Mr. GLASS. Mr. President, I send to the desk a resolution, which I ask may be referred to the Committee on Rules. I may state that I have in mind no particular Senator but I have in mind all Senators. It has seemed to me perfectly ridiculous that the Senate should sit here day after | winter.

whatever to appropriation bills under consideration. If possible, I desire to put a stop to the practice. I do not entertain a strong belief that the resolution will ever come out of the committee, but I want it referred.

The VICE PRESIDENT. The resolution will be read for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 99), as

Resolved, That paragraph no. 1 of rule XIX of the Standing Rules of the Senate (relating to debate) be, and the same is hereby, amended by adding after the word "debate", at the end of said paragraph, the following:

": Provided, That during the consideration of any general appropriation bill, no debate, except by unanimous consent, shall be in order that is not germane or relevant to the pending bill. All questions of germaneness, relevancy, or points of order raised under this proviso, including appeals from the decision of the Chair thereon, shall be decided without debate."

Mr. McNARY. Mr. President, is it the purpose of the Senator from Virginia to have the resolution referred to the Committee on Rules?

Mr. GLASS. Yes; I ask to have the resolution referred to the Committee on Rules.

The VICE PRESIDENT. The resolution will be so referred.

### INVESTIGATION RELATING TO FROZEN SWORDFISH

Mr. WALSH submitted the following resolution (S. Res. 100), which was referred to the Committee on Finance:

Resolved, That the United States Tariff Commission be, and hereby is, requested to complete, as soon as practicable, and report to the President upon its investigation under section 359 of the Tariff Act of 1930 with respect to frozen swordfish.

#### SEED AND CROP-PRODUCTION LOANS

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent to have inserted in the RECORD a letter from W. J. Rogan, county agent of Marathon County, Wis., together with enclosed information, which gives a very graphic picture of the pressing need for seed in the drought areas of central Wisconsin.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

> COOPERATIVE EXTENSION WORK IN AGRICULTURE AND HOME ECONOMICS, Wausau, Wis., March 8, 1935.

Hon. ROBERT M. LA FOLLETTE.

Senate Office Building, Washington, D. C.

Dear Senator: I telegraphed you yesterday giving you the information in the telegram regarding the furnishing of seed to farmers in the drought counties of Wisconsin on a work-relief

plan.

The situation in a nutshell is this: In the first place the State and county administrations of Wisconsin as a whole are just as anxious to get rid of this drought program as the Federal Emergency Relief Administration. We recognize that as soon as we can obtain a crop in the territory that has been hard hit over a period of 4 or 5 years, a big load has been removed from the Government. Secondly, that the purchasing power of the farmers is going to be very materially increased and the business conditions of the State as a whole will be revived and a greater income for all concerned will be the answer.

After a very thorough discussion of the conditions in every one of these counties by committeemen represented at this meeting, it was agreed that we have every indication in the world right now for a good crop providing we can get the seed into the ground.

Personally, I have been discussing conditions for the last 3 weeks with some of the members of the Marathon County board; weeks with some of the members of the Marathon County board; men in whose judgment I have relied for the last 15 years, whose integrity cannot be questioned, and whose only desire, in this whole drought-relief program, is to get rid of it as soon as possible. They feel as expressed in the meeting: that unless seed is provided on a work-relief program in which the farmer can pay for this seed by working it off, that farmers are going to just get along with as little as possible. They are going to skimp, because of the fact that they have not the money and because the prices are too high. Timothy seed, for example, normally sells at 7 to 10 cents a pound. It is now selling at 25 to 28 cents per pound. per pound.

Even under the very best circumstances and conditions, we are not going to have any hay crop in Wisconsin until 1936. We have not sufficient seeding left over from last year, except in a few spotted sections of the State, to produce a hay crop.

Everyone recognizes, of course, that emergency hays will have to take the place of normal hays this coming summer and next

At several sectional meetings held by Prof. K. L. Hatch and Arlie Mucks 2 weeks ago, a program was worked out with the members of the extension force, county drought-relief committees, directors of the extension force, county drought-relief committees, directors of relief, and agricultural committees of the county board to provide a substitute seeding program in which emergency hays could be used, and we are going out to the farmers with that story now through meetings, newspapers, articles, radio talks, and various other methods. However, we still come back to the problem that hinges on the success of the whole program; that is, the problem of getting seed into the hands of farmers.

of getting seed into the hands of farmers.

I am sending for your information a comment report of a few of the counties that have given us information on the debt situation. This will give you a general resume of the debts existing in these counties. We recognize from these reports that debts are excessive. While we can work out a long-time program to scale down these debts and take other steps to improve the conditions of the owners of these farms, the emergency existing at the present time is most paramount. With the carrying charge of approximately \$7.50 per crop-acre and with returns as shown in the last year's report in several counties, ranging from \$8 to \$14 per acre, there is absolutely no money left for living purposes, paying off on the principal, and buying seed for this year. Although the financial conditions are in general a little better than these reports of last year show, the drain of going through several years of depression and drought has left what were otherwise farmers with living incomes to carry on financial statements showing a bankrupt condition and not sufficient income to provide enough money for the purchase of seeds.

for the purchase of seeds.

Seed loans in the estimation of all of the committee members will not answer the question. Farmers are not in a position to

will not answer the question. Farmers are not in a position to repay.

The feeling of the groups expressed in conferences during the recess periods of the meeting was to the effect that if seed was not procured on a work-relief program, there is every indication in the world that we will have a heavy relief load next winter.

Last year the restrictions were removed on planting corn for fodder purposes. As a result of this limitation being removed a tremendous acreage of corn was planted in the drought counties. Giving figures in Marathon County with which I am thoroughly familiar, 1,536 temporary silos were erected in this county on orders through the office, in addition, at least 300 more were erected by farmers themselves to save the corn by ensiling it. It meant a feed-conservation measure in the county conservatively figured of \$250,000 worth of feed based on this past winter's prices.

It also kept off from relief hundreds of farmers until the middle of January to the first of February. In fact some farmers who are not making applications for drought relief state that if it had not been for the temporary silo that they erected they would have been forced to apply before the new year started. Most of these temporary silos erected held from 40 to 50 tons of silage and

many farmers erected their from 40 to 50 tons of sliage and many farmers erected two of them.

I want to suggest that this situation requires your very serious consideration and every effort should be made to obtain this seed on a work-relief program and secure the consent of Dr. A. G. Black, chief of the corn-hog section, to release restrictions according to enclosed resolutions. The men who attended at the meeting here lived with this dreather than the lived with this dreather than the second section. ing have lived with this drought program now for several years and they are in a position to know what the actual conditions are among the farmers.

Very truly yours,

W. J. ROGAN, County Agent, Chairman of the Central Wisconsin Drought Relief Committee.

Summary of drought-relief applications-Clark County 1. Rented farms (19 percent of applications): Average acreage \_ 119 Average cleared\_. 47 15.02 Average number cows per farm 1933-34\_\_ Percent of farms with chattel mortgages\_ 52.3 Average amount of chattel mortgage per farm \_\_\_ Percent of farms with other unsecured debts \_\_\_\_ Average amount of other unsecured debts \_\_\_\_ 69.75 \$325.51 Average income per farm. Average age of renters.... \$439.11 38 Average number animal units kept during 1933-34 per farm 20 Average number animal units usually kept per 21 2. Owned farms (81 percent of applications): 93.8 48.3 14.7 14.9 ligations per farm

Average chattel mortgage per farm

Percent of farms with other unsecured debts. \$3, 732. 40 729. 78 89.38 Average amount per farm of other unsecured \$690.17 Average total debts per farm, secured and unsecured\_ 4, 663, 31 Average number animal units kept per farm 1933-34 21.4 Average number animal units kept usually per

DROUGHT RELIEF MEETING AT WAUSAU, WIS., MARCH 7, 1935

The purpose of this meeting is to discuss the problem of obtaining seed on a work-relief basis. The financial load of the farmers in the drought territory caused from the last 4 or 5 years of drought, depending upon the territory involved, has caused the building up of debts so that it is impossible for the farmers, especially with the high price of seed at the present time, to purchase

cially with the high price of seed at the present time, to purchase seed with cash.

Our object is to assist all eligible farmers on drought relief who have exhausted their governmental and commercial credit to get back on their feet. It will be necessary for seed to be obtained on a work-relief basis instead of cash, or otherwise they will simply get along with what they possibly can, because they do not have the money to buy seeds.

Weather conditions, no frost in the ground, heavy blanket of snow, fields not having produced a crop for the past 4 or 5 years, give every indication that if seed is provided by the Government, all farmers will be better off and conditions in general will be vastly improved. vastly improved.

STATEMENTS MADE BY REPRESENTATIVES OF COUNTIES PRESENT AT THE MEETING

Marathon County: The total real-estate debts, based on 1929 figures, shows mortgages listed on farms in Marathon County \$13,666,529. The figures are not available for the chattel debt for all the farms, but there has been issued in Marathon County over \$1,000,000 in barnyard loans through the Regional Agricultural Credit Corporation.

In a very accurate survey that was made of 3,449 farmers on relief last year, out of a total of 3,600, based on 1933 figures, the debt charge on real estate of these farmers was \$12,450,890. The debt charge on real estate of these farmers was \$12,450,890. The total acres per farm run 107; the acres cleared per farm was 55, and the total cows per farm was 11; the cash income per farm was 334; the cash income per crop-acre was \$8. We figured out that the total debt charge per crop-acre amounted to \$7.46 amortized over 20 years at 5 percent interest. This evidence presented in this survey shows the farmers had 54 cents left last year per crop-acre for living expenses.

These figures indicated the fact that the farmers are bankrupt and that every effort must be made this year to obtain seed for them on a work-relief program, because they do not have the cash to purchase these seeds.

Shawano: About one-half of the farmers are in need of some help to get seed this spring. The western part of our county was

them on a work-relief program, because they do not have the cash to purchase these seeds.

Shawano: About one-half of the farmers are in need of some help to get seed this spring. The western part of our county was more affected than the eastern part. About 1,500 will have to have help. Many farmers have fed their seed oats, and there is not to be any seed loans this spring. Therefore I suggest that we remain on the note basis and later have those who cannot pay for their loan in cash work it off. We also think that the limitation on corn should be abolished. They cannot get seed grain in many instances and so would like to put this land in corn. If this limitation is not lifted, some farmers will not sign contracts this year. Twelve hundred and eighty-four farmers are on relief. The majority of this number live in the western part of the county. Chattel mottgages average \$550 per farm, and unsecured debts average \$500. Real-estate mortgages, first and second, average \$4,700 per farm. Forty percent of the farmers in that area were on relief. The income per farm in 1933 was \$300 per year.

Waupaca: Returns from a survey of 1,500 farms showed that the total indebtedness equaled the assessed valuation, and the income on the farm was just about enough to equal the taxes and the interest. We will need considerable seed this spring. Eighty percent of our alfalfa killed out, as did most of our old seedings. We will need grass seeds in addition to emergency seeds. We will need considerable oats, too, for grain crops, and some corn. Cut out the red tape, so that we can get this seed to the farmers when they need it. We also desire this seed on a work-relief program.

Oconto: We will need seed. Oats for seed is needed. In order to take care of the fellow who is down and out.

Taylor: Clover and alfalfa is needed this spring. Corn is also needed. One-third of the farmers will have to buy grain. Green Lake: The seed situation in Green Lake County will be temporary hay, such as soybeans, corn, alfalfa, and sweetclover. The

grass seed last year.

Dunn: The most serious shortage of the seed situation is the grass seed, clover, and alfalfa. All we have is what we seeded last fall and that depends upon how it comes out this spring. We will be short of oats, but will have enough barley. However, we will need seed for emergency hay crops. It would be a good idea to get seed relief on a work-agreement basis so that farmers would not have to sign notes which they can never pay back, but meet their children by working. Beturns from a survey of 1 244 not have to sign notes which they can never pay back, but meet their obligations by working. Returns from a survey of 1,244 farms represent a total of \$6,082,000 in farm mortgages; \$318,000 in chattels. This was an average of \$4,873 per farm and \$61 per cleared acre or an average of \$37 on every acre on the farm. Their yearly income averaged \$238.45.

Buffalo: Out of 516 farmers, 66 percent will have to buy seed oats and seed barley. New seeding is in good condition, compared to usual, but only about one-third of the usual seeding was put in. We favor the work-relief agreement.

Lincoln: Our needs will be very much like the other counties. We will need grass seeds and emergency hay seeds. I do not believe that over one-half of the farmers threshed last year. Government help in seeds would mean more than feed loans. Government help in seeds would mean more than feed loans. We also believe that there should be some method of financing the dealers so that we can keep our own grain that we do have on hand in the county, and not have the dealers ship it out to get ready cash. The indebtedness in Lincoln County is similar to Marathon; that is, about \$100 per crop-acre; in lesser-developed parts it is somewhat less, and vice versa. The income is generally less than Marathon County. The average income per farm on the lesser-developed farms is about \$100.

Marinette: The situation is a little better than last year. A pretty fair grain crop was threshed, but it was far from normal. Some has been fed up. We believe that seed relief now will be better than feed relief next fall.

Price: Very little corn matured in Price County, due to the early frost. We have none on hand now. Our situation is worse than last year. Our allotment will have to be doubled and it will be necessary to go on a work-relief basis. Average indebtedness is

be necessary to go on a work-relief basis. Average indebtedness is

\$46 per crop-acre.

Vilas: Seed situation same as in other counties. Vilas: Seed situation same as in other counties. The farmers will have to purchase all of their seed this spring, with no money to do so. We favor strongly a work program upon which these farmers can get seed. The indebtedness in Vilas County would be more per crop-acre, because so little of the land is under cultivation. However, in proportion debts would run about the same. Polk: Northwest part of the county was hit hardest. We will need \$100,000 for grass seed alone. The grain situation is a little

better than Barron.

Monroe: Grain and grass seed is needed. Work program is bet-

ter than note system.

Eau Claire: Only 20 percent of our seeding is in good condition.

We have no oats or barley.

Clark: The area of two townships was particularly hit by army Clark: The area of two townships was particularly hit by army worms and hail. We are entirely out of grain. We may have enough seed in one part of the county (grain seed) to furnish enough to the other townships, but we will have to have money to hold this. We have no seed corn and no grass seed. The chattel mortgages are greater than the stock is worth. The only reason that the chattel holder did not take the cattle was because he figured prices would come back eventually and he would receive his original investment. A real help would be to get seed to farmers in time. The total mortgage is \$9,744,303, which is a total of about \$14 per crop-acre.

of about \$14 per crop-acre.

Chippewa: We are short of grain and grass seed. We are encouraging the use of grain for hay crops. With the amount of moisture received so far we have a pretty good growth to start with. One thousand seven hundred and thirty farms on survey show farmers are broke, and most of them do not know it.

St. Croix: Eight hundred and eighty-two loans last year out of 1,000 applications, averaging \$73.43 per loan. Seedings about 15 percent of what they should be. We are in bad shape. New seedings are impossible if work-out loans cannot be had.

Portage: Seed-grain situation not as serious as last year; our own surplus in one section will take care of the needs in others if financial side received.

surplus in one section will take care of the needs in others if financial aid is received. An increase in legumes is necessary. There is no hay seedings, except farmers who could afford to buy it. We have 25,000 to 30,000 acres limed, or 18 percent of the crop land in the county. In a survey of 1,500 farmers on feed relief we found that out of 1,000 farms there were \$3.500,000 of debts. There was only \$500 difference between the total indebtedness and the assessed valuation. Farmers are not in a position to buy seeds. If emergency seeds are available here, it will help the situation a great deal, so that they can grow roughage to take care of the feed problem next year.

Langlade: We will have increased corn acreage for fodder purposes and have to buy all seed. About one-third of the farmers

Langlade: We will have increased corn acreage for fodder purposes and have to buy all seed. About one-third of the farmers will have to be supplied with seed on loans of some kind.

Jackson: We will have to ship in all grass seed. We have plenty of grain if properly distributed. Last fall we shipped in 100 tons of lime. Alfalfa seed is now in demand; about 300 bushels will be needed; also 200 bushels of clover seed, along with soybeans and other emergency crops.

# RESOLUTIONS

Be it resolved by these representatives from Wisconsin drought-stricken counties, said representatives being county relief directors, county agricultural agents, and county drought-relief committees,

Whereas the F. E. R. A. liming program conducted this past year was one of the most worth-while long-time rehabilitation efforts, in that it will stimulate the growing of more legumes, so valuable to our livestock raisers and dairy farmers, and at the same time was a splendid project for the worthy employment of both F. E. R. A. and drought-relief labor.

Therefore we respectfully petition and urge the W. E. R. A. and

F. E. R. A.

1. To continue this liming program until October 31, 1935, in all

its phases.

2. To set up a commercial limestone project again to furnish lime to those sections of counties that have no local sources of limestone, marl, or sludge.

3. That some consideration be given to the size of farm in deter-

mining individual farm allotments.

4. That a sufficiently larger tonnage of lime sludge and marl than at present be allowed, raising the sludge tonnage to 50 and

marl to 60 on the basis of 30 of limestone, so that the same acreage can be covered by each, because sludge and marl contain from 35 to 70 percent of water and limestone only 5 to 10 percent.

That in the event rehabilitation work projects are set up, farmers eligible for rehabilitation be allowed to work off the lime material provided them under the lime program.

HARRY NOBLE. GUS SELL. C. W. VANDERVEST.

TT

Whereas due to poor feed and other conditions there has been an excessive loss of horses this winter (1934-35) in the drought areas of Wisconsin; and

Because of this condition it will be necessary to assist these farmers through some form of financial aid, established by the Government, to purchase work stock to properly carry on normal

farm work: Be it therefore

Resolved, That to meet this emergency the rural rehabilitation
procedure be greatly shortened where the purchase of work stock

Resolved, That a special work-stock fund be set up with each county rural rehabilitation committee to be used by this committee to facilitate the prompt and economical purchase of work stock for approved rural rehabilitation clients.

Respectfully submitted.

C. J. RITLAND. ROY McDonald. LOUIS PAULS. WM. CREED. CARL LEHMAN. T. A. PARKER.

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Whereas due to poor feed and other conditions there has been an excessive loss of horses this winter (1934-35) in the drought areas of Wisconsin:

areas of Wisconsin:

Because of this condition it will be necessary to assist these farmers through some form of financial aid established by the Government to purchase work stock to properly carry on normal farm work; be it therefore

Resolved, That the F. C. A. establish a work-stock loan along the plan of the emergency seed and feed loan, to provide work stock to carry on normal farm work.

Respectfully submitted.

C. J. RITLAND. ROY McDonald. LOUIS PAULS. WM. CREED. CARL LEHMAN. T. A. PARKER.

IV

We, your committee, submit the following resolutions for your consideration and recommend their adoption, and that a copy of these resolutions be forwarded to Washington officials by the State director of rural rehabilitation.

Whereas the spring planting season is upon us; and
Whereas the debt load of the farmers is equivalent in most
counties to the assessed valuation of the land and with the high
prices of seed it is going to be impossible for thousands of farmers
to obtain this seed by paying cash; and
Whereas in addition to date no provision has been

Whereas in addition to date no provision has been made for providing farmers with cash seed loans through the F. C. A.; and Whereas the needs for seeds on Wisconsin farms is more acute than ever before due to successive years of drought:

Resolved, By representatives of drought counties assembled at Wausau, Wis., this 6th day of March 1935, that a fund of at least \$2,000,000 be immediately made available for Wisconsin farmers for the purchase of seeds and that these funds be administered by the county drought-relief officials under the supervision of the State director of rural rehabilitation; and further be it

Resolved, That these funds be made available on a work-relief program. It is the belief of this body that the immediate granting of these funds will make available seeds for early planting thus to take advantage of our favorable spring moisture conditions so that Wisconsin farmers will be able to grow sufficient feed crops in 1935 to avoid necessity for future relief.

Some additional debt information concerning counties in the drought territory

vitas County.	
Average amount of mortgages on mortgaged farms	\$1,400
Average first and second mortgage per acre cleared on	
mortgaged farms	\$70
Average total of all debts on farms with real-estate	
mortgages	\$1,560
Average total debts per acre, cleared land, on farms	0.000
with real-estate mortgages	\$78
Income from farms of owners (practically all cases	
studied were owners)	\$192
Number of farms in county	451
Number of cases studied	227
Taylor County (this is the southeastern area and is well	
developed):	
1. Farms in area	1, 235
2. Five hundred and fifty-nine cases—average first and	
second mortgages	\$2,866
Average mortgage per acre	832
Average mortgage per cleared acre	872

Some additional debt information concerning counties in the drought territory—Continued 51 \$290 \$149 \$40 \$434 Eau Claire County: Farms and livestock:

1. Number of farms in area (renters and owners) -2. Number of cases studied (renters and owners) -3. Percent of farms studied (renters and owners) --2,085 45 4. Average number of acres of all land per farm 122 (renters and owners)\_\_\_\_\_\_6. Percent of land cleared per farm (renters and 71 58 7. Average number of cows per farm (renters and 10.5 owners) \_. 6.5 Acres of cleared land per livestock unit (owners).
 Percent of livestock unit 1933 compared with 37 ts—real-estate mortgages (owners):

1. Average amount of first and second mortgage on \$3,461 \$23 \$35 Percent of mortgaged farms with first and second mortgage of over \$50 per acre of cleared land\_
 Percent of mortgaged farms with first and second mortgage of over \$100 per acre of cleared land\_ 29 4.7 Waupaca County: 3, 211 Number of farms on drought relief \_\_\_\_\_\_Average acres per farm \_\_\_\_\_\_Average acres cleared \_\_\_\_\_\_ 1, 194 64 General facts:
927 farm owners with mortgages, average \$2,759 total debts.
353 farm owners without mortgages, average \$327 total debts. 95 were renters whose total debts averaged \$307 each.

These 1,375 farmers probably constituted about two-thirds
of all of our families living in the open country. Total farm debts on the 927 farms with real mortgages: In the 6 most developed towns, average \$3,182 a farm. In the 10 other towns, average \$1,831 per farm. Highest is Pine River with \$3,700; low, Wilson, \$389. Total debts per cleared acre:
Average on all 927 farms is \$84.13 per cleared acre.
Highest is Merrill with \$94.30; low, Bradley, \$45.08. Farm income: Farm income:

Average for 1,280 owners is \$351.15 last year.

Average for 95 renters is \$22.70 last year.

For mortgaged farms in 6 developed towns, over \$396.

For mortgaged farms in 10 other towns, \$296.

High town, Merrill, \$480; low, Wilson, \$97.

Cows per farm in 6 developed towns 11, other 10 towns 7.

Cleared acres per farm, for farm owners:

In 6 developed towns 37, other 10 towns 30.

High is Scott with 44; low, Wilson, 11; Harding, 15.

Real estate mortgages per cleared acre:

Real estate mortgages per cleared acre:

Average on 927 farms is.

Percent of such farms having over \$50 per acre.

Percent of such farms having over \$100 per acre. Ann Christman, Vilas County, director; G. W. Heal, Vilas County, county agent; H. W. Wright, Shawano County, committee member; G. F. Baumeister, Shawano County, county agent and director; George Massey, Waupaca County, county agent; Oliver Wright, Waupaca County, county agent; H. R. Noble, Portage County, county agent; Glen Vergeront, Barron County, county agent; William L. McFetridge, Taylor County, county agent; D. R. Burkey, Taylor County, rural advisor; Ignatz Lang, Marathon County, committee member; H. R. Keller, Marathon County, committee member; William Brunschmid, Taylor County, committee member; William Brunschmid, Taylor County, committee member. William Brunschmid, Taylor County, committee member; Julius W. Bizer, Taylor County, committee member; P. C. Schmoldt, Taylor County, agriculture committee; Louis Pauls, Marathon County, relief director; Henry McCann, Chippewa County, committee member; Arnold H. Ziemer, Green Lake County, acting director; C. F. Stapel, Green Lake County, committee member; A. D. Carew, Green Lake County, county agent; C. H. Tinkham, Green Lake County, committee member; P. B. Eves, Eau Claire County, committee member; P. B. Eves, Eau Claire County, committee member; T. A. Parker, Eau Claire County, fieldman; George J. Weiner, Monroe County, committee member; Carl Lehman, Monroe County, director; Adolph C. Feifarek, Marinette County, committee member; Charles B. Drewry, Marinette County, county agent; W. L. Vandervest, St. Croix County, county agent; Oliver Rye, St. Groix County, committee member; H. H. Stolle, Lincoln County, committee member; Gustav A. Sell, Lincoln County, committee member; Gustav A. Sell, Lincoln County, committee member; John Schewe, Lincoln County, agricultural committee; Jim Hansen, Barron County, committee member; C. J. Ritland, Chippewa County, committee member; C. J. Ritland, Chippewa County, committee member; Roy McDonald, Dunn County, committee member; Roy McDonald, Dunn County, committee member; R. F. Seyforth, Buffalo County, committee member; P. F. Seyforth, Buffalo County, county agent; Paul J. Anderson, Buffalo County, county agent; Paul J. Anderson, Buffalo County, committee member; Fred R. Struhle, Price County, director; W. F. Meyer, Price County, county agent; Thomas J. Wanish, Price County, committee member; F. G. Koehne, Oconto County, committee member; Martin Brock, Oconto County, committee member; Landry, Clark County, agricultural committee; Wallace J. Landry, Clark County, committee member; Anton O. Rezinchek, Langlade County, committee member; William Steckling Rezinchek, Langlade County, committee member; Will-llam Steckling, Lincoln County, P. C. A.; Arlie Mucks, State director rural relief; W. J. Rogan, Marathon County, county agent.

UNION CENTRAL LIFE INSURANCE CO.—ADDRESS BY SENATOR BULKLEY

Mr. GUFFEY. Mr. President, I ask unanimous consent to have printed in the RECORD the address delivered by the senior Senator from Ohio [Mr. Bulkley] at the celebration of the opening of the Philadelphia office of the Union Central Life Insurance Co. of Cincinnati, on March 4, 1935.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

printed in the Record, as follows:

The Union Central Life Insurance Co. of Cincinnati is the largest financial institution in the State of Ohio. It is one of the great insurance companies of this country, and, indeed, one of the great insurance companies of the world. Ohioans are genuinely and rightly proud of it. It is officered and managed by people who have grown up with the business.

Philadelphia is the home office of life insurance companies which enjoy a national reputation and unquestioned confidence in their soundness and stability. It is clearly in the interest of insurance companies to have their risks diversified geographically, and it is to the interest of the insured to have available companies which are national in their scope. And so, just as many of us in Ohio are policyholders in life insurance companies having their head-quarters in Philadelphia, it is gratifying to find that our Ohio company is enjoying a splendid business in Philadelphia and finds it necessary to establish regular offices here. No doubt the new office now opening will be of a type in keeping with the dignity of the Union Central Life Insurance Co. and with the importance of its business in this community, and I am sure that all of us here present are glad to have the opportunity to join in this celebration and to extend best wishes for the success of the enterprise now inaugurated here.

now inaugurated here.

Today marks the second anniversary of the inauguration of the Roosevelt administration. In view of this circumstance it seems proper to refer to the progress of the Government's program for economic recovery.

economic recovery.

It is not my purpose in this reference to attempt an appraisal of the general recovery program. Nor is it my intention to enter upon any detailed discussion of the various measures and policies which together constitute the new deal.

It is to be hoped, however, that whatever recognition might be given at this time to the fact of the second anniversary of the Roosevelt inauguration will not be given undue partisan or political significance. If there is any one thing necessary at this moment it is that national policies affecting the general public welfare should be viewed objectively and dispassionately.

Two years ago today when President Roosevelt took office he faced an unprecedented business crisis. Banks were unable to meet the demands of their depositors; business was paralyzed;

meet the demands of their depositors; business was paralyzed; public morale had broken down and drastic mass action, motivated by fear, was imminent. It was imperative that the President must act in the most courageous manner if the financial structure of the country was to be preserved.

There could be no doubt of the seriousness of the emergency, of the necessity for immediate and far-reaching action. The urgent necessity left no time for the careful consideration of measures, and the circumstances justified the Congress, during the extraordinary session which convened in March 1933, in following the President's recommendations without hesitation. It was well known that important steps were being taken without full consideration, but it was recognized that delays and unnecessary wrangling would be more damaging than the risk of error resulting from rapid action.

Whatever may be said now in praise or criticism of the various recovery policies of the Government, there is fairly general agreement that the courageous action of the President during the crisis and since has resulted in the restoration of public confidence in the

and since has resulted in the restoration of public confidence in the basic integrity of our economic system.

There has likewise been reestablished in the public mind a wholesome faith in the capacity of the Government to function during a national emergency. Wide-spread confidence in the fundamental integrity and stability of our institutions has been the foundation upon which the improved economic structure has been erected during the past 2 years by the Roosevelt administration.

We are to be congratulated that we have passed through the period of panicky fear and that we may again deliberate concerning what ought to be done. It is no sign of weakness in our national administration that a Congress, still friendly to the President and still respecting his leadership, is reassuming its former deliberation in the discussion and shaping of legislative policies. It is rather a sign that the President has actually accomplished his purpose in restoring the public confidence which had been so hadly upset.

had been so badly upset.

had been so badly upset.

The great economic disorder from which we have been attempting to extricate ourselves has resulted in uncounted losses of fortunes and savings, and in losses of homes and jobs. In our very efforts to restore order we have been obliged to curtail liberties which we had taken for granted, and to interfere drastically with what had come to be considered legitimate business practices. We succeeded in averting the complete ruin of our economic system, but in doing so we gave up many of our theories and illusions, we accepted a considerable change in our conception of the duties and functions of the Federal Government, and we incurred a considerable increase in our national debt. we incurred a considerable increase in our national debt.
We still have far to go to accomplish the restoration of social

we still have far to go to accomplish the restoration of social order, and it is still too soon to attempt an appraisal of final results, but it may well turn out that we can face the future better by reason of the new ideas which have been forced upon us, and it may well be that the Government's financial cost in promoting recovery will not prove so disastrous as some are disposed to fear.

As some misgiving now exists concerning the national debt, and concerning the fact that it is today greater than ever before in our history, I want to give that subject some direct attention. It would be most unfortunate if, after so much progress has in our history, I want to give that subject some direct attention. It would be most unfortunate if, after so much progress has been made in restoring public confidence, there should be any diminution of that confidence caused by fear about the public debt. The amount of debt which a nation can safely carry is quite as much a question of psychology as of arithmetic. The faith of the public and of the world in governmental financial stability must depend not only upon the actual amount of the public debt in its relation to the ability of the government to pay, but also upon the simple question of whether the national budbut also upon the simple question of whether the national budget is likely in the future to be balanced so that the debt will be fixed and controlled, or whether the government is under such pressure that no reasonable limit can be fixed to the increase of the public debt.

In amount our national debt is larger than it has ever been and perhaps unusual alarm has attached to this fact because for several years there have been substantial deficits in the National Budget, and it still seems necessary for the Government to put out, in one way or another, sums that are considerably in excess of the

Since the very substance of national credit is confidence, is of vital importance that confidence should not be unjustly withdrawn from the administration in power, and if I speak now of the soundness of our finances under the present administration it is not with any purpose to disparage the performance of the pre-ceding administration, which of course had very serious difficulties to contend with.

Let us consider the gross amount of the national debt. We can draw definite encouragement from a comparison between the amount of our own national debt and that of the British Government, because British Government securities are unquestionably in good standing and command the faith of financial markets throughout the world. The British national debt, as of the beginning of the year 1935, was £8,144,000,000, or more than \$39,000,000,000, and as of the same time our own gross national debt was \$28,479,000,000. Those who are critical of our own Government's financial position contend that the British public debt is more comprehensive than our own, and that for a fair compariis more comprehensive than our own, and that for a fair comparison we must add to our national debt our State debts and part of our local indebtedness, because these have been incurred for purposes which in England would have been served by the National Government. In order to give full weight to that argument let us add to our national debt the total amount of all of our State, county, and municipal debt, which is reported by the National Industrial Conference Board to be \$20,173,000,000. This gives a total United States public debt of \$48,652,000,000. There is, how-

ever, in England some county indebtedness, though the local debt there is not as great as it is in this country. To be fair, however, £301,000,000 of local debt should be added to the British national debt for the purpose of comparison. Computing the pound at \$4.80, the total British public debt, national and local, is \$45,536,000,000 as compared with our own public debt of forty-eight billion six hundred and fifty-two millions. The British debt is being carried by a nation whose population is about 40 percent of our own. of our own.

A comparison of the national income of the two countries is important in determining ability to carry the debt. The national income of the United States for 1933 was \$42,665,000,000 and the British national income for the same year has been estimated at £4,000,000,000 or about \$19,200,000,000. It appears, therefore, that our national annual income even in a depression year was about seven-eighths of our total public debt, including not only the national debt but that of all the States, counties, and municipalities, while the British national income for the same year was substantially less than one-half of the British national year was substantially less than one-half of the British national debt.

If we turn to a comparison during a year of prosperity, say 1928, it appears that our national debt, which in this case does not include the debts of States, counties, and municipalities, is about one-half as much in proportion to national wealth as the debt of France or Italy, and less than one-fourth that of Great Britain. If the comparison be made in terms of national income for the year 1928, when our national income was more than double the amount stated for 1933, our debt is proportionately less than one-third that of Italy, less than one-fourth that of France and about one-seventh that of Great Britain; and these figures for Italy, France, and Great Britain are exclusive of war debts owed abroad.

abroad.

It must be obvious from these comparisons that the total amount of our national indebtedness is not such as to cause alarm. It is urged, however, that British credit is good because the British budget is balanced, and as long as we continue to pay out large sums in excess of our revenues there is danger to our national credit. This brings us back to the other primary question of national credit—keeping expenditures within income.

The impact of the business depression commencing in 1929 was such as to disturb Government finances very seriously. The reduction of our national debt from the peak of its war level in 1919 had proceeded steadily for more than 11 years until the low point was reached on December 31, 1930, a little over 4 years ago. Since that time the net debt of the Government, as shown by Treasury statements, has increased by about \$10,700,000,000. low point was reached on December 31, 1930, a little over 4 years ago. Since that time the net debt of the Government, as shown by Treasury statements, has increased by about \$10,700,000,000. However, nearly half of this increase, or about five billion, took place during the last 2 years of the Hoover administration. Let me make clear again that it is not my purpose here to find fault with that administration, which, under distressful business conditions, suffered a drastic and unexpected shrinkage in public revenue. I am not here discussing whether that administration was in any way at fault. But in determining how far we may have faith in our present administration it is important to recognize that during the past 2 years, during which we have made the most extraordinary public outlays in the history of the Government, the net debt has been increased by five billion seven hundred million as compared with an increase of five billion from the low point of the national debt on December 31, 1930, to the beginning of the present administration, 2 years and 2 months later.

The conditions which caused the deficits and the increase of national debt during 1931 and 1932 made necessary the so-called "Economy Act", one of the first policies of the Roosevelt administration. Partly as a result of this act and partly through substantial increase in governmental revenues, the ordinary recurring expenditures of the Government were brought within the governmental income, and, during the 2 years of this administration, the Government has lived within its income so far as the ordinary expenses of Government are concerned.

nary expenses of Government are concerned.

Of course, a debt is a debt just the same whether it was incurred to pay a deficiency in ordinary operating expenses or whether it was incurred to make possible some extraordinary outlay; and it is unquestionably a fact that our national debt has been greatly increased and now stands at the highest point in history. But since we understand that the actual amount of our national indebtedness is not excessive in proportion to our national wealth and ability to pay, then if there be any cause for alarm, it must lie in the fact that our indebtedness is being rapidly increased. But surely an increase of debt incurred for extraordinary and non-recurring items is not so alarming as an increase of debt incurred for ordinary operating expenses.

If an individual during a period of 2 years failed to readingt

If an individual during a period of 2 years failed to readjust his expenditures to a drastic reduction in his income, and consequently greatly increased his indebtedness, he would begin to have trouble with his personal credit. If, during the following 2 years, he should increase his income and cut his personal expenses to an amount within that income, and yet continue to increase his indebtedness because of improvements to his home, and because of gifts and loans to distressed relatives he would, notwith-standing his increase in indebtedness, be able to make a statement which would inspire more confidence on the part of his creditors. That is the same distinction which must be made between the last 2 years of Government finances and the 2 years which preceded them.

We have already seen that during the early years of our business depression our national indebtedness was substantially increased

by merely paying ordinary operating expenses of the Government, but in the last 2 years the increase in indebtedness has been due to quite different causes.

to quite different causes.

The Treasury reports for the last fiscal year, ending June 30, 1934, show that the excess of expenditures for all purposes over receipts amounted to \$3,989,500,000 and that the gross public debt increased by \$4,514,500,000. Yet it is doubtful whether during that fiscal year there would have been any deficit at all if Government bookkeeping were on the same basis as that represented by the practice of sound business concerns.

During that fiscal year the Government realized a profit, resulting from the reduction in the weight of the gold dollar, of more than \$2,811,000,000. I am conscious, of course, of the many argu-

ing from the reduction in the weight of the gold dollar, of more than \$2,811,000,000. I am conscious, of course, of the many arguments as to whether this may properly be considered a profit, and whether it is possible to find a practicable way to use it to reduce the national debt. The fact, however, remains that that sum was actually acquired by the Treasury and is held in gold, and in every real sense is an asset of the United States Government. Two billion dollars of it has been segregated as a stabilization fund, and so put outside of the balances shown on the daily Treasury statements. The remaining \$811,000,000 is treated as an increase in the balance of the general fund in Treasury and so is counted as a deduction from the gross debt in

Treasury, and so is counted as a deduction from the gross debt in computing the net debt of the Government.

During the fiscal year ending June 30, 1934, the Reconstruction Finance Corporation, wholly owned by the United States Government, invested in preferred stock and capital notes of banks the sum of \$720,000,000. During the same year the Public Works Administration, an arm of the Government, loaned over \$70,000,000 to sum of \$720,000,000. During the same year the Fublic Works Administration, an arm of the Government, loaned over \$70,000,000 to railroads and seventy-eight and one-half millions to States and municipalities. All of these loans are reported to be well secured, and it is the intent that all should be repaid. After deducting investments made from repayments of funds invested by Government agencies in prior fiscal years, the net increase in assets acquired by these Government agencies, the new investment, was \$638,000,000 for the fiscal year 1934.

In addition to these investments, such governmental agencies as Federal land banks, Federal intermediate credit banks, the Federal Farm Mortgage Corporation and banks for cooperatives, in which the Government has a substantial financial interest though not complete ownership, made very large advances to borrowers which were partly financed by the Government and partly by private funds. The Government's investment in these agencies was increased by \$701,000,000 during the last fiscal year.

If we take the sum of \$2,811,000,000 profit on gold devaluation, which was not considered in the Treasury statement of receipts and expenditures for the year 1934, and add to it the increase of \$638,000,000 of net increase in loans made by wholly owned Government agencies and \$701,000,000 increase in the Government's share in Government-supported agencies and \$360,000,000 of public developed the contents of the country the country that retirements (over the country that retirements and \$701,000,000 increase in the Government's share in Government-supported agencies and \$360,000,000 of public developed the country that retirements are constituted to the country that t

ernment agencies and \$701,000,000 increase in the Government's share in Government-supported agencies and \$360,000,000 of public-debt retirements (and this is fair, because this reduction of the public debt and these additional investments of public funds are all treated on the Treasury statement as expenditures), we have a total of \$4,510,000,000 which, by any recognized system of business bookkeeping, would more than offset the reported excess of expenditures over receipts amounting to \$3,989,000,000. If it be suggested that the advancements made by the R. F. C., P. W. A., and other Government agencies should, for the purpose of a proper balance sheet, be partially offset by a reserve for losses on these items, this might well be conceded. But there still remains a substantial margin over the reported deficit, without taking into consideration any value added to the Government's investment in public buildings and various kinds of public works.

into consideration any value added to the Government's investment in public buildings and various kinds of public works.

Obviously during the present fiscal year there will be no recurrence of profit on gold devaluation, but the net increase in the public debt is by no means all attributable to expense items, as there are still large sums being invested in repayable advances.

To sum up what has happened so far, the Federal Government, by unprecedented measures, has extricated the business of the country from a condition which threatened the general collapse of banks, financial institutions, railroads, and business in general, and which threatened the loss through foreclosure of an alarming proportion of all the farms and homes in the country. Large proportion of all the farms and homes in the country. Large numbers of foreclosures and of banking and business failures occurred, but it was possible to prevent a complete collapse of

Now, in round figures, the Government, through agencies which it has wholly or partially financed, has provided for the making of various kinds of loans to the amount of about seven and a half billion dollars. In the assets of these governmental lending agencies the United States has a proprietary interest with an actual investment value of nearly four and a half billion dollars. This amount, subject to such losses as may be incurred in the final liquidation of these accounts, plus \$2,000,000,000 in gold, which has been transferred to the stabilization fund, or a total of some \$6,500,000,000 of assets, subject, of course, to possible losses is has been transferred to the stabilization fund, or a total of some \$6,500,000,000 of assets, subject, of course, to possible losses, is held by the Government as a partial offset against the \$10,700,-000,000 increase in net debt during the past 4 years.

In all probability, the major part of the work has been done so far as the restoration of credit is concerned, and a relatively less amount of government help will hereafter be required for that

The unemployment problem has not been solved. Various forms of public works, set in motion for the primary purpose of providing employment, have cost large sums, as has the necessary direct relief of destitution. The end is not yet. Further large sums will have to be used for these purposes, with such wisdom as we can summon to the task. We may still differ as to whether large Government

spending will aid or retard recovery, and many questions must be fought out concerning the methods and purposes of such spending

be determined upon.

as may be determined upon.

But these problems can be faced with the confidence that our national debt is not now excessive in proportion to our ability to pay, and that up to this time the burden of it has not been unreasonably increased. Let us hope that the remaining problems of the depression will be faced, not only with confidence in our financial stability but also with thankful appreciation of the important accomplishments of the 2 years just passed, with patriotic disregard of political partisanship, and with a united purpose for the future.

AMERICA STILL LIVES-ADDRESS BY SENATOR SCHALL

Mr. LONG. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by the junior Senator from Minnesota [Mr. Schall] before the Philadelphia Board of Trade on March 7, 1935, the address being entitled "America Still Lives."

There being no objection, the address was ordered to be

printed in the RECORD, as follows:

The trip from the National Capital at Washington over to Philadelphia is like a trip "back home." The Government of the Constitution, or, rather, that part of the Government that is still American had in Philadelphia its cradle and its first homestead. In Philadelphia, July 4, 1776, the Declaration of Independence was drafted and adopted. Here sat the Continental Congress of the

original Thirteen States.

In Philadelphia from May 12 to September 17, 1787, Washington presided over the Convention which drafted the Constitution in which the Government itself originated and derived its powers.

which the Government itself originated and derived its powers.

Had it not been for the unfortunate incident that a band of mutinous soldiers invaded the Hall of Congress while in session, demanding arrearages in pay—which was construed by southern Members as an insult to dignified statesmen—the Nation's capital seat would doubtless have remained in Philadelphia.

That gave South Carolina and other slave-holding States, who today have returned to power, the desired opportunity to oppose Philadelphia as the capital seat on the ground that the Quakers favored emancipation.

Philadelphia as the capital seat on the ground that the quarter favored emancipation.

So the capital seat was moved down to the Potomac, on the boundary of slave-holding territory, to the rural settlement called Conococheaque. Havre de Grace, famed today for its race track frequented by General Farley, was not so much in favor with the Virginians. So today I come from Conococheaque to visit the old homestead where America was born, the old birthplace and hearthstone from which was proclaimed to the world, on the first Wednesday in March 146 years ago, that immortal document which began with the words: "We, the people of the United States."

When I choose as the text of my remarks the slogan, "America

with the words: "We, the people of the United States."

When I choose as the text of my remarks the slogan, "America still lives", I mean that the so-called "new deal", invented by the play-boy imitators of Hitler, Mussolini, and Stalin, is already, after only 2 years of bold experiment, beginning to crack, and soon will be numbered with jazz music, nudism, cholera epidemic, earthquake tremor, grasshopper plague, and passing fads, as one of those irrational experiences to which good countries are subject and in their march of progress are glad to forget.

Historians find that the world march of progress has gone forward in cycles interrupted by brief periods of relapse to a less civilized stage. The present dictatorship fad, which seems to afflict two-thirds of the countries of the world, is one of the oldest. Fortunately, it is one of the shortest lived. No attempted dictatorship in world history has yet stuck. The history of dictatorship is a history of universal failure. No man yet has been able to convince his subjects that he is God, or that his mercenaries are angels. His tenure in office lasts no longer than the subsidy with which he buys support. And the dictator and his subsidy are soon parted.

The astounding feature of the new deal is the outstanding fallow, upon which it is besed.

The astounding feature of the new deal is the outstanding fallacy upon which it is based.

Both the N. R. A. and the A. A. A. are based on the theory that the less there is produced, the more there is to share.

They limit production and tell you there is more to divide. When they reduce production, they reduce the need of workers in the fields of production, and thereby increase unemployment. When they cut down the mill output, the mine output, and the farm output, they cut down the volume of goods in domestic commerce, they cut down the supply of necessaries for the homes, they cut down the work available to wage earners in all productive enterprises, and they employ the public funds raised by taxative enterprises, and they employ the public funds raised by taxation of productive industry in order to destroy the source of income for productive industry.

The combined effect of the subsidized A. A. A. and drought last year was to cut down the country's food supply 40 percent. And the "brain trust" tells you that by food destruction the country

is better fed.

President Wannamaker, of the Southern Cotton Growers' Association, tells us that the effect of the A. A. A. in cutting down cotton acreage has been to place 40 percent of the cotton workers on public charity.

Yet Secretary Wallace persists in the policy of squandering \$200,000,000 of public funds to further keep down the production of American cotton, and thereby stimulate the cotton production of Egypt, India, China, Brazil, and the Indies, which have increased their cotton production to take the place of lost production in the United States United States

Lost production means lost income and increased debt and taxes. Thus the foundation of the new-deal structure is: (1) Reduce production and income; (2) increase the debt and taxes.

In other words, the poorer we are, the more wealth we have and the more we have to divide. The less business there is, the busier we are in singing hallelujahs to the "brainless trust." The net results of this irrational and irresponsible raw deal to date are:

1. An increase of 1,000,000 in the number of unemployed since July 1933, when the N. R. A. and the A. A. A. were first imposed upon the country.

2. An increase of the public debt from \$16,000,000,000 in 1932 to \$35,000,000,000 in 1935.

An increase of the interest burden on the public debt until the yearly interest payment exceeds total collections of income-tax

The withdrawal of \$3,000,000,000 of member-bank loans from industry since 1932, and its transfer to investment in Government

tax-exempt bonds. 5. Reduction in volume of sales of industrial, railway,

5. Reduction in volume of sales of industrial, railway, and utility shares in 1934 to one-half the volume in 1933, and a reduction of 100,000,000 shares from the stock exchange sales of 1932. In Tuesday morning's papers I noted that Senator Bulkley, of Ohio, told a Philadelphia gathering of business men that our present mountain of public debt was "nothing to worry about"—that it was not "beyond our ability to pay", and that it was a "sign of public confidence" in President Roosevelt.

But, aside from politics, what would Senator Bulkley as a business man think of a corporation whose annual interest bill alone exceeded its principal source of income? Both last year and the year before, and again in the current fiscal year 1935 to date, the interest on that public debt was greater than our total revenue collections from income taxes, both corporate and individual. Is that nothing to worry about?

What would the Senator say about the financial ability of a railroad company, if total receipts from freight revenue were not enough to meet the interest on bonds and mortgages? I am afraid he would say that the road needed a receiver.

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afraid he would say that the road needed a receiver.

This mounting public debt and monthly increasing deficit have reached the stature of a leaning tower of Pisa—checking business expansion, paralyzing industrial activity, destroying investment in railway, utility, and industrial securities, and driving that investment abroad to build up British and Canadian industries, employment, and balanced public budgets.

This new "baby bond" campaign initiated by the President is an admission in itself that he has reached the limit of unloading Government bonds on the banks and large investors, and now depends upon hullabaloo to sell a \$25 bond to any small savings depositor who has \$18.75 to spare.

depends upon hullabaloo to sell a \$25 bond to any small savings depositor who has \$18.75 to spare.

That is a public admission—that in time of peace, after 2 years of "bold experiments", the new-deal monkey business in flat currency and flat-bond inflation has already destroyed public confidence to the point that the Federal Government, even after buying \$1,000,000,000 worth of preferred shares in 6,700 member banks, can no longer club the banks into buying its flat bonds, and so is driven to the desperate expedient of trying to unload "baby bonds" on the "lambs" by a knock-down bargain-sale price of \$25 worth for \$18.75

It is time we had an N. R. A. code to restrain the Government from cutthroat competition in bond-price cutting, undermining the whole bond structure, and threatening an ultimate bond-market panic of the lambs. It is an admission that public confidence in Government finance is at a discount of \$25 to \$18.75, or at 25-per-

Government finance is at a discount of \$25 to \$18.75, or at 25-percent discount below par. Does not that campaign make Canadian or British bonds a safer investment? At least, they are redeemable in gold, which ours are not.

Even a brainless trust should have sense enough to see that the first test of the value of a government bond is the ability of that government to balance its budget. American investors in foreign government bonds in late years have learned that much at an expenditure of \$15,000,000,000.

A government that has produced an accumulation of Treasury deficits amounting to \$11,000,000,000 in 2 years of bold experiments at throwing monkey wrenches, and is now peddling baby bonds at a marked-down sale of 25 percent, may inspire emotion—but not the emotion of public confidence.

Fear and uncertainty, doubt as to what "bold experiment" may break loose overnight, the growing public conviction that no rational or responsible plan can emanate from a new-deal brain are not the cornerstones of the greatness that the world knows as "America."

The most sinister of the new-deal bold experiments is

The most sinister of the new-deal bold experiments is the assault upon article I of the Constitution—the chief power of Congress, the foremost legislative power of every parliamentary body in history, the tax power, the tariff-making power, the control of appropriations, and the guardianship of the public treasury from the exactions of the executive—be he president, king, or dictator.

This is the foremost power of government. It is the principal power for which the legislative branch of government was created. It is the main power which distinguishes a republic, on the one hand, from an absolute monarchy or dictatorship on the other.

That was the crowning issue of Magna Carta back in the thirteenth century—there at Runnymede Marsh on the Thames, June 15, 1215. The farmer barons were tired of the debts and taxes imposed by the charming and irresponsible King John, and took him out to that island in the Thames and made him sign that great charter, providing that—"No scutage or aid shall be imposed in our realm save by the common council of the realm."

That was the issue, again, of 1776 when George III undertook to levy stamp taxes and tea taxes upon the Thirteen Colonies without the consent of the colonial assemblies.

But all of you here tonight who are interested in a protective tariff for your industries—the protective tariff which originated in the Pennsylvania Legislature in the year 1785, or 4 years before the Constitution was proclaimed—know full well that the tariff-making power, one of the chief factors of the Government revenue power, has been severed from Congress and seized by the White House and is now handled in a star chamber.

You also know that in that star chamber you have no voice through your elected representatives, although your foreign competitors not only have a voice but have a seat and a vote in that star chamber. Ministers of foreign governments sit in that star chamber and join the President and his Cabinet in making tariffs against the interests of your industries—and you are not even

against the interests of your industries—and you are not even given a hearing.

That provision of Magna Carta has been changed by the new deal to read:

"No scutage or aid shall be imposed in our realm save by the

star chamber of the President and foreign emissaries."

Then they sign a treaty fixing your tariff duties, and that treaty, unlike other treaties, is not even submitted to the Senate for ratification under the treaty-making power of the Government which makes the Senate the coequal of the President in treaty

In this new Belgian tariff treaty the place of the United States Senate seems to have been taken by the Belgian Minister of Leopold III, and they decided that what you needed for the relief of your unemployed was a reduction of duties in about 40 industries and 76 articles.

You get a reduction of 50 percent in duties against Belgian imports of shotguns, prayer books, chalk, sand, motion-picture films, photographic plates, naphthalene, and cobalt sulphate. You get a reduction of 33 percent in duties on plate glass, sodium phosphate, flax, certain woven cloths, and laces. You get reductions of 25 to 30 percent on steel products, cement, woven fabrics, asbestos shingles, flavo industries. flavoring extracts, and a dozen more products of your

gles, flavoring extracts, and a dozen more products of your industries.

You get 42 percent reduction of duty on certain rugs and 46 percent reduction on imports of aluminum sulphate and sundry knocked-down protection on 75 specified articles.

And in return Belgium agrees to take from the United States a large amount of lard and pork products. Since Mr. Roosevelt and Mr. Wallace destroyed 6,000,000 of our hogs we are now importing pork and pork products from foreign countries.

The country's unemployed, as estimated by the American Federation of Labor, stood at over 11,000,000 last month, or 1,000,000 more than when the new deal swung into full action in July 1933. The new deal found that you were suffering from "cuthroat competition" at home, and now invokes as a remedy 76 doses of cutthroat competition from Belgium, and Dr. Leopold III in consultation with Dr. Roosevelt II have left you your prescription for unemployment. All you needed was competition from Belgium to insure your industrial recovery.

To forestall a relapse in 1936 the President has asked that "\$4,000,000,000 in one sum, subject to the allocation of the Executive", be appropriated to him to guard against the contingency which he forecasts as the "emergency of 1936." That means that Congress shall abdicate its constitutional duty of allocating the appropriations and shall surrender that power to him as both the allocator and the candidate for reelection in 1936.

There are estimated to be 40,000,000 voters in the United States. So the lump sum of \$4,000,000,000 would amount to an average of \$100 per voter, which he estimates would tide him over his "emergency."

One of the most astounding developments of the new deal

emergency.

One of the most astounding developments of the new deal is that movement, begun by Cabinet officials and bureau chiefs in the fall of 1933, of incorporating themselves under Delaware Moding-company charters, pursuant to Executive orders from the White House, with the apparent purpose of making their temporary "emergency" powers permanent.

Under the so-called "emergency" acts of Congress the dictatorial powers usually terminate in 2 years. The Delaware charters

torial powers usually terminate in 2 years. The Delaware charters read:

"This Corporation shall have perpetual existence."

Then these Federal officials proceed to expand and multiply their powers until they give themselves unlimited powers of Government ownership and operation of every known and unknown branch of industrial, utility, transportation, trade, and financial enterprise—including manufactures, telephone, electric power, building, all branches of transportation, and acquisition of real and personal property, borrowing and loaning money "without restriction or limit as to amount", dealing in stocks and bonds, and locating offices not only in all parts of the United States, but in our colonies and in any and all foreign lands.

In short, they affect to give themselves, over articles of incorporation signed by Cabinet officials before District of Columbia notaries, all the powers exercised or dreamed of by the Soviet

notaries, all the powers exercised or dreamed of by the Soviet

Executive Council in Moscow.

They provide for acquisition by purchase or "otherwise." There being no money in the Treasury, and somewhat strained credit in face of growing deficits, our new Soviets perchance may acquire by methods described as "otherwise", after the style of Russia.

Therefore, if there are any railway presidents here tonight, or directors and officers of telephone, gas, and electric companies, permit me to introduce to you as chairman of the Federal Board of

such utilities, the Honorable Harold L. Ickes, who, while incidentally Secretary of Interior, a Washington Federal portfolio, has a corporate office at 100 West Tenth Street, city of Wilmington, county of Newcastle, Del., where he is permanently engaged in every branch not only of the transportation and utility industries, but also in all branches of finance and most branches of manufacture—as chairman of the Board of the Public Works Emergency Housing Corporation which since November 1933 has had a charter

Housing Corporation, which since November 1933 has had a charter reading: "This Corporation has perpetual existence."

Among the branches of manufacture in which this Federal Corporation is chartered to engage are several industries that particularly interest Pennsylvania and the city of Philadelphia, such as:

"Building materials and other products of every kind, nature, or description, including without limitation iron, steel, granite, stone, brick cement, wood, paper, and plaster."

description, including without limitation from, steel, grainte, stone, brick, cement, wood, paper, and plaster."

I understand that all of these are substantial industries of the Keystone State. So, besides your new competition from Belgium through lowered tariff duties, you have in prospect a still greater competition from Federal corporations, backed by all the resources and all the executive powers of the Federal Government—right screes the river in Delaware.

across the river in Delaware.

Six of these Delaware Federal charters have now been incorporated by Government Cabinet members and bureau chiefs, and they embrace every branch of American economic enterprises—the full economic armament of Soviet Russia. If they should by any desperate venture become established—in clear violation of the Constitution—they would virtually convert the United States of America of the fathers into the Union of Soviet Socialist Republics of European communism.

These charters filed in Wilmington bear across their face the notation, "Do not publish." But I have secured photostatic copies of them, published them in the Congressional Record of February of them, published them in the Congressional Record of February 6, 1935, and shall gladly cooperate with you in the exposure of this, the most amazing flasco of the present new-deal era that afflicts much of the civilized world. Undoubtedly the fact that I had placed these charters in the Record and proposed an amendment that would eliminate them had its effect in the administration's move to recommit the bill, for they well knew that in the discussion of the amendment that they would be unable to explain the four

of the amendment that they would be unable to explain the four billion lump.

The 5th of March the committee returned the relief bill, designating the allotments as follows: \$800,000,000 for rural rehabilition, \$450,000,000 for housing for factories, \$300,000,000 for professional and clerical projects—totaling \$1,550,000,000—all of which can be made to fit in nicely with the theory of the Delaware corporations. The total amount of appropriation is still \$4,000,000,000. Subtracting the above \$1,550,000,000 leaves \$2,450,000,000, of which 200 percent is to be allotted without hindrance or let as the Presi-20 percent is to be allotted without hindrance or let as the President sees fit, and which, if you add to the above \$1,550,000,000 is \$2,040,000,000 that the President will have to promote his Delaware corporations through which he hopes to transform the United States of America into a U. S. S. of Russia.

States of America into a U. S. S. of Russia.

Complete communism of the United States and destruction of all private industry will come with the passage of the \$5,000,-000,000 relief bill now before Congress, if passed, giving the lump sum of \$2,040,000,000 to the President to be used at his own sweet will. This money, to be used to finance six Delaware corporations organized by Mr. Roosevelt's bureaucrats, will put in operation the new-deal scheme to control the United States. Congress will be powerless to act because it has no jurisdiction over Delaware corporations. This is the reason these corporations have been organized. been organized.

The six Roosevelt Delaware corporations are authorized to oper ate every line of industry from growing oysters to operating rail-roads, telephone and telegraph lines, packing meat, and manufac-turing every article of merchandise at present used in our com-merce. And the lives of these corporations have been made perpetual."

Acting on legislation granted him for use during the emergency, Arting on legislation granted him for use during the emergency, Mr. Roosevelt is deliberately attempting to seize control of all industry in the United States and set himself up as our dictator. Confronted by the existence of these corporations which were secretly organized and marked "do not publish", Mr. Roosevelt hastily withdrew the bill from the Senate. This was the answer to a demand made on the administration to explain what it meant by this externate to recommend the temperature of the secretary of the secretary that the secretary is the secretary that the secretary is the secretary that the secretary is the secretary of the secretary that the secretary is the secretary of the secretary in the secretary is the secretary of the secretary of the secretary is the secretary of the secretary to a demand made on the administration to explain what it meant by this attempt to usurp the temporary power granted it. There has been no answer to this question and there will be no reply because the Roosevelt administration has been caught with the goods. Its attempt to turn this Government into a communistic state while it pretends to stand for individual capital and individual liberty has been exposed. The people now know the truth concerning Mr. Roosevelt's schemes and if he is permitted to carry them out then they have no one but themselves to blame.

These corporations are to operate all industries not destroyed by his reciprocal tariff treaties, which are now in the course of negotiation. At the present moment Mr. Roosevelt has made an alleged tariff deal with Belgium to turn the cement market of already he has turned our former cotton-raising industry over to Brazil. Other industries of the United States are to be destroyed by his communistic new deal, and what industry is permitted to function in this country will be taken over by these six Delaware corporations. ware corporations.

Here is the Roosevelt program in a nutshell. This is what we gave ourselves at the last election. Our only hope to rescue the United States lies in an enlightenment of the people which will

force their Members in Congress to protect this Nation despite the coercion and threats hurled at them by the Roosevelt admin-

The issue of the hour is "America."
Shall it rise and go forward in the march of liberty and justice, of progress and prosperity, as in the past 144 years up to March 4, 1933?

Shall America remain the land of the free? Or shall it recoil under a wave of dictatorship and debt, of wild financial orgy and

under a wave of dictatorship and debt, of wild financial orgy and tax burdens, and relapse into that semibarbaric state which we see here and there abroad?

America still lives after 2 years of disastrous administration, wellnigh approaching the boundaries of a crime wave in depressing industry and mounting debt and unemployment.

Lincoln at Gettysburg, 72 years ago, raised the problem whether government of the people, by the people, and for the people shall perish from the earth. We solved that problem in the good old American way. And that way—the way of liberty and union—is before us still in the contest of 1936. The American way is to do by ballots what Hitler and Stalin would do by bullets. America by ballots what Hitler and Stalin would do by bullets. America still lives.

#### WORK OR DOLES-WISCONSIN'S ANSWER

Mr. COSTIGAN. Mr. President, last Friday night the able Governor of Wisconsin, Hon. Philip F. La Follette, speaking by radio from the executive office at the State Capitol, in Madison, Wis., on the subject of "Work or Doles", delivered an unusually forceful and constructive address. I ask unanimous consent to have his remarks printed in the Con-GRESSIONAL RECORD

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Tonight I shall talk with you about Wisconsin, its problems and its future.

The Legislature of Wisconsin has provided the State's share for ne cost of relief for 1935. We have thus provided for the immediate problem of distress.

We are now in a position to take stock and decide on the course we shall pursue in the future. Shall we continue the same general policies, or has the time come for a fundamental

During the past 5 years we have adopted many humane and desirable proposals. But the fact remains that we have all been following one basic policy. We have been waiting for the depression to end and for prosperity to return. As we have waited, we have supported an increasing part of our human and natural resources in idleness. We have done so in the hope that something would restore these recourses to useful work.

But if we do not work, we do not produce. Unemployment—unemployment of men, of factories, of machines, of land, of money—has drastically reduced our total income. We have produced less, and we have less to go around.

We have been humane about it. We have paid doles to these unemployed people, factories, machines, land, and money. Our income has been reduced, but we have had to pay more and more out of that reduced income to support all this unemployment. At the end of each year, the citizen, as well as his Government, has had to reduce his expenses in order to provide the cost of doles. doles.

Billions of dollars have been spent, but of these billions practically nothing has been spent to create more wealth. The money has been spent to enable those in distress to exist until better times might come. But better times have not come. It is true that some individuals and corporations had larger incomes last year than the year before. But the total of all our incomes, both in this State and in the Nation, is scarcely half of what it was in

This is an inevitable result. We have not spent money to create new wealth. We have spent billions to support human and material unemployment.

terial unemployment.

Unless something unforeseen happens, a continuation of this course will produce the same result next year, only in a more aggravated form. If we go on reducing wealth, we shall be sharing poverty and not wealth in America.

The time has come for a fundamental change. From now on our objective must be the production of wealth and not its reduction. The principal business of government must be seeking ways and means of increasing the total income of all of us, and securing a fair distribution of that income among all of us.

I propose that we in Wisconsin, so far as it lies within our power, shall begin and begin now to build new and greater wealth for all our people.

How are we to do it? It must come through the leadership of How are we to do it? It must come through the leadership of government. It is a big task, this, of intelligently organizing and using these vast human and material resources. We cannot do it as a disorganized mob. We cannot follow the reactionary policy of "everybody for himself and the devil take the hindmost." We must have intelligent leadership and united action.

When the Legislature of Wisconsin has passed the State budget bill, I shall submit in detail two plans: One to balance the State budget by following this policy of destructive reduction; the other, which I shall favor and fight for, to balance our State budget and balance your budget out of the increased wealth we must and can create if we all go back to work.

I propose, first, that for the old, the young, and the sick we shall provide as generously as our circumstances will permit. Secondly, for all the rest of us, that we shall go back to work—back to earning our own livings—back to work, increasing our own individual incomes, and thereby increasing the income of the whole community.

We in Wisconsin not only believe, we know, there is plenty of work for the people of this State. We have completed a survey of Wisconsin that reaches into the problems of every community in the State and is the result of 5 years of detailed study. This survey is, no doubt, typical not only of Wisconsin but of every other community and State. It does not include all the work that could be done, but it does answer once and for all those reactionaries who claim we have no work for the unemployed.

Here are some of the kinds of work that are waiting to be done: First. Conserving our national resources; preventing our top-soil from running off into the Mississippi River through soil erosion; improving the fertility of our good farm lands and the quality of our livestock to increase the farmer's net income; restocking our forests and streams and lakes with fish and game and building We in Wisconsin not only believe, we know, there is plenty of

forests and streams and lakes with fish and game and building back our timber resources. If we were to do all of this work at once, it would keep 100,000 men busy for 2 years.

Second. Repairing our farm and city homes—not building new homes, but simply putting them in a decent state of repair—putting shingles on the roof where the roof leaks, planks in the barn floor where they have rotted, stone and cement into crumbling foundations, paint on bare walls. This kind of work is not waste. Instead, it prevents wastage. This task alone of repairing our homes, if it were done all at once, would keep 100,000 men at work till time for 2 years.

full time for 2 years.

Third. Bringing the basic modern conveniences to the homes on the farm and in the city; not luxuries, but giving our people the minimum conveniences needed for healthy, decent homes in which

to rear our families

The work of modernizing and repairing our city homes alone, if done at one time, would require the services for a solid year at full time of 15,000 bricklayers, 30,000 carpenters, 8,000 plasterers, 12,000 sheet-metal workers, 25,000 painters, 15,000 plumbers, 3,000 electricians, 15,000 roofers, 40,000 semiskilled laborers, and 14,000 common laborers

Fourth, work in repairing and constructing our streets and highways, worn-out water, sewage, and other utility systems in our cities; work in electrifying the farm and the city; work in building better education. These are some of the kinds of work to be

ing better education. These are some of the kinds of work to be done in Wisconsin.

This program will cost money. But it can be financed through the joint efforts of the Federal, State, and local governments. Finance is a complicated subject. I do not have the time to present the details tonight. The detailed plan will be presented to our legislature. The first year it will take more money than to keep people on the dole. But here is the essential difference: When we support people in idleness, we get nothing back. When we pay people for work—either for the Government or in private employment—we get something in return for our money. What we get in return will be large or small, depending on whether the work is wise or foolish. It is like planting crops: If we plant good seed, in fertile soil, and have a good season, the harvest gives us back far more than we plant. If we do no planting, we get no crop. "As we sow, so shall we reap."

Such a program will produce results not only for those directly

Such a program will produce results not only for those directly

Such a program will produce results not only for those directly employed but will produce orders for lumber, paint, shingles, glass, iron, steel, copper, cement. It will put money into the pockets of men and women who need the goods that the store-keeper has on his shelf, but which he cannot sell.

Such a program will cost money, but if the money is wisely spent it will, like seed grain, increase our total wealth. It will be done with the united support of the Federal, State, and local governments. This is why Wisconsin, like every other State, is deeply interested in the President's work program now before Congress. That program is a real step in the right direction—toward restoring the self-respect and the confidence of men and women in themselves. themselves

One hundred and fifty years ago America was the land of opportunity. Every boy and girl grew to maturity under the inspiring assurance of a real chance in life. America did not pamper people, but did give them a real opportunity to run the race of life on their own feet. This is what we must have again. That is what we shall

own feet. This is what we must have again. That is what we shall have again when we go back to work.

A work program must be large enough to enable the Government to supply work for every able-bodied person that wants it. We must wipe out this distinction between those on relief and those off relief. Everybody who is capable and willing must have a chance to work. In this way alone can we restore self-respect and our own confidence in our ability to earn our own living.

A just criticism of the pending program is not that it is too large, but that it is too small. I do not dispute that \$4,000,000,000 is a lot of money. But let us not forget what has been spent and, above all, what we have lost. In the past 5 years this country has lost \$200,000,000,000,000 in income. We have lost enough through idleness to buy the whole of the United States lock, stock, and barrel. Any program that will enable us to stop that waste will be cheap at any price.

This program will take time. We cannot build back in a moment the loss and the destruction of years. I do not underestimate its difficulties. I know that in carrying it out we shall run head-on into powerful vested interests. But it is either a continued program of destruction or a new program of construction. So far as I am concerned, whatever influence, energy, and vitality I have

will be given to this constructive program. I cannot do it alone. I want and need your help. Working together we must and will carry this program into action.

WORK-RELIEF PROGRAM

The Senate resumed the consideration of the joint resolution (H. J. Res. 117) making appropriations for relief purposes.

Mr. GLASS. Mr. President, when the Senate adjourned on Friday last, I was engaged in explaining as best I could the various allocations of funds and the purposes for which they were to be used. I think in the course of my explanation I had reached the amendment in the last line on page 3 proposing to strike out the words:

The specific powers hereinafter vested in the President shall not e construed as limiting the general powers and discretion vested in him by this section.

The committee unanimously agreed to strike out those words, as they might be misinterpreted to mean that the President could do things that were not authorized by the act.

Mr. McNARY. Mr. President-

The VICE PRESIDENT. Does the Senator from Virginia yield to the Senator from Oregon?

Mr. GLASS. I yield.

Mr. McNARY. I am always deeply interested in what the Senator from Virginia has to say. I am just wondering what amendment he is now discussing?

Mr. GLASS. On last Friday I had reached the amendment, beginning with the last line on page 3, striking out all the words after the word "resolution" to the end of the sentence on page 4, in line 2, and I was stating to the Senate that the committee unanimously agreed on striking out those words because of the suggestion that they might be misinterpreted into authorizing the President to do something which he was not authorized by the joint resolution to do.

The next amendment is on page 4, in the italicized words, reading as follows:

Funds made available by this joint resolution may be used, in the discretion of the President, for the purpose of making loans to finance, in whole or in part, the purchase of farm lands and necessary equipment by farmers, farm tenants, croppers, or farm laborers. Such loans shall be made on such terms as the President shall prescribe and shall be repaid in equal annual installments, or in such other manner as the President may determine.

It will be recalled that that amendment to the joint resolution was adopted by the Senate when the measure was previously under consideration.

The next amendment is in line 12, on page 4, inserting the word "only", so as to confine the expenditures under the joint resolution only to the United States, its Territories, and possessions. That also was agreed to by the Senate

The next amendment is on page 6, lines 2 and 3, striking out the words " and, without regard to the Classification Act of 1923, as amended" and inserting the word "and."

That amendment also was previously agreed to by the

All of sections 4 and 5 in the original joint resolution were stricken out, beginning on line 5, page 6, and continuing to line 12, on page 7. That amendment likewise was previously agreed to by the Senate.

Mr. COSTIGAN. Mr. President, will the Senator yield, or does he prefer to speak uninterruptedly?

Mr. GLASS. Oh, no; I yield if the Senator desires to ask a question.

Mr. COSTIGAN. May I ask the Chairman of the Appropriations Committee what the committee's purposes were in striking out sections 4 and 5 of the House text?

Mr. GLASS. The committee thought those sections contained authorizations which were untenable and unwise, such as making grants and loans to individuals in needy circumstances. In fact, the committee was utterly opposed to all the provisions in section 4.

Mr. COSTIGAN. Referring to the word which the Senator has himself mentioned, the word "loans", apparently stricken out of subdivision (b) of section 5, on page 7, may I ask whether the effect of such a deletion would be to prevent the President continuing loans made by the Public Works Administrator in the event the Public Works Administration should terminate, as originally contemplated, perhaps, by Congress, 2 or 3 months hence?

Mr. GLASS. The committee did not think so, and evidently the Senate did not think so, because the Senate on a previous occasion agreed to the committee's alteration of the joint resolution in that respect.

Mr. COSTIGAN. Was any legal opinion obtained as to the significance of the omission of the word "loans"?

Mr. GLASS. No; there was not, because no member of the committee apparently had any doubt about the advisability of striking it out and no member of the committee entertained the idea that it would interfere with publicworks loans.

Mr. COSTIGAN. I do not wish to detain the Senator longer than a moment, but with the modification of the opening clause so as to limit appropriations to "relief and work relief". and with the omission of the word "loans" in the clause last mentioned, after conference with some Government attorneys closely associated with the interpretation of this measure and similar acts, I have been led to believe that one effect of the omission, coupled with the termination of the P. W. A., would be to prevent the continuation of loans for self-liquidating projects already started by the Public Works Administration; for example, for the further construction or any construction, in conjunction with States or municipalities, of such public works as municipal electric light and power plants. I merely use one illustration of possible effects and wish to discuss it later if the Senator prefers to continue his discussion now.

Mr. GLASS. I am simply explaining the joint resolution. Mr. COSTIGAN. Very well.

Mr. GLASS. The next amendment is the insertion of a new section 4 incorporating the words of subsection (c) of section 5, which were stricken out, with the omission of the single word "maintain." I explained to the Senate on a previous occasion that the paragraph was reinserted as section 4 upon the motion of the Senator from North Dakota [Mr. Frazier].

The next change is to reduce the fine penalty from \$5,000 to \$1,000 for the willful violation of any rule or regulation the President may issue.

The next provision is the particularly controverted provision involving what is known as the "McCarran amendment", and is the substitute adopted by the committee, on motion of the Senator from Georgia [Mr. Russell], as a substitute for the so-called "McCarran amendment."

Section 7 explains itself, I think, as well as I or anybody else can explain it. It reads:

Wherever practicable in the carrying out of the provisions of this joint resolution, full advantage shall be taken of the facilities of private enterprise.

Section 8 is an entirely new provision which was not at first passed upon by the Committee on Appropriations and has not previously been considered by the Senate. It was embodied in the joint resolution upon its recommittal, because of the very earnest presentation of the matter by the master plumbers of the country. It reads:

On all building construction work or projects undertaken under and by virtue of the authority-granted in this joint resolution, all mechanical sanitary work, which in the interest of public health is ordinarily regulated or controlled by law, shall be let separately and by contract, and awarded to the lowest qualified bidder.

Section 9, heretofore passed upon by the Senate and adopted, relates to the penalty of fine and imprisonment for the willful violation of any provisions of the law.

Section 10 is the section offered by the Senator from Arizona [Mr. HAYDEN] and approved by the committee. It reads:

Federal public roads projects, rivers and harbors projects, reclamation projects, and public buildings projects undertaken pursuant to the provisions of this joint resolution shall be carried out under the direction of the respective permanent Government departments or agencies having jurisdiction of such projects, and the

performance of all contracts in connection with such projects shall be subject to the supervision and control of such departments or agencies.

Mr. COUZENS. Mr. President, will the Senator from Virginia yield at that point?

The VICE PRESIDENT. Does the Senator from Virginia yield to the Senator from Michigan?

Mr. GLASS. I yield.

Mr. COUZENS. I wonder if by any implication there can be gotten from that language the understanding that the work is to be done under the contract system, or is it to be done by the day-labor system?

Mr. GLASS. My information is that work let by the departments is required to be done under contract provisions

and let to the lowest responsible bidder.

Mr. COUZENS. That is the Senator's interpretation of this particular provision?

Mr. GLASS. That is my interpretation of it. If the Senator from Arizona [Mr. Hayden] were here he could more exactly describe the purposes of the provision. However, he is not present at the moment. That is my interpretation of the provision.

The other two amendments are mere changes of the numbers of sections.

I ask unanimous consent that the committee amendments may be first considered.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The clerk will read the joint resolution.

The Chief Clerk proceeded to read the joint resolution. The first amendment of the Committee on Appropriations was in section 1, page 1, line 3, after the words "that in order to", to strike out "protect and to promote the general welfare, by (1) providing relief from the hardships attributable to wide-spread unemployment and conditions resulting therefrom, (2) relieving economic maladjustments, (3) alleviating distress, and/or (4) improving living and working conditions", and insert "provide relief and work relief", so as to read:

That in order to provide relief and work relief, there is hereby appropriated—

And so forth.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee.

Mr. AUSTIN. Mr. President, I intend to support this amendment; and in order to save the time of the Senator I wish to have my remarks considered as supporting also the amendment which begins in line 5 on page 3 of the joint resolution and continues to and includes line 25. That is to say, the two amendments involve, first, the striking out of the broad clauses which originally appeared under the general term "promote the general welfare", and, second, the division of uses from general into specific uses.

Mr. President, as I conceive the situation, when the joint resolution originally came from the committee, the Senate was called upon to do something which it had never done before in the history of America. It was called upon to make two unconditional grants to the President of the United States.

First was the grant of a large sum of money. As the joint resolution then stood, there was no condition whatever attached to the grant. There was no specification of any use to be made of the grant. In other words, it was the first time in our history that America had gone back through 5 or 6 centuries and undertaken to give to the President of the United States a kingly power which had been wrested from the Kings of England at the sacrifice of blood of subjects and of Kings.

Second. So far as I have been able to discover by quite diligent study, it was the first time in our history that Congress undertook to give to the President the power of legislation under the general-welfare clause of the Constitution.

Therefore, the situation presented a crisis because of which every honorable effort should be made to stop, if possible, the progress of the joint resolution as it then stood. A great principle was at stake—the great principle of a dominant duty by Congress to the people of the United States. Congress then was face to face with a choice—whether it would obey the command of the people of the United States, made to it, that it should itself perform, and should not delegate, primary powers which raised dominant duties; or whether it would depart entirely from its obligations to the people of this country, and turn over outright an unconditional grant of a huge sum of money and an unconditional grant of the power of making laws. To be sure, that was attempted to be covered by the welfare clause.

Mr. ADAMS. Mr. President, will the Senator yield?
The VICE PRESIDENT. Does the Senator from Vermont yield to the Senator from Colorado?

Mr. AUSTIN. Certainly.

Mr. ADAMS. During the discussion of that matter before the committee, the question was asked of the draftsman of the joint resolution whether or not he was relying upon the general-welfare clause for the authority, and the statement was rather specifically made that he was not. The question was asked whether or not Mr. Hester, the attorney who really drafted the joint resolution, was familiar with the decisions which, while they did not actually so hold, left a rather clear legal implication that the two general-welfare clauses in the Constitution were limitations rather than grants. Mr. Hester, the attorney, said that the generalwelfare phrase in the joint resolution had to be construed in connection with the limitations under subsections 1, 2, 3, and 4, which followed. That is, I did not understand from those who appeared before the committee that they were relying upon the general-welfare clause; and I may say to the Senator that pages 41 and 42 of the hearings of the committee point that out.

Mr. AUSTIN. Mr. President, I thank the Senator from Colorado for that information, and I am very glad to find that that position was taken. I have felt that the matter did not need a lengthy debate; but I did wish to have the Record show that by three well-considered cases the general-welfare clause in the preamble of the Constitution has been held not to give any authority or power for legislation, and by three other and different well-considered cases the general-welfare clause found in article I, section 8, clause 1, of the Constitution has also been held not to give substantive power but, on the contrary, to be a limiting clause applying directly to the power of taxation.

Therefore, at the time when previously we considered the joint resolution and it was recommitted to the committee, I felt that the welfare clause, which had all the appearance of being the justification for the proposed legislation, really gave no authority and lent no force to it; and that it ought to be eliminated from the joint resolution, because of the danger that was inherent in the use of the welfare clause as a basis of legislation, as a justification for the Senate, for example, turning over to any person or any bureau or any department of Government the lawmaking power under the claim that a policy had been declared—namely, the policy of the general welfare.

I do not care to say anything more about that phase of the matter. That was one of the conditions which confronted the Senate just before the joint resolution was recommitted to the Committee on Appropriations.

.The other phase I have alluded to briefly, and that is that there was a grant of a huge sum of money without any specification of uses to be made of it.

What I have to say at this time in support of the amendment now brought in by the committee, after recommitment of the joint resolution to the committee, may well be considered under three general phases, namely:

First, what is the duty which we have to perform today and which we had to perform when the joint resolution came over from the House? Briefly stated, it is lawmaking; for providing an appropriation is lawmaking. Second, can that duty be delegated? I hope to demonstrate that it cannot be delegated, because it is the exercise of a primary power and imposes upon us a dominant duty.

Third, will the two amendments now before us transform the joint resolution from a violation of the Constitution, and therefore a void act, into a valid one, a real act of lawmaking? My answer to that, I hope to be able to show, is correctly made in the affirmative.

So I wish to discuss first the first proposition, namely, what the duty is which confronts us today.

We are not appropriating money that now exists anywhere within our reach. We cannot find \$5,000,000,000 in the Treasury of the United States today. Therefore, when we set out to appropriate that money, what do we set in motion? What do we actually perform here? We do what they did centuries ago under the title of the "forced loan." We compel the Government of the United States to borrow money, and therefore we exercise that primary power of borrowing money in passing this joint resolution.

Mr. President, is that the end of the act which we perform? Oh, no; not at all. By making these appropriations, by causing the borrowing of this huge sum of money, we make it irresistible that additional taxation must be levied. There is no escape from that conclusion under the sun; by these acts which we perform today, we effectually and instantly lay upon the people of this country a burden of taxation which some future Congress will put into definite form. We may ourselves put into definite form some part of that specific taxation. So are we not setting forth now upon the performance of the greatest power ever vested in any department of government whatever. It was so regarded by those who drafted our form of government and set it forth on parchment, and looked to us to give it flesh and blood and nerves.

I will not ask the Senate to listen to all of the very valuable extracts from the statements of the great statesmen, our forefathers, who put together on paper this contract between the Government and the people. I will content myself with reference to only two of them.

I refer to James Madison, in his essay on The Meaning of the Maxim Which Requires Separation of the Departments of Power, Examined and Ascertained. I quote:

The conclusion which I am warranted in drawing from these observations is, that a mere demarcation on parchment of the constitutional limits of the several departments, is not a sufficient guard against those encroachments which lead to a tyrannical concentration of all the powers of Government in the same hands.

The other is from Alexander Hamilton:

In framing a government which is to be administered by men over men, the great difficulty lies in this: You must first enable the government to control the governed; and in the next place, oblige it to control itself.

So, confronted as we were when this joint resolution came over from the other House and when it was first reported by the committee, with the high obligation of doing the law-making ourselves, the greatest question which confronted us was that fundamental question of whether we, bound in morality and conscience and by that bond of the Constitution to the people of this country, should run contrary to it, or whether we would give vitality and force to that great bond, whether we would clothe it in flesh and blood and nerves, and make of every Senator a living constitution.

Mr. President, that was the real question which confronted us just before the joint resolution was returned to the committee; and what did we do? By a very narrow margin we determined that we, as a Senate, would not merely govern the people, but that we would govern ourselves, that we would discipline ourselves to the extent of preventing, by every honorable means, one of the greatest transgressions of the Constitution to which we have ever been tempted.

The power with which we are dealing, the duty which it is now our part to perform, probably had been the cause of more conflicts between people and rulers, between parliaments and kings, than any other single power. When we

undertook to create a republic here we thought so much of the control of the purse, we thought this power was so much a prerogative of the people, that we invested that House of the Congress which was closest to the people, that House which was subject to reelection every 2 years, with the power, and we insisted that all fiscal legislation should originate in the House of Representatives. That was not a novel idea. We took it over as an element of our inheritance from our great British forefathers.

Mr. President, I owe a debt of gratitude to a learned doctor of letters, a statesman, a former Senator from Ohio, Simeon D. Fess, who concentrated upon this particular element in the development of the British constitution, and afforded me an article which traces the history of this particular power and this particular duty from their origin to the present time, going back through the assassinations, the dethronements, the beheadings, and the revolutions, which represent a part of the cost of saving to the people of a country, this power, to be exercised by their representatives in a parliamentary and lawmaking body.

I ask unanimous consent, Mr. President, to have this article printed as an exhibit to my remarks. I may say that it has been submitted by the leader of the minority, the Senator from Oregon [Mr. McNary], to the Committee on Printing, the rule with reference to it has been complied with, and, so far as the Committee on Printing is concerned, consent to its printing has been given.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Vermont? The Chair hears none, and it is so ordered.

(See exhibit A.)

Mr. AUSTIN. Mr. President, I wish to call to the attention of the Senate some brief extracts from that remarkably able article, because I realize that we should have them to consider while we are debating the amendments to which I have referred, which, I think, transform the joint resolution from the novel and strange thing it was, namely, an unconditional grant of money to a person and an unconditional grant of power to a person, into what it was intended to be, an appropriation measure which makes a conditional grant to a specific use or uses, and not to a person.

These extracts are taken from subject matter which we will have to imagine, because the Senate does not have time and I will not impose upon the Senate to state what surrounds each item, but the Senate can picture here a scene in June of 1215, a contest between the King and the people over the question of taxation. I read:

The church stood arm in arm with the barons. The London citizenry, with enthusiasm, stood back of both of the resistants. The people from every part of the country threw their lot with the contenders against the extertions of King John, who was presented with their demands in the historic document known as the "Magna Carta" which John was forced to sign on the 15th day of June 1215. This famous document specifies what and how taxes are to be levied. It declares that hereafter specifically named taxes are leviable only "by common counsel" of the Kingdom. Chapter 14 indicates and declares taxes to be levied by the body known as the "common council." London, where much of the wealth of the country was found, was not entirely proof the wealth of the country was found, was not entirely protected by the great charter, and the King continued to exact arbitrary tallages until 1340 under the reign of Edward III, when Parliament took that privilege away from the King once and for all time.

Henceforth, scutages, extraordinary aids, and tallaging the city of London can be levied only by the council. Beyond those three classes of taxes the King was still supreme. The council was called by writs issued to archbishops, bishops, abbots, earls, and the greater barons, and through the sheriffs to the lesser barons, 40 days' notice being allowed as to time and place. This great charter is the first real step to lead to the control by Parliament of the question of taxation.

It should be understood that this council was not the same thing as Parliament. It was the King's council, but it was a step in the progress to the position which we occupy in the United States Senate at this instant.

I now refer to the year 1320. Edward III was out of the country when the Parliament of 1320 met. They agreed to abolish maletolt and all other taxes. I read:

It was declared and by act of this Parliament conceded that the consent of Parliament is necessary to levy a tax on wool, a prac-

tice thus far without that consent. It will here be noted that by 1340 Parliament was recognized as the sole authority to tax. From this time on the loophole kept open by the great Edward I touching ancient aids and prises was closed up, and Parliament stood a complete bar against its revival.

Here is another element and development of that time relating to spending:

By the time of Edward III the custom of request through the By the time of Edward III the custom of request through the form of parliamentary petition for legislation believed to be desirable was practiced. When once the parliamentary right to disapprove the grant of taxes was conceded, it would soon follow that the parliamentary right to inquire into royal expenses and also a right to supervise the expenditure would be demanded. This contest ran through the years. It was attempted under the great Edward in 1277, but could make no headway under a reign of that character of statesmanship. Under less capable leaders such as his grandson, it was not difficult for Parliament to make it a condition. it a condition

Observe this. This is a condition. Here we have the beginning of this type of action to which I refer, namely, a complete abolition of unconditional grants and the attaching to every single grant of money to the Executive the condition that the money shall be used for a specific pur-

To make it a condition of voting the grant to be given a voice in their expenditure; to say how and where and for what purpose the tax was to be expended.

I care to refer to only a few more of these items. I will take the Senate forward to the petition of rights and the Bill of Rights which came in the seventeenth century, very near the beginning of our own Government. It will be understood that the English monarch at that time was Charles I, the King who lost his head under the ax because he insisted upon the control of the purse, and because the people of Great Britain insisted upon control of it through their representatives in Parliament. Here is a quotation from the declaration of this tyrannical King:

If you should not do your duty in contributing what the state needs, I must, in the discharge of my conscience, use those other means which God has put into my hands, to save that which the follies of some particular men may otherwise hazard to lose.

The intensity aroused by this Royal threat was not relieved by the follow-up of his chief spokesman who supplemented the King's statement with an additional threat ending: "Remember his Majesty's admonition. I say remember it."

Senators are all familiar with what followed. A revolution occurred in which Charles I paid the penalty for insisting upon this right, this duty, which had cost our forefathers effort, comfort, property, life, to gain.

I am still reading from the article by Dr. Fess:

Tain stain reading from the article by bit. Pess.

To prevent the serious possibility involved now obvious to the King, he signed the famous "Petition of Rights." It will here be noted that Charles I, the greatest exponent of the "Divine Right" of the King, and the greatest opponent of Parliamentary meddling with the Royal Prerogative, signed a statute presented to him by his greatly despised Parliament, thereby extending parliamentary control over taxation as no measure ever before presented had contemplated; and by this act denying to the King powers, some of which in some form or another had been exercised by all the kings before him. This famous statute declared:

"That no person hereafter be committed to make or yield any

"That no person hereafter be committed to make or yield any gift, loan, benevolence, tax, or such like charge, without common consent by act of Parliament, and that none be called to make answer, or take such oath, or to give attendance, or be confined, or otherwise molested or disquieted concerning same or for refusal thereof."

Because of the matter of time, what I have read must be sufficient for our present purposes, but I trust the defect of time, which prevents my reading further, may not interfere with Senators reading more of this article, because the events of history so vividly brought together by Dr. Fess will give us the kind of appreciation of our responsibilities that we need in these days of emotion and of hasty action, resulting in the transformation of our Government by the abdication by Congress of primary duties which they cannot abdicate, or rather which they are forbidden to abdicate, and which if they do abdicate, they abdicate against the will and the binding obligation they have entered into with the people.

That is the kind of a duty which we have to perform here: and, believe me, when I say that in my brief experience in the United States Senate I never was so stirred to the depths as when I read House Joint Resolution 117, as it came over from the other House and as it was originally reported by the committee to the Senate. The audacity, the boldness of the declarations contained in that joint resolution should have caused us unanimously to raise up against it, and they did cause me to exercise every honorable means possible to prevent its further progress.

Can that power be delegated which is closest to the rights of the citizen? Can that power which determines life for the Nation or death to it be delegated? Can a power which the people have cherished to their bosom so closely that they would not permit even the Senate to have it, and would permit only that part of the Congress which was closest to them to have it, be lawfully abdicated? Mr. President, it cannot be done, and yet the joint resolution originally undertook to turn over this primary power and the performance of this dominant duty to the President of the United States.

Now, let us consider briefly whether the amendments correct the joint resolution in this fatal defect. Mr. President, the division of the appropriations into categories is not fully and completely satisfactory. We are dealing, however, with controversial legislation. The main objective we have is that we shall preserve our Nation, and that we shall not destroy it in our efforts at work relief and relief. We realize all the time, as set forth by the Supreme Court in the Petroleum Code case, that we have our duty to perform, and that the President, under his act, will have his duty to perform. Therefore we examine this amendment to see whether it changes the joint resolution from a mere allocation of funds to a person without condition into a joint resolution that appropriates funds to specific uses, payments to be made for those uses by a person.

We realize that in the decision of the Supreme Court in the Petroleum Code case the Court said this:

When the President is invested with legislative authority as the delegate of Congress in carrying out a declared policy, he necessarily acts under the constitutional restriction applicable to such a delegation.

And if there are phrases contained in this amendment which leave to discretion the determination of what particular project within a category shall be adopted, we have the assurance so recently given by the Supreme Court that it is the duty of the President to save the people's rights and to make that allocation according to his constitutional obligation. So when we have such a phrase as that which has been inquired about heretofore, namely, "miscellaneous projects", to consider, I must say that, although I would prefer not to have the ambiguity raised by the inclusion of those words in this amendment, the danger of them is not sufficient to cause me to oppose the amendment, because I believe that, under the Constitution, the President must interpret those words according to the generic terms, work relief and relief; and that he must also adhere to the specific terms that are the setting for the words, "miscellaneous projects." "Miscellaneous", according to the Standard Century Dictionary, means "consisting of a mixture, diversified, promiscuous." Those are the primary meanings of that word, and this phrase I interpret to mean—and I had some part in its drafting—miscellaneous projects within the classifications", sanitation, prevention of soil erosion, reforestation, forestation, flood control, and miscellaneous projects." For example, take "prevention of soil erosion." What projects could be comprehended under that term? There could be wind erosion, river erosion, coastal erosion, avulsion, accretion, and all the other phases and aspects of soil erosion, the prevention of which would be comprehended within the term "miscellaneous projects."

There is not much law relating to this subject of appropriation. One cannot easily turn to jurisprudence either in text or in cases and satisfy himself regarding the power of appropriation alone. The lexicographers give us the meaning:

Appropriation is a setting apart for a particular use; especially, money set apart by formal action to a specific use.

And the same idea is voiced by the courts. While, therefore, language actually stating that the money is "hereby appropriated" must in any event be considered technically an appropriation, it still remains a proper subject of inquiry whether this is the only requirement or whether the object in view is not also an essential element in the "appropriation" authorized by the Constitution.

Now, I propose to put in the Record, for what they may be worth, such cases as I have been able to find, with the assistance of others, upon the subject of "appropriation", for, so far as I know, it has never been traced out. I was unable to find any collection of authorities upon this subject. In the Collins case (15 C. Cls. 22–35) it is stated:

That provision of the Constitution is exclusively a direction to the officers of the Treasury, who are entrusted with the safe-keeping and payment out of the public money, and not to the courts of law.

That is a quotation from the Collins case, and it was held that it constituted no obstacle to the court's finding Collins legally entitled to certain back pay, though no appropriation for the payment had been made.

In the case of Mitchell v. United States (18 C. Cls. 281-286) I find this:

The constitutional provision is a mere limitation and restriction upon the executive officers of the Treasury Department and does not prevent Congress, the law-making power, from involving the Government in contracts to pay money to any extent. When such contracts are made the parties who acquire rights to compensation thereunder must wait until an appropriation is made before they can receive their money, but the right on their part and the obligation on the part of the United States remain unchanged.

Here again, however, the question was of the effect of an admitted appropriation, which happened to be for a less amount than required by the basic law fixing the compensation of the officer involved.

In the case of Campagna v. The United States (26 C. Cls. 316) there is a general statement as follows:

An appropriation is per se nothing more than the legislative authorization prescribed by the Constitution that money may be paid out at the Treasury.

Of course, that is not very helpful in determining the characteristics of the constitutional appropriation.

Expressions of the Supreme Court are not much more in point. In *Knote* v. *The United States* (95 U. S. 149) it is stated:

However large, therefore, may be the power of pardon possessed by the President, there is this limit to it, as there is to all his powers.

It cannot touch moneys in the Treasury of the United States except expressly—

That is the point, "expressly"—

except expressly authorized by act of Congress.

I invite attention to Reeside v. Walker (11 How. 272, 290), in which occurs the following:

However much money may be in the Treasury at any one time, not a dollar of it can be used in the payment of anything not thus previously sanctioned.

Of course, what constitutes "sanction" is left to the good sense of a legislative body such as the United States Senate.

In the case of *U. S.* v. Realty Company (163 U. S. 427) the court comes closer to the point at issue. The case involved an appropriation of 1895—Twenty-eighth Statutes, pages 910 and 933—for payment of bounty to producers of sugar who had complied with the provisions of the Bounty Act of 1890 previous to its repeal in August of 1894. It was argued that the bounty act was unconstitutional, and therefore payment of bounty was not a proper object of appropriation. But the Supreme Court held that the validity of the bounty act was not involved, and that under the circumstances shown, producers who in good faith had complied with the terms of the act—which was currently assumed by them and by the Government to be valid—might properly be paid the bounty. Congress might constitutionally recognize claims "of an equitable, moral, or honorary nature."

The question of "appropriation or no appropriation" was definitely raised in U. S. v. Hanson (167 Fed. 881), where it was argued that the Reclamation Act was unconstitutional

as authorizing an expenditure of public money without an appropriation by Congress. But the court held that the act itself constituted an appropriation when it provided that the proceeds of the sale of public lands "are hereby reserved, set aside, and appropriated as a special fund in the Treasury, to be known as the 'reclamation fund.'"

A further interesting point is raised in connection with the source of the fund thus appropriated. The court intimates that only funds derived from taxation are subject to the constitutional restriction, to expenditure only for payment of debts, for the common defense and general welfare. Just what limits there might be to the spending of funds arising from other sources—as here, from sale of public lands—is not indicated, as the court finds that, even assuming such moneys are subject to the restrictions mentioned, reclamation can easily be classed as promotive of the "general welfare."

One case of an appropriation for a rather indefinite object has been construed by the Attorney General. In Eighth Opinions of the Attorney General, 137, Mr. Cushing had under consideration the following language in Eleventh Statutes, 114:

Territory of Kansas—for contingent expenses of said Territory, \$1,500.

He concluded that it was-

Not confirmed by Congress to any precise object and may be applied by the Governor to any lawful purpose approved by the President.

To be sure, the purpose proposed by the Attorney General was the expenses of the legislative assembly of the Territory, and such an object was fairly obviously within the meaning of "contingent expenses."

It is worth noting that appropriations with a more or less indefinite objective have been made almost from the beginning of the Government. I invite attention to some examples, such as "the President's traveling allowance", now extended to include "official entertainment expenses" and the provision carried for years in the diplomatic appropriation act—

To enable the President to meet unforeseen emergencies arising in the Diplomatic and Consular Services and to extend the commercial and other interests of the United States.

A casual inspection of volume 1 of the Statutes at Large shows that the Congress (1 Stat. 54, ch. 10) appropriated—

A sum not exceeding \$20,000 \* \* to defraying the expenses of negotiating and treating with the Indian tribes.

Prescribing only that any commissioners who might be appointed should receive \$8 a day, but leaving all details and even the person to direct the expenditure unspecified.

A few years later, Second Statutes, 206, appears the following:

That the sum of \$2,500 be, and the same is hereby, appropriated for the purpose of extending the external commerce of the United States.

Mr. President, these are small sums of money, trifles relatively, but at the time the appropriations were made they were relatively substantial sums. They appealed to the obligations of Congress in the same character, if not the same degree, as the attempts here made to make a lump-sum grant, without conditions attached, to an administrative officer of the United States.

The grants which have been used by me for examples show that, in order that an appropriation be truly an allocation to a specific use, it need not be so closely defined or so specifically applied as to enable a determination exactly of the object for which the money is to be spent, but that if it is in such general terms confined or limited to a category, an activity of the Government, an essential function of sovereignty, it is truly an appropriation within the meaning of the Constitution.

Mr. President, I believe that the amendment dividing the sum into categories, as it does, and modifying, as it does, relief and work relief, as provided in line 8, page 1, of the joint resolution, transforms the measure from an unlawful

attempt to grant power and money to a person into an appropriation measure which conforms to the Constitution.

Personally there are many things about the allocation which I should choose to have different, but when men get together in any legislative body to improve a joint resolution, as this joint resolution did need improving, they cannot be arbitrary, tyrannical, mentally obstinate, and unyielding. In order that 96 men, who think for themselves and who have character, may get together there must be some concession, and so I am prepared with respect to the phrase "miscellaneous projects" to make a concession in behalf of the greater interests.

Mr. ADAMS. Mr. President-

The PRESIDENT pro tempore. Does the Senator from Vermont yield to the Senator from Colorado?

Mr. AUSTIN. I yield to the Senator.

Mr. ADAMS. The Senator from Vermont used the phrase that the amendment "divided up the fund." I have read the amendment in a different sense. Perhaps I have not followed the Senator closely, but it seemed to me that there was no division of the fund in that sense by the amendment.

The amendment, as I read it, provides that the President may use all the money, if he sees fit, for relief purposes, as in the original joint resolution which came from the House; but it also provides a set, hardly of specifications, but of generalizations, for the fund is not divided among them, but the President may not expend more than a certain amount in each of the generalized classes.

What I desire is to ascertain whether or not I have correctly interpreted the provision as a limitation and not as an allocation. I am fearful that the phrasing of the joint resolution will be construed as an appropriation, as an allocation, and that those who are interested in a particular form of appropriation—for instance, projects for professional and clerical persons—may say, "Under the joint resolution we are entitled to have \$350,000,000 expended for those particular purposes."

The joint resolution as it would read with the amendment merely provides that not more than a certain amount may be expended for the projects enumerated, and then gives to the President unqualified and unlimited authority to add 20 percent of the total appropriation to any one of them; and in order to get the 20 percent, which would amount to \$800,-000,000, it must be taken from the other projects. In other words, as I see it, the joint resolution leaves the same discretion that existed without the amendment.

Mr. LONG. Mr. President-

Mr. ADAMS. I desire to ask one additional question of the Senator from Vermont for my own information. Where the joint resolution provides that these appropriations shall be available "for the following classes of projects", would the Senator read it as meaning that it shall be available only "for the following classes of projects"?

Mr. GLASS. Mr. President, I thought the chairman of the committee very clearly stated that the revised joint resolution was intended to afford a break-down of the purposes of the administration in the expenditure of the money. It was not intended to contain specific allocations. It was not intended definitely to state that the sums named would be expended on the particular projects, but it was intended to be as near a break-down as those having the matter in charge could possibly reach as to what the purposes of the administration were regarding the expenditure of the money. I also particularly call attention to the fact that \$800,000,000 of it was left to the President to expend as he might see fit.

Mr. ADAMS. Is the Senator from Virginia correct about that? May not the President add \$800,000,000 not only to one particular project but to several projects, so long as the money lasts?

Mr. GLASS. No; I do not think so.

Mr. ADAMS. The proviso beginning on line 21 reads:

That not to exceed 20 percent of the amount herein appropriated may be used by the President to increase any one or more of the foregoing limitations.

Mr. GLASS. Yes; but I think he is limited to \$800,000,- | miles long and 100 miles wide, in the main which constitutes 000, 20 percent, in using that fund.

Mr. ADAMS. My inquiry was caused by the use by the Senator from Vermont of the term that the fund was to be "divided" in this way; and it seemed to me a rather more definite statement than the joint resolution justified.

Mr. GLASS. The purpose of the administration is so to divide the fund; but circumstances may arise which would necessitate a change in the purpose of the administration, and the language would seem to authorize the President to use as much as 20 percent of the total, or less if he pleased, for any one of the so-called "allocations."

Mr. AUSTIN. Mr. President, my answer would agree with the answer given by the honorable Senator from Virginia, who is in charge of the joint resolution. I understand it in the same way. That is to say, the language on line 6, page 2, tells the story-"to be immediately available and to remain available until June 30, 1937." During that period of 2 years this fund, in the aggregate \$4,000,000,000, will be available, for what purposes? For any use of the type or kind specified in the amended joint resolution when that use is made in work relief and relief.

There is no command to spend the money. There is no obligation to use it. If recovery shall start up by virtue of this activity, as I understand, there will be a cessation of its use, if the spirit of the joint resolution is carried out; and the whole amount of the fund may not be used, although I believe that is rather an exaggerated idea.

Mr. LEWIS. Mr. President-

The PRESIDENT pro tempore. Does the Senator from Vermont yield to the Senator from Illinois?

Mr. AUSTIN. I yield.

Mr. LEWIS. May I ask the Senator from Vermont if he does not mean to convey the idea that the words "miscellaneous projects" must be construed to mean projects which are miscellaneous of the nature of those previously de-

Mr. AUSTIN. Mr. President, that is what I do understand. The matter is so well stated by the Senator from Illinois, much better than I could state it, that I adopt his statement.

Mr. LEWIS. I cannot adopt that compliment as quite deserved, but may I add another suggestion? As I understand the Senator, knowing him to be a scholar on the Constitution, he now concedes that the qualifications or corrections brought in by the able chairman of the committee, the Senator from Virginia [Mr. Glass], make constitutional what otherwise the Senator from Vermont would have thought, as it previously stood, to be an unconstitutional measure?

Mr. AUSTIN. I assent to that.

Mr. President, before taking my seat I wish to refer to another amendment included in the joint resolution as reported by the committee. It is found on page 7, section 4,

In carrying out the provisions of this joint resolution the Presi-ent is authorized (within the limits of the appropriation made in section 1) to acquire, by purchase or by the power of eminent domain, any real property or any interest therein, and improve, develop, grant, sell, lease (with or without the privilege of purchasing), or otherwise dispose of any such property or interest

I was concerned about that section when we were considering the joint resolution as it came over from the House, and I have given it serious consideration since the joint resolution was recommitted to the committee, as a result of which I wish to say that I have satisfied myself that, in the main, the amendment is a mere declaration of a power that existed anyway. The power of eminent domain is an incident of sovereignty. It is an absolutely essential characteristic of the vigor of sovereignty that it should be able to take the citizen's property from him upon due process of law and the giving of proper compensation.

The other question, however, was whether under this power the Federal Government could come into the Green Mountains and preempt a large part of that garden, 200

the State of Vermont, and thus reduce that sovereignty to a mere speck on the landscape. Such fears, of course, might cause any legislator to resist by whatever means were honorable a measure which contained such a power, to defeat it, to kill it; for if there is anything that animates me it is love of my State and a determination to maintain her dignity, her sovereignty, and the extent of her jurisdiction, although it is only a small garden in the northeastern part of the United States.

I have satisfied myself by study that this inherent right of sovereignty to take private property can never be used to the extent of depriving a State of its domain, depriving a State of its sovereignty over its own land. To be sure, there are cases where States may so assent to the type of taking by the Federal Government that the Federal Government will obtain jurisdiction to all extent save the right of entering the property for the purpose of serving process and maintaining the peace of the State. That may be done, but that is always a matter of agreement. The sovereign power cannot come into a State and take land, and thereby acquire jurisdiction against the State, without its consent.

Mr. GLASS. Mr. President-

Mr. AUSTIN. I yield to the Senator from Viriginia. Mr. GLASS. The Federal Government cannot even take property in a State for a Federal building without the consent of the State.

Mr. AUSTIN. I believe that is a debatable question.

Mr. GLASS. It has been so decided over and over again. Mr. AUSTIN. I am inclined to think that if there were a conflict of interest between the Federal Government and a State over the exercise of the Federal power, the Federal Government might preempt land which it desired for strictly Federal uses.

Mr. GLASS. I venture to say that if the distinguished Senator will give his attention to the matter he will find that the State of Vermont has a general enactment authorizing the Federal Government to acquire land within the limits of that State for public-building purposes. I know Virginia has such a law.

Mr. AUSTIN. Mr. President, the Senator from Virginia is accurate about that; we have a rather extraordinary statute in Vermont, passed in 1925 I believe, in connection with the forestry activities of the Government, making general cession to the United States of such lands as it might wish to take. But the people of Vermont are in great distress over it just at the present time, and it is quite probable that that statute will be amended during the pending session of the legislature so as to narrow the grant which the State makes the Federal Government, because the people of the State have had some fear of the extent and scope of the possible acquisitions by the Federal Government within that little State.

Mr. ADAMS. Mr. President, I might suggest one thing in this clause which I think the Senator will recognize is probably impossible in relation to his State. It says that if they take land they shall improve it, and develop it, and I assume it would be impossible to improve the State of Vermont. [Laughter.]
Mr. AUSTIN. I thank the Senator from Colorado.

think he took some chances in making that kind remark. for if I ever commence talking about the State of Vermont we will not be able to act upon the joint resolution for some time. When we are asked where we are from, we always say, "Vermont, thank God!" I assure the Senator the people of Vermont would appreciate his sugar-coated compliment.

Mr. President, I conclude with this observation: I am satisfied that the power expressed in section 4, on page 7 of the joint resolution, contains no dangerous element; so, taking the situation as it confronts us at this instant, I favor these amendments, and if the measure shall not be changed in the process of parliamentary procedure, I believe I shall favor the enactment of the joint resolution.

### EXHIBIT A

Under What Authority are Taxes in England Levied and Expended—Past and Present?

By Simeon D. Fess

By Simeon D. Fess

In these times when in our country we hear so much about the necessity of emergency legislation, and so little about the importance of constitutional limitations, when so large a proportion of our officials, impatient with the restraints of the constitution, argue and plead for that broader view of our organic law with such mutations as in their view will permit their solution of the problems, economic and governmental, as displayed not alone among the new-deal experts, but on the floor of the Houses of legislation where it is powerfully urged that Congress, the authorizing department must play "hands off" in the application of the \$4.880,000,000, leaving it to the Executive, the spending department of the Government, a complete reversal of a policy pursued since the birth of the Republic—it may not be amiss to examine the birth of the Republic—it may not be amiss to examine the authorizing and spending of taxes as it has developed in Great Britain, universally admitted to be the leader among the nations on the growth and maintenance of a sound financial system.

It has been truly stated that the "bed rock on which the English for a state of the leader among the maintenance by the first property of the property of the property of the leader among the state of the leader among the state of the leader among the lea

lish financial system is built is the principle of maintenance by Parliament of the control over the grants which it makes." Today the absolute control of taxation by the House of Commons is the result of struggles stretching over the centuries.

A principle of the famous Justinian Code, "That which touches all must be approved by all", was adopted first by Edward I, at the opening of the fourteenth century, and has continued as a constitutional principle upon which is based England's financial

After centuries of contest, first with the Crown, then the Lords, the House of Commons took supreme control, and regarded this its After centuries of contest, first with the Crown, then the Lords, the House of Commons took supreme control, and regarded this its most important as well as ancient prerogative. This control includes the power to direct the expenditure of revenue, since the long-fought right of parliamentary control of grant would be totally nullified if the revenue could be expended at the will of the Crown. This authority to direct expenditure is not coexistant with the control of appropriation, but came in a later day as one contribution of the Revolution of 1688. The right is expressed in the Bill of Rights of the following year, "the grant of supply, and the control of public expenditure, belongs inalienably to Parliament, and preeminently to the House of Commons", which became a maxim of the British system. The history of the House of Commons discloses the fact that its supreme power lies in the control of the purse of the nation.

This position grew out of the fact that appropriation without provision for securing compliance with its terms is of no consequence. It is the very essence of the British system that the right of appropriation must be accompanied by the right of Parliament to see that the expenditure is made in accordance with the specific purposes for which it was made. To this power was later given the right to examine the expenditures as fundamental in the system; to inquire into the wisdom, faithfulness, and economy of the expenditure, with the right to control that expenditure.

The agg-old conflict never extended to the right of the King

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The age-old conflict never extended to the right of the King to the grant. It was readily conceded that money was essential to government. Without it there would be no government, much less an efficient government. The maxim, "Without sound finance, no sound government is possible; without sound government no sound finance is possible", was never denied. The question was not money, but upon whose authority levied, and for what purpose, and how expended.

In England the parliamentary control of expenditures has in the last 60 years been regarded of no less importance than the parliamentary control of the grant, hence the emphasis placed upon the machinery of expenditure to insure accuracy and economy. During the immediate hundred years preceding the present

upon the machinery of expenditure to insure accuracy and economy. During the immediate hundred years preceding the present time, complete control over the machinery of the treasury by Parliament has taken place. In 1848 it was declared: "This house cannot be the effectual guardian of the revenues of the states unless the whole amount of taxes and of various other sources of income received for the public account be either paid in or accounted for to the exchequer." This was repeated in 1857: "It is essential to a complete parliamentary control of the public money that no portion of it should be arrested in its progress to the consolidated fund from which alone it can be issued and applied with parliamentary sanction." This practice of complete parliamentary control, not alone over grants, but how the grants must be applied, was made a matter of law as well as custom by the Statute of 1866. Henceforth moneys were put in a consolidated fund from which all grants were to be applied in accordance with the direction of Parliament. For example, if drafts are made upon the consolidated fund for one kind of service it cannot be diverted to another kind of service. One of the elements most sharply scrutinized is accuracy, that no confusion may arise.

In the British system there would be no possibility of the head of a division such as that of Public Works notifying a mayor of a city, who decided to build a public-utility plant, that the public-works division will furnish the needed funds without specific authority from Parliament first to go into such business, and secondly, an appropriation specifically named by Parliament for that

There is no place in the English system where, under blanket authority of emergency, any power but Parliament could author-ize and incorporate government corporations to conduct all sorts

of business, such as has been done here in the United States in

of business, such as has been done here in the United States in at least a dozen different cases. The air-tight control by Parliament over the treasury, so far as collection and expenditure of public funds go, is the most outstanding fact in British history. How it reached the present status is worth examining.

Taxation in England may be traced to its Germanic origin. Tacitus mentions the contributions of individuals to the chief—gifts of cattle, grain, fruits, etc., which, while accepted as a compliment or gift, served to supply his wants. There was no direct exaction of any form of tax upon the tribe by the chief. When the Anglo-Saxon ruled England there was developed the relation of lord of the land and the people, in which the former was supplied with his needs by voluntary action of the latter.

With the passing of time this support grew into a custom and showed two sources of revenue—the folkland, which could not be alienated without consent of Witenagemote. The proceeds from such community lands came to the King—such as tolls, duties, customs, etc. Also demands of national defense required military, police, and judicial power. This relation gave the King certain power over citizens called to serve under the colors, to work on highways, bridges, harbors, etc.; service in various ranks of the militia. The right of heriot passed to the King the property of the vassal upon the death of the vassal. Through the operation of forfeiture by the judicial arm of the King, large revenues reverted to the King. The King found lucrative sources of revenue through police power, extending to business transactions with the substantial aid of purveyance where the King could demand for public use private property as well as personal service, or a money payment in lieu thereof. public use private property as well as personal service, or a money payment in lieu thereof.

payment in lieu thereof.

Before the Norman Conquest in 991, the principle of Danegeld, a form of bribe, was adopted and continued until its abolition by Edward the Confessor, in the beginning of the eleventh century. Danegeld was in the form of a tax to supply tribute to the Danes, and while it was on the authority of the council of wisemen with the King, the Witenagemote, it in reality was by the King himself, with the assent of the Witenagemote. The latter was primarily under the King. It was composed of: (1) The King and his family; (2) bishops, abbots, eldermen; (3) ministri-administrative officers; and (4) appointees by the King. While the Witenagemote was not representative, but rather selective and aristocratic, it was the nearest expression of a national will in existence.

Taxation under Saxon regime can be said in form at least to require the assent of the Witenagemote. That was not so much the assent of the people as the assent of a group of people at the head of which was the King.

When William the Conqueror took the helm it was but natural for a character of his will emerging from the Normans, who represented kingly prerogatives, to at once introduce methods which did

for a character of his will emerging from the Normans, who represented kingly prerogatives, to at once introduce methods which did not look to approval by the people. This Saxon right was lost.

From 1066 to 1215 taxation was a kingly prerogative in which the King's needs were the only criteria of the burdens of taxation, which was exacted with little if any regard for the wishes of those who paid. Any question on their part would be interpreted an interference with a matter in which they had no say. The continuation of such regime required a powerful personality such as that of the great Conqueror. A king of lesser power of will would find difficulty.

The Witenagemote under him lost its character of a legislative

The Witenagemote under him lost its character of a legislative and executive council. Consultation with the council was merely formal, and ceased to have significance. Meetings were purely formal, and few in attendance. This held true even in matters of taxation—whatever power might have lodged with the Saxon Witenagemote deteriorated into a mere passive assent under William.

The revival of the Danegeld in 1084 caused a rumbling among the council and was called an extortion by a prominent member. It was a land tax to the amount of 20,000 pounds. Two years later William caused a general survey of all the land known as "Domesday Survey"—this for the purpose of taxation upon what he called a fair basis. The information desired by the King came through

a fair basis. The information desired by the King came through representatives from every shire.

William Rufus, wanting the personality of his father, did not have as great success in securing taxes, which was his chief need and determination. He aroused the church and feudatories, who were the main sources of revenue. He also extended the Danegeld system. While strained relations existed there was no way that influence would register.

system. While strained relations existed there was no way that influence would register.

Under Henry I, the youngest son of the Conqueror, there is evidence that the council did give assent on occasions. In the Charter of Liberties, Henry granted to "knights who hold their lands by the culrass by my own gift I grant the lands of their demesne plows free from all payments and all labor." This appears to touch taxation and speaks of the consent of the vassals. Henry is reported to have declared, "I will cause these courts to be summoned when I will, for my own proper necessities at my pleasure."

pleasure."

It is a question whether these courts were not used in further extortion. During the reign of Henry I the chief item of record to the various and burdensome taxes. In

extortion. During the reign of Henry I the chief item of record of the chroniclers refers to the various and burdensome taxes. In 1110 the chronicler sets down: "This was a year of much distress from taxes which the King raised for his daughter's dowry."

During the next regime, extending from 1135 to 1154, that of Stephen, grandson of the Conqueror by Adela, his fourth daughter, the arbitrary tax exactions were carried on a high scale, abandoning any or all limitations agreed upon under Henry. Stephen created contention with the nobles, who in dire need exacted taxes from the people to carry on against the King. The chronicler recorded: "Those whom the nobles suspected of hav-

ing any goods they took by day and by night, seizing both men and women, and they put them in prison for their gold and silver and tortured them with pains unspeakable, for never were martyrs tormented as these were."

These exactions all but ruined both the towns and counties which were laid water to the country of the

These exactions all but ruined both the towns and counties which were laid waste to insure against resistance. The accession of Henry II, in 1154, gave some hope for relief, because of his character, for administration, and his desire to be helpful to the people. But this period presents a continuation of the contest over taxation and supplies the episode of the martyrdom of Thomas à Becket, one of the most dramatic incidents in English history, and a real contest over taxation.

The incident arises out of a demand of the King to transfer a custom tax of 2 shillings from each hide (portion of land) from the sheriffs to the treasury. Becket refused to have it done—"not as revenue, my Lord, will we give it, but to the sheriffs we stand ready to comply", asserted the Chancellor, who later became archbishop. Henry replied: "By the eyes of God, it shall be given as revenue, and it shall be entered in the King's account; and you have no right to contradict." To this Becket replied: "My Lord King, by the reverence of the eyes by which you have sworn, it shall not be given from my land, and from the right of the church not one penny." This was more than a personal dispute. It was the beginning of the contest which ended, as between King and archbishop, with the execution of the latter. In this case the King had denied to the chief member of his council any say in matters of towarters. had denied to the chief member of his council any say in matters of taxation. Here are the seeds of a great issue.

It was under Henry II, 5 years after his accession, that the form of tax known as "scutage" was inaugurated. This was pay in lieu of personal service or military service and became an important source of revenue. It came as a feudal charge, common under a feudal system which had been employed in earlier times. With such funds the King could secure serviles who would obey orders. The popularity of the profession of war, and the high rank placed upon a successful and aggressive warrior, made such funds of great need, and when employed in foreign wars it had the tendency to make scutage more popular, even though it was a burdensome tax.

It thus became a tax purely for and by the King.

In time opposition to this tax was heard, first from the church but not until later did it reach an open break between King and baron. Toward the end of the 35-year period of Henry II the Danegeld was abandoned, but in its stead personal taxation was greatly expanded. In the twenty-seventh year of Henry's reign an order was made that every holder of chattels of 16 marks' value in revenue was to have a coat of mail and helmet and shield and a lance, and each who had 10 marks was to have a hawbert and a barder was made that every holder of chattels of 16 marks' value in revenue was to have a coat of mail and helmet and shield and a lance, and each who had 10 marks was to have a hawbert and a headpiece of iron and a lance. This was an early basis for taxing personal property and will serve in supporting the crusade movement. This tax was first laid in 1188 by a conference of archbishops, bishops, and barons. This conference laid a tax of one-tenth of his revenue and movables—the first of its kind so far as is

The assessment of these taxes was made by juries of inquest, and attempted to determine the amount each was to pay by the payers themselves. During this reign the King's right to tax was fairly well established, notwithstanding some protest fairly well established, notwithstanding some protest and vocal opposition from some of the barons—however, the opposition did not reach beyond the complaint stage heard now and then in the

The next 10 years, 1189 to 1199, covers the reign of Richard, who succeeded his father on the throne. The new King had but little interest in his subjects in England, and less regard for their rights. He taxed them in every way known, and openly sold, whenever he could, bishoprics, ministries, and privileges of all sorts. He was abroad from England most of his reign, and was taken as a hostage on his way back from the Crusades. One hundred thousand pounds was finally the price English people must pay for his release.

This involved new and burdensome taxes for purposes not entirely popular. Taxes not known before were employed; 20 shillings from every knight's fee; one-fourth of all the income of the laity, all the chalices of the churches as well as other treasures. Some of the bishops took as much as one-fourth of church revenue for the ransom. Taxes were levied upon all land of tenants in socage, and personal property to the amount of one-fourth of its value, as well as subsidy on wool. These forms, used to ransom a King, held by the orders of another King, while temporary, proved so fruitful that efforts were set in motion to continue them as permanent. These new taxes were not authorized by, nor even approved, save by the order of the King. The demand was made by the King in prison, and his mother, as well as her justiciar, expressed their judgment that "all the clergy as well as laity should give for the ransom of our Lord the King." There is no record of assent being required and none of any serious objection further than mere complaint of the burden bearers. Upon Rich-This involved new and burdensome taxes for purposes not enfurther than mere complaint of the burden bearers. Upon Richard's release, he returned to England, called his great council in 1194, with but few in attendance.

He at once created vacancies by removals and permitted filling them by sale to the highest bidder. He demanded the third part of service of the knights, subsidy on wool, and a carucage of shillings. All this on his own authority and upon the third day of his return. He emphasized his theory that his voice was supreme in and out of the council on matters of taxation, and is the result, not of consideration in council, but by edict. In 1198 he levied a second carucage covering all land in England. This without assent or even consultation with his council, but upon his own authority. When the men of religious orders demurred they were at once declared outlaws by order of King Richard. The

episode of the Bishop of Lincoln in the last year of Richard's episode of the Bishop of Lincoln in the last year of Richard's reign is pointed out by the historian as an important landmark in the struggle between the King and the people. The King had demanded 300 knights, or 1 year's service, or in lieu thereof 3 shillings per day for a year for each knight. While the council submitted, Hugh, the Bishop of Lincoln, declared his refusal to comply. Whether the refusal was against the tax on the ground that assent was necessary or whether it was a wrong upon the church does not appear. church does not appear.

It seems that the royal prerogative in the initiation of taxes was not greatly weakened under the 10 years of the reign of Richard, but the manner of assessing them was generally by juries inaugurated by Henry II.

For 150 years since the Norman conquest there had been an increasing burden of taxes exacted by the King without more than a semblance of approval by the taxpayer. The theory that the King was source of all power and government left the people silent save now and then a fugitive refusal of some courageous person, or a complaint over the increasing weight of taxes from such sections. This unrest finally reached a climax under John, the youngest son of Henry II, the grandson of William the Conqueror. His general attitude was not designed to mollify, but rather to increase the unrest. Like his brother Richard, whose 10 years of reign found him in England not over 6 months, John's absence from the country to whose throne he was heir did not increase the people's regard for his person.

His first act was war against Philip II. On behalf of its prosecu-

increase the people's regard for his person.

His first act was war against Philip II. On behalf of its prosecution he exacted scutage for his campaign in Normandy. He demanded 30,000 marks to pay for a truce with Philip. Impositions of various burdens for whatever purpose were laid upon sole authority of John, with the promulgation that any person who refuses is to be entered and published in London by name. Scutages and imposts heretofore reserved for emergent times were now levied by John as regular aids. These scutages were not only levied each year but, beginning with unheard-of-rates, they were increased each year above the year before. In addition, King John found new sources of revenue by taxing the property of the church. His inquest of services was another source of revenue to be levied upon demesne tenants, or vassals of the King. He found still another source through fines upon those barons delinquent in payment of the ransom taxes on behalf of his brother Richard. He also ignored or completely nullified the rule that the payment He also ignored or completely nullified the rule that the payment of scutage relieved the vassal from further obligation to the King upon that occasion. He fined those who did not go with him to Normandy in 1199. He took money in lieu or as a substitute for services 2 years later; 4 years later he dismissed tenants in chivalry and afterward levied upon them a fine. He headed on toward a break which threatened open rebellion with the baronage of the land. He also had his contests with the clergy in which he saw new sources of revenue.

In the great council of 1207 in the eighth year of his reign, he asked the bishops and abbots to permit the clergy to present to the King a portion of their revenues. Not having succeeded, he presented it a second time in another great council, which the King sented it a second time in another great council, which the King addressed in person. The bishops unanimously refused a demand unheard of in all the ages before. The King ordained that every man throughout the Kingdom must give one-thirteenth part of his revenue and movables to the King. Geoffrey of York refused and had to flee the country. The moment of action was not far distant. Normandy had been lost. The effect upon the people was not favorable to the King. The fight over taxation with the baronage also had its effect. The contest over the church with the Pope, combined, made the scene on Runnymede soon to take place a certainty. certainty.

certainty.

John, realizing his rather precarious situation, took the usual course to rebuild himself among his people and the clergy, by a foreign war on behalf of the honor of the homeland. He decided to reconquer Normandy. He summoned the barons to follow him to Poicton. Refusal was based upon failure to make his full peace with the church. After this objection was satisfied, they again faily declined on the ground that no duty or law compelled them to go beyond the borders of England. Then came the first assembly in which the lesser rank was admitted as members to a national council. The reeves and representatives from each township were there. A second council was called at Oxford, including members below the rank of nobles, requested by John in the hope of winning the small landholder. Here is the first step or the beginning of what later is known as the "Third Estate", or today, as the "House of Commons."

of Commons."

Events were moving rapidly. In his extremity and his determination to be a real King, John, in May 1214, ordained the collection of unusually high scutage, three marks on the knights' fee, without leave or say. To this the barons demurred and refused to pay, analysis those in the minority. In November he repeated his especially those in the minority. In November he repeated his demand, and it was again refused. The King had set the stage where he found himself resisted from sources unexpected. It was too late to avoid the crisis of Runnymede. To every proposal to the church and to the baron it was a matter of principle, not money, for which they contended.

money, for which they contended.

The church stood arm in arm with the barons. The London citizenry with enthusiasm stood back of both of the resistants. The people from every part of the country threw their lot with the contenders against the extortions of King John, who was presented with their demands in the historic document known as "Magna Carta", which John was forced to sign on the 15th day of June 1215. This famous document specifies what and how taxes are to be levied. It declares that hereafter specifically named

taxes are leviable only by common counsel of the Kingdom. Chapter 14 indicates and declares taxes to be levied by the body known as the "common council." London, where much of the wealth of the country was found, was not entirely protected by the great charter, and the King continued to exact arbitrary tal-

the great charter, and the King continued to exact arbitrary tallages until 1340 under the reign of Edward III, when Parliament took that privilege away from the King once and for all time.

Henceforth, scutages, extraordinary aids, and tallaging the city of London can be levied only by the council. Beyond those three classes of taxes the King was still supreme. The council was called by writs issued to archbishops, bishops, abbots, earls, and the greater barons, and through the sheriffs to the lesser barons, 40 days' notice being allowed as to time and place. This great charter is the first real step to lead to the control by Parliament of the question of taxation.

The extreme limits to which John had gone in the exercise of

do days' notice being allowed as to time and place. This great charter is the first real step to lead to the control by Parliament of the question of taxation.

The extreme limits to which John had gone in the exercise of the tax power, on the one hand, and his low estate as a weak arbitrary ruler of foreign sympathies, on the other, hastened the conflict between King and people over the question of taxes which had been for many years inevitable. John's death the year after Runnymede found his support all gone, with the heir to the French throne in England at the request of the barons. The young son of John was crowned King, with the Earl of Pembroke as the rector. This boy of 9 years of age is known in English history as Henry II, who was King from 1216 to 1272, or 56 years. One of the earliest acts of this reign was a reissue of the great charter—a practice to be generally followed for many years. In subsequent years scutages and carucages were levied, but never by the King, except by the advice and consent of the council.

In 1224 the war with Philip II called for one-fifteenth of all movables. This was denied until the King committed himself and reissued the great charter to which Henry had to promise to adhere. Here is the beginning of the conditional grant which came into practice to demand redress of grievances as a condition of grant, which was tantamount to the right of refusal to pay.

In 1232 the barons refused a request for money to carry on war with France on the ground that they had served in person. In 1237 Henry again requested money with the concession that the "money raised to be expended for necessary uses of the Kingdom at the discretion of any of you elected for the purpose." Henry's task was to convince his council of his needs and thus win their support. The methods employed proved him quite an actor. The chief agency employed was resort to the usual pretension of patrictism to defend the country in foreign war. On occasions Henry would appear in person to address the baronage. In 1244, a

Henry was denied his request, he announced to the people of London that he intended to spend the Christmas with them so that he might freely accept their New Year's presents. This relationship between the King and the national council must not be construed as between the King and the taxpayers. The council did not as such represent the people as against the King. It was but a personal relation, such as the vassal to his lord, and while the council contended that no tax was to be levied upon the baron except by his consent, he thus spoke for all taxpayers, big and little, but not as a chosen representative. That stage had not yet been reached. Not until the middle of the thirteenth century was the step taken to speak for all taxpayers where the relation of representative of the people and the King was marked as the authorizing of taxes and the spending of the same.

In the early part of the thirteenth century, John in his extreme needs ordained the selection of two knights from each shire to assemble at Westminster to arrange the aids they were willing to pay. These knights were elected by the people of the shires in accordance with writs of election, instructing the people its purpose to give the knights time that they may answer the requests for aid from each of the counties. This national council declined to vote the aid, but dwelt upon complaint against the policy of the royal house. For a quarter of a century there was little except differences between King and council, which found its climax in the work of Simon Montfort, the brother-in-law of King Henry, who in 1265 succeeded in the establishment of what today is known as the "House of Commons." This famous assembly was the result of the King's struggle with the national council known as the "war with the barons." It was the contest over the questional tent of the contest over the questional tent o

is known as the "House of Commons." This famous assembly was the result of the King's struggle with the national council known as the "war with the barons." It was the contest over the question of taxation, and is up to date the longest step toward Parliament control of taxes.

Throughout the history of England the one all important need of the Crown was money. Domestic jealousies, dynastic rivalries, insurrection and rebellion at home, and war with foreign nations made the needs for revenue imminent. To meet these needs every conceivable device to provide funds was resorted to by the King. Some of these devices were the most fantastic. The weight of the tax burden became too heavy to bear in numerous cases. At first, in the levying of taxes, the King consulted no one. It was his order. Then later he softened the hurt by agreeing to consult with council of his own choosing. Still later he permitted the tax-payer to be heard on his own behalf by his own choosing of members of the council; still later the council was given power of dis-

approval; still later by the provisions of Oxford in 1258 a plan of reform was set up by which a committee of 24 was appointed by the whole of Parliament on behalf of the community to treat of the aid or tax demanded by the King to carry on war. The main purpose of these provisions was to insure the right to demand redress of grievances, an advance step even before the famous Parliament of Montfort in 1285.

King Henry, realizing his weakness at home, sought the aid of the Pope, Alexander IV, permitting him to ignore the Oxford provisions and to employ the weapon of excommunication upon all who resisted his claims. The King also sought foreign aid from the King of France to heal these sharp differences between him and adherents to the Oxford provision. The compromise proposed was not satisfactory to Montfort, and civil war took place, resulting in the defeat of the King, who was made prisoner and who afterward was released upon the pledge that he would seek the advice of his counselors in matters of justice and administration, to live moderately, and to observe the requirements of the tion, to live moderately, and to observe the requirements of the

Notwithstanding Montfort's holding the whip hand as a mili-tary figure, writs were sent to the shires to summon to London four knights to be elected by the people of the county (shire) to

four knights to be elected by the people of the county (snire) to act for all the people.

The chief act of this council was a plan of government to create a permanent council representing the people, to be the authority back of royal action; accordingly, further writs were issued in the Kingdom for the election of 2 knights from each shire and 2 citizens from each of 21 towns. This meeting was called for June 1265, at London, attended by representatives of the clergy, in addition to knights and citizens, and is known as the first meeting of the House of Commons in Parliament.

While there were some assemblies in which the taxpayer, small

While there were some assemblies in which the taxpayer, small while there were some assemblies in which the taxpayer, small as well as large, had appeared, such as the St. Albans Council in 1213, yet this Parliament of 1265 was the first Parliament where the burgher appeared in his own right, as the third estate of the realm in the Parliament of the nation. This was the creation of the famous Simon de Montfort. It will thus be seen that the House of Commons, arising largely out of a dispute with the King on taxing the people, began in 1265, recognized even then as the authority and in due time to become the sole authority for taxing the people to carry on the government. Montfort had built so authority and in due time to become the sole authority for taxing the people to carry on the government. Montfort had built so wisely that, although it was in the face of the opposition of Henry III, his death at Evesham did not undo his work, as the new King was too wise to resist it and proceeded in accordance with the findings of Parliament. By such a policy the King had greater assurance that his needs would be supplied by Parliament when made known to the body of the rightful authority to vote the supplies.

assurance that his needs would be supplied by Parliament when made known to the body of the rightful authority to vote the supplies.

Seven years after the meeting of the first real Parliament, and on the death of King Henry, 1272, Edward I became King, and was crowned in 1274, he being away on the Crusades at the time of the death of his father. For 35 years he reigned over the people of England, quite generally regarded as the greatest ruler, before or since, in the history of the English nation. During his 2-year absence, before his return from the Holy Land, a great Parliament had assembled to take the oath of allegiance to the new King, an act which indicates the growing importance of the people called in assembly. Upon his return the King made it clear that there were two distinct functions to be observed; one, a King should be strong and forceful in his own sphere, and secondly, Parliament should be equally strong within its field.

King Edward indicated that these two functions may clash and come into differences, but they must solve the differences by a strict adherence to principle in a spirit of the public interest, Edward's first Parliament enacted what is known as the "Statute of Westminster." It authorized taxation; and specified items such as, first, feudal aids upon Knighting the lord's son or upon the marriage of his daughter, naming the maximum rate of each. This Parliament permitted a custom or duty on wool, wool fells, and leather. The last was at the request of merchants. That act conceded that a tax heretofore in the domain of the King is now passed over to Parliament. The practice of maletolt under Henry III was made illegal under Edward I. Parliament was summoned by writs which stated the purpose "to treat with us and with the above-mentioned prelates and magnates about the above-stated business." The King's frankness backed by his powerful personality usually won him the vote not only of the magnates but of the smaller and lesser landholders. The constantly increasing demands for more f

clergy, and released it later at a small rate. He likewise as a war measure seized all the coin in the country and placed it in his treasury. He then as a war measure demanded half of the spiritual revenues of the clergy which he had summoned, a demand which under pain of outlawry was fulfilled. He then summoned to meet at Westminister, knights of the shire to speak for their community, who voted one-tenth of all moveables. These rather arbitrary efforts could not suffice in the face of wars in Wales and

arbitrary efforts could not suffice in the face of wars in Wales and Scotland as well as Gascogny.

This general situation, an empty treasury, outbreaks among neighbors, and obvious unrest at home in both laity and clergy, did not present a bright picture. Edward's creative mind operated upon the theory which he announced: "What touches all by all should be approved." To carry out this principle, he summoned what is widely known in the constitutional history of England as the "Model Parliament of England." He addressed writs to the clergy, the barons, and the sheriffs. In these writs he expanded the famous Justinian maxim: "As a mete just law what affects all, by all should be approved; so also very evidently should common danger be met by means provided in common."

They provided for the attendance of prelates and also the town

should common danger be met by means provided in common."

They provided for the attendance of prelates and also the town clergy with "full and sufficient power to consider, ordain, and provide." The writs were sent to the barons of the same character, and also to the sheriffs; a demand to send to Westminster of those capable of acting, two knights from the county, two citizens from each city in the same county, two burgesses from each borough—all to have full power for themselves as representatives to do what shall be ordained according to the common council in the premises, so that the business shall not fail for want of power. This Parliament met in November 1295, 30 years after Montfort's Parliament. It is the first instance of the meeting of an official body of the three estates—the clergy, the barons, and the knights, presided over by the King. Here we have the Crown as the head of Parliament; the clergy and barons as the House of Lords (spiritual and temporal), and the knights, burgesses, and citizens as the House of Commons. This is why it is stated that the House of Lords was established in 1295 under Edward I, the great statesman of England. This Parliament gave answer as to

citizens as the House of Commons. This is why it is stated that the House of Lords was established in 1295 under Edward I, the great statesman of England. This Parliament gave answer as to how the King's need of funds is to be met and by what authority the tax is to be laid, but there will be many instances where royal prerogative will assert itself in the interest of the public weal as judged by the King.

In the Parliament of the next year, conflict arose between King and clergy, eventuating in the clergy's refusing to pay the tax requested, whereupon King Edward decreed the clergy in outlawry. The Scots having been tamed in the same year, the King was impatient to proceed against France. He called upon the barons to accompany him to Gascogny. In spite of the King's threat to forfeit their lands, such outstanding figures as the Earl of Norfolk refused to follow the King beyond the borders of England. The earl declared, "With you, O King, I will gladly go." The King replied, "But without me you will go with the rest." The earl rejoined, "Without you, O King, I am neither bound to go nor will I." Whereupon the King swore, "By God, Earl, you shall either go or hang." To which the earl broke out, "By the same oath, O King, I will neither go nor hang."

oath, O King, I will neither go nor hang."

The King summoned the entire military force to meet him in London. His procedure in seizing the wool of the country and his demand for wheat, oats, beef, and pork stimulated further resistance to his wishes. The barons had surrounded themselves with 1,500 knights, and the King's order to the marshal and constable to perform their duty was ignored. The King then decided upon individual contributions, as once before, but as before, without success. He personally appealed to the people of London, to no financial avail. He realized that resistance among the clergy and antagonism among the barons as well as complaints among the knights in both Houses of Parliament were ominous.

Upon the promise to confirm the great charter, the barons and knights made a grant of one-eighth, and the burghers of one-fifth, whereupon Edward embarked for Flanders after having arranged for his son to be regent during his absence. To the young prince in time there were presented specific grievances which he was informed must be redressed before grants could be made, conditions which Edward finally was compelled to agree to. He also after some resistance signed the famous confirmation of the charter, known in history as "Confirmatio Cartarum", thus establishing another important relation between King and Parliament, namely, "grants must await redress of grievances." Under ment, namely, "grants must await redress of grievances." Under John, Magna Carta was first announced as a code of governmental principles. Henry III was first to establish, and Edward I, confirmed and completed the machinery for carrying into operation that code of procedure.

Parliament, the three estates, proved the best channel for govranament action. Edward comprehended the problem, and set up the machinery of government in a body quite representative—the magnates, chosen knights of the shire, parish priests, citizens and burgesses, a real Parliament to counsel together, and make decisions on behalf of the people, and for the common interest.

Edward I, hard pressed for funds, due to trouble in Scotland, Edward 1, hard pressed for funds, due to trouble in Scotland, and to his absence from England in war with France, felt compelled to sign the famous "Confirmatio Cartarum" previously signed by his son, thereby conceding the principle as early as the close of the thirteenth century that consent of Parliament to taxation before a levy is made was a right inherent in the people to be affected. It was a concession by England's great King, that without such consent taxes could not be legally collected, and

could not, therefore, be legally demanded. There was only one item in the "Cartarum" that left a semblance of legal right to the King to lay taxes without the consent of Parliament. The saving clause was in the end of the "Cartarum", in the language: "Saving the ancient aids and prices due and accustomed." This clause kept open the right of royal taxation in a degree that it denied the contention that the power had completely passed over into the hands of Parliament in 1297 by the "Confirmatio Cartarum." The proviso covered taxes of ancient aids and prices employed by his ancestors—unqualified control over wool tax of a fixed rate and perhaps the right of tallage in demesne lands, and fixed rate and perhaps the right of tallage in demesne lands, and property in London.

property in London.

In 1301 the King not only signed under the pressure of the Parliament of Lincoln the "Cartarum" but further made pledges he would seek reforms as a consideration for grants. Even then his various efforts to secure funds failed him through opposition of the barons and the clergy. It was at this time that he conceived the plan of tunnage and poundage, collected from foreign merchants by agreements with merchants, without the necessity of the consent of Parliament on the ground that "Confirmatio Cartarum" covered only English citizens, and did not apply to foreign merchants; hence the statute "Carta Mercatorio", a source of much needed funds. of much needed funds.

In 1307 England's great King died, and the scepter of power was handed to the spineless son, whose career as King lasted 20 years, much too long for a ruler of his character. History gives Edward I a high place. He had learned valuable lessons from his father's much too long for a ruler of his character. History gives Edward I a high place. He had learned valuable lessons from his father's reign; he had inherited his father's strong qualities without his weaknesses. The historian Stubbs declares him "to possess in the greatest degree the highest qualities and manifold accomplishments of his race \* \* \* truthful, honorable, temperate, and chaste; frugal, cautious, resolute; great in counsel, ingenious in contrivance, rapid in execution; he had all the powers of Henry II (his great-grandfather) without his vices, and he had, too, that sympathy with the people he ruled, the want of which alone would have robbed the character of Henry II of the title of greatness."

In contrast with this characterization of the father, we may note the opinion of the same author of the son, Edward II: "He has no the opinion of the same author of the son, Edward II: "He has no kingly pride or sense of duty, no industry, or shame or pity " \* he makes amusement the employment of his life; vulgar pomp, extravagance, lavish improvidences, selfish indolence, make him a fit center of an intriguing court " \* he bestows his favors in such a way as to bring his favorite to destruction and sows enmittee broadcast by insult or imprudent neglect. His reign is a tragedy."

is a tragedy."

With a ruler of such character, possessed with an exalted view of his Kingly prerogative, and his habitual extravagances growing out of bestowal of favors, one has not far to look to discover the symptoms of coming conflicts between King and Parliament. His reign soon reveals the upperhand in Parliament in the contest, especially over taxes, where even in great extremity he was refused money over the loudest protest as to his needs. He was finally dethroned 20 years after his accession, it must be admitted more because of his loose methods of administration than questions of taxation. In 1327 his son, Edward III, succeeded to the finally dethroned 20 years after his accession, it must be admitted more because of his loose methods of administration than questions of taxation. In 1327 his son, Edward III, succeeded to the throne, and while he but a boy of 14 did not become real king until 1330, 3 years after the death of his father, his reign covers the 50-year period from 1327 to 1377. Edward III was an improvement over his improvident father in every way; but he was not a statesman, and possessed too few of the qualities of his grandfather. As a warrior, he had some successes which worked in his favor with Parliament, which exercised its own judgment on the grant of funds. Tunnage and poundage, a tax on the foreign merchants, introduced by his grandfather, came into common practice at this time. This practice was extended to royal control, to the export of wool, which at times was forbidden. The policy was urged as an alleged method to help the wool industry of the country, to build up a domestic trade. On this basis the tax on wool was not confined to foreigners, but was extended to the merchant class, and became a great source of revenue, by which the merchant class was lifted into prominence almost to the rank of a fourth estate. Naturally this new tax burden in time would become a source of unrest. When added to it, the claim was made that it was in the interest of foreign labor, as against the domestic worker, resentment broke out, and by 1339 Parliament acted upon the demand of the knights and burgesses for a redress of grievances growing out of levying taxes without the consent of Parliament. levying taxes without the consent of Parliament

Edward III was out of the country when the Parliament of 1340 met. They agreed to abolish maletolt, and all unauthorized taxes. It was declared and by act of this Parliament conceded that the consent of Parliament is necessary to levy a tax on wool, a practice thus far without that consent. It will here be noted that by 1340 Parliament was recognized as the sole authority to tax. From this time on the loophole kept open by the great Edward I touching ancient aids and prizes was closed up, and Parliament stood a complete bar against its revival.

This does not mean that the tax was to be abandoned, but simply that it could not be employed until approved by Parliasimply that it could not be employed until approved by Parliament, which showed a willingness to confer with the King on his needs, but to be its own judge on the merits of the case. Henceforth will be heard a new line of discussion on who pays the tax when assessed upon goods of trade. Is it paid by the foreigner or by the domestic citizen? If by the foreigner, and the merchant would agree to the tax, it was asked what right had Parliament to interfere? The British theory is the Crown is the source of all government, both administrative and legislative, including raising taxes, all of which is initiated by the Crown. The contest over who shall levy taxes grew out of the claim that those who must pay should be consulted. Later it was demanded that their consent must be had. By the time of Edward III the custom of request through the form of parliamentary petition for legislation believed to be desirable was practiced. When once the parliamentary right to disapprove the grant of taxes was conceded, it would soon follow that the parliamentary right to inquire into royal expenses and also a right to supervise the expenditure would be demanded. This contest ran through the years. It was attempted under the great Edward in 1277, but could make no headway under a reign of that character of statesmanship. Under less capable leaders, such as his grandson, it was not difficult for Parliament to make it a condition of voting the grant to be given a voice in their expenditure, to say how and where and for what purpose the tax was to be expended. In the thirteenth year of the reign of Edward III a committee of Lords and Commons was appointed to examine the accounts of the Crown's collectors, to ascertain how the last subsidy had been expended. The same demand was made in the following year. To this the King assented on grounds that certain-named officials be included in the examining body. Henceforth accounts were examined or audited, but by appointees largely of the Crown. In the 50 years of the reign of Edward III, parliamentary consent was extended far beyond that recognized by his grandfather; it extended over wool, and applied to tonnage and poundage, thus officially conceding the sole power of taxation to be a parliamentary function instead of that of the King. To this concession was added the right of a voice in expenditure, including the power of determining what the grants asked for shall be and for what they shall be expended. To this was added the right to examine and audit the accounts by a commission which at the time was virtually selected either by or upon

penditure, including the power of determining what the grants asked for shall be and for what they shall be expended. To this was added the right to examine and audit the accounts by a commission which at the time was virtually selected either by or upon the approval of the King. These were long steps toward complete parliamentary control over taxes, and later that control to be lodged in the House of Commons, which from year to year steadily grew in power, especially over tax matters.

With the growth of power and influence of Parliament made up of the three estates representing widely different interests, divisions of opinion growing out of different interests involved in various ranks, such as clergy, barons, knights, citizens, burgesses, etc., were inevitable. Questions came up of vital interest to the clerics but not to the barons, or vice versa; or of interest to both of these ranks, but not to the knights or citizens or burgesses. As early as the reign of the great Edward, there were frequently sessions of but one group of representatives without the other. Under Edward II and also Edward III separate sessions were frequently held of the Lords, on the one hand, and of knights, citizens, and burgesses (later to be known as Commons) on the other. By the time of the next reign, that of Richard II, Parliament met separately as two Houses—the House of Lords and the House of Commons.

The Black Prince, the heir to the throne, died before the death of his father, leaving a son 11 years of age, when King Edward, his grandfather died. He was growned with his nucle. John of

The Black Prince, the heir to the throne, died before the death of his father, leaving a son 11 years of age, when King Edward, his grandfather, died. He was crowned with his uncle, John of Gaunt, as the regent. He was deposed in the twenty-second year of his reign; during his minority the Parliament, especially the Commons, made rapid advances against royal prerogatives. To the power to control taxes already recognized was added the power to levy taxes.

One of the most difficult situations for an American to under-

One of the most difficult situations for an American to understand is the powerful hold upon the English people the fealty and allegiance to the King represent. To the average American there is not a single reason, convincing at least, for the continuance of the English King. He is merely an exotic institution of no reason whatever for existence. But, to the Englishman, today as it has ever been throughout the centuries, the King is all important. Whatever may be said, the King, his office, and especially his person, is held sacred for the preservation of which the average Englishman will fight at the drop of the hat. Under Richard II, ill-advised and likely of unsound mind, though violently ambitious, the advantage taken of his youth (11 when his grandfather died, and but 33 when he was deposed) was not approved by the people at large. The examination and audit of his accounts, and the withholding of consent to grants, demanding the right to do the taxing, even though on behalf of economy of the taxpayer, were not popular if they crippled the nation in its war with the French and the Scots. The House of Commons had demanded the right and had exercised it to the nation in its war with the French and the Scots. The House of Commons had demanded the right and had exercised it to have an audit of the King's expenses and have it reported back to the House. The Commons also petitioned for the discharge of the treasurer, appointed for special purpose, a practice that had grown up, and all money to be paid to the treasurer of England so that it will be under officers of the exchequer. Upon the report of the serious fiscal situation of the Crown, and believing it due to unnecessary extravagance, Parliament asked the King to permit it to name the offices of the royal household. By 1382, in the fifth year of the reign of Richard II, the special treasurers were again employed, and the old system resumed.

Parliament, especially the Commons, found themselves demanding and exercising control of taxation, with a war on their hands, a rather popular war, and strongly supported by the general public. This situation was an advantage to Richard II at the expense of Parliament. Money was necessary to avoid defeat. The Parliament had to vote large funds to be used by the King or suffer the consequences of defeat by a foreign foe. The Commons did not see the way to secure the funds. The Lords were willing to

the consequences of defeat by a foreign foe. The Commons did not see the way to secure the funds. The Lords were willing to try a new tax in the form of a poll tax, which played havoc to its authors, and offered the occasion for an uprising of the

villeins. The Commons displayed a ready willingness to pass over to the King the responsibility. When he presented the situation they did not only renew the tunnage and poundage for 3 years, but they granted for life subsidies on wool, wool fells, and leather. In Richard's absence in Ireland, his enemies conspired and drove him from the throne by enforced resignation upon the allegation of over 30 charges including a half-dozen counts on the question of taxation. All the charges revealed the exercise arbitrarily of unlawful powers. This movement was directed by Henry, who had been disinherited, and who, in the absence of the King, unlawful powers. This movement was directed by Henry, who had been disinherited, and who, in the absence of the King, landed at Yorkshire and won the powerful supporters of the throne away from Richard—hence the resignation of Richard and its acceptance by Parliament, to be followed by the accession of Henry IV, son of John of Gaunt, the brother of Richard's father. The deposed King had sat on the throne from 1377 to 1400. His reign was marked by the growing power of the House of Commons. The supreme control of Parliament over voting taxes and auditing expenditures had already been established and will be continued. expenditures had already been established and will be continued throughout the reigns of the House of Lancaster, including Henry IV, V, and VI, covering the period 1399 to 1461. Early in Henry's reign, the Commons took a most advanced position, far beyond the "redress of grievances as a condition precedent to the grant of levice." It was demanded that the Virgie angular to their part of levies." It was demanded that the King's answer to their peti-tion be given to Parliament before the grant. To this demand the King made a specific refusal. The Commons delayed the grant, which was the beginning of that practice henceforth to be followed. By 1413, the close of the reign of Henry IV, the practice of lowed. By 1413, the close of the reign of Henry IV, the practice of initiation of tax levies by the House of Commons was also established. This was not until a contest was made. It was not favored by the King because of his belief and assurance that the Lords could be appealed to with greater effect than the Commons. The King in the eighth year of his reign went in person before the Lords. The Lords favorably determined the needs, whereupon the King requested the Commons to send to the Lords a committee to be interred of their decirious estawhat substities were necessarily King requested the Commons to send to the Lords a committee to be informed of their decision as to what subsidies were necessary. The Commons sent the committee and waited their report. The King informed the committee "they should see to it that they conform most nearly to the purpose of the Lords." This report aroused opposition and resentment in the Commons, who considered it as interfering with the conceded right of the Commons to initiate taxes. The King more concerned in securing needed money than the concession of parliamentary principle, and realizing the necessity of the Commons' approval, referred in his answer to the right of the two houses to meet separately, which necessitated the approval of both tated the approval of both,

tated the approval of both.

He satisfied the Commons by the language he employed, in which he recognized their contention to the right of originating revenue bills when he used the clause: "any grant by Commons granted and by the Lords assented to." It will now be noted that by 1413, the beginning of the reign of Henry V, the complete control of taxation had been definitely lodged in Parliament, the two Houses meeting separately, and, while both Houses must approve, the measure must originate in the Commons. The request of Henry V in his last year to lay temporary taxes without frequent calling together of Parliament to be ratified upon assembling was made. Henry V gave promise of a more brilliant career, but was cut short with but nine years as King. His reign was marked by wars, which he himself directed, with such success that taxes, though heavy, were readily voted with little opposition. The unfortunate passing of Henry V after so brief and somewhat brilliant a career left the crown to his infant son, but a year old, a situation always fraught with grave possible consequences. His life, stretching over the period from 1422 to 1471, covered the time of the unfortunate War of the Roses, the bloody feud between the two royal houses of Lancaster and York, ending with deposition and death of Henry, with his last 10 years as prisoner in the tower. True, he was released, and for a very brief time was again on the throne, only to be murdered in 1471. to be murdered in 1471.

The reign was marked by the official shedding of the blood of the noblest elements of England, first, those of the house of York, then of Lancaster, and vice versa. It was also stigmatized by what is known as "Cade's Rebellion." The ruling powers in Parliament, first of the one House, and then of the other, were too evenly divided to permit royal interference with parliamentary control of taxation. From the time of the great Edward's "Model Parliament", in 1295, to the coming of the house of Tudor, 1485, a period of about two centuries, the principle of parliamentary control over ment", in 1295, to the coming of the house of Tudor, 1485, a period of about two centuries, the principle of parliamentary control over taxation, which had been declared again and again, had been permanently established. The two Houses of Parliament adopted the practice of separate meetings. While the Lords claimed the right of approval, and even of origination of those taxes applied to themselves, the principle of the Commons originating all taxes became an acknowledged fact. With the coming of the house of York, 1461, which at first displayed some promise of efficient administration, the needs of the King were more sympathetically treated by Parliament by generous grants.

Under Edward IV a new form of revenue was discovered, known as "benevolences"—a gift to the King in the form of charity but later by force—a sort of forced loan. Another form under this Yorkist King was the collection of fines for the violation of old statutes long regarded as dead, statutes such as America's ancient

statutes long regarded as dead, statutes such as America's ancient blue laws, never repealed, but not regarded. One of the oldest forms of tax in this reign referred to the selling of kisses, as told by the chronicler, Hall. The death of Edward IV in his forty-first year, and the twenty-second year of his reign, left the throne to his young son, Edward V, who was not permitted to occupy the high position. He was murdered in the tower and the throne was seized by his uncle, his father's brother, Richard III, known as "crookback", who was later slain on the field of Bosworth, in 1485, the third year of his reign. At this time an important statute was enacted by Parliament against the recent new tax of benevolences, denounced as "extortions against the laws of God and man, and in jeopardy of life."

and man, and in jeopardy of life."

Before leaving Henry IV, mention should be made of his methods used too frequently in modern times, where, through forced loans to secure needs, steps are taken, the retracing of which cannot be safely resorted to, without dishonor to the nation, or at least great confusion to the country. Not unlike the experience in the United States, much in the public mind today, where the administration takes steps, and enacts legislation, not within constitutional authority, and then sets up the defense and claim that the Supreme Court cannot and must not hand down a decision adverse because of the confusion such judgment would involve verse, because of the confusion such judgment would involve, Henry, back in the fifteenth century, upon his own authority, made what were termed "forced loans", upon the pledge that they made what were termed "forced loans", upon the pledge that they would be paid by a subsequent Parliament, which caused the chronicler of the day to note: "They had to be paid as they had no remedy." The necessity for finding new sources of revenue, and the age-long conflict between the spenders and the burden-bearers, supply the chief events of constitutional history of any country. In England the contention grows out of the poverty of the King, on the one hand, and his needs, due to heavy ex-

pense, on the other.

The King's expenses as detailed by the historian were of two sorts: ordinary and extraordinary. In the first category would be found his household and wardrobe, wages of public functionaries, the keeping of the marches, and of Callais, and the maintenance of public works. The navy is provided for out of tonnage and poundage, not considered the King's expenses necessarily. The expenses listed as extraordinary were those connected with the embassies, rewarding of old servants, provisions for royal buildings, for the stock of jewels and plates, for special commissions of judges, royal burdens for peace and justice, and especially ready resistance of invasions which were usually sudden and often unsuspected. It was a principle quite generally conceded that the pected. It was a principle quite generally conceded that the nation is bound to support the King in all things and in every way necessary to his estate and the dignity of the royal position not only as an individual but as a public servant and head of the people. The paramount question was, How to secure the money. In the main, the source of English revenue was in the lands, one-fifth of which was at one time owned by the In the main, the source of English revenue was in the lands, one-fifth of which was at one time owned by the King. But through gifts, restoration of lands forfeited, alienation, and gifts to servants of the Crown, grants to important suitors, and provisions for royal sons, greatly reduced the amount held by the King. Those who were called upon to pay for the King's needs claimed a right not only to know what and why those needs but also what and why the depletion of the King's profits, and to have some voice in both.

During the regime of the Houses of Lancaster, 1389 to 1461 (Henry IV, V, and VI), and of York, 1461 to 1485 (Edward IV, V, and Richard III), covering the unfortunate period of warring beand Richard III), covering the unfortunate period of warring between great families, there was adopted the plan of consulting with leaders, then termed "council", later to be known as the "cabinet", the basis of the modern English system of responsible ministry. The first council under Henry IV consisted of 12 spiritual and 12 temporal members, sworn to observe specified rules and to form a permanent council, removable only upon the vote of the majority. To these were to be added for a term of 1 year's service 4 spiritual and 4 temporal lords. The meeting of the council was to be attended by the chancellor and the judges, if desired.

This council considered questions.

This council considered questions of national policy, the control of bullion, fixing of prices, support of the navy, amendments to existing law, etc. Its power extended to the King's holdings and revenue needs. In time the council exercised sometimes great and sometimes small power, determined by the personality of the King whose appointees they were. If a powerful King like the Lancasterian, Henry IV, or the Yorkist, Edward IV, the influence of the council was small because overshadowed by the King. If, on the other hand, the King was weak, like the Lancasterian, Henry VI, or the Yorkist, Richard III, the council was the power in the kingdom. It will be recalled that in the time of Henry III, during his minority, he being 11 years old when he became King, a council was created as regents for the young King with a title, Rector Regis et Regni. It was composed of officials of the state—bishops, barons, and other counsellors. This was prior to 1295, the time of the "Model Parliament" of Edward I. The difference in status between the council of Henry III and that of Henry IV is the former became the basis of the modern Parliament, while the latter was the step to the modern cabinet or ministry. While the immediate question of commanding attention of the council was taxation, the jurisdiction soon grew to cover all questions of administration as a This council considered questions of national policy, the control jurisdiction soon grew to cover all questions of administration as a ministerial function responsive to the people rather than to the

Not infrequently great reforms are due to the repressive character of the ruler, such as Edward IV, declared by the historian, Stubbs, to be "the most vicious man England had seen since John, \* \* more cruel and bloodthirsty than any King England had ever known. There had been deeds of bloodshed under Edward II and Henry IV. The hand of Henry V had been heavy against his conspirators \* \* but Edward IV far outdid all that his forefathers and enemies put together had ever done." Yet out of this reign came what today is known as the most substantial government of history.

The ending of the reign of the house of York introduced the era of the powerful royal house of the Tudors, covering the period from 1485 to 1603. During this period of nearly 120 years there reigned Henry VII, Henry VIII, Edward VI, Mary I, and Elizabeth. It is the golden era of England from the point of view of mental activity, best expressed in the literature of that age. It showed great progress in the growth of commerce, enhanced by the discovery of new lands to be settled and developed. It was a time for new and more enlightened views in religion and spiritual values, of new thought in various realms of activity, all designed to lessen the conflict between King and people over Government policies and especially that of taxation. This ending of the conflict was also due to certain personal characteristics of English leadership under this famous house of the Tudors. Under Henry VII, whose reign extended from 1485 to 1509, there were called together seven Parliaments, mainly to supply grants for the King's needs at home and abroad. He revived the benevolences and also resumed the practice of collecting fines upon the breach of ancient statutes. He expanded the tax on trade to include a levy upon articles used in trade and even merchants' stocks, called the "new-found subsidy." The Parliament offered no resistance. Henry VIII, the far-famed king of many wives, employed new methods of procedure with Parliament. His early popularity with the people's representatives is indicated by Parliament's voting him for life, not to be taken as a precedent, tonnage and poundage and also the revival of the poll tax, so unpopular when first introduced. Henry VIII, in the language of the modern candidate, kept his ear close to the ground. To make sure of necessary funds and still hold the favor of the Parliament was his problem, which he quickly sensed. His plan included naming a strong personnel in his council, a good example of which was the first Woolsey, who was the vehicle of communication with Parliament and without emb was the vehicle of communication with Parlament and without embarrassment to the King. The practice approved by the Crown of separate meetings of the two houses and their agreement to be reached before the King was to be informed, so as to assure against royal influence or intimidation, was brutally violated by the appearance in person before the House of Commons of Woolsey, the pearance in person before the House of Commons of Woolsey, the King's representative with all the paraphernalia of royalty, including his maces, the great seal, his pole axes, his pillars, and cross, to demand £800,000 in 4-year payments—to the amount of one-fifth of all property, goods, and lands.

This intrusion upon the rights and privileges of the Commons was first met by ominous silence to the obvious disgust of the King's minister. Later the matter was discussed, resulting in but one decision, resentment against the arrogance of the intrusion. The cardinal later told the Commons he desired to reason with one decision, resentment against the arrogance of the intrusion. The cardinal later told the Commons he desired to reason with them, whereupon he was curtly informed that "it was the order of the House of Commons to hear and not to reason but among themselves." The next step was then taken to issue commissions to insure "benevolences", and to collect one-sixth from the lalty and one-fourth from the clergy. To this demand it was urged by Parliament that it was in violation of law, as Parliament had not consented. This was followed by outbreaks in many parts of the kingdom, which became so ominous that Henry, the politician he was, assumed to disapprove of the course that had been taken and placed the blame upon his minister, Woolsey. Upon his declaration that he "would not receive money save as an amiable grant" such as "benevolences", the Commons cited the statute of Richard II pronouncing such collections as unlawful. The King's court or judiciary, the arm of the sovereign, declared this statute without force as an enactment under a usurper. Here is an event in early English history showing the lack of independence in the British judiciary under Henry VIII. The King then resorted to the forcedloan channel, made under the obligation to have it repaid under funds supplied by a future Parliament. This act took place in the thirteenth year of his reign, and repeated in the thirty-fifth year, or 3 years before his death. This type of obligation gave the Commons their most serious problem. It made a debt created by the King's borrowings dependent upon a future Parliament to satisfy. It did not reach the question of the taxing power. When the loan matured the question would be asked, Can Parliament refuse to pay it? The chronicler of the times states "there was no remedy."

It was under or during the reign of Henry VIII that the clergy

It was under or during the reign of Henry VIII that the clergy was partially relieved of burdens which had been gradually fastened upon them. This relief is one of the direct results of the Reformation. There had grown up the exactions upon the clergy of the payment of first fruits demanded from members of certain ranks amounting to as much as a year's income from the beneficies. This was abolished by the act of 1532. Later certain collections made by order of the Pope for Rome's benefit were declared invalid, and in the Parliament of 1533 and 1534 parliamentary authority over clerical grants was confirmed. It was provided that the clergy should not enact ordinances without the consent of the King, including taxes. By the time of the Stuarts clerical taxes were treated the same as lay taxes, and could not, therefore, be confirmed except through act of Parliament. During the 38 years of the reign of Henry VIII, although frequent conflicts between King and Parliament arose, the status was not greatly changed, especially on the troublesome question of taxation. The historian notes that during the reign of the Tudors the tion. The historian notes that during the reign of the rudors the King usually had his way, and at times at the expense of Parliament, due to the general popularity of the ruler rather than the

Henry's admitted shortcomings as a man were partly recom-pensed by his success in arms, in addition to the growing trade,

which made up partly for the burdensome tax levy. At his death in 1547, at the age of 56, and in the thirty-eighth year of his reign, his son by Jane Seymour, Edward VI, became King at the age of 10. He reigned 6 years, and upon his death at 16 he was succeeded by his sister, Mary I, the daughter of Henry VIII by Catherine of Aragon. Mary reigned 5 years and was succeeded by her sister, Elizabeth, daughter of Henry VIII by Anne Boleyn. The chroniclers do not record anything of value in the reign of Edward VI or Mary I on the question of taxation. Both reigns were too brief to impress any personality upon their times. However, this is not the case of Elizabeth, who was crowned in 1558 and continued to reign 45 years, until 1603, when she died at the age of 70. Her reign is greatly colored by a strong personality and atlent for administration. She was charged as guilty of illegal actions from time to time, but her successes on behalf of her country were sufficient to avoid serious contention. On the question of taxation she added one new form, that of granting patents, securing monopoly, in many lines of invention, discovery, maufacturing, and commerce. The number of items enumerated as covered by such monopoly included articles of manufacture such as powder, glassware, iron products, and cards; articles of common use such as salt, vinegar, currants, starch, etc., articles of the mine, such as oil, lead, coal, etc. In time the question of monopoly came to the attention of the public and was openly discussed in Parliament on various occasions which induced the Queen to take notice, whereupon she notified Parliament of her intention of discontinuing some of the monopolies, modifying others, and none to be increased until by trial were proved for the good of the people.

Toward the close of her reign a conflict arose between the two the good of the people.

Toward the close of her reign a conflict arose between the two houses upon the question of where a tax measure is initiated. The Commons had long insisted that such bills must originate the Commons had long insisted that such bills must originate with them; the Lords saw nothing against their origination in the upper house, especially those which applied to the upper members. The Queen's reign and her popularity were highly augmented by the great victories over the Spanish Armada, which while it called for heavy taxation, revenue was not wanting, and did not wait upon a mere matter of where the tax should originate. Naturally the Lords would be more sympathetic and enthusiastic in response to her needs then the Commons. In due time the heavy burdens. to her needs than the Commons. In due time the heavy burdens became galling to the people, notwithstanding it was known that the Queen herself had furnished enormous amounts reaching the Queen herself had furnished enormous amounts reaching above the million mark measured in pounds. Upon new demands the Lords stood ready and so reported to the Commons. The latter, speaking through Sir Francis Bacon, resisted on the ground that taxes originating in the Lords were not in accord with either principle or practice. When the Lords appointed a committee to confer with the Commons, the latter refused by a vote of almost 2 to 1 to meet them. During the 45-year reign of Elizabeth, there was no lessening of parliamentary control over the much-disputed question of taxation, but the principle was woven into the mental fabric of what is now known as the "mind of the legislature", sufficient to meet the Stuart attempt of royal dictation, which will necessitate a Cromwell and later a Bill of Rights.

At the death of Elizabeth in 1603 we have James I son of Mary

At the death of Elizabeth in 1603 we have James I, son of Mary, At the death of Elizabeth in 1603 we have James I, son of Mary, Queen of Scots, granddaughter of James IV and Margaret, daughter of Henry VIII, the first of the House of Stuart. This house introduces the theory of the divine right of kings. The unfortunate reign of the House of Stuart covered the period from 1603 to 1714, save the interregnum of the commonwealth headed by Oliver Cromwell covering the years from 1653 to 1660. It constitutes the most turbulent period in the history of the kingdom, due to the deadly conflict between King and Parliament. This conflict, which is coextensive with English history, especially since the time of the control by the House of Normandy, is marked by ups and downs, first the King, then Parliament, and vice versa, which reached a climax in 1649 in the execution of Charles I by order of Parliament. This conflict is read in the government of the people in the commonwealth; the restoration of Charles II, upon specific concession; and finally the revolution of 1688 followed by the adoption of the Bill of Rights, henceforth to be recognized as a part of the British Constitution. Constitution.

Constitution.

The contest over the divine-right theory began upon the coronation of James I. His was not an auspicious beginning. His religious convictions as well as his foreign status and propensities were not welcome to a large and growing element in England soon to be known as "Puritans", a term of derision when first applied, James let the public know his views of government and made it plain that, like one of his predecessors, he could do without a Parliament if he should so decide. The needs of royalty were matters of right to him, and not mere privileges. They were to be demanded, not requested. Parliament was more of a voluntary body to be tolerated by the crown. If he wanted it, he would call it at his leisure; and more than that, would dictate who was to compose it. compose it.

His first effort was to control its membership, which effort met His first effort was to control its membership, which effort met with decisive action of the Commons, who expressed their disapproval also of the King's position on the onerous taxes of benevolences and purveyances. In the King's own handwriting he assumed a better attitude and communicated with the Commons, in which he assured them "that our people should have no occasion of distaste." This conciliatory attitude won a grant of a levy. But in the next Parliament opposition again flared which was not so easily appeased, but which was augmented by the famous Bates case, in which the King won through a decision of a court composed of what in modern days would be called "yes" judges.

In England, as in all other countries, the Executive is never without support from those who are either holden to him or who are looking for favors, as well as from those who are a part of his administration, from which they are not free to differ. In spite of the Bates case, the heart of which was to free the King from the necessity of securing the assent of Parliament for needed taxation, the Commons held their ground and suffered dissolution at the heart of the King who governed for the next 20 months with the hands of the King who governed for the next 30 months with-out a Parliament, and until his financial situation compelled him to again call it.

to again call it.

The Commons again notified the King of their determination not to yield their widely recognized right conceded by all his predecessors, among them the most famous of the English kings. They went further and instead of relying as heretofore upon custom as a basis of their rights, they now demanded in confirmation of that custom an official recognition in the form of a statute to be enacted by Parliament just as any other law to be binding, not only on the people and the members of Parliament, but on the King as well. They proceeded to enact such a statute setting aside "all impositions set without the assent of Parliament to be abolished." Such a bill was at once passed in the House of Commons, but it was refused in the House of Lords. It must be here noted that the opposition in the Commons was not to any specific tax or any subsidy per se, but only to its imposition without the consent of Parliament. This fact explains why in hundreds of cases Parliament, having resisted the demand for a specific tax, later enacted it, but not until the King had recognized their rights on matters of taxation.

rights on matters of taxation.

Their only contention was the recognition of the principle that the King could lay no tax without their assent, and further that the power to approve carried with it the right to disapprove or relact.

The King, reluctant to yield, again dissolved Parliament. He did not call another for 3 years. In the meantime he attempted to raise his necessary funds by a system of extortion through forced loans upon the security of the Great Seal, and also through the collection of fines by the agency of his famous star chamber court, to be augmented by sales of peerages and other devices. By 1614 he was again compelled, through the exigencies of a depleted treasury and want of funds, to call Parliament. By this time England had become aware of the trend of a Stuart policy, sufficiently so that when the Parliament was elected and convened it was overwhelmingly against the King and for the people's cause. This Parliament early in the session made a record of their rights on the subject of taxation. No amount of threat of dissolution sufficed James' prerogative. The Parliament having stood its ground was again dissolved 2 months after it had met. This Parliament was dubbed "the addled Parliament", by which name it has been known in English history.

James I, bent upon having his own way, and as an advocate of

name it has been known in English history.

James I, bent upon having his own way, and as an advocate of the divine right theory of the sovereign, he refused to yield to his enemies, resorted to strong-arm methods, and proceeded to imprison some of his most distinguished subjects who had refused to comply with his demand for benevolences. One distinguished baron, whose offense was that he had quoted Magna Carta and the statute of Richard III as a defense against paying such a tax, was by order of James I cast in prison to serve during the King's pleasure.

After his vain attempt to rule without the Parliament, and despite the galling humiliation involved, he called his third Parliament and attempted to preserve his prerogative by chiding them as "spoilt children" and warned then "not to hunt after grievances \* \* deal with me as I deserve. I will leave nothing undone that becomes a just king if you deal with me accordingly." The Commons treated his chiding in no uncertain language by announcing officially that grants and grievances go together. Among the grievances stood the King's practices of monopolies and purveyances. Then this Parliament proceeded to extend its authority by reviving the power of impeachment, and thereby displayed its determination by impeaching no less a figure than the King's Chancellor, Francis Bacon, a lord of standing, who was found guilty of bribery. Again the Parliament was adjourned, but this time to meet later in the year, when the King hoped for better success. The report of the Crown's officers was made to the effect that the treasury was empty. Events proved that this was a matter After his vain attempt to rule without the Parliament, and dethat the treasury was empty. Events proved that this was a matter on which the Commons would not be hurried.

In the adjourned Parliament the question of free speech arose. It grew out of the imprisonment of Sir Edwin Sandys for something he had said not appreciated by the King. This protest on behalf of free speech so offended King James that on the day it was presented he dissolved Parliament and sent for the journal, and with sented he dissolved Parliament and sent for the journal, and with his own hands and in bad temper tore out the page containing the protest. The Parliament nevertheless was again called, but before the date of assembling James dissolved it and denounced members who had questioned his right of prerogative, and further demonstrated his determination by imprisoning no less a figure than Sir Edwin Coke and several others. These events disclosed the extent to which royal prerogatives under the divine-right theory had gone, and it also indicated the speed by which events were traveling, looking to a crisis to be not long delayed if the course is not changed.

The House of Lords, for years suspicious of the aggression of the

The House of Lords, for years suspicious of the aggression of the Commons, and naturally more responsive to royal requests, were now fully awake to what was pending. This is disclosed by their attitude on the grants for the Palatine War, which were conditioned on its payment to commissioners to be appointed by the Commons and to be expended by them under the direction of the council of

war, to insure that the money so voted would be applied to the naval and military establishments. By March 1625, at the time of the death of James I, it was fairly well understood throughout England that the autocracy of a divine right adherent could not succeed, notwithstanding the powerful hold upon the mass mind of the English people in support of kingship. A survey of the reign of James I makes it easy to understand why the Duc de Sully pronounced James I the "wisest fool in Europe."

Upon the death of the first Stuart King, his son was crowned as

pronounced James I the "wisest fool in Europe."

Upon the death of the first Stuart King, his son was crowned as Charles I. He was 24 at the time of his coronation. Being in entire sympathy with the divine-right doctrine of his father, having closely observed his contests with his Parliament for the 22 years of his reign, Charles I was forewarned, but poorly equipped, for what awaited him and his efforts in arbitrary and dictatorial administration. Tunnage and poundage had ever been regarded as revenue for conduct of foreign relations, to defray war expenses, and hence usually not only granted when desired but frequently for the life of the King requesting this particular tax.

Charles' first Parliament, instead of granting tunnage and

Charles' first Parliament, instead of granting tunnage and poundage for life, limited it by act of the Commons. However, this action was not agreed to by the Lords. This course of the Commons was ominous to the new King. He, through his chancellor, communicated his needs to the Commons and peremptorily demanded answer without delay. Whereupon the Commons proceeded to take their own good time. The King expressed his resentment by an immediate dissolution, which indicated that the fight which had raged throughout the father's career was now on in earnest in the son's reign. Six months later Charles I summoned his second Parliament to answer to his needs. Instead of considering the King's needs, for which they were specifically called, the Commons proceeded to inquire into the conduct of the King's favorite, the Duke

of Buckingham.

The King was so enraged that in a storm of bad temper he threatened the members for the unwarranted assumption of authority over matters not of their concern. Here, as in preceding contests, the issue between King and Parliament was not whether the funds should be supplied; on the other hand, the needs were generally conceded as the very basis of the existence of govern-ment. The persistent issue was how the funds were to be levied, how much, and upon whose authority. In the early days the Crown claimed all power, both of legislation and administration. Gradually he was compelled to concede legislation upon the recommendation and approval of his council, a body of his own choosing. At a later date the council had to be chosen from members of Parliament, and still later Parliament demanded as the next step its own approval, to which another and the next logical step was the power of removal through impeachment—a power employed in the Lancastrian and Yorkist regimes in 1386 power employed in the Lancastrian and Yorkist regimes in 1386 and again in 1450, given here as mere citations of the exercise of such power. From these citations it is easily seen that Charles the First's Parliament was well within historical precedent when it proposed to investigate Buckingham; so it will be noted that while his second Parliament made grants, not however what the King requested, but what in their judgment were warranted, they notwithstanding still retained their position upon their control of taxes which now they extended to the investigation of the King's favorites.

Grants under such conditions were viewed by the King as worse than no grants. In spite of the deep conviction of the King on what he regarded as clear violation of his prerogatives, the Parliament added to his discomfiture the additional offense of Parliament added to his discomiture the additional offense of refusal to make necessary grants until grievances were acted upon, including those against Buckingham. Again the King resorted to his royal prerogative of dissolution. In his dire need of funds, which he placed upon the defense of the realm and the nation's honor in its war with Spain, he believed himself justified and safe in renewing the old forced-loan system of benevolences. To this in renewing the old forced-loan system of benevolences. To this was added a new source of revenue devised by his advisers, among them a Judge Noy; the new tax to be known as "ship money", which is to play a large part in future events. To make sure if possible of nullifying all opposition to this new revenue policy, both within and without official life, the King decided upon repressive measures, among others, the dismissal of officers, the quartering of soldiers on private grounds, and in pressing citizens into military and naval service. On this plan the King was doomed to disappointment.

to disappointment.

In spite of this source of revenue the demands incident to the foreign wars with Spain and France were too great and necessitated the King for the third time calling his Parliament. Despite tated the King for the third time calling his Parliament. Despite his great needs, he did not show a conciliatory attitude, but on the other hand, he aroused powerful feeling by his declaration that "none here but know that common danger is the cause of this Parliament, and supply at this time is the chief end of it." He further declared: "If you should not do your duty in contributing what the estate needs, I must, in discharge of my conscience, use those other means which God has put into my hands to save that which the follies of some particular men may otherwise hazard to lose." The intensity aroused by this royal threat was not relieved by the follow-up of his chief spokesman, who supplemented the King's statement with an additional threat, ending: "Remember His Majesty's admonition. I say, remember ending: "Remember His Majesty's admonition. I say, remember

Far from being intimidated, this threat was immediately met by a resolution of the Commons on the subject of grievances and extortions in the following language: "No freeman ought to be committed or detained in prison or otherwise restrained by demand of the King or privy council or any other save in pursuance of law." The resolution further stated: "That the ancient and

undoubted right of every freeman is that he hath full and absolute property in his goods and estate that no tax, tallage, loan, benevolence, or other like charge ought to be commanded or levied by the King or his ministers without common consent of Parliament."

The issue was clearly drawn. The King had shown his mettle in two preceding Parliaments, which he had dissolved as recalci-trant, which had failed to compel obedience to his command.

in two preceding Parliaments, which he had dissolved as recalcitrant, which had failed to compel obedience to his command. The Commons, fully aware of the King's intention and equally clear in their own rights, proceeded to appeal to the nation to set before the country at large a declaration of these rights, which took the form not of a prayer but a statute and is known in history as the "Petition of Rights." It was drafted by the famous Edward Coke, who, among others, had already suffered imprisonment as punishment for his utterances upon the rights of Englishmen. At first the sting of this unheard-of audacity was ignored, and answer was evaded, which was laid to the influence of the King's favorite, who was subject to impeachment.

To prevent the serious possibility involved, now obvious to the King, he signed the famous Petition of Rights. It will here be noted that Charles I, the greatest exponent of the divine right of the King, and the greatest opponent of parliamentary meddling with the royal prerogative, signed a statute presented to him by his greatly despised Parliament, thereby extending parliamentary control over taxation as no measure ever before presented had contemplated; and by this act denying to the King powers some of which in some form or another had been exercised by all the Kings before him. This famous statute declared: "That no person hereafter be committed to make or yield any gift, loan, benevolence, tax, or such like charge, without common consent by act of Parliament, and that none be called to make answer, or take such oath, or to give attendance, or be confined, or otherwise molested or disquieted concerning the same or for refusal thereof \* \* and that Your Majesty will be pleased to remove the said soldiers and marines, and that your people may not be burdened in time to come."

The King and his "yes" counsellors were hard put to find a

The King and his "yes" counsellors were hard put to find a loophole in this famous petition. They thought they had found it by confining it to domestic affairs. In their judgment it did not cover foreign affairs, which were conceded to be diplomatic, and as such for the King. Therefore, the King in their judgment still controlled tunnage, poundage, ship money, etc. The King lost no time to repair his fortune and declared he never would give up control over these mentioned sources. When he was informed that the Commons were going to resist this contention he immediately proceeded to prorogue Parliament before the protest could be handed to him, thereby nullifying its legal effect.

He continued to levy the above-mentioned taxes, and to enforce collections by imprisoning those who refused to pay, including at last one member of the House of Commons, Henry Rolls. This action caused a commotion which could not be overlooked or discounted by the King, who immediately summoned the two Houses

action caused a commotion which could not be overlooked or discounted by the King, who immediately summoned the two Houses to meet him at Whitehall, where he lost no time in rescinding his former statement to never give up tunnage, etc. He informed the members that he had meant to continue the levy only until Parliament requested him to discontinue it. He had been wrongly led to believe this attitude on his part would insure the favorable action of Parliament to give him these taxes for life, as had been done with most of his predecessors; but on the contrary, when such motion was made it was immediately shelved for the consideration of the more important issue, the breach of the rights of Parliament by the arrest of Rolls, one of its members; whereupon those charged with that violation were summoned.

The King thereupon informed the house of his unwillingness to

The King thereupon informed the house of his unwillingness to have officers catechised as their acts were his own. The Commons then took a recess until the 2d of March. On the named day, and upon resuming the session, the King ordered the recess to be continued a week. Against this order the House protested, and backed their protest by defeating the motion of adjournment by an overwhelming majority. The speaker of the House, feeling it his duty to respect the order of the King, started to leave the chair but was at once forcibly put back into his seat by members of the House. Resolutions defining the rights of the House, prepared by Sir John Eliot, were presented to the House. Neither the speaker nor the clerk would put them to a vote, whereupon Rolls, the member who had been imprisoned, read the resolutions and put the vote, which was carried by acclamation. Then the motion to adjourn to the 10th of March was put and carried. The King's guard was already at the doors of Parliament to enforce adjournment. This contest between King and Parliament now reaching The King thereupon informed the house of his unwillingness to guard was already at the doors of Parliament to enforce adjournment. This contest between King and Parliament now reaching to physical conflict was on the question of taxation. The Eliot resolution declared any person advising tunnage, etc., without the consent of Parliament, was a capital enemy to the kingdom, and any person who willingly paid such tax should be reputed a betrayer of the liberty of England and an enemy of the same. The King's reply was the dissolution of Parliament the day it met. In his own words, he refused to convene the "vipers" again. From 1629 to 1640 Charle I ruled without Parliament. These 11 years were the seed time of great changes to be wrought not only on taxation but upon a new philosophy of government which in time. taxation but upon a new philosophy of government which, in time, was to transfer all powers of legislation as well as administration

was to transfer all powers of legislation as well as administration to Parliament.

To Charles I, Parliament was little more than a supernumerary body to be called if desired, or not, just as the King pleased. Since it was originally called by the King's will, so by his will he could avoid calling it. Back in the time of Edward IV he was informed Parliaments were dispensed with. He was advised, notwithstanding an old statute of Edward III required Parliament to

meet once a year, that no Parliament sat from January 1465 to June 1467, or between May 1468 and October 1472, nor between King and Parliament, as recorded in the history of England during the reign of Edward IV, upon no grievances such as now suffered, Charles I decided to rule without this body.

To do this he must depend upon his ability to collect funds from his people by voluntary consent if possible, but by force if necessary. On the one hand, he attempted to persuade by an appeal to patriotism and flattery; on the other, he dealt drastically as with enemies, imprisoning not only Eliot, the author of the resolution put over the King's protest, but many other prominent personages including House members. He formulated his tax plans covering all forms heretofore tried, including all which had been forbidden save upon the approval of Parliament. His methods of extortion were enforced through the strong arm of the jail, or by fine, or both. He broadened the scope of ship money to include inland as well as coast people, through writs issued by the King upon the advice of his privy council, the justification of which was placed upon the necessity of national defense against foreign foes such as the Dutch Republic, and enemies to the North. Exactions of 1635 and 1636 were so heavy that they provoked loud protests from many and important sources. The King to strengthen his case, succeeded in securing a decision from his high judicial officers that "when the good and safety of the kingdom in general is concerned and the whole kingdom in danger (of which his Majesty is the only judge), the charge of the defense ought to be borne by all the realm in general." To further strengthen his claim the King had the matter considered by the judges of the Exchequer who, by a unanimous vote, supported him in his contention. Then followed the famous John Hampden episode, so familiar to the students of constitutional history.

This quiet countryman, then soon to be made famous, had refused to pay the ship money; being an inhabit

This quiet countryman, then soon to be made famous, had refused to pay the ship money; being an inhabitant of an inland country. He was accordingly summoned before the court. The trial became a State case. On each side appeared the most famous counsel of the empire. The decision was divided seven to five in favor of the Crown, against Hampden, on the stated ground as delivered by the head of the court that "No act of Parliament can bar a King of his regality \* \* \* acts of Parliament to take away his royal power in the defense of his kingdom are void. They are void acts of Parliament to bind the King, not to command the subjects, their persons, and goods, and I say, their money, too."

In spite of this judicial victory the King's situation was de-This quiet countryman, then soon to be made famous, had re-

money, too."

In spite of this judicial victory the King's situation was deplorable, daily becoming more so. The uprising in Scotland on behalf of liberty, a new source of danger because it was bound to be reflected among the English yeomenry, as well as all the people, who were by this time greatly alarmed and were becoming thoroughly aroused. After 11 years' ruling without a Parliament the King in his extremity decided to call his fourth Parliament to meet, April 1640. While he had some support in the House of Lords, the Commons showed itself not so much interested in the King's needs as in such conduct as the Hampden case, which they began at once to investigate, whereupon Charles I dissolved it. King's needs as in such conduct as the Hampden case, which they began at once to investigate, whereupon Charles I dissolved it after 3 weeks' session, to meet again in 6 months. This Parliament is known in history as the "Long Parliament." As a body it strongly, if not defiantly, opposed the royal policy as practiced by their King. It opened the session by beginning impeachment proceedings against Strafford, Laud, Finch, the King's favorites, and the judges who sat in the ship-money case. It proceeded also to undo much that had been done in their absence, in the way of releasing prisoners and remitting fines, which had been

and the judges who sat in the ship-money case. It proceeded also to undo much that had been done in their absence, in the way of releasing prisoners, and remitting fines, which had been assessed by the King through the Star Chamber institution, which they proceeded to abolish. In voting supplies for the King it repeated the wording of the "Petition of Rights"; they prescribed a heavy penalty on all who violated these rights in collecting taxes not consented to by Parliament. They reversed the findings against Hampden, and declared tunnage exacted by the Crown as illegal, and exempted persons from being put on trial for refusal to pay "ship money."

Hallam, in his comment upon the work of the "Long Parliament", declares that their statute on taxation is the last in the history of England which ended the centuries-long contest between King and Parliament over the rightful control of taxation. The statute is as follows: "It is declared and enacted that it is, and hath been the ancient right of the subjects of this realm, that no subsidy, custom, impost, or other charge whatsover ought or may be laid or imposed upon any merchandise exported or imported by subjects, denizens, or aliens without common consent in Parliament." Hallam further says: "This is the last statute that has been found necessary to restrain the Crown from arbitrary taxation."

It was a complete victory over Charles I, who set out by hook or crook to break down the power of Parliament in its control over taxation, and who because of these and other arbitrary acts ended his career on the block by the order of the same Parliament he had undertaken to control on matters of taxation. No subsequent effort after this tragic ending to levy taxes without the authority of Parliament is recorded. The revolution of 1688 called forth the famous Bill of Rights of 1689. In these resolutions is repeated the prerogative of Parliament and of Parliament, or longer time or in other manner than the same is or shall be granted is illegal." By this decree becoming a m

The gradual Parliament's prerogative over taxes was not made. but steady growth of the Commons as the regal voice of Parlia-ment over the subject of taxation is a process by which popular will becomes more commanding until today the House of Commons not only on taxation questions, but upon all legislation, is the people speaking through their elected representatives, but that expansion is a subject not embraced in the above discussion.

Henceforth, the conflicts over taxation were within the legislative bodies, first as between the two Houses, resulting in complete control as well as jurisdiction of the House of Commons, where it is lodged today. The House of Lords, unlike the United States Senate, has no power of amendment, not even is the approximately approximately

proval of the upper House in England longer necessary

The historic conflicts over taxation such as that involved in the American revolution arose out of the claim of the rights to tax the colonies without their consent, a contention which at first was confined to tax burdens, but later extended to the demand of the American colonies that there should be no legislation affecting the colonies without their representation. A denial of this principle lost to England the American colonies, and led to an entirely new rule upon taxing, and even legislating for British colonies.

The English system on taxation today operates under an airtight control. The formula: "The Crown demands money, the Commons grant it, and the Lords assent to the grant."

grant it, and the Lords assent to the grant."

The Crown's demand may be in the (1) speech from the throne; (2) by message; (3) by demand for a credit vote; or (4) by presenting an estimate. The Commons do not vote supplies not requested by the Crown. The Commons follow strict rules of procedure; first it must be considered in the committee of the whole house, which must sanction the grant. In this committee of supply greater freedom of debate is permitted, and no bill creating a charge on the treasury can be brought in until considered in this committee and reported favorably. This committee may recommend either favorable or unfavorable action, amend by adding to or subtracting from, and when it is reported the House acts on the report; if favorably, the bill becomes a grant. Then it is taken up by the ways and means committee. Even though the House has passed the grant, it does not become a charge upon the Treasury passed the grant, it does not become a charge upon the Treasury until further steps are taken. The next step is to provide funds to meet the grant through the ways and means committee. When the committee of supply has authorized the grants and the ways and means committee has authorized the necessary drafts on the consolidated funds to meet the grant, the Commons is ready to consider the bills to give the force of law, without which the action of the committee is inoperative.

of the committee is inoperative.

The next step is that of appropriations. After all these steps have been taken, further formalities are required before the funds reach the paymaster general for credit or necessary payments for service—necessary machinery to insure against any misapplication of funds as designated by Parliament. These grants with the sanction of law to the Crown upon his demand must be applied as specifically designated by the resolution of the Commons. This machinery does not differ in the main from that employed by the United States in handling disbursements. What is never permachinery does not differ in the main from that employed by the United States in handling disbursements. What is never permitted in the British system is under the guise of emergencies by the use of the lump-sum appropriation the authorizing body surrenders to the spending body complete control of the application of these funds. In the United States prior to the innovation of making lump-sum appropriations Congress exercised control. Soon after the employment of this discretionary power by the spending departments was inaugurated, deficits became the order of the day, until a statute was enacted making it a purishable offense to create until a statute was enacted making it a punishable offense to create a deficit without authority from Congress, the authorizing power. The practice was corrected by the adoption of the budgetary legislation.

The practice was corrected by the adoption of the budgetary legislation.

Since the depression the old practice is again renewed in spite of the rigid control by the Budget requirements by the authorizing body again turning over to the spending body full control without limitation through the old lump-sum device, whereby not only many of the old errors have been renewed but with the blanket authority given to the Executive by a virtual abdication of Congress, legislative functions are employed, whereby the administration, through various Government-incorporated agencies, enters upon various kinds of business. During the last year the Executive scheme to deal with the depression included many newly created Government corporations which embarked upon all sorts of business, mining, manufacturing, commercial brokerage without further authority than blanket control of the depression delegated to the Executive, with whatever funds thought by those in charge necessary, allocated from the lump-sum appropriation. The head of Public Works informs the country if the Gravelly Point is the place for the Washington airport, he will be glad to allocate from the emergency funds what is necessary to complete it, without a line of authority from the authorizing body that such application of funds should be made.

He also states that if New York City decides to build a municipal power plant, he will allocate so much money for the purpose, with no further authority than hands-off policy of the new deal.

It is well to contrast this practice with Great Britain's control of the tax question.

of the tax question.

RÉSUMÉ

The struggle in Great Britain's history over the rightful authority of the taxing power, as between the King and Parliament, runs through the centuries. Under the four Kings of the House of Normandy, 1066 to 1154, the authority resided with the King. Under the eight Kings of the House of the Plantagenets, 1154 to

1399, the early Kings levied taxes in consultation within council—at first chosen by and representative of the King. Later this council was to be approved by Parliament, which was gradually growing in importance on tax matters.

in importance on tax matters.

Under the House of Lancaster, 1399 to 1461 (Henry IV, V, and VI), and the House of York, 1461 to 1485 (Edward IV, V, and VI), taxation must be approved by Parliament. Under the House of Tudor, 1485 to 1603, the five rulers of this period recognized generally taxation a parliamentary function not only demanding this approval but the right of origination in the House of Commons.

Under the House of Stuart, 1625 to 1714, a reactionary theory of the "divine right of kings" was announced and steps to enforce it.

This long struggle ended with the Petition of Rights and the execution of Charles I, to be further confirmed by the Bill of Rights of 1689.

Rights of 1689.

Further effort on the part of the King to control taxation will not

The PRESIDENT pro tempore. The question is on agreeing to the first amendment of the committee, on page 1,

Mr. McNARY. I suggest the absence of a quorum. The PRESIDENT pro tempore. The clerk will call the

roll. The Chief Clerk called the roll, and the following Sena-

tors answered to their names:

Adams	Copeland	King	Pope
Ashurst	Costigan	La Follette	Radcliffe
Austin	Couzens	Lewis	Reynolds
Bachman	Cutting	Logan	Robinson
Bailey	Dickinson	Lonergan	Russell
Bankhead	Dieterich	Long	Schall
Barbour	Donahey	McAdoo	Schwellenbach
Barkley	Duffy	McCarran	Sheppard
Bilbo	Fletcher	McGill	Shipstead
Black	Frazier	McKellar	Smith
Bone	George	McNary	Steiwer
Borah	Gerry	Maloney	Thomas, Okla.
Brown	Gibson	Metcalf	Thomas, Utah
Bulkley	Glass	Minton	Townsend
Bulow	Gore	Moore	Trammell
Burke	Guffey	Murphy	Truman
Byrd	Hale	Murray	Tydings
Byrnes	Harrison .	Neely	Vandenberg
Capper	Hastings	Norbeck	Van Nuys
Carey	Hatch	Norris	Wagner
Clark	Hayden	Nye	Walsh
Connally	Johnson	O'Mahoney	White
Coolidae	Voyee	Dittman	

Mr. LEWIS. I wish to announce that the Senator from Arkansas [Mrs. Caraway] and the Senator from Louisiana [Mr. Overton] are detained from the Senate by illness.

I also desire to announce that the Senator from Montana [Mr. Wheeler] is unavoidably detained.

The PRESIDENT pro tempore. Ninety-one Senators having answered to their names, a quorum is present.

# MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 5913) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1936, and for other purposes, requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Parks, Mr. Blanton, Mr. McMillan, Mr. Snyder, Mr. Dockweiler, Mr. Bolton, and Mr. Powers were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 5255) making appropriations for the Departments of State and Justice and for the Judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1936, and for other purposes, requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. OLIVER, Mr. McMILLAN, and Mr. BACON were appointed managers on the part of the House at the conference.

# ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H. R. 330) for the relief of Sophie de Soto, and it was signed by the President pro tempore.

# THE PITTSBURGH-PLUS PLAN

Mr. BANKHEAD. Mr. President, out of order I ask leave to introduce a bill and to make a very brief statement about

The PRESIDENT pro tempore. Is there objection? The Chair hears none.

Mr. BANKHEAD. On April 26, 1921, the Federal Trade Commission filed a complaint against the United States Steel Corporation and other steel companies requiring them to show cause why they should not cease and desist from the Pittsburgh-plus plan for fixing prices of steel. A brief amici curiae was submitted and an oral argument made by counsel for the States of Illinois, Iowa, Minnesota, and Wisconsin under special legislative authority of each State, these States acting on behalf of themselves and the other 28 States of the United States, making up the membership of the Associated States Opposing Pittsburgh-plus, viz Alabama, Arizona, Colorado, Delaware, Florida, Georgia, Idaho, Indiana, Kansas, Kentucky, Louisiana, Maine, Massachusetts, Michigan, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, Rhode Island, South Carolina, South Dakota, Utah, and Wyoming.

After a protracted investigation, the Federal Trade Commission on July 21, 1924, entered an order directing the parties to the proceeding to cease and desist from quoting for sale in the course of interstate commerce their products at Pittsburgh-plus prices, and from quoting for sale or selling in the course of interstate commerce their rolled-steel products upon any other basing point than that from where the products are manufactured or from which they are shipped. Thereafter, on September 27, 1924, the respondents to the complaint filed with the Federal Trade Commission a statement agreeing to comply with the cease-and-desist order made by the Commission.

Following that action, another and different system was established by the steel manufacturers for making prices which did not comply with the purpose and spirit of the order of the Commission, and consumers never had the advantage of free and open competition throughout the country in the matter of prices for steel.

When the steel code was adopted, the Pittsburgh-plus plan was reinstated in full, with some local modifications.

I am introducing a bill to make unlawful what is known as the "Pittsburgh plan." The bill, in addition to terminating basing-point prices and consideration of transportation and delivery charges, also requires manufacturers engaged in interstate commerce to make the same price on the same quality and grade of goods offered to all customers, a differential being authorized between wholesalers and retailers. This provision is intended to terminate the unfair trade practice of making prices based upon quantity purchases and financial strength of buyers. This wide-spread practice has been one of the chief factors in the growth of the chainstore system. It enables the wealthy and the strong to compete in an unfair way with the great mass of retail merchants in the United States. It is a practice which makes the strong stronger and the weak weaker, and is tending to the establishment of monopoly in the mercantile trade of the country. It is not of special benefit to consumers, because the price concessions made to the strong, constituting about one-tenth of the retail stores, are balanced and overcome by higher prices than are justified to nine-tenths of the retail merchants.

In view of the wide-spread effect the passage of this bill would have upon commerce and trade throughout the country, I ask unanimous consent to have the bill printed in the RECORD immediately following this statement. The bill may be referred to as the Equal Rights Trade Act.

Representative Huddleston is introducing the same bill in the House.

The PRESIDENT pro tempore. Without objection, the bill will be printed in the RECORD at this point.

The bill (S. 2211) to regulate and maintain an open market for the sale of goods in interstate commerce, to supplement existing laws against combinations in restraint of trade and discrimination in prices, and for other purposes, was read twice by its title and referred to the Committee on the Judiciary.

A bill to regulate and maintain an open market for the sale of goods in interstate commerce, to supplement existing laws against combinations in restraint of trade, and discrimination in prices, and for other purposes

Be it enacted, etc. That it is hereby declared to be the purpose and policy of this Act to supplement the existing laws against monopoly, restraint of trade, and price discrimination, and to eliminate certain devices which have been shown to promote those

SEC. 2. As used in this act—

"Commerce" means trade or commerce between any State, Territory, or the District of Columbia, and any other State, Territory, or the District of Columbia, and any other trade or commerce so closely related thereto as to be subject to regulation by the United States as an incident of the regulation of interstate commerce.

"Berna" halleds associations and corporations

"Person" includes associations and corporations.

"Wholesaler" means a person whose principal business is the bona fide selling of goods to retailers: Provided, That a sale by a wholesaler to a retailer when a majority interest in both is owned by the same person or persons shall not be considered a bona fide

SEC. 3. It shall be unlawful for any person engaged in commerce, in the course of such commerce, to fix or quote a price for any goods, wares, or merchandise, other than the price at the place where such goods, wares, or merchandise are manufactured or from which they are shipped by such person, or to sell such goods, wares, or merchandise for a price fixed on any other basis, unless the purchaser of such goods, wares, or merchandise affirmatively requests that the price be fixed on the basis of delivery at a particular destination.

ticular destination.

SEC. 4. It shall be unlawful for any person engaged in commerce, in the course of such commerce, to add to the shipping point price of any goods, wares, or merchandise a charge for delivery to a destination which is other than the actual cost of such delivery, through such agency as the buyer shall specify.

SEC. 5. It shall be unlawful for any person engaged in commerce, in the course of such commerce, to discriminate in price between different purchasers of any commodity, regardless of the quantity purchased: Provided, That a lower price may be charged in sales made to wholesalers in contemplation of resale to retailers; and that higher prices may be charged in sales made in good faith directly to consumers than are charged in sales of the same commodity to retailers.

SEC. 6. Any person who violates any provision of this act shall

SEC. 6. Any person who violates any provision of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined not more than \$5,000 or imprisoned not more than

shall be fined not more than \$5,000 or imprisoned not more than 1 year, or both.

SEC. 7. Any person who shall be injured in his business or property by any other person by reason of anything declared to be unlawful by this act may sue therefor in any District Court of the United States in the district in which the defendant resides or is found, without respect to the amount in controversy, and shall recover threefold the damages sustained by him and the costs of

suit, including a reasonable attorney's fee.

SEC. 8. Authority to enforce compliance with this act is hereby vested in the Federal Trade Commission to be exercised as set forth in section 11 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies and for other purposes", approved October 15, 1914.

This act may be referred to as the "Equal Rights Trading Act."

Mr. KING. Mr. President-

Mr. BANKHEAD. I yield to the Senator from Utah.

Mr. KING. I should like to ask the Senator from Alabama if he knows that the President of the United States a long time ago submitted to the Federal Trade Commission and to the N. R. A., for investigation and report, the question of the activities and monopolistic propensities of the Steel Trust. The Federal Trade Commission prepared a report, which it filed with the President, as I am advised; but the N. R. A. has not filed a report, though the time within which it should be filed has expired. I may say to the Senator that the N. R. A. approves of these monopolistic practices, and of the Pittsburgh-plus plan; and perhaps the only way in which we can secure relief is through the bill which the Senator has introduced, possibly to change the policies of the N. R. A.

Mr. SHIPSTEAD. Mr. President, will the Senator yield to me?

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Minnesota?

Mr. BANKHEAD. Certainly.

Mr. SHIPSTEAD. I think the Senator can secure valuable information in regard to the matter dealt with by the bill he just introduced; and I ask the Senator if he will not 1

introduce a resolution asking the Federal Trade Commission to report to the Senate or send to the Senate any information they have as the result of their investigation of the question of the Pittsburgh-plus plan and the steel

Mr. BANKHEAD. Mr. President, I will say to the Senator that a short time ago the Federal Trade Commission did make a report to the Senate, which was published as a Senate document.

Mr. SHIPSTEAD. I understand that was a year ago. Mr. BANKHEAD. I do not know the exact time, but it is practically current, up-to-date. That is available to the Senator

Mr. BORAH. Mr. President, may I ask the Senator why that practice should be permitted to be continued under the

Mr. BANKHEAD. I am unable to answer the Senator. will say to him if he will join with me in the passage of this bill we will stop it.

Mr. BORAH. Mr. President, if the codes are to effectuate what it is claimed they will effectuate there is no need for additional legislation. This is now being protected by the

Mr. BANKHEAD. I will say to the Senator that before the codes were adopted the Pittsburgh-plus plan had not been abandoned in good faith, and legislation was then needed without any codes, before any codes were adopted, because we were not getting the benefit of the orders of the Federal Trade Commission.

The PRESIDENT pro tempore. The question is on agreeing to the first committee amendment.

Mr. NORRIS obtained the floor.

Mr. LEWIS. Mr. President

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Illinois?

Mr. NORRIS. I yield.

Mr. LEWIS. Mr. President, as the State of Illinois is referred to in the list of States recounted by the Senator from Alabama [Mr. Bankhead], it naturally is very much interested in the result. It is at this point that I want to make a distinct observation as to the views expressed by the Senator from Idaho, our esteemed friend [Mr. Borah], and that supported by the views stated by the eminent Senator from Utah [Mr. King]. It cannot be denied that there have been indications of these monopolies and the practices of them, as described by both able Senators; but, Mr. President, it is not fair to leave upon the public mind, as I see the situation, that these wrongs are created by the codes, or that by the codes themselves they are tolerated and encouraged. We must tell the truth in order that the public may not be discouraged to the point of hopelessness in recovery.

It is not in the codes or in the legislation, or the provision created by the law of the codes, but it is to the habit and conduct on the part of those to whom have been committed the administration of these codes and their methods of application, and their methods both of ruling and of administration in executing the provisions, to which we should specifically address ourselves as responsible for action complained of. This is due that we may not wrong the codes and do injustice to the President or the administration when it is struggling to come to the relief of the people. If these masters of commercial and financial power have been able, sir, through personal influence or combined machination to control and direct those who administer the codes to the point where they could visit these hardships and injuries, through monopoly, upon the public-such men, whoever they are, these masters of finance, and those acting with themshould be indicted under the law known as the "common law of conspiracy" prevailing in every State of the Union, barring one or two, serving under civil law, and submit these offenders as guilty of confederation. Under the Federal law they may be indicted. If my eminent friend from Idaho [Mr. Borah] is correct that there has been some suspension, if there be such, of the Sherman Antitrust Law, there is a provision in the Federal law of conspiracy making criminal

equal rights and immunities under that law of conspiracy.

I therefore rise to observe in connection with this matter which touches my State, to which allusion is made by the Senator from Alabama, that the time is now ripe to let us place the guilt where it is, where it should be, and let us proceed against the guilty sources, whoever they are, by whatever process of law is at the command of the Government, or of the citizen, as has been done as called to our attention by the public press. I refer to the private lawsuit against the Aluminum Co., in which under the Sherman antitrust law we observed that there was pressed a suit in which a verdict for more than a million dollars was obtained in the last few days. This was for a violation of law which came within the meaning of the Sherman antitrust law. The punishment of those who continue to conspire to commit the offense as described by the Senators from Alabama and Idaho can be secured through invoking the Sherman antitrust law.

Mr. BORAH. Mr. President, the report filed by the Federal Trade Commission sometime ago clearly discloses that the code had been prepared for the steel industry and the code

had been approved by the steel industry.

This code permitted the Pittsburgh-plus system to be continued and maintained. The report disclosed that the administrative authority of the code was what is known as the "Steel Institute", and the Steel Institute is made up of representatives of the leading steel organizations or industries. The report further disclosed that the code authority not only permitted the Pittsburgh-plus practice to continue but permitted an increase in prices in some instances up to 800 percent.

That could not happen except under the protection of the code. If we would restore the antitrust laws and enforce them, we could more easily protect the interest of the public.

Mr. LEWIS. Mr. President, may I ask if my able friend the Senator from Idaho, in using the words "code authority", means the authority contained and expressed in the terms of the code or those who are administering the code? Mr. BORAH. I mean the authority selected by the code

to execute the code.

Mr. LEWIS. I answer respectfully and say that I have asserted that the offense to which this Government or the people should address themselves is on the part of those to whom are committed the administration of the law and who allow it to be so abused, if it be true that a wrong may be inflicted under it, and that we should not hold the President of the United States or the officer, Mr. Richberg, and the system known as the "code", a system of law devised to relieve the people, responsible as though these officers created the code as a system of persecution, when it is perfectly apparent that it is those who have administered it, for whatever purpose it may be, as referred to by the learned Senator from Idaho, as an aggregation or combination of men who have been able to influence action. Whatever may be the source, it is these who have the authority who, if they continue this practice, should be weeded out and other men, fit for the trust, should be installed in their places.

Mr. BORAH. The Senator from Idaho has said nothing about the President of the United States; he has at no time indicated that the President of the United States was responsible for these matters; but I did say when the N. R. A. was enacted that big business would write the codes and that big business would execute the codes; and big business has written the codes and big business is executing the codes.

Mr. LEWIS. The "big business" to which my able friend from Idaho referred is not above the law. This is an instance where the law must announce her policy, in the words of Bishop Hooker, "the least as feeling her care, and the greatest not exempt from her power." I suggest to my friend from Idaho that if evidence can be presented here from people affected and with a complete compendium obtained under the information added by the suggestion of the Senator from Virginia [Mr. GLASS], the allegations can be proved, they should be taken to a grand jury, either a Federal grand jury or a State grand jury, wherever jurisdiction

those who shall deny or defeat another in the enjoyment of | may exist, and proper punishment meted out to those who gather themselves together merely because of power and assume, in criminal design, to confederate and inflict upon the people destructions such as the able Senator from Idaho in his speech has described.

Mr. BORAH. The trouble in taking such a case to the grand jury and indicting somebody is that when the party indicted should come into court he would plead that he was acting by authority of the law of the United States, otherwise known as a code adopted under the authority of the Congress of the United States. His defense would be rather complete.

Mr. LEWIS. To which the answer must be that if the Sherman antitrust law prevails, as is apparently true according to the report we had yesterday of a case in a civil tribunal which sustained the law against Mr. Mellon and his company, therefore the law prevails to the degree that it cannot be urged that a mere provision of a code inconsistent therewith is superior to the law.

I differ from my able friend from Idaho, recognizing his great ability as a lawyer, that the Sherman Antitrust Act is suspended. I insist, respectfully, that it remains the law, subject, however, to the instances where there has been the representation that there should be an exception based on such facts as appear to be not in violation of the law. I invite the Senator from Idaho to recall that from his presentation of a few days ago of the cases of the United States Supreme Court there was omitted from his memory that the Supreme Court of the United States, other than in the Standard Oil case and the tobacco case, in what is known as the "Steel case", found a way to set forth that before the law is considered violated the method of union which brought the individuals together to consummate their deed of achievement as against those who may be competing with them must appear to have been a deliberate and "unreasonable" one in business. Then followed the Supreme Court of the United States in the later coal cases, which came from West Virginia but a short while ago. Here was laid down by the Court the doctrine that where it can be established that the combination would have the effect of lessening expenses and overhead charges resulting finally in a less price for the goods to be consumed, such course is justified under the law. Theretofore, the attainment of such purposes is within the province of the code and evidently by the members of the code justified.

Mr. BORAH. I agree perfectly that the Supreme Court of the United States and the code authorities have frustrated the effect if not the letter of the Sherman antitrust law. I do not disagree with the Senator on that proposition. think, even if the Sherman antitrust law were restored, it would have to be strengthened, in view of the decisions of the Supreme Court of the United States. But as the situation now is, it is impossible to prosecute such people as the Senator from Alabama complains of so long as they are protected by codes, as they are protected at this time. They are secure and may carry on their practices with impunity.

Mr. SHIPSTEAD. Mr. President, in view of the bill just introduced by the Senator from Alabama [Mr. BANKHEAD] dealing with the steel industry and steel code, and in view of the remarks of the Senator from Illinois [Mr. Lewis] and the Senator from Idaho [Mr. Borah] relative to the steel code, and because the matter of the N. R. A. is before the Finance Committee, I shall for a few moments invite the attention of the Senate to a condition which exists in one of the other large industries of the country, the paper industry, in order to show the actual condition as it affects invested capital and the employment of labor and the wages of labor in that industry.

Last spring the Joint Committee on Printing called for bids for approximately \$1,000,000 worth of paper. When the bids were opened we found there were 47 bids and that each bid was identical with every other bid. The price offered under the bids was 10 to 40 percent higher than the price of 1929. When the bidders were asked how they arrived at the identical price, whether they had come together and agreed upon the price, they said that under the open pricefixing regulation of the code every bidder had to make public his bid 5 days before the bids were opened, and when that was done any other bidder could amend his bid to meet whatever other bid he saw fit to meet.

As a result the bids were identical, but the prices were 10 to 40 percent higher than in 1929. When the bidders were asked why the price was so high compared with 1929 they said it was due to the high cost of labor under the code.

The committee adjourned its meeting and consulted the code authority to ascertain what was the wage scale in 1929 and what was the wage scale under the code. A memorandum was submitted which showed that the average man working in the industry in 1929 received at the end of the month \$125, showing that in that year the average worker in the northern zone had at the end of the month in his pay envelop that much money. The same memorandum showed that under the code the average man working in the industry in the northern zone had at the end of the month \$60 instead of \$125.

As a result of that information the committee called on the administrator of the code to explain how this was carrying out the provisions and purposes which we were told the N. R. A. was called upon to accomplish—to increase purchasing power, to redistribute in a more equitable basis the income of the country. We asked him to explain how that could be done under a code and under regulations where the average man now had only \$60 in his pay envelop at the end of the month instead of \$125 as in 1929.

The explanation we received was that in 1929 the industry was working 75 percent capacity and under the code it was working only 50 percent capacity. The code administrator said that as production increases men will work longer hours and as a result will have a larger income and more money in their envelop at the end of the month. It was suggested that we assume the industry reaches to 100 percent production, the hourly wage being the same under the code as it was in 1929, but under the code a man could only work 40 hours a week or 160 hours a month. If the production of the industry should increase 100 percent all that a man could earn under that wage scale and under the code would be a little over \$90 a month. That is all he could possibly earn and have in his pocket at the end of the month.

The administrator of the code authority was asked to explain how that would restore purchasing power and a more equitable distribution of income. His answer was, "We have put more men to work. We are giving more people labor and more people income." I asked the administrator, "How did you do it? You took work and income from one workingman to give to another on this basis: I have no job; the Senator from Illinois [Mr. Lewis] has a job; in order to give me a job and income, we cut down his working time and income. That is done in order that I shall have an income and have a job. That makes him support me. I am being supported and given an income at his expense. He being a workingman as I am, it makes the one workingman support the other workingman and makes the poor support the poor."

Industry under these regulations will receive from 10 to 40 percent more for their products than in 1929. When the administrator was asked why industry was entitled to such an increased income, he said, "Under the code they are prohibited from selling below cost of production. As production goes down, the cost of the finished product increases, the cost of production increases. When production goes down, the price goes up." Consequently, as the price goes up, less goods are sold and consequently production again decreases, and as production decreases the price again rises.

It is very clear that under such conditions we have a vicious circle, which will in time not only destroy the industry itself but which does not give more income to the average man working in industry; in fact, it gives him less. It makes the poor in the industry support the poor. While industry and capital invested may think that by charging 10 to 40 percent more than they received in 1929 they can carry the overhead fixed charges of overbuilt plants and

overcapitalization, it seems to me it is repeating the policies which were practiced for 15 or 20 years prior to the depression and which were so potent in bringing about the depression.

The administrator did not say that this condition came as the result of his administration. He said, "I am only the administrator. You gentlemen wrote the law."

Mr. KING. Mr. President, in view of the statement of the Senator from Illinois [Mr. Lewis], in which he seems to blame the Administrator or anybody except the Executive, I desire to call attention to section 5 of the act to encourage national industrial recovery, and so forth. That section reads as follows:

While this title is in effect, or in the case of a license while section 4 (a) is in effect, and for 60 days thereafter, any code, agreement, or license approved, prescribed, or issued and in effect under this title, and any action complying with the provisions thereof taken during such period, shall be exempt from the provisions of the antitrust laws of the United States.

While title I may have expired by limitation, the code dealing with the steel code, and other codes, were adopted prior to the expiration of title I.

It would seem that under the section of the law just read the antitrust laws were to be suspended, at least during the period title I of the act was in force. I do not think it can be doubted that many of those who were advocates of the N. R. A. Act hoped that the antitrust laws would be repealed, and there are many facts available which prove that combinations in restraint of trade have been permitted under the act, and that monopoly has been fostered and is flourishing in many industries. Senators will remember when the N. R. A. Act was under consideration-and it was urged that amendments be incorporated making it clear that none of the antitrust laws were to be suspended, modified, or repealed-that strong opposition was aroused to such amendments. I believed at the time that there was a desire to give to the industries a rather free hand to engage in price fixing and in monopolistic control of commodities.

An examination of many of the codes will reveal, as I believe, that they permit evils at which the antitrust laws were aimed. It certainly cannot be claimed that the code authorities—those who administer the act—were ignorant of the monopolistic provisions of many of the codes. The N. R. A. Act will expire by limitation within a short time. Many representations are being made for its continuance, and I have no doubt that some of the strongest supporters of the movement to prolong the life of the act are those who are connected with big industries and who have been and will be benefited under codes which promote monopolistic control of industry.

# WAR DEPARTMENT APPROPRIATIONS

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 5913) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1936, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. COPELAND. I move that the Senate insist on its amendments, agree to the conference requested by the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. Copeland, Mr. Hayden, Mr. Sheppard, Mr. Norbeck, and Mr. Townsend conferees on the part of the Senate.

# STATE, JUSTICE, ETC., DEPARTMENTS APPROPRIATIONS

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 5255) making appropriations for the Departments of State and Justice and for the Judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1936, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. McKELLAR. I move that the Senate insist on its amendments disagreed to by the House of Representatives, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. McKellar, Mr. Russell, Mr. Pittman, Mr. Hale, and Mr. Nyp conferees on the part of the Senate. WORK-RELIEF PROGRAM

The Senate resumed the consideration of the joint resolution (H. J. Res. 117) making appropriations for relief pur-

The PRESIDENT pro tempore. The question is on the adoption of the first committee amendment.

Mr. LONG. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	King	Pope
Ashurst	Costigan	La Follette	Radcliffe
Austin	Couzens	Lewis	Reynolds
Bachman	Cutting	Logan	Robinson
Bailey	Dickinson	Lonergan	Russell
Bankhead	Dieterich	Long	Schall
Barbour	Donahey	McAdoo	Schwellenbach
Barkley	Duffy	McCarran	Sheppard
Bilbo	Fletcher	McGill	Shipstead
Black	Frazier	McKellar	Smith
Bone	George	McNary	Steiwer
Borah	Gerry	Maloney	Thomas, Okla.
Brown	Gibson	Metcalf	Thomas, Utah
Bulkley	Glass	Minton	Townsend
Bulow	Gore	Moore	Trammell
Burke	Guffey	Murphy	Truman
Byrd	Hale	Murray	Tydings
Byrnes	Harrison	Neely	Vandenberg
Capper	Hastings	Norbeck	Van Nuys
Carey	Hatch	Norris	Wagner
Clark	Hayden	Nye	Walsh
Connally	Johnson	O'Mahoney	White
Coolidge	Keyes	Pittman	

Mr. LEWIS. I again announce the absence of the Senator from Louisiana [Mr. Overton] and the Senator from Arkansas [Mrs. Caraway], occasioned by illness, and the absence of the Senator from Montana [Mr. Wheeler], who is necessarily detained from the Senate.

The PRESIDENT pro tempore. Ninety-one Senators

have answered to their names. A quorum is present.

The PRESIDING OFFICER (Mr. Typings in the chair). The question is on the first amendment of the committee, found on page 1, beginning in line 3.

Mr. COSTIGAN. Mr. President, some time during the course of the discussion of the pending joint resolution it will be necessary to call attention to certain features of it which were not fully presented when the subject was last before the Senate. I take this opening to mention certain aspects of the joint resolution which deserve special attention, in the hope that if the joint resolution should not be disposed of today, my remarks may be of more than immediate use to Members of the Senate, whether now present or absent.

My suggestions are not devoid of embarrassment, because, above all, I do not desire to oppose the slightest obstacle. but instead am eager to hasten the enactment of any measure which promises substantial relief or work relief. Indeed, I am one of the Members of the present Senate who would go further, if opportunity were afforded, to promote needed and valuable public works in this country as part of our recovery program.

A great many of the difficulties Congress has been encountering with respect to the pending joint resolution arise from confusion in the public mind, and perhaps in the minds of some Members of the Congress, over the proper distinction between relief and public works.

Before the present proposals were brought to the attention of the country in legislative form, it was announced that a program had been prepared by which the employable unemployed in the United States on the relief rolls would be given employment on public works, or through some form of work relief, and that the unemployables in the United States would be passed to the several States, to be cared for exclusively by those States.

Evidence taken before the committees of Congress which have lately considered social-security legislation indicates that no such clear distinction as those who announced that program hoped for can be drawn between unemployed and unemployables.

Indeed, the question whether or not an individual is employable largely depends on the opportunities for work presented to that individual. In addition, it will be foundalready we have had abundant evidence of this-that many of the States are wholly unprepared to deal with unemployables within their boundaries, and that from now on, as heretofore, assistance to many States for an indeterminate time must necessarily continue to be given by the Federal Government to meet these needs.

Broadly speaking, we ought to do in the future as we have been doing: We should pass legislation which will give aid to the States in meeting their unemployment problems, and continue and enlarge our substantial program of Public

When one turns to the joint resolution before us, I think he must be impressed by the fact that the Appropriations Committee of the Senate, acting on the measure that passed the House, dealt summarily with the opening section. It did so first by striking out subdivisions (1), (2), (3), and (4) of the opening paragraph, which specified the original broad purposes of the administration in dealing with relief; and for language suggesting that its purpose was to promote the general welfare, provide relief from the hardships attributable to wide-spread unemployment, relieve economic maladjustments, and improve living and working conditions, the committee substituted words which declare the purposes of Congress to be merely to provide relief and work relief.

In so doing, the committee introduced into the legislation a new expression which will call for future construction by the courts, if the joint resolution shall be enacted into law in its now submitted form without further amendment. The question is raised, What is the intention of Congress in using the expression "work relief"?

In conjunction with this proposed legislation it should be remembered that the Public Works Act is to terminate in June of this year unless some provision is made for continuing it, and that if the Public Works Administration is to go out of existence at that time it may be on such language as that we now have before us that we must rely for future public works and public relief.

Considering the narrow possible construction which every trained lawyer in this body will recognize may be given by technically critical courts to the words "work relief", and the specific limitations imposed in the amendment of the committee on page 3 of the pending joint resolution, the question is very properly presented: After the termination of the Public Works Act in June 1935, if it shall then terminate, what will become of projects already initiated by the Public Works Administration which are certain not to be completed by that time? Also the question arises whether the specifications on page 3 of the joint resolution do not substantially limit the purposes to which the funds appropriated under the joint resolution may be applied?

The familiar rule that the specification of one thing is the exclusion of another may well be invoked with reference to the amendment on page 3 offered by the committee.

For instance, in our western country, plans have been initiated for the transfer, in the form of what is called "transmountain diversion", of waters from the western to the eastern slope of the Rocky Mountain, with a view to the application to our eastern soil of waters not needed in the west, but highly valuable on the lands to the east, which, though arid, are rich for agricultural purposes if water can be applied.

Bearing in mind the specifications in the amendment on page 3 and the language used in the amended opening section, I ask Members of the Senate to consider whether it will be possible to proceed with such transmountain waterdiversion projects if and when the Public Works Act terminates and we are left to the construction by the courts of the language now before the Senate.

Mr. KING. Mr. President, will the Senator yield? Mr. COSTIGAN. I yield.

Mr. KING. I call the Senator's attention to line 2, page 9, and to the words "reclamation projects" so that the section up to those words will read "Federal public-roads projects, river-and-harbor projects, reclamation projects."

Would not those words cover the point which the Senator is making, and permit the transfer of water from one watershed to another if for the purpose of reclaiming arid lands?

Mr. COSTIGAN. As a matter of fact, the transmountain diversion to which I was particularly referring is of a somewhat different character from that specified by the able Senator from Utah. In northern Colorado we already have rich agricultural land irrigated from the waters of the Rocky Mountains. It is, however, not possible to procure additional water on the eastern slope for the use of the farmers who till that land. It has been found feasible to divert water from the western slope, without any disadvantage to agriculture or water users on the western slope, for the purpose of supplementing the existing supply of water for the use of farmers in one of the richest agricultural regions in the world. The instance I refer to well illustrates the dangers inherent in a technical construction of any of the limiting language written into the joint resolution by the committee.

Another instance is a grant already made by the Public Works Administration to bring water from the western slope of the Rocky Mountains for the use of the citizens of Denver. In that case ordinary reclamation is not involved, but the future life of a great metropolis will manifestly be limited unless in some fashion, under such a project as has been initiated, it becomes possible to meet and anticipate

the needs of a large urban population.

Concerned as I am about this subject, naturally I have felt it desirable, and have submitted an amendment to the Senate with that in view, to add to the committee's specifications on page 3 definite references to irrigation and transmountain water diversion, which are not mentioned in the joint resolution.

With reference to another large proposed Government project, known as the "Caddoa Dam", more beneficial in certain respects to Kansas than to Colorado, located on the Arkansas River near the Kansas line, the question is likewise presented whether that particular enterprise may not be defeated by this proposed legislation?

The purpose of the proposed Federal construction to which I now refer is to impound on the Arkansas River near the Kansas line flood waters which from time to time wash the prairies and rush to and are lost in the lower Mississippi because there is no present structure to collect and hold those waters for proper utilization.

To a limited degree it may be urged that this objective, which is sought by citizens of Colorado and Kansas and States farther down the Arkansas River, will be attained and protected by the words "flood control", found on line 20, page 3. As a matter of fact, however, anyone familiar with western conditions, as the Senator from Utah is, must recognize that a proposal of that sort is more in the nature of water conservation than flood control, and one looks in vain through the limiting words inserted by the committee to find such words as "water conservation." Therefore, at the appropriate time I expect to move to have the words "water conservation" added with "irrigation", "reclamation", and "transmountain water diversion."

Mr. GLASS. Mr. President, let me ask the Senator. if I may, what he conceives to be the meaning of these words, "miscellaneous projects, \$350,000,000." Would not those words include anything on the face of God's earth?

Mr. COSTIGAN. Manifestly not, I will say to the able Senator from Virginia.

Mr. GLASS. Not manifestly not. Perhaps in the conception of the Senator not, but not manifestly not.

Mr. COSTIGAN. I am now attempting to speak from the viewpoint of the rules of interpretation and construction with reference to statutes which those specially trained in the law are accustomed to apply, and with all due deference, of course, to the able Senator from Virginia.

Mr. McCARRAN. Mr. President, will the Senator yield to

Mr. COSTIGAN. With pleasure. Mr. McCARRAN. I may say that in view of my experience in the committee-and I may take it as my own viewthe terms used on page 3 of the committee amendment are terms of limitation in my judgment. For that reason I have now pending an amendment to include the provision "irrigation and reclamation", because I believe these terms, with the specific sum attached thereto, are terms of limitation. That is my personal view.

Mr. GLASS. Three hundred and fifty million dollars for miscellaneous projects, with an authorization to the President to transfer \$800,000,000 in addition to that, would make a billion one hundred and fifty million dollars for miscellaneous projects, and I think "miscellaneous projects" com-

prehends anything on the face of God's earth.

Mr. McCARRAN. That might be true; but the Senator must of necessity, and the Senate must of necessity, read all the provisions of the section together, and, in reading them together, the Senator will find that at any time the entire amount of 20 percent may be taken away, so that any project which any Senator had in mind might be entirely out of the picture, especially in view of what I think is a fair application of the rule of statutory construction—that where there is specific mention of projects, that language is language of

Mr. GLASS. Of course, any project may be taken out of the picture. After all, the whole thing is within the jurisdiction of the President of the United States. He is not compelled to spend a dollar of this money, or he can expend any of the amounts enumerated for any of the purposes enumerated, or for purposes not enumerated; and, in addition to that, he may spend \$800,000,000 for any one of these purposes, or any miscellaneous purposes he may desire to take care of. The whole thing is in the hands of the President. practically without any restriction whatsoever.

Mr. McCARRAN. Which, to my mind, if I may have the indulgence of the Senator from Colorado-

Mr. COSTIGAN. I yield.

Mr. McCARRAN. Emphasizes the position taken by the able Senator from Colorado, who desires to have included here another specific term, naming a particular project; and, to my mind, that is all essential.

Mr. GLASS. But the President would not be obliged to spend a dollar for it.

Mr. McCARRAN. That is all the more in furtherance of the argument of the able Senator from Colorado, in that on the last of June Public Works will cease unless they have something to carry them on, and that should be emphasized in this measure.

Mr. GLASS. Public Works have a billion six hundred million dollars unutilized as yet, or did have it until the President apportioned it to relief; but it is well understood and has been publicly avowed that the purpose of the President is to transfer this money back to Public Works, and Public Works will go on just as they have gone on heretofore.

Mr. McCARRAN. May I interrupt the Senator from Colorado a little further?

Mr. COSTIGAN. I yield to the Senator from Nevada.

Mr. McCARRAN. The very fact that that billion and a half, which I will use as a round figure, has been already allocated, means that no other public works could be commenced, because the Secretary of the Interior has publicly stated-and I am rather quoting from memory now-that there have been already filed with him a list of projects the cost of which would approximate \$60,000,000, but half of the three billion three hundred million has already been expended, and the balance is allocated to projects now

Mr. GLASS. But any of these amounts, under the provisions of this measure, may be used-and that means may be spent or given away-in the discretion and under the direction of the President, and the President may use them and expend them through the medium of the Department of the Interior, just as he is doing now under the Public Works Act, or under any other agency of the Government through which he may care to give away or spend the money.

Mr. McCARRAN. Mr. President, I apologize to the Senator from Colorado——

Mr. COSTIGAN. I am happy to have the Senator from Nevada express his views as a member of the bar and of this body.

Mr. McCARRAN. My idea is-

Mr. GLASS. The members of the bar have not all the comprehension in this body. I am not a member of the bar, I am not a lawyer, but I think I can interpret plain English language as well as a member of the bar, perhaps. [Laughter.]

Mr. McCARRAN. May I say that I should be very glad to have the court of last resort of this great Republic admit the great Senator from Virginia as a member of the bar.

The PRESIDING OFFICER. Does the Senator offer that as a substitute?

Mr. GLASS. I might do better than the Court if they would admit me to the Court. [Laughter.]

Mr. McCarran. I am trying to carry the thought of the Senator from Virginia—and I know his seriousness and his far-sightedness—into the thought of the Senator from Colorado [Mr. Costigan] in this, that the public-works projects under the \$3,300,000,000 appropriation which we heretofore provided have already settled themselves, if I may use a common, understandable expression. They have been allocated. It seems to me if we apply the terms of statutory construction to page 3 of the bill, we are limited to the particular allocations set out in that particular amendment.

That is the reason why I am trying to express myself as best I can in furtherance of the idea which I believe is the idea of the Senator from Colorado, which is that, if projects are eliminated from those specifications for which specific amounts are set forth, they should, in order to be included, be mentioned in the amendment on page 3, either by a generic term or by a specific term.

Mr. GLASS. What does the Senator think this language means—"miscellaneous projects, \$350,000,000"? What particular project does he think that means?

Mr. McCARRAN. The very word "miscellaneous" sets it away from any of these projects and eliminates it. Therefore it should be made more specific.

Mr. GLASS. It comprehends everything, does it not?

Mr. McCARRAN. It might be construed to comprehend everything, but I am not afraid of that construction.

Mr. GLASS. And \$800,000,000 additional may be transferred to that fund; may it not?

Mr. McCARRAN. I am only going on the idea that where a specific thing is mentioned, all other things may be eliminated.

Mr. GLASS. There is not any specific thing mentioned in "miscellaneous projects." Everything is comprehended in "miscellaneous projects."

Mr. McCARRAN. All of which emphasizes my thought.

Mr. GLASS. I cannot see it that way.

Mr. McCARRAN. I am sorry.

Mr. BYRNES and Mr. BONE rose.

The PRESIDING OFFICER. Does the Senator from Colorado yield; and if so, to whom?

Mr. COSTIGAN. I yield first to the Senator from South Carolina, and I shall yield next to the Senator from Washington.

Mr. BYRNES. Mr. President, as to the interpretation to be placed upon this language, knowing that finally it would be construed by the office of the Comptroller General, I communicated with that office in order to determine what construction would be placed upon it under item 8, and cited reclamation as one of the projects to be undertaken under the appropriation for that purpose. It is the opinion of the Comptroller General that under item 8 reclamation would be properly construed, and that under item 7 irrigation would be properly included.

Mr. LONG rose.

Mr. COSTIGAN. May I ask the Senator from South Carolina whether the Comptroller General passed upon the significance of the words "work and work relief", as limiting language applicable to the entire measure?

Mr. BYRNES. No, Mr. President; I did not ask him that. Will the Senator yield further?

Mr. COSTIGAN. Yes.

Mr. BYRNES. Under P. W. A. and under the Federal Relief Administration, quite a large number of projects have been carried on. It was absolutely impossible to itemize them, to set them forth in detail. To attempt to describe them would necessitate itemizing from 60 to 70 different projects. That is particularly true under professional and clerical workers. It is true under many other items. I submitted to the Comptroller General a statement of projects heretofore undertaken by the Relief Administration and P. W. A. in order to determine, as far as it was possible, what construction would be placed upon that language. I did not submit the question as to relief or work relief, but solely as to various projects.

Mr. COSTIGAN. Was water conservation or transmountain water diversion included?

Mr. BYRNES. No; I must say that waterways and water conservation were not included.

Mr. GLASS. Mr. President, let me ask the Senator from South Carolina for what purpose we entered upon these public-works projects. Was it not for relief?

Mr. BYRNES. And work relief; I agree.

Mr. GLASS. I say for relief.

Mr. BYRNES. Yes.

Mr. GLASS. And was it not for work relief?

Mr. BYRNES. For work relief and for relief.

Mr. GLASS. That is what it is being done for; is it not?

Mr. BYRNES. Yes.

Mr. GLASS. That is all. Mr. LA FOLLETTE rose.

The PRESIDING OFFICER. Does the Senator from Colorado yield; and if so, to whom? The Senator from Washington [Mr. Bone] and the Senator from Wisconsin [Mr. LA FOLLETTE] have risen.

Mr. LONG. Mr. President, I shall ask to have my name added to the list of those who asked the Senator to yield.

The PRESIDING OFFICER. The Senator from Louisiana will be added to the list.

Mr. COSTIGAN. Mr. President, I will yield to the Senator from Louisiana after I shall have yielded to the Senator from Washington and the Senator from Wisconsin. I now yield to the Senator from Washington.

Mr. BONE. Mr. President, in connection with the discussion in which we have just indulged on the question of interpretation, let me suggest that the rulings of Mr. McCarl are now submitted to the court for final determination, so Mr. McCarl's is not the last word. We realize that.

Mr. BYRNES. That is a correct statement.

Mr. BONE. So that whatever interpretation Mr. McCarl, or even the Attorney General of the United States, may place on this law has no more finality than any interpretation of any Member of the Senate. But here is a rule of law which, I take it, the Senator from Nevada [Mr. McCarran] and the Senator from Colorado [Mr. Costigan] were invoking, and it is a matter of common knowledge that it makes no difference what our opinion may be, it is the rule applied by the court, commonly known as the "rule of ejusdem generis." I take it that is the rule to which the Senator was referring. Is that correct?

Mr. COSTIGAN. Yes.

Mr. BONE. That rule, briefly stated, is this:

In the construction of laws, wills, and other instruments, general words following the enumeration of specific things are usually restricted to things of the same kind (ejusdem generis) as those specifically enumerated.

That means that if this statute goes into court, as it probably will, the lawmaking body of this country will have to yield its interpretation to that of the courts. I do not know whether or not the Senator is correct, but I do know that that principle of law applies to the court as the final arbiter in the

case, and if the court should construe the law as the Senator | has suggested we may find ourselves facing that sort of a dilemma. I think every lawyer on the floor will agree with me on that. I merely suggest it as showing the propriety of the suggestion made by the Senator from Nevada.

Mr. LA FOLLETTE. Mr. President-

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Wisconsin?

Mr. COSTIGAN. I yield.

Mr. LA FOLLETTE. It seems to me this whole situation could be relieved, and the doubts which are in the Senators' minds could be dissipated, if we simply included in appropriate language the types of projects which are now authorized under section 203 of title II of the Industrial Recovery Act, which would comprehend all the projects which are now eligible under the P. W. A. Administration, and at the same time leave the matter entirely in the discretion of the administrators under this joint resolution. In other words, it would make it possible to complete the projects which the Senator from Colorado has indicated, and would remove any possible danger of a strict construction of this joint resolution, to exclude those types of projects which are now being developed by municipalities, counties, and States under loans and grants which they have obtained from the Public Works Administration.

Mr. COSTIGAN. Mr. President, the Senator from Wisconsin is proceeding in the same cooperative spirit in which I desire to act with the members of the Appropriations Committee and with the administration. It is to be hoped that this entire discussion will be regarded as a constructive and helpful effort on the part of us all to promote the ends which the able Senator from Virginia [Mr. GLASS] apparently regards as already achieved by the present legislation.

The Senator from Virginia has stated in substance that the President under this bill, in conjunction with the Public Works Act, and the other related acts, will have full authority to use all these funds for any purposes which will afford, as I understand the Senator, immediately or remotely, relief or work relief.

Mr. STEIWER. Mr. President, will the Senator yield at

Mr. COSTIGAN. I yield.

Mr. STEIWER. I agree with the Senator from Colorado that the phrase "relief and work relief" found in section 1 is in a sense a limitation upon the scope of the expenditure; but I am wondering whether the Senator is not unduly alarmed as to the extent of the limitation. In the Public Works Act—that is, in title II of the National Industrial Recovery Act—there is a very similar limitation, in that the appropriation is made to provide speedy employment; and yet under that act there has been no difficulty experienced, and the same type of projects for which the Senator now contends were in fact constructed without anyone raising any question so far as I am advised.

The supplemental act under which much relief work has been done is the Emergency Relief Act of 1933. It happens that that act provides that money may be granted to States for the same purposes contemplated in the committee amendment, namely, for relief and for work relief. I think I am quoting the words literally. So that the entire program of P. W. A. projects, and F. E. R. A. projects, or S. E. R. A. projects, as we call them, after the grant shall have been made to the States and to the governmental agencies, has been undertaken without embarrassment, and, I believe, without question, under language which is substantially the same as the language proposed by the committee amendment.

Mr. COSTIGAN. Mr. President, possibly the Senator from Oregon, whose suggestions I always find informative, did not hear my opening remarks, in which I emphasized that the Public Works Act, which, as the Senator from Oregon has said, is included in the National Industrial Recovery Act, is to terminate at the end of 2 years from the time of the enactment of the act. That will be, unless the may-

act is extended, on June 16, 1935. Part of the purpose I had in mind-and if necessary, I shall offer an amendment to that end-is to have that act continued, and the powers in that act and in the pending joint resolution, if the latter shall become a law, combined, under the direction of the President. The situation which I have been discussing is one which would arise if the Public Works Act and the powers there given should end; or, if the Public Works Act should continue without being interrelated to the pending relief and work-relief joint resolution. It seems to me that under such conditions the sums here being appropriated will not be available except for very definitely limited purposes.

Mr. STEIWER. Mr. President, will the Senator yield further at that point?

Mr. COSTIGAN. Certainly.

Mr. STEIWER. So far as I am now advised, I have no objection to the proposal which the Senator from Colorado makes, and think it might be very well if the scope of the P. W. A. Act with relation to projects should be written into the pending joint resolution, but I think it is true that the projects already authorized by the Public Works Administrator will all be financed from moneys that have been allocated for that purpose. The only exception is that group of projects covered by the diversion of \$175,000,000 recently made for relief. That comes out of the housing allocation, and out of some other limited allocations, and I think, generally speaking, does not affect the long-time projects which are under construction by the Public Works Administrator. At the same time, I would not quarrel with the Senator's proposal that the provisions of that act be written into the pending joint resolution with the idea that projects which are there authorized may here be undertaken also.

Mr. COSTIGAN. Mr. President, perhaps something which I shall now say may additionally fortify the willingness of the Senator from Oregon to join with us in the amendment we have in view.

The Senator from Virginia [Mr. GLASS] very properly asked the question, What is intended by the language "miscellaneous projects", on line 20, page 3 of the pending joint resolution? And assumed in asking that question that any project may be undertaken by the President with the funds here to be appropriated.

It had not been my intention to refer to the views of the Comptroller General until the Senator from South Carolina [Mr. Byrnes] did so. Concerned as I was about the possible construction to be given this language, last Friday afternoon I spoke to the Senator from South Carolina about it, and at the time he informed me that he had communicated with the Comptroller General's Office on this subject. Later he permitted me to look at the more or less informal opinion, I assume it to be, of the Acting Comptroller.

It is a very careful opinion, none the less, and I now invite the attention of the Senator from Virginia to certain qualifications placed by the Comptroller General on the possible use of the language "miscellaneous projects." In his opinion the Acting Comptroller General declares, speaking of miscellaneous projects:

The projects, "new construction, improvement or maintenance of transportation facilities "-

That language being quoted from a hypothetical question evidently submitted to the Comptroller General by the Senator from South Carolina-

The projects "new construction, improvement or maintenance of transportation facilities" and "new construction, improvement of public properties and publicly owned facilities" are too comprehensive in scope to be regarded generally as coming within the "miscellaneous projects" provided for under this item. Neither could this item be regarded as authorizing "submarginal land

Without specification by me of other projects considered by him unauthorized, the Acting Comptroller further says:

With the exception of the above, the projects listed-

Evidently by the Senator from South Carolina-

Leaving room here again for court construction, of | special consideration of such persons living in rural areas.

may be regarded as coming within the scope of this item.

Mr. STEIWER. Mr. President, will the Senator yield to me once more?

Mr. COSTIGAN. With pleasure.

Mr. STEIWER. Does not the Senator from Colorado feel that the language commencing in line 5, on page 3, will permit the acquisition of submarginal or other lands? I call attention to that language which is in the form of a proviso.

Mr. COSTIGAN. Will the Senator give me the reference again?

Mr. STEIWER. It is found on line 5, page 3, in the form of a proviso, and reads-

Provided, That except as to such part of the appropriation made herein as the President may deem necessary for continuing relief as authorized under the Federal Emergency Relief Act of 1933—

Under that act the Administrator of the Federal Emergency Relief Administration has acquired, I am told, about 15,000,-000 acres of land; an area equivalent to about one-third of the State of Maine, has been acquired, and the title is now in the Government of the United States. It has been acquired under authority of that act. I do not know just what the Senator from Colorado has in mind, but is he suggesting that we ought to broaden the act and include the further acquisition or provide an easier facility for the acquisition of privately owned land and taking that land off the tax rolls in order that the Government may use it for relief purposes?

Mr. COSTIGAN. What I am endeavoring to say is that, in my judgment, the Public Works Administration should be continued and that the powers given to the President with respect to that administration and the powers which are now sought to be given to the President for the purposes specified in the pending joint resolution should be so interwoven that the President may proceed under either

With further reference to the important question raised by the Senator from Oregon, I call attention to a further statement in the opinion from the Comptroller General's Office. Among the questions submitted to the Comptroller was one relating to the acquisition of submarginal lands. about which there was an inquiry a moment ago. There was another with respect to further expenditures mentioned by the Senator from Oregon. To show that this language does not as freely and fully authorize all the projects which the Senator from Virginia believes it does, I quote further from the opinion of the Comptroller General. He says, speaking in response to an inquiry about the acquisition of submarginal lands and other items-

All of these projects-

Referring to those previously listed in the lettermay be regarded as embraced within the item-

About which inquiry was made-

except (1) the construction of "houses", which is provided for

That is a different list of the Senator from South Caro-

and cannot be regarded as within this item.

I digress long enough to say that when the Comptroller deals with the other list of the Senator from South Carolina he qualified the possibility of constructing houses by saying, in substance, that such houses may not be con-structed in connection with "rural industrial communities" or with "subsistence homesteads." I resume the quotation from the Comptroller's opinion-

Except (1) the construction of "houses", which is provided for under item 4 and cannot be regarded as within this item; also (2) prosecution of work projects for the purpose of providing supplementary income (for destitute persons)—

The Comptroller says "etc.", referring to destitute persons, whom I have just mentioned parenthetically, with

He adds:

which appears to be beyond the scope of this item.

(3) The projects "prevention of soil erosion", "forestation and reforestation", "planting of shelter belts of trees", which projects are provided for under item (8) and cannot be regarded as within this item also; and (4) "acquisition of submarginal land", which project appears to be beyond the scope of this item.

The opinion, continuing, deals with a subject of great importance to many Members of this body. It has, I am sure, special significance, for example, for the Senators from Nebraska [Mr. Norris] and Washington [Mr. Bone].

Under item 3 inquiry had been made by the Senator from South Carolina about the possibility of carrying on rural electrification under the pending measure, and the comment of the Acting Comptroller General on the subject is this:

Under item 3, rural electrification, the only project listed is "extension or provision of electric service in rural areas, including any necessary acquisition of land for right-of-way or other purposes.

Showing how narrowly members of the bar-who have been rather lightly referred to here, notwithstanding the fact that our judges must be recruited from members of the bar-deal with language of this sort, let me read what the Comptroller says. It is this:

With the understanding that the "other purposes" includes only acquisitions such as for transmission lines and poles, but not for the erection of power houses or substations, the stated project may be regarded as within the scope of the appropriation

In other words, as I read the language of the Acting Comptroller General, it would, in his opinion, be possible to build transmission lines for rural electrification, but it would not be permissible for the President, in connection with such lines, to authorize the construction of power houses or substations. What now becomes of the broad objectives which the Senator from Virginia is assured may be achieved under the pending measure? I am not critical. Everyone knows there are difficulties about the satisfactory preparation of legislation of this sort. As I said at the outset, my only purpose is to be as constructively helpful as it is possible to be in framing proper legislation to give in our persistent crisis the widest amount of possible employment in the United States as part of our recovery program.

Mr. SHIPSTEAD. Mr. President, will the Senator yield? The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Minnesota?

Mr. COSTIGAN. With pleasure.

Mr. SHIPSTEAD. I think the Senator has brought out a very important matter; not only important, but to me very surprising. If the Government should extend lines for rural electrification and buy poles, but not be able to build generating stations, these lines would be required to take over electricity from private plants already established, companies held by holding companies with whose records we are somewhat familiar. It seems to me under that arrangement we would only be building a distributing system for private industry without any control whatever over the price at which the electricity should be sold to the farmers, unless there is something else in the measure touching upon that subject.

I am very much interested in the subject of rural electrification, not for the purpose of exploiting the farmers, but for the purpose of giving them a necessity of life at a price they can afford to pay. I am very grateful to the Senator for bringing this to the attention of the Senate, and I hope he will continue his discussion.

Mr. COSTIGAN. The Senator, in my judgment, clearly right in the conclusion he has reached from the Comptroller's opinion.

Without reading further, I trust the considerate Senator from South Carolina [Mr. Byrnes] will consent at this time to have placed in the RECORD the opinion of the Acting Comptroller to which he first referred and which is now being reviewed in some detail, so that Members of the Senate may have an opportunity to examine that opinion with care before discussion of the joint resolution shall have been possible to comply with that request?

Mr. BYRNES. Mr. President, it is my intention, in view of the discussion that has gone forward here, to place in the RECORD the statement of the type of projects submitted to the Comptroller General with the request that he furnish informally an opinion as to whether or not they would come within the classification set forth in the bill.

In doing so, however, I invite the attention of the Senator from Colorado to the fact that while the Comptroller sets forth in one or two instances that a certain project would not be deemed by him to come within the classification provided in that particular item, yet in some other items in the classification on page 3 the project is in his opinion authorized.

That the Senate may have the benefit of the opinion of the Comptroller I shall place in the RECORD the list of projects which are submitted to him, simply indicating the general type of work falling under each type of classification, and then follow it with the letter to me from the Comptroller General's Office.

Mr. COSTIGAN. The Senator from South Carolina does not question the reference which has been made to the erection of power houses or substations in connection with rural

Mr. BYRNES. It is contended by the lawyers who participated in the drafting of the joint resolution that it is covered by the language. I think, too, if the Senator from Colorado heard the statement made by the Senator from Oregon [Mr. STEIWER], he will agree that under the Federal Emergency Relief Act of 1933 the Federal Relief Administration today is using funds to purchase submarginal lands, and as the pending joint resolution and the pending amendment authorizes the use of funds therein appropriated to continue relief as authorized under the act of 1933, there would be authority to continue the purchase of submarginal lands as they are now purchased.

Mr. COSTIGAN. Does the Senator contend there is in the pending measure any extension of the authorization granted to the Federal Emergency Administration of Public Works which is to expire next June?

Mr. BYRNES. No.

Mr. COSTIGAN. I asked the last question in order to invite the attention of Members of the Senate to another and important related question. As already suggested, if the Public Works Administration should terminate within the next 2 or 3 months, as Congress provided it should, if there should be no extension of the life of that agency, we would largely be driven, as I view the statutory situation, even if the joint resolution is passed, before we could continue with many important projects already started, to await the construction the courts may give to the new language of the pending joint resolution. For instance, today I asked some well-qualified attorneys who have been dealing with the Public Works Administration to give me their opinion on that subject. I trust that what I have to say will be specially considered by Senators who are now here and are following this discussion.

It was suggested by the attorneys who have been giving special attention to the legislation in this field that under the joint resolution as it passed the House and in its present form the projects already undertaken, such as Grand Coulee, Bonneville, Casper-Alcova, and so forth, will be subject to abandonment unless special appropriation bills are enacted by Congress for the completion of such projects.

In addition, I have reached the conclusion that unless some such consolidated program as I have suggested is worked out, there will be a failure of appropriations to the P. W. A. already made and not covered by contracts on June 30, 1935, in the amount of about \$75,000,000, which will go back into the Federal Treasury.

In addition, the likelihood is that our program for recovery will be deprived of the use of the moneys in the revolving fund, derived, or to be derived, from the sale of Reconstruction Finance Corporation securities possessed by the Public

concluded. Does the Senator from South Carolina find it | Works Administration; and over the period of the next 2 years it is estimated that this revolving fund may well aggregate upward of \$500,000,000.

In addition, and in some respects much more important, I am advised that there will be no means for inspecting, supervising, and carrying on approximately 2,000 non-Federal P. W. A. projects which will be under construction on June 16, 1935; that at the same time approximately 1,000 additional P. W. A. projects will be ready to go into construction over which the Government would have no supervision or control: that commitments have been made on all these projects, but that there would be no adequate machinery for carrying out these commitments and protecting the interests of the Federal Government by means of an experienced central organization which would supervise all accounting, legal, financial, and engineering arrangements.

There are other consequences which may be expected from the pending legislation unless safeguards are thrown around the action of the Congress on this very important subject.

I wish now to refer briefly to one other feature of the pending measure which should receive the attention of the Senate.

On page 7, line 6, the committee struck out the authorization given to the President in the joint resolution as it passed the House-

To make grants and/or loans and/or contracts.

If that amendment should be adopted, and if the joint resolution as it would then stand be read in connection with the words "provide relief and work relief" on line 8 of page 1, apparently no authority would be given to the President to use any of the funds specified in the joint resolution to make loans as heretofore made under the Public Works Administration, let us say, for the construction of municipal electric-light and power plants—and that is only one illustration selected out of a wide possible number. Why? Because it is reasonable to believe that the courts will hold that the erection of a municipal light and power plant is not relief and is not work relief. It is in the nature of a self-liquidating project, the Government advancing funds which ultimately are to be returned to the Government; and if the Public Works Administration shall be terminated nothing is more certain than that the private utility interests of the country will immediately invoke the language here employed by Congress to prevent any further construction through the use of funds contributed by the President to various municipalities in this country. Numerous projects of that sort are said to have been initiated by the P. W. A. In my judgment, they will be halted.

Mr. SHIPSTEAD. Mr. President-

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Minnesota? Mr. COSTIGAN. I yield to the Senator.

Mr. SHIPSTEAD. What would bar a municipality from making a self-liquidating loan, if the Senator's contention is correct, would also bar a farmers' cooperative county unit which might want to borrow money through a self-liquidating loan to electrify the rural communities of a county.

Mr. COSTIGAN. Mr. President, the Senator from Minnesota emphasizes what I ought to have said in the first instance—that apparently there will be no power to make loans. under the language of the joint resolution as it has come to the Senate from the committee. One limitation is in the words "relief and work relief." If the suggestion made by the Senator from Minnesota falls within either group, it may be urged that loans might be made. However, there is no specific authority; and it is, I should say, the wellconsidered judgment of able lawyers, who have examined this proposed legislation and are familiar with court actions with respect to this type of legislation, that there will be no power to make loans.

Mr. SHIPSTEAD. I cannot conceive of Public Works projects that would give more employment for unemployed labor than the projects which might be initiated to electrify farm communities; and I should be very much disappointed if that could not be done under this joint resolution. As a matter of fact, if the Senator's contentions are found to be correct and authoritative, I should not think of voting for the joint resolution.

Mr. COSTIGAN. Before I conclude, I desire to refer to a very interesting phase of one of the amendments offered to the Senate by the committee, and placed in the measure since it left the House of Representatives. I refer now to page 3, lines 17 and 18.

In the amendment of which those lines are a part, it is proposed that the appropriation shall be available—I am reading, in part, ahead—

For the following classes of projects: \* \* public projects of States or political subdivisions thereof.

What is the significance of that clause? It is the general view of those who have most carefully examined the law on this subject that political subdivisions do not include any organization which does not have taxing power, or organizations other than the habitual subdivisions of a State such as counties or municipalities.

Mr. KING. And school districts.

Mr. COSTIGAN. Yes; and school districts, as the Senator from Utah has suggested. Such a project as the Casper-Alcova reclamation project is believed not to come within that class. Certain projects such as I have enumerated, some in the State of Washington, others in the State of Nebraska—there are many others which might be cited—are under a different form of organization than the one definitely specified in the lines to which I have directed the attention of the Senate.

Mr. KING. Mr. President-

The PRESIDING OFFICER (Mr. ASHURST in the chair). Does the Senator from Colorado yield to the Senator from Utah?

Mr. COSTIGAN. I yield to the Senator from Utah.

Mr. KING. I wish to inquire if the Casper-Alcova project was not undertaken under the terms of a reclamation and irrigation project? That was my understanding. I know that at the White House, where these irrigation projects were discussed, it was understood—at least I derived that opinion after the presentation, and the then Senator from Wyoming, Mr. Kendrick, was present—that the Casper-Alcova project would come under the authority which was granted in the former act as an irrigation or reclamation project.

Mr. O'MAHONEY. Mr. President-

Mr. COSTIGAN. I yield to the Senator from Wyoming. Mr. O'MAHONEY. In response to the Senator from Utah, let me say that the work on the project is being done by the Bureau of Reclamation, but the funds are those which have been appropriated to the Public Works Administration; and, of course, for any further work it might become necessary to use funds that are now being appropriated by this joint resolution.

Mr. COSTIGAN. Similarly, it is my understanding that unless we adopt some amendments of a remedial nature, the funds may not be available for the construction of hospitals. At least that is the judgment of some qualified attorneys.

Mr. BONE. Mr. President-

Mr. COSTIGAN. I yield to the Senator from Washington. Mr. BONE. I wonder if the Senator will express an opinion on this point:

Suppose a quasi-public body, or something bearing some relationship to a public body in its legal characteristics, should be set up, for instance, to operate a toll bridge, that body would not have taxing power, but it would be an instrumentality either of a State or of some political subdivision of a State, like a county. Is it the Senator's viewpoint that, even though that sort of a bridge might be self-liquidating under a provision by which its revenues would be impounded and pledged for the payment of bonds that had been issued under authority of law, it would not come within the scope of the measure as it is presently drawn?

Again, may I ask whether the amendments, tendered or being tendered by the Senator from Colorado, will get at these matters which he mentions and remedy these omissions?

I have rather bracketed this question in order to get an answer on both points.

Mr. COSTIGAN. Mr. President, in answer to the first question of the Senator from Washington, in the case mentioned, the authority apparently would not be given under the joint resolution as it stands to make a loan for the purpose he specifies, or to continue a loan in regard to an enterprise which might have been undertaken under the Public Works Administration.

Mr. ADAMS. Mr. President, is the Senator from Colorado clear that any loan could be made under this measure?

Mr. COSTIGAN. My judgment is that no loans are authorized under the pending measure with one exception to be mentioned.

Mr. BONE. Mr. President, will the Senator yield further? Mr. COSTIGAN. I yield.

Mr. BONE. I have discussed these matters and kindred matters with the Senator from Colorado and I wish to ask him now whether he has presented the amendments which he thinks will cover these deficiencies.

Mr. COSTIGAN. I have several amendments with that purpose in view, and it is my understanding that the senior Senator from Washington and his colleague, the junior Senator from Washington, have prepared amendments along the same line.

Mr. LONG. Mr. President-

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Louisiana?

Mr. COSTIGAN. I yield.

Mr. LONG. As I understand it, loans are not contemplated under this measure, according to what the Senator from Colorado thinks.

Mr. COSTIGAN. That, broadly speaking, is my interpretation of the measure.

Mr. LONG. That would be my interpretation. Let me ask the Senator about something else. I believe the statement of the Senator from Virginia was that, as a matter of fact, in effect the pending measure does not require the President to do anything, and pretty well gives him the right to do anything. In other words, it would practically hand him \$5,000,000,000, about as much money as there is in the whole United States, and would say, "You do not have to do anything, or you can do something." Do I understand the Senator to differ from that?

Mr. COSTIGAN. The measure as introduced in the House contained authority of the sort mentioned by the Senator from Louisiana. What I have been urging this afternoon is that certain restrictions have been written into the joint resolution by the Committee on Appropriations which impose definite limitations on the power to proceed, and that those restrictions will have unexpected and unintended effects if for any reason Congress should later conclude to let the Public Works Administration terminate, as Congress has heretofore declared it shall terminate, in June of this year.

Mr. LONG. Mr. President, will the Senator yield further? Mr. COSTIGAN. I yield.

Mr. LONG. I do not believe the Senator quite understood what I tried to ask. Probably I did not make it clear.

Mr. COSTIGAN. What I am endeavoring to say to the Senator from Louisiana is that the pending joint resolution does impose restrictions on the President, some of which, in my judgment, are distinctly regrettable, and are not in the public interest.

Mr. LONG. As a general rule, however, the President could use the money, or he would not have to use it at all. He would not have to do anything. That is the first thing. Mr. COSTIGAN. That is true.

Mr. LONG. In the first place, he could say, "I have \$5,000,000,000, and I am not going to do anything. I am just going to sit here and wait a while." Then he waits a year. Then he says, "I have a right to build \$800,000,000 worth of roads wherever I want to build them, whenever I want to build them."

The President goes down to the next enumerated item—and I am not going to try to be accurate about it, but I am just giving an illustration—and he says, "I have so much money here to spend on flood control if I want to, or not to spend if I do not want to." Then, after he gets through with that, he says, "I can take 20 percent away from all of it and go out and hunt up something brand new and do it, or I do not have to do that."

In other words, I must say this, because I once was entrusted with spending money, a hundred million dollars—and that was more money than I thought I would ever see or hear of again; but the measure before us would appropriate \$5,000,000,000, which a man can spend or does not have to spend. He can spend it where he wants to, or he does not have to spend it.

What would be the objection to specifying where the money is to be spent? I want to be frank with the Senator. In Louisiana we would be due to receive about one-fiftieth of this amount, based on area and population. That would give us, say, \$100,000,000 in Louisiana, and I am just assuming that that would be an average way the money would be gaged. What would be the matter with our enumerating where we really needed public works?

I wish to say this: That we can take \$20,000,000 in Louisiana, if Congress will enumerate the items, and do more good than was done with the last money the Government spent in the State, if they will enumerate the items according to what the authorities think ought to be done.

What would be the objection to our calling in the representatives of the States, instead of having these bureaucrats handle the matter, and enumerate some of the things, so that we would really know what the measure is about? No one knows what he is voting for. I am afraid Senators do not. Perhaps I might run counter to my friend the Senator from Colorado, but I believe nobody knows what he is voting for. To my mind, according to the Senator from Virginia, that is the one certain thing here, that nobody knows what he is voting for.

Mr. COSTIGAN. Mr. President, the Senator from Louisiana has asked a question, and has in effect answered it in what might well have been his own time. However, it seems to me, in all seriousness, that it ought to be stated that there are difficulties about attempting here and now to allocate relief work, State by State, partly because the suggestion which naturally follows is that we might be asked to apportion works so allocated somewhat on the basis of population.

Mr. LONG. Mr. President, will the Senator pardon me if I interrupt him again?

Mr. COSTIGAN. I yield.

Mr. LONG. I wish to state this, that they are spending in my State today around one and three-quarters millions of dollars per month for relief, and we are also asked to pass the pending measure. In my opinion, in the State of Louisiana—and it is an average State—if the State authorities were let alone and had \$20,000,000 they would not need \$100,000,000.

The sad thing about this is that the President is called upon—or he wants to; I will put it that way, it seems he wants this kind of authority; he wants to have the right to go out tomorrow and set up greater expending and constructing organizations than 48 State governments have.

Those of us who have constructed highways know that it takes years to set up a highway organization capable of spending \$50,000,000. But according to this measure, for every State he wants a hundred million dollars, and he has to set up an organization of supervision, of inspection, and the means of outlining the plans, and what it is all going to be spent for; and at the same time he does not have to spend anything.

Would not the Senator think it would be better to call in the representatives of the States and see what they need, and enumerate the allocations ratably, or somewhat fairly, somewhat proportionately, as to what is to be built in States, and what is not going to be built? Mr. ADAMS. Mr. President, will the Senator yield? Mr. COSTIGAN. I yield to my colleague.

Mr. ADAMS. The testimony of Mr. Hopkins before the committee showed that it was the intention to distribute the moneys provided by the joint resolution among the States in proportion to unemployment. That would result in this: That one-third of the appropriation would go into four States; one-half of the appropriation would go into nine States.

Mr. COSTIGAN. Mr. President, I was about to say, in answer to the helpful suggestion of the Senator from Louisiana, without joining in any criticism his remarks may have implied, that his indication of a course which might possibly be pursued would lead us normally to a distribution of relief on the basis of population, or on the basis of relief needs, which is something different from population; or, preferably, on the basis of the best places to undertake certain large public works, such, for instance, as Boulder Dam and the Coulee project in Washington.

It is conceivable that large amounts of money might be expended in places where, merely counting the number of people out of work there, such expenditures would not normally be made, and unemployed persons could then be diverted from other centers of unemployment to work on such projects.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. COSTIGAN. I yield.

Mr. NORRIS. One of the things we ought to avoid in passing this kind of legislation, it seems to me, is the possibility of getting ourselves in such a position that we would

be passing a "pork barrel" measure.

I do not desire to disregard population and distribution of benefits. I do not think we ought to. That is something to consider, but it ought not to be the predominating factor. Neither can we say we are going to adhere to a strict rule such as Mr. Hopkins has laid down, that we are going to divide relief up among the States where relief is needed. I can conceive of a locality needing relief and having a great deal of unemployment, but there is not any project there of such size as that the Government could make an expenditure of money and provide for the employment of men.

If we are going to develop a project which will be useful in the future we must go where the project is. We cannot build a Fort Peck project in Maine or Massachusetts, although we could squander the same amount of money there that we have used in the building of the Fort Peck project. We might easily imagine a condition in Montana under which there would be not a single instance of unemployment, but the Fort Peck situation would be there just the same. If we wanted to develop that project we would have to go there to do it.

It seems to me we get into difficulties the moment we undertake to lay down a rigid rule which must be followed. and try to make in this appropriation an equal division of the money between the different States of the Union. It is unemployment we want to relieve, and we want to do it in such a way that the country will have something to show for it afterwards. If Fort Peck is developed, the theory at least-and I think it is a good one-is that it is going to help more people outside of Montana than it will in Montana. It will go a long way toward preventing floods in Louisiana and other States through which the Mississippi and the Missouri Rivers flow. Yet Fort Peck is only in one place. So it seems to me we might take up another project and make the same analysis of it. I think it would be the height of folly if we should undertake to say, "New York has such a population and Rhode Island has such a population; we will divide according to population"; or "New York has so many unemployed, and we will divide it in that way." Those factors ought to be considered, I concede, but in addition to that we ought to consider constructive methods of doing things so that while we relieve unemployment we do something of lasting benefit to future generations.

Mr. LONG. Mr. President, will the Senator from Colorado yield to me?

Mr. COSTIGAN. I yield to the Senator from Louisiana. Mr. LONG. My friend from Nebraska [Mr. Norris] mentions the proposition of "pork barrel." There is just the question of who is going to get something out of the pork barrel." I do not subscribe to the doctrine particularly that Congress is "pork barreling" out an appropriation, but every Congress is going to decide where the money is going to be spent, or the Executive or bureaus of the Executive are going to decide it. Someone is going to do what is called the "pork barrel" work. You cannot get away from what they call the "pork barrel" work.

Now it is a question of whether or not we want the men who appropriate the money to say where it is going to be spent, or whether to leave out "pork barrel." The facts are very clear. My friend from Nebraska mentioned flood control. We had the flood-control work prescribed by Congress, and it had been set out and going along for years and years and years. All of a sudden the P. W. A. an-nounced over night, "Flood control in this area is suspended, and we do not know whether we are coming back or not." They did suspend. They closed the offices. They discharged the force of engineers who had been working on that river for many, many years. Suddenly there came in with the P. W. A. another bunch of engineers who had never heard of the river, and after about 6 months they found out where the river bent and did not bend for 5 or 6 miles.

Then they came out with the statement, "Why, this State did not contribute certain funds when we were dealing with the relief part of the money." One State, they said, had not contributed any money, but they were going to excuse that State because it was not able to contribute any money. They came along to another State and said that State had to contribute or they were not going to continue to provide relief inside of the State. One State, so far as I was able to tell, was in no different condition than the other State. They were on all fours. As a matter of fact, I could name the States, and no one would be able to discern the difference between them.

Not only that, but in dealing with this kind of money they go into one State and say, "This money is going to be administered by the State authorities." They go into another State and say, "This money cannot be administered by the State authorities." There is no rule of consistency at all. It is in the hands of the executive department; I care not whether or not it be said it is in the hands of the President. He is no more infallible than is Congress or anybody else. It is put into the hands of those he names, and as a general consequence I want to say to my friends from Nebraska and Colorado that the men sent into the States have to learn first what are the various and sundry affairs in the States before they are in position to administer anything.

When we provide \$5,000,000,000 and say, "It is better to have this put into the hands of the President, to let him do just what he pleases", does anyone think that fund is going to be less out of politics with him spending it as he pleases than it would be if specific provisions were written in the act? And is it a fair thing with the Presidential election coming on-and I speak absolutely frankly and fairly and truthfully—is it a fair thing to give that man \$5,000,000,000 to spend where it will do the most good, and to spend when it will do the most good, or to not spend it at all? Is anyone going to forget that at the time of the last election, when Maine had already elected a United States Senator, that State was left out of the list for future money, and that Louisiana was left out of the list of those getting money because it would not do any good whether they spent it there or not?

Those are things to which you cannot shut your eyes. They are happening all the time, and they are certain to happen here; and I do not care what country you went to, they would happen there-wherever mankind spends money

\$800,000,000, but that he could spend a certain amount of money on public roads, and allot that public-road money as it has been allotted during all these years past. Has the method we have adopted and worked out for allotting money on public roads been found at this late date to have been at fault during all the time it was in use? Is the system which we worked out, based upon area and population, for the equalization of the two factors, found now to be all wrong? Is it better to have the President say, "All right; I am not going to spend any money in the South"? And why not? Because the Southern States are going to go Democratic. They will go Democratic anyway. I know what I am talking about. They do not spend election money in the Southern States. They do in Tennessee—it gets doubtful every once in a while-but they do not spend it down in Louisiana or in Mississippi, because we go Democratic all the time.

The President is a candidate for office. He is running for reelection. He is as much interested in the Presidential campaign right now as he is in anything else. We are going to give a candidate for office \$5,000,000,000—more money than the United States ever appropriated in all its history. This is the biggest appropriation measure, I am told, ever passed in any country at any time, not only in America but going back to the days of Pharaoh, when Pharaoh first saw the scribe who came in to tell him how to spend money. This is the biggest appropriation bill ever passed at any time by any country; and we propose to give \$5,000,000,000 to this man. who is running for the office of President of the United States, and say to him, "Mr. Candidate for President of the United States, here is \$5,000,000,000. Take this money, and if you do not want to spend any of it you do not have to spend a dime, and if you want to spend some of it you can spend it just as you see fit. If you do not want to spend any of it in Ohio, you do not have to do so: and if you think the situation in Kentucky is doubtful, you can put a wad over there." That is what this measure means.

I have run for office too much, Senators, not to know that those factors weigh with any man who ever was a candidate. It is perfectly natural that they should weigh with him. Men who argue anything else are arguing against reason and against 150 years of history. There never was a man who was a candidate for office who could dissociate himself from the spending of a little money where it would do the most good.

Mr. COSTIGAN. The Senator from Nebraska [Mr. Nor-RIS], as is often the case, was entirely right in his observation that the great majority of the Members of this body do not want any measure in the nature of "pork barrel" legislation, and if there was any intimation to the contrary in any of my earlier remarks, I hope it will be understood I do not underwrite any such contrary sentiment.

Mr. NORRIS. Mr. President, will the Senator yield? The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Nebraska?

Mr. COSTIGAN. I yield with pleasure.

Mr. NORRIS. I want to assure the Senator from Colorado that I was not thinking of him when I referred to a "pork barrel" proposition. I referred to it as to what I thought would be the natural result of the proposition of the Senator from Louisiana. I thought it would naturally result in a "pork barrel" measure if we followed that scheme and that plan. I am in hearty accord with what the Senator from Colorado is trying to do; I should like him to succeed, and I want to help him all I can.

Mr. COSTIGAN. I thank the Senator.

Mr. President, before I conclude I should refer to a question asked me a short time ago by my Colorado colleague [Mr. ADAMS]. There is a provision in the joint resolution to be found on page 4, lines 3 to 10, that was inserted by the committee of which the Senator from Colorado is a member. It refers to loans. If the Senate shall adopt that amendment, it will authorize certain loans to which I, for one, have no objection in this bill, namely-

or controls such things.

I ask why could we not say, "So much money shall be spent on public roads"?—not that the President should spend in the president s

And so forth. What I desire to emphasize, however, with respect to that clause is that by the specification of "loans" to farmers", if we shall adopt the clause, we will by implication and clear inference exclude any other loans under the joint resolution. This seems to me a noteworthy additional fact for the Senate to consider.

Mr. NORRIS. Mr. President-

Mr. COSTIGAN. I yield to the Senator from Nebraska.

Mr. NORRIS. I certainly must have misunderstood the Senator, but, as I understood him, he said that if we should adopt that amendment we would, in effect, prevent the making of loans for any other purpose than therein stated.

Mr. COSTIGAN. We will authorize loans to farmers, but, in the absence of some other authority under the joint resolution, by implication we will exclude loans for other purposes.

Mr. NORRIS. As I understand, if we should let that amendment stand and then should adopt the amendments on page 1 and the one near the top of page 2, thus narrowing the purpose merely to provide relief and work relief, the Senator's contention would be correct, but if we should reject those amendments, I do not see that the adoption of the other amendment to which he has referred would have such

Mr. COSTIGAN. The Senator evidently did not hear the early part of my discussion, in which I urged that the words provide relief and work relief", on line 8, page 1, bring into the legal picture another expression tending to narrow the uses to which the funds appropriated may be put, and that some courts are likely to seize upon new language of that kind to enjoin the prosecution of public work such as municipal light and power plants, since they may be regarded as not in the nature of either relief or work relief, but rather as aid to municipalities in erecting self-liquidating projects.

Mr. NORRIS. I do not believe when we understand each other that there is any disagreement between the Senator from Colorado and myself. He is arguing on the theory, I believe, that we shall agree to the amendment on page 1 and thus narrow the discretion of the President somewhat by leaving only relief and work relief.

Mr. COSTIGAN. Yes. Mr. NORRIS. I was asking the question as to whether that conclusion would be correct if we rejected that amendment on page 1 and left the joint resolution as the House passed it. Then, there could be no such conclusion as the Senator seeks to draw from the adoption of the amendment on page 4.

Mr. COSTIGAN. If left as the House passed the joint resolution, without the substitution of the committee's amendment, the joint resolution would clearly have much

further reaching implications.

Mr. NORRIS. It seems to me it would. Mr. COSTIGAN. The question still remains, however, whether at some point in the joint resolution we should not include a specific reference to loans, as the other House did in another amendment rejected by the committee.

Mr. NORRIS. That is what I was going to say. another amendment the committee has made striking out the loan provision.

Mr. COSTIGAN. As the bill originally passed the House

It permitted loans. Mr. NORRIS.

Mr. COSTIGAN. It permitted loans, as the able Senator from Nebraska has just indicated.

Mr. GLASS. Mr. President, let me deal-

Mr. COSTIGAN. Mr. President, I am just about to yield

Mr. President, may I say in conclusion that as the discussion progresses I expect, from time to time, to offer occasional amendments to the joint resolution, based on the remarks I have been making, and that I hope the Senator from South Carolina will permit the inclusion in the RECORD, immediately following my remarks, for consideration by Members of the Senate between now and our next session, the entire opinion of the Acting Comptroller General.

Mr. BYRNES. Mr. President, I ask that there may be printed in the RECORD at this point the letter, dated March

7, from the Acting Comptroller General of the United States. to which reference has been made.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL OF THE UNITED STATES, Washington, March 7, 1935.

COMPTROLLER GENERAL OF THE UNITED STATES,

Washington, March 7, 1935.

Hon. James F. Byrnes,

Committee on Appropriations.

My Dear Senators: You have requested the views of this office as to whether, in the event House Joint Resolution 117 becomes a law in its present form, the appropriation items as listed in the break-down in the first proviso of section 1 of the bill will be available, respectively, for the classes of projects listed in a memorandum submitted by the Federal Emergency Relief Administrator.

Under item 1 of the break-down, "Highways, roads, streets, and grade-crossing elimination", it is stated in the memorandum of the Administrator as follows:

"This would include such projects as bridges; construction of routes to avoid congested areas; express highways; farm-to-market, feeder, and secondary roads; grade-crossing eliminations; highways; acquisition of rights-of-way and adjoining territory; land-scaping and beautification; parkways; reconstruction of existing grade-crossing structures; repair, maintenance, widening, extension, and relocation of highways; roads and streets; sidewalks, paths, and gutters; streets; construction of other facilities to improve the free flow of traffic or to mitigate existing hazards to pedestrian or vehicular traffic; surveys and plans for projects under this general classification." general classification."

with the understanding that the "landscaping and beautification" and "parkways" will be confined entirely within the rights-of-way, each of these classes of projects would appear to be covered by the item except the one for acquisition of "adjoining territory." This appropriation item would not be available for the acquisition of any territory other than for rights-of-way.

Under item 2, "Rural rehabilitation and relief in stricken agricultural areas", there are listed in the memorandum:

"Furnishing subsistence goods and services (food, clothing, shelter, medical service, school supplies, etc.) to destitute families in rural areas.

"Furnishing farm equipment and supplies, mules, horses, cattle, barnyard stock, seeds, fertilizer, and other rehabilitation equipment necessary for the operation of farms in order to enable destitute families to become self-sufficient on the land.

"Acquisition of land for rehabilitation purposes.

"Supervision and advice in connection with rehabilitation of destitute families.

destitute families.

"Construction of houses, barns, fences, farm buildings, and other improvements for these families in rural areas.

"Prosecution of work projects for the purpose of providing supplementary income to aid in the rehabilitation of destitute persons in the rural areas.

"Rehabilitation or resettlement of stranded populations in rural

"Direct relief to families in stricken agricultural areas.

"Direct relief to families in stricken agricultural areas.

"Furnishing of feed and seed.

"Prosecution of work projects to aid in the relief of stricken agricultural areas, such as: Water conservation; dams; reservoirs; pipe lines; well digging and drilling; prevention of soil erosion; forestation and reforestation; planting of shelter belts of trees; purchasing, processing, and distribution of livestock; purchase of land necessary for the prosecution of work projects.

"Acquisition of submarginal land."

All of these projects may be regarded as embraced within the item except (1) the construction of "houses", which is provided for under item 4 and cannot be regarded as within this item, also; (2) "Prosecution of work projects for the purpose of providing supplementary income" etc., which appears to be beyond the scope of this item; (3) the projects "prevention of soil erosion", "forestation and reforestation", "planting of shelter belts of trees", which projects are provided for under item (8) and cannot be regarded as within this item, also; and (4) "Acquisition of submarginal land", which project appears to be beyond the scope of this item.

Under item (3), "rural electrification", the only project listed

Under item (3), "rural electrification", the only project listed

"Extension or provision of electric service in rural areas, including any necessary acquisition of land for right-of-way or other purposes."

With the understanding that the "other purposes" includes with the understanding that the "other purposes includes but not

only acquisitions such as for transmission lines and poles but not for erection of power houses or substations, the stated project may be regarded as within the scope of the appropriation item.

Under (4), "housing", there is listed:

"Low-cost housing in urban and rural areas, such as detached

"Low-cost housing in urban and rural areas, such as detached and multifamily houses; slum clearance; demolition; repairing, reconditioning, and remodeling; rural industrial communities; subsistence homesteads; acquisition of land for housing."

The only items thus listed which do not appear to come within the appropriation item are the two projects "rural industrial communities" and "subsistence homesteads." As any necessary housing under these two projects would be only a minor incident to the main purpose of the projects, said projects cannot be regarded as authorized under the housing item.

As to item (5) "projects for professional and clerical persons"

As to item (5), "projects for professional and clerical persons", the Administrator states:

"This general class is intended to give employment to large numbers of professional and clerical workers now on the relief rolls, such as art projects; charts and graphs; dramatics; education work, such as student aid, workers' education, literacy classes, nursery schools, vocational training, and rehabilitation; mapping; nursing and other public-health work; orchestras; planning work; record keeping; research and special surveys; surveys of unemployment and population problems; traffic studies."

This would appear to be a proper construction as to the scope of this item.

Item (6) is "Civilian Conservation Corps" and with respect to

Item (6) is "Civilian Conservation Corps", and with respect to

this the Administrator states:
"This would include all activities now being undertaken in connection with the Civilian Conservation Corps, such as water-conservation work; forestation and reforestation; prevention of forest fires; prevention of soil erosion; flood control; plant, pest, and disease control; maintenance or repair of forest trails and fire lanes."

This item would have to be construed as limited to the authorized operations of the Civilian Conservation Corps as now constituted and would not be available for similar activities carried on under any other establishment or organization.

Under Item (7), "public projects of States or political subdivisions thereof", it is proposed by the Administrator that:

"This would include such projects as airports; auditoriums; bridges; canning of garden products and surplus commodities; conservation of fish and game; demolition; drainage; eradication and control of disease bearers, pests, and poisonous plants; fire lanes, paths, and trails; flood control; forest-fire prevention; forestry; grade crossings and traffic-hazard elimination; hospitals; inclnerators; irrigation; landscaping; land acquisition; levees; malaria control; markets; park buildings; playgrounds; provision of commoditors; irrigation; landscaping; land acquisition; levees; malaria control; markets; park buildings; playgrounds; provision of commodities for the unemployed; public buildings; publicly owned utilities; reclamation; recreational facilities; reforestation; reservoirs; sanitation; schools; self-help and cooperatives; sewerage systems; sewerage disposal; sewing rooms; soil erosion; swimming pools; terminal facilities; warehouses; water conservation; water lines; water works; wells."

water works; wells."

With the understanding that this item of the appropriation will be used only on projects that are in fact public projects undertaken and contributed to by the State or political subdivision thereof, there would appear no objection to regarding the listed projects as within the scope of the appropriation item.

Under item (8), "sanitation, prevention of soil erosion, reforestation, forestation, flood control, and miscellaneous projects", it is stated in the Administrator's memorandum that—

"Included in the above would be such projects as dams; development and improvement of natural resources; drainage; eradication and control of disease bearers, pests, and poisonous plants; extension or provision of electric service; fire lanes, paths, and trails; fish and game conservation; flood control; forest-fire prevention; forestation; new construction, improvement, or maintenance of

shi and game conservation; flood control; forest-fire prevention; forestation; new construction, improvement, or maintenance of transportation facilities; new construction, improvement of public properties and publicly owned facilities; reclamation; recreational facilities; reforestation; sanitation; soil erosion; submarginal land acquisition; water conservation; waterways and navigation aids."

The project "development and improvement of natural resources" is too broad in its scope to be regarded generally as authorized under this item. The project "extension or provision of electric service" may not be regarded as authorized under this item, because covered under item (3). The projects "new construction, improvement, or maintenance of transportation facilities" and "new construction, improvement of public properties and publicly owned facilities" are too comprehensive in scope to be regarded generally as coming within the "miscellaneous projects" provided for under this item. Neither could this item be regarded as authorizing "submarginal land acquisition." With the exception of the above, the projects listed may be regarded as coming within the scope of this item.

Sincerely yours,

R. N. Elliott.

Acting Comptroller General of the United States.

Mr. GLASS. Mr. President, I find myself totally unable to deal in legal sophisms and in classical rhetoric and other things I might mention in considering a plain proposition. It has been stated here that the pending joint resolution does not authorize loans. Let me ask the Senator from Nebraska, for instance, in the impossible event that I should give him \$100,000 and tell him he could do what he pleased with it if he could not loan \$10,000 or \$50,000 or the whole amount to the Senator from Michigan [Mr. Couzens], who sits in front of him?

Mr. NORRIS. Mr. President, in the first place, if the Senator from Virginia should give me \$100,000, I would drop dead. [Laughter.]

Mr. GLASS. If that should happen, the Senator could not loan it to anybody.

Mr. NORRIS. If I did not drop dead, and the Senator from Virginia said I could not loan it to the Senator from Michigan, I would be glad he said that.

Mr. GLASS. If the Senator remained alive, he could loan it, could he not?

Mr. NORRIS. If I remained alive, I would not loan it to the Senator from Michigan, of course, unless he gave me very ample security.

Mr. GLASS. But the joint resolution appropriates \$4,000,000,000 "to be used" and what is the plain English meaning of the word "used"-"to be used in the discretion and under the direction of the President" of the United States. Under that language, could not the President of the United States loan any part of that money?

Mr. NORRIS. I would not say that the President could not, but the Senator from Virginia ought to know that some district judge in Maine or California or Texas may grant an injunction against the enforcement of this proposed law, and we will never be able to see it enforced until that lawsuit wears its weary way to the Supreme Court of the United States, and all suffering humanity are dead.

We ought to do everything we possibly can to avoid that kind of a contingency. The committee has stricken out of the joint resolution language which, it seems to me, is much broader than the language the committee includes when it puts it all in the few words, "to provide relief and workrelief." Later on they strike out of the House text the provision for certain kinds of loans that might be made. By narrowing the construction in the first section, by taking out language which seems to me to express the idea better than what they have inserted, and narrowing the possibilities of what the President may do, it leads to what may be a disastrous lawsuit, and we ought to go as far as we can to avoid that contingency.

Mr. GLASS. If there is any judge on the Federal bench. or any other bench, who has not good sense enough to know what the English language means when it says \$4,000,000 .-000 is appropriated and handed over to the President to be used in his discretion and under his direction", he ought

to be put off the bench.

Mr. COUZENS. Mr. President-

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from Michigan?

Mr. GLASS. I yield.

Mr. COUZENS. I have been wondering whether or not, as the Senator from Nebraska has said, some court might not interpret a loan as not being relief or work relief.

Mr. GLASS. It has been suggested that under the terms of the joint resolution, public works in States and communities of States are not relief work. Why should we make loans to the States and the various communities in the States? What has been the purpose of the loans but to relieve the situation?

Mr. COUZENS. But there is no language in the joint resolution about loaning to the States. The word "loan" is not used at all, is it?

Mr. GLASS. Oh, yes; there is a provision in the bill about loans to States.

Mr. COUZENS. Where?

Mr. GLASS. It is provided that the President may use \$4,000,000,000 as he pleases, and it goes on to state. "for public projects of States or subdivisions thereof."

Mr. COUZENS. But the Senator from Nebraska and, I believe, some other Senators, have in mind whether under these proposals loans could be made to farmers and others.

Mr. GLASS. Oh, yes. Let me read that to the Senator:

Funds made available by this joint resolution may be used, in the discretion of the President, for the purpose of making loans to finance, in whole or in part, the purchase of farm lands and necessary equipment by farmers, farm tenants, croppers, or farm laborers.

Mr. COUZENS. Then, may I ask the Senator from Virginia whether or not the whole amount could not be used for that purpose? There is no limitation on the language.

Mr. GLASS. Oh, no; the whole amount could not be used for that purpose, because there is the general limitation that \$800,000,000 of it is to be used for highways, roads, streets, and grade-crossing eliminations.

Mr. COUZENS. Yes; I understand; but this is not a mandatory provision at all.

Mr. GLASS. No; none of it is mandatory. I have said the President does not have to spend a dollar of it if he does not want to do so. We give him nearly \$5,000,000,000 to do with as he pleases, and he simply indicates to us here, in what he claims is as specific a way as he may, what use he is going to make of the money.

Mr. COUZENS. There is a difference among Senators as to the interpretation put on the language by the Senator from Virginia. Some of the Senators have properly disclosed that there is nothing mandatory upon the President, but that he may spend any of the money and that he may use almost an unlimited amount in any activity he chooses, including even loans to farmers described by the Senator and mentioned on page 4.

Mr. GLASS. The Senator from Virginia has explicitly several times stated that the President is not obliged to use a dollar of this money. It is not mandatory at all. He has simply signified to the Senate the purposes which he has in mind and the amounts which he would like to have allocated to such purposes, plus a provision that he may, in his discretion, transfer to any one of the classifications \$800,000,000.

Mr. COUZENS. May I ask the Senator whether he interprets that 20 percent of the total may be applied, under the other projects or activities provided for, for loan purposes as provided in section 4?

Mr. GLASS. Yes; for loan purposes.

Mr. COUZENS. The whole amount may be used for that purpose?

Mr. GLASS. I think the whole amount may be used for loan purposes and relief purposes. I do not think the whole amount may be used for loan purposes, because we understand thoroughly that \$880,000,000 of it is to be used for direct-relief purposes.

Mr. COUZENS. So that, in effect, while the whole \$4,000,-000,000 is allocated in the bill according to the amounts mentioned on page 3, the contention of the Senator is that all or any of that amount may be used for loaning purposes?

Mr. GLASS. No; not all of it. Eight hundred and eighty million dollars of it is to be used for direct relief.

Mr. COUZENS. I am talking about the loaning provision. What proportion of this money may be used for loaning purposes?

Mr. GLASS. I think \$880,000,000 may be loaned for roads, streets, and grade-crossing elimination.

I think \$500,000,000 of it may be used for rural rehabilitation and relief in stricken agricultural areas.

I think \$100,000,000 of it may be used for rural electrification.

I think \$450,000,000 may be loaned for housing purposes.

I think \$300,000,000 of it may be loaned for projects for professional and clerical purposes—and what those projects may be only the human imagination can conceive, but I cannot.

I think \$600,000,000 of it may be loaned, and very likely will be loaned, for the Civilian Conservation Corps.

I think \$900,000,000 of it may be loaned to States and subdivisions of States for projects which would afford relief work.

I think \$350,000,000 of it may be loaned for flood control, soil erosion, reforestation, forestation, and miscellaneous projects. I think "miscellaneous projects" covers anything on the face of the globe.

Mr. COUZENS. The Senator has been kind enough to enumerate the amounts which might be loaned for the purposes specified. How much does the Senator think may be loaned under the provision on page 4?

Mr. GLASS. I think any amount that the President, in his discretion and under his direction, may be pleased to take from any one of these other amounts, because these other amounts are not to be exceeded. He can take any part of them

Mr. COUZENS. I think the Senator is in error there, because they may be exceeded by taking 20 percent from the aggregate; so there is no amount specified.

Mr. GLASS. Oh, yes; I have said that over and over again. Eight hundred million dollars can be added to any of the amounts. The fact of the whole matter is that when this joint resolution first came into the Senate, some Sena-

tors—whether for political reasons or through concern for the taxpayers, the Senate may judge for itself—bitterly criticized the joint resolution, saying that there ought to be a break-down; that there ought to be some indication of the purposes for which the President proposed to use this money. Now the President, through his agencies, gives us what he says is as near to a break-down as he may be able to give the Senate; and now we have that break-down criticized because it presumptively does not include a multitude of other things!

So the Senator from Virginia is in a state of confusion over these adverse criticisms, first one way and now another way. I simply cannot conceive of anything that may be done within the limitation of \$4,000,000,000 that may not be done under this joint resolution in the discretion and under the direction of the President of the United States.

Mr. COUZENS. I do not think anybody on this side of the Chamber disagrees with the Senator from Virginia on that statement. The break-down which the Senator said may have been inspired by political or other reasons was in part agitated by myself, and by no means for political reasons.

Mr. GLASS. The Senator knows perfectly well, without my saying it, that I never attributed to him any political reason for anything he ever said here.

Mr. COUZENS. I thank the Senator.

Mr. GLASS. The Senator knows that to be so.

Mr. COUZENS. Then, I thank the Senator for saying it

Mr. GLASS. I do not mind saying publicly anything that I say privately.

Mr. COUZENS. I shall have to challenge that statement some day, Mr. President.

Mr. GLASS. Oh, well, I occasionally "cuss" privately, and I am too dignified to do that on the floor of the Senate; that is all. [Laughter.]

Mr. COUZENS. The break-down, however, is not in the exact form that some of us had hoped it would be, because when the break-down was discussed among some of the Senators it was clearly the inference, at least, that the transfer from one activity to another would be limited to the amount set aside for each objective, and would not extend to 20 percent of the whole. So I hope that before we get through we shall bring this part of the joint resolution in line with the views of some of us who sympathize with the effort to divide up the appropriation through objectives rather than through geographical locations.

Mr. GLASS. I will say to the Senator that that was the thought of some of the members of the committee, and I voted for it; but I do not always get what I vote for.

Mr. President, frankly, if I had any criticism to make of the joint resolution, it would be my unwillingness at this time, and in the present condition of the country, to appropriate approximately \$5,000,000,000 and put it at the disposal of any human being on earth; but now to contend that the joint resolution is not comprehensive, and does not enable the President to do enough, seems to me an extraordinary contention. I think it enables him to do too much, vastly too much; and right now my concern for the taxpayers of this country is much greater than it is for some favorite project, whether it be in one State or another State.

So far as I am individually concerned, I have not asked for a project in the State of Virginia and I do not intend to do so. I think if Virginia has any projects in view, she ought to tax her own people and do her own work under her own supervision, and not have to be trotting up here to Washington, hat in hand, and asking some miserable bureaucrat to allot back to Virginia some of the \$129,000,000 which she paid into the Federal Treasury last year; and I think all other States ought to be on that basis. If we are going to liberalize this \$5,000,000,000 appropriation, Heaven only knows where we will land; but the taxpayers will know after a while.

So, Mr. President, I think the joint resolution is clear enough, except that to appease the apprehensions of some Senators with regard to the possible discontinuance of projects already allocated in the various States by the Public Works agency, or that may be hereafter allocated by the Public Works agency, there should be an amendment to the joint resolution, which I have asked to have drawn, that will continue the Public Works agency for 2 years longer.

That fear may be dissipated in that way. Aside from that, however, I think the joint resolution is perfectly clear.

Mr. BONE. If the floor but a moment. Mr. GLASS. When the payers for?

Mr. BONE. I do

The idea of any Senator objecting to the elimination of the wretched provision, contained in the House joint resolution as it first came over to us, authorizing the President to spend money for economic readjustment! Under that provision the President could destroy thousands of industries in this country, should it occur to him that they were engaged in uneconomic competition. As I have previously pointed out, he could put out of business at least two pipe and foundry factories in my own town, because there are three there, and until recently they had not declared a dividend for 7 years. Here in the city of Washington he could put out of business at least four newspapers, because, in my considered judgment as a newspaper publisher of 50 years' experience, only two of the newspapers printed in Washington have made a profit in the past 10 years.

It is an unheard-of proposition that any such power as that should be lodged with the President of the United States, who does not know anything about the pipe and foundry business, or anything about the newspaper business, or anything about various other businesses which, under the terms of that provision, he might destroy.

We are criticized for having eliminated the absurd provision in the original joint resolution authorizing the President "To guarantee loans to, or payments of, needy individuals." I might enumerate other absurd things which we have been criticized for leaving out of this measure.

Mr. COUZENS. Mr. President, will the Senator yield to me for a question?

Mr. GLASS. I yield.

Mr. COUZENS. Can the Senator tell where all these crazy suggestions came from?

Mr. GLASS. Happily, I can tell the Senator where they did not come from. They did not come from the White House.

Mr. COUZENS. They did not come from the White House?

Mr. GLASS. They did not come from the White House. Mr. COUZENS. I know they did not come from the Chairman of the Committee on Appropriations.

Mr. GLASS. They certainly did not. I do not know that I care to discuss that particular provision of the joint resolution any further, or any part of it any further, because to me it is perfectly clear. Happily, I am not a member of the bar, and it may be thought I am therefore incapable of interpreting the legal effect of plain English language; but I know the English language when I read it, and when we hand the President of the United States \$4,000,000,000 to be exclusively used by him in his discretion and under his direction, and when, preliminary to handing that \$4,000,000,000 over to him, he tells us, in what he deems as definite a way as he is capable of employing, what he is going to do with the money, I think he is going to do just that with the money, and heaven knows, after he shall have done that, he will have done plenty, without my now enumerating projects of this or that kind in one State or another State.

Mr. President, it would be literally impossible, metaphysically and physically, for the Congress of the United States to enumerate the projects upon which this \$4,000,-000,000 should be expended. Senators know we cannot do that.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 1, line 3.

Mr. GLASS. Very well; let us have a vote.

Mr. BONE. Mr. President, I think I am not misstating the fundamental purpose or the underlying philosophy of the measure which is presented to us when I say that it is primarily intended as a pure work-relief measure, and not as a public-works bill, as we understand those terms.

Mr. GLASS. What are public works for, may I ask the Senator?

Mr. BONE. If the Senator will permit, I shall occupy the floor but a moment.

Mr. GLASS. What are we using the money of the tax-payers for?

Mr. BONE. I do not intend to criticize the joint resolution on that ground at all; I merely shall content myself with a momentary observation, and then resume my seat.

It may be rather too subtle a differentiation for most people, to draw the distinction between public relief and public works, because in the public mind they are associated, and I think properly so. But there is an appreciable portion of our population who have very distinctly in mind certain projects of a type which they look upon as being highly desirable in their communities. Above everything else, they are thinking in terms of the consummation of these projects, the acquisition and the building of them, and in that connection they think of the labor that is necessary to be employed in the building of the projects.

When I speak of the differentiation between the two, it is a little too subtle for most people to appreciate, but the underlying object of the pending measure is work relief rather than public works, and with that in mind, I think some of the communities in our country are going to be in for a great disillusionment. I fear that very much, although I wholly sympathize with the purpose of the joint resolution, its purpose to give work to men, but I do think that the amendment of the Senator from Colorado, an amendment similar to the ones I and my colleague from my own State have presented-I think they are almost word for wordattempts to harmonize these two principles, and to give the President the power, through the procedure provided in the amendment, not only to make this a work-relief bill, but to make possible of accomplishment and realization some of the public-works projects which have been presented by the people in the various States.

Let me say further, that in my own State—and I suppose the same condition exists in every other State in the Union—the public-works organizations have sent out word to every public subdivision in the State, cities, and counties to come forward with a program of public works. That request, that invitation, has been widely broadcast, as the result of which Mr. Ickes' office now is receiving applications for funds for public-works projects on invitations sent out calmly and coldly by the Government itself. In my own State, under this blanket invitation, community after community has come forward with various projects which they think will fit into the public-works program.

The amendments which I and my colleagues have presented and which the Senator from Colorado [Mr. Costigan] has presented merely have to do with the matter of procedure outlined in the joint resolution and do not affect the substantive parts of the measure. They do definitely provide for the making of loans to these communities in order to accomplish the purposes which the communities themselves have been coldly and calmly invited to set out and send to the Government.

I think the amendment presented by the Senator from Colorado, which I understand is soon to be voted on, at least the first one, ought to receive favorable consideration. I do not think there is anything in it which can injuriously affect the joint resolution, and, in view of our calm invitation to the public to present plans for public-works projects for favorable consideration at the hands of the Government, I think we ought not now to set them aside lightly.

# ALLOCATION OF FUNDS UNDER N. I. R. A.

The PRESIDING OFFICER (Mr. Ashurst in the chair) laid before the Senate a letter from the Secretary of the Treasury, transmitting, in response to Senate Resolution 91 (submitted by Mr. Byrd), an itemized statement of allocations, obligations, disbursements, and unexpended balances and certain other data relating to projects for which allocations were made out of the appropriation for \$3,300,000,000, authorized in the National Industrial Recovery Act, approved June 16, 1933, and stating that as soon as copies of memoranda and agreements are received from the several executive departments and establishments, as called for by

the seventh paragraph of the resolution, such data will be forwarded to the Senate, which, with the accompanying papers, was ordered to lie on the table.

THE PRICE OF COTTON

Mr. LONG. Mr. President, I have been informed that the market on cotton went down \$9 a bale today. It is said it would have gone down perhaps more than that, but there is some market rule which does not permit it to fall more than about \$10 a bale, I believe it is. So the price fell within 10 percent of the limit it would be allowed to fall.

I undertook to find out from some of the learned Members of the Senate—or, rather, in order to comply with the classification of the Senator from Virginia, from some of the more learned Members of the Senate—the reason for this fall in the price of cotton. They tell me that it was all caused by the fact that an announcement went out this morning from one of the departments, from the White House, or the Treasury Department, or from somewhere else, that they intended to use the profit realized from calling in the gold and devaluing the dollar—which amounted to 41 cents on the dollar—in paying off some six hundred and twenty-five millions of bonds at once, I believe it was said.

My informants and experts in that line tell me that they are given to understand that the fact of that announcement drove the price of cotton down \$9 a bale.

The other day an announcement went out from the White House, or from the Treasury Department, or from some other place working under the White House—no; I believe perhaps it was from Mr. Richberg; one of them went from him—at any rate, the statement went out that they were perhaps going to inflate, and the market went up. That afternoon a statement came out that they were not going to inflate, and the market went down. In other words, the point I am trying to make and the statement I am trying to make to Senators who are conservative is that any kind of statement over here, or any kind of action over here, is capable of throwing the market up or down as many as 200 points.

Take the case of cotton: Cotton was thrown down today 200 points. I suppose by tomorrow morning or tomorrow night some other kind of announcement will be made and cotton will go up perhaps 100 points.

Mr. BARKLEY. Mr. President, will the Senator yield? Mr. LONG. I yield to the Senator from Kentucky.

Mr. BARKLEY. I am not enough of an economist to understand how it transpires that an announcement of the Secretary of the Treasury that \$625,000,000 of the profits now lying in the Treasury as the result of the devaluation of gold is to be used to pay off some of the bonded debt of the United States could result in a drop in the price of cotton. It may be that there is someone who is sufficiently expert in economics to explain that, but I am frank to say I cannot understand the relationship of the two things.

The profit was there, and there has been criticism of the Secretary of the Treasury on the floor of the Senate for not using that profit for certain purposes and for certain expenditures, instead of allowing it to lie there as a sort of equalization fund, as it was supposed to be in a more or less indefinite way.

Is the Senator sufficiently expert in economics to explain why an announcement that out of a surplus in the Treasury the Secretary of the Treasury is going to pay off \$625,000,000 of the Government's debt should drive down the price of cotton?

Mr. LONG. I must confess, Mr. President, that I am not. The only reason why I even state the fact is that a conference of my colleagues was going on in the marble room which I happened to witness, and I happened to hear what they were saying; and that was the reason they were giving, which they probably had been given by authority from the outside.

Mr. BARKLEY. I feel that there must be some other reason why the price of cotton declined. I do not know what that reason is. It may be a reflection of the international situation with reference to warlike rumors, and things

of that sort; there are many things that might have brought it about; but I cannot understand how the announcement that we are going to pay off some of our debts is of such a depressing nature as to drive down cotton \$9 a bale.

In respect to the other statement which the Senator made—that a few days ago the President or the Secretary of the Treasury announced inflation, and the market went up for an hour or two, and then announced that there would be no inflation—what actually happened was that at a press conference at the White House the President made the statement that he did not think commodity prices were high enough as yet, and that statement was seized upon either by the newspapers or by certain speculative influences in the country and construed as indicating that there was going to be some inflation. The President immediately corrected that impression and stated that there was no foundation for interpreting his language to mean that, and the market went back for an hour or two.

Of course, it is impossible for the President or anyone else in authority to keep silent on everything which is transpiring in the Government, and it is impossible for anyone to prevent speculative minds from seizing upon incidents and forming conclusions as to anything that may happen in the future. It ought not to be stated in the Record, however, that the President or anyone else stated that there was going to be inflation, and that the market went up for an hour or two, and then stated that there would not be any inflation, and then the market went back. That is not in accordance with what occurred.

Mr. SCHALL. Mr. President-

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Minnesota?

Mr. LONG. I desire to correct the Senator from Kentucky, if the Senator from Minnesota will pardon me for just a minute.

I do not know who made these statements. I do not even know that they were made, Mr. President. All I know is what I read about them. As I said, an announcement appeared in the newspapers, which was interpreted—at least by the newspapers—to mean that there might be inflation, and the market went up, and then a corrected announcement was made, and the market went down. That kind of thing has happened so many times, however, that I believe if I were called upon to do it, I could cite at least a dozen instances in which either the announcement or the rumor of an announcement that we might have inflation raised the market, and a few days or a few hours later the announcement that we were not going to have it lowered the market. That has occurred constantly.

I now yield to the Senator from Minnesota.

Mr. SCHALL. Mr. President, I was wondering if the fact that Liverpool has changed all her machinery to spin long-staple cotton, that Brazil is clearing off millions of acres to plant and raise cotton to take the place of our cotton, and that Russia has raised four times as much cotton as she has raised heretofore to fill up the chinks that our not selling our cotton has created, would not have more to do with that than the inflation idea.

Mr. LONG. I understand that there was an immense amount of foreign selling of cotton today, and that our foreign competitors threw an enormous amount of cotton on the market. Whether or not they were affected by this announcement or some other announcement, or, as the Senator from Kentucky suggests, by something else, I cannot say. I am not enough of an expert even to prophesy or to explore into the facts. What I was going to do was to lead up to the point that on a number of occasions the announcement or the rumor of an announcement has been made that there is going to be an expansion of the currency, or that more silver money may be issued, and then again a few days later there will be an announcement that that is not going to occur, but that something else is going to occur, and the market goes up, and the market goes down; and if this opinion is correct as to what caused the cotton market to drop today, the market has gone down \$9 a bale, and tomorrow an announcement of something else may again send the market up \$9.

Mr. BARKLEY. Mr. President, suppose we follow that logic. If the Secretary of the Treasury tomorrow morning shall announce that he has changed his mind, that he is not going to pay off the public debt by this \$625,000,000, will the market go up \$9 a bale?

Mr. LONG. I do not know. If that is what caused the break in the market, however, I suppose that a contrary announcement would result in a rise in the market. As I say, I do not know. What I am leading up to is this:

The Senator from Virginia [Mr. Glass] has made a very

The Senator from Virginia [Mr. Glass] has made a very striking statement here this evening. I do not believe Senators here have really grasped the purport of what he said. He said this afternoon, if I understood and correctly translate his words—I hope I may have the attention of the Senator from Virginia, because if I am mistaken I desire to be corrected—that within the amount of \$4,000,000,000 under this joint resolution the President could do whatever he wanted to do; that that was practically the effect of the joint resolution. With the exception of \$800,000,000, which the President must spend for relief, the Senator stated, as I understood him, that \$4,000,000,000 of this money could be used for any purpose for which the President wishes to use it.

Before I make the analysis I desire to make of these three things, I wish to say that as to the relief money, the President can also do what he wants to do with that. The President does not have to spend any relief money in Virginia. He does not have to spend any in Iowa or in Minnesota. The President, under the part of this measure dealing with relief, is almost as footloose as he is under the \$4,000,000,000 part of it, because already in some States relief has been cut off for reasons which were assigned, and in other States relief has been granted for reasons which were assigned. That may be done by the President, or it may be done by someone exercising authority under the President.

I now come to the point that the President of the United States has the power to regulate money and the value of money.

That is absolutely a correct statement, as I understand. In practical effect the President has the right to regulate money and the value of money. He has had that right for 2 years to my certain knowledge.

Not only that but the President has the right to regulate the value of commodities, to lower or to raise the value of commodities. According to the Senator from Virginia the \$4,000,000,000 or the \$5,000,000,000, as the case may be, is a fund to be used by the President as he sees fit.

I desire to invite the attention of the Chair and the Senate to this fact: We decided 2 years ago that the emergencies were such that we had to get out of the ordinary category of congressional legislation. Instead of enacting a law "Be it enacted by the Congress of the United States that such and such is the law", or "Be it enacted by the Congress of the United States that the following sum of money is hereby appropriated for the following purposes", or "Be it enacted by the Congress of the United States that such and such a tax is levied", we enacted laws reading, "Be it enacted by the Congress of the United States that in the discretion of the President of the United States he may promulgate rules and regulations providing such and such a value or such and such a law", and "Be it enacted by the Congress of the United States that the President may appropriate money in his discretion and subject to will in such and such a manner", and "Be it enacted by the Congress of the United States that the President be, and he is hereby, authorized to levy such tariffs as may be agreed upon by himself and foreign countries."

In other words, the making of the value of money and the regulating of the value of commodities, the making of appropriations and the expenditure of moneys appropriated and the levying of taxes, all of which had theretofore been exercised by the Congress, were, on account of the exigencies of the situation existing 2 years ago, momentarily placed in the hands of the President.

Mr. President, I did not rise to make a speech. I only wanted, before we quit for the day, to draw the attention of the Senate to what I want others to consider and probably to discuss.

Did not nearly every Senator who voted for those measures 2 years ago make the statement that "under ordinary circumstances I should not vote to put any such power as this in the hands of the President, but I am doing it momentarily and temporarily so we may expeditiously correct the depression now prevailing"? Were not those practically the words of every man here who voted to transfer all the functions of Congress into the hands of the President?

Was it not practically the statement of every one of them that they would not under any circumstances vote for the economy bill, vote for the monetary bill, or vote for any of these bills except for the reason that there was a temporary emergency then and there existing, which, in order to correct, they then felt justified in doing the abhorrent thing of voting to abdicate those functions on their part and repose them in the hands of the President?

Mr. REYNOLDS. Mr. President-

Mr. LONG. I yield to the Senator from North Carolina.
Mr. REYNOLDS. I beg the Senator's pardon; I thought
the Senator had concluded.

Mr. LONG. If the Senator wants the floor, I shall be glad to yield to him. I can get the floor at a later time.

Mr. REYNOLDS. I thank the Senator.

The PRESIDING OFFICER. The Chair recognizes the Senator from North Carolina.

INVESTIGATION OF MAYFLOWER HOTEL, WASHINGTON, D. C.

Mr. REYNOLDS. Mr. President, I wish briefly to consume the time of the Senate for the purpose of discussing a subject which is of interest to approximately 20,000,000 people in the United States, in that it affects directly some 4,000,000 families, the heads of which have made purchase of and investment in first-mortgage and second-mortgage real-estate bonds which have been issued against hotel and other business properties throughout the country, and which corporations, issuing some \$10,000,000,000 in bonds, have either gone into receivership or into bankruptcy.

Mr. GLASS. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Virginia?

Mr. REYNOLDS. Certainly.

Mr. GLASS. Does not the Senator think he could do that more effectively after a good night's sleep?

Mr. REYNOLDS. May I say to the Senator from Virginia that I wish the privilege of making presentation and explanation of a report which the subcommittee of the Committee on the District of Columbia, empowered to investigate the Mayflower matter, authorized me to make.

Mr. GLASS. I think the Senator could do it more effectively after a good night's rest than he could do it now, when everyone is tired out with other speeches which have been made, including my own.

Mr. KING. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Utah?

Mr. REYNOLDS. With pleasure.

Mr. KING. I inquire of the Chair whether, if the Senator from North Carolina yields to the suggestion of the Chairman of the Appropriations Committee, he may be recognized and have the floor upon the convening of the Senate tomorrow?

The PRESIDING OFFICER. The present occupant of the chair could not make any such arrangement; but if the present occupant of the chair should happen to be in the chair upon the convening of the Senate tomorrow he would recognize the Senator from North Carolina.

Mr. REYNOLDS. Mr. President, I am very happy, indeed, to abide by the suggestion of the able Senator from Utah [Mr. King], who is Chairman of the Committee on the District of Columbia. I wish to say further that I am likewise very happy to abide by any suggestion which my good and honorable friend from Virginia [Mr. Glass] may make. I selected this time at which to make my statement because I observed that not many Senators are present and I did not

know that many of them would be interested in the subject. I thought I would speak now so it would give them the opportunity of finishing consideration of the joint resolution tomorrow at a time when we shall have a full attendance of the Senate. I thought I would be thus accommodating those who might hear me speak now rather than by delaying the matter until tomorrow.

The PRESIDING OFFICER. The Senator from North Carolina has been recognized by the Chair.

Mr. REYNOLDS. Very well.

Mr. President, in view of certain investigations carried on by a subcommittee of the Committee on the District of Columbia under Senate Resolution 231, Seventy-third Congress, adopted May 28, 1934, it has become my duty to bring to the attention of the Senate some of the remarkable and scandalous conditions prevailing in the District of Columbia, and throughout the United States, with reference to the financing of large properties and the distribution of their bonds and other securities to a credulous, innocent, and unsuspecting public.

On May 28, 1934, Senate Resolution 231 was passed by this body, authorizing an investigation of these practices, with particular reference to the Mayflower Hotel, a nationally known hotel institution. Our former colleague, Hon. Hamilton F. Kean, a great business man, was chairman of the first subcommittee. At the convening of this session of Congress I was appointed chairman of the subcommittee, and had the assistance of my distinguished colleague the Senator from Nevada [Mr. McCarran] and the Senator from Wyoming [Mr. CAREY]. We likewise, at all times, had the enthusiastic support and interest and attendance at our hearings of our distinguished colleague the Chairman of the District Committee, the Senator from Utah [Mr. King].

The first investigation work done by the Kean subcommittee was reported during the last session of Congress, and revealed many startling conditions with particular reference to the District of Columbia, and the Wardman Park and Mayflower Hotel properties. It also foreshadowed widespread conditions prevailing elsewhere in the United States because of the operations of two corporations engaged chiefly in promoting and thereafter distributing the sale of securities of hotels and apartment houses in all parts of the United States, these corporations being the American Bond & Mortgage Co. of Chicago, and Halsey, Stuart & Co. of New York. However, the work of our first subcommittee was devoted, as stated before, chiefly to going into the history of the Mayflower Hotel in Washington. During this investigation we not only learned of the wide-spread conditions throughout the country of similar financial operations, but we learned that the House of Representatives was also engaged in a much more thorough investigation of the conditions in the country at large than our committee was authorized to make. However, although our jurisdiction was limited by the terms of our resolution, we did very thoroughly investigate the conditions of the Mayflower, and learned much of other conditions as to other properties, and awaited with great interest a report from the House committee, headed by Representative Sabath, as chairman. Further reference will be made to the findings of the Sabath committee in the course of this discussion.

The resolution of the Senate, S. Res. 231, called attention to certain conditions as to the Mayflower properties, to wit: That the property had originally cost about \$5,000,000;

That securities had been sold against it for more than \$11,000,000 by Halsey, Stuart & Co., and American Bond & Mortgage Co.:

That these securities had been sold to approximately 7,000 people in every State of the Union at par; \$7,500,000 of these securities were first-mortgage bonds, \$2,400,000, second-mortgage bonds, and more than \$1,000,000 in preferred stock;

That the corporation was recklessly and wastefully man-

That is was also grossly overburdened with debt;

That its losses were enormous, and that notwithstanding these conditions the financing just mentioned was done with

the public as though the corporation were prospering and as though the securities were sound.

Of course, a receivership resulted, and our resolution recited that after the receivership was obtained the same groups guilty of the fraudulent financing in the first instance were seeking to regain control of the property, and that to do so they were proceeding by secret methods, using the names of the bondholders obtained by them when the bonds were distributed, lists of which they only had, and which were denied to the public, and for many months even to the courts, and that thereby they had actually obtained control of a great majority of the bondholders under bondholders' deposit agreements, and were seeking to have the property sold in receivership so that they could repurchase it at a fraction of its original cost, make an enormous profit again by a new operation, and thereafter refinance the property at another enormously advanced figure, probably drawing down a second profit of several millions of dollars in addition to the more than \$5,000,000 of which the public was defrauded in the first

To indicate the scope of our investigation under the first resolution, I quote the following provisions from the resolution (p. 12 of the report):

(a) Who sold and what methods were pursued to accomplish the sale of \$7,500,000 of first-mortgage 6-percent bonds; of \$2,400,000 second-mortgage 6½-percent mortgage bonds; of \$3,031,100 of 6-percent preferred stock; and 60,000 shares of common stock, all securities of said corporations, and aside from the common stock, amounting in the aggregate to \$12,931,100.

(b) As to the management of said corporations since their for-

mation in or about 1925 to date.

(c) As to the circumstances which have led up to the fixing, in proceedings for foreclosure of the first mortgage, of \$2,800,000 as a price at which the Mayflower properties may be sold, on which securities to the amount of \$12,931,100 were sold to the public.

(d) Whether the sellers of such securities for \$12,931,100 are the same persons, or some of them, who have now obtained control of said securities as members of bondholders' committees of said first-mathematical and the mathematical securities.

mortgage bonds and the methods used to obtain such control, and to induce the bondholders to whom they sold such bonds to deposit the same with them as reorganizers, and specifically to determine if said sellers of securities and the members of said bondholders' committees are now advocating the sale of said hotel property for \$2,800,000, a sum approximately one-fourth the amount of the securities issued against the same

(e) Whether the proposed reorganization is in the interest of the

security holders.

Being conscious of the undertaking assigned to us, your first subcommittee entered seriously upon its duties, and brought before it witnesses and documents in order to determine whether or not the charge made in the resolution was true. We made our report, and it was printed and copies furnished to the parties litigant, and to the justice considering the case in the Supreme Court of the District of Columbia. If any Senator desires to read the detailed report, it will be found in Report No. 107, Seventy-fourth Congress, this session. I read from that report, pages 15 and 16, as

It is perfectly clear to the Senate subcommittee that, so far as the deposit agreement itself is concerned, few bondholders, if any, ever realized what its terms were since the summary of the deposit under the agreement was sent only upon request. After the call was made for the deposit under the agreement, the New York committee secured 51 percent of all the first-trust bonds, the Chicago committee 21½ percent, and the Washington committee 13½ percent, totaling a little more than 85 percent of all first-trust bonds issued. Thereafter the committees issued the plan of reorganization. By the terms of the plan wide powers were vested in these issued. Thereafter the committees issued the plan of recognition. By the terms of the plan wide powers were vested in these

When your committee had learned of the conditions with respect to the Mayflower, and the efforts of the large original financial agencies to regain possession of the property by means of deposit agreements and the reorganization plan aforesaid, many investors became alarmed, and your subcommittee likewise became exercised lest the property should be sold by order of court and bought in by the financial interests behind the bondholders' groups at a fraction of its worth, a very small fraction of its cost, and a much smaller fraction of the amount of its outstanding securities.

This alarm was created by the fact that on application of the bondholders' committees' counsel, the justice of the Supreme Court of the District of Columbia then having

charge of the litigation had authorized the property to be | sold at an upset price of \$2,800,000, when the property actually cost \$5,200,000 or more, and had passed an order permitting the bondholders to bid and buy the property by depositing bonds in lieu of cash and only paying in cash an amount representing a small fractional interest of nondepositing bondholders, less than 20 percent of the total. At this time your subcommittee engaged Hon. Robert H. McNeill, a prominent and successful Washington attorney, as its counsel and instructed him to appear before the justice and make an effort to cause the then pending sale, which was advertised to occur in June 1934, to be postponed, and the terms and conditions of sale changed, and a better time chosen for the sale in view of the depressed real-estate market.

Your committee's counsel, Mr. McNeill, did so appear, and the corporation counsel's office also sent a representative to make a similar effort, on behalf of that office and on behalf of your subcommittee; and through the efforts of said counsel and the efforts of dissenting bondholders the sale was called off and postponed indefinitely. Before this was done, however, in open court it was admitted by all parties concerned, including the representatives of the bondholders' committees, that unless the sale were called off the property would be knocked down to the bondholders at the upset price of \$2,800,000, little more than one-half of its actual cost and about one-fourth of the amount of the securities actually sold against it, and without a dollar being paid by the bondholders' committee on account of the purchase. The sale plan submitted to the court provided that the bondholders' committee might place on the property a first mortgage of from \$500,000 to \$750,000 to obtain funds with which to pay off dissenting bondholders and use the balance of the cash in hand, about \$500,000, to pay receivers' fees, bondholders' fees, attorneys' charges, and numerous other extravagant expenses.

When this threatened sale was called off, as just outlined, your subcommittee felt confident, and now feels certain, that the results then obtained amounted to a saving of at least \$1,500,000 to the bondholders, and probably \$2,500,000, because, in the opinion of all financial experts consulted and particularly in the opinion of Senator Kean-who, as you Senators all know, was a financial man of great wisdomthe second-mortgage bonds which would have been distributed to the first-mortgage bondholders would not have been worth more than 50 cents on the dollar at any time, and probably much less, since similar bonds on the Wardman properties have been selling in Washington for the last 2 or 3 years at from 18 to 30 cents on the dollar; and the Wardman Park Hotel, as you all know, is a great hotel property, financed by the Halsey-Stuart interests, the dominating financial group in the case of the Mayflower.

Following the postponement of the sale, which I have just outlined, representatives of dissenting bondholders who had for 2 or 3 years been denouncing the plans of the American Bond & Mortgage Co. and Halsey, Stuart & Co., and the bondholders' committees and their financial interests and schemes with reference to the Mayflower, took advantage of section 77-B of the Bankruptcy Act passed by Congress in 1933, and filed a petition in bankruptcy against the Mayflower Hotel Co., believing that they were thereby divesting the control of the Mayflower property from the hands of the bondholders' groups and their financial backers who were proposing the fraudulent refinancing scheme I have just outlined. Certainly, this was the purpose of the bankruptcy provisions passed by Congress in 1933. However, I will show you that the purpose has lamentably failed in this instance, as it is failing in many instances throughout the United States. I only submit to the Senate the facts, so that it may draw its own conclusions and take such remedial steps as seem necessary.

After the Mayflower Co. had been put in bankruptcy, and notwithstanding the criticisms of the preexisting receivership of the property in the equity courts, and notwithstanding the findings of your subcommittee, first headed by Senator Kean, as to the extravagance and bad management of the

receivership, the justice taking charge of the bankruptcy case appointed as trustees in bankruptcy the same three gentlemen who had been operating the hotel for about 3 years as receivers. With respect to the receivership for the hotel, I quote from our printed report, pages 13 to 15, as

Subsequent to the investigation held by the subcommittee and the issuance of its report in 1931 default occurred in the payment of interest on the notes secured by both the first and second trusts on the Mayflower Hotel. Default first occurred in the payment of interest under the provisions of the second trust. Subsequent to the default on the second trust an application was made to the the default on the second trust an application was made to the Supreme Court of the District of Columbia sitting in equity for the appointment of receivers. After due notice to the Mayflower Hotel Co., and after hearing upon the petition of second-trust noteholders, Mr. Justice Gordon, on July 29, 1931, appointed three attorneys at law, members of the bar of the District of Columbia, as receivers. The persons appointed under the court's order were Mr. John Lewis Smith, Mr. Rush Holland, and Mr. J. Miller Kenyon. Thereafter default also occurred under the first trust and like application was made for appointment of receivers. The court after hearing upon

made for appointment of receivers. The court, after hearing upon the second application for receivership, continued these same persons in office as receivers. Since that date operation of the hotel has been by the receivers, under the supervision of the court.

The committee finds that since the receivership the condition of the hotel has been steadily improved. From July 30, 1931, to January 31, 1934, there has been available net profits for interest and receivers' expenses \$998,262.40. This, according to the chart submitted by the receivers, takes into consideration taxes and insurance. The total income during that time has been over \$4.000.000. ance. The total income during that time has been over \$4,000,000, with an operating result of \$1,230,330.24. The improvement in the hotel has been brought about mainly by reason of the influx into the city of persons having business relations with the Federal Government

In one of the reports of the receivers filed in court criticizing the reorganization plan the receivers stated therein that they had given practically their entire time to the operation for more than 2 years. The testimony of the receivers before the committee does not bear out the statements made by them to the court, but their testimony, on the contrary, indicates that in most instances they arrived at the hotel around 10:30 to 11 o'clock in the morning, and, after having lunched, left the hotel about 2 p. m. The receivers have already applied for and received on account of fees \$37,500 each and they are asking for fees, which, if granted, will net each receiver \$20,000 per year; or, if stated in terms of interest, 6 percent per annum on \$1,000,000. In addition to the fees, the receivers have been accustomed to receive their lunches at the hotel gratis.

The committee is of the opinion that the appointment of 3 receivers in a case of this character was unnecessary; that 1 diligent receiver, with the help of competent counsel, could have In one of the reports of the receivers filed in court criticizing the

diligent receiver, with the help of competent counsel, could have performed all of the duties shown to have been performed by these receivers, and that 1 receiver could have been compensated at a figure which would have saved considerable money to the already denuded bondholders.

The receivers attempted to justify the fees paid to them, but the committee finds from information before it that the receivers were not even familiar with the banks at which their accounts were kept, nor were they able to give an accurate statement conwere kept, for were they able to give an accurate statement con-cerning the number of checks issued by them. One receiver esti-mated the average number of checks signed by them to be 100 per day. As a matter of fact, the evidence before the committee shows the number of checks to be more nearly 10 to 15 per day

The fact is that the management of the hotel employed before The fact is that the management of the hotel employed before receivership, having been retained by the receivers, is very largely responsible for the efficient running of the hotel. In retaining the management the receivers are to be commended.

This committee has found in the course of its minute and

detailed investigation that Mr. Polio, manager of the hotel, has made a most satisfactory job of his management in every respect and the success of the hotel is largely attributable to his management.

As I have stated, notwithstanding these findings in our report, the justice having charge of the bankruptcy case in the first instance appointed the same three gentlemen as temporary trustees. Under the Bankruptcy Act of 1933, these trustees were permitted to hold for a period of 30 days, or more, in the discretion of the court. At the end of 30 days another justice assumed charge of the bankruptcy proceeding. He also was furnished with a copy of the report of your subcommittee under the chairmanship of Senator Kean, and has called to his attention the terms of the report, including its references to the preexisting receivership. Notwithstanding this information, this justice appointed as permanent trustees in bankruptcy the same three gentlemen who had been receivers in equity, and they continued in an uninterrupted absolute control of the management of the property.

After the bankruptcy proceeding had been instituted and permanent trustees appointed, Halsey, Stuart & Co. and the American Bond & Mortgage Co. and a group of Washington bondholders, known as the "Washington Committee", said committees all having formed themselves into a so-called "combined or consolidated bondholders' committee", resumed their efforts again to get the dominating control of the Mayflower Hotel Co., and submitted to the bankruptcy court a modified plan of reorganization, this plan calling for a new first-mortgage bond issue of about one-third of the amount of the first- and second-mortgage bonds originally sold by the same financial agencies to the public, together with a certificate of stock for 10 shares to be attached to each \$1,000 bond, and delivered to the former first-mortgage bondholders in units, the bond unit representing 60-percent face value of the outstanding first-mortgage bonds, the secondmortgage bonds being disregarded except for a small cash payment growing out of the proposed sale of unmortgaged assets. This plan, like the plan offered to the equity court, called for no cash whatsoever from the financial groups, and permitted them to take absolute control of the corporation without putting up a dollar, and permitted them also to take from the receivers approximately \$600,000 in cash for distribution to their own committees and counsel, to the receivers and their counsel, to the trustee and his counsel, and to cover expenses incurred by said groups during the entire time of the continuance of their plans to regain control of the Mayflower property, the estimated total of such fees being about \$600,000.

Upon learning of these plans, your committee again instructed its counsel to bring to the court's attention the fundamental objections to the plan, and to urge upon the court that the bondholders should be furnished information as to the details and true intent and meaning of these plans before they were received by the court for consideration. In fact, Senators, your first subcommittee, headed by Senator Kean, urged strongly upon the court that there should be appointed by the court, under the bankruptcy provisions of the law, a special master or officer of the court for the purpose of communicating with all the bondholders and advising them of the pending litigation, so that they might intelligently express their wishes as to whether or not they desired the same people who had defrauded them out of more than \$6,000,000 when the bonds were sold to them should regain control under a voting-trust agreement for a period of 10 years, unrestricted and absolute control for 2 years, with an 8-year renewal by a majority of the stock attached to the new bonds, all of which stock would remain in the possession of the voting trustees during the intervening 2 years, thereby giving practically absolute power over it for a period of 8 additional years.

While the above investigation, the second investigation, was going on, a distinguished former Representative came before the court with an offer to buy the hotel property by putting up \$1,000,000 in cash and bidding at the beginning of a proposed public sale a total of \$4,000,000. That is, this gentleman, who is now a practicing lawyer in the District of Columbia, Hon. S. Wallace Dempsey, offered to start the bidding at \$4,000,000. He also notified the court that he represented a widely known hotel management, the Manger interests of New York. When this information was received by your subcommittee it seemed so important that it suggested to the court that in addition to submitting to the bondholders the question of their approval of the bondholders' plan to be managed for 10 years by the financial groups who had defrauded them, they also be permitted to express their wishes as to giving to the outside bidder represented by Mr. Dempsey an opportunity to bid on the property at a public sale. With respect to our recommendation to the court as to the appointment of a special master, I quote from our report (p. 19) on that point as follows:

The committee believes from the testimony adduced at the hearing that the terms of sale as laid down in the decree of court which was signed December 18, 1933, providing for a minimum bid of \$2,800,000 should be modified. The committee believes that under no circumstances should the property be offered with an upset bid of less than \$3,500,000 and that, as to the terms of sale the wishes of the majority of the first-mortgage bondholders should be obtained by people inquiring through an officer of the court appointed for this purpose.

The committee also believes that the terms of the foreclosure and sale should also provide that the court retain jurisdiction of the action so as to prevent any reorganization plan submitted by the bondholders' committees so far as may be necessary to have, approve, and confirmed a sale to an outside purchaser on the terms of sale modified as hereinabove suggested, or as the court shall order, and the disposition of cash paid and the issuance of securities to the existing security holders in the process and as a part of the reorganization of the Mayflower Hotel Co., all of which the committee believes should be done under the supervision of the court. Should the bondholders' agreements be allowed to stand by the court, the committee also recommends that the decree be modified so as to provide that nondepositing bondholders shall receive the same treatment and be entitled to the same amount of securities and cash as those who have heretofore deposited their securities under the deposit agreement.

As I have stated, after the equity receivership had proceeded for about 3 years the bankruptcy court took charge of the Mayflower properties. At this time, as all Senators know, Washington was full of people engaged in the procurement of codes for industry, or in the administration of codes and related matters. This brought to Washington many thousands of new Government employees and a host of people interested in governmental business. In fact, this had been going on since the inauguration of President Roosevelt. The results of this influx of people into Washington filled the Mayflower Hotel with guests, and resulted in substantial profits for the 3 years of the receivership. Out of these operations there was accumulated a fund of more than \$600.-000 over and above operating expenses, and over and above a certain additional amount-about \$675,000-paid as interest on first-mortgage bonds. However, this apparent profit was not all a real profit, as depreciation and obsolescence on the hotel and equipment was not fully charged against operating income. Still the property was demonstrated to be a valuable property; and this accounts for the fact that the Manger Hotel interests of New York and other hotel interests were endeavoring to get an opportunity to bid on the hotel property at public or private sale by the court in competition with reorganization bondholders' groups, which we believed to be headed by Halsey, Stuart & Co.

It was obviously the purpose of the Halsey, Stuart & Co., and the American Bond & Mortgage groups to prevent such competition in bidding. From the time the bidder represented by Mr. Dempsey appeared in court, offering to start the bidding on the property at \$4,000,000, a determined effort to prevent a consideration of this bid or any other bid was launched in court by the bondholders' committee which, I regret to say, was apparently concurred in by the receivers of the company.

I am sure Senators will agree with me that it was the purpose of the new bankruptcy law of 1933, section 77-B, to guarantee to the holders of securities against mortgaged property that no organization of bondholders promoted and financed by sinister financial interests should be allowed to dominate any plan of sale or reorganization of these properties where they had fraudulently oversold securities to the public. This was impressed upon the court by counsel for your committee, by representatives from the corporation counsel's office, by our report signed by Senator Kean and myself, and by the attorney for independent nondepositing bondholders.

Regardless of these facts, the justice appeared to act throughout this case upon a misconception of the new act of Congress. He seemed to act upon the theory that so long as any sort of plan of reorganization was submitted to him, he was without power to do anything except submit to this plan and approve it.

Notwithstanding the findings of the two subcommittees of the Senate that these bondholders' groups were the same agencies that had defrauded the bondholders of more than \$6,000,000, and that they should not be treated by the court as honest representatives of bondholders, and that their deposit agreements should be disregarded, as allowed by the Bankruptcy Act of 1933, section 77 (b), nevertheless the court assumed that they should have every consideration just as though they had been independently organized, as though they were disinterested and public-spirited, and as though they had previously dealt fairly with the investors in the bonds of the company.

In our second report upon the Mayflower, completed in January of this session, we again emphasized our previous recommendation that the Halsey-Stuart Co. and American Bond & Mortgage groups should not be recognized by the court, and their representatives should be refused consideration or a hearing. We suggested to the court in our report that this action was in line with the prevailing decisions of Federal and State courts in other jurisdictions. to the court such rulings by the supreme court of the city of New York in the case involving a large banking house of that city, and by the Federal court in Illinois, refusing to recognize Halsey-Stuart Co., who had formed a bondholders' committee in that State and sought recognition in the Federal court, just as they had done in the Mayflower case. These cases are cited at the bottom of page 9 of our report.

The subcommittee finished its investigation, prepared its report, and on February 6, 1935, submitted a copy of the report to the court, outlining the conclusions which I have just recited, and again submitted that the groups seeking to get control of the Mayflower should not be allowed to do so.

Notwithstanding the foregoing presentation, as I am advised, the court instructed the litigating parties in the Mayflower case to close the transaction whereby the title and possession of the Mayflower property in bankruptcy was transferred to a new corporation sponsored and promoted by the bondholders' committees, including the equitable right over more than \$600,000 in cash, and permitted representatives of the new corporation so sponsored to enter into possession and control of all assets of the corporation, which control now exists.

Mr. President, at the conclusion of my remarks I wish to have printed certain citations which I have made and copies of which citations were submitted to the court at the time our representative, Mr. Robert H. McNeill, of the District Bar, and a representative of the district attorney's office of this city appeared before the court.

I also should like to have included as a part of my remarks Senate bill 1805, which was introduced by me in this body on February 7, 1935, following the report of our subcommittee, which is addressed to the matter of a list of investors holding bonds and of those making purchase of securities.

In addition thereto, I should also like to have made a part of my remarks a portion of the report made by the subcommittee of which I served as chairman, which makes mention of the enormous amount of money which will be called for in the payment of the obligations on the Mayflower Hotel property in the liquidation of the salaries of the receivers and attorneys and bondholders' committees, which information is set out on pages 8 and 9 of the report dated February 7, 1935.

The PRESIDING OFFICER (Mr. McKellar in the chair). Is there objection?

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

(Mass.) Probate court must inquire into character, integrity, and capacity of trustee or other fiduciary, in making appointment, whether fiduciary is individual or corporation.—Petition of Worcester County Nat. Bank of Worcester (162 N. E. 217; 3 C. D. 1928,

cester County Nat. Bank of Worcester (162 N. E. 217; 3 C. D. 1928, Ann., p. 2543, key 159).

(III. App. 1921.) Where the executors named in a will, in consideration of \$41,000 paid by the widow of testator, resigned and declined to act as trustees and recommended the appointment by the court of certain persons chosen and named by the widow as administrators de bonis non with the will annexed, the court properly found the transaction to be fraudulent and, disregarding their recommendations, appointed trustees of his own choosing.—
Andrews v. Snyder (223 III. App. 335; 27—3d Dec. Dig., key 160 (1), p. 218) p. 218).

p. 218).

(Miss. 1942.) The general rule now is that all persons capable of confidence and of holding real or personal property may hold as trustees.—Sinking Fund Com'rs v. Walker (7 Miss. 6 How.) 143, 38 Am. Dec. 433, vol. 47, Am. Cent. Digest, sec. 206, p. 898).

(Pa. 1887.) Where cestuis que trustent failed to agree on a trustee, the court should appoint a competent disinterested person not nominated by any of the parties.—In re Patterson's Estate, 3 Pa. Co. Ct. R. 236; id., sec. 207, p. 902).

(N. Y. Sup. 1912.) The general guardian of a minor who is one of the beneficiaries under a testamentary trust should not be appointed trustee on renunciation by the trustee named in the will, where, under the peculiar nature of the will, her appointment

would place her in a position where her interest and duty might conflict.—In re Snyder's Will (139 N. Y. S. 670; 22—2d Dec. Dig., key 159, p. 1369).

[From Rept. No. 107, 74th Cong., 1st sess.] An incomplete list of the pending and prospective claims against

the lunds in the hands of the trustees in bankruptcy is as	follows:
1. John Lewis Smith, Rush Holland, and J. Miller Kenyon,	
additional, as receivers	\$87,500
2. Manufacturers Trust Co. (of New York) and its Wash-	
ington and New York counsel	59,000
3. Attorneys for the bankrupt company	30,000
4. Counsel to Shaller bond group	40,000
5. Counsel to second mortgage bondholders committee	25,000
6. Counsel to second mortgage bondholders, independent_	50,000
	23
Total	291, 500
Claims to be presented in the future will be, according evidence before us, as follows (amounts estimated):	g to the
Halsey, Stuart & Co. (or New York bondholders com-	
mittee)	\$24,000
American Bond & Mortgage Co. (or Chicago bondholders	
committee)	20,000
Washington bondholders committee.	18,000
Reorganization managers (3, at \$7,500)	
Counsel (New York and Washington) of various bond-	
holders committees and of depositories (estimated)	
Additional claims of trustees in bankruptcy not less	

than Total. Pending and prospective claims against the funds in the hands of the trustees in bankruptcy as above set out, total\_ 291, 500 Total Previously paid the receivers (already paid) \_\_\_ 112, 500

A bill to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary

thereto.

Grand total

Be it enacted, etc., That subsection (c) of section 77 (b) of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, as amended and supplemented, is amended by adding the following two para-

graphs:

"The court shall disregard all depositary agreements which have been secured or are held by brokers or other persons associated with such brokers who have sold or participated in the sale of securities against the property involved in the reorganization proceedings to an amount in excess of the fair value thereof, and such depositary agreements shall be conclusively deemed fraudulent and void; and the court shall ascertain the real wishes of the bondholders or other creditors through a special master appointed for that purpose, and all proceedings pend-

real wishes of the bondholders or other creditors through a special master appointed for that purpose, and all proceedings pending in any court of the United States wherein such bondholders deposit agreements have been recognized shall be reopened and reviewed and such agreements decreed legally void and further proceedings in such cases had in conformity herewith.

"That in the reorganization of any corporation under the terms hereof wherever it appears that any bond or brokerage house, which participated in the sale of any securities of the corporation so being sought to be reorganized hereunder, has in its possession or control a full or partial list of the names and addresses of stock or bond holders of said corporation obtained by said house in its operation of selling said corporation's securities, the court, before whom said reorganization of said corporation is pending, is hereby empowered and directed, upon application and pending, is hereby empowered and directed, upon application and for good cause shown, to require said list to be deposited in said court for its use in such reorganization."

Mr. KING. Mr. President, I should like to inquire of the Senator from North Carolina whether he has included in his remarks a statement showing the claims of lawyers and others which have been filed.

Mr. REYNOLDS. I may say to the Senator from Utah that that information is contained on pages 8 and 9 of the report, and I have asked that it be included in my remarks.

Mr. KING. Mr. President, in view of the references made by the chairman of the subcommittee who conducted the investigation, and in view of the rather startling facts which were presented, and in view of the fact that the report which has been submitted by the committee reveals some of these facts, it seems to me that the report, if it is proper to do so, might be transmitted to the committee of the House of Representatives of which Judge Sabath is chairman, which is investigating the alleged fraudulent transactions of some of the big bondholders throughout the United

States, so that that committee might consider the report in connection with their activities.

The PRESIDING OFFICER. The Chair is informed that that cannot be done officially, but there is no reason why the report could not be sent to the committee of the House of Representatives informally.

Mr. KING. It occurred to me that perhaps the report might be transmitted to the other body for their information, inasmuch as a committee is there making an investigation, but if that may not be done within the rules, I shall not ask that it be done.

## EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

#### EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. VAN NUYS, from the Committee on the Judiciary, reported favorably the nomination of Edward G. Dunn, of Iowa, to be United States attorney for the northern district of Iowa.

The PRESIDING OFFICER (Mr. McKellar in the chair). The reports will be placed on the Executive Calendar. If there be no further reports of committees, the calendar is in order.

#### POSTMASTERS

The legislative clerk read sundry nominations of post-masters.

Mr. ROBINSON. I ask that the nominations of post-masters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

### IN THE ARMY

The legislative clerk read the nomination of Capt. George Stainback Deaderick for appointment to the Quartermaster Corps, by transfer, in the Regular Army.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

## PROMOTIONS IN THE REGULAR ARMY

The legislative clerk read the nomination of James Lawrence to be major, Signal Corps.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Robert Alwin Schow to be captain, Infantry.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Samuel Fayette Silver to be first lieutenant, Infantry.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Clifford Lore Miller to be chaplain with the rank of lieutenant colonel.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

## RECESS

Mr. ROBINSON. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 15 minutes p. m.) the Senate, in legislative session, took a recess until tomorrow, Tuesday, March 12, 1935, at 12 o'clock meridian.

# CONFIRMATIONS

Executive nominations confirmed by the Senate March 11 (legislative day of Mar. 4), 1935

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY
Capt. George Stainback Deaderick, Quartermaster Corps.
PROMOTIONS IN THE REGULAR ARMY

Clifford Lore Miller to be chaplain with the rank of lieutenant colonel.

James Lawrence to be major, Signal Corps. Robert Alwin Schow to be captain, Infantry. Samuel Fayette Silver to be first lieutenant, Infantry.

POSTMASTERS

NEW YORK

McIntyre Fraser, Johnstown.

OKLAHOMA

Harry F. Craig, Boswell.
Bryan B. Terry, Broken Arrow.
Edwin B. Minich, Eldorado.
Frank S. DeWolfe, Guymon.
Charles H. Hayes, McLoud.
Samuel H. Freeman, Stratford.
Nell M. Dilks, Temple.

# HOUSE OF REPRESENTATIVES

Monday, March 11, 1935

The House met at 12 o'clock noon.

Rev. Dr. L. L. Johnson, Baptist missionary to Maceio, Alagoas, Brazil, offered the following prayer:

O Lord, Thou hast been our dwelling place in all generations. Even before the mountains were brought forth, before Thou hadst created the earth and the world, from everlasting to everlasting, Thou art God. We look unto Thee, our Heavenly Father, with grateful hearts this morning, for the manifest mercy of Thy benevolent hand upon our Nation through all of its long history. We bless Thy name, our Father, that Thou didst guide the Pilgrim Fathers to these shores, that Thy hand was upon those of our fathers who founded this Republic on the sure foundation of justice and of love and of truth; and, our Father, we pray this morning that as Thou hast guided and blessed us in all of the hours of crisis which have faced our Nation, that Thou shalt still place Thy guiding hand upon those who rule in our Nation.

We pray, our Father, that Thou shalt bless those who sit within these walls, who counsel about the welfare of our country. We pray, dear Lord, that here intelligence and ambition may be consecrated to the services of our Nation and to the world. And may Thy blessing abide ever upon our great land, that the wonderful material wealth which Thou hast given us may be coined into character and into values moral and spiritual which shall bless humanity and honor Thee. And we ask it in Jesus' name. Amen.

The Journal of the proceedings of Saturday, March 9, 1935, was read and approved.

# HOUR OF MEETING TOMORROW

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock a.m. tomorrow.

The SPEAKER. Is there objection?

Mr. FITZPATRICK. Mr. Speaker, I reserve the right to object. Can the gentleman inform us, or can the Speaker, when the Home Owners' Loan Corporation bill is going to be taken up again?

Mr. TAYLOR of Colorado. Tomorrow morning.

The SPEAKER. If this request is granted, it will be taken up tomorrow.

Mr. TAYLOR of Colorado. There will be a special order first, which will take a little time. Today the business is that of the so-called "pink slip" legislation, and then business in order from the Committee on the District of Columbia.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

Mr. SNELL. Mr. Speaker, I reserve the right to object. Will there be anything else tomorrow after we finish the Home Owners' Loan Corporation?

Mr. TAYLOR of Colorado. Yes; if we have time, we will take up the agricultural appropriation bill.

Mr. BUCHANAN. Mr. Speaker, after we finish the H. O. L. C. an emergency deficiency appropriation bill will come up. In that bill are carried many deficiencies. The departments will be out of funds by the 15th. The bill carries

\$94,000,000 compensation for veterans, and \$60,000,000 seed the newspapers carried stories and editorials throughout the Nation, characterizing the income-tax publicity laws as enemies of loans for farmers. The bill is important not only from that standpoint, but from the standpoint of the exhaustion of funds in the different departments on several small items.

Mr. SNELL. Is it the program to continue that on Wednesday?

Mr. TAYLOR of Colorado. Yes.

Mr. SNELL. And take up the bonus bill on Thursday?

Mr. TAYLOR of Colorado. And I am going to ask to dispense with business in order on Calendar Wednesday.

The SPEAKER. Is there objection to the request of the gentleman from Colorado that when the House adjourns today it adjourn to meet tomorrow at 11 o'clock a. m.?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent to dispense with business in order on Calendar Wednesday this week. We have a very full week in front of us.

The SPEAKER. Is there objection? There was no objection.

THE "PINK SLIP" REBELLION

Mr. CLAIBORNE. Mr. Speaker, I ask unanimous consent to extend in the RECORD the remarks made by my colleague Judge Bell, with respect to the "pink slip" legislation.

The SPEAKER. Is there objection?

There was no objection.

Mr. CLAIBORNE. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the radio address of my colleague from Missouri, Hon. C. Jasper Bell, from Washington, D. C., March 4, 1935, as follows:

Ladies and gentlemen, I have been wondering as I stood here

Ladies and gentlemen, I have been wondering as I stood here waiting before this microphone just how you would feel if you were awakened some morning after a sleepless night worrying about your business and found that the paper at your breakfast table carried a story emblazoned on its front page showing the state of your business affairs?

No doubt it would be a great shock to you. Your first impulse would be to give vent to your anger. There are thousands upon thousands of substantial business and professional men, widows, and citizens in almost every walk of life who would feel just as you would on that occasion. They would feel that neither the Government nor any individual has the right to hold a court of inquisition on them to learn and punish their private affairs, except insofar as the public welfare is concerned.

Yet according to section 55 (b) of the Revenue Act of 1934 and a similar section of the National Industrial Recovery Act passed by Congress in 1933, the United States Government, in effect, may soon be doing this very thing.

Listen carefully while I read you a few lines from the United States statutes on the revenue act:

"Every person required to file an income-tax return shall cause

States statutes on the revenue act:

"Every person required to file an income-tax return shall cause to be filed with his return, upon a form prescribed by the Commissioner, a correct statement of the following items: (1) Name and address; (2) total gross income; (3) total deductions; (4) net income; (5) total credits against net income for purposes of tax, and (6) tax payable."

It is now that we come to the most detrimental part of the act which continues and relates that:

"Such statements or copies thereof shall as soon as practicable."

which continues and relates that:

"Such statements or copies thereof shall, as soon as practicable be made available to the public examination in such manner as the Commissioner may determine."

That in substance is the "pink slip" clause against which the many substantial people of the Nation are rebelling.

This legislation was crowded through the last session of Congress during those stormy hectic days toward the end of the session when everyone recognized the importance of passing the Revenue Act as an emergency measure.

Revenue Act as an emergency measure.

The leaders in the Senate were afraid to push the fight against this rider providing for publicity because they were afraid a filibuster would defeat the entire Revenue Act. Therefore it was enacted and sent to conference between the Finance Committee of the Senate and the Ways and Means Committee of the House for a final report. The members of the conferring committee from the House objected to the rider, but in the interest of the bill's greater importance otherwise, they voted to report it favorably for action. It was adopted a short time later by resolutions in both Houses

A big fight is brewing now in the Senate on the bill. It is believed that a majority of the House Members are in favor of repeal of the publicity laws.

When I submitted my bill for repeal as a companion bill to that filed in the Senate by Senator Copeland, of New York, it appeared that we might be fighting for a lost cause. The Senate's attitude was in doubt, and there appeared to be no crystallization of thought on the House side. At the time of the filing of my bill in the Senate was logical.

A the time of the filing of my bill to that prospects given them by the Government.

From these reasons you can see that my action in filing my repeal measure was logical.

Promiscuous publicity of income-tax return information under the manner prescribed by the present laws would be a vicious thing.

the public welfare.

They cited that the only State that has tried income-tax publicity was Wisconsin, and that the Wisconsin Tax Commission published a report in which it opposed the promiscuous use of income-tax information for private purposes. The report pointed out that this publicity was used almost exclusively for private and pursonal interests.

out that this publicity was used almost exclusively for private and personal interests.

The commission's report concluded: "These files contain the record of the life and register the pulse of the personal and private business affairs of our own taxpayers and should be accessible only when public welfare is concerned."

Political and economical observers feel that if publication of income-tax matters was so unsuccessful in Wisconsin, it is apparent it would be an unsuccessful Federal law.

Commenting on the legislation pow pending before Congress.

Commenting on the legislation now pending before Congress, looking to the repeal of this iniquitous measure, the New York Times, in an editorial on February 11, says: "It is to be hoped that this Congress will undo the mistakes of its predecessor. It is hardly necessary to recapitulate the invincible arguments against a requirement that assumes every income-tax payer to be a crook."

The New York Herald Tribune, on February 12, said: measure should be repealed. It is a stupid thing. There is not one thing that can be said in its favor. The "pink slip" was not sponsored by the President. It was not called for in the Democratic platform."

There are many reasons for repeal, expressed daily to me in the numerous letters that have flooded my office since I filed my bill.

The endorsement of the Copeland-Bell bill has been Nation-wide. It has been endorsed by merchants' associations, lawyers, dentists, doctors, chambers of commerce throughout the land, and citizens from all walks of life.

I was very much gratified last week-end to learn that a subcommittee of the Ways and Means Committee of the House had determined to act immediately on the bill in the face of a threat from certain Senators that they would submit a bill as a rider to some other emergency measure of the President's program which would be more drastic and severe than the present law, if that

were possible.

The action of the Ways and Means Committee was fearless and courageous. It came after I had talked on numerous occasions with various Members and leaders of the House of Representatives. It is my understanding now that the bill will reach the floor

of the House this week. At that time a vote may be taken and I am sure that the House Membership will show the courage of their convictions in voting the measure through for submission to the Senate for a final vote.

It is my understanding tonight that the bill which will be reported favorably to the House for action will be one which will restore the income-tax publicity laws to their 1926 status.

My bill and that of Senator Copeland were both designed to serve that purpose. In fact, they were the only bills before Congress which would totally accomplish the purpose effectively, yet leave still available all necessary information to proper Government officials. ment officials.

under the Revenue Act of 1926 the committees of the House and Senate, State officials, and Federal tax officials were guaranteed access to the income-tax records. Other releasing of this information was to be done under rules prescribed by the Secretary of the Treasury and approved by the President of the United States under Executive order. That gave the people ample protection. tection.

There were several distinct reasons, all objections to the present laws, which caused me to file my bill for repeal. They were:

First. The "pink slip" publicity will not aid tax collections, as the Wisconsin report shows. After all, that should be the sole purpose of such a law.

Second. Small business men, professional men, and small corporate enterprises will be compelled to give competitors the information which will allow only the large and the strong to survive. One of my prime considerations was for the small business man (and God knows what a struggle most of them have had in the last 4 years), whose business livelihood might be jeopardized by the revelation of his business success or failure to unscrupulous and predatory competitors. predatory competitors.

Third. The "pink slip" will give just enough publicity to be misleading.

Fourth. The "pink slip" sucker list will provide the best possible encouragement and assistance to unscrupulous salesmen, stock peddlers, "blue sky" promoters, and blackmailers who may not otherwise obtain the precise information released in this manner.

Fifth. The cost of making public this information will be tre-

mendous.
Sixth. The "pink slip" spy or snooper will become a gossiping

Sixth. The "pink slip" spy or snooper will become a gossiping menace in every community.

Seventh. The "pink slip" tax expert will pursue every taxpayer in the land to get a commission for his pretended and illegal help. Eighth. Kidnapers and racketeers will use the "pink slip" list as a directory for their activities. They will have a certified list of prospects given them by the Government.

From these reasons you can see that my action in filing my speed measure was locied.

It would serve no useful purpose and would be an unwarranted intrusion by the Government into the private affairs of the people. Publicity clauses have been attached on several occasions to the income-tax laws, but they have always been met by a storm of protest from the right-thinking people of our country, and have been promptly repealed at the next session of Congress.

If you want these laws repealed before March 15, when they become effective, write or wire your Congressman and your Senators. They are your servants and representatives.

Let them know what you want.

They should join in this rebellion to repeal the "pink slip" laws.

## RESOLUTION OF THE ARKANSAS SENATE

Mr. PARKS. Mr. Speaker, I ask unanimous consent to insert in the RECORD a resolution of the Arkansas Senate with reference to the services of the distinguished leader in the Senate. Hon. JOSEPH T. ROBINSON.

The SPEAKER. Is there objection?

There was no objection.

Mr. PARKS. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following resolution of the Arkansas Senate with reference to the services of the distinguished leader of the Senate. Hon. JOSEPH T. ROBINSON:

## Senate Resolution 14

Whereas the Congress of the United States now has pending many measures of vital importance, sponsored by the President of the United States, for the purpose of bettering social and economic conditions and for rehabilitating the people of this Nation; and Whereas efforts have been and are now being made to embarrass

Resolved, That we express our supreme confidence in Franklin D. Roosevelt, our President, and Joe T. Robinson, the Democratic leader of the United States Senate, and a distinguished son of the State of Arkansas, and extend to them our grateful and heartfelt appreciation for their untiring efforts in enacting legislation and administering the affairs of our National Government in the best interests of all humanity; be it therefore

\*Resolved\*\*, That we deplore the efforts and activities of all those who for selfish interests seek to obstruct and destroy the humanitarian resources.

who for selfish interests seek to obstruct and destroy the humanitarian program of our great President and the efforts of our beloved leader, Senator Joe T. Robinson.

Ivo W. Gilbert, Levine, Livingston, W. F. Norrell, Armil Taylor, Clyde T. Ellis, Ovid T. Switzer, R. L. Crutchfield, Dillon, Hall, Bill Ward of Lee, Lake, Johnson, Harris, C. B. Gregg, H. B. Hardy, Cardwell, Alfred Featherston, John L. Wilson, Roy Milum, E. C. Cathings, J. L. Shaver, Tom Marlin, A. J. Cole, H. M. Barney.

March 7, 1935, resolution read and adopted.

E. Harris, Secretary.

## OREGON APPLES

Mr. EKWALL. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. EKWALL. Mr. Speaker, my Oregon colleagues and I have had delivered to the cloak room on the Republican and Democratic sides four boxes each of Oregon apples. which we want the Members here to enjoy. [Applause.] They come from the district of my colleague, Governor PIERCE, the Second Oregon District, from the Hood River Valley, about 60 miles from my home city of Portland. They are not the best apples we grow there, because it is a little late in the season for apples. Earlier next session we shall have sent here from Oregon some of the most beautiful apples grown in the world. Nature has so combined the elements and the climate in the Hood River Valley, that we believe the most delicious apples in the world are grown there. The city of Hood River, at the head of that valley, is located on the now world-famed Columbia River Highway, and it nestles at the foot of the majestic Mt. Hood, whose peaks, forever snow-covered, stand like sentinels thousands of feet in the air. The transcontinental airplanes, flying down the awe-inspiring Columbia River Gorge, pass over this beautiful Hood River Valley, disclosing a scene of such beauty that once seen, it is never forgotten. From time to time we are also going to have a supply of Oregon walnuts, filberts, and prunes sent here for distribution. When I refer to Oregon prunes, I mean prunes that, once tasted, babies cry for and adults will walk many miles to procure. Then also we shall endeavor to distribute sometime the world-renowned Medford, Oreg., pears, grown in the First Oregon District, represented here by my colleague, Mr. Morr. We want you all to enjoy these apples at this time, and to think of Oregon and the citizens of Oregon and of the beautiful Hood River Valley, and to know that you will always be welcome there at any time.

Mr. COCHRAN. And is it not true that the original trees on which these apples grow-

Mr. EKWALL. Yes; they undoubtedly came from Missouri. [Laughter and applause.]

## THE FRAZIER-LEMKE BILL

Mr. MAPES. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein a resolution of both houses of the Legislature of the State of Michigan relative to the Frazier-Lemke bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. MAPES. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following resolution adopted by the Legislature of the State of Michigan:

## House Concurrent Resolution 36

A concurrent resolution providing for the appointment of a committee of two members of the house of representatives to be appointed by the speaker of the house and one member of the senate to be appointed by the president of the senate to accompany a delegation of farmers to Washington, D. C.

Whereas there has been presented to the Congress of the United States a bill known as the "Frazier-Lemke Act", and this measure is now pending before the Senate and the House of Representatives of the Congress of the United States; and Whereas this bill, if enacted into law, will relieve the farmers and agriculturists of this country by refinancing their debts at a low rate of interest; and

low rate of interest: and

Whereas a company of nearly 300 representative farmers of the State of Michigan are making a trip to Washington on March 9 for the purpose of urging the passage of this important legislation: Therefore be it

Resolved by the house of representatives (the senate concurring), That the speaker of the house of representatives be instructed to appoint two members of the house of representatives and the president of the senate be requested to appoint one senator to this large delegation of farmers to Washington and in behalf of this legislature urge the passage of the so-called "Frazier-Lemke Act"; and be it further Resolved, That copies of this resolution be presented by this

committee of representatives and senator to the President of the United States and members of the Michigan delegation in the House of Representatives and Senate at Washington.

Lansing, Mich., March 8, 1935.

Clerk of the House of Representatives. FRED I. CHASE, Secretary of the Senate.

Mr. Speaker, I should like to add that the Republican Members of the House of Representatives from Michigan met this morning in the committee room of the Committee on Interstate and Foreign Commerce with the delegation of farmers from Michigan and the committee of the legislature of the State, referred to in the above resolution and who are now in Washington, and exchanged views relative to the Frazier-Lemke bill, and my information is that the delegation plans to meet with the Democratic Members of the House from the State sometime during the afternoon.

## WAR DEPARTMENT APPROPRIATION BILL-1936

Mr. PARKS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5913) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1936, and for other purposes, with Senate amendments, disagree to the Senate amendments, and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas [Mr. Parks]? [After a pause.] The Chair hears none, and appoints the following conferees: Messis. Blanton, McMillan, Snyder, Dockweiler, Bolton, and Powers.

# " PINK SLIP " PROVISION

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that my colleague, Mr. Treadway, be allowed to extend his own remarks in the RECORD on the so-called pink slip" amendment.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. TREADWAY. Mr. Speaker, the so-called "pink slip", based upon the amendment inserted in the Revenue Act of 1934, has created great public interest. So far as the section of Massachusetts which I represent is concerned, there appears to be a unanimous desire for its repeal. Explanations have been made as to how this requirement of law came into existence. It was not inserted in the Revenue Act of 1934 on its own merits, but as a necessary compromise in order to secure senatorial action upon the whole bill. As one of the conferees, I happen to have known all about the matter, but naturally am not in a position to make a statement based upon what transpired in the conference between the two branches. It is, however, perfectly proper that I thould state my individual opinion.

I never have favored greater publicity of income-tax returns than was provided by the law from 1926 until this year. That law offered ample opportunity for those entitled to information about the payment of income taxes to secure that information. Beyond that is simply a gratification of curiosity seekers or worse. It can serve no possible good purpose. Congress, through its proper committees or any special committee, the Governors of the States, or the stockholders in a corporation can under suitable rules and regulations obtain all data to which they may rightfully be entitled. The individual taxpayer should have protection of law from snoopers, blackmailers, and others with evil intent who wish the information for ulterior purposes.

I trust that the "pink slip" requirement will be repealed by prompt action on the part of Congress before the time comes for the information to be made public.

DEFLATING THE DEBT STRUCTURE AS A MEANS TOWARD ECONOMIC RECOVERY

Mr. TOBEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by inserting an address made over the radio by Hon. Theodore Christianson. of Minnesota, on February 28.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. TOBEY. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following radio address by the Honorable Theodore Christianson, of Minnesota, over the network of the National Broadcasting Co., on Tuesday, February 26, 1935:

At this time the people of the country are watching the news dispatches from Washington with great interest and much concern. They feel that history is in the making, and that decisions are being made which will shape the destiny of this country for a long time to come. Two years ago their mood was one of confidence; they felt that the Nation would soon emerge from the depression and that happy days would come again. That mood has given place to one of doubt, and even of despair, as the long months have dragged along without any improvement in the fundamental economic situation.

Two schools of thought seem to be developing in this country.

Two schools of thought seem to be developing in this country, both of which contemplate an abandonment of the underlying principles upon which America was built. Those who follow one school wish to retain the capitalistic order, but to regiment it still further, and to direct and control the entire mechanism of American business and industry from Washington. Those who follow the other school would have the Government not only direct the economic mechanism but own it acquiring it either direct the economic machine but own it, acquiring it either piecemeal by nationalizing one industry after the other, or all at once by wrecking capitalism and building upon its ruins a communistic state.

Whether we accept one of these alternatives or the other, whether we move with Rome or Moscow as our eventual goal, whether we move with rollie or moscow as our eventual goal, the end-result, so far as the average citizen is concerned, will be much the same. He will lose that individual freedom of choice and action which is the most precious part of the American heritage, and become the subject of the most ruthless and relent-

heritage, and become the subject of the most ruthless and relent-less of all tyrants—the all-embracing and all-powerful state.

The record of the last 2 years does not present by any means a uniform pattern. It is not easy to say toward which of these two goals we are moving. Sometimes the captain has turned to the right, and sometimes to the left; and as a result the ship has followed a zig-zag course. The N. R. A., and some of the policies of the Triple A, especially some of the developments of the Triple A now being proposed, point toward fascism. The T. V. A. and pending measures seemingly designed to put important private industries competing with T. V. A. out of business, point toward the eventual supplanting of individual enterprise by State monopoly. But, whatever the course toward which the skipper steers the craft, we are heading for uncharted waters. We are moving in

a direction in which this Nation has never moved in the past, and in which no nation ever moved without coming to grief eventually.

Is it necessary, in order to accomplish economic recovery, to follow either of these two courses? In fact, can recovery be accomplished by any policy whether capitalistic or communistic, that is designed to put the individual in a strait-jacket? Are not individual initiative and self-direction needed to release those human forces which must be let loose once more if we are to have economic well-being?

As a Republican I believe that we should avoid both of the alternatives between which the Democratic party has been shifting during the last 2 years, and move straight ahead toward the goal which the fathers set a century and a half ago. I do not believe in regimentation. I believe that competition is not only the best regulator of business but the only regulator that

not believe in regimentation. I believe that competition is not only the best regulator of business, but the only regulator that will regulate in the long run. The trouble with the artificial devices is that they are so complicated as to baffle and defeat those intrusted with their administration, and in the end to bedevil the situation instead of clarifying and improving it.

I am not one of those who would justify every policy my party has pursued in the past. I live in the Middle West, where the spirit of political independence is strong and where Republicans frequently dissent and insurge. The Republican party is big enough to take it on the chin and to admit that it has made mistakes; and I would say that its biggest mistake is not that it neglected to regiment the Nation, as it is being regimented today, but that it failed to enforce that competition which is the only effective regulator of business in a capitalistic society.

but that it failed to enforce that competition which is the only effective regulator of business in a capitalistic society.

I am not now referring especially to "trust busting", although "trust busting" as practiced by the first Roosevelt is certainly better than trust coddling under N. R. A. codes. The most effective way to reestablish competition is to withdraw and remove the special privileges which have made some men and some interests so powerful that no one can compete with them. Remove privilege and you destroy what monopoly feeds upon. That was one of the concepts upon which this country was built; and if it had been retained as a vital element in the national policy, the wealth of America would not have flowed into the hands of a few. There would have been a wider diffusion of ownership and con-There would have been a wider diffusion of ownership and control; there would be no monopoly, for no individual, or group of individuals, would exercise enough control to create a monopoly. It is my conviction that the way out of our present situation is not to concentrate still further the wealth of the country by nationalizing it or by the property of the control of the country by nationalizing it or by the property of the control of the country by nationalizing it or by the property of the control of the country by nationalizing it or by the property of the control of the country by nationalizing it or by the property of the control of the country by nationalizing it or by the control of the country by nationalizing it or by the control of the country by nationalizing it or by the country by the control of the country by nationalizing it or by the country by nationalizing it or by the control of the country by nationalizing its control of the country by nationalizing the country by the country by nationalizing the cou tionalizing it, or by turning its control over to the politicians, for that involves, so far as the people are concerned, only an exchange of masters; but to destroy privilege and to leave the wealth, as it is being produced, in the hands of those who produce it. That does not mean that all income should go to those who work with their hands, for those who direct industry are producers no less than those who man machines. It does not mean either that capital should not have its rewards; it only means that the rewards of capital should be commensurate with its contribution.

its contribution.

The failure to adjust the wages of capital, which is interest, with the wages of labor, is responsible for the present depression, as it has been responsible for all depressions in the past. Let me make what I mean clear by using a few figures: The total income of the American people in 1929 was approximately \$85,000,000,000.

The interest burden was \$10,000,000,000, leaving \$75,000,000,000 net buying power in the hands of the very numerous group that owes money and can spend only that part of its income which is left after the creditor has been satisfied.

In 1933 the national income was only \$39,000,000,000; but the debtor group still carried an interest load of \$10,000,000,000, and there was left for spending after debt charges were satisfied only \$29,000,000,000.

It was the drop in buying power from \$75,000,000,000 to \$29,000,000,000—a drop of almost two-thirds—in 4 years that put ten or twelve million men out of work. It is not strange that we have unemployment. It is strange that the economic

that we have unemployment. It is strange that the economic machine has not entirely stopped functioning.

Men could be just as prosperous on a low-price level as on a

high one, if fixed charges were reduced accordingly. Therefore the national policy should have been to reduce fixed charges in the

national policy should have been to reduce fixed charges in the same proportion that the national income was reduced. If that had been done, the depression would have been checked and a return to economic normality begun almost immediately.

Instead of following that course, the administration tried to restore the balance between debts and income by raising prices. By adopting that expedient it ran counter to the economic forces, which all tended to make prices lower. Instead of reestablishing normality, the Government's policy intensified appearance. forces, which all tended to make prices lower. Instead of reestablishing normality, the Government's policy intensified abnormality. The price of the cotton required to produce a pair of overalls increased a few cents, but the price of a pair of overalls advanced a dollar. The price of a pound of wheat went up 1 cent, but the price of a loaf of bread 5 cents. A processing tax raised the price of hogs, but while hogs went up to 8 cents pork chops went to 40; and the pork packers, charging the tax back to the farmer and on to the consumer at the same time, were probled to declare unprecedented dividends. enabled to declare unprecedented dividends.

enabled to declare unprecedented dividents.

The wise provisions of the Sherman antitrust law, enacted by a Republican Congress, have been set aside; and monopoly, drafting its own codes and making its own laws, is riding roughshod over the American people. The industrial masters, about whom demagogs like to prate, and to curb whom was the avowed purpose of the new deal, have been permitted to write their own ticket. Doing business on a cost-plus basis, it makes no differ-

ence to them that labor costs are increased by higher wages and shorter hours, when the rules are so changed that price competition is eliminated. They can well afford to give the workingman another dollar, if in turn they may take \$2 away from him as a consumer.

The number of unemployed today is greater than a year ago. The number of unemployed today is greater than a year ago. There is a reason. When prices advance faster than consumers' incomes, there is a reduction in buying power, and when buying power shinks employment ebbs. If the present drift toward higher prices and increased unemployment continues, the springs of business will eventually dry up. The P. W. A., the C. W. A., and all the pump-priming devices to which resort has been, or will be made, will not save the country. One of my Democratic colleagues, in an interval of frankness, said the other day: "You cannot get water by priming a pump in a dry well." Economic well-being is dependent on private industry, and there can be no being is dependent on private industry, and there can be no revival of private industry unless and until consumers' incomes overtake consumers' prices

overtake consumers' prices.

The Democratic Party, following policies which are more and more being questioned by the country as a whole and are being challenged even by the Democrats themselves, is headed for a crisis. The administration is finding it increasingly difficult to steer its craft between the Scylla of Carter Glass and the Charybdis of Huey Long. The Republican Party is confronted with an opportunity and a challenge. It can win in 1936, but it cannot win by merely reciting the record of its past achievements. It cannot win by standing on a platform of negation. It must offer to the country a program adequate for the present needs of the people.

people.

Rejecting the doctrine of scarcity, and returning to the doctrine of abundance and a balanced buying power as the key to prosperity, let us recognize the profit motive as the essential drive spring of the economic machine, but lay down a formula for a fairer division of the product between those who work, manage, and take risks and those who merely hold the mortgage on the economic plant. That involves the procedure which is bringing England back to prosperity and which has already brought Australia to within 20 percent of normality—a procedure which lifts the debt burden by reducing interest rates.

Let us stop putting the Government in competition with its own citizens and be done with socialism in all its forms and disguises, remembering that socialism never has worked and never will work, and cannot even be given a fair trial without first scrapping democracy.

scrapping democracy.

Let us stop going into debt for futile experiments, dismantle as soon as possible the alphabetical assortment of emergency machinery, provide adequate old-age pensions, and establish a workable system of unemployment insurance. Pending recovery let us make decent provision for the drought stricken and the unemployed, taking relief out of politics, so that a man may vote any ticket he pleases and still continue to eat.

I believe that if we do these things the American people will

be well served.

## STATE, JUSTICE, COMMERCE, AND LABOR DEPARTMENTS APPROPRIA-TION BILL, 1936

Mr. OLIVER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5255) making appropriations for the Departments of State and Justice and for the Judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1936, and for other purposes, with Senate amendments, disagree to the Senate amendments, and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. OLIVER]? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. Oliver, McMillan, and Bacon.

## SEED LOANS

Mr. CARLSON. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. CARLSON. Mr. Speaker, I want to call your attention to two matters that I believe are of primary importance at this time for the temporary relief of the farmer. On February 7 we passed in this body a seed-loan bill, which has also passed the Senate and which was signed by the President; but it was specified that this appropriation was to come out of the \$4,800,000,000 emergency relief appropria-The farmers of this country need their seed now. I trust that the Appropriations Committee, which I understand has bills under consideration, will bring them out as soon as possible in order to aid the farmers for spring seeding.

Another bill that I believe should be brought to the floor of the House and passed that will be of great benefit to the farmers is the Farm Credit Act, which was passed by the Senate with the Wheeler amendment, which reduces interest on Federal land-bank loans 1 percent. I would urge that this bill be brought before this body as soon as possible. It is estimated that this will cost our Government \$25,000,000 annually for a 3-year period, at which time the amendment expires. I appreciate that the opposition to this amendment is that it is a drain upon our Treasury, and that the Federal land bank should be a self-sustaining organization, but I have noticed that we do not hesitate to vote funds for other purposes, and, in my opinion, agriculture is in a most distressing situation. You read glowing reports on the increase in farm prices and the greatly improved conditions of the farmer, and I do not want to be accused of minimizing the assistance that has been given the farmer, but let us analyze

The farmers of this country are carrying a mortgage load of \$11,000,000,000.

The interest charge on this debt is between five hundred and five hundred and fifty million dollars a year. With a farm income of less than \$6,000,000,000 in 1934, the farmer cannot carry this load.

While every farmer appreciates the increase in the price of commodities that he has to sell, we must remember that in the larger portion of our farming area we had an extensive drought last year, which gives them high prices with nothing to sell. In other words, they are buying feed for their livestock at greatly increased prices. In this great drought territory the A. A. A. was not of assistance as a curtailment of production, but it did operate as a program of crop insurance. The farmers are using this money to pay interest, taxes, and living expenses, but have no funds with which to buy commodities that would bring about a business recovery. The Associated Press reports on January 5 state that agriculture prices are now at a pre-war parity price, and it also states that the commodities the farmers have to buy have gone up to 127 percent. With no crops to sell and with interest and tax payments to meet, and an increased cost of commodities, the farmer in the drought area is in a more distressing situation than a year ago; and to make the situation gloomier, there are vast areas of our farming sections that have less subsoil moisture than a year ago. In fact, we have counties in my district where as high as 50 percent of the farmers are on relief at this time. In Kansas we have 12.986 Federal land-bank loans, which total \$49,587,700, and 15,712 Land Bank Commissioner loans, totaling \$33,580,770, or we have a total of 28,698 loans, which total \$82,168,400 of Federal land-bank loans. Reducing the interest rate 1 percent will be a saving to our State of \$831,684 annually. In my own congressional district we have 3,542 Federal land-bank loans, which total \$12,421,900, and 4,302 Land Bank Commissioner loans, which total \$8,786,500, or 7,844 loans, totaling \$21,208,400, and 1 percent reduction on this interest rate would save us \$212,084 annually. At the present time the National Government owns \$816,000,000 of the farm land-bank bonds out of a total issue of \$1,832,000,000, and on some of these I understand the Government is making as much as 1 percent profit.

In my opinion, agriculture will have to be refinanced sooner or later, either by the Frazier-Lemke refinance measure or some similar method.

The SPEAKER. The time of the gentleman from Kansas [Mr. Carlson] has expired.

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes out of the regular order.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. BURDICK. Mr. Speaker, when I last called the attention of this House to the feed and seed situation of the Northwest I doubt if anybody paid very much attention to what I said, but I made the prediction that unless the rules and regulations of the department handling relief were changed or amended, serious loss would result in the Northwestern States. Now, that has come to pass, Mr. Speaker, and because of these rules and regulations the feed has not

gotten out to the livestock, and we have lost a great number, of them.

Instead of merely asking for seed for which no appropriation has yet been made, we will have to ask this Congress for an appropriation of a great many million dollars for horsepower in order to put in our crops. I want to notify you, Mr. Speaker, that I have been informed that the drought of 29 months in our State has been broken by a good share of rain and snow, and unless our farmers can get the seed and horsepower now, it will be too late again, as it was when I appealed for some help on the relief of the livestock 2 months ago.

After much agitation, the rules and regulations have been changed in some particulars, such as the granting of \$10 of feed per horse. The damage, however, has been done, and horses have perished for lack of feed in the very sight of United States Government hay. Now that the rains and snow have come again in the Northwest, it will not be long before this Government hay will be hauled to the dump ground. The Government loss will be stupendous, and the loss to the farmers, in starved horses and cattle, will amount to millions of dollars.

If seed is not furnished promptly thousands of farmers will be unable to sow a crop and will be compelled to remain on relief for another year. The farmers abhor relief; they do not want to ask the Government for aid and would not have done so if there was any possible way under the sun to avoid doing so. They want to get off of relief at the earliest possible moment. Can we assist them in their desire to get off the relief rolls by failing to provide seed now when conditions look favorable? Hesitation and delay now will result in further disaster. One good crop in the Northwest will put the farmers on their feet as far as relief is concerned, and an even break in finance and price will make the farmer a power again and of value again to the business of the Nation. Every class, every manufacturer, and every laborer in the United States will be benefited by the return of buying power in the hands of the farmer. Let this Congress do the big thing, the right thing, and do it now.

Mr. MOTT. Will the gentleman yield?

Mr. BURDICK. I yield.

Mr. MOTT. The gentleman from Kansas [Mr. Carlson] stated a moment ago that it was prescribed that the seedloan money should come out of the work-relief bill. Has the gentleman any idea who prescribed that? Neither the House nor the Senate prescribed it. Does the gentleman know why it is being held up?

Mr. BURDICK. My answer to the gentleman is that I have Resolution 119, now pending before the Committee on Rules. It reads as follows:

That the Speaker of the House be, and he is hereby, authorized and directed to appoint a committee of five or more Members as a special committee on emergency relief legislation.

I am satisfied if that were done it would be a clearing house for all of the complaints against feed and seed and human relief, and give the Members of Congress a chance to at least think about some other matters of legislation. There is too much bureau control and not enough congressional action.

Mr. BACON. Will the gentleman yield?

Mr. BURDICK. I yield.

Mr. BACON. I will say that the Appropriations Committee tomorrow will report out the first deficiency bill, which contains a very large item for loans for seed purposes. [Applause.]

Mr. BURDICK. But in my last minute I want to say that the seed situation has been misunderstood by the House. I have authentic reports from disinterested parties, who do not belong to any of our political parties, who are in the service of the State, to the effect that we do need at least \$20,000,000 for seed and feed in the State of North Dakota alone. I recall that the gentleman from Minnesota [Mr. Christianson] said the appropriation of \$60,000,000 was not sufficient. I do not believe anyone paid very much attention to what he said. Before this Congress adjourns this spring, in a very few days from now you will be called upon

to make further appropriations for feed and seed for the Northwestern States.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?
Mr. BURDICK. I yield.
Mr. BOILEAU. The gentleman from New York stated that the deficiency bill which is soon to be reported out will carry aid for the farmers. Does that mean the \$60,000,000 that was provided by legislation recently enacted?

Mr. BACON. The gentleman is correct.

Mr. BOILEAU. I would remind the gentleman that those loans are supposed to be loans made on a good security, whereas the farmers referred to by the gentleman from North Dakota will be unable to take advantage of that legislation and it will be necessary to pass additional legislation to aid this group of farmers.

Mr. BACON. That is just what that legislation is supposed to do.

Mr. BOILEAU. I may say to the gentleman that as I understand the bill we passed sometime ago it was not relief, but provided for commercial loans, and they are supposed to be loans covered by good security. The gentleman is not referring to a relief measure.

Mr. BACON. I think the gentleman is correct.

Mr. BURDICK. Two-thirds of the farmers in North Dakota, Minnesota, South Dakota, Wisconsin, and the rest of this territory cannot qualify under the seed loan bill because their property is already mortgaged.

[Here the gavel fell.]

The SPEAKER. Under the previous order of the House, the Chair recognizes the gentleman from Minnesota [Mr. KNUTSON | for 30 minutes.

Mr. KNUTSON. Mr. Speaker, ever since the enactment of the Hawley-Smoot tariff bill in 1930 the Democrats have denounced it as a thing of evil without any redeeming qualities. Indeed, during the campaigns of 1930 and 1932 the Democrats promised the American people that one of the first things that they would do upon taking control would be to repeal the Hawley-Smoot bill in its entirety.

The Democrats secured control of the House 4 years ago, and since that time they have had an overwhelming majority in the House. In fact, their majorities in both the House and the Senate are the greatest ever enjoyed by any political party in all the history of the Republic; and yet they have not made a single move to repeal the present Republican tariff law, which they have so relentlessly denounced both on the hustings and here on the floor of Congress. Why have they not fulfilled their promise? The American people would like to know.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. Not at this time.

Mr. RANKIN. The gentleman asked a question: I want to answer it.

Mr. KNUTSON. Mr. Speaker, I decline to yield at the present time.

Mr. RANKIN. The gentleman declines to yield for an answer when he has asked a question?

Mr. KNUTSON. I will yield a little later.

On March 6 the beloved Chairman of the Ways and Means Committee [Mr. Doughton], who is my warm, personal friend, devoted considerably more than an hour to a denunciation of the Hawley-Smoot bill. Let me ask him now, Why has he not long since taken steps to repeal this law, if it is so iniquitous? He has had 4 years to do it in.

The gentleman's speech throughout was a defense of the reciprocal trade policy being followed by the Roosevelt administration, and he took some little time to tell us of the alleged blessings that will flow upon us as a result of the various trade agreements already negotiated by the Roosevelt administration and the agreements that are yet to come. He had something to say about the Cuban Treaty, and inserted in the RECORD a news item purporting to have originated in Houlton, Maine, which reads as follows:

Houlton, Maine, October 16, 1934.—An unprecedented demand from Cuba for Maine potatoes brought encouragement today to the distressed planters in Aroostook County, Maine's vase potato empire.

With their product bringing only 50 cents a barrel, less than the cost of raising, and 15 percent of the crop snowed under by last Friday's storm, the outlook heretofore this season has been

gloomy indeed.

But the central potato inspection office announced today that a Cuban tariff on Canadian potatoes and a prospective duty on American exports, to become effective November 1, has resulted in a sudden demand for 80,000 sacks of Maine "spuds."

Sixty-two carloads are now being loaded on board a vessel at Searsport, and buyers now in the county have orders for 100

The rush of export business prompted Commissioner of Agriculture Frank P. Washburn to increase the size of the inspection staff here. Washburn said the demand was the outstanding export business for Aroostook County in the past few years, and expressed the hope that it might be retained under the new tariff arrangements.

Last year Cuba bought most of its potatoes in Canada. While the temporary advantage which American producers now enjoy as a result of the tariff on Canadian exports will be reduced after November 1, the duty on shipments from the United States is expected to be less than that on exports from the Dominion.

The gentleman from Ohio [Mr. HARLAN] inserted the same item in a speech which he delivered in this House on March 1 against the Hawley-Smoot tariff bill, so I assume that the Democrats consider this particular story one of their strong talking points in support of the trade agreement that we entered into with Cuba last fall.

Within the past week I have received three letters from potato growers living in Aroostook County, Maine, which would indicate that the Cuban trade pact has proven anything but a blessing to the potato growers of Aroostook County, and I now desire to read to the House the contents of these communications.

CARIBOU, MAINE, March 6, 1935.

DEAR MR. KNUTSON: I am writing you relative to the reciprocal

trade policy of this administration.

DEAR ME. KNUTSON: I am writing you relative to the reciprocal trade policy of this administration.

First of all, let me tell you who I am and how I am being affected by these trade pacts. I am a farmer doing business at Caribou, Aroostook County, Maine. My people were pioneers, coming before one mile of road was built in this county. I operate two large and up-to-date potato farms and usually plant from 200 to 250 acres in potatoes, about one-half usually certified seed. My crop is shipped and marketed wherever possible.

For the growing season of 1934 my crop cost in actual expenditure, not counting my own time and efforts, \$1.67½ per 165-pound barrel for seed, fertilizer, taxes, insurance, trucking, and storage, and this does not take into account rot or any damage that may develop. Our county agent has a list of farmers' expense accounts which vary from \$1.50 per barrel production cost where little hired labor is required, to \$1.90 per barrel where all work is performed by hired labor. So much for costs.

Now, with more potatoes produced here than can possibly be marketed at any price, our people with no other occupation are imploring Congress to pass laws limiting acreages and quotas, and at the same time asking the Government for money with which to keep these potato towns functioning and to plant new, smaller-sized crops, it cartainly does not look researched to let more notation.

to keep these potato towns functioning and to plant new, smaller-sized crops, it certainly does not look reasonable to let more potatoes come into our markets. We are not asking unreasonable things—just a regulation to where the industry can eke out its

own meager existence.

As for the Cuban trade: It has never been of any particular value to Aroostook County nor to any producing section. We propose to let down the bars to them to bring in their potatoes while New Brunswick and Prince Edward Island supply them their conduction of their table potatoes in seasons when they buy while New Brunswick and Prince Edward Island supply them their seed and most of their table potatoes in seasons when they buy table potatoes. The Canadian transportation system and their banking arrangement make it possible for Canada to do the Cuban business in spite of American or Cuban tariffs and they do it while we would get in United States markets what they have to export, Canada none.

As for an agreement to let Canada ship in her seed potatoes at a lower duty, it would be just another impossible stumbling block for us. For the past decade we have so many potatoes that we cannot market all of them at any price and for most of the time we have been getting but a small fraction of their cost.

If a period of reduced entry were granted on Canadian seed potatoes their bulk would be rushed in here and storehouses filled at New York, Boston, Port Newark, Charleston, Savannah, Jacksonville, and Guif ports. We have had this condition before and it creates an impossible position for us.

We know just about what will happen if Canadian potatoes are permitted to come in again even if only for a period. It will mean that all her potatoes will come in here and the mere fact that

that all her potatoes will come in here and the mere fact that those big storage houses full of potatoes are there to everybody's knowledge means that we can't sell any seed at any price. Nobody benefits but the importer. Most all these cargoes in past years

benefits but the importer. Most all these cargoes in past years were consigned shipments.

I am asking that you use any and all means of fair persuasion to prevent the lowering of the tariff on either Cuban or Canadian potatoes. We can do without Cuba's seed trade as we always have and as for the United States potatoes going into Canada, it is a very negligible amount and that amount will go tariff or no tariff.

I have known Prince Edward Island potatoes to be delivered in Jacksonville and Daytona, Fla., for 6 cents for 167-pound bag in shipload, whereas our rate was 72½ cents hundredweight to Jacksonville and 89½ cents hundredweight to Daytona. This offsets a tremendous duty; at the same time takes our market and takes from our transportation companies the revenue so sorely needed. I have official Canadian production-cost figures of 49½ cents per barrel where all labor was performed by the grower's family, 71 cents where help was employed. United States recorded Canadian figures higher but purposely fixed that way.

Very truly yours,

E. H. DOYLE.

Washburn, Maine, March 5, 1935.

Dear Congressman Knutson: My attention has been called to a speech made by Congressman Harlan, of Ohio, in the House of Representatives as printed in the Congressional Record of Friday, March 1, 1935, in which Congressman Harlan stated that since the reciprocal trade agreement made with Cuba in the fall of 1934, that Maine potatoes had materially benefited thereby and were selling for a much higher price than heretofore.

I desire to deny the statement of Congressman Harlan and call to your attention the fact that Maine potatoes this season have been selling for the lowest price in the history of the industry.

The prevailing market price to the growers of Maine during the fall of 1934 was from 40 to 50 cents per barrel of 165 pounds net, a barrel containing 11 pecks, or 2¾ bushels. Since January 1, 1935, the market has gradually declined, and at the present time the prevailing market price to the grower in Maine is 30 cents per barrel bulk per 165 pounds net.

The newspaper clipping quoted by Congressman Harlan from the Houlton Times, Houlton, Maine, on October 25, 1934, held out hopes to the Maine grower that he would be materially benefited by the Cuban reciprocal-trade agreement and that such agreement would open up a new market for Maine potatoes in Cuba. This prophecy has not proved to be true.

If a reciprocal-trade agreement is made with Canada and the

open up a new market for Maine potatoes in Cuba. This prophecy has not proved to be true.

If a reciprocal-trade agreement is made with Canada and the duty on Canadian potaoes is lowered, it will mean absolute disaster to the Maine potato industry, with no chance of the industry recovering in the future for the reason that with an already depressed market further importations of foreign potatoes would mean additional competition for the industry.

Transportation costs by water from Canadian ports, such as Prince Edward Island and New Brunswick in foreign ships, are much lower than railroad rates or combination rail and water rates from loading points in Aroostook County to the seaport terminal markets of the United States.

I desire further to state, Congressman Knurson, that the average cost of producing potatoes in Maine is from \$1.50 to \$1.75 per barrel of 165 pounds. Therefore, you can readily understand that the prevailing price received of from 30 to 40 cents per barrel by the Maine grower means a tremendous loss to the grower and the industry as a whole. and the industry as a whole.

Market prices for Maine potatoes received by growers so far this season, as quoted herein, may be verified through the Bureau of Economics of the United States Department of Agriculture.

Yours very truly,

Andrew J. Beck, President Aroostook County Council.

CARIBOU, Maine, March 5, 1935.

Dear Congressman Knutson: With reference to a speech made by Congressman Harlan in the House of Representatives on March Times, of Houlton Maine, relative to benefits to Maine potato growers under trade agreement with Cuba, I desire to state that this newspaper item was simply commenting on hopes of the Cuban market. No benefits have been received under the Cuban

agreement, and Maine potatoes have been received under the Cuban agreement, and Maine potatoes have been selling throughout the entire season at the lowest price in the history of the industry.

These facts can be borne out by the daily Government market report. Any trade agreement or lowering of price tariff rates will result in further depressing the market which is already oversupplied with potatoes grown in the United States.

Yours very truly,

E. W. Russ.

May I say for the benefit of the Members that Messrs. Doyle and Russ are two of the biggest potato growers in Aroostook County, and that between them they produce in excess of 50,000 barrels annually. Mr. Beck is president of the Aroostook County Council, which has a membership of 3,000 potato growers. Let me call your particular attention to Mr. Beck's letter, wherein he states that during the fall of 1934 the prevailing market price to the potato growers of Maine was from 40 cents to 50 cents per barrel, of 165 pounds net, and that since January 1, last, the market has gradually declined until the present time when the prevailing market price to the potato grower in Maine is 30 cents per barrel, or 11 cents per bushel, which, of course, is far, far below cost of production.

The experience of the potato growers of Maine has been the same as the experience of the dairyman in Minnesota, Wisconsin, Illinois, Michigan, and New York. The price of butter, whilst seemingly satisfactory, is also much below cost of production when we take into consideration the fact that as a result of the drought and the operation of the A. A. A. the price of feed and hay has increased from 100 to 300 percent.

I want my Democratic friends to get this: Since this munificent trade pact was entered into, or since January 3 the market for Maine potatoes has gradually declined until at the present time the prevailing market price to the grower in Maine is 30 cents per barrel-get that-30 cents per barrel, and the barrel costs 15 cents; so the growers get 15 cents for 165 pounds of potatoes. Let that soak in!

My good friend, Mr. Stefan, of Nebraska, has handed me a letter and a telegram, dealing with butter imports that 1 desire to insert at this point:

CITY OF SCHUYLER, NEBR., March 4, 1935.

Hon. Karl Stefan,

House of Representatives, Washington, D. C.

Dear Karl: The firm of Holub & Nash, grocers in Richland, have referred the enclosed telegram to me and request that I communicate with you with the thought that perhaps we might unite to combat the importation of farm products which so greatly reduces our farmers' income.

It would seem that the taxpayers and builders of our Nation should receive some consideration from our Government, who seem to favor foreign farmers over their own countrymen.

I am sure your efforts are very much appreciated by your many friends in all agricultural States and should be willing to assist in combatting this unfair competition.

Assuring you that we are most grateful for your assistance in fighting our fight in Washington, I am,
Yours fraternally,

OTTO ZUELOW, Mayor.

[Western Union]

OMAHA, NEBR., February 26, 1935.

HOLUB & NASH,

Richland, Nebr.

Gentlemen: It seems there is no end to the severe decline we

Gentlemen: It seems there is no end to the severe decline we are experiencing in this butter market.

Talked to New York today and they gave us to understand there will be better than 30,000 boxes of foreign butter received in this country this week, which butter is costing only 31½ cents delivered New York, duty paid. This being the case, it is quite apparent to us that this market will go much lower and it is imperative that we reduce our payment prices accordingly, therefore we positively insist that you reduce your price to 31 cents. We firmly believe this 31-cent price is only temporary and within another day or two we will see another decline, so please give us your fullest cooperation and handle accordingly. your fullest cooperation and handle accordingly.

Thank you.

JERPE COMMISSION Co., INC.

Mr. Speaker, at this point let me read several letters from Minnesota which speak for themselves:

SWANVILLE, MINN., March 4, 1935. SWANVILLE, MINN., March 4, 1935.

Dear Mr. Knutson: I understand that there is considerable butter being shipped in from Europe, New Zealand, etc., and no doubt this is the cause of the butter market being on the downward trend again. Will you not kindly advise me if this is not the case? And would it not be possible for you to give me the exact figures of butter pounds being shipped in every month? Are there any American goods being exchanged for this butter?

I know you are in favor of an embasse on darm products. Will

I know you are in favor of an embargo on dairy products. Will you not kindly give me your viewpoint on it again? The present administration is not in favor of it, I know; they would sooner cut production at home and pay for it, and then turn right around and flood the home market with foreign dairy products. I fail to see any sense there.

I would like to have your answer for publication in our local

papers. Very respectfully yours,

ERVIN MIELKE, Secretary-Treasurer Swanville Cooperative Creamery.

New Ulm, Minn., March 5, 1935.

Dear Mr. Knutson: Because this is the first of a number of years that the farmer has a chance to make some money, we ask that you do what you can to curtail or eliminate entirely importations of foreign meats, butter, and eggs.

Feed costs are high, and unless prices of the above commodities show farmers a profit above cost of feeding, they will be in the same

position as before.

The butter market is on a downward trend because of heavy importations for which the seller in the foreign market gets 18 cents net a pound, and now desiccated and canned (frozen) eggs are being offered from China.

We are not egg breakers or driers, so that it would have no immediate effect on our business, but it is unjust to allow these commodities to come in and compete with domestic supplies.

We ask that you kindly support H. R. 5802, introduced by Congressman Lea of California, which calls for an excise tax on imported Chinese egg products. You are a member of the Ways and Means Committee and so will have a deep interest in the matter. Thanking you, we remain, Yours truly,

STORK BROS., By A. H. STORK.

NATIONAL ASSOCIATION OF LOCAL CREAMERIES,

St. Paul, Minn., March 6, 1935.

Dear Mr. Knutson: Heavy importations of butter are almost entirely responsible for a drop of approximately 7 cents per pound in butter prices in the past few weeks, entailing a heavy loss upon the industry and blighting the dairy farmer's hope of once again obtaining a price for his butterfat which will enable him to get the cost of producing it.

This organization and the 250,000 dairy farmers which it represents are not unmindful of the dangers of all prices which are beyond the consumer's ability to pay and would not have complained had only enough foreign butter been imported to hold prices at a fair level. But the depreciated value of our dollar has offset the value of the 14 cents per pound tariff to the point where foreign butter has come in in sufficient quantities to push down the price of the domestic products beyond the point of reasonableness either to consumer or producer. The situation is becoming more intolerable daily, and steps will have to be taken soon to restore the protective features of the tariff or our dairy farmers will be confronted with a situation wherein they will be producing a minimum amount of butterfat to be sold at an extremely low price.

The farmer who produces the product from which butter is made has derived absolutely no direct benefit from any of the proposals designed to assist agriculture, but, on the contrary, has, until comparatively recently, suffered from the working of the Adjustment Act. It is unfair to ask that he be further penalized by working under a tariff which no longer affords protection because the value of our money has been depreciated.

Very truly yours,

Very truly yours,

W. A. GORDON, Secretary.

LAND O'LAKES CREAMERIES, INC. Minneapolis, Minn., March 6, 1935.

DEAR MR. KNUTSON: We received your telegram asking for information in regard to butter importations. Mr. Brandt will not be back in the office until Saturday morning so we hasten to

De back in the omce until Saturday morning so we hasten to answer your inquiry.

It is true that importations of New Zealand butter has had a very depressing effect on the butter markets of New York, Boston, and Philadelphia. New Zealand is now producing grass butter which they are willing to sell at around 18 cents a pound shipping point, plus our duty of 14 cents and 2 cents a pound freight charges, making the butter worth about 34 cents delivered New York York.

Immense shipments have arrived recently, more than the markets could absorb along with the fresh butter that we ship to eastern markets. This gave the buyers a chance to sell the market short and purchase western butter at ridiculously low prices, forcing the importers to take losses in the event that they had to sell, but large quantities of it have been placed in storage in New York to be withheld from the market in hopes that prices

will react.

It is too late now to cry about imported butter and "lock the door after the horse is stolen"; we foresaw this situation last December when the duty should have been raised to prohibit the importation of fresh, grass-made butter from the Southern Hemisphere. Our farmers are up in arms as they cannot produce butterfat at these low prices and compete with this cheap New Zealand butter even after the duty is paid. Practically all of the butter-producing farmers are short of feed, especially right now when they need every bit of help they can be given to carry them through until grass time. Due to the shortage of butter we possibly could have maintained a 36-cent butter market which would have given the farmers 40 cents a pound butterfat, and on that basis they could have bought a little feed to maintain their herds, but now thousands of them cannot afford to buy feed and are going on Government relief.

If the duty could be raised immediately to shut out any further

If the duty could be raised immediately to shut out any further importations, it would help some, but any raise in duty a few weeks hence will be of no value because by that time our Southern States will be in the producing season and our own markets will be below the imported market.

We do not know what you have in mind in regard to stopping butter importations, but Congress and the administration have been very lax in permitting a situation like this to arise and disrupt our entire dairy-marketing program from which we will not recover this year. Very truly yours,

LAND O'LAKES CREAMERIES, INC., H. F. MEYER, Director of Sales.

OGILVIE, MINN., March 6, 1935.
DEAR MR. KNUTSON: Please do not think I am trying to be med-

desome, but I am going to ask you a question.

Hasn't Congress the power to assist us dairymen in maintaining the price where it will at least give us cost of production on butterfat and eggs? It seems very strange to many of us Minnesota

dairymen that we only had a glimpse of 40-cent butterfat; it seemed only long enough for the speculator to get rid of his holdings.

holdings.

The production of butterfat is the lowest in years and the amount held in storage is unusually small. On the basis of production and the amount in cold storage, we should be getting at least 45 cents a pound. You have shown that you understand the dairyman's problem, and I am sure you will agree with me that we are losing money right now with feed and hay 200 and 300 percent higher than in normal times.

Is it true that the United States Navy buys its butter from Denmark?

Why are potatoes only 40 cents a hundred? If something is out of joint, I wish you would look into it and see what you can do to straighten it out. We raise as nice a potato as any State in the Union and we should at least be entitled to cost of production.

Yours very truly,

In his remarks Chairman Doughton repeatedly spoke of the necessity for increasing our foreign commerce. My good friend Doughton must know that all foreign commerce is based upon two premises: Price and necessity. For any product to sell upon the open market of the world such product must be priced to meet the highly competitive prices of the world market. No country is going to buy from us because they love us. They will only buy from us because they must have the things that we produce, and because we can offer more attractive prices than competing

There was a time when American wheat dominated the world market and we annually exported hundreds of millions of bushels; but as the wheat fields of Canada, Argentina, and Russia became developed, we gradually lost the world market for our wheat because these countries were able to undersell us in that market, and our wheat farmers were compelled to take up dairying and other lines of agriculture.

We buy from other countries commodities that we cannot produce in our own country, such as coffee, tea, tropical fruits, rubber, certain minerals, and silks, none of which are produced in this country. Why do we buy? Because we must have these products. According to the United States Tariff Commission we purchased from Brazil in 1932 goods and commodities in the sum of \$82,838,605, and in return we sold that country commodities valued at \$28,546,-250. The bulk of our purchases from Brazil consisted of coffee. Now Brazil is a very poor customer of ours. We buy from her 300 percent more than she buys from us. Why do not we buy our coffee from some other country? Simply because we like Brazilian coffee and the price is the more attractive. The same reason holds good with the Republic of Colombia, from which country we bought \$60,845,508 worth of commodities in 1932, while we sold to her only \$10,496,985. Seventy-six and four-tenths percent of our purchases from Colombia consisted of coffee and 18.2 percent of crude petroleum. Under the Democratic theory, Colombia should buy as much from us as we do from her, but such, unfortunately, is not the case. We do not buy from Brazil and Colombia four and five times as much as they buy from us simply because we love them. We buy from them because we prefer their products and we like their prices and those are the only reasons that foreign countries buy from each other. They like our automobiles; they like our machinery; they like our shoes, our clothing, and other articles, because American products are superior in quality and our prices more attractive. And we are going to hold that market only so long as we can meet and overcome all competition.

The gentleman from North Carolina had much to say with reference to cotton and the necessity for maintaining the foreign market for the cotton surplus produced in this country. I am in thorough sympathy with that proposition; but let me remind the gentleman that a year ago it was testified before our committee that the British Empire is bringing 12,000,000 acres of cotton into production, which will make Great Britain wholly independent of us in the matter of cotton. Only the other day the press announced that Japan is getting ready to put a big acreage into cotton in Manchukuo.

To me that can only mean that our cotton farmer will

wheat farmer had to do. In this connection, I desire to call to the attention of my good friend from North Carolina, Mr. DOUGHTON, an article which appeared in this month's Country Gentleman, wherein it was stated that a new variety of sugarcane has been developed which can be grown in all parts of the Cotton Belt. That should help to absorb the surplus cotton acreage in that area.

Mr. WOODRUFF. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. WOODRUFF. Has the gentleman any information that Brazil has approximately 200,000,000 acres of land that is available for the cultivation of cotton?

Mr. KNUTSON. It was so testified before our committee

about a year ago, if the gentleman recalls.

We imported last year from Cuba 1,901,752 short tons of sugar. As you all know, the National City Bank and the Chase National Bank, together with a few other large New York financial interests, control the sugar industry in Cuba. When you Democrats reduced the tariff on sugar a year ago by Presidential proclamation and again last fall, through the reciprocal-trade agreement with Cuba, from 2 cents to 0.9 cent per pound, you in effect made an outright gift to the international banking crowd in New York of \$41,838,544 annually. Why do you not point to that with pride? That certainly is one of the outstanding accomplishments of this administration

Mr. BOYLAN. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I yield. Mr. BOYLAN. Why refer to the banking crowd in New York? The gentleman is an intelligent man, the editor of a very strong paper in the West, and he knows that the stock of these banks is held all over the United States. The gentleman would like to infer that New York City controls what is done.

Mr. KNUTSON. The National City Bank in New York is not in the sugar business; it is the National City Co. There is a distinction without a difference.

Mr. BOYLAN. Does not the gentleman know that the stock of the company is held all over the United States, and not particularly in New York City? The gentleman knows that as an editor, does he not?

Mr. KNUTSON. I understand the stock is widely distributed.

I have already told you what you did for, or rather to, the potato growers in Aroostock County, Maine, as well as to those who raise potatoes in Minnesota, Montana, and Idaho.

Understand, I am not accusing the Democratic Party of double-dealing. The American people must have known that they would get free trade when you got into power; but, judging from letters that I am receiving from back home, I am led to believe that the American people are getting fed up on the idea of playing Santa Claus to the rest of the world.

As you know, Minnesota is one of the foremost dairying States in the Union. Before we went off the gold standard the American dollar was worth a hundred cents, but today the dollar is worth only 59 cents abroad; and, as a result, the 14-cent tariff on butter given under the Republican Hawley-Smoot Act has been reduced to 81/4 cents per pound, and that is the reason that we are having such tremendous importations of butter, condensed and powdered milk, cheese, dried and powdered eggs, potatoes, vegetables, canned beef, hides, wool, rye, and other grains, manganese, pulp and print paper, safety matches, coal, and hundreds and hundreds of other things that we formerly produced on the farms and in our factories for ourselves in the good old days when the Republicans were in power, but in this day of internationalism we go on the theory that the more we buy from other countries and the less we produce at home the more prosperous and happy we will be.

The Washington News for Wednesday, March 6, carried a story on the front page, the title of which reads: "Federal relief rolls at all-time peak of 22,000,000", and then went on to tell of the terrific cost in caring for these 22,000,000 people on the dole. Do you wonder that our unemployment is as great or greater than it has ever been in the history of ultimately have to go into some other activity, just as our the country when you stop to figure the enormous purchases that we are making from other countries of commodities that we can and should produce at home and thus make work for the American unemployed?

Mr. Speaker, at this point I desire to insert a few comparative tariff rates as contained in the Democratic Underwood Act of 1913 and the Republican Hawley-Smoot Act of 1930.

Mr. Speaker, I desire to insert a comparative statement of rates between the Underwood Free Trade Act and the Hawley-Smoot Act of 1930. I ask unanimous consent that I may be allowed to do so.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The matter referred to follows:

Commodity	Republican Hawley- Smoot Act (1930)	Democratic Un- derwood Act (1913)	
Rye	15 cents per bushel	Free. Do. Do. Do. 10 percent free.	
Bacon and hams Meats, fresh, chilled, frozen, prepared, or preserved, n. s. p. f.	3¼ cents per pound 6 cents per pound but not less than 20 per- cent.	Free. Do.	
Whole milk: Fresh Sour Cream, fresh or sour Butter	6½ cents per gallondo56.6 cents per gallon14 cents per pound	Do. Do. Do. 2½ cents per	
Oleomargarine nd other butter substi- tutes.	do	pound. Do.	
Cheese and substitutes therefor	7 cents per pound but not less than 35 per- cent.	20 percent.	
Egg albumen: Dried. Frozen or otherwise prepared or preserved n. s. p. f.	27 cents per pound 1 11 cents per pound	3 cents per pound. 1 cent per pound.	
Egg yolk: Dried Frozen or otherwise prepared or pre- served, n. s. p. f.	27 cen's per pound 1 11 cents per pound	10 percent. Do	
Eggs of poultry, in the shell	10 cents per dozen 27 cents per pound 1	Free.	
Frozen or otherwise prepared or pre- served n. s. p. f.	11 cents per pound	pound. 2cents per pound.	

1 These rates were made by Executive order by President Hoover on July 24, 1931.

Mr. KNUTSON. I would like to ask my good friend from North Carolina which of the above protective rates he would reduce or repeal? Does he feel that the protection now given to butter is excessive, in view of the fact that between January 1 and March 5, of this year, over 4,000,000 pounds of butter were imported, as against 1,253,392 pounds for the entire year of 1934? This has already depressed the domestic price 7 cents, which comes out of the pockets of our dairymen.

Mr. DOUGHTON. Mr. Speaker, will the gentleman yield? Mr. KNUTSON. I yield.

Mr. DOUGHTON. In view of the gentleman's interest in the subject and what I know is his desire to state facts correctly, will he not put in the RECORD a table showing comparative prices of farm products-corn, wheat, tobacco, cotton, butter, and all other farm products-showing the price as it was when this administration came in at the end of the Hoover administration and what they are today under the present administration?

Mr. KNUTSON. Yes; I shall be glad to do that. Let me say to my good friend, however, that while it is true the price of butter is twice as high as it was 18 months ago, it is also true that it costs us three times more to produce butter at the present time because feed and hay have advanced 300 percent in price [applause], and we are not making as much money now as we did formerly under the old price.

Mr. ARNOLD. Mr. Speaker, will the gentleman yield? Mr. KNUTSON. I yield.

Mr. ARNOLD. Does not the gentleman recognize the fact that the increased price of feed inures to the benefit of the farmers?

Mr. KNUTSON. No: not under present conditions, because we are compelled to buy feed throughout all the drought area.

Mr. ARNOLD. Who is getting the benefit of the increased prices of feed if it is not the farmer?

Mr. KNUTSON. Ordinarily the gentleman perhaps would be right, but not under present conditions; for we must also take into consideration the fact that we have reduced our herds and production as a result of the feed shortage, in many instances by 60 and 70 percent, yet the price of feed keeps going up.

Mr. REED of New York. Mr. Speaker, if the gentleman will permit, I would remind him that we are importing corn at the present time.

Mr. KNUTSON. Yes; we are importing considerable corn at the present time, may I say to my good friend.

Would Mr. Doughton reduce the tariff rate on frozen and powdered eggs, in view of the imports that are now coming in from China?

Would he be in favor of reducing the 15-cent tax per bushel on rye, in face of the 13,000,000 bushels of rye that we imported in 1933 from Canada and Europe, which importations depressed the domestic price 40 cents per bushel, causing the loss of many millions to the American rye grower?

Would my good friend from North Carolina be in favor of reducing the existing tariff on powdered and dried milk when we are already importing large quantities?

Mr. Speaker, I have a letter here which the gentleman from Michigan [Mr. Woodruff] received from the manufacturer of dried-milk products in Michigan, in which he calls attention to the fact that they were asked to quote on four cars for delivery in March and April, and they quoted a price of 15 cents. In a few days they received a reply that a shipload of dried and powdered milk had arrived in New York from Holland and they were quoting a price of 131/2 cents. They had to meet the Dutch price because of the contracts they had with their farmers. In this letter he shows the loss they are taking by reason of the fact they were compelled to meet that price.

The letter is as follows:

NORTHLAND DAIRY Co., Evart, Mich., February 21, 1935.

Evart, Mich., February 21, 1935.

Hon. Roy O. Woodbuff,

House of Representatives, Washington, D. C.

Dear Mr. Woodbuff: A good Congressman should be informed concerning conditions which may be brought to his attention for official action—we surely wish to keep you informed.

For years we have sold much dry milk to a large user on the Atlantic seaboard. We recently were asked to quote on four cars for March and April, and we quoted 15 cents delivered. These people shop around, as becomes a good buyer; we were advised that they were quoted on domestic milk from 14½ cents (one manufacturer only) to 18½ cents delivered. The 14½ cents was the lowest, ours was second at 15 cents, and the rest ranged from 16 cents to 18½ cents.

cents to 18½ cents.

Well, what happened? A cargo of dry milk from Holland came, on which they quoted 13¼ cents. The Dutch milk is just as good quality as domestic and, of course, the 13¼ cents was the good buy. However, they called us over the phone and advised us of the situation and said that they had determined to offer us what we might core to take at 13½ cents delivered. We took they are set to take at 13½ cents delivered. might care to take at 131/2 cents delivered. We took three cars at

13½ cents.

Now, it will not be possible for us to break even at 13½ cents, but in order to continue buying from the farmers and to keep our output going (we cannot let it pile up), we accepted and will take our loss some way, hoping, of course, to run into better markets

later in the season.

This all means that domestic milk will suffer in price (and the price isn't too high to the farmer today), because of foreign milk. To compete with these foreign producers, the American farmer must take less for his milk. Milk bought on a butterfat basis at 40 cents spells prosperity to the dairy interests; when below that figure the farmer must use red ink. Now, what is the remedy? Raise the tariff. Put it where our Dutch friends cannot get in where it will force our farmer under at least 40 cents.

If our dairymen could have a 40-cent price for the next 10 years, they would be a happy and modestly prosperous bunch. A love of country and loyalty would follow, and these sentiments must return if we are to be relieved of the welfare and dole necessities.

To buy new tools, make necessary improvements, spend for other things required by a content and home-loving people, the American farmer must be given a market for that which he produces; must be favored over the foreign field where the living scale isn't what we must have for our folks.

Another thing, brother, that International Harvester situation should be investigated. There isn't any reason why these people should have such a monopoly on farming tools and our farmers made to pay such ridiculous prices.

Guess this is enough misery to bring to you for one February

GEORGE A. GLERUM.

Would my good friend the gentleman from North Carolina [Mr. Doughton] be in favor of further reducing the tariff on pig iron when we are already importing large quantities from Europe and, as a result of such importations, thousands of steel workers in Pennsylvania, Ohio, Indiana, Illinois, and Minnesota are out of work?

It will come as a shock to the gentleman from North Carolina [Mr. Doughton] to learn that we are importing large quantities of anthracite coal from Great Britain, which is absolutely indispensable at this time, when there are 11,000,000 American miners out of work and walking the streets. As a loyal American, I am sure that my good friend from North Carolina deplores that we are annually importing millions of barrels of crude oil from South America, more particularly at this time when the oil producers of Texas, Louisiana, and Oklahoma are experiencing great difficulty in marketing their oil products at a price which allows them to break even.

Mr. STACK. Will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Pennsyl-

Mr. STACK. I would like to get some information as to who put those 11,000,000 men out of work.

Mr. KNUTSON. Who put them out of work?

Mr. STACK. Yes.

Mr. KNUTSON. The depression put them out of work.

Mr. STACK. Who started the depression?

Mr. KNUTSON. Why, Woodrow Wilson, when he kept us out of war back in 1917.

Mr. STACK. I think Herbert Hoover had something to do with the matter, too.

Mr. KNUTSON. It started under Wilson, and it is being finished under Roosevelt.

Mr. MOTT. Will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Oregon.

Mr. MOTT. Does the gentleman know of any Democrat who is in favor of lowering the duty on any product raised in his own State?

Mr. KNUTSON. I have not heard anyone advocate such

In order to justify his Brazilian trade agreement Secretary Hull recently issued a statement to the effect that there were only 354 miners engaged in mining manganese ore in 1929 when, as a matter of fact, we then had about 800 miners employed on the Cuyuna Range in Minnesota alone. According to the United States Bureau of Mines the total value of domestic manganese and manganiferous ores produced in 1929 was \$4,886,823; more than half of this amount representing wages. Allowing \$1,000 per man, this alone meant the employment of 2,440 miners in that particular line, so I would advise the Secretary of State to secure his information from more reliable sources in the future.

We have, in Minnesota, large manganese deposits and before the depression these manganese mines contributed to the school fund of our State several hundred thousand dollars annually in taxes. Today they are closed down because they cannot compete with the peon and forced labor of Cuba, Brazil, and Russia. As a result, these miners and their families are obliged to subsist upon public charity because the Roosevelt administration has failed to take their interests into consideration in the negotiation of foreigntrade pacts. I might say, in passing, that manganese is absolutely essential to our national defense, and yet the War Department was not notified when the treaty with Brazil, which reduced the tariff on manganese by 50 percent, was negotiated, and yet they talk about teamwork. Why was not the War Department consulted?

Mr. MILLER. Will the gentleman yield?

Mr. KNUTSON. I yield to my Democratic friend from Arkansas.

Mr. MILLER. I am at a loss to understand where the Secretary got his information. I live within 60 miles of the manganese district in Arkansas and I personally know more than 300 men are steadily employed in those mines. This employment has ranged all the way from 300 to 800 or 900 every year, according to the demand. I may say that the Brazilian trade treaty has done more to cripple the manganese industry in Arkansas than all other conditions com-

Mr. KNUTSON. I am glad to have that information. I may suggest to the Secretary of State that hereafter he get his information from more reliable sources.

Mr. SHORT. Will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Missouri. Mr. SHORT. Does the gentleman know that there is a company in Arizona that has spent some \$5,000,000 to produce manganese, and since this reciprocal tariff with Brazil has gone into effect they have been forced to close down all of their operations and lose their investment?

Mr. KNUTSON. How many men were thrown out of

Mr. SHORT. Several thousand.

Mr. MILLER. I was wondering if the United States Steel Corporation did not furnish some of this information in reference to the number of men employed in the manganese

Mr. KNUTSON. I think that is where the Secretary of State got his information, because the United States Steel Corporation owns the manganese deposits in Brazil.

Mr. MONAGHAN. Will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Montana. Mr. MONAGHAN. Does the gentleman know that at the present moment in the cities of Phillipsburg and Butte, Mont., there are 400 men employed in this industry alone?

Mr. KNUTSON. And how many before?

Mr. MONAGHAN. That was during the low peak of pro-

Mr. KNUTSON. How many men were employed when the demand was supplied from domestic sources?

Mr. MONAGHAN. It would be well up in the thousands. I do not have the exact figures.

Mr. KNUTSON. I thank the gentleman for his contribu-

Mr. HOEPPEL. Will the gentleman yield?

Mr. KNUTSON. I yield to my Democratic friend from California

Mr. HOEPPEL. Does the gentleman know that approximately 675,000 American miners and others in allied industries are unemployed because we do not have a sufficient tariff rate on copper?

Mr. KNUTSON. I assumed that fact was known to everyone in this House

Mr. CHRISTIANSON. Will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Minnesota. Mr. CHRISTIANSON. The Chairman of the Ways and

Means Committee requested the gentleman to place in the RECORD a statement of comparative prices of agricultural products at this time, and I believe before March 4, 1933. Will the gentleman also place in the RECORD the statement that if the Democrats claim credit for these higher prices then they must also accept responsibility for the drought?

Mr. KNUTSON. The gentleman is absolutely right.

Mr. SHORT. Is it not also true that oil and lumber are being imported today from Soviet Russia?

Mr. KNUTSON. Oh, we are importing everything.

[Here the gavel fell.]

Mr. SNELL. Mr. Speaker, I ask unanimous consent that the gentleman may have 10 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. SHORT. If more of these proposed reciprocal tarifftrade treaties are consummated, particularly with Mexico and several other countries, it will not only paralyze but destroy the great mining industry in southwest Missouri, southeastern Kansas, and northeastern Oklahoma, which produce two-thirds of the lead and zinc of the United States

Mr. KNUTSON. There is no doubt about that.

Mr. CONNERY. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. CONNERY. Does not the gentleman think that if we could pass in this House the provision which the Committee on Labor wrote into the 30-hour-week bill 2 years ago, that whenever the Secretary of the Treasury finds that the total landed cost of any article or commodity imported into the United States is less than the cost of production of a similar article in this country, such article or commodity shall be barred, would settle our whole tariff situation?

Mr. KNUTSON. Let me ask the gentleman a question. Does the gentleman know of any other country in the world that is foolish enough to permit articles to be imported into their country and undersell the domestic product?

Mr. CONNERY. No; I do not.
Mr. KNUTSON. I do not either, and it does not happen in this country when the Republicans are in power.

Mr. PITTENGER. The gentleman, I understand, intended to discuss the print-paper and match industries.

Mr. KNUTSON. And I shall do so at this point by inserting a letter from William J. Ward, Jr., which came to hand a day or two ago. The letter follows:

MARCH 8, 1935.

Hon. Harold Knutson,

House of Representatives, Washington, D. C.

Dear Mr. Knutson: Knowing your interest in the fight of the small fellow to stay in business and our immediate need for relief, I am taking advantage of this occasion to point out the burden that has been placed upon the small paper mills who are not self-contained; that is, those who are unfortunate enough to have to buy all their raw materials.

all their raw materials.

In the first place, the present administration, as well as all politicians in general, very meekly step aside and keep quiet on any question pertaining to rebuking the publishers, who form the opinion of the American public by their mighty organ, the daily newspapers. Taking this statement as an undeniable truth, we find that our Congress and the Senate have been intimidated by threat of the publishers to oppose their reelection to the extent of refraining from the placing of a duty upon the importation of newsprint and the constituents of newsprint, with the result that what was once a 100-percent American industry is now in the throes of a dving gasp.

throes of a dying gasp.

Perfectly cognizant of this fact, those Members, elected to represent and protect the industry of the American people, fail to recognize the destructive influence upon the remaining grades of manufacture.

sent and protect the industry of the American people, fail to recognize the destructive influence upon the remaining grades of manufactured paper. The six grades of paper in practically the same category as newsprint have to be sold at a price based upon that of newsprint. The reason for this is simple—if there is too much of a spread in the price the ultimate user elects from the point of economy to use newsprint as a substitute, thereby killing any market for the grades, such as posters, manilas, B publication, etc.

The N. R. A. and the code authorities of the groundwood division are perfectly aware of this situation and in their earnest endeavor to protect American labor and capital have graciously permitted a price filed under these grades of 20 percent below cost, excluding any interest on bonded indebtedness. Again in their effort to protect the small fellow they have allowed the most advantageously situated mills from a standpoint of cheap wood, power, and labor and equipped with the latest and most efficient machinery to set the price and then have the other less fortunate mills sell at this price which naturally is far below their actual manufacturing costs. On top of this they have raised not only the wages of labor to an alarming degree but also the price on all materials entering the manufacture of paper, such as coal, Four-drinier wires, felts, sulphites, soda, clay, alum, size, starch, color, etc., with the net result, to us at least, that not one single grade that we manufactured showed a profit, and our operating sheet shows a loss equal to \$11.00 per ton on our entire output.

Many of the mills who manufacture grades akin to our own are abandoning them as rapidly as possible and are attempting to

shows a loss equal to \$11.00 per ton on our entire output.

Many of the mills who manufacture grades akin to our own are abandoning them as rapidly as possible and are attempting to establish themselves in other and higher grades such as those under the supervision of the book and writing division. This is causing a highly unpleasant situation as it heightens the competition in a field already overcrowded. How this can result in anything other than a further demoralization of markets and a general bankrupt condition to the smaller manufacturers whose operating capital is speedily diminishing, I cannot see.

The only logical answer is to make the publishers who are solely

The only logical answer is to make the publishers who are solely dependent upon the paper industry carry part of this burden in the way of an increased price for their paper and thus bolster the whole price structure of the higher grades.

I call upon you as a public-spirited citizen to do your part in saving an industry that is in dire need of relief from the domination of the press.

Yours very truly,

W. J. WARD, Jr., Vice President.

Mr. Speaker, Mr. Ward's letter tells in a much better manner than I could hope to do the desperate situation of the paper industry. I may say that the same deplorable situation confronts the match industry.

Mr. HOEPPEL. Mr. Speaker, will the gentleman yield further?

Mr. KNUTSON. As I have no assurance that my time will be further extended, I must decline to yield. I do not want to unduly consume the time of the House, but I feel justified in taking such time as is necessary to call to your attention the chaos that exists in American agriculture, industry, and mining because of insufficient protection due to the devaluation of the dollar.

When we had Secretary Wallace before the Ways and Means Committee a year or more ago, he expressed the opinion that any American industry or activity that could not stand upon its own bottom should be discontinued in favor of the foreign competitor who can produce more cheaply.

If we cannot compete with New Zealand in the production of butter because the cattle of New Zealand are out on green pasture 12 months of the year, should we go out of

Because we cannot compete with China in the production of dried and powdered eggs, should our poultrymen be compelled to go into some other line?

Because we cannot compete with Great Britain in the manufacture of pig iron, should the American manufacturers of pig iron be forced to go into something else?

Because our papermakers cannot compete with the printpaper manufacturers of Canada, Scandinavia, and the Baltic states, should they be compelled to close down and throw their employees out of employment?

Because American growers of rye cannot compete with Canada and Europe, should they be compelled to go into some other line of activity?

Because American match manufacturers cannot compete with Japan and Russia, should they be compelled to close down?

Because our livestock raisers cannot produce cattle as cheaply as can Argentina, should they be compelled to go into some other line?

These are vital and pertinent questions, my friends, and if the announced policy of the Roosevelt administration is followed out to its logical conclusion, what will be left to the American farmer, wage earner, and manufacturer save bankruptcy? This is something that should give us the deepest concern, regardless of our political affiliations and

The Republican Party stands for the prosperity of the American producer and wage earner. It believes that the American market belongs to the American farmer, laborer, and manufacturer; and, in order to protect that market for the home folks and against the devastating competition of peasant, peon, and slave labor in other countries, we believe that it is absolutely necessary that we have a tariff that represents the difference in cost of production in this country and competing countries. If I am not mistaken, the next campaign will be waged with the tariff as the paramount issue. [Applause.] Then the American people will have an opportunity to decide whether our own people or those of other countries shall be looked after first. The Republican Party believes that our first duty is to the American people. In 1936 we will go before the electorate on the sound and incontrovertible proposition that there can be no return of prosperity so long as we continue to violate the fundamental principle that the home market belongs to the American producer, wage earner, and manufacturer. There never has been a time in the history of the Republic when we were less able to withstand the blighting effects of free and unrestricted international trade. Mr. Doughton speaks of making employment for idle workers formerly engaged in producing for the export trade. Why not make work for the millions of idle Americans who were formerly engaged in supplying our home needs? We consume over 90 percent of what we produce, so it would seem to me that providing work for these millions of unemployed should be our first concern.

We have spent billions and billions of dollars for relief, but we have not relieved the unemployment evil. Why not raise the import taxes to a point where industries now operating part time may go onto a full-time basis, which would also encourage the reopening of factories now completely closed down? That would give work to everyone and yet not cost the Federal Treasury one red penny. I commend this plan to the thoughtful consideration of the party in power. If you will adopt such a plan and eliminate the existing uncertainty in agriculture and industry, you can end the depression in 60 days. [Applause.]

### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had concurred in a concurrent resolution of the House of the following title:

H. Con. Res. 16. Concurrent resolution rescinding the action of the Vice President and Speaker in signing the enrolled bill (H. R. 330) entitled "An act for the relief of Sophie de Sota."

The message also announced that the Senate insists upon its amendments to the bill (H. R. 5913) entitled "An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1936, and for other purposes", disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. COPELAND, Mr. HAYDEN, Mr. SHEPPARD, Mr. NORBECK, and Mr. Townsend to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 5255) entitled "An act making appropriations for the Departments of State and Justice and for the Judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1936, and for other purposes", disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McKellar, Mr. Russell, Mr. Pittman, Mr. Hale, and Mr. NYE to be the conferees on the part of the Senate.

## PUBLICITY OF TAX RETURNS

Mr. O'CONNOR. Mr. Speaker, I call up House Resolution

The Clerk read as follows:

## House Resolution 155

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 6359, "A bill to repeal certain provisions relating to publicity of certain statements of income." That after general debate, which shall be confined to the bill and shall continue not to exceed I hour, to be equally divided and controlled by the Chairman and ranking minority member of the Committee on Ways and Means, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted. the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. O'CONNOR. Mr. Speaker, I yield 30 minutes to the gentleman from Pennsylvania [Mr. RANSLEY].

The SPEAKER. The gentleman from Pennsylvania is recognized for 30 minutes.

Mr. O'CONNOR. Mr. Speaker, this rule provides for the consideration of the bill commonly known as the repeal of the "pink slip" provision of the income-tax law. It is a matter which is familiar to all the Members here. It has been a vexatious question for a great many years in the House and in the Congress.

in this session the gentleman from New York [Mr. Bacon] introduced a bill to repeal the section providing for such publicity. We are today considering a substantially similar bill introduced by the gentleman from North Carolina [Mr. Doughton), the beloved and distinguished chairman of our great Committee on Ways and Means.

Personally, I have always been opposed to the publicity provision and I have always voted against it. [Applause.]

Thanks to the distinguished gentleman from North Carolina [Mr. Doughton], this iniquitous measure is about to be

Next to the snooping which went on under the eighteenth amendment, I believe this provision for publicity of incometax returns, in the various ways it has been enacted into the law, has been the most outrageous violation of personal privacy this Government has ever attempted. I believe publicity of income-tax returns is wrong in principle, for this reason; it violates the privacy of our citizens. I am not concerned with the emotional talk about racketeers, snoopers, or gangsters. I believe the provision was always wrong in principle; that it never should have been enacted into law. and that it should be taken out of the law with all possible speed.

I am not concerned that only 31/2 percent of our people pay income taxes. I believe the principle would be the same if there were only one taxpayer in this entire Nation. I believe the amount of income that any one of our citizens earns is solely a confidential matter between that citizen and his Government and is not the business of any other person, whether a snooper, a racketeer, or the editor of a great newspaper. Let people mind their own business.

I have always felt that this principle of publicity of income-tax returns is similar to a possible repeal of the provisions in the Bill of Rights against "unlawful search and seizure." If the snoopers can find out how much income a citizen makes a year, the same interlopers can go into our homes and find out what you do there, day or night. Does anyone want that?

I do not believe that the American people ever intended when they adopted the income-tax amendment that the income of citizens would be made public for anybody who wanted to see it. I believe this repeal comes late, but I hope this is the day when our citizens will again be protected against the invasion of their privacy, and I hope, Mr. Speaker, that the repeal measure will overwhelmingly pass. [Applause.]

Mr. RANSLEY. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Speaker, in considering this legislation here today I think it is well that we should go over past history a little and be sure that the real picture is put before the House and the country.

As a matter of fact, when this provision was adopted it never received any real consideration in the House. It was put on in the Senate and came over to the House in a conference report in the very last few days of the session; there was practically no consideration and we had to accept it. It never had the consideration it was entitled to.

I also want you to remember that we put a like provision in the law back in 1923 or 1924, and after 1 year's experience it was almost unanimously repealed.

So that it shows that from our own experience when it was on the statute books it did not produce the result which the people who advocated it expected, or any other useful purpose, so was promptly repealed.

The reason given for the provision was that it would tend to bring in new income to the Treasury and result in more accurate returns.

The best information, it seems to me, there is on that subject comes from the State of Wisconsin where they had this provision in effect for 7 years, and I want to read a paragraph from the report of the Tax Commission of the State of Wisconsin:

The matter of giving publicity to the income-tax returns of our taxpayers has been treated in different ways. Early

would result in fewer incorrect returns and in discovering much unreported income. These expected results have not materialized in any degree in the administration of either the individual or the corporation returns. There have been no instances where public inspection has brought forth unreported income, and as to its anticipated effect in producing more correct income returns, experience has shown that it has had the opposite effect. Knowing that their returns are open to inspection, taxpayers consolidate and condense their reports to make them as unintelligible as possible to those inspecting them, thus making their auditing by the commission or by the income-tax assessor more arduous, necessitating additional work, considerably more correspondence, and consequent expense and delay.

## Further, the commission reported at that time:

A survey shows that public examination is almost wholly without any public motive or significance, but that advantage is taken of it to serve private and personal interests. Our filed returns are used by credit organizations which have men on hand almost constantly digging into the files. Returns are examined to prepare lists of prospective purchases of stocks and bonds and for other soliciting and advertising purposes. A common use of returns is to secure information in negotiating for the purchase of business properties, and very frequent use is made of them in delving into the intimate concerns of business competitors.

## Further, the commission reported at that time:

The indiscriminate examination of returns is not only an imposition upon the reporting taxpayers but is also an imposition upon the State and upon its tax administration officers and employees. The commission does not favor any secrecy of returns that would bar examinations in the public interest, but it does suggest that the promiscuous misuse of files for private purposes to the great inconvenience and annoyance of officials and the expense to the State ought to be discontinued. No other State or country having such files in custody permits such misuse of them. These files contain the record of the lifeblood and register the pulse of the person and private business affairs of our own taxpayers and should be accessible only when the public interest is concerned.

It seems to me that that is about as good evidence as we can possibly get on a matter of this character, and it is absolutely conclusive on this subject. We should also take into consideration that every tax law that we have passed since 1913 has a provision in it authorizing the President, when he deems it necessary in the public interest, to make available these tax returns.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. RANSLEY. Mr. Speaker, I yield the gentleman 5 minutes more.

Mr. SNELL. And as far as I know, the President has never taken it upon himself to open up the tax returns, because he has never been shown any real reason for doing it.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. SNELL. I yield.

Mr. MAY. I do not know that I remember the exact phraseology of the constitutional provision of the Bill of Rights, but it is to the effect that all men shall be exempt from unreasonable search and seizure of their persons and property. What is the difference between the statute that requires one to disclose in detail his personal property or money and going into one's house and searching for it and knowing that it is there?

Mr. SNELL. It seems to me that it is about the same thing.

Mr. WITHROW. Mr. Speaker, will the gentleman yield? Mr. SNELL. Yes.

Mr. WITHROW. Has the gentleman read from the findings of the commission, or from a letter written to someone by one of the commissioners?

Mr. SNELL. I have read from the report of the Wisconsin State Tax Commission, to which, I understand, all of the commissioners adhere.

Mr. MILLARD. Mr. Speaker, will the gentleman yield? Mr. SNELL. Yes.

Mr. MILLARD. I have a copy of a letter from the commission, dated March 1, 1935, and it carries out what the gentleman says.

Mr. SNELL. That is the best information that is available on the subject at the present time, and comes from the only State that publishes returns. As a matter of fact, I do not know of any information that has ever come to us where

any real public good was advanced by opening up these returns. Under our present law they are all available to any committee of Congress that has reason to investigate them, and every reasonable protection to the public is maintained by this provision for investigation. As a matter of fact, large corporation returns are published at the present time, and they are available to anyone who is interested in them, and the only possible excuse for making these income-tax returns public is for the purpose of catering to the most sordid inquisitiveness there is in every community. Unless someone can produce some real reason, which has never been produced as far as I know, I think the law should be immediately repealed. This commission goes on further to state that these returns are continually looked over by people who desire to get some sort of a list of people to whom they can attempt to sell things. In other words, a sucker list.

Mr. DONDERO. Mr. Speaker, will the gentleman yield? Mr. SNELL. Yes.

Mr. DONDERO. Is it not true that what this law does is to make Government just a little bit more disagreeable to them  $3\frac{1}{2}$  percent of the taxpayers of the country?

Mr. SNELL. It not only does that but it does not produce any good for the other fellow.

Mr. MILLARD. There are 29 States in the Union having income-tax laws. In 28 of them they do not have the publicity of the income tax.

Mr. SNELL. In addition to that, the commission says that it has produced no public good, no additional returns, or no more honest returns.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Yes.

Mr. FITZPATRICK. I am in favor of the bill. Assuming that this bill is passed, but not signed until after the 15th of this month, will it affect the present publication of the income taxes?

Mr. SNELL. I do not think so. If it is not passed in time before the 15th, of course the returns will be open to inspection on the 15th.

Mr. GRAY of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Yes.

Mr. GRAY of Pennsylvania. The gentleman is well informed in these matters and he has the good of the Nation at heart. Where money is accumulated in large sums, and in disproportionate measure, does not the gentleman think that it is well for the people to know where this money is being accumulated?

Mr. SNELL. I do not think that that is a question that goes into the matter of the publication of tax returns. I think that is an entirely outside matter.

The SPEAKER. The time of the gentleman from New York has again expired.

Mr. RANSLEY. Mr. Speaker, I vield the gentleman 5 minutes more.

Mr. SNELL. It seems to me it is very important at this time, especially in view of the happenings in the last couple of years, that we should not do anything as a Federal Government, to in any way encourage kidnapers and other people of that type. As a matter of fact, no poor child was ever kidnaped, as far as I have been able to learn. I think that when we go so far as to open all these returns, to a certain extent we are catering to the racketeers, to the policy men and kidnapers and the very worst element in our entire society. Personally I am very much opposed to continuing that any further. I am sure the majority of this House is of that opinion.

Mr. RANDOLPH. Will the gentleman yield?

Mr. SNELL. I yield.

Mr. RANDOLPH. The provision now works to the advantage of the snooper rather than to the taxpayer. The honest citizen has neither time nor inclination to get this information, has he?

Mr. SNELL. As far as I know, very few of them have ever expressed any desire for it. It comes from the other element in our communities.

Mr. KELLER. Will the gentleman yield?

Mr. SNELL. I yield.

Mr. KELLER. The gentleman regards this as an important measure, does he not?

Mr. SNELL. I do.

Mr. KELLER. Then why should we not have more than 1 hour for general debate on this measure?

Mr. SNELL. I am not responsible for what time the majority side of this House allows for debate on any question.

Mr. MILLARD. Will the gentleman yield? Mr. SNELL. I yield.

Mr. MILLARD. I have a letter from the warden of Sing Sing Prison. I wonder if the gentleman would mind putting that in the RECORD during his time?

Mr. SNELL. I will be very glad to have the Clerk read it in my time.

The SPEAKER. Without objection, the Clerk will read

There was no objection.

The Clerk read as follows:

Ossining, N. Y., March 1, 1935.

Hon. CHARLES D. MILLARD.

The House of Representatives, Washington, D. C. My Dear Congressman Millard: While I believe the proposed publication of incomes may have its advantages and all interested officials should know what the financial return is for a particular organization or person, nevertheless, if publication is made of personal incomes, it will be the source of information for people who are criminally inclined and will undoubtedly form a basis for not only a sucker list but for extortion and other purposes, even robbery. Therefore I respectfully ask that you use your efforts to attempt to abrogate this vicious law.

With best wishes, believe me,

Sincerely yours,

L. E. LAWES.

Mr. SNELL. It seems to me that the argument presented by the commission which administered this law in Wisconsin, and the reports of distinguished gentlemen like the one whose letter was just read by the Clerk, are more effective arguments than any I could make at this time. It seems to me this House will be performing a real service to the country if it unanimously votes for the repeal of this obnoxious law. It might be of interest to state that foreign countries that have had an income tax for a great many years have always maintained the strictest secrecy of returns. England has had one for 75 years.

Mr. BLANTON. Will the gentleman yield?

Mr. SNELL. I yield.

Mr. BLANTON. Did I understand the minority leader to recommend that the House repeal this by unanimous vote?

Mr. SNELL. I would like to have it, as far as I am concerned.

Mr. BLANTON. The gentleman would like to have every Republican on his side vote for repeal?

Mr. SNELL. I said that as forcefully as I could, and I am sure the very great majority of them agree with me.

Mr. BLANTON. I just wanted that distinctly understood. Mr. SNELL. I would be glad to have it understood, and I would like to have the country understand that I am for the repeal of this measure. There is no question about it, nor is there any doubt in mind about feelings of a great majority of the Members on both sides. [Applause.]

Mr. Speaker, I yield back the balance of my time.

Mr. O'CONNOR. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, I cannot help but look with suspicion on any bill that has been introduced or is being advocated by the Republican leaders. I am fearful that this bill will pass and that the publicity features of the income-tax law will be repealed.

Mr. MILLARD. Will the gentleman yield? Mr. SABATH. Later I will yield.

I myself, however, do not believe in the arguments that are being advanced by those who desire the repeal of this law, that it will aid the racketeers and that it will provide a sucker list, or that it will help kidnapers. Oh, what ingenuity is employed by these gentlemen who desire to bring about the repeal of this law! Of course, I am satisfied that,

with the terrific lobby and the propaganda that is going on for the repeal of this provision, it will pass the House. Unfortunately there are very few men in the House who have time to study the underlying reason for the demand to repeal this provision, but I know the demand comes from those who do not desire that income returns should be published, especially for the reason that it will disclose that there are thousands of business men, manufacturers, and others whose return will show substantial profits in 1934, who in 1930, 1931, and 1932, under the Republican administration, suffered tremendous profits. It is these gentlemen who have been the beneficiaries of the new-deal legislation, who, under this provision, will be compelled to make true returns showing that conditions have improved under the present administration and by reason of legislation enacted on the recommendation of our great President, Franklin D. Roosevelt. It is they who were on the brink of bankruptcy in 1931 and 1932 that naturally dislike very much to have the public have knowledge of the progress that has been made for recovery and, notwithstanding the benefits they have derived, are continuously criticizing and finding fault with President Roosevelt's policies and with the action of the Congress.

Yes, Mr. Speaker, there are hundreds upon hundreds of corporations and thousands of business men who have made large sums of money and who will pay substantial income taxes for 1934 due to the improved conditions in business. They, I fear, in conjunction with some of the big taxpayers, may feel they may evade the payment of just taxes, and their real concern is that it will not be as easy to do if this publicity provision remains in force.

My friends on the other side dislike to admit, yes, even deny, that conditions have improved. It is for that reason that the Republican leader and the Republicans regard this publicity provision with disfavor, or rather that the publicity of returns be brought to the attention of the country, because the country would recognize and appreciate how much good has been accomplished by President Roosevelt and the Democratic Party for the Nation and for business. [Ap-

plause.]

Mr. BLANTON. Will the gentleman yield?

Mr. SABATH. I yield.

Mr. BLANTON. The distinguished gentleman from Illinois is making an interesting speech and I am with him and he ought to have the entire membership present to hear him. I want to ask him a question. The gentleman at one time was one of the big farmers of this Nation, one who in years gone by has raised 100,000 bushels of potatoes and 100,000 bushels of onions in 1 year. I want to ask the gentleman if, when the gentleman pays his taxes to the State of Illinois and every other citizen pays his taxes to the State of Illinois, is it not a fact that anyone can go to the court house and find out exactly the amount of taxes that every one of them paid?

Mr. SABATH. Yes; it is easy for one to ascertain the amount of taxes one pays in my county or State. A list is made public and printed and any citizen is entitled to obtain it. Never, to my knowledge, has any one been injured by the publication of this list, but I do know that it has enabled my State and county to obtain hundreds of thousands of dollars of taxes that before the publication of such returns the State and county were deprived of.

As to being a big farmer and raising the crop the gentleman describes is far-fetched. He should have prefaced that and said "was." I assure him it would not have been embarrassing to file a return on profits derived therefrom. Fortunately, or unfortunately, I have been obliged to deny myself the luxury of farming.

Mr. BLANTON. Right at this point I want the balance of the Members to hear the gentleman from Illinois, and I make the point of order that there is no quorum present. I am with the gentleman on his position, but I want the Membership to hear him. This is a big fight going on in this House.

Mr. MILLARD. Mr. Speaker, a point of order. [Here the gavel fell.]

Mr. BLANTON. Mr. Speaker, I make the point of order | months and even years of effort by Government experts who there is no quorum present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and twenty-one Members are present, a quorum.

Mr. RANSLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, I am sure I want to thank the gentleman from Texas for at least making an effort to get all of the folks over here to hear my first talk. [Ap-

Mr. Speaker, I rise in support of this legislation to repeal the publicity feature of the income-tax law. I come from a district in the State of Indiana in which I do not believe there is living a single millionaire. I have heard it suggested several times that the only people who desire the repeal of the publicity feature are those people who are making a lot of money. The country doctors in my district have been writing me asking that this section be repealed. The small business men have been writing me to this same effect. In my short experience I have observed that very often we get communications which simply reflect some high-powered propaganda. That is not my experience in this particular matter, however. Rather is it my idea that the people of my district who are in the lower brackets desire that this matter of publicity be done away with.

We have heard a lot of propaganda, and there has been going through the country that line of thought which would make it appear that if a man has \$1,000 in the bank or is making a little money that he is an enemy of society. I do not believe that this should be true, and I do not think that we ought further to embarrass the people who are the backbone of our country by subjecting their report as to the amount of money they are making to the scrutiny of everyone who might want to have that information.

Another thing which has occurred to me is that if there is any forgotten man in the United States it is the taxpayer; and I am led to inquire whether we should add insult to injury by requiring that the amount of tax that he pays and the money that he makes be made public? It seems to me it can serve no good purpose.

Fundamentally I believe that this thing is attacked because it is an invasion of everything that we have heretofore believed to be a matter of American liberty, independence, and private concern. I listened with interest to the theory of the gentleman from Illinois that we are ashamed to admit that we are making more money under the new deal than we did before. That is a matter of opinion to which I do not subscribe. There are many people who are now wondering whether the Boston Tea Party has been such a success, and whether the efforts of those who gave so much to make the world safe for democracy have been in vain. We ought not to disturb the fundamental liberties and rights that are guaranteed to the people of America.

Mr. CANNON of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. CANNON of Wisconsin. If one of the gentleman's constituents were a successful business man and made an honest and truthful report, how could he be embarrassed?

Mr. HALLECK. Let me answer that. I have in my file a letter from a small business man running a small manufacturing concern in the city of La Fayette. He said:

It is bad enough to have my big business competitors counting my employees as they come out of the door and stepping off my floor space in order to get at my financial standing and my ability to compete, without handling over to them the very facts as to my financial position.

[Applause.]

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. DONDERO. There has never been, and there is not now, any objection to any officer or agent of the Government who has the right to this information being given it, is there?

Mr. HALLECK. I think that is correct. It has been my observation that in the matter of ferreting out failure to pay income tax, those things have come as a result of

have worked it out. I would like to know what good purpose can be served by making it possible for every probe in the country to see what a man makes.

[Here the gavel fell.]

Mr. RANSLEY. Mr. Speaker, I yield 3 additional minutes to the gentleman from Indiana.

Mr. HALLECK. I am not particularly concerned in this talk about kidnapers. I am inclined to believe that the kidnapers have available more information than they would get from this publicity matter. But beyond that it subjects every taxpayer to the approaches of those people, for instance, who want to borrow money or sell goods. Why, I might ask when you go home next summer and John Jones or Bill Smith comes to you to borrow \$200, what are you going to tell him if he knows that your income has been \$2,000 or \$10,000 and that you have the money? What are you going to tell the man who is after you trying to sell insurance or any other commodity or goods. These are some of the things, in my opinion, which make people favor the repeal of this provision. As I view it they have a right to be protected in their individual liberties or rights.

I was not here when this bill was passed, but I am happy to be here to vote for its repeal. [Applause.]

Mr. Speaker, I yield back the balance of my time.

Mr. O'CONNOR. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. TRUAX].

Mr. TRUAX. Mr. Speaker, the propaganda in favor of repeal of the "pink slip" provision is one of the oldest rackets we have in this country and it is typical of the usual raid upon the common people of the country. It is a raid upon the 98 percent of our people who do not make enough money or have enough property or enough earnings to even file an income-tax report.

Mr. Speaker, in 1934 there were 1,968,170 returns closed in the Treasury Department. Of that number only 1,509,030 were returned by individuals, 459,140 being returned by corporations. So we have less than 2 percent or, in other words, less than 2 men out of 100 in this country who even filed returns.

What does this mean? Unless you make \$1,000 net in a year if you are a single man or \$2,500 if you are a married man, you do not have to file a return, and unless you make a gross income of \$5,000 you need not return any statement at all. Why, Mr. Speaker, this silly, futile argument that this pink-slip provision helps racketeers and gangsters is nothing but pure bunk. This argument in favor of repeal only helps the rich gangsters, the multimillionaire gangsters, to get by and evade and defraud the Government of its just taxation. It is merely another charge of the "Light Brigade" of the plutocrats. We have a communication, a copy of which is out in the lobby, from the so-called "Sentinels of the Republic", headed by Raymond Pitcairn. Every one of the Members received a letter urging repeal of the "pink slip" provision. What is this organization? Instead of calling them the "Sentinels of the Republic" I have a better name for them. I call them the listening posts for the predatory, pusillanimous plutocrats of this country. [Applause and laughter.]

Mr. Speaker, they want us to repeal this provision. This feature of the income-tax law was enacted in the Seventythird Congress. An opportunity has not been had to try it out or to work it out, yet they want it repealed. Every Morgan wants this provision repealed as well as every Mellon and every Rockefeller. They are for the repeal of this pinkslip provision. Who else is for it?

Let us stand up and count noses. Let us see who is for it and against it. Are the farmers of this country, who did not make enough to pay an income tax, in favor of repeal of this provision? Are the 20,000,000 people who are on the relief rolls in favor of repeal? Are the 11,000,000 unemployed for repeal? Are the 40,000,000 wage earners and independent small business men in favor of repeal? No. They like myself want all of the pitiless publicity that can be given to this matter thrown upon the incomes of the rich, the superrich, and the idle rich. Who else requests repeal? Why, every utility magnate of this country and all of the racketeer bankers favor repeal; yet you compel your American farmer to file a complete statement of his business every year, and if he participates in the adjustment crop program he must file every last acre and its productivity.

The farmer, that Atlas upon whose broad shoulders the world rests, does not favor repeal. His taxable and mortgaged property are open at all times for public inspection of both the money lenders and the 36-percent loan sharks. If the farmer desires to avail himself of the Government's crop-reduction program, he must list to the last acre which is producing or is not producing, and if he makes a mistake of one single acre in filing his return, he is penalized by the Government and will not receive one cent of the amount due him. Moreover, every 5 years the farmer must fill out and sign and swear to a statement of his crops, his financial standing, and how deep he is in debt. Three farmers in Illinois revolted against this "inquisitorial" requirement of the Government and refused to sign the returns. Now the Government intends to prosecute them, to have them indicted, and sent to jail for noncompliance with this "inquisitorial" procedure.

Is the small business man and independent producer for repeal? No; he is against it. His income is so limited that revenue collectors do not worry him. His great worry is the chain-store buccaneers, headed by Col. Robert Wood, president of Sears, Roebuck Co., and recently appointed chief of the President's Advisory Committee to spend \$4,880,000,000 of taxpayers' money for public relief. Colonel Wood is heartly for repeal of the pink slip.

Practically all the bankers of the country are for repeal and especially the big racketeer banks who lend something to borrowers they have not; namely, money. Their racket is to collect interest on \$10,000 whereas they only have \$1,000 of actual currency. All of the public-utilities magnates are for repeal. Henry L. Doherty is for repeal. His depredations and casualties among the common people are numbered by the hundreds of thousands. If pitiless publicity for income-tax payers has slain its thousands as these prosperous "repealers" contend, then men like Doherty, Morgan, Mellon, and Rockefeller have slain their tens of thousands by their swashbuckling pillage of the masses who work for a living—the farmers, wage workers, small business men, and soldiers who do not object to income-tax publicity.

Every robber of an orphan, every despoiler of widows, every crooked stock-and-bond salesman who stole the peoples' savings is for the repeal of the pink slip. Al Capone is for repeal. A notorious brigand who was so clever and so powerful with officials of the law that the Government was unable to apprehend him for illegally selling beer and whisky, but was able to send him to the penitentiary for evasion and fraud in his income-tax returns. And today Al Capone rests securely behind the Federal prison bars on the rock-bound coast of that modern island of St. Helena.

Andrew Mellon, the greatest refunder of plutocratic income taxes in the Nation's history, who refunded \$4,000,-000,000 to the rich during his incumbency as Secretary of the Treasury, strongly favors the repeal of the pink-slip clause. He, like his fellow bluebeard, Morgan, objects to having the pitiless light of publicity thrown upon his tremendous wealth and holdings. Nearly 80 years old and somewhat senile in all mental processes except that of grabbing and holding and retaining money and bonds, he now spends his declining years in what I hope is an abortive and ill-fated attempt to rob the Government of \$3,000,000, which the Government contends that he owes. He is one of the plutocrats who will move heaven and earth and stop at nothing to hold his slimy heaps of gold. One of his favorite tricks is to hand millions to his progeny, his sons and daughters, under the thinly veiled guise that he is teaching them how to become good business men and women. But all of these illicit deals are in fact and in truth successful attempts to unload his vast wealth upon the future holders of Mellon wealth and aristocracy and, at the same time, burden the already bowed backs of the farmers and

industrial workers with a load of taxation that crushes them to the ground.

The ingenious plan by which Mellon divested himself of title to \$10,520,495 of disqualified bank stock to become Secretary of the Treasury in 1921, but in which transaction Mellon did not lose a penny of income from the stock, was told to the Board of Tax Appeals by his aged 79-year-old financial secretary, Howard N. Johnson.

These fellows are all repealists, who not only want to repeal the pink-slip clause and prohibition but they want to repeal soldiers' pensions, the child-labor law, the labor provisions of N. R. A., and the processing tax on farm commodities.

They want to repeal all laws, all regulations, and all methods which do not work for their own special benefit and enable them to continue as burglars of wealth, idle holders of idle capital, lounge lizards of the blue-blooded, and pink-toed aristocracy of wealth. They are against all people, all things, and all conditions that do not add to their monstrous fortunes and huge incomes—which are no more nor less than a heavy toll exacted from the pockets and wrung from the hearts of the common people.

The simple statement that 98 percent of the people of this country do not pay income taxes speaks eloquently of the tragedies and pathos that mere words can neither paint nor picture. When the plain truth is told we must admit the Nation is bankrupt. The total bonded, mortgaged, and unsecured debt, public and private, is \$235,000,000,000; yet, being generous and conservative in making an estimate of national wealth, none will declare that all of our wealth, all of our resources, and all of our mechanistic equipment is today worth more than \$250,000,000,000.

The 98 percent—the one hundred and twenty-five millions who have not enough property, who have not a sufficiency in wages or income to even file returns—this 98 percent of our people have a \$15,000,000,000 equity in a \$250,000,000,000 corporation owned by the plutocrats, the trusts, massed industry, the bond grabbers, and coupon clippers. Industry is bankrupt and mortgaged, and a heartless moneyed aristocracy rules, with the people being enslaved. The ironshod heel of ruthless wealth grinds deeper into the everyielding cheek of an unoffending farm citizenship and wage workers who must earn their living by the sweat of their brows.

A wholly nefarious organization that I am again pleased to mention is the Sentinels of the Republic, by Raymond Pitcairn, national chairman. This organization of the rich and near rich proudly pats itself on the back and arrogantly proclaims to have—

hitherto successfully opposed such measures in aid of bureaucracy and irresponsible government as the so-called "child labor amendment", which would give to Congress the power "to limit, regulate, and prohibit the labor of persons under 18 years of age." The very wording of this measure should be abhorrent to true Americans, and the fact that three-fourths of the States rejected it within 3 years after its proposal by Congress in 1924 confirms this judgment—

Says Mr. Pitcairn.

I repeat that the "sentinels" of wealth boast of their opposition to the child-labor amendment. They not only would crush mature labor, men and women, but they would crush the little children. They would make them tramp the brutal treadmill of massed industry. They oppose the President's Public Works bill with an appropriation of \$4,880,000,000 to relieve the unemployed. They call the sum "astronomical." They want this appropriation "safeguarded" by a provision "prohibiting its use in competition with private business enterprises." They are against the President's social security legislation. They do not want to take any chances with the "money of the taxpayers" to adopt "highly complex" and "experimental schemes of unemployment insurance, old-age pensions, help for mothers and infants, child welfare, and local public health programs."

When it comes to gall, arrogance, and pure unadulterated brass, "The Sentinels of the Republic" measure up well with the American Liberty League, the Economy League, and other predatory organizations of idle holders of idle capital. They hypocritically cant through their mouthpiece, Mr. Raymond Pitcairn, national chairman:

The taxpayer has no opportunity to show the proportion of his income he is using to employ self-respecting citizens who would otherwise be on the dole, nor does it reveal his contributions to

No, we have no desire to expose the private affairs of the rich to satisfy the morbid curiosity of their less brethren, as Pitcairn claims. We demand, however, that the public who have a right to know the amount of incomes be satisfied in the securing of knowledge that Congress says they are entitled to.

Your cool assumption, Raymond Pitcairn, that income taxpayers, represented by less than 2 percent of our population, are preventing the unemployed from being on the dole and that the contributions to charity are saving people from Federal relief funds, is the cap sheaf on your shock of deliberate untruths and misstatements. The answer to that damn-fool statement is Relief Director Hopkins' figures of 20,000,000 people on State and Federal relief lists and the statement of William Green, president of the American Federation of Labor, of 11,000,000 unemployed.

You further state, "This act will encourage mendicants and high-pressure collectors "-as if these unfortunate beggars in a land of plenty would be so optimistic and hopeful as to expect anything from the income-tax dodger. One would think that these tax evaders whom you represent would pay their bills so promptly that collectors would never call on them. You babble on, "Untold injury will be done not only to citizens of large means, but citizens of modest means will suffer even greater hardships and many of them eventual ruin." What about the hundreds of thousands of farmers who have been not only eventually ruined but finally and completely devasted by your money lenders and mortgagees, whose farms have been foreclosed and the owners thereof turned out in the road, and who haven't paid income taxes for 15 years? What of the additional hundreds of thousands of home owners who have lost their homes and have been set out in the street by the sheriff to beg, starve, or steal through no fault of their own but because of a government of the rich, by the rich, and for the rich?

You ("Commodore" Pitcairn) appear to be solicitous that "the man who has a small business will reveal his modest income." In contradiction to this statement. I beg to state that the small business men with whom I am familiar, and there are thousands of them in the State of Ohio, are hanging on by the skin of their teeth and their incomes are so modest that they have none to report to the Federal taxing authorities. You express fear about doctors, engineers, lawyers, and other professional men whose incomes "vary." Paradoxically, you say "They may appear as failures, although in fact they may be successful." Why display so much solicitude about this group of our citizens, who taken as a class are by and large successful, have never known poverty and depression and who are listed in the 1934 Treasury Report as having paid 60 percent of all of the income taxes of the country in that year?

Here is a gem, a masterpiece! You now express "concern " about the welfare of the elderly people. You solemnly aver, "The publication of income-tax returns of elderly business and professional men will show up to their clients and patrons their small incomes." That is exactly the condition that the millions of people who are signing the Townsend-bill petitions are raising hell about. The incomes of these deserving people have shown a steady and progressive diminution to that point which is represented in algebra by the quantity known as "minus x", which means the tail end of nothing. Again you declare. "Young men will be embarrassed in the development of new undertakings by the exposing of their limited income." Well, brother, if you had traveled out into the great open spaces as I have, if you had as honestly and diligently attempted to represent the people who have to work for a living as I do as Representative at large for the State of Ohio, you would know that we have about 100,000,000 people in this grand and glorious country of ours who are in

erans who are embarrassed unto death because they have no jobs, no incomes, and such "patriots for dollars" as you and your organization knock and pound the soldiers' bonus bill in and out of season.

No; we are fed up on this pink-slipped, silk-stockinged propaganda. We have a bellyful of this sort of hogwash. Your abortive attempt to tickle my heart strings for the benefit of the overfed and underworked millionaires does not register with me. My sympathies, my devotion, and my efforts shall be directed for the distressed farmers, wageworkers, soldiers, small business men, and producers, who, in the end, create all wealth and pay all taxes. I am fighting for 123,000,000 people who do not pay income taxes. [Applause.]

INCOME-TAX COLLECTIONS—TABLE NO. 1 TAKEN FROM ANNUAL REPORT OF THE COMMISSIONER OF INTERNAL REVENUE FOR THE FISCAL YEAR ENDED JUNE 30, 1934

Collections of internal-revenue taxes during the fiscal year 1934 amounted to \$2,300,816,308.88, compared with \$1,619,-839,224.30 for the fiscal year 1933, an increase of \$680,977,-084.58, or 42 percent. In addition, collections of agriculturaladjustment taxes totaled \$371,422,885.64 during the fiscal vear 1934.

Income-tax collections for the fiscal year 1934 amounted to \$817,025,339.72, compared with \$746,791,404.11 for the fiscal year 1933, an increase of \$70,233,935.61, or 9 percent. Collections of miscellaneous internal-revenue taxes during the fiscal year 1934 amounted to \$1,483,790,969.16, as compared with \$873,047,820.19 for the fiscal year 1933, an increase of \$610,743,148.97, or 70 percent. This increase is accounted for in round numbers of \$175,000,000 from the new taxes imposed by the National Industrial Recovery Act on capital stock, dividends, excess profits, and additional tax on gasoline; \$215,000,000 from liquor taxes as a result of prohibition repeal, the Liquor Taxing Act of 1934, and a full year of returns from beer taxes; \$79,000,000 from estate and gifts taxes under the provisions of the Revenue Act of 1932; \$110,000,000 from manufacturers' excise taxes, and taxes on communications, pipe-line transportation, and checks, the increase being attributed to better business conditions and a full year of returns; \$22,000,000 from tobacco and \$9,000,000 from stamp taxes, attributed to better business conditions. The detail of the administration of these taxes appears in the text following and the detail of receipts appears in the statistical tables appended to this report. Summary comparison of internalrevenue tax receipts by quarters follows (see attached

Agricultural adjustment tax collections, not included in attached figures, were \$39,676,530.50 for the quarter ended September 30, 1933, \$100,886,718.11 for the quarter ended December 31, 1933, \$112,527,834.84 for the quarter ended March 31, 1934, and \$118,331,802.19 for the quarter ended June 30, 1934, a total of \$371,422,885.64 for the fiscal year 1934. The taxes declared were on wheat, effective July 9, 1933; cotton, effective August 1, 1933; tobacco, effective October 1, 1933; field corn, effective November 5, 1933; hogs, effective November 5, 1933, with increased rates effective December 1, 1933, February 1, 1934, and March 1, 1934; paper and jute fabrics competing with cotton, effective December 1, 1933; and sugarcane and sugar beets, effective June 8, 1934. Collections from the taxes on each of these commodities appear in the statistical tables appended to this

## COST OF ADMINISTRATION

The amount expended and obligated in administering the internal-revenue laws for the fiscal year 1934 was \$28,826,-225.73, as compared with \$30,031,722.98 during the fiscal year 1933. The cost of collecting each \$100 of internal revenue was \$1.25, as compared with \$1.85 for the fiscal year 1933. (The amounts expended by the Bureau of Industrial Alcohol in administering the liquor laws prior to consolidation with the Bureau of Internal Revenue, May 10, 1934, are not included in these figures.) This sum does not include the amount expended for refunding taxes illegally or erroneously collected and for redemption of stamps, which is the same boat. We have nearly 4,000,000 World War vet- in no sense an administrative expense. The amount expended and obligated in administering the agricultural adjustment tax laws was \$2,544,178.39, or 69 cents for each \$100 of agricultural adjustment taxes collected. The total amount expended and obligated by the Bureau of Internal Revenue in administering tax laws during the fiscal year 1934 was \$31,370,404.12. The total revenue collected was \$2,672,239,194.52, of which \$2,300,816,308.88 represented internal revenue and \$371,422,885.64 agricultural adjustment taxes. Therefore, the cost of collecting each \$100 of the total revenue was \$1.17.

#### INCOME-TAX UNIT

Important changes were made in the law relating to income taxes under the Revenue Act of 1934. The most significant of these changes are discussed under appropriate headings below.

#### RETURNS CLOSED

The number of returns examined and closed during the fiscal year 1934 was 1,968,170, of which 1,509,030 were filed by individuals and partnerships and 459,140 by corporations.

Summary of collections by internal-revenue divisions

Sources	Fiscal year		
	1933	1934	Increase
Income taxes:  CorporationIndividual	\$394, 217, 783. 93 352, 573, 620. 18	\$397, 515, 851. 94 419, 509, 487. 78	\$3, 298, 068. 01 66, 935, 867. 60
Total income taxes Dividends and excess profits	746, 791, 404. 11	817, 025, 339. 72 52, 859, 738. 53	70, 233, 935, 61 52, 859, 738, 53
Total	746, 791, 404. 11	869, 885, 078. 25	123, 093, 674. 14
Alcoholic liquor taxes: Received by collectors of internal revenue. Deposited by collectors of customs.	43, 174, 316. 92 5, 505. 52	252, 333, 373. 97 6, 577, 958. 65	209, 159, 057, 05 6, 572, 453, 13
Total	43, 179, 822, 44	258, 911, 332, 62	215, 731, 510. 18
Miscellaneous internal revenue: Estates and gifts. Tobacco manufactures. Sales (capital stock, stamp, and excise taxes, admis-	34, 309, 723, 85 402, 739, 059, 25	113, 138, 364. 10 425, 168, 897. 04	78, 828, 640, 25 22, 429, 837, 79
sions, communications, checks, oleomargarine, etc.)	392, 238, 008. 12	633, 232, 270. 62	241, 044, 262, 50
Total miscellaneous internal revenue	829, 286, 791. 22	1, 171, 589, 531, 76 371, 422, 885, 64	342, 302, 740. 54 371, 422, 885, 64
Total	829, 286, 791, 22	1, 543, 012, 417. 40	713, 725, 626. 18
Miscellaneous receipts (prohibi- tion, delinquent under repealed laws, etc.)	581, 206. 53	430, 366. 25	150, 840, 28
Total collections	1, 619, 839, 224. 30	2, 672, 239, 194. 52	1, 052, 399, 970. 22

Mr. RANSLEY. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. Bacon].

Mr. BACON. Mr. Speaker, it is natural that I should endorse the passage of this measure because it was my privilege to first introduce the bill on this subject, which I did on February 8. My bill is identical in purpose and practically identical in language with the one we are discussing today, which was introduced on March 7.

It is impossible today to discuss this question as comprehensively as I should like owing to the limited time of debate. but also this may not be necessary because of the fact that Mr. O'Connor of New York and others have already fully and persuasively covered the subject. I do, however, wish to touch on a few points that I believe to be fundamental and essential.

Mr. Speaker, my appeal to the House is for a dispassionate, nonpartisan, nonpolitical consideration of this question. I emphasize particularly the nonpolitical and nonpartisan feature of this proposal because the President of the United States did not recommend this provision in 1934, nor was it recommended by his Secretary of the Treasury.

I have seen in the press, and I am informed it is true, that about 10 days ago the Bureau of Internal Revenue made a report to the Treasury Department strongly recommending the repeal of this section.

Mr. Speaker, may I point out that if section 55 (b) is repealed many other safeguards will remain in the law that will not in any way be touched. It will still be possible for a committee of the House or a committee of the Senate to inspect the returns. It will still be possible for any State, municipality, county, or political subdivision within a State to get all of the information from the Treasury Department concerning the citizens of each particular subdivision. These provisions still remain in the law. So full information will still be available to all those who have a legitimate and a rightful excuse for having it. Furthermore, there will still be a provision in the act which will permit the President, if he deems that public necessity demands, to give full publicity at any time he sees fit.

The repeal of this section, therefore, does not remove the safeguards that we all want to have thrown around the publicity feature as far as it concerns proper officials. It seems to me that all of us should bend every effort to go after the tax evader and the man who submits a fraudulent income-tax return. I do not believe that there can be two thoughts in reference to this matter. It seems to me that the information on these so-called "pink slips" if published in newspapers will not in any way aid the Bureau of Internal Revenue in exposing the tax evader.

This has been the testimony of many different officials in the Bureau of Internal Revenue, not only now, but during

The gentleman from New York [Mr. SNELL] quoted in full the report of the Wisconsin Income Tax Commission of 1930 and I shall not repeat that here, but it seems to me if we want to strengthen our laws against the tax evader and the fraudulent income taxpayer we should strengthen the powers of the Bureau of Internal Revenue. The efficient way to get the tax evader is by having competent internal revenue agents inspect the returns, audit the returns, and review the returns as they are doing and will continue to do, and it is only through efficient agents of the Treasury who have the right to go into every man's books, who have the right to examine into all his personal business affairs, that you are going to check the tax evader and not through any man who may read the information on these pink slips in his morning newspaper.

[Here the gavel fell.]

Mr. RANSLEY. Mr. Speaker, I yield the balance of my time to the gentleman from New York.

The SPEAKER. The gentleman is recognized for 41/2

Mr. BACON. It seems to me the person who is most concerned with repeal of publicity, in spite of what some gentleman has said, is the small taxpaper. I want to reiterate the fact that any single person who has a net income of \$1,000 a year or over, or any married man who has an income of \$2,500 a year or over, must fill out this pink slip whether he pays a tax or not, and expose himself to the full glare of publicity in the press. The question of whether he pays a tax has nothing whatsoever to do with the situation and I am informed that the Treasury Department, to carry out the provisions of this section, intend to make available to the press of the country alphabetical lists by counties, by villages, by towns, by cities, and by States to anybody who wishes to get the information. Therefore, the person, it seems to me, who is going to be most concerned is the smaller business man who is facing strong competition from a larger competitor, and the smaller business man who. during the last 2 years of depression, may possibly have been running in the red, skating on thin ice, who does not want to proclaim to his competitor and to the world the precarious situation in which he may find his business.

Mr. KELLER. Mr. Speaker, will the gentleman yield for a question?

Mr. BACON. Yes; I yield. Mr. KELLER. Where does the gentleman get the information that this will be given out for publication?

Mr. BACON. The Treasury Department has told members of the press and Members of Congress that to carry out the spirit and letter of this act, unless it is repealed, they will make it public to the press and to anybody else who wants it.

Mr. KELLER. I got entirely different information, which is the reason I asked the gentleman the question.

Mr. MAY and Mr. DONDERO rose.

Mr. BACON. I yield first to the gentleman from Kentucky.

Mr. MAY. Undoubtedly, the last Congress in enacting this provision, which requires publicity of these reports, had in mind securing such information as would add additional revenue to the payment made in accordance with the reports. Therefore, the man who has a small income would not necessarily be particularly hurt by the repeal of the provision, and the congressional committees will always have access to the larger returns.

Mr. BACON. The businessman of small income will be hurt if his financial affairs are paraded in the press. The congressional committees will have access to the larger returns, but I want to make a plea for the small business man, the lawyer, the doctor, the merchant in the country, who, as I said before, during the last 2 or 3 years has been struggling to keep his head above water. He has been skating on thin ice. He does not want to disclose his intimate business and private affairs to his competitors or to his creditors; and many men who are beginning to come back, who are struggling to come back, do not want to go through the public humiliation of having their private business affairs spread on the front page of their country weeklies.

Mr. MAY. In other words, the small business man in a small town, for instance, who had an income 2 or 3 years ago and would have to show now that he has no income might be put in an embarrassing attitude with respect to his banker.

Mr. BACON. There is no question about it. It may mean bankruptcy for many of the small businessmen when this information is published to his competitors and creditors.

Mr. DONDERO. The honest people of this country do not want this information and the dishonest people ought not to have it.

Mr. BACON. Of course, the honest citizen of this country is too busy with his own affairs to go snooping around looking for such information. The only people who want it are the curious minded, the gossips, and the snoopers.

Mr. DONDERO. The "pink slip" which shows the net income does not portray the real condition of the taxpayer, because there are a great many things which the taxpayer has to bear by way of obligation that he cannot deduct.

Mr. BACON. There is no question about that. The information on the pink slip does not give the true picture, and the facts given are very misleading and unfair to the man giving them. [Applause.]

Mr. O'CONNOR. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. Blanton].

Mr. BLANTON. Mr. Speaker, this effort to repeal is not a Democratic measure. This is not a Democratic administration measure. Repeal is exactly what the Republicans want. This "pink slip" law was never passed by any Republican administration. If you will get the record you will find that upon the urgent insistence of Democrats we finally succeeded in passing an income-publicity law, and you will find that the leading Republicans voted against it and finally repealed it. You will find all of the Republicans now trying to kill this new publicity law we passed last year. You heard me get the minority leader to admit that he is now leading his Republicans on the other side to kill it.

Why, all your State, county, and city tax matters back in your State are matters of public knowledge. Anybody has a right to go to the courthouse and city hall and find what your taxes are at home. The court matters in your States are open to the public and are matters of public record. The divorce proceedings of your constituents involving the most sacred domestic relations are open to the public. All the litigation you have in your districts is public. Every criminal case tried is open to the public, and you will find the proceedings in the newspapers. Why should big incomes of

big multimillionaires be secret and confidential? Secrecy begets fraud. Defrauders do not want the light of day.

I will tell you what is going to happen. You are going to find a few leaders on the Democratic side following a Cabinet officer, and the minority leader leading his Republicans solidly to help repeal this law, and you are going to send it to the Senate, and you are going to see the Senate kill it, and then you will be left suspended in the air. And when your constituents demand an explanation all you can say is, a Cabinet secretary requested it, and the committee supported it, and we followed along. And it may be that your constituents will leave you still suspended in the air.

Do you want that to happen? I am not going to vote to repeal this salutary law passed last year. I am not afraid of the racketeers overreaching my intelligent constituents. That kind of talk is buncombe. It is brought in here to scare you into voting for repeal. Cannot your constituents handle bond and insurance agents? Mine can. They do not see them when they do not want to see them.

The people have a right to know about all income matters. and in this day of unrest I am speaking in the interest of every American citizen. By voting this repeal would add ammunition to these wild men who speak over the radio and arouse the passion and the prejudice of the people against the Government. It is just such unwisdom that brings on revolutions. I do not want to add fire and flame to that kind of propaganda being carried on through the United States today. I want to see it stopped. I want to see that kind of demagoguery stopped. I want the people of this country to know that they can have confidence in their Government. I want the people of this country to know that they can have confidence in their Congress, not only in the Senate but in the House of Representatives, which has always stood closer to the people than any other legislative body

I am not going to vote for this proposal and undo the good work of years. It is iniquitous. I have been with our committees for all orders from the President, to put into effect the plans of his administration and to carry out the recovery policies of the President. But this is not the policy of the President, he has not sent any request for the repeal of this law, and it is no part of the Democratic platform. It is not a part of the administration's recovery program. So, why do you do it?

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I yield to my old pal over there across the aisle.

Mr. TABER. Is the gentleman going to follow the orders of the administration on the bonus?

Mr. BLANTON. I expected that. No; I am not. That is something that I have pledged my constituents about before there was this administration; and when a Member is pledged to his constituents, he is free to do what he likes. For several years I have pledged my vote for the bonus. I am free in this House to do what I like and vote my honest sentiments on something that I think right and proper, or is detrimental to the best interests of the Government and detrimental to the people of the United States. [Applause.]

Mr. O'CONNOR. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. Shannon].

Mr. SHANNON. Mr. Speaker, I have just listened to my good friend from Texas [Mr. Blanton]. I could not make out exactly whether his remarks, as to what the Senate will do to this bill, were meant as a threat or a promise. He said that when we got through here the Senate would take care of this measure. I have not heard any protest from him concerning what the Senate is doing to the Public Works relief bill that was run through here about 6 weeks ago in 2 or 3 hours' debate. The pending "pink slip" bill is a very serious measure. It should not be approved or disapproved by a threat of what the Senate will do or will not do concerning it. It reaches into the family circle. There never was a family well organized or properly taken care of where the man at the head did not give thought to the finances of the family. I do not speak for the plutocrats. I speak

for the man whose income is five or ten thousand dollars a year. Let the amount of his earnings be known to those nearest and dearest to him, and they will destroy his savings. [Laughter.] If they have been getting along with a Ford, then, the minute they learn from a return of the income taxes that he has had a good year, although the record shows that for years he has been making two or three thousand dollars a year, if he suddenly makes five or ten thousand dollars for 1 year, then from the littlest member of the family up to the old girl herself, they will start out to buy automobiles, fur coats, and so forth, and no prudent head of a family living can take care of his family properly and safeguard their future if he does not practice a certain amount of deceit. [Laughter.]

Mr. KVALE. Mr. Speaker, I take it that the gentleman

is speaking from personal experience.

Mr. SHANNON. I certainly do, because this income-publicity feature was a law at one time; and when it was put on the books and the publications were carried in our community, I remember quite distinctly when I got home every member of the family said, "Why, you had a great year last year, did you not?" [Laughter.]

Mr. DONDERO. And if they cannot spend it all in the family, then some relative will come along and get you to

endorse a note.

Mr. SHANNON. That is correct, too. [Laughter.]
The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. O'CONNOR. Mr. Speaker, I yield 2 minutes to the

gentleman from Pennsylvania [Mr. Dunn].

Mr. DUNN of Pennsylvania. Mr. Speaker, I respect a man whether he agrees or disagrees with me if he is sincere and conscientious in what he says and does. I am going to vote against the repeal of this law because I believe if it is repealed it will be more of a detriment to the people of the United States than a benefit. If this law is repealed, it will be a very difficult task for the Government to check up on the men who make fabulous incomes. For example, we know there is an investigation going on in the Senate concerning munition makers. It would be difficult for the Federal Government to find out what the incomes of those munition makers were last year had it not been for the law which is now in existence. Therefore, Mr. Speaker, I hope that the Members of the House will vote this bill down and keep the "pink slip" in existence.

Mr. O'CONNOR. Mr. Speaker, I yield 2 minutes to the

gentleman from Massachusetts [Mr. Connery].

Mr. CONNERY. Mr. Speaker, originally I voted to make these income taxes public. Today I am going to vote for the repeal of this law. [Applause.] My friend the distinguished gentleman from Pennsylvania [Mr. Dunn] calls attention to the fact that they are having an investigation in the Senate. Any information about the income tax which any congressional committee desires to possess it can get, and could get before this law was passed; and if it can be gotten easily by committees of Congress, after observing the results of tax-return publicity, I think that is sufficient. I was impressed by the statement of the gentleman from Indiana, who spoke about the small business man who is trying to get along having his larger competitor count the number of people coming out of the store, spying on him, trying to find out what his costs are, and by this "pink slip" we give this big competitor additional opportunity to put the small man out of business. I do not favor that. I am not worried about these returns being made public as long as Congress can get the facts. I should like to do away with this proposition of racketeers and speculators having an opportunity to go in and look over these income-tax lists and then start to work on the men who have made tax returns. My good friend the gentleman from Texas [Mr. Blanton] brought up the question about what is an administration bill and what is not an administration bill. I believe that it is the duty of the House of Representatives to legislate as set out in the Constitution of the United States and not to be drawing red herring across the trail by saying the President wants this or the President does not want that.

I refer specifically to two measures; for example, the Wagner-Connery labor-dispute bill and the Black-Connery 30-hour work week bill. The President has made no official statement to Congress on either of these bills, and I believe that this House should take up both of these bills and pass them in order to bring peace between labor and capital, and by shortening hours and increasing wages in industry bring back prosperity to the country by putting back to work 11,000,000 unemployed. So I say let us do our constitutional duties as legislators and not be passing the buck continually to the President. I am going to vote for the repeal of the "pink slip" statute because I believe it serves no useful purpose and leaves openings for many harmful purposes.

The SPEAKER. The time of the gentleman from Massa-chusetts [Mr. Connery] has expired.

Mr. O'CONNOR. Mr. Speaker, I yield 1 minute to the gentleman from Idaho [Mr. White].

Mr. WHITE. Mr. Speaker, I believe we are all familiar with the fact that there have been a great many fraudulent things done in dealing with income taxes. I distinctly recall that the gentleman from New York, who is sponsoring this bill, pointed out in his speech made on the floor of this House some time ago that the Steel Trust was refunded \$45,000,000 in 1927, which had been paid in as income tax in 1917. I think it is just as necessary to Government business that the income-tax returns should be made public as that the taxes collected as imposts or taxes and assessments on private property are made public. It is my understanding that public business is the citizen's business. We are dealing with public business, and I think the filling of income-tax returns is public business. [Applause.]

The SPEAKER. The time of the gentleman from Idaho has expired.

Mr. O'CONNOR. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. McFarlane].

WE SHOULD HAVE MORE, NOT LESS, PUBLICITY FOR INCOME-TAX RETURNS

Mr. McFARLANE. Mr. Speaker, the question is, Are we now going to march back down the hill and repeal the "pink slip" law that we enacted last session which requires limited publicity for income-tax returns? At the last session of Congress it was my duty as a member of the House Naval Affairs Subcommittee investigating naval-aircraft procurement to seek information on income-tax returns. After the committee had unanimously selected me to secure the income-tax information of all concerns selling the Navy equipment, I presented the facts to the President, who immediately dictated an Executive order authorizing me for the committee to examine all of these income-tax returns for the information of the committee. After securing the President's approval it took me more than 2 weeks to finally secure the Executive order and to get access to the tax records in the Internal Revenue Department. Every Member of this House is interested in knowing how far we, as Members of Congress, have authority to investigate these tax returns. There is not a Member of Congress who can go down to the Internal Revenue Bureau and check these income-tax returns, except by these methods:

First, by duly authorized resolution passed by one of the Houses of Congress permitting that or by a duly authorized committee of this House, the Ways and Means Committee, which has that privilege. It may also be done by Executive authority of the President. You, as a Member of Congress, cannot get this information. It is denied to you. I say to you frankly and candidly, we are making a backward step if we close the door and repeal the "pink slip" proposition, which would give to everybody who is interested, under proper safeguards of regulations issued by the Secretary of the Treasury, the right to receive this information. What harm can be done? Every one of us has filed our tax renditions, State, county, city, and school, in our own jurisdiction. These tax renditions are all open to the public, and rightly so. None of the greatly magnified injuries or supposed injuries we have heard here this afternoon have happened to anyone because of this information being made public; and these tax renditions contain full and complete information of all property owned—real, personal, and mixed; these renditions require a statement of all cash on hand as well as a complete inventory of all stocks, bonds, or other property owned. And all this information must be given under cath. No one has ever complained that this information should be kept secret, or that it being made public caused snooping, kidnaping, hijacking, or other crimes of racketeering.

Mr. BEITER. Will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. BEITER. The gentleman says he was a member of an investigating committee investigating for the Naval Affairs Committee last year?

Mr. McFARLANE. Yes.

Mr. BEITER. Would the information contained on the "pink slip" have given the gentleman the desired information? The gentleman knows, too, that the publicity may have a strong tendency to drive capital into tax-exempt bonds and out of taxable investments, which are so necessary to industrial development and increased employment. Such a tendency would further handicap business recovery and reduce the amount of Government income. Is it not true that income-tax returns are filed under oath with penalties for misstatement and that salaries paid by employers, dividends by corporations, and many other payments above a certain amount are reported to the Government, giving revenue officials comprehensive data for checking returns? I again ask the gentleman from Texas, Would not the information contained on the "pink slip" have given him the desired information?

Mr. McFARLANE. No; it would not, but it is a step in the right direction, and we should not repeal a law before we have even had a chance to observe the effect of its operation. Publicity on income taxes has proved beneficial in Wisconsin; it will prove so for the Nation. All of our taxrendition laws require publicity in our own local communities. All the complaints you have heard today as a basis for repealing this law would apply to all the other information made public by everyone for all taxes we pay at home. I know and you know, our people at home would not permit all our tax renditions at home to be kept secret—and they will not permit secrecy on this when they know the facts.

None of those objections are found to have any merit. It is all a smoke screen sent up by the sentinels of the Republic and other well-financed lobbyists' organizations that have been flooding Congress with unfair and untrue propaganda, trying to hide their ill-gotten gains, as recent investigations have shown the moneyed crowd have been doing.

Mr. MILLARD. Will the gentleman yield?

Mr. McFARLANE. No. I have not the time. I am sorry. I think we should well consider this matter. We ought to give it a chance. We should not repeal the law before it has even had a chance to operate. These propagandists are recommending all income-tax payers not to file this "pink slip" and not give this information. They recommend that right now to all income-tax payers, in open violation of the law.

The SPEAKER. The time of the gentleman from Texas [Mr. McFarlane] has expired.

Mr. O'CONNOR. Mr. Speaker, I yield one-half minute to the gentleman from Michigan [Mr. Hook].

Mr. HOOK. Mr. Speaker, I am against the repeal of the "pink slip" law. I have just had a letter from my district asking that I obtain from the Internal Revenue Department the income-tax returns of a large corporation for the reason that we want to find out for the State tax commission what their valuation would be. The answer was that we could not go back of the 1934 law. Therefore I am for the "pink slip" law. I am opposed to its repeal.

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, I move the previous ques-

The previous question was ordered.

The SPEAKER. The question is on the adoption of the resolution.

The resolution was agreed to, and a motion to reconsider was laid on the table.

Mr. DOUGHTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6359, to repeal certain provisions relating to publicity of certain statements of income.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6359, with Mr. Nichols in the chair.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 55 (b) of the Revenue Act of 1934 relating to filing and making public certain income statements is repealed.

The CHAIRMAN. Under the rule the gentleman from North Carolina [Mr. Doughton] will control 30 minutes and the gentleman from New Jersey [Mr. Bacharach] will control 30 minutes.

Mr. DOUGHTON. Mr. Chairman, I yield 6 minutes to the gentleman from New York [Mr. Cullen].

Mr. CULLEN. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. CULLEN. Mr. Chairman, the discussion on the adoption of the rule, of course, was very interesting, and yet in all that discussion there was not any real information given in regard to the "pink slip" law. As a matter of fact, the "pink slip" amendment to the Internal Revenue Act of 1934 was adopted in conference with the Senators last year, as a sort of compromise principle for publicity, notwithstanding the fact that the law today gives you all the publicity that is necessary to have access to in regard to income-tax returns.

By repealing the "pink slip" provision of the income-tax law we are not repealing any publicity provision; what we are doing is taking out of the revenue act the "pink slip" portion of the law. What does the "pink slip" portion provide? It provides simply for the gross income, the deductions, and the tax payable. This does not give any information to anybody; hence the uselessness of it, hence the non-sensical thing of having it incorporated into the tax returns of the taxpayers of the country.

I am not standing before the Membership of this House today advocating evasion of tax returns, because in my experience on the Ways and Means Committee our job is to get all the returns we can into the Government from revenue-producing sources; and, as far as tax evasions are concerned, we plugged those holes up so tight in the 1934 Revenue Act that you could not get a pinhead into any further loopholes in the law. This was done as a result of investigations that were going on throughout the country at that particular time.

The Chairman [Mr. Doughton] of the Committee on Ways and Means worked sincerely and honestly with his colleagues on that committee to plug up these holes so that there would not be any evasion of taxation and so that nobody would be given a chance to get out from under in so far as the income-tax law was concerned. When the bill was in conference between the two Houses the Senate wanted a publicity clause; they were not satisfied with the publicity clause that was written into the law at that time but they wanted something to go out to the country suggesting to the people of the country that they were doing something a little better than what had been done heretofore. As a matter of fact we did not do that, because the "pink slip" is incorporated in your tax return and you have got to sign it and show what your gross income is, what your deductions were, and what tax was payable. That is only duplicating the information you give in your return. So, in the final analysis, we are not repealing any publicity clause because the Secretary of the Treasury, the Governor of any State, or any official of any State has access to these | individual taxpayers by the thousands are united in their returns on application.

Mr. McFARLANE. Mr. Chairman, will the gentleman

Mr. CULLEN. I yield.

Mr. McFARLANE. Is it not true that the only Members of Congress having direct access to the income-tax returns were the members of the Committee on Ways and Means; and that prior to the pink-slip law, by Executive order was the only way in which even Members of Congress could secure information concerning income-tax returns and that if we repeal this clause we will be right back in the situation we have been up to the present time?

Mr. CULLEN. The gentleman is entirely misinformed. Mr. McFARLANE. I will be very glad to be correctly

Mr. CULLEN. The Committee on Ways and Means has access to the returns, and the gentleman has by going to the Committee on Ways and Means, and a Senator has by going to the Finance Committee of the Senate, and the Secretary of the Treasury, and every Governor of every State in this Union, as well as other State officers, has access to the returns.

Mr. McFARLANE. I believe every Member of Congress ought to have that right; and I believe that local communities should have that right to see if these big taxpayers are paying their just part of the taxes.

Mr. CULLEN. Local communities, let me inform my dear friend, have access to the local tax rolls of the States. That is a matter of local purposes insofar as it relates to property. I am content with the publicity insofar as it relates to income-tax returns today without this pink slip, because in the final analysis there is very little suggestion of the confidential relations between the man who files an income tax and the Government itself.

Mr. McFARLANE. Why should they not have the same right to inspect income-tax returns they have as to all other tax records that are filed by the people?

Mr. CULLEN. They have the same right. Let me read the law.

[Here the gavel fell.]

Mr. DOUGHTON. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. CULLEN. Mr. Chairman, I cannot in 2 minutes read the statement I have here, but I will incorporate it all in

Mr. BLANTON. Why does not the gentleman use his time answering questions and insert the balance of his remarks in the RECORD? Will the gentleman yield for a question?

Mr. CULLEN. Yes.

Mr. BLANTON. There should be no difference between the rights and privileges of Members of Congress. Why should all the other Members of Congress not on the Ways and Means Committee have to go to that committee to get this information? As a matter of right they are entitled to it just as much as is the Ways and Means Committee.

Mr. CULLEN. Answering my dear friend from Texas, the Ways and Means Committee is the revenue-producing committee of this House; it must study this problem and must have access to the returns for the purpose of its study.

Mr. BLANTON. The prerogatives of every Member of Congress ought to be equal.

Mr. CULLEN. Mr. Chairman, I do not yield further.

Mr. Chairman and Members of the Committee, permit me to invite your support of the pending legislation to repeal certain provisions relative to publicity of income-tax returns. I think that the extent of the opposition to this publicity is greatly underestimated. An article in the New York Times of February 24, 1935, said the publicity provision "has precipitated what is probably the most ardent campaign for repeal of legislation since the drive to expunge the eighteenth amendment." Other newspapers of the country, political commentators, the United States Chamber of Commerce, local chambers of commerce, trade associations, and

demands for repeal.

In my opinion the publicity provided by section 55 (b) of the Revenue Act of 1934 will not expose loopholes in the law or prevent tax evasions.

The law of 1926 will still remain which gives authority to the Secretary of the Treasury to the Ways and Means Committee of the House and the Finance Committee of the Senate as well as Governors and other officials of the States under rules promulgated by the President to have access to income-tax returns.

In that connection let me say that all the loopholes in the revenue act were well plugged in the 1934 act.

It has been definitely shown on a number of occasions that the information contained in the pink slips exposes nothing. No one, not even a trained accountant, or an internal-revenue investigator can tell from the facts disclosed by the pink slips whether a man has made a correct or honest return, or whether he has taken advantage of some loophole in the law. The things actually exposed by the pink slip are as follows: (1) Name and address of the taxpayer; (2) total gross income; (3) net income; (4) total deductions; (5) total credits for purpose of normal tax; and (6) tax payable.

Furthermore, the true way to discover the loopholes in the law and the weak points in the administration of the incometax law is not to set busybodies and snoopers at work to spy upon their neighbors and build charges of tax evasion upon suspicion, but to improve the administration of the revenue laws. All income-tax returns over a certain figure are now automatically audited by revenue agents, and field investigators examine the books of the taxpayers and have the privilege of interviewing the taxpayers themselves, their agents, or attorneys. Properly managed, this system will reveal accurately and swiftly any wrongs committed by taxpayers and loopholes in the law. I am certain that Government investigators, well-trained and experienced men, certainly are more to be trusted to bring to light the weaknesses in the revenue laws and the misdeeds of taxpayers than an army of gossips or selfish complaints of competitors which are generally based on misleading and meaningless information contained in the pink slips.

There is no doubt in my mind that the cost to the Government of making the pink-slip information available to public inspection will be enormous; and the cost of running down idle tales-suspicious complaints-will be equally great. Frankly, is it worth the cost to the Government during these times of storm and stress to be the instigator of so much ill-will, malice, and revenge in return for such valueless assistance from the public?

I am informed that the only State having an income-tax law which provides for publicity is Wisconsin, and in that State publicity has not helped to prevent tax evasion. I now quote from the 1930 report of the Wisconsin Tax Commission.

I would like to reiterate the principal arguments against publicity have not been answered. It will have the following very dangerous and harmful results:

First. Taxpayers will be subject to so-called "whispering campaigns", instigated by envious persons.

Second. Such publicity will result in a harvest of information for promoters and others, who will use it in harassing and harangueing taxpayers, both large and small.

Third. Competitors will have an unfair advantage in business transactions.

It is obvious from the facts stated that the American public gains no advantage or benefit from this publicity provision; it serves no useful purpose whatever; in short, it is an abomination; and I sincerely hope that the Congress will see the folly of the continuation of such publicity and repeal section 55 (b) of the Revenue Act of 1934.

[Here the gavel fell.]

Mr. DOUGHTON. Mr. Chairman, I yield to the gentleman from New York 2 additional minutes.

Mr. CULLEN. Mr. Chairman, speaking further with regard to the Wisconsin experience, a report of the Wisconsin Tax Commission was made to the Governor and legislature of that State by Edward L. Kelley, W. J. Conway, and Charles D. Rosa, commissioners, in 1930. I shall make one or two brief references to it. Under the head of public examination of returns these statements are made:

The repeal of the secrecy clause by the 1923 legislature opened all income-tax returns to public inspection. The repeal was urged and passed upon the supposition that public inspection would result in fewer incorrect returns and in discovering much unreported income. These expected results have not materialized in any degree in the administration of either the individual or the corporation returns.

A survey shows that public examination is almost wholly without any public motive or significance, but that advantage is taken of it to serve purely private and personal interests. Our filed returns are used by credit organizations which have men on hand almost constantly digging into the files. Returns are examined to prepare lists of prospective purchasers of stocks and bonds and for other soliciting and advertising purposes. A common use of returns is to secure information in negotiating for the purchase of business properties, and very frequent use is made of them in delving into the intimate concerns of business competitors. of business properties, and very frequent use is made of them in delving into the intimate concerns of business competitors. Many such examinations are by competitors from without the State who offer the Wisconsin business no such reciprocal information or advance. Income-tax files are also frequently used for information in court actions and many examinations are made out of curiosity, and at times for the sole purpose of annoying and harassing a reporting taxpayer.

Mr. BACHARACH. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. Andrews].

Mr. ANDREWS of New York. Mr. Chairman, I merely want to place myself on record as being unqualifiedly in favor of repeal of the "pink slip" provision. As one of the gentleman from New York stated, it is apparent that the Bureau of Internal Revenue would favor repeal of this provision. I have a letter from the Acting Secretary of the Treasury in which it is stated that the Treasury will carry out both the letter and the spirit of whatever policy the Congress deems wise in relation to this matter and there is enclosed a brief history of section 55 (b) of the Revenue Act of 1934. It occurs to me the development of this legislation, as it is outlined in this communication, would be of interest to the Congress.

Mr. Chairman, I ask unanimous consent to insert as a part of my remarks a history of section 55 (b) of the Revenue Act of 1934, which comes from the Treasury Department.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The matter referred to is as follows:

HISTORY OF SECTION 55 (B), REVENUE ACT OF 1934

Section 55 (b) of the Revenue Act of 1934, reads as follows:
"Every person required to file an income return shall file with "Every person required to file an income return shall file with his return, upon a form prescribed by the Commissioner, a correct statement of the following items shown upon the return: (1) Name and address, (2) total gross income, (3) total deductions, (4) net income, (5) total credits against net income for purposes of normal tax, and (6) tax payable. In case of any failure to file with the return the statement required by this subsection, the collector shall prepare it from the return, and \$5 shall be collected at the same time and in the same manner as amounts added to the tax. The amount so added to the tax shall be col-lected at the same time and in the same manner as amounts added under section 291. Such statements or copies thereof shall as soon as practicable be made available to public examination and inspection in such manner as the Commissioner, with the ap-proval of the Secretary, may determine, in the office of the collector with which they are filed, for a period of not less than 3 years from the date they are required to be filed."

Except for subsection (b), there is no substantial change in section 55 as respects publicity of income-tax returns over corresponding sections of prior revenue acts, beginning with the

Revenue Act of 1926.
Subsection (b) was inserted in the Revenue Act of 1934 by the Subsection (b) was inserted in the Revenue Act of 1934 by the committee of conference (see Conference Report, House of Representatives, No. 1385, re amendment no. 38, at pp. 4 and 19). There was no similar provision in the House bill (H. R. 7835). However, the Senate did amend section 55 by providing for publicity of returns. The amendment, as offered by Senator La Follette and adopted by the Senate (see p. 6546 of the Congressional Record, 73d Cong.), provided:

"Returns made under this title upon which the tax has been determined by the Commissioner shall constitute public records and shall be open to public examination and inspection under rules and regulations promulgated by the Secretary and approved by the President."

by the President." The action taken by the conferees appears to have been in the nature of a compromise, which does not give publicity to income

returns, but provides for publicity of the statement required to be filed with the return, which statement gives information as to the following items taken from the return: (1) Name and address, (2) total gross income, (3) total deductions, (4) net income, (5) total credits against net income for purposes of normal tax, and (6) tax

Under section 55 (b) the publicity of the statement required thereunder seems to be mandatory as far as the Treasury is

concerned:

" \* Such statements or copies thereof shall as soon as practicable be made available to public examination and inspection in such a manner as the Commissioner, with the approval of the Secretary, may determine, in the office of the collector with which they are filed, for a period of not less than 3 years from the date they are required to be filed."

Pursuant to section 55 (b) of the act, Treasury Decision 4500 was approved (Internal Revenue Bulletin, vol. XIII, no. 51, p. 2), in which form 1094 was prescribed as the form for the statement

required by such action. It was also provided therein:
"Within a reasonable time after the income return is filed, the statement on form 1094, or a copy thereof, under such procedure as may be prescribed by the Commissioner, shall be available for public examination and inspection in the office of the collector for the district in which the return and statement were filed.'

Mr. BACHARACH. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. Taber].

Mr. TABER. Mr. Chairman, the object of this bill is to repeal the publicity feature of the income-tax law; in other words, do away with the "pink slip" provision and inquisition into the ordinary fellow's income. There is not any good purpose served by the provision. As the gentleman from New York [Mr. Cullen] told us, the Congress can get all of the information it needs and it ought not to have the privilege of prying into peoples' income in order to publish it promiscuously. This is a serious embarrassment to the small merchant, to the professional man, and especially to the farmer who only occasionally has a good year when he might have to use anything of this kind. We ought to do away with this inquisition business. There is nothing to it as far as the rich are concerned, because we already have in New York State a tax of 60 percent, including the State and Federal income tax, on every single man who has an income above \$100,000 a year. Where he has an income of over a million dollars it runs up to a tax of 75 percent. In the other States where they have no State income tax, it runs from 60 to 75 percent. That is all the tax that anybody ought to expect from those who have the large incomes and there is no useful purpose to be served. On the contrary it is just an annoyance and the "pink slip" provision ought to be repealed.

[Here the gavel fell.]

Mr. BACHARACH. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. WITHROW].

Mr. WITHROW. Mr. Chairman, whatever the outcome of the vote on the repeal of the publicity on Federal income-tax returns, it will have no effect upon the income taxpayers of the State of Wisconsin, because we of Wisconsin will continue to have the publicity feature in our State income-tax law. However, the State of Wisconsin has been mentioned several times in this argument, and it has been said that the income-tax law of the State of Wisconsin has been unfair and that it has not been successful.

Mr. Chairman, that is not true and is not borne out by the facts, notwithstanding that a purported report of the tax commission has been read to you. That subject will be covered by my colleague, the gentleman from Wisconsin [Mr. SAUTHOFFI, if he is fortunate enough to be allowed time to cover the matter.

The Legislature of the State of Wisconsin has met repeatedly since the enactment of the Wisconsin publicity feature and at every session has retained the publicity feature by an

overwhelming majority.

Those who argue for the repeal of the publicity of Federal income-tax returns give two reasons. One is that it would encourage and aid racketeers, gangsters, kidnapers, and other criminals. The second is that it does not protect fourflushers who seek to palm themselves off as men of means.

Mr. Chairman, the argument that publicity of income-tax returns would encourage kidnaping is extremely ridiculous. In Wisconsin our income-tax returns have been available to the public for many years, still we have never had a case of

kidnaping in our splendid State nor have we ever had any other crime in which the publicity of income-tax returns was a factor. Only a fool would believe that a criminal would submit to the registration and identification necessary in Wisconsin before he would be permitted to examine any income-tax return. Similar requirements for registration and identification are possible to the Secretary of the Treasury under the present Federal statute.

As to the second argument, I want to say that our honest, patriotic, taxpaying citizens should be entitled to protection from fourflushers who pose as men of means and seek to deceive their neighbors by subterfuge and trickery.

No honest individual or corporation with good credit has anything to fear from publicity of income-tax returns. Publicity can do them nothing but good. Who is it, then, who seeks to keep income-tax returns secret?

From all I can discover this repeal agitation has been generated almost entirely by an organization called the Sentinels of the Republic. The activities of these self-styled Sentinels of the Republic better qualify them for the title of "sentinels over the pocketbooks of J. P. Morgan, Andrew Mellon, and every other notorious tax evader." The Sentinels of the Republic boast that they were instrumental in defeating the child-labor amendment. Certainly such valorous service to humanity qualifies them to fight in favor of the tax-dodging special interest and against every honorable and desirable enterprise.

There is no reason why any public or Government business should be conducted on a secret basis. There is no more justification for secrecy in income-tax returns than there would be for secrecy in real-estate tax assessments.

Behind the cloak of the Sentinels of the Republic all tax dodgers and flourflushers have gathered to hide from their neighbors those facts which all are justly entitled to know. It will not help our honest taxpaying citizens to allow J. P. Morgan, Andrew Mellon, and others to continue their tax-evasion tactics.

It has been stated that Mr. Alvin Johnson, of the Wisconsin Tax Commission, believes the Wisconsin publicity features to be undesirable. In my opinion, Mr. Alvin Johnson is not in any way qualified to express an opinion on the success of any feature of the Wisconsin income-tax laws. Mr. Johnson is the youngest member of the commission. He has had very little experience on which to base his judgment, and his statements have been repudiated by the other two members of the commission in telegrams to Wisconsin Members of Congress.

The experience of the State of Wisconsin is referred to because Wisconsin is the only State which requires that income-tax returns be available to the public. The State of Wisconsin can be pointed to with pride as an example of many other laudable things. Let me remind you that in the State of Wisconsin, where the Sentinels of the Republic would have you believe crime is encouraged by income-tax publicity, we have one of the lowest crime rates in the Nation. The city of Milwaukee stands head and shoulders above other cities of the Nation in its freedom from crime, its splendid civic conditions, and civic pride and spirit.

In Wisconsin we believe in making it difficult for criminals and fourflushers to impose on honest citizens. The Wisconsin law providing for publicity on income-tax returns is one of the means by which we make it difficult for criminals and fourflushers to exist in Wisconsin.

It would be most wholesome if the Federal Government would follow the Wisconsin law, not only on income-tax publicity, but also on many other subjects. In my opinion, we have had enough of secrecy and trickery in the manipulations of the Federal Government. The people of this Nation will never get a new deal or a "square deal" as long as secrecy and double dealing is allowed to continue by the Federal Government. [Applause.]

[Here the gavel fell.]

Mr. DOUGHTON. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. Keller].

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield one-half minute to the gentleman from Wisconsin [Mr. Withrow] to answer a question?

Mr. KELLER. Yes; I yield.

Mr. RANDOLPH. May I ask the gentleman from Wisconsin just what has the Wisconsin Tax Commission actually recommended?

Mr. WITHROW. That will be covered by a gentleman from the State of Wisconsin. As a matter of fact, that report is entirely in error. Two of the three Commissioners whose names appear on that report have sent telegrams to the effect that the publicity feature is entirely desirable, that it is not unfair and that it has been a success in the State of Wisconsin. If we get the opportunity—and by the way, we have not yet been allowed the time to do so, we will show that to be the case.

Mr. KELLER. I just want to call your attention to a few simple facts. We have never tried out the pink slip. The law was enacted last year. There has been no pink slip handled by the Government so far, unless we count those that have been sent in within the last few days.

I have here the ordinary form of income-tax return that we are all filling out, and I also have here the pink slip that gives the information required under section 55 (b) of the law of 1934.

We do not know what is going to happen to this. We do not know whether it is good or whether it is bad, and any man who stands up here and gives an opinion knows no more about it than I do when I express an opinion. I am going to give my opinion that none of us know anything about it until we try it out.

Apparently the gentlemen would have us believe that the kidnapers and racketeers have been conducting a bureau of information down here, using the information on pink slips when there are no pink slips yet in use. I presume that the kidnaping done heretofore has been done on the strength of the future coming in of this kidnaping pink slip. Quite remarkable to say the least, is it not? What foresight these child stealers must possess. I reckon the Secretary of the Treasury is expected by these same gullible souls to operate a special bureau to get these informative pink slips to our kidnapers, if Congress fails to take them away from him promptly.

It is ridiculous and it makes it appear ridiculous when we stand here and put forth such an argument as this. The gentleman from Wisconsin just told us the facts and I now want to call your attention to what would be necessary and I want you to get the law itself, and here it is:

Such statements or copies thereof shall, as soon as practicable, be made available to public examination and inspection in such manner as the Commissioner, with the approval of the Secretary of the Treasury, may determine in the office of the collector in which they are filed for a period of not less than 3 years after they are required to be filed.

In other words, they will make just such rules as they please and when you are talking about rules to give information about income taxes, I want to call your attention to regulation no. 69, which I hold in my hand, about 200 pages of rules. Go down there, some of you men who are in Congress, and try to find out something about income taxes. This is the first regulation and then I hold here regulation no. 86, about 150 more pages of rules in relation to the present revenue law of 1934. It is a volume in itself, and it is entirely impossible for any man to go down there and get information at the present time, and when I called the Department to talk about this matter they said they were having a great deal of discussion about it, but had made up no opinion on how they would give out this information.

Mr. BLANTON. Mr. Chairman, will the gentleman yield? Mr. KELLER. Yes; I yield.

Mr. BLANTON. If the racketeers are racketeering in fixing up these rules and regulations the Secretary of the Treasury and the Commissioner of Internal Revenue could require every racketeer to furnish his fingerprints, could they not?

Mr. KELLER. Yes; and anything else they might require.

Mr. BLANTON. That would be a good way to get a few | of them caught.

Mr. KELLER. It would be the best thing in the world if you could get a racketeer in that way, because you could throw him in jail before anyone could say "scat." The truth of the matter is that this is not a matter of protecting us against racketeers or kidnapers. The truth of the matter is the big rich of this country are coming back into making a lot of money again, and I am not blaming them for it-I am not against the rich men, I am not against wealth-God knows I am for it, 100 times more than we now have. But I believe in dividing it differently.

I want to call attention to the fact that, as a matter of history, during the entire period from 1861 to 1871, our first income-tax law, the income-tax lists were printed and published, giving full information. The corporation tax law of August 5, 1909 (36 Stat. 11) provided specifically that \* \* shall be filed in the Office of the "the returns \* Commissioner of Internal Revenue, and shall constitute public records and shall be open to inspection as such." And this provision for publicity of income-tax returns was observed. It will be observed that the payers of income tax have become finicky about publicity of income-tax returns in recent years. And be it further observed that during this touchy period the Government has been cheated and defrauded out of enough income tax due under the law to have taken care of all our deficits since the panic of 1929 to the present time. I called attention to this entire matter in an address on the floor of this House on the last day of the last session of the Seventy-second Congress.

It is universal knowledge, and is always noted in the newspapers, that during the first part of each year the stock markets are so rigged as to openly defraud the Government of the income taxes due it.

Yet this House of Representatives is rushing madly to prevent its Members and everybody else from getting the facts in relation to income taxes.

Publicity-pitiless publicity-is, always has been, and always will be the one best method of preventing fraud in governmental matters. The tender solicitude of this body for those who do not want anybody to know what their taxes are, to me is an astonishing matter. [Applause.]

[Here the gavel fell.]

Mr. BACHARACH. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. MILLARD].

Mr. MILLARD. Mr. Chairman, the gentleman from Illinois a few minutes ago said that this is a Republican measure. The gentleman from Texas made the same statement.

Mr. KELLER. I did not say so. No; Mr. SABATH, of Illinois did.

Mr. MILLARD. I should like to inquire of these gentlemen when Bob Doughton, John O'Connor, Tom Cullen, and the rest of the Democratic members of the Ways and Means Committee became Republicans?

This is not a Republican measure, but one absolutely nonpartisan. If you believe this is a vicious act, as I believe, vote against it. If you believe, as I believe, it is not fair, it is not American, it is unjust, vote against it.

Now, just a word more about the State of Wisconsin. I have a letter here dated March 1, 1935—not 1930—referring to this report, and I will leave out the first part because I have only 1 minute left:

Experience has taught us this is not a true adjunct to the disclosure of any additional income and has become a source of nuisance by credit agencies, bond salesmen, and business com-petitors. We have had no instances where public inspection has brought forth unreported incomes, and although a matter of conjecture, we believe that it has retarded the making of complete returns. It has worked to direct disadvantage so far as the Federal Government is concerned. Our income-tax returns being open to public inspection, it has become the custom of the Federal Government is concerned. eral Government, instead of making separate audits, to accept the audits made by the Tax Commission and upon the basis of these audits of the State of Wisconsin, they can file a lien under our law on its own behalf superseding our lien.

Twenty-nine States have some form of income tax-States have no "pink slip" provision-Wisconsin has. Are the 28 States wrong and Wisconsin right?

I am strongly in favor of the repeal of this provision. Mr. CANNON of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. MILLARD. Yes.

Mr. CANNON of Wisconsin. I wish to say to the gentleman that regardless of the recommendation that has been made by the Wisconsin Tax Commission, that law will not

Mr. MILLARD. That may be true.

Mr. DOUGHTON. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin [Mr. Sauthoff].

Mr. SAUTHOFF. Mr. Chairman, I want to correct an erroneous impression created about Wisconsin by reading two telegrams relating to the Wisconsin situation. This telegram, dated March 8, 1935, is a strong expression in favor of publicity of income taxes, and is from a man who has been 14 years on the Commission. It is as follows:

MADISON, WIS., March 8.

Hon. HARRY SAUTHOFF.

Hon. Harry Sauthoff,

Congressman, Washington, D. C.:

Cannot express myself too strongly in favor of publicity of income-tax returns. Fourteen years on the commission, 2 of them while a secrecy statute was in force, have convinced me that secrecy makes administrative bodies star-chamber courts. Under secrecy graft, racketeering, crookedness, favoritism, and incompetence can run riot without effective check. Publicity aids materially in effective administration and contributes in making the tax equitable and acceptable to a very large majority of taxthe tax equitable and acceptable to a very large majority of tax-payers. No reason can be advanced for secrecy of the processes imposing an income tax which cannot also with equal weight be advanced in favor of secrecy of the processes imposing any other tax. To make all tax processes secret would mean that other tax. To make all tax processes secret would mean that democracy has gone far in surrendering its most effective and salutary sovereign power.

CHARLES D. ROSA, Member Wisconsin Tax Commission.

[Applause.] Here is another:

Madison, Wis., March 11.

Congressman Harry Sauthoff,

Congressman Harry Sauthoff,

House of Representatives:

Am decidedly in favor of publicity on income-tax returns. Wisconsin, a pioneer in such legislation, has demonstrated from experience under publicity law, as well as secrecy law, that best results attained under publicity law. Am convinced secrecy clause will never be restored here. Light of publicity strongly contributes to filing of honest returns. Recent disclosures before United States Senate committees indicate abuses of secrecy clauses. If publicity permitted to any extent same should be carefully safe-guarded in the public interest. Reciprocal examination of State guarded in the public interest. Reciprocal examination of State and Federal tax returns by proper representatives of both govern-ments should not be restricted. See also section 7120, Wisconsin Statutes.

W. J. CONWAY, Chairman Wisconsin Tax Commission.

I want to add one more thing, that we repealed the secret clause in 1923 and we collected \$9,000,000 of back taxes as soon as we repealed it. That is the answer. [Applause.]

What is the history of the United States in respect to publicity of income-tax returns? Here is an editorial written by Horace Greely in the New York Tribune of May 24, 1866:

The Evening Post has a Washington dispatch which says: "The Committee on Ways and Means have agreed to an amendment of the tax bill providing that lists of income shall not be published nor furnished for publication, but they shall be open to private inspection at the office of the collector."

We would like to believe this untrue. We believe that publicity given to the returns of income submitted by individuals to licity given to the returns of income submitted by individuals to tax gatherers has already put millions of dollars in the Treasury and gone far toward equalizing the payments of the income tax by rogues with that of honest men and saved thousands from being imposed upon and swindled by false pretenses of solvency and wealth made on purpose to incur debts preordained never to be paid. The knave who sought credit on assumption of wealth belied by their returns of incomes, of course, hate publicity given to those returns, but why should any honest man seek to pass for any more (or less) than he is worth? any more (or less) than he is worth?

On January 26, 1865, the New York Tribune said:

We learn that the publishing of the list of income-tax payers in this city, against which there has been so much absurd outcry, is likely to prove beneficial to the revenues as well as the consciences of some of our best citizens. Already, as we understand, considerable sums have been returned to the assessors and paid to the collectors by persons who have discovered errors in their original strumes of incomes since the number of the list formed to returns of incomes since the publication of the lists referred to, and assessors have received valuable information in reference to the incomes of some gentlemen who should but have not yet amended their returns.

A vigorous and determined fight to prohibit the publicity of income-tax returns was waged until at last the jugglers and dodgers of income taxes finally succeeded in keeping secret whatever sums they saw fit to place in their blanks.

The distinguished minority leader [Mr. Snell] is a member of the Republican Party. Let me read to the members of that party what one of their greatest and ablest leaders had to say, the late Benjamin Harrison. No one on either side of the aisle can deny that President Harrison was a great lawyer and a keen analyst of his times, a student of public affairs, and a statesman of rare ability. On February 22, 1898, President Harrison said:

We live in a time of great agitation, of a war of clashing thoughts and interests. There is a feeling that some men are handicapped; that the race is sold; that the old and much-vaunted equality of opportunity and of right has been submerged. More bitter and threatening things are being said and written against accumulated property and corporate power than ever before. It is said that, more and more, small men, small stores, and small factories are being thrown upon the shore as financial drift; that the pursuit of cheapness has reached a stage where only enormous combinations of capital, doing an enormous business are sure of returns.

stores, and small factories are being thrown upon the shore as financial drift; that the pursuit of cheapness has reached a stage where only enormous combinations of capital, doing an enormous business, are sure of returns.

The plea of business privacy has been driven too hard. If for mere statistical purposes we may ask the head of the family whether there are any idiots in his household and enforce an answer by court process, we may surely, for revenue purposes, require a detailed list of his securities.

It is not only wrong but it is unsafe to make a show in our homes and on the street that is not made in the tax return.

I have selected these various quotations, Mr. Chairman, from the address of the late Robert M. La Follette, delivered in the Senate of the United States on September 29, 1921. No man can say that Benjamin Harrison was a radical. When he warned us of our folly 35 years ago, how much truer do his words ring today.

There is another point which I wish to point out. In Wisconsin property taxes run from 65 to 75 percent of the total tax. Income taxes run about 18 percent. The records of the properties and their worth of the 70 percent are open, why not the records of the 18 percent? Is there anything sacred about them that their taxes must be immune to the vulgar gaze or are they so sensitive that they shrink from the publicity? Had it not been for senatorial investigations we should never have known that Mitchell, Mellon, and Morgan were tax dodgers. Let us have more light instead of less.

Another point, Mr. Chairman, has been advanced, to the effect that gangsters, racketeers, and kidnapers would look up returns and get valuable information as to where to strike. The best answer to that argument is the city of Milwaukee. It has a population, in round numbers, of 600,000. It is the thirteenth city in size in the United States. It is the seventh in commercial importance. Its annual industrial output amounts to one and one-quarter billions of dollars, yet its crime record is the lowest in the United States. There has been no kidnaping in Milwaukee, to my knowledge. If I am in error, I trust my colleagues will correct me. Where is there a more law-abiding State than Wisconsin, and yet we have had publicity of incometax returns since 1923. So you see that argument is not sound.

It is said that only 5 percent of the population of the United States pays any income tax. Why should these names and amounts be kept secret? We seem very deeply concerned about their being thrust into the limelight. How about the 20,000,000 that are on relief? Is anyone concerned about their distress, their misery, and want, being in the limelight? How about the bread line? No one seems to feel sorry that those in the bread line stand out in full view of passers-by.

As the late Senator La Follette said, taxes are public records, and therefore the public should have access to them. The records of the probate court are public. Anyone can look up an estate, read the testator's will, examine the inventory of what he left behind, and read the final judgment to see what became of the property. That is not secret. Neither is the criminal court record secret, nor the divorce

court. You can read it all if you wish, because it is a public record. You can go to the city clerk's office and examine the city tax rolls, and you can go to the county courthouse and examine the rolls of every farmer in the county. Why not income-tax returns? This is one of the sacred cows that is taboo. You of lesser clay must not touch the sacred cow. She is beyond the pale of ordinary mortals and stands apart.

Mr. BACHARACH. Mr. Chairman, I yield 4 minutes to the gentleman from Wisconsin [Mr. Bolleau].

Mr. BOILEAU. Mr. Chairman, it seems to me that the two telegrams read by my colleague [Mr. Sauthoff] pretty well answered the question as to whether or not publicity of tax returns is working out satisfactorily in the State of Wisconsin.

I want to call attention to the fact that the gentleman from New York [Mr. SNELL] said in his remarks a few moments ago that the report of the tax commissioner of the State of Wisconsin and the opinion of the tax commissioner pretty well settled this matter. He quoted from a report made October 15, 1930.

I call attention to the fact that the two telegrams which have just been read by my colleague were sent by members who were on the tax commission at that time and are still on that commission, and who know more about this matter than anyone else in the State of Wisconsin, and they are in favor of publicity.

Mr. MILLARD. Mr. Chairman, will the gentleman yield? Mr. BOILEAU. Oh, my time is too short.

Mr. MILLARD. The letter that I received is from the third man on the commission.

Mr. BOILEAU. Yes; a gentleman who was appointed just a couple of years ago by an administration that was—

Mr. TERRY. Reactionary?

Mr. BOILEAU. The gentleman here suggests the word "reactionary."

Mr. MILLARD. Democratic?

Mr. BOILEAU. Yes; and that is one of the reasons why we have a Progressive Party in Wisconsin today. I say further that the report dated October 15, 1930, was just about 30 days after that administration had been repudiated in the September primaries. Since that time two different administrations, a Progressive administration and a Democratic administration, have actually ignored that report and have made no change in the law. That report was made while the State was under the control of a conservative Republican administration. There have been two administrations since that time, and they have not changed the law. There is not a political leader in the State of Wisconsin today who dare go on the stump and say he favors secrecy of public business or secrecy of income-tax returns. The State of Wisconsin has been the political laboratory of this country for many years, and many a piece of legislation that we have enacted into law in Wisconsin that were called "radical and unsound" by the opposition have since been enacted as the law in most of the other States, and I predict it will not be long before the American people will make the demand so clear that we will have a Federal law providing for publicity of income-tax returns. This "pink slip" provision is far from being as good a law as we have in Wisconsin.

Mr. ANDREWS of New York. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. No; I am sorry. It has a few features that could be improved, but the worst of all is that it does not give enough publicity; and, instead of repealing the little concession that the people have gotten through the years from the Congress, we ought to amend it to encompass the provisions that were acted upon favorably in the Senate last year, the original La Follette amendment, that would give real publicity; that would give all the story; that would let the people of the country know something about who is paying taxes, and why the Morgans and some of the rest of them have been able to avoid paying any taxes whatsoever. The people have the right to examine public records and to know who are paying their share of the taxes.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. DOUGHTON. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. DOCKWEILER].

Mr. DOCKWEILER. Mr. Chairman, I rise in favor of the enactment of this bill. As I recall the purpose of the Revenue Act of 1933, and I was a Member when that was passed, it was to avoid in the future the possibility of rich men evading the payment of an income tax. That law has taken care of that situation entirely in my opinion. It was a question of the state of the law, which allowed people to have incomes and not pay income taxes. That the Democratic Party in the last Congress took care of amply. However, we attached to that law this piece of legislation that permits anybody to investigate what his neighbor's income is. There is nothing unusual about the fact that your neighbor cannot find out what you are doing in a private way. That is fundamental with the Anglo-Saxon philosophy of government. So far as public servants are concerned, the public has a right to know everything about them, but so far as the private citizen is concerned, he is entitled to cherish his own private affairs in his own family circle. If you go to the Patent Office today and try to find out what your neighbor has succeeded in getting from the Patent Office in the way of letters patent, you cannot find it out. If you go to the Department of Justice and try to find out something about an investigation of your neighbor, you cannot find it, and rightly so. You cannot go to the State Department when it is undertaking an investigation of a private citizen or a corporation in this country and find out any facts they have before them. There is nothing unusual about keeping from the public certain information.

The arguments that I have heard this afternoon are arguments that pertain to a man who has an income. Mr. Jones does not need to know the extent of his neighbors' income during the past year. But let us look at it in this way: Suppose he has no income, and he has a big business and he has credit established at his bank. He does not want the fact disclosed overnight that he has not make a profit in the last year because all those credit facilities would be withdrawn from him.

Mr. Chairman, I favor the repeal of this law.

Mr. BACHARACH. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota [Mr. KVALE].

Mr. KVALE. Mr. Chairman, in view of the temper of the House I believe any expression of opposition to this bill is perhaps without any particular purpose, but I cannot permit this measure to be rushed through in this hysterical manner without voicing my protest.

I came here as a young man and served my father as his secretary, if I may be pardoned that personal note. I sat in the gallery and watched this fight year after year for the retention of the very principle of publicity of incometax returns.

I saw it reach its culmination a year or two ago in the startling and shocking revelations of many of the evasions and subterfuges that the rich of this land were resorting to to escape the payment of income tax. That was the real reason for writing this provision into the law.

I am willing to grant that this present "pink slip" system is not fair. It pillories the honest taxpayer in many instances and permits the dishonest taxpayer to escape any criticism. It does not achieve in full the purposes for which it was intended. It should be amended and corrected, but this certainly is not the manner in which to do it.

If no one else proposes to do so, I shall at the proper time offer a motion to recommit this measure to the Committee on Ways and Means, in order that we may correct some of the abuses and injustices, but in order that we may not throw this entire principle out of the legislative window, so to speak, at a time when the country can ill afford to believe that we are sheltering and pampering the wealthy and those who are able to assume their burdens of government, instead of doing as we ought to do, reach out and

assess upon them a more proportionate share of the cost of government. I hope, for that reason, that we can give serious attention to some motion to recommit this measure and that the committee can give it further study.

Mr. CANNON of Wisconsin. Will the gentleman yield? Mr. KVALE. I yield.

Mr. CANNON of Wisconsin. Does not the gentleman believe that the wealthy of this Nation, even to a man, stand in favor of the repeal of this bill?

Mr. KVALE. I would say perhaps that is true, but that does not give us any reason to believe it is proper to do so in this manner and at this time. I can see reason for the criticisms leveled against the "pink slip." I can see the reason why a mere statement of the gross income, the deductions, and the tax which the taxpayer must pay, is not sufficient information by which anybody can base a logical estimate on a man's taxability or the honesty of his return.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. KVALE] has expired.

Mr. DOUGHTON. Mr. Chairman, I yield 1 minute to the gentleman from Maine [Mr. Hamlin].

Mr. HAMLIN. Mr. Chairman, I wish to put myself on record as favoring the bill which the gentleman from North Carolina [Mr. Doughton] has brought in against this "pink slip", which it seems to me should be colored yellow. [Applause.]

We are having too much publicity already. I do not know but what perhaps I may be gesturing toward the Senate now, but I think we are having too much publicity. I believe that this administration, in which I believe more than I ever did before, is moving toward private men running their own business in their own way, and that is the principal reason why I am opposed to the "pink slip." [Applause.]

The CHAIRMAN. The time of the gentleman from Maine has expired.

Mr. DOUGHTON. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. Buck].

Mr. BUCK. Mr. Chairman, the protests I have been receiving from California against this "pink slip" law, as it now stands are not inspired by any propagandists. They are inspired by people who will have to have the bare facts of their income, or their lack of it, the deductions they claim, without any explanation of what those deductions are, and the tax they pay, revealed to the eyes of any inquisitor.

This morning I received a letter from a farmer in my district urging the repeal of section 55 (b), and I wondered why I had received it, because for several years past he has not been in a position to pay any income tax. When I realized that while he had no net income and so no tax to pay, his gross income was sufficient so that he would have to file a return, and therefore his present pitiable condition would be revealed to his associates and to his compatitors.

Mr. Chairman, this is one of the most unfair pieces of paper that has ever been submitted for any man to fill out for his competitors, and the public generally, to gaze upon. It requires the taxpayer to list the gross income; on the second line the deductions, but please remember these deductions are those allowed by the income-tax law and do not include many items of real expense.

If you have paid a Federal income tax the previous year, you cannot deduct that on your income-tax return, so that it would not show up on your "pink slip." If you have paid taxes for local benefits, they would not be deducted on your income-tax return, and so would not show on your "pink slip"; yet they are real items of expense.

If you have had living expenses in excess of the exemptions allowed by the income-tax law, however modest they be—and I do not think anyone claims our exemptions are overgenerous to the head of a family—they will not show up. So in numerous other matters of expense which are paid out, but which are never reported in the income-tax return because they cannot legally be "deducted" and never will show up in this "pink slip." It is an untrue picture.

If such a picture ever goes to the public, the farmer who, as the gentleman from Ohio pointed out, has to fill out an individual statement for each of his farms, for example, would never be understood by the public. In most cases he has sustained losses for years past. If by virtue of our recovery program and returning prosperity he has actually made a profit in 1934, it is probably being used to pay up old debts. Yet every high-pressure salesman will be sure to attack his pocketbook because of the report of what has been his gross income in 1934. Under no circumstances at the present time can the farmer have a fair picture rendered by this "pink slip" return.

Mr. Chairman, it is not only the farmer or the small man in business whom I desire to picture to you who will have an unfair situation revealed, but it is the doctor who may one year receive a great deal of income and the next year may have no paying patients and therefore may be thought to be losing ground. Young men who are just starting out in life will be embarrassed in any undertakings they may start on, because their small income will be revealed to those who are older and who are their competitors.

Mr. BEITER. Will the gentleman yield?

Mr. BUCK. I yield.

Mr. BEITER. The gentleman knows it is absolutely impossible to arrive at a fair judgment morally, much less legally, without detailed information of the deductions and credits which are hidden by the "pink slips."

Mr. BUCK. I thank the gentleman for his contribution. The whole proposal is unfair. This is one of the most unfair pieces of legislation that were ever adopted in Congress, because an untrue and impossible picture of what the actual situation of a man's real income is, is all that will be gathered.

Mr. DONDERO. Will the gentleman yield?

Mr. BUCK. I yield.

Mr. DONDERO. Can anyone take the floor of this House and show what good purpose this serves to the Government?

Mr. BUCK. I have listened to the debate all afternoon and I have not heard anyone show that yet.

Mr. DONDERO. And the gentleman has not heard one?

Mr. BUCK. I have not, sir.

In conclusion, I wish to say that those who have been hearing from home have not been hearing from a mass of propagandists, but from the tiller of the soil and the small business men. Not one of the letters I have received has been from any man of wealth. Your salary and my salary as Members of Congress are known to the public. So are most of the salaries paid by large corporations. In fact, under the new securities legislation they are all known. But it is the man just getting back on his feet who is afraid of prying snoopers who has written to you and to me to have this law repealed. I only wish it were possible to secure a unanimous vote this afternoon in favor of repeal.

The CHAIRMAN. The time of the gentleman from California [Mr. Buck] has expired.

Mr. BACHARACH. Mr. Chairman, I yield 2 minutes to the gentleman from Oregon [Mr. Pierce].

Mr. PIERCE. Mr. Chairman, I am certainly in favor of leaving the "pink slip" law, though it is a mighty poor substitute for real publicity. I remember a few years ago a play on the American stage built around the plot of a young man who bet all he had that he would truthfully answer every question asked him for 24 hours. The first question asked him was: "Did you tell the truth in your last income-tax report?"

"No," came his reply. "Did you?" I often think of it. No one can estimate the many evasions in income-tax reports.

In 1923 I forced the enactment of an income-tax law in the State of Oregon. I was Governor then; and as chairman of the commission which enforced that law I saw its good effect. When passed no one estimated that we would be able to collect \$1,000,000. The first year, however, we collected \$3,000,000; and that year's experience as the chairman of the tax commission convinced me that pitiless publicity was necessary to bring about the filing of reasonably

honest returns. Nothing the wrongdoer fears more than publicity. Think of the salaries and subsidies taken by the officers of great companies like the Steel Trust, the tobacco company, and similar companies. If there had been pitiless publicity of income-tax returns such practices would have come to light long before they did. We are on too dangerous ground as a Nation to be putting in time on this matter here in Congress with 11,000,000 people today out of work. All that is asked for in the "pink slip" is a statement that any honest man or firm should be willing to make. What can the harm be? Nothing. Had real publicity been given to all tax matters there would have been millions more paid in each year. Had we had publicity the big boys would have been able to draw back out of the United States Treasury but a small part of the four thousand million that they did filch out of the Treasury of the United States in a period of less than 10 years. If you want a really honest incometax law, give publicity, yes, real publicity, to the tax returns.

[Here the gavel fell.]

Mr. BACHARACH. Mr. Chairman, I yield 4 minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Chairman, I made a few remarks on this subject some weeks ago, and I then reminded the House that on reading the debates carried on at the time when the constitutional amendment providing for the income tax was first presented, I learned that assurances were given the public that the income tax would never be applied except in time of war or dire distress; and secondly, that publicity would not be tolerated. In 1912, when the matter came before the Massachusetts Legislature, of which I was then a member, and one of a strong Republican majority, the fight was led, of course, by the Democrats, it being a Democratic measure. We were assured by those Democratic speakers in no uncertain terms that it would never be permitted to become an annoyance, so far as publicity was concerned. I very well remember that debate, since I was exceedingly interested in the whole subject. We had this publicity feature in 1924. Are we to be forgetful of its effect at that

One of the two largest Boston newspapers took great delight in publishing the information, and the first names presented to the view of the public were those of the State's 16 Congressmen. Of course, I, like others, probably enjoyed reading about the incomes of my own colleagues, but I did not get so much pleasure in seeing the publication of my own. I can speak freely today, because the only thing I feel ashamed of this year in relation to the "pink slip" is the little amount I shall be called upon to pay this year: I do not want it to be seen. I am not afraid of racketeers or salesmen, but do not wish to see it published, nevertheless. Is our memory lacking that in 1924, when it was tried out, it properly enraged the public to such a degree that it was speedily repealed? Let us allow that lonesome political party in Wisconsin, whose members here have never been either Democratic or Republican, as we now see it, to pursue this inquisitorial procedure if they desire. They engage in much criticism of both the major parties, and I congratulate them on having this sort of an issue.

Mr. KVALE. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I am glad to yield.

Mr. KVALE. Will the gentleman include the Farmer-Labor Party also?

Mr. GIFFORD. I know but little about that party. [Laughter.] I am sure the members of that party are all very delightful personalities, but they are mistaken in judgment in their attempt to force this publicity. How do you enjoy having the local newspapers in your county go to the registry of deeds and look up your mortgages and each week parade to public view the fact of the mortgage you have placed upon your property? Some newspapers regard this as news, but the vast majority of newspapers do not consider it quite ethical to publish this sort of information. Those who have good reason to know and who ought to know can go to the registry of deeds and find out, and those officials who really need to know about your income-tax

returns, the proper officials of the Government, will still and passed upon the supposition that public inspection would have access to these returns: that should be all the pubhave access to these returns; that should be all the publicity necessary, all to which the taxpayer should be subjected.

Mr. KVALE. Mr. Chairman, will the gentleman yield further?

Mr. GIFFORD. I yield.

Mr. KVALE. Does the gentleman want to discontinue the practice of publishing property-tax returns in the city and the country weeklies throughout the United States?

Mr. GIFFORD. I do not mind that; everyone knows the rate of tax; everyone knows what the property is worth; it is not comparable at all with income publicity. The extent to which some person is successful or unsuccessful is not necessarily the business of his neighbors.

[Here the gavel fell.]

Mr. BACHARACH. Mr. Chairman, I yield the balance of my time to my colleague on the committee, the gentleman from New York [Mr. REED].

The CHAIRMAN. The gentleman from New York is recognized for 4 minutes.

Mr. REED of New York. Mr. Chairman, I think one of the serious mistakes we make in this legislative body is not to be guided by past experience. This is not the first time this experiment of tax publicity has been tried and found

Back in the days of the Civil War, Congress at the urgent request of some of the leading newspapers of the country put a publicity feature into the then existing income-tax law. After it had been in operation for a short time there developed a rising tide of public indignation against the provision. The same newspapers that previously advocated the publicity feature pointed out the futility and the danger of the publicity clause, and they urged its repeal. Men writing of that period said that undoubtedly one of the chief contributing factors to the repeal of the income-tax law itself was the publicity given to the tax returns. The law was finally repealed. Never since that time until 1924 has this controversial question been brought to the floor of this House.

The publicity feature was again tried in 1924. After an opportunity had been had to see how it worked, the Ways and Means Committee made a recommendation that it be repealed, giving as a reason in its report that it had served no useful purpose. The Senate Finance Committee made a similar recommendation. The result was that the provision was repealed.

Mr. Chairman, much has been said here about the Wisconsin law and its publicity feature. The Members of this House are too experienced not to know just exactly what has happened. I believe in laying the cards on the table. The Wisconsin law was put on the statute books in 1923. After 7 years' experience with that law the tax commissioners made a report in which they condemned the publicity provision. They gave, apparently, their best judgment as to how that law had worked in order that the world might read and know what their experience had been. Why should the commissioners in Wisconsin now reverse their position?

What great power or influence suddenly inspired these men who held their political jobs at the sufferance of some great political power to wire in at this last minute repudiating their solemn statements as to how the law had operated in the State of Wisconsin? They have reversed themselves now, but they had 7 years' experience with the operation of the law when they condemned it in 1930. Certainly no group of intelligent men with long experience could have condemned the publicity feature more than they did in that annual report. There is no mystery as to why they have frantically sent wires to be read here on the floor of the

Let me quote from the report made by the tax commissioners of Wisconsin before political pressure was applied:

[Excerpt from report of the Wisconsin Tax Commission, 1930] PUBLIC EXAMINATION OF RETURNS

The repeal of the secreey clause by the 1923 legislature opened all income-tax returns to public inspection. The repeal was urged

ported income. These expected results have not materialized in any degree in the administration of either the individual or the corporation returns. There have been no instances where public inspection has brought forth unreported income, and as to its anticipated effect in producing more correct income returns, experience has shown that it has had the opposite effect. Knowing that the text returns are a transfer or the individual of the corporation of the individual of the corporation returns the individual of the corporation returns the individual of the individual of the corporation returns the individual of the individual of the corporation returns. rience has shown that it has had the opposite effect. Knowing that their returns are open to inspection, taxpayers consolidate and condense their reports to make them as unintelligible as possible to those inspecting them, thus making their auditing by the commission or by the income-tax assessor more arduous, necessitating additional work, considerably more correspondence, and consequent expense and delay.

In most of the income-tax assessors' offices public examination of returns is infrequent and of little consequence, but in five or

returns is infrequent and of little consequence, but in five or

of returns is infrequent and of little consequence, but in five or six of such offices and in the office of the tax commission such examination is attended by considerable annoyance and expense. A survey shows that public examination is almost wholly without any public motive or significance, but that advantage is taken of it to serve purely private and personal interests. Our filed returns are used by credit organizations, which have men on hand almost constantly digging into the files. Returns are examined to prepare lists of prospective purchases of stocks and bonds and for other soliciting and advertising purposes. A common use of returns is to secure information in negotiating for the purchase of business properties, and very frequent use is made of them in of business properties, and very frequent use is made of them in delving into the intimate concerns of business competitors. Many such examinations are by competitors from without the State who offer the Wisconsin business no such reciprocal information or advantage. Income-tax files are also frequently used for information in court actions, and many examinations are made out of curiosity and at times for the sole purpose of annoying and

curiosity and at times for the sole purpose of annoying and harassing a reporting taxpayer.

In the Milwaukee office the time of an employee for 2 hours of every day is taken in waiting upon persons who are using the files for private purposes. In the period between November 1, 1929, and September 22, 1930, over 3,000 files were examined in the office of the tax commission. The crowded filing room is frequently occupied by six or seven persons going through the files and crowding the desk room of regular employees. The entire time of one clerk is employed in serving these purely personal investigators, and at times other clerks are called upon to assist her.

The indiscriminate examination of returns is not only an impo-

sition upon the reporting taxpayers but is also an imposition upon the State and upon its tax-administration officers and employees. the State and upon its tax-administration officers and employees. The commission does not favor any secrecy of returns that would bar examination in the public interest, but it does suggest that the promiscuous misuse of files for private purposes to the great inconvenience and annoyance of officials and the expense of the State ought to be discontinued. No other State or country having such files in custody permits such misuse of them. These state ought to be discontinued. No other state or country having such files in custody permits such misuse of them. These files contain the record of the lifeblood and register the pulse of the person and private business affairs of our own taxpayers and should be accessible only when the public interest is

Mr. REED of New York. Let us examine the Wisconsin situation further. The publicity feature of the Wisconsin statute was so obnoxious because of its abuse that an act was passed by the legislature in 1933 making it a crime to commercialize the information obtained under the publicity provision. I insert the 1933 Wisconsin act:

## CHAPTER 449

An act to create section 71.20 of the statutes, relating to circulating for revenue information relative to income-tax returns or income taxes, and providing a penalty

The people of the State of Wisconsin, represented in senate

The people of the State of Wisconsin, represented in senate and assembly, do enact as follows:

Section 1. A new section is added to the statutes to read:

"71.20. Circulation for revenue of information from income-tax returns: No person shall divulge or circulate for revenue or offer to obtain, divulge, or circulate for compensation any information derived from an income-tax return: Provided, That this shall not be construed to prohibit publication by any newspaper of information derived from income-tax returns for purposes of argument nor to prohibit any public speaker from referring to such information to prohibit any public speaker from referring to such informations. tion in any address. Any person violating the provisions of this subsection shall, upon conviction, be punished by a fine of not less than \$100 nor more than \$500 or by imprisonment in the county jail for not less than 1 month nor more than 6 months, or by both such fine and imprisonment." or by both such fine and imprisonment.

SEC. 2. This act shall take effect upon passage and publication, Approved July 25, 1933. Published July 26, 1933.

Mr. DOUGHTON. Mr. Chairman, I introduced the bill which is now under consideration by the committee some days ago in response to what I conceived to be an overwhelming demand, and I may say an insistent demand, from a very large majority of the taxpayers of this country, the people upon whom we must rely for the money with which to support our Government. Mr. Chairman, none of us has a monopoly on patriotism, and I am sure none of

us would want to claim a monopoly on wisdom, although to listen to some of the remarks here today by those opposing this bill you would be constrained to believe that all knowledge and all wisdom abide in the brains of those who oppose this legislation.

The gentleman from Wisconsin, for whom I have a very high and profound respect, speaks of the hysteria of those of us who favor this legislation. To the gentleman may I say that I will not talk about hysteria, but all of the emotionalism that has been manifested here today has been upon the part of those who have opposed this legislation.

Mr. Chairman, there is one man in this country who has had more to do with the origin and enactment of the income-tax law than any other one man. May I call the attention of the gentleman from Texas [Mr. Blanton] to the fact that that man is the Honorable Cordell Hull, now Secretary of State? He has written a long opinion with reference to this matter, and if anyone in this country is qualified to express an intelligent opinion it would be Secretary Hull. I quote from a letter from him stating that the publicity provision in the income-tax return has not justified itself. I quote from him:

What is, or at least should be, the main ground on which the what is, or at least should be, the main ground on which the policy of publicity of tax returns is urged, is to secure fuller and more accurate returns of taxable income. The controlling purpose of any tax statute designed to secure a large revenue yield should be such satisfactory and effective administration as would secure the maximum yield, and no other plan or purpose should be allowed materially to hamper or handicap the law operating to this

I have investigated and reached my individual conclusion with respect to the proposed general publicity of income-tax returns, solely from the standpoint of the most satisfactory and successful administration of the income-tax law and the securing of the largest possible yield of revenue. Viewed from this standpoint I have been unable to bring myself to the conclusion that publicity would secure the most desirable revenue results. I may first refer to the experience of some governments which have tried out income taxation for the longest periods. England after 75 years' experience with her present income-tax law retains her policy of come taxation for the longest periods. England after 75 years' experience with her present income-tax law retains her policy of keeping the results secret. There is no demand from any source, so far as I am advised, for publicity of English income-tax returns. Holland retains secrecy under her income-tax law, which has been in operation some 25 years. Denmark pursues the same policy of secrecy under her income-tax law, in operation for 14 years; Austria pursues the same policy under her law, enacted some 75 years ago; Canada's recent income-tax law contains the same provision; France in her recent law has some form of secrecy, the exact nature and extent of which I am not definitely informed. This policy of these different countries, after many years' trial is

the exact nature and extent of which I am not definitely informed. This policy of these different countries, after many years' trial, is controlled entirely by the question of the most satisfactory administration and the largest revenue yield of their respective laws. They evidently have not felt justified in allowing considerations of collateral or other Government policies, however strongly and plausibly urged, to effect a change of this policy.

Let us now turn to the United States. The first Civil War income-tax acts did not prohibit publicity. The Commissioner of Internal Revenue early recommended a provision of secrecy to Congress. This was disregarded, however, until the Income Tax Act of 1870 was enacted. A lengthy debate on this act occurred in Congress, during which Garfield referred to one feature of the income tax "which has made it very odious in many parts of the country", namely, publicity of returns. The outcome of the disincome tax "which has made it very odious in many parts of the country", namely, publicity of returns. The outcome of the discussion was the insertion of a provision in section 11 requiring secrecy, and it became a law. The view on which this provision was inserted was that it would meet the complaint that incometax laws are inquisitorial and also that publicity often discloses secret trade processes, methods, etc., even though ever so legitimate, and that therefore a taxpayer would be more encouraged to make a full and complete return when he had the assurance that his trade secrets, processes, etc., would not be exposed to his competitors.

his trade secrets, processes, etc., would not be exposed to his competitors.

The strength, stability, and perpetuity of the income tax is based on the rather fixed opinion among the people generally that in both theory and practice it accomplishes relative fairness among the taxpayers more accurately than any other tax method thus far devised. Both now and after the war it is extremely vital that a tax method productive of a larger revenue than any other should be safeguarded by the most effective means. Whatever may be thought or said to the contrary, there is a phase of human nature which, entirely willing to make full and complete return of income and pay taxes accordingly in the belief that all taxpayers are receiving equitable treatment, is at the same time utterly adverse to the idea of general publicity of private business methods and private business affairs. \* \*

I strongly favor any and every kind of publicity needed with respect to all phases of our financial, commercial, and industrial activities, but I think it unwise in the light of almost universal experience in the past to discredit or break down the income-tax system or seriously jeopardize it by utilizing that law instead of some separate law or laws for publicity purposes.

There is only one precedent, and that is the example of Wisconsin, in which State neither of the major parties is good enough, and they have found it necessary there to start a new party. That is the only place on the face of the earth where they have a similar publicity feature, so far as I am advised.

Mr. Chairman, there is no good that can come from the publicity provision. They talk about the racketeer. They say there is no danger insofar as the racketeer and criminal is concerned. Perhaps there is not the slightest danger, but many good people in the country are lying awake at night in constant dread and constant fear of that criminal element, and anything that may be of assistance to that bunch should not be placed upon the statute books of the Nation.

Mr. BLANTON. Will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman from Texas. Mr. BLANTON. The Republicans are consistent; they have always been against it, but are the Democrats consistent when we have been fighting for this provision for years and now that we have it passed we want to repeal it?

Mr. DOUGHTON. Let me say to my good friend that this is not a measure about which we should raise party questions or draw party lines. The gentleman spoke about the administration. I will compare records with him for consistency in supporting the administration since the day it took control. I may say to him now, anybody who has a better record than I have in supporting the President can criticize me, but no man whose record is not as consistent as mine has any right to criticize me.

I shall not take the time to read the law relating to publicity of income-tax returns which will remain in effect and in force after the repeal of the "pink slip" section, but shall ask unanimous consent to insert the same in the Record at this point. These provisions of law, in my opinion, provide the fullest publicity for all legitimate purposes.

The question of publicity of income-tax returns has long been in controversy, and during the history of income taxation in this country such publicity has been tried on numerous occasions and was subsequently repealed as it failed not only to meet with the approval of the American people but also failed to be of any appreciable benefit to the Treasury. [Applause.]

Provisions of law relating to publicity of income-tax returns remaining in force after the repeal of "pink slip"—Revenue Act of 1926.

# RETURNS TO BE PUBLIC RECORDS

SEC. 257. (a) Returns upon which the tax has been determined by the Commissioner shall constitute public records; but, except as hereinafter provided in this section and section 1203, they shall be open to inspection only upon order of the President and under rules and regulations prescribed by the Secretary and approved by the President. Whenever a return is open to the inspection of any person a certified copy thereof shall, upon request, be furnished to such person under rules and regulations prescribed by the Commissioner with the approval of the Secretary. The Commissioner may prescribe a reasonable fee for furnishing such copy.

(b) (1) The Secretary and any officer or employee of the Treas-

and any omicer or employee of the Treasury Department, upon request from the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, or a select committee of the Senate or House specially authorized to investigate returns by a resolution of the Senate or House, or a joint committee so authorized by concurrent resolution, shall furnish such committee sitting in executive session with any data of any character contained in or shown by any sion with any data of any character contained in or shown by any

(2) Any such committee shall have the right, acting directly as a committee, or by or through such examiners or agents as it may designate or appoint, to inspect any or all of the returns at such times and in such manner as it may determine.

(3) Any relevant or useful information thus obtained may be

(c) The proper officers of any State may, upon the request of the governor thereof, have access to the returns of any corporation, or to an abstract thereof showing the name and income of the corporation, at such times and in such manner as the Secre-

the corporation, at such times and in such manner as the Secretary may prescribe.

(d) All bona fide shareholders of record owning 1 percent or more of the oustanding stock of any corporation shall, upon making request of the Commissioner, be allowed to examine the annual income returns of such corporation and of its subsidiaries. Any shareholder who pursuant to the provisions of this section is allowed to examine the return of any corporation, and who

makes known in any manner whatever not provided by law the amount or source of income, profits, losses, expenditures, or any particular thereof, set forth or disclosed in any such return, shall be gullty of a misdemeanor and be punished by a fine not exceeding \$1,000 or by imprisonment not exceeding 1 year or both.

(e) The Commissioner shall as soon as practicable in each year cause to be prepared and made available to public inspection in such manner as he may determine in the office of the collector.

such manner as he may determine, in the office of the collector in each internal-revenue district and in such other places as he may determine, lists containing the name and the post-office adof each person making an income-tax return in such

Section 1203 (d): (d) The Joint Committee shall have the same Section 1203 (d): (d) The Joint Committee shall have the same right to obtain data and to inspect returns as the Committee on Ways and Means or the Committee on Finance, and to submit any relevant or useful information thus obtained to the Senate, the House of Representatives, the Committee on Ways and Means, or the Committee on Finance. The Committee on Ways and Means or the Committee on Finance may submit such information to the House or to the Senate, or to both the House and the Senate, as the case may be.

#### REVENUE ACT OF 1934

Section 55. Publicity of returns: (a) Returns made under this title shall be open to inspection in the same manner, to the same extent, and subject to the same provisions of law, including pen-alties, as returns made under title II of the Revenue Act of 1926; and all returns made under this act shall constitute public records and shall be open to public examination and inspection to such extent as shall be authorized in rules and regulations promulgated by the President.

Mr. DOUGHTON. Mr. Chairman, I ask unanimous consent that all Members who have spoken on the bill in Committee may have 5 legislative days within which to extend their remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That section 55 (b) of the Revenue Act of 1934, relating to filing and making public certain income state-

Mr. SABATH. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Sabath: Strike out the word "repealed" in line 5 and insert the following:

"(b) Every person required to file an income return shall file "(b) Every person required to file an income return shall file with his return, upon a form prescribed by the Commissioner, a correct statement of the following items shown upon the return:

(1) Name and address; (2) total gross income; (3) total deductions; (4) net income; (5) total credits against net income for purposes of normal tax; and (6) tax payable.

"In case of any failure to file with the return the statement required by this subsection, the collector shall prepare it from the return and \$5 shall be added to the tax. The amount so added to the tax shall be collected at the same time and in the same manner as amounts added under section 291. Such statements

manner as amounts added under section 291. Such statements or copies thereof shall, as soon as practicable, be made available to examination and inspection to duly elected and sworn assessors or legally authorized tax-levying officials in their respective counties, in such manner as the Commissioner, with the approval of the Secretary, may determine, in the office of the collector with which they are filed, for a period of not less than 3 years from the date they are required to be filed."

Mr. DOUGHTON. Mr. Chairman, I make the point of order the amendment is not germane to the bill.

Mr. SABATH. Does the Chair wish me to argue the point of order?

The CHAIRMAN. The Chair will hear the gentleman from Illinois on the point of order.

Mr. SABATH. Mr. Chairman, this simply amends the section we are trying to repeal.

Mr. DOUGHTON. Mr. Chairman, I withdraw the point of order. It will take less time to vote it down than to argue the point of order.

Mr. SABATH. Mr. Chairman, because I fear that after the strong argument that has been made by the Chairman of the Ways and Means Committee [Mr. Doughton], the House may make a mistake and repeal this section, I have offered this amendment. It provides that instead of making these returns available to the general public, which many gentlemen are apprehensive may create conditions that will be detrimental to the taxpayers, that the returns be available to the assessors in the respective counties or

of aiding them in the performance of their duties with respect to levying and collecting taxes.

I fear, Mr. Chairman, we are unduly alarmed from the number of letters we have all received. This is purely propaganda. A lobby has been working in Washington now for several years, and it is growing more and more powerful, and, I regret to say, more influential. If some of you gentlemen had had experience with these lobbyists as well as the propaganda going through the mails, you would not pay so much attention to them and would follow the dictates of your conscience and the dictates of your heart. I repeat, never before has there been such well-organized propaganda or such a lobby as there has been at this ses-They are here in full force to repeal this section, to kill the bonus bill, and to kill any piece of legislation that is beneficial and helpful to the masses of our Nation.

Mr. BEITER. Mr. Chairman, will the gentleman yield? Mr. SABATH. In a moment.

I feel that if this amendment prevails we will eliminate the fear in the hearts of the taxpayers and at the same time will make it possible for the county officials, having as their sworn duty the collection of taxes, to ascertain whether these men have evaded county and State taxes as they have been guilty of in years gone by.

I think this is an amendment in the right direction and notwithstanding the strong appeal of my friend, the Chairman of the Ways and Means Committee, I hope my amendment will be adopted, because I think it is in the best interests of all and will not in any way injure the honest taxpayers in whom some of my friends are so much interested at this time.

Mr. BLANTON. Mr. Chairman, I offer a substitute for the gentleman's amendment.

The Clerk read as follows:

Substitute amendment offered by Mr. Blanton for the amendment offered by Mr. Sabath: Page 1, line 5, after the word "repealed", strike out the period and add the following:

"Respecting all income statements embracing incomes under

\$25,000 per annum."

Mr. BLANTON. Mr. Chairman, every Democrat who has earnestly worked during the last 15 years and fought for an income-tax publicity, and finally last year, over the protests and votes of the entire Republican Party on the other side of the aisle, against placing this in our law, is now asked to turn completely around and reverse his position.

When he votes to repeal it he now ought to get up and admit that he made a mistake last year and has been mistaken throughout the years. He ought to admit that he did wrong last year in allowing the law to be passed last year, when he does this somersault.

If we had had such a provision in our law during the last few years you would not find now your Government, our Government, trying to collect from Andrew W. Mellon, former Secretary of the Treasury, and former Ambassador to Great Britain, an income tax amounting to \$3,000,000. of which Mr. Mellon tried to evade payment and is now trying to defraud the Government out of. Whenever you make public business secret, and public business confidential. you will have such frauds. If we had had such a law you would not find such a prince of criminal lawyers as Frank J. Hogan, now defending Andrew W. Mellon against the United States Government, throwing everything in the way possible that a skillful lawyer can do to prevent the Government from collecting the \$3,000,000 evaded income that Mr. Mellon owes the United States. Naturally, when Mr. Mellon was called on to disgorge, he employed the shrewdest criminal lawyer in the United States, who, it is reported, received a million dollars for defending Doheny and Sinclair for stealing millions of dollars from the Government in the Teapot Dome scandal—the same expert criminal lawyer, Frank J. Hogan, who defended McCracken, who allowed important evidence wanted by the Government to be destroyed when he refused to testify before the Senate committee, although, thank God, he was forced by the Supreme Court to serve his sentence, the same skillful Frank J. Hogan who other officials having the power to levy taxes for the purpose | for several weeks, when I was trying to remove Commissioner

Frederick A. Fenning, sat across the table defending Colonel | Fenning for weeks, doing everything he could to hamper us, and throwing everything in the way possible to keep us from removing Commissioner Fenning, who had been robbing several hundred shell-shocked soldiers of the World War he had gotten into his clutches, and was holding them behind bars in an insane asylum. This is the same great criminal lawyer, Frank J. Hogan, who defended the former Secretary of the Interior, Albert B. Fall, when he accepted a bribe of \$100,000 paid to him in cash out of a little black satchel, and succeeded in getting for his client only 1 year in the

Just as soon as Andrew W. Mellon employed this great criminal lawyer, I knew that he was guilty and that he justly owed this \$3,000,000 to the Government. I say to you that the Republicans have been consistent. They have always opposed this publicity. They want such matters kept secret. They want incomes to be confidential.

This is not a Republican measure. The Republicans have resisted every effort which has been made from this side of the aisle to pass such a law. This pink-slip law was not passed by their administration. It was not passed by the Harding administration, it was not passed by the Coolidge administration, nor the Hoover administration, because they would not permit it. They had the evidence of many frauds but they would not permit it. We Democrats passed it in this administration last year. I am not one of those who is going to turn tail now and run because a little millionaire propaganda comes here demanding it. I am not one of those who, because the big newspapers asserted yesterday and this morning that it has been arranged to vote repeal today, must carry out their mandate and cast my vote to repeal it. I am not going to follow their lead when it is against the interest of the American people. This is a step

I wish I could follow the gentleman from North Carolina, the chairman of the committee [Mr. Doughton], one of the finest characters in this House. [Applause.] I have followed him on some important fights that he made, fighting to keep the sales tax from being put on the shoulders of the people. and I wish I could follow him now. Every time any one of the Cabinet officers gets up and says that he wants so-andso-he is not the administration, he is not one who can tell Congress what to do. If you begin to follow Cabinet officers you may find yourself going in 10 different directions, as there are 10 of them, and they do not always agree. Because one Cabinet officer has suggested this bill is no reason for passing it when it is not for the best interest of the American people. It took us Democrats a long time to get this law passed, and if we now repeal it we may never pass it again. Look at the vote tomorrow and you will see a solid Republican vote for repeal. I am going to vote against all these Republicans

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. TRUAX. Mr. Chairman, I offer the following amendment in the nature of a substitute.

The CHAIRMAN. The Chair will state to the gentleman from Ohio that there is a substitute already pending, so that the gentleman's amendment is not now in order.

Mr. DOUGHTON. Mr. Chairman, I hope both the substitute of the gentleman from Texas and the amendment of the gentleman from Illinois will be voted down. We are told to beware of the Greeks bearing gifts. There is no purpose in these amendments other than to kill the bill. Those who are opposed to the bill, of course, can consistently support the amendments. It means nothing except to retain the present law and to further open the returns to all local taxing authorities. That is all it means. The gentleman from Texas [Mr. Blanton] refers to the fact that he does not follow Cabinet officers, and intimates that the statement I made with reference to Secretary Hull indicated some interference by a Cabinet officer. That did not come here in connection with this bill. That was a statement made by him years

a profound study of it. He is not interfering. No head of any department in this Government has interfered or said anything about this one way or the other. This is not a partisan measure. The Secretary of the Treasury said that it is not a matter for him to comment upon at all. He simply said that he was there to enforce the law. There has been no effort to coerce or influence the House, so far as this matter is concerned.

Mr. McCORMACK. Mr. Chairman, will the gentleman vield?

Mr. DOUGHTON. Yes.

Mr. McCORMACK. I also call attention to the fact that anyone who voted for the repeal of this provision is not inconsistent with his vote of last year, because last year it was a conference report with 15 or 20 different items, and we did not have a direct vote on whether or not we wanted this provision in the revenue act.

Mr. DOUGHTON. That is very true. The House did not put this provision in the act of last year. It came in as a compromise. The publicity amendment was put on in the other body, and in conference this "pink slip" provision was agreed to. If this is repealed, all the publicity necessary is still on the statute books. The Ways and Means Committee of the House and the Finance Committee of the Senate and the taxing bodies of the various States, under the direction of the governors of the States, all have access to the returns.

Mr. GILCHRIST. Is there any provision in the present law whereby the authorities of any State can examine the tax returns except the incomes of corporations?

Mr. DOUGHTON. Certainly; the President issued an Executive order in 1932 placing individual returns in the same category as corporations.

Mr. GILCHRIST. Has the President issued the order? Mr. DOUGHTON. He issued it December 13, 1932. Gentlemen need not be uneasy about that. I ask for a vote.

Mr. TRUAX. Mr. Chairman, I rise in opposition to the amendment. I for one am not worried by fears of being in the minority today. Experience and observation have taught me that if I am in the minority today, and in the right, eventually I shall be in the majority, and the minority today will ultimately be in the minority if it is wrong. I have received literally hundreds of letters urging this repeal, and I say to you that every one of them is an inspired letter, inspired propaganda, written by those who favor a government of the rich, by the rich, and for the rich. The amendment that I was offering is to exempt all incomes of less than \$9,000. Why make it \$9,000? I say to you that none of you gentlemen are supporting repeal because it affects you.

I assume that you are all perfectly willing as I am to have the whole damned world know what my income is. When you vote for repeal for whom are you voting and what are you voting for? You are voting for secrecy of income-tax returns of the rich of this country. No man or woman with an income of \$10,000 a year, of \$15,000, or \$20,000, or \$25,000 a year need ask for the arm of protection of this Government to save them from the racketeers and the kidnapers. It is the men and women with incomes of \$50,000 a year, \$100,000 a year, and \$1,000,000 a year that need worry, and lose sleep because of the kidnapers and the racketeers. There is a simple remedy for those fellows. All you need to do is to scale down every fortune to \$1,000,000. All you need to do is to limit every income unless it be that of the President of the United States to \$50,000 a year, and these fellows will not need to lose any more sleep. It is merely another attempt of the plutocrats. The plutocrats of the country are revolting against the existing order of things. They are fighting what they call "the new inquisition." They ask me if I want the inquisitorial publicity law repealed. They boldly state that minorities get their way against larger numbers because they demand what they want and make a fuss about it"; and acting upon this theory the "pink slip" and silk-stockago upon the subject of publicity of income-tax returns after | inged minority of the plutocrats wants the publicity feature

of income-tax returns repealed. I call your attention to this. | mines and have captured control of the relief rolls. They These modern descendants all emanate from the ancient mythical god named Pluto.

Mr. DIES. That is water. [Laughter.]

Mr. TRUAX. The gentleman from Texas [Mr. Dies] said, "That is water." Now, that is true. There is a so-called "mineral water" named, after that god of wealth, Pluto Water. Pluto Water [laughter] is intended as a purge. So you take Pluto Water for a physical purge, and the plutocrats take you for a financial purge. In either event you are cleaned through and through physically and financially. [Laughter and applause.]

The CHAIRMAN. The time of the gentleman from Ohio [Mr. TRUAX] has expired.

Mr. HOOK. Mr. Chairman, I move to strike out the last word of the Sabath amendment.

Mr. Chairman, I happen to be one of those animals they call "a new Member of the House." I happen to be one of those who has been fighting ever since I came here to be recognized to say at least something in behalf of the constituents I represent at home. This is the first time I have been able to get here, and it was through the parliamentary guidance of my good friend, Tom Blanton. [Applause.]

Now, let me tell you something about what happened with regard to your "pink slip" affair. I am in favor of this pink slip." I am going to tell you just why. I am not only in favor of the "pink slip" but I am in favor of the principles advocated by the gentleman from Wisconsin and the gentleman from Minnesota [Mr. Kvale]. We have in our territory corporations known as "mining companies", operating copper mines and iron mines. Those corporations have gone down into the depths of the earth and taken the riches out of that territory and have left nothing behind but a hole in the ground and a bunch of steel. Now they come forth and say they are going to close their mines, and they want a reduction in the valuation of those mines. The city commission and the city attorneys from that territory wrote me and asked me to get the income-tax returns of those corporations, and I attempted to do it. I took it up with the Internal Revenue Department, and what was their answer? Their answer was, "If you hold 1 percent of the stock of that corporation or if you are an officer in the corporation, you can get those returns, but you cannot get them otherwise unless you were on a special congressional committee investigating the income.'

Now, what we wanted were the honest facts so that we could go out and properly evaluate those mines, properly bring to the forefront the very things that those mining companies have been doing for so many years. They have been stealing the constituents of my district blind and have thrown about half of them on the relief rolls, and now they are trying to cover up behind that rule of secrecy. I say that what we can do in the open we should not be afraid of. When you do something in secrecy there is something you are hiding. What are people afraid of? Are they afraid to let anybody know what their business is? Oh, they talk about "racketeers", and they talk about "snoopers." I would like to know of bigger racketeers than those who have been hiding behind the secrecy of their incomes. They are the biggest racketeers this country has known.

I know in my district that the General Motors Corporations has purchased timberlands with money that should have been paid to the Federal Government as income tax. In other words, they evaded the income tax by claiming exemption by way of investment in timberlands, so that this corporation now holds timber that by right belongs to the Federal Government. I believe an investigation of that condition would probably bring out the true facts, and when those true facts are known, the General Motors timberlands will probably be included in the forest purchase project recently approved for Gogebic and Ontonagon Counties without cost to the Government.

I would like to know who are bigger racketeers than those Republicans who have taken charge of the relief rolls in my district, those Republicans who are in charge of these

went down the line and played politics with human misery and suffering.

I would like to know bigger racketeers than those who have made our relief organizations a political football. I am introducing a resolution to investigate the conditions prevailing in the relief organization of the twelfth district of Michigan, and especially the actions of Walter S. Berry, director of relief for the Upper Peninsula of Michigan, whom I charge with playing politics in that organization, which is against the principles of President Roosevelt and the Democratic Party. It was the intention of our glorious leader that all should be entitled to relief regardless of race, creed, color, or political affiliation. I emphasize that any man who will play politics with the relief rolls is the worst type of racketeer.

The CHAIRMAN. The time of the gentleman from Michi-

gan [Mr. Hook] has expired.

Mr. DOUGHTON. Mr. Chairman, I move that all debate on the pending amendment and all amendments thereto close in 5 minutes.

The motion was agreed to.

Mr. BOYLAN. Mr. Chairman, I did not care to interpose myself in this debate, but I must take exception to the remarks made by the gentleman from Texas [Mr. Blanton]. The gentleman from Texas has accused a leader of the District Bar, Mr. Frank J. Hogan, a lawyer of the highest standing in this community, not only here but throughout the entire country, not by direct charge, but by innuendos of various character. The gentleman well knows, as a member of the bar, that if he has anything against the professional character of Mr. Hogan, there is a time and place where he can present any charges he may have.

Mr. BLANTON. Will the gentleman yield to me, since he

mentioned my name?

Mr. BOYLAN. I will in a moment. The gentleman knows that Frank J. Hogan is not entitled to the privileges of this floor; that he cannot come in here and reply to the innuendos of the gentleman. It is unfair to take advantage of a man of his type and character and standing in this community by uttering such remarks.

Mr. BLANTON. Will the gentleman yield to me now?

Mr. BOYLAN. I yield.

Mr. BLANTON. So far as this great criminal lawyer is concerned, he and I sit down together at banquets when high functions are held in Washington. [Laughter and applause.] What did I say about him that was not fair? Is he not a great criminal lawyer? Did he not represent Sinclair? Did he not represent Doheny? Did he not represent Albert Fall? Did he not represent MacCracken? Did he not represent Commissioner Fenning? Did he not get big fees for that? I was simply advertising him. [Laughter.]

Mr. BOYLAN. Let me ask the gentleman if it is to be held against him because of his great professional skill, and his ability, that he was able to secure these men as clients?

Mr. BLANTON. Why, certainly not. Every statement I made about him was the truth, and based on the record facts.

Mr. BOYLAN. Is there any reason in the world then why his name should be held up to this House in a manner suggesting that he was guilty of some sort of impropriety in the practice of his profession? [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Texas [Mr. Blanton] to the amendment offered by the gentleman from Illinois [Mr.

Mr. BLANTON. In order that the Members of the House may know what they are voting on, I ask that the substitute amendment be again reported.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk again read the substitute amendment.

The question was taken; and on a division (demanded by Mr. Dunn of Pennsylvania) there were—ayes 25, noes 175.

So the substitute amendment was rejected.

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The CHAIRMAN. The question recurs on the amendment | offered by the gentleman from Illinois [Mr. Sabath].

The amendment was rejected.

The CHAIRMAN. Under the rule the Committee rises.

The Committee rose; and the Speaker having resumed the chair, Mr. Nichols, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 6359, pursuant to House Resolution 155, had reported the same back to the House.

The SPEAKER. Under the rule the previous question is ordered.

The bill was ordered to be engrossed, read a third time, and was read the third time.

Mr. KVALE. Mr. Speaker, I offer a motion to recommit. The SPEAKER. Is the gentleman opposed to the bill? Mr. KVALE. I am.

The Clerk read as follows:

A motion to recommit offered by Mr. Kvale: Mr. Kvale moves to recommit the bill H. R. 6359, to repeal certain provisions relating to publicity of certain statements of income, to the Committee on Ways and Means.

The SPEAKER. The question is on the motion to re-

The motion to recommit was rejected.

The SPEAKER. The question is upon the passage of the bill.

Mr. DOUGHTON. Mr. Speaker, on the passage of the bill I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 301, nays 99, answered "present" 1, not voting 31, as follows:

## [Roll No. 24] YEAS-301

Adair	Cooper, Tenn.	Gingery	McAndrews
Allen	Corning	Goodwin	McCormack
Andresen	Costello	Granfield	McGrath
Andrew, Mass.	Cox	Gray, Pa.	McGroarty
Andrews, N. Y.	Cravens	Greenwood	McKeough
Arends	Crawford	Greever	McLaughlin
Arnold	Crosby	Gregory	McLean
Ashbrook	Crowe	Griswold	McLeod
Bacharach	Crowther	Guyer	McMillan
Bacon	Culkin	Gwynne	McReynolds
Barden	Cullen	Haines	McSwain
Beam	Cummings	Halleck	Maas
Beiter	Daly	Hamlin	Mansfield
Berlin	Darrow	Hancock, N. Y.	
Blackney	Dear	Harlan	Marshall
Bland	Deen	Hart	Martin, Mass.
Bloom	Delaney	Harter	Mason
Boehne	Dempsey	Hartley	May
Boland	Dickstein	Healey	Mead
Bolton	Dies	Hennings	Merritt, Conn
Boylan	Dietrich	Hess	Merritt, N. Y.
Brennan	Dingell	Higgins, Conn.	Michener
Brewster	Dirksen	Higgins, Mass.	Millard
Brown, Ga.	Disney	Hill, Ala.	Mitchell, Ill.
Brown, Mich.	Ditter	Hobbs	Montague
Brunner	Dobbins	Hoeppel	Mott
Buchanan	Dockweiler	Hoffman	Nichols
Buck	Dondero	Hollister	Norton
Buckbee	Dorsey	Holmes	O'Brien
Buckley, N. Y.	Doughton	Норе	O'Connell
Bulwinkle	Doutrich	Houston	O'Connor
	Driscoll	Huddleston	O'Day
Burch	Duffey, Ohio	Imhoff	O'Leary
Burnham	Duffy, N. Y.	Jacobsen	Oliver
Carden	Duncan	Jenckes, Ind.	O'Neal
Carlson	Eagle	Jenkins, Ohio	
Carmichael	Eaton	Kee Kins, Ollid	Palmisano Parsons
Carter	Eckert	Kelly	Patterson
Cary	Eicher	Kennedy, Md.	Patton
Casey Castellow	Ekwall	Kennedy, N. Y.	Pearson
Castellow	Ellenbogen	Kenney	Perkins
Celler	Engel	Kerr	
	Englebright	Kimball	Peterson, Fla.
Chandler Chapman	Evans	Kinzer	Peterson, Ga. Pettengill
Christianson	Faddis	Kloeb	Pfeifer
Church	Farley	Knutson	
	Fenerty	Kocialkowski	Pittenger
Citron		Kramer	Plumley
Claiborne	Fiesinger		Powers
Clark, Idaho	Fish	Lambeth	Quinn
Clark, N. C.	Fitzpatrick	Lamneck	Rabaut
Cochran Coffee	Flannagan Focht	Lanham Lee Colif	Ramsay
		Lea, Calif. Lehlbach	Ramspeck
Cole, Md.	Frey		Randolph
Cole, N. Y.	Fuller	Lewis, Colo.	Ransley
Collins	Gavagan	Lewis, Md.	Rayburn
Cooley	Gearhart	Lord	Reed, Ill.
Cooley Cooper Obio	Gifford	Lucas Ludlow	Reed, N. Y.
Cooper, Ohio	Gillette	Ludiow	Richardson

Robertson	Short	Taylor, Colo.	Welch
Robinson, Utah	Sisson	Taylor, Tenn.	West
Robsion, Ky.	Smith, Conn.	Terry	Whelchel
Rogers, Mass.	Smith, Va.	Thomas	Whittington
Rogers, N. H.	Smith, W. Va.	Thomason	Wiggleswort
Romiue	Snell	Thompson	Wilcox
Rudd .	Snyder	Thurston	Wilson, La.
tussell	Somers, N. Y.	Tinkham	Wilson, Pa.
Sadowski	South	Tobey	Wolcott
anders, Tex.	Spence	Tolan	Wolfenden
chaefer	Stack	Tonry	Wolverton
chuetz	Stefan	Turpin	Woodruff
chulte	Stewart	Umstead	Woodrum
ears	Stubbs	Vinson, Ga.	Young
ecrest	Sullivan	Vinson, Ky.	The Speaker
leger	Sumners, Tex.	Walter	
hanley	Sutphin	Warren	
hannon	Tohov	Weenen	8 14

	NA'	YS-99	
amlie syers Sinderup Slanton Solleau Suckler, Minn. Saldwell Sannon, Mo. Sanpenter Sartwright Sollmer Cross, Tex. Crosser, Ohio Ooxey Oriver Dunn, Miss. Ounn, Pa. Perguson Pernandez Fletcher Ford, Calif.	Gassaway Glichrist Gildea Gray, Ind. Green Greenway Hildebrandt Hill, Knute Hill, Knute Hill, Samuel B. Hook Hull Johnson, Okla. Johnson, Tex. Jones Keller Kniffin Kvale Lambertson Lee, Okla. Lesinski Lloyd Luckry Lundeen	McGehee Mahon Marcantonio Martin, Colo. Massingale Maverick Miller Mitchell, Tenn. Monaghan Montet Moran Moritz Murdock Nelson Parks Patman Pierce Polk Rankin Reilly Richards Rogers, Okla. Ryan	Sandlin Schneider Scott Scrugham Sirovich Smith, Wash. Starnes Steagall Sweeney Tarver Taylor, S. C. Truax Turner Underwood Utterback Wallgren Wearin Werner White Williams Withrow Wood Zimmerman
ord, Canz. Ford, Miss. Fulmer	McClellan McFarlane	Sabath Sanders, La.	Zioncheck

## ANSWERED "PRESENT"-1

#### Santhoff NOT VOTING

	1101 10	721110 01	
Bankhead	Edmiston	Kahn	Owen
Bell	Gambrill	Kleberg	Peyser
Biermann	Gasque	Kopplemann	Reece
Brooks	Gehrmann	Larrabee	Rich
Burdick	Goldsborough	Lemke	Thom
Darden	Hancock, N. C.	Maloney	Treadway
DeRouen	Igoe	Meeks	Wadsworth
Drewry	Johnson, W. Va.	O'Malley	

The SPEAKER. The Clerk will call my name. The Clerk called the Speaker's name and he voted "yea." So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Rich (for) with Mr. Sauthoff (against). Mr. Treadway (for) with Mr. Burdick (against). Mr. Wadsworth (for) with Mr. Lemke (against). Mr. Larrabee (for) with Mr. Gehrmann (against).

# Until further notice:

Mr. Bankhead with Mrs. Kahn. Mr. Johnson of West Virginia with Mr. Reece. Mr. Darden with Mr. Meeks.

Mr. Darden with Mr. Meeks.
Mr. Gambrill with Mr. Bell.
Mr. Goldsborough with Mr. Owen,
Mr. Biermann with Mr. Thom.
Mr. Gasque with Mr. Brooks.
Mr. Hancock of North Carolina with Mr. Maloney,
Mr. DeRouen with Mr. Kopplemann.
Mr. O'Malley with Mr. Peyser.

Mr. JONES. Mr. Speaker, my colleague the gentleman from Texas, Mr. Kleberg, was called to Texas. He authorized me to state that if he were present he would vote

Mr. SMITH of West Virginia. Mr. Speaker, my colleague the gentleman from West Virginia, Mr. Edmiston, is inadvertently detained in West Virginia. He has authorized me to state that if he were present he would vote "yea."

Mr. SHANLEY. Mr. Speaker, my colleague the gentleman from Connecticut, Mr. Kopplemann, is unavoidably detained. Were he here he would vote "yea."

Mr. BLAND. Mr. Speaker, my colleague the gentleman from Virginia, Mr. Drewry, is unavoidably detained. If he were here he would vote "yea."

My colleague the gentleman from Virginia, Mr. DARDEN, is sick. If he were here he would vote "yea."

Mr. SABATH. Mr. Speaker, the gentleman from Illinois, Mr. Igoe, is unavoidably detained. If he were here he would vote "yea."

Mr. SAUTHOFF. Mr. Speaker, I was paired with the gentleman from Pennsylvania, Mr. Rich, and was of the impression that he would be back today. I voted "nay." I withdraw my vote of " nay " and vote " present."

Mr. McLEOD changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded. A motion to reconsider the vote by which the bill was passed was laid on the table.

#### PUBLICITY OF INCOME-TAX REPORTS

Mr. GRAY of Indiana. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. GRAY of Indiana. Mr. Speaker, human experience has shown that publicity is a cure and remedy for many of our political evils and affairs of peace and public life.

If Members of Congress or State legislators are not discharging their duty or misrepresenting their constituents, the remedy is to throw on the light and make their record public.

If public officials are misappropriating the taxes and funds of the people, the cure is to throw on the light of publicity and to show how and where the public funds are being expended.

If taxpayers are evading the payment of their just share of taxes and leaving others to bear an unjust burden, throw on the light of publicity and show the evading taxpayers and the amount of taxes that are being evaded and relieve the honest taxpayers from more than their just portion and

Good and just men will not object to have their acts and record stand out before the world in the glare of the noonday sun, and no man who wishes to comply with the law and pay his just portion of taxes should claim the right to remain in the shadows in the darkness of nighttime, covered and concealed with that kind of people.

When the new administration of Congress convened in March 1933, Members found an empty Treasury, a Treasury without funds for the payment of their own salaries, without funds for the payment of public employees and without funds for the payment of pensions, which had been adjusted and allowed them by law.

And to meet the emergency found existing, and to save the Nation from bankruptcy, the economy bill was passed reducing salaries of Members of Congress, reducing the wages of Federal employees and cutting down soldiers' pensions, closing hospitals to patients, reducing the public service and throwing many people on State charity and benevolence.

After the passage of the economy act, reducing salaries, pensions, and wages, a Senate committee was appointed to investigate tax-income payments and after months of examining witnesses and compelling the production of books and papers, it was found that Morgan and Mellon and the great financiers of the country had paid no income taxes in 1930, that they had paid none in 1931, and had paid no taxes in 1932

On such information obtained, suits were instituted against these financiers to compel them to pay their income taxes, and a law was passed, now referred to as the "pink slip" law, to compel publicity of income-tax payments and prevent a repetition of income-tax defaults.

These facts were all explained to the people and assurances were given that the way had been barred to escape the further nonpayment of income taxes by the law we had passed.

It is difficult to explain why we should make a distinction between taxes assessed upon tangible and intangible property and compel publicity for the one and exempt publicity for the other.

I supported this law in good faith. I explained the reason and necessity for the economy act, and assured the people that this failure of the payment of income taxes could not be

repeated under this statute, and the one consistent course remaining for me is to uphold and defend the law that was claimed imperative and necessary to protect the honest taxpayers of the country from being compelled to bear an unjust and unequal burden of taxes.

#### THE PINK SLIP

Mr. HAMLIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. HAMLIN. Mr. Speaker, under the leave to extend my remarks in the RECORD on H. R. 6359, relative to the so-called pink slip" income-return data, I desire to insert these letters from constituents of mine of the First District.

This bill will, in my judgment, repeal a feature of the Revenue Act of 1934 which has never been tried out, but is undemocratic, unworkable, unduly officious, and should and, in my judgment, will be repealed by this bill. I have done as I told my people in Maine I would do-speak and vote against the "pink slip."

PORTLAND, MAINE, February 4, 1935.

Hon. Simon M. Hamlin,

United States Representative, Washington, D. C.

My DEAR REPRESENTATIVE HAMLIN: As a business man in Portland, I wish to enter a protest against the intended plan of making public figures on the amount of tax and income filed by individuals to the Internal Revenue Department. I refer, of course, to form 1094 of the Treasury Department Revenue Act of 1934.

This plan opens a broad avenue through which can tread the host of parasites who depend on fleecing those who, for the most part, work for their living. Picture a kidnaper's paradise where he can demand \$50,000 instead of a paltry \$10,000. Visualize the army of solicitors, both legal and illegal, who can annoy and persecute a citizen who, through his fortune or perhaps his misfor-tune, pays an income tax in the support of the Government. Consider the radical or communistic element who desire returns far greater than can be measured by their own efforts, but who in general can break down the morale and peace through embittered implications. Is it right and fair that all measures of success and effort be scrutinized by unscrupulous people?

I feel that my protest coincides with that of many who have given this matter careful thought. I therefore ask your serious consideration in voting against the act.

Yours truly.

M. K. Cox, 92 Baxter Boulevard.

GARLAND MANUFACTURING CO., Saco, Maine, January 23, 1935.

Hon. SIMON HAMLIN,

House of Representatives, Washington, D. C.

DEAR SIR: We wish to enter a protest against part 5, section 55, of the 1934 Revenue Act as it pertains to publicity of returns. We believe this article is entirely un-American, and we do not see how it can possibly produce any of the results which the Government expects of it in revealing more unpaid taxes.

In addition to this focal it is an expression to the principle.

In addition to this fact it is an encroachment upon the private affairs of every citizen and opens to kidnapers, racketeers, and sucker lists, and all such rackets a wonderful opportunity to further their work.

We understand that there is a very general opposition to this section of the law, and we sincerely hope that you can help to have this section repealed before the present tax returns are entered.

Yours truly,

C. P. GARLAND, Treasurer.

PEPPERELL MANUFACTURING CO. Boston, Mass., February 19, 1935.

Hon. SIMON M. HAMLIN.

House Office Building, Washington, D. C.
DEAR MR. HAMLIN: We earnestly protest against section 55 (b)
of the Revenue Act of 1934 whereunder citizens are compelled to give written statements of their private incomes to be posted for public scrutiny. These public records will show an incomplete, unfair, a temporary, and consequently untrue picture of citizens'

financial status. The required publication will serve the ends of competitors, business enemies, private enemies, and blackmailers of citizens whose private means are thus publicly and periodically disclosed, and will expose citizens to be victimized by criminal racketeers,

kidnapers, and gangs of the underworld. This mischlevous law was passed hastily by a former Congress without thought of its fearful consequences, and we trust that you

are opposed to it. We respectfully request your aid and best efforts in securing relief from such an outrageous invasion of personal and business privacy.
Respectfully yours.

R. H. LEONARD, President.

Hon. SIMON HAMLIN,

House of Representatives, Washington, D. C.
DEAR ME. HAMLIN: With this I enclose my protest to the law
making public income-tax returns as provided under section 55
of the Revenue Act of 1934.

My vocabulary is not extensive enough to properly attempt to register the feeling which I have toward this law and the injustice which it will do to the taxpayers of this country. I consider it an unwarranted intrusion upon the rights of the taxpayers and without benefit in any degree to anybody. I earnestly advocate the repeal of the law. Yours very truly,

S. W. GOODWIN.

SOUTH PORTLAND, MAINE, March 5, 1935.

Hon, SIMON HAMLIN,

United States House of Representatives, Washington, D. C. DEAR SIR: Pardon me for taking your time, but this "pink slip" outrage is too much to endure silently.

I protest against this outrageous invasion of my right of privacy

granted to me by the Constitution of the United States of America.

The Supreme Court has passed upon this right in several cases before it confirming this right.

I make an honest return upon my small income, and I protest strongly against the snooping of any Paul Pry who may wish to pry into my private affairs for no good purpose.

The American people are honest as a whole, and the sins of the few should not be used as a menace to the rest of us, or this injus-

tice allowed in order to satisfy the vanity and spleen of a demagogic Senator. Please vote to repeal this act.

Very truly yours,

(Miss) ADA F. GARDINER.

#### OUR INLAND WATERWAYS

Mr. BEITER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. BEITER. Mr. Speaker, inland-water carriage, which has been so extensively developed as an integral part of the transportation systems of Europe, and which was once generally used by us, is again coming into its own in our country. Modernization of river transport and of interchange facilities and the improvement and standardization of river channels insure low-cost transportation, which agriculture, commerce, and industry so sorely need. With the completion of the upper Mississippi 9-foot channel project, a great trunk inland-waterways system has been established in this country from Pittsburgh on the East to Kansas City and beyond on the West, from the port of New Orleans in the South up the great Mississippi, dividing into two branches, one through the Illinois to Chicago and into the "American Mediterranean", the Great Lakes, and the other up the mother stream into the heart of the Midwest to the Twin Cities. No other nation or continent has been so endowed by kindly Providence with a great network of Nature's own transportation highways.

The possibilities of inland-water transportation in this country are graphically indicated by its development in Europe. While methods of boat or barge operation may vary from the standardized practices developing in this country today, the great lesson we can learn from Europe is that water transportation is inherently cheap and can be coordinated with other forms as an integral part of a great national transportation system.

Therefore, let us briefly survey the use of rivers as a means of transportation in Europe. The western part of Europe has about 15,000 miles of rivers and canals, nearly all intercommunicated. In Germany alone 9,000 miles are now profitably navigated by as small as 1,000-ton barges. The sea is reached from all the streams-for example, from the Danube to the Black Sea, from the Rhine to the Mediterranean; the English Channel is reached from the Seine, the North Sea from Rotterdam. A connecting canal is now being completed whereby the Rhine will be able to make deliveries over inland waterways with every port in Germany, Poland, and the Baltic from Luebeck to Koenicksberg.

It is of interest to note that the barges in Europe are very different from those we are now using. Abroad they are all made with a rudder. This, of course, means that someone must steer. This, again, means living quarters. Again, the contracts they enter into provide that barges shall at all times be in charge of two or more able-bodied persons;

often the owner or part owner of a barge is its commander and his wife is the second in control. This explains the necessity for living quarters on the barge. It is quite common to find them very comfortable, and these living quarters in many cases provide a place of birth and subsequent homes for a new generation to again carry on the transportation for the family or to establish themselves in similar barges, building up a business as their parents conducted.

Rotterdam is the greatest port in Europe, the tonnage handled exceeds any other place. It is a surprise to most of us that 90 percent of this business is received and forwarded by barges. At all of the coast points north and east of Rotterdam the greater part of the tonnage handled moves by barges. Much of this movement is made under annual contracts between producers and barge owners. In no way, however, is any effort made to control the rates. The charges are, therefore, only controlled through supply and demand. Indeed, in most of the cities in western Europe there is a transportation market in which one may bargain for rates of carriage, as we do in our exchanges for wheat, flax, potatoes, and so forth. The shipping public would rebel, as would the barge owners, at any effort of a control in their rates, as is the case in our country at the present time.

The United States has been endowed by nature with wonderful possibilities for waterway development. We have a coastline upon the Atlantic of 11,674 miles, upon the Pacific of 3,765 miles, and upon the Gulf of Mexico of 6,418 miles. Our coastline in Alaska is 15,132 miles, and our shoreline of the Great Lakes is more than 8,300 miles. This total coastline is 20,000 miles greater than the circumference of the earth at the Equator.

The area of the Great Lakes is 95,160 square miles, of which 60,950 square miles, or approximately 64 percent of the total surface area, is within our international boundary line. These Lakes, with adequate improvement of their ports and connecting channels, are capable of the systematic movement of the largest ships afloat.

The rivers of the United States are unsurpassed by those of any other country, both for purposes of power and navigation. About 15,000 miles of these rivers have been improved to a greater or less extent, and probably 10,000 miles additional may be suitable for future improvement.

Upon the Atlantic coast we have 83 improved ports, of which 7 have depth of 35 feet or more, 14 between 30 and 35, 5 between 25 and 30, and 57 with depth of less than 25 feet.

On the Pacific coast we have 26 ports, 4 of which have depth of 35 feet or more, 6 between 30 and 35 feet, 5 between 25 and 30, and 11 with depth of less than 25 feet.

On the Gulf coast we have 22 ports, 1 of which is 35 feet deep, 8 between 30 and 35 feet, 5 between 25 and 30, and 9 have less than 25 feet in depth.

In Hawaii we have four ports, all 35 feet deep and capable of accommodating the largest ships engaged in the trans-Pacific trade.

In Puerto Rico we have two recognized ports, each 30 feet deep.

In Alaska we have four ports of less than 25 feet and several improved inlets.

Upon the Great Lakes we have 72 improved ports, of which 32 have depth of 21 feet, to correspond with that of the connecting channels, the other Lake ports having depth of less than 20 feet. The connecting channels are now being dredged from 21 to 24 feet, and the major ports are also under consideration for corresponding depth.

Along the Atlantic coast an inland waterway is nearing completion from Boston Harbor to the Florida Keys. The general depth is 12 feet, and the width ranging from 90 feet on inland cuts to 300 feet in open bays. This waterway unites into one connected system all the navigable rivers flowing into the Atlantic south of the New Hampshire line.

On the Gulf shore an intracoastal waterway is nearing completion from the coast of Florida to Corpus Christi, Tex. The channel is of uniform width of 100 feet and 9 feet deep, to correspond with the Mississippi, with which it connects. This intracoastal waterway unites into one continuous system all the navigable rivers flowing into the Gulf

of Mexico, including the Mississippi, with all its branches. | Connection of this great system with the Great Lakes at Chicago is also nearing completion.

In net result we would have a real transportation system, with about 3,000 miles of what we might call the "main line", and some 6,000 miles of laterals.

There are, however, two proposals receiving current consideration which, if applied, will adversely affect the fullest use of our inland waterways. One is the proposal to regulate or control rates on commerce moving wholly by water. Experience has shown that such a proposal would only have the effect of raising the level of water rates to that of more expensive forms of transportation, thereby destroying the cheaper type of transportation. Here, again, we can learn from Europe. Again it is proposed to levy a transport tax upon tonnage moving over our inland waterways. It is but necessary to remark that this is based upon the claim that all public improvements must be self-liquidating; certainly this is a positive negation of the theory of popular government. The provision for public highways is one of the basic functions for which government is formed.

Under the Constitution our rivers were created Federal highways. This was the very logical outcome of the limitation inherent in the States. The navigable waters transcend the limits of State authority and jurisdiction, but the theory of self-liquidation can be as justly applied to public improvements by the States and their subdivisions. If public transportation using Federal highways must, through tax, liquidate these improvements, it is as logical to demand that sewage be metered, admissions charged to visitors in our parks or tuition collected for attendance in our public schools. Under this theory it is just as logical to erect toll gates along newly paved streets in order that the traffic using them might directly liquidate the cost of such improvements.

Time does not permit a more extensive discussion of this revolutionary proposal. Briefly, I can say, regardless of any theories advanced, that a water-transport tax is objectionable in practice because it reverses a salutary policy of government, which has worked satisfactorily throughout our national history, namely, that our navigable waters are free highways of commerce owned by and open to all of our citizens without imposts of any kind. These water highways have repaid their cost to the citizens of our country many times over in reduced transportation charges. water-transport tax, once established, would soon lose all semblance of a maintenance tax and, like the tariff, would degenerate into a medium of political expediency. Thus it would increase the cost of water transportation, an undesirable result from the public standpoint at any time, and particularly at a time when all efforts are being made to raise the price of commodities without unduly embarrassing a consuming public burdened with debt.

We, as a nation, are soon to have at our disposal the greatest system of internal waterways in the world. To insure their greatest usefulness, we must be careful to pursue sound policies toward water-borne transportation thereon. By so doing, these modernized water highways will bring untold blessings to our great Midwest inland empire and to this Nation as a whole.

# WORLD COURT DEBATE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a few statements with regard to the World Court debate and Senator BORAH'S part therein.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

[Allegan (Okla.) News, Feb. 7, 1935]

WORLD COURT DEBATE SHOWS UNITED STATES SENATE STILL HAS IN-TELLECTUAL GIANTS—JOHNSON, BORAH, AND GORE MAY BE COM-PARED WITH ORATORS OF THE PAST

They talk and they write of the intellectual giants of the Senate of the olden days—of a Webster, a Clay, or a Calhoun; but those who listened to the closing senatorial debate on the question of

adherence to the World Court have no need to regret their failure to have heard any of the statesmen of bygone days.

to have heard any of the statesmen of bygone days.

Neither the incisive, energetic argument of a Johnson, the stormy eloquence of the logical Borah, nor the quiet, soul-stirring and convincing appeal and marshaling of facts of Senator Gore will be in any measure dwarfed by comparison with the eloquence of any of the Senate's historic heroes.

Like the irresistible powers of some great surging army Johnson drove home, by sheer force, the dangers involved in adherence to the Court. The fire of Borah's utterances was equaled by his appeal to the intelligence of hearers; the tones of Senator Gore's voice, as well as his words, calling Senators to their duty, appealing to their sense of patriotism, to the loyalty which they owed to those who died on the fields of France, his vivid characterization of the utterances of those who would have us join the Court, left no human emotion untouched.

left no human emotion untouched.

All too often debate consists of words, sentences, and paragraphs, nothing more, strung together on a continuous thread of

graphs, nothing more, strung together on a continuous thread of sound, many times meaningless as a whole, convincing to no one. To those accustomed to saying or believing that oratory is a forgotten art, eloquence a thing of the past, logical argument useless, and appeal to patriotism unheeded, we suggest the reading of the day's debate found in the Congressional Record of January 29, ending on page 1212. Those who were privileged to hear it will never forget those appeals to American loyalty and patriotism. Paying tribute to his colleagues, William Borah and Hiram Johnson, to his former colleague, James Reed, of Missouri, Senator Gore had read the lines of Horatius when he said:

Gore had read the lines of Horatius when he said:

"Hew down the bridge, Sir Consul,
With all the speed ye may;
I, with two more to help me,
Will hold the foe in play. In yon strait path a thousand May well be stopped by three: Now who will stand on either hand, And keep the bridge with me?

Then out spake Spurius Lartius-A Ramnian proud was he:
"Lo, I will stand at thy right hand, And keep the bridge with thee."
And out spake strong Herminius—
Of Titian blood was he: "I will abide on thy left side And keep the bridge with thee."

"Horatius", quoth the Consul,
"As thou sayest, so let it be."
And straight against that great array Went forth the dauntless three.

Went forth the dauntless three.

Listening to the Senator, each hearer must have felt that, like Horatius of old, the blind Senator from Oklahoma, a Democrat wishing to be loyal to his party, but firm in his belief that country must come first, was willing to sacrifice his office—himself if necessary—to protect its liberty.

With hair silvery white, thin, intellectual face, his manner mild, his voice at all times gentle, persuasive and thrilling, physically hale and vigorous, though blind, not a word uttered by him, nor a line read by the Senate clerk at his direction, was lost to his listeners. Each was carried along by his sincerity as well as by the convincing force of his statements. Each knew that his heart, yes, his soul, as well as his mind and intellect, were in his words.

"New dealers" may rush about from place to place; they may utter and print millions of words, spend billions of dollars, but this debate disclosed to the world, certainly to those who heard these three great patriotic, intellectual giants, that their long fight for the principles first enunciated by Washington was, on the 29th day of January 1935, crowned with victory. If, of the three, one is to be advanced by a half pace before his fellows, the other two would be the first to agree that to the blind Senator should go the glory. the glory.

Let us not make the same mistake as did those who heard Lincoln and Everett at the dedication of the battlefield of Gettysburg, nor of those carried away by the address of Everett, who failed to realize the true eloquence of Lincoln.

There was another orator in the Senate this day, quiet, unassuming Senator Bulow, of South Dakota, who made this brief but comprehensive and powerful statement:

"Heretofore I have been in favor of the Lagran of Nations and

"Heretofore I have been in favor of the League of Nations, and of the World Court, but the reflections of the last year or two have caused me somewhat to change my mind. I have listened to this debate, heard most of it, and most of that which I have not heard I have read; and I find, so far as I now remember, that every Senator here who is in favor of going into the World Court is only in favor of going into it, provided certain reservations are made. That leads me to the conclusion that perhaps it is a dan-

made. That leads me to the conclusion that perhaps it is a dangerous thing to go into the Court.

"During the more than 60 years of my life, in an humble way, often questions have come to me upon which action had to be taken; and from that experience I have realized that my Creator endowed me with a something which, for the want of a better name, we have seen fit to call a conscience. That conscience has always pointed out the road to me. If there were two roads to take, that conscience has always told me the right and the wrong road. I have not always obeyed it, but every time I have violated its dictates, apologies and regrets have been necessary. When I have followed its dictates, I do not now remember of a single apology that was necessary.

"I sincerely dislike, and it is with deep regret, that I am forced to part company with my administration. It is with deep regret that I cannot follow my leader upon this side of the floor. To me that leadership is voluntary, and I can do as I please, but my conscience is not voluntary, and I must walk with my conscience constantly until the end of my days.

"Under the view I now entertain, much as I regret it, I cannot support the pending resolution of adherence. I thank the Senate for its kindly consideration."

This statement of Senator Bullow lays down a safe rule for

This statement of Senator Bulow lays down a safe rule for statesmen as well as for youth.

### PERMISSION TO ADDRESS THE HOUSE

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, the Chairman of the Committee on the Post Office and Post Roads has informed me that that committee has made a favorable report on the new air-mail bill, which he hopes will come before the House on next Monday. The Second Assistant Postmaster General of the United States, Mr. Harlee Branch, made an address in my home town 1 week ago today, when air mail and passenger service was inaugurated, in which he set forth certain administration figures and facts that I believe will be of vital interest to the Membership of the House even before the legislation comes before us next week.

Mr. Speaker, I ask unanimous consent that I may at this point insert as a part of my remarks certain statements

made by Mr. Branch.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The matter referred to follows.

In part, Mr. Branch said:

Upon this occasion it is appropriate and may be interesting for me to refer to the remarkable development of commercial aviation in the United States. In so doing I also wish to keep the record straight, because there has been and is now a great deal of confusion in the public mind as to the real facts. Much misinformation has been circulated.

No other country in the world possesses an air transport system which is in any degree comparable with the great system that covers the entire United States. It is in a class by itself, both as to the mileage embraced, the unsurpassed equipment employed, and the frequency of the schedules flown.

While there has been a steady improvement in equipment ever since the first air mail route was established between Washington and New York in 1918, the greatest strides in commercial aviation

have been made during the past year.

Last June Congress enacted a law which prohibits any holding or manufacturing company from owning or controlling a company holding an air mail contract. This law also prohibits any oper-ating company from paying any officer a salary of more than

ating company from paying any officer a salary of more than \$17,500 a year.

The divorcement of the operating companies from holding and manufacturing companies put a stop to wild stock promotions and made it possible for the operating companies to buy their airplanes and other equipment in the open market.

There was a time—and that was before this administration came into office—when the greater portion of the funds appropriated by Congress for the support and development of commercial aviation went to three great holding companies which controlled 92 percent of the companies flying the air mail.

Those were the days when a manufacturing company, affiliated with an operating company and organized with a capital stock of \$750, boasted a net income of one and one-half millions dollars for a single year; when an investment of \$259.14 could climb to a value of fifty-one and one-half million dollars; and when two \$20 bills quickly grew into stock valued at \$5,000,000 and more than \$1,000,000 in cash.

Those were the days when contracts were privately negotiated at secret conferences and money appropriated by Congress to build up a national system of air transportation was parceled out to swell the fortunes of favored companies.

well the fortunes of favored companies.

Those days are gone. Collusion between carriers has been stopped, and free and open competitive bidding for air mall contracts is now assured. The law prevents air transport monopolies and protects employees of companies carrying the air mail.

All these provisions of the law are being strictly enforced by the Post Office Department, and this enforcement has brought about the most healthful condition that the aviation business has

ever known.

It is now possible, as it was not in the past, for air-mail contractors to devote their time and money to building up service institutions, rather than lobbying for increased rates or other favors, and to center their attention on airline operations and not on the stock market. As a result the aviation industry is today rendering the finest service in its history. The operating

companies are now officered by men who are interested only in

accessful operations.

The present air mail law contains a number of other funda-The present air mail law contains a number of other fundamental and constructive provisions, among them being the provision which vests in the Interstate Commerce Commission the power to fix the rates of air-mail pay, the provision which authorizes the Department of Commerce to prescribe the maximum flying hours of pilots, and the requirement that the salaries of pilots shall conform to decisions of the National Labor Board.

A year ago, there were 25,248 route miles in the air mail system, while today the system embraces 28,967 route miles, an increase of 3.719 miles.

of 3.719 miles.

A year ago the total authorized annual flying miles over these routes was approximately 35,000,000 miles, while at present the total authorized annual flying mileage is approximately 40,000,000, an increase of approximately 5,000,000 miles per year.

For the fiscal year 1932 the air mail appropriation was \$20,000,000; for the fiscal year 1933 the appropriation was \$19,460,000; for the fiscal year 1934 the appropriation was \$15,000,000; and for the

the fiscal year 1934 the appropriation was \$15,000,000; and for the fiscal year 1935 the appropriation was \$12,000,000.

It is estimated that the cost of the largely expanded Air Mail Service during the fiscal year 1935, which ends June 30 of this calendar year, will be approximately \$10,000,000. This is about half of what was being paid in 1933.

The Post Office Department does not contend that in every instance the present rates are adequate. As a matter of fact the Department is convinced that in some instances the rates are too low and has recommended that Congress amend the law so as to empower the Interstate Commerce Commission to raise as well as lower rates, in which event the Department expects that the Interstate Commerce Commission will, in a number of cases. the Interstate Commerce Commission will, in a number of cases, allow increases

However, the Department does not anticipate that the total increases which may be allowed by the Interstate Commerce Commission will run the total air mail pay to a figure higher than twelve

or thirteen million dollars a year.

or thirteen million dollars a year.

Even if the increases allowed were to go as high as \$14,000,000, there would still be a large reduction in the per mile mail pay as compared with the pay of a year ago, when the average per mile pay was 42 cents for 25,248 route miles and approximately 35,000,000 annual scheduled flying miles. At that time the appropriation was \$15,000,000 and the Department was expending \$14,000,000.

With an increase of 3,719 route miles, which is a 15-percent increase, and with an increase of approximately 5,000,000 annual scheduled flying miles, which is also an increase of approximately 15 percent, a total mail pay cost of thirteen or even fourteen million dollars would be proportionately much less than the cost was a year ago.

year ago.

The present contracts were let in April and May of last year. They were awarded after open competitive bidding and in some cases the bids were extremely low. For instance, the bid rate on one contract was 8 cents per mile, on another 13 cents, and on another 14% cents. Several were below 20 cents, and the others ranged between 20 and 39½ cents per route mile.

Since the letting of these contracts the companies have encountered a considerable increase in their expenses. Some of this increased expense is due to the new air mail law, which was enacted subsequent to the letting of the contracts. This law requires the companies to pay the salaries fixed by the National Labor Board, which, for a number of the companies, is a higher salary scale than prevailed a year ago.

prevailed a year ago.

With few exceptions, the companies have purchased new and up-to-date airplanes, which cost more than the old types of airplanes. These companies have also been required to install improved safety equipment, which is expensive, and, in addition, a law was passed at the last Congress making them responsible for mail lost or destroyed and for which the Department is now collecting. In addition to these increases in expense the companies have, in many instances, been compelled to pay higher rates for the use of airports and airport facilities.

have, in many instances, been compelled to pay higher rates for the use of airports and airport facilities.

The great expansion in the air mail system, which now gives direct service to 46 States and indirect service to the other 2 States, and which provides interisland service in the Hawaiian Territory, has increased the number of cities directly served from 152 to 193. Stops at the additional 41 cities have also brought about a considerable increase in expense to the companies for the reason that at each of these stops the companies must maintain ticket offices, radio and weather reporting stations, and a ground personnel.

personnel.

The total population of the cities now served by air mail exceeds 36,000,000.

In administering the Air Mail Service the Post Office Department has constantly borne in mind that the purpose of Congress in providing a subsidy for air mall was to develop American aviation, and the Post Office Department, under Postmaster General Farley, and the Department of Commerce, under Secretary Roper, have constantly pressed for the utilization of every possible improvement in equipment.

At least 10 types of planes employed on the air mail routes in 1933 had by the beginning of 1935 been superseded by improved flying equipment. During the past year 3,586 miles of airways were located or relocated and improved.

Additional lighting systems are constantly being installed, and beacons flare to guide the planes tonight where there was only

darkness in 1933.

Communication linking the plane in the air with the ground is constantly being improved. All of this is a part of the Govern-

ment program to foster and expand the system of air transport in the United States.

In October 1934 all previous records were broken when 916,416 pounds of air mail were carried. It may be mentioned in passing that the cost of moving this mail was less than half the cost of moving smaller amounts of mail in October 1931, October 1932,

and October 1933. During the last 6 months of 1933 the passenger miles flown totaled 108,989,640 as compared with 112,569,194 during the last 6 months of 1934. There has also been a large increase in the volume of express transported.

Beginning last July 1, the air mail postage rate was reduced from 8 cents for the first ounce and 13 cents for each additional

from 8 cents for the first ounce and 13 cents for each additional ounce to a flat rate of 6 cents per ounce. This lower rate has brought a great increase in the volume of air mail, and this increased volume has now reached a point where the postal receipts about equal those received under the former higher rate.

With authority given to the Interstate Commerce Commission to authorize fair and reasonable mail pay rates to the companies and with the constant increase in the volume of mail and express and number of passengers carried, the Interstate Commerce Commission will not only be in position to afford the necessary Govmission will not only be in position to afford the necessary Government aid to the companies during the period when their revenues are insufficient to pay their necessary operating expenses, but it will be in position to gradually reduce Government aid until the revenue from passengers and express, plus a mail pay rate for service rendered, will enable the companies to operate without any

Government subsidy.

Along with its recommendations that Congress amend the air mail law so as to authorize the Interstate Commerce Commission to increase air mail pay rates where they are unreasonably low, the Department is also recommending an amendment which would require air mail companies to obtain the approval of the Interstate Commerce Commission before they can inaugurate a nonmail schedule or an off-route operation.

With no limitation placed upon the nonmail schedules and off-route operations an air mail carrier could incur losses regardless.

with no inflication placed upon the holiman schedules and onroute operations an air mail carrier could incur losses regardless
of the amount of air mail pay authorized.

Within the past few days a statement has been broadcast over
the country to the effect that between May and December 1934 the
air mail operators incurred a loss somewhat in excess of \$2,800,000. This statement is misleading, for it infers that this loss was incurred in flying the air mail. The truth is that much of this loss was the result of nonmail carrying operations.

Further, in 1934 some of the operators were paying tribute to their predecessor companies in the form of excessive rentals of equipment used. In some cases this annual rental was equal to 50

percent of the value of the rented equipment.

According to the operating companies the revenues on flights which carry no mails are approximately 28 cents per mile as compared with expenses slightly exceeding 57 cents per mile, which shows that a loss of approximately 29 cents a mile has been incurred by operations over which the Government has no control.

As an example, at one time, during the past year, a company operating between Chicago and New York flew 3 mail-carrying round trips and 7 nonmail carrying round trips per day. It is clear that by such nonmail carrying operations an operator can build up, and in the past many operators have built up, losses for which they could not possibly be compensated by any reasonable amount of air mail payments.

The air mail payments.

The air mail makes possible the great transcontinental lines which pick you up by the Atlantic at midday and land you for breakfast by the Pacific the next morning. The air mail makes it possible for the Chicago business man to breakfast with his family at home and attend a conference in New York on the same afternoon. Because the air mail files, you can travel from New Orleans to New York between sunset and sunrise. It is the air mail that keeps in our skies the luxurious air liners which flash between our northern and southern borders and from coast to between our northern and southern borders and from coast to coast with a speed which in 1933 would have been called incred-

Mr. RANDOLPH. The foregoing remarks give valuable information for us. Personally I feel that there are many companies now carrying air mail for the Government at a contract rate which is driving them into bankruptcy. In this sort of a situation we must come to the aid of the air transport system in America. An increase in rates is absolutely essential. The Federal Aviation Commission has put Congress on notice, and we should take steps to continue our leadership.

Mrs. NORTON. Mr. Speaker, I call up the Senate bill 408, to promote safety on the public highways of the District of Columbia by providing for the financial responsibility of owners and operators of motor vehicles for damages caused by motor vehicles on the public highways in the District of Columbia; to prescribe penalties for the violation of the provisions of this act, and for other purposes, and ask unanimous consent that it be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. The gentlewoman from New Jersey asks unanimous consent that the bill be considered in the House as in the Committee of the Whole. Is there objection?

Mr. PATMAN. Mr. Speaker, reserving the right to object, I may state to the gentlewoman from New Jersey that I have been given notice if this bill is brought up there will be an effort made to attach to it a taxicab-liability bill. I have made an investigation, and I think such an amendment would be in order. That being true, I am sorry I cannot agree that it be considered in the House as in the Committee of the Whole. I think we are going to have to fight this thing out, and we will have to have some time to do so. We cannot be unduly restricted. We have not had any hearings on that phase of the legislation this year, and it certainly would not be right to restrict debate. We had hearings last year. It will take a little time to get this information, and since I have been given notice this fight is going to hinge on the taxicab liability, I do not see how I can agree to permitting it to come up without having all rights protected.

Mr. O'CONNOR. Would it not be proper to hold up the bill and have some hearings on the matter?

Mrs. NORTON. May I say to the gentleman that we have no objection to any Member of the House offering a taxiliability bill if they so desire. This bill has nothing to do with the taxi-liability bill. I consider that this bill should stand on its own bottom. Let us either pass it or vote it down.

Mr. O'CONNOR. Does not this bill include taxicabs?

Mrs. NORTON. It includes all motor vehicles.

Mr. O'CONNOR. That would include taxicabs.

Mrs. NORTON. Hearings have been held on this bill. It passed the House a year ago. It passed the Senate this year, and, so far as I have been able to learn, there has not been any objection made to the bill except by one particular person, and that gentleman, as I understand it, has been influenced by certain insurance interests in the District.

Mr. O'CONNOR. In most jurisdictions the vehicles that are used for public hire are treated differently than the privately owned pleasure cars.

Mrs. NORTON. I agree with the gentleman, and there is no reason why we should not have a bill to take care of them here in the District, but this bill has nothing to do with that matter.

Mr. O'CONNOR. As I understand it, this bill does cover them rather than making a separation. If this bill just applied to pleasure vehicles which were not used for hire, that would be a different matter. I think hearings ought to be had on this matter.

Mrs. NORTON. Ample time was given Mr. Patman, the chairman of the subcommittee, to hold hearings. I may say to the gentleman that we have this law in my State, and the law also applies in the State of New York.

Mr. O'CONNOR. Oh, no.
Mrs. NORTON. The State of New York does have a compulsory-insurance law in addition to this financialresponsibility bill.

Mr. O'CONNOR. There is a separate law for taxicabs in New York.

Mrs. NORTON. There is no reason why we should not

have a separate bill here. This bill does not interfere.

Mr. O'CONNOR. This bill includes vehicles for public

Mrs. NORTON. New York has financial-responsibility law for motor vehicles for hire and also this law.

Mr. O'CONNOR. No. In New York we do not have a general bill.

Mr. MICHENER. Mr. Speaker, I demand the regular

Mr. PATMAN. Mr. Speaker, if the regular order is demanded, I object.

Mrs. NORTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (S. 408) to promote safety on the public highways of the District of Columbia by providing for the financial, responsibility of owners and operators of motor vehicles for damages caused by motor vehicles on the public highways in the District of Columbia; to prescribe penalties for the violation of the provisions of this act, and for other purposes, and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 1 hour.

The SPEAKER. Is there objection to the request of the

gentlewoman from New Jersey?

Mr. PATMAN. Mr. Speaker, reserving the right to object, if the gentlewoman from New Jersey will get some assurance from those who are contemplating offering the amendment in regard to taxicabs that the amendment will not be introduced, I shall not object to the limit of time, but it is not right to bring in an entirely separate matter at the end of the day that will involve probably a whole day's discussion. We fought this out last session, and it required a whole day with a roll call and the vote was about 2 to 1 against it. Now, to bring it in at this time I do not think is proper. It will take considerable time to discuss it, and if it is insisted upon I shall be compelled to object to the limitation of time also. I do not object to considering the bill.

Mrs. NORTON. The gentleman has had this bill in his committee for sometime past. He had all the time to hold as many hearings as he desired. He reported the bill to the full

committee favorably.

Mr. PATMAN. I am not objecting to this bill, I expect to sponsor it. I am anxious for this bill to be passed if I have assurances that there will be no effort to attach the other matter.

Mrs. NORTON. How can any Member give assurance of what another Member intends to do. Has the gentleman the idea of introducing a compulsory bill?

Mr. PATMAN. No; I have no thought of doing that, be-

cause I am opposed to it.

Mr. DIRKSEN. May I say to the gentlewoman from New Jersey that no one can give that assurance.

Mr. PATMAN. Mr. Speaker, I shall be compelled to object to the limitation of time so that we will have plenty of time to discuss these matters.

Mr. MICHENER. How late does the gentlewoman con-

template remaining in session tonight?

Mrs. NORTON. That is rather a difficult question. May I say to the gentleman that I supposed everybody in the House was interested in this bill. We are having a large number of accidents every day on our city streets with absolutely no responsibility. There is no law here covering the situation. The bill provides a law which, while it may not be a perfect one, although I contend it is a very good law, is one that is similar to one that has been adopted by 21 States and 6 Provinces in Canada. I cannot understand why any Member of this House should object to passing this bill. If it is found inadequate for any reason it can be amended at another time. It is a step in the right direction.

Mr. MICHENER. My inquiry was how long does the gentlewoman contemplate remaining in session this evening?

Mrs. NORTON. I could finish in 10 minutes. Mr. BLANTON. Will the gentlewoman yield?

Mrs. NORTON. I yield to the gentleman from Texas. Mr. BLANTON. To get the present apparent obstacles

out of the way, I would suggest to the gentlewoman from New Jersey that she put this particular bill off until the end of the calendar and call up the other bills to which there is no objection, for likely there are several of them she can

Mrs. NORTON. I may say to the gentleman from Texas that the Chairman of the District Committee has rarely

found any bill to which objection is not raised.

Mr. BLANTON. On this particular bill there seems to be some objection from the gentleman from Texas [Mr. Pat-MAN]. He indicates he would not want this bill taken up at this time. Hence, let it come last, and take up the other bills first.

Mrs. NORTON. May I say to the gentleman, and he is a fair-minded man-

Mr. BLANTON. I am trying to help the gentlewoman.

Mrs. NORTON. I know it and thank the gentleman. Does he not think it would be in order and come with much better grace from the gentleman on the committee that reported the bill if he had brought up these objections in the committee so we might have amended the bill to suit him instead of bringing the matter up today? He was not forced to report the bill when he did; in fact, could have held hearings for any length of time desired.

Mr. BLANTON. I have found out that sometimes Members have to proceed in their own way.

Mrs. NORTON. I have found that out, too. Mr. PATMAN. Mr. Speaker, I am not objecting to this bill. I want sufficient time to discuss an amendment that I know will be brought up.

Mrs. NORTON. That is all we want. Mr. PATMAN. But I have been put on notice there will be an amendment offered that will require liability insurance for all taxicabs.

Mrs. NORTON. The gentleman is not afraid of that amendment-I am not.

Mr. PATMAN. I certainly am if we have a gag rule whereby I cannot discuss it.

Mrs. NORTON. We will give you as much time as necessary.

Mr. PATMAN. Next Monday, I believe, is suspension day. It can be passed then without an amendment.

Mr. MICHENER. Mr. Speaker, if we are going to discuss the matter, let us take time to discuss it, and if we are not going to discuss it, let us have the regular order.

Mr. PATMAN. I object, Mr. Speaker.

Mrs. NORTON. The gentleman objects to what? Mr. PATMAN. To 1 hour's debate.

Mrs. NORTON. We will make it 2 hours. Mr. PATMAN. If you will get a promise not to amend the bill, or give me 1 hour of the time-

Mrs. NORTON. I have never known a committee to come into this House and be treated in this fashion. I have never known a committee to be required to get a promise from Members that there shall be no amendment offered to a bill. It is the privilege of every Member of the House to offer amendments to any bill.

Mr. PATMAN. I am not objecting to the amendment. I merely want time to discuss it, and it is my privilege to object and I am exercising my privilege.

The SPEAKER. The question is on the motion of the gentlewoman from New Jersey that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill.

Mr. HULL. Mr. Speaker, I should like to object to this entire proceeding, because this bill came up a week ago and at that time there was an understanding about it at least I thought, and I think other members of the committee thought the same way about it, that the bill would be referred back to the committee for hearings. It does seem to me this is in violation of that understanding.

The SPEAKER. The motion is not debatable, the Chair will state to the gentleman.

The question was taken; and on a division (demanded by Mr. Hull) there were-ayes 89, noes 80.

Mr. HULL. Mr. Speaker, I make the point of order there is not a quorum present, and object to the vote on that ground.

The SPEAKER. Evidently there is not a quorum present. LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. KLEBERG, indefinitely, on account of important business.

To Mr. Gehrmann, for today, on account of illness.

To Mr. Hancock of North Carolina, for today, on account of sickness in his family.

To Mr. Kopplemann, for 1 week, on account of important

To Mr. MITCHELL of Illinois, for tomorrow, on account of important business.

To Mr. Robertson (at the request of Mr. Darden), indefinitely, on account of illness.

#### ENROLLED BILL SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly reenrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 330. An act for the relief of Sophie de Soto.

## BILL PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 330. An act for the relief of Sophie de Soto.

## ADJOURNMENT

Mr. MAVERICK. Mr. Speaker, I move that the House do now adjourn.

The question was taken; and on a division (demanded by Mr. Connery) there were—ayes 92, noes 64.

So the motion was agreed to; accordingly (at 4 o'clock and 32 minutes p. m.) the House adjourned to meet, in accordance with its previous order, tomorrow, March 12, 1935, at 11 o'clock a. m.

# COMMITTÉE HEARINGS

# COMMITTEE ON THE POST OFFICE AND POST ROADS

(Tuesday, Mar. 12, 10:30 a. m.)

Subcommittee will hold hearings on bill (H. R. 2890) pertaining to compensation for fourth-class postmasters.

(Wednesday, Mar. 13, 10:30 a. m.)

Subcommittee will hold hearings on bill (H. R. 6452) regarding unlawful use of mail in connection with State insurance laws.

# REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. WILSON of Louisiana: Committee on Flood Control. H. R. 3285. A bill authorizing a preliminary examination and survey of the Oswego, Oneida, Seneca, and Clyde Rivers in Oswego, Onondaga, Oneida, Madison, Cayuga, Wayne, Seneca, Tompkins, Schuyler, Yates, and Ontario Counties, N. Y., with a view to the controlling of floods; with amendment (Rept. No. 363). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON of Louisiana: Committee on Flood Control. H. R. 3383. A bill to provide a preliminary examination of the Greenbrier River and its tributaries in the State of West Virginia, with a view to the control of its floods; without amendment (Rept. No. 364). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON of Louisiana: Committee on Flood Control. H. R. 3384. A bill to provide a preliminary examination of the Cheat River and its tributaries in the State of West Virginia, with a view to the control of its floods; without amendment (Rept. No. 365). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON of Louisiana: Committee on Flood Control. H. R. 3385. A bill to provide a preliminary examination of the Potomac River and its tributaries, with a view to the control of its floods; without amendment (Rept. No. 366). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON of Louisiana: Committee on Flood Control. H. R. 4077. A bill authorizing a preliminary examination of the Nehalem, Miami, Kilchis, Wilson, Trask, and Tillamook Rivers, in Tillamook County, Oreg., with a view to the controlling of floods; without amendment (Rept. No. 367). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON of Louisiana: Committee on Flood Control. H. R. 5134. A bill authorizing a preliminary examination and survey of the North Fabius River in Lewis County, Mo.,

with a view to the controlling of floods; with amendment (Rept. No. 368). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON of Louisiana: Committee on Flood Control. H. R. 5651. A bill authorizing a preliminary examination of the Umpqua River, Oreg.; without amendment (Rept. No. 369). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON of Louisiana: Committee on Flood Control. H. R. 5773. A bill to authorize a preliminary examination of Coquille River and its tributaries in the State of Oregon with a view to the control of its floods; without amendment (Rept. No. 370). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON of Louisiana: Committee on Flood Control. H. R. 5774. A bill to authorize a preliminary examination of Rogue River and its tributaries in the State of Oregon with a view to the control of its floods; without amendment (Rept. No. 371). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON of Louisiana: Committee on Flood Control. H. R. 5775. A bill to authorize a preliminary examination of Siuslaw River and its tributaries in the State of Oregon with a view to the control of its floods; without amendment (Rept. No. 372). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON of Louisiana: Committee on Flood Control. H. R. 5776. A bill to authorize a preliminary examination of Yaquina River and its tributaries in the State of Oregon with a view to the control of its floods; without amendment (Rept. No. 373). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON of Louisiana: Committee on Flood Control. H. R. 5777. A bill to authorize a preliminary examination of Siletz River and its tributaries in the State of Oregon with a view to the control of its floods; without amendment (Rept. No. 374). Referred to the Committee of the Whole House on the state of the Union.

# REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SMITH of Washington: Committee on Claims. H. R. 420. A bill for the relief of Bruno Tarzio; with amendment (Rept. No. 342). Referred to the Committee of the Whole House.

Mr. SMITH of Washington: Committee on Claims. H. R. 846. A bill for the relief of Elton Firth; with amendment (Rept. No. 343). Referred to the Committee of the Whole House.

Mr. GUYER: Committee on Claims. H. R. 1315. A bill for the relief of Thomas J. Gould; with amendment (Rept. No. 344). Referred to the Committee of the Whole House.

Mr. EKWALL: Committee on Claims. H. R. 2122. A bill for the relief of William Seader; without amendment (Rept. No. 345). Referred to the Committee of the Whole House.

Mr. CARLSON: Committee on Claims. H. R. 2125. A bill for the relief of George William Henning; with amendment (Rept. No. 346). Referred to the Committee of the Whole House.

Mr. HOUSTON; Committee on Claims, H. R. 2553. A bill for the relief of Eva S. Brown; without amendment (Rept. No. 347). Referred to the Committee of the Whole House.

Mr. NICHOLS: Committee on Claims. H. R. 2987. A bill for the relief of E. W. Tarrence; with amendment (Rept. No. 348). Referred to the Committee of the Whole House.

Mr. SMITH of Washington: Committee on Claims. H. R. 3073. A bill for the relief of William E. Smith; with amendment (Rept. No. 349). Referred to the Committee of the Whole House.

Mr. RYAN: Committee on Claims. H. R. 4029. A bill for the relief of Thomas Enchoff; without amendment (Rept. No. 350). Referred to the Committee of the Whole House.

Mr. NICHOLS: Committee on Claims. H. R. 4034. A bill for the relief of Charles Szymanski; with amendment (Rept. No. 351). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 4805. A bill authorizing adjustment of the claim of the Adelphia Bank & Trust Co. of Philadelphia; with amendment (Rept. No. 352). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 4806. A bill authorizing adjustment of the claim of Frank Spector; without amendment (Rept. No. 353). Referred to the Committee of the Whole House.

Mr. TOLAN: Committee on Claims. H. R. 4808. A bill for the relief of the Richmond, Fredericksburg & Potomac Railroad Co.; without amendment (Rept. No. 354). Referred to the Committee of the Whole House.

Mr. RYAN: Committee on Claims. H. R. 4811. A bill for the relief of George W. Miller; without amendment (Rept. No. 355). Referred to the Committee of the Whole House.

Mr. SOUTH: Committee on Claims. H. R. 4812. A bill for the relief of Mrs. Carlysle von Thomas, Sr.; without amendment (Rept. No. 356). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 4814. A bill for the relief of Lt. Col. Russell B. Putnam, United States Marine Corps; without amendment (Rept. No. 357). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H.R. 4831. A bill for the relief of L. E. Geary; with amendment (Rept. No. 358). Referred to the Committee of the Whole House.

Mr. RYAN: Committee on Claims. S. 1037. An act authorizing adjustment of the claims of Sanford A. McAlister and Eliza L. McAlister; without amendment (Rept. No. 359). Referred to the Committee of the Whole House.

Mr. RAMSPECK: Committee on Claims. S. 1039. An act authorizing the adjustment of the claim of the West India Oil Co.; without amendment (Rept. No. 360). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 1056. An act authorizing adjustment of the claim of Schutte & Koerting Co.; without amendment (Rept. No. 361). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 1302. An act for the relief of certain disbursing officers of the Army, and for other purposes; without amendment (Rept. No. 362). Referred to the Committee of the Whole House.

Mr. KVALE: Committee on Military Affairs. H. R. 298. A bill for the relief of Jack Page; without amendment (Rept. No. 375). Referred to the Committee of the Whole House.

# CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 6576) to authorize the presentation of a Distinguished Flying Cross to Maj. Francis T. Evans, United States Marine Corps; Committee on Military Affairs discharged, and referred to the Committee on Naval Affairs.

A bill (H. R. 1464) to correct the military record of Edward Reidell; Committee on Military Affairs discharged, and referred to the Committee on Merchant Marine and Fisheries.

A bill (H. R. 6574) for the relief of the dependents of Max Grady Sullivan, deceased; Committee on Military Affairs discharged, and referred to the Committee on Naval Affairs.

# PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. McREYNOLDS: A bill (H. R. 6612) authorizing the appropriation of funds for the payment of claims of certain foreign governments under the circumstances hereinafter enumerated; to the Committee on Foreign Affairs.

By Mr. STARNES: A bill (H. R. 6613) to create the Farm Tenant Homes Corporation, to promote more secure occupancy of farms and farm homes, to correct the economic

instability resulting from some present forms of farm tenancy, and for other purposes; to the Committee on Agriculture.

By Mr. CONNERY: A bill (H. R. 6614) to provide for the construction of a post-office building at Revere, Mass.; to the Committee on Public Buildings and Grounds.

By Mr. PETERSON of Georgia: A bill (H. R. 6615) authorizing the payment of an indemnity to the Spanish Government on account of the death of Juan Neira, a Spanish subject, killed at Savannah, Ga., by a United States truck; to the Committee on Foreign Affairs.

By Mr. ROBINSON of Utah: A bill (H. R. 6616) to authorize the Secretary of the Interior to accept from the State of Utah title to a certain State-owned section of land and to patent other land to the State in lieu thereof, and for other purposes; to the Committee on the Public Lands.

By Mr. HIGGINS of Massachusetts: A bill (H. R. 6617) to provide for the removal of the monument to Casimir Pulaski from the triangle at Pennsylvania Avenue, Thirteenth Street, and E Street NW., to the east end of the triangle formed by Pennsylvania Avenue, E Street, and Fifteenth Street, in the city of Washington, D. C., and to authorize the appropriation therefor; to the Committee on Public Buildings and Grounds.

By Mr. HUDDLESTON: A bill (H. R. 6618) to regulate and maintain an open market for the sale of goods in interstate commerce, to supplement existing laws against combinations in restraint of trade and discrimination in prices, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. IGLESIAS: A bill (H. R. 6619) to authorize the Secretary of War to dispose of certain real estate of the War Department; to the Committee on Military Affairs.

By Mr. KENNEDY of Maryland: A bill (H. R. 6620) to provide for the construction of two vessels for the Coast Guard designed for ice breaking and assistance work; to the Committee on Merchant Marine and Fisheries.

By Mr. McSWAIN: A bill (H. R. 6621) to authorize the selection, construction, installation, and modification of permanent stations and depots for the Army Air Corps and frontier air defense bases generally; to the Committee on Military Affairs.

Also, a bill (H. R. 6622) to authorize the President of the United States to confer honorary rank without command and without compensation upon officers and enlisted men distinguished in the service of the United States between April 6, 1917, and November 11, 1918; to the Committee on Military Affairs.

By Mrs. NORTON: A bill (H. R. 6623) to amend the Code of Laws for the District of Columbia in relation to providing assistance against old-age want; to the Committee on the District of Columbia.

By Mr. RANKIN: A bill (H. R. 6624) providing for appeals from orders of Federal courts prohibiting compliance with Federal laws; to the Committee on the Judiciary.

By Mr. ROGERS of Oklahoma (by departmental request): A bill (H. R. 6625) conferring jurisdiction on United States district courts over Osage Indian drug and liquor addicts; to the Committee on Indian Affairs.

By Mr. SCRUGHAM: A bill (H. R. 6626) to relieve unemployment in mining districts, increase the monetary gold and silver reserves of the United States, and to develop strategic, deficiency, and noncompetitive mineral resources of the Nation, and for other purposes; to the Committee on Mines and Mining.

By Mr. SHANLEY: A bill (H. R. 6627) for establishment of a bar library in the Supreme Court Building, to be known as the "Oliver Wendell Holmes Memorial Foundation"; to the Committee on the Judiciary.

By Mr. TOLAN (by request): A bill (H. R. 6628) to provide employment for blind citizens in the United States and its possessions; to the Committee on Labor.

By Mr. VINSON of Georgia: A bill (H. R. 6629) to amend section 12 of the act approved May 18, 1920 (41 Stat. 604;

U. S. C., title 34, sec. 896), as amended; to the Committee on Naval Affairs.

By Mr. WEST: A bill (H. R. 6630) to extend the times for commencing and completing the construction of a bridge across the Rio Grande at or near Rio Grande City, Tex.; to the Committee on Interstate and Foreign Commerce.

By Mr. SECREST: Joint resolution (H. J. Res. 208) to provide for the observance and celebration of the one hundred and fiftieth anniversary of the adoption of the Ordinance of 1787 and the settlement of the northwest territory; to the Committee on the Library.

By Mr. MONTET: Joint resolution (H. J. Res. 209) to provide for the acquisition by the Government of the United States, in whole or in part, of the Inner Harbor Canal and Lock connecting the Mississippi River with Lake Pontchartrain, in the State of Louisiana, and now owned by the Board of Commissioners of the Port of New Orleans (an agency of the State of Louisiana), and for other purposes; to the Committee on Rivers and Harbors.

# MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Pennsylvania, regarding the immediate payment of the bonus; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Wisconsin, regarding an adequate old-age-pension law; to the Conmittee on Ways and Means.

# PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BERLIN: A bill (H. R. 6631) granting a pension to Anna M. Steiner; to the Committee on Invalid Pensions.

By Mr. DUFFEY of Ohio: A bill (H. R. 6632) granting an increase of pension to Margaret A. Morse; to the Committee on Invalid Pensions.

By Mr. GREENWOOD: A bill (H. R. 6633) granting a pension to Maud Melville; to the Committee on Invalid Pensions.

By Mr. HOFFMAN: A bill (H. R. 6634) for the relief of Johanna Armstrong; to the Committee on Claims.

By Mr. JOHNSON of West Virginia: A bill (H. R. 6635) granting a pension to Arthur Plumley; to the Committee on Pensions

By Mr. KENNEY: A bill (H. R. 6636) for the relief of Christopher D. Eger; to the Committee on Military Affairs.

By Mr. LAMNECK: A bill (H. R. 6637) granting a pension to Elizabeth Merrill; to the Committee on Invalid Pensions.

By Mr. LUNDEEN: A bill (H. R. 6638) granting a pension to Mary O. Lyman; to the Committee on Invalid Pensions.

By Mr. McGEHEE: A bill (H. R. 6639) for the relief of Julius Crisler; to the Committee on Claims.

By Mr. PARSONS: A bill (H. R. 6640) granting a pension to Josie Greathouse; to the Committee on Invalid Pensions.

By Mr. PETERSON of Georgia: A bill (H. R. 6641) to permanently renew Patent No. 630352; to the Committee on Patents.

By Mr. ROBSION of Kentucky: A bill (H. R. 6642) for the relief of Eaph Toler; to the Committee on Claims.

By Mr. SOUTH: A bill (H. R. 6643) for the relief of Margaret C. (Lacks) King; to the Committee on Claims.

# PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3534. By Mr. BACHARACH: Resolution of the Atlantic division, Parochial Parent-Teacher Association, comprising the Parochial Parent-Teacher Associations of Atlantic and Cape May Counties, N. J., registering their disapproval of the acts of the Mexican Government as recited in the resolution and asking for the recall of our Ambassador from his post in Mexico; to the Committee on Foreign Affairs.

3535. By Mr. BEITER: Petition of the Polish Chamber of Labor of Buffalo, N. Y., urging the Congress to enact House bill 2827, which proposes a system of unemployment and social insurance; to the Committee on Labor.

3536. By Mr. BOYLAN: Petition signed by Fred Brickman and other residents of the Fifteenth Congressional District of New York City, opposing passage of the Wheeler-Rayburn public-utility bill; to the Committee on Interstate and Foreign Commerce.

3537. By Mr. BUCKLER of Minnesota: Petition of F. E. Dibley, commander, and Roy Larson, adjutant, of Wolverton, Minn., in behalf of the members of Nelson-Otteson Post, No. 370, of Wolverton, favoring the Vinson bill (H. R. 3896) to make the immediate cash payment of the soldiers' adjusted-service certificates; to the Committee on Ways and Means.

3538. Also, petition of Henry J. Hugelin, of Twin Valley, Minn., commander of the Nesseth Post, No. 431, of the American Legion, of Twin Valley, Minn., in behalf of members of the post, praying for the passage of the Vinson bill (H. R. 3896) to make the immediate cash payment of the soldiers' adjusted-service certificates; to the Committee on Ways and Means.

3539. By Mr. BURDICK: Memorial requesting Congress to support House Joint Resolutions 15, 83, and 86, introduced in the Congress of the United States by Representative Burdick; to the Committee on Agriculture.

3540. By Mr. DEROUEN: Petition of the Lake Charles (La.) Association of Commerce, opposing the proposed 30-hour week legislation; to the Committee on Labor.

3541. By Mr. DIETRICH: Six petitions signed by many residents of the Fifteenth Congressional District of Pennsylvania, urging the defeat of Senate bill 1725 and House bill 5423, known as the "Public Utility Act of 1935"; to the Committee on Interstate and Foreign Commerce.

3542. Also, petition signed by many residents of Susquehanna County, Pa., urging the passage of the Vinson bill known as "H. R. 3896", which seeks to provide for the immediate payment of the World War adjusted-service certificates; to the Committee on Ways and Means.

3543. By Mr. GOODWIN: Petition of Ulster Grange, No. 969, Patrons of Industry, Ulster Park, N. Y., opposing the prevailing-wage amendment or any other amendment to the work-relief bill; to the Committee on Appropriations.

3544. By Mr. HAINES: Petitions signed by 33 of his constituents (Twenty-second District of Pennsylvania), protesting against the public-utility bill; to the Committee on Interstate and Foreign Commerce.

3545. By Mr. HIGGINS of Massachusetts: Petition of St. Winifred Court, Massachusetts Catholic Order of Foresters, favoring the Higgins Concurrent Resolution No. 3 on religious persecution in Mexico; to the Committee on Foreign Affairs.

3546. Also, resolutions by the General Court of Massachusetts, memorializing Congress in favor of the immediate cash payment of the adjusted-service certificates of the veterans of the World War; to the Committee on Ways and Means.

3547. By Mr. KERR: Petition of the Senate and the House of Representatives in the State of North Carolina, requesting the Senators and the Members of the House of Representatives from North Carolina in the Congress of the United States to vote against a bill known as the "Flannagan bill", relating to Government grading of tobacco; to the Committee on Agriculture.

3548. By Mr. LUCKEY: Memorial requesting the Congress of the United States to pass the President's work-relief bill, as submitted, without further delay; to the Committee on Appropriations.

3549. By Mr. LUNDEEN: Petition of the United Brother-hood of Carpenters and Joiners, Local Union No. 7, Minneapolis, Minn., urging support of the McCarran amendment, providing for the payment of prevailing local wages on Government projects; to the Committee on Appropriations.

3550. Also, petition of Bricklayers, Stone Masons, Marble Masons, Terrazzo, and Mosaic Workers' Union, No. 2, of Minneapolis, Minn., urging support of the McCarran amend-

on Government projects; to the Committee on Appropriations.

3551. Also, petition of the Minneapolis Central Labor Union, Minneapolis, Minn., urging support of the McCarran amendment providing for the payment of prevailing local wages on Government projects; to the Committee on Appropriations.

3552. Also, petition of the Upholsterers' Local No. 61, of Minneapolis, Minn., urging the enactment of the McCarran amendment to the public-works and relief appropria-

tion bill; to the Committee on Appropriations.

3553. By Mr. McLAUGHLIN: Petition in the nature of a memorial, memorializing the Congress of the United States to pass the President's work-relief bill, as submitted, without further delay; to the Committee on Appropriations.

3554. By Mr. MAPES: Petition of Group No. 2651, Polish National Alliance of the United States of North America, by B. Rechulicz, president, Mrs. Seiveryna Marchwicki, secretary, and St. Jaworowicz, treasurer, Grand Rapids, Mich., recommending legislation to proclaim October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

3555. By Mr. MARTIN of Massachusetts: Memorial of the City Council of Fall River, Mass., advocating observance of the death of General Pulaski; to the Committee on the

Judiciary.

3556. Also, memorial of the General Court of Massachusetts, advocating immediate cash payment of the World War adjusted-service certificates; to the Committee on Ways and Means.

3557. By Mr. MEAD: Petition of Group 279 of the Polish National Alliance, of the United States, Buffalo, N. Y., memorializing Congress to proclaim October 11 of each year as General Pulaski Memorial Day; to the Committee on the Judiciary.

3558. Also, petition of Group 949, Polish National Alliance of the United States, Buffalo, N. Y., memorializing Congress to proclaim October 11 of each year as General Pulaski Me-

morial Day; to the Committee on the Judiciary.

3559. By Mr. MERRITT of New York: Petition of James O. Safford, of 158 East Ninety-third Street, New York City, N. Y., and approximately 50 additional voters, urging Congress to defeat the Rayburn utility bill; to the Committee on Interstate and Foreign Commerce.

3560. Also, petition of Helena Cronauer, of 84 Horatio Street, New York City, and 50 additional voters of New York City and Brooklyn, calling upon Congress to defeat the Rayburn utility bill; to the Committee on Interstate and Foreign Commerce.

3561. Also, petition of Elsie Whitmore, 30 Riverleigh Place, Amityville, Long Island, N. Y., and 12 additional voters of that vicinity, urging Congress to defeat the Rayburn utility bill; to the Committee on Interstate and Foreign Commerce.

3562. Also, petition of R. E. Faganini, of 168 Coligin Avenue, New Rochelle, N. Y., and 10 additional residents, urging Congress to defeat the Rayburn utility bill; to the Committee on Interstate and Foreign Commerce.

3563. Also, petition of the board of directors of the Great American Insurance Co., of New York, protesting against the passage of the public-utility holding-company bill; to the Committee on Interstate and Foreign Commerce.

3564. By Mr. MERRITT of Connecticut: Petition of sundry citizens of Darien, Glenbrook, New Canaan, Norwalk, Old Greenwich, Riverside, Ridgefield, Rowayton, South Norwalk, and Stamford in the State of Connecticut, protesting against the passage of the public-utility bill (H. R. 5423 and S. 1725); to the Committee on Interstate and Foreign Commerce.

3565. Also, petition of sundry citizens of Bridgeport, Conn., protesting against the atrocities and mass executions in Soviet Russia, and urging that the United States sever relations with that Government; to the Committee on Foreign Affairs.

3566. By Mr. PFEIFER: Petition of the substitute committee, National Association of Letter Carriers, Branch No. 2,

ment, providing for the payment of prevailing local wages | Milwaukee, Wis., urging support of House bills 78 and 5063; to the Committee on the Post Office and Post Roads.

3567. Also, petition of Richard Meyer and nine others, all of Brooklyn, N. Y., concerning the Wheeler-Rayburn publicutility bill; to the Committee on Interstate and Foreign Commerce.

3568. Also, petition of the Chamber of Commerce of the State of New York, New York City, providing for the emplayment of existing contracting firms and corporations on Public Works Administration projects; to the Committee on

3569. Also, resolution of Illuminati, Brooklyn, N. Y., concerning section 55b of the Revenue Act of 1934; to the Com-

mittee on Ways and Means.

3570. Also, petition of the Great American Insurance Co., New York, concerning the public-utility holding-company bill of 1935; to the Committee on Interstate and Foreign Commerce.

3571. By Mrs. ROGERS of Massachusetts: Petition of the Senate and House of Representatives of the State of Massachusetts, memorializing Congress in favor of the immediate cash payment of the adjusted-service certificates of veterans of the World War; to the Committee on Ways and Means.

3572. By Mr. ROGERS of Oklahoma: Petition of Chester Maye and numerous other citizens of Atmore, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3573. Also, petition of Madison Jones and numerous other citizens of Eutaw, Ala., favoring House bill 2856 by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3574. Also, petition of J. A. Blard and numerous other citizens of Collinsville, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions, of \$30 to \$50 a month; to the Committee on Ways and Means.

3575. Also, petition of H. L. Johnston and numerous other citizens of Gracey, Ky., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3576. Also, petition of Prof. M. C. Branch and numerous other citizens of Canton, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3577. Also, petition of Sam Webster and numerous other citizens of Swiftown, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3578. Also, petition of John Corbett and numerous other citizens of Friars Point, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3579. Also, petition of Dunbar Willian and numerous other citizens of Morgan City, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3580. Also, petition of A. B. Herron and numerous other citizens of Aberdeen, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3581. Also, petition of W. M. Johnson and numerous other citizens of Lambert, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3582. Also, petition of George Bery and numerous other citizens of Lexington, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3583. Also, petition of C. L. Johnson and numerous other citizens of Williamsburg, Mo., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3584. Also, petition of S. H. Morris and numerous other citizens of Charleston, Mo., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3585. Also, petition of Wesley Brezill and numerous other citizens of St. Louis, Mo., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3586. Also, petition of I. V. Williams and numerous other citizens of McDade and Karan, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3587. Also, petition of Steave Fradeau and numerous other citizens of Cloutierville and Chopin, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3588. Also petition of A. L. Bruley and numerous other citizens of Darrow, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3589. Also petition of Willie White and numerous other citizens of Rayville and Sicily Island, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3590. Also, petition of Robert Lee Neal and numerous other citizens of Gibsland and Arcadia, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3591. Also, petition of J. M. Wade, Jr., and numerous other citizens of Rayville, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3592. Also, petition of William Chapman and numerous other citizens of Bethalto, Wood River, and East Alton, Ill., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3593. Also, petition of Clarence Smith and numerous other citizens of Sumner, Bridgeport, and West Salem, Ill., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3594. Also, petition of I. F. Williams and numerous other citizens of Lakeland, Fla., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3595. Also, petition of Tom Craig and numerous other citizens of Charlotte, N. C., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3596. Also, petition of Robert Jackson and numerous other citizens of Blanch and Milton, N. C., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3597. Also, petition of J. H. Dravzhon and numerous other citizens of Rocky Point, Currie, and Burgaw, N. C., favoring House bill 2856, by Congressman WILL ROGERS, the Pope

plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3598. Also, petition of Pat Slade and numerous other citizens of Reidsville, High Point, and Piedmont, N. C., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3599. Also, petition of E. E. Osborn and numerous other citizens of Drill, Va., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3600. Also, petition of J. R. Jewell and numerous other citizens of Roanoke, Va., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3601. Also, petition of Jesse O. Roberts and numerous other citizens of Schulter, Okla., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3602. Also, petition of Berry Johnson and numerous other citizens of Minden and Taylortown, La., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3603. Also, petition of Robert Jones and numerous other citizens of Benton, La., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3604. Also, petition of Rolly Fitch and numerous other citizens of Concord Depot, Lynchburg, and Rustburg, Va., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3605. Also, petition of J. M. Piersall and numerous other citizens of Locust Grove, Okla., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3606. Also, petition of William Harper and numerous other citizens of St. Louis, Mo., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3607. Also, petition of Rev. W. N. Cooper and numerous other citizens of Amory, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3608. Also, petition of S. J. Payne and numerous other citizens of Holcomb and Cascilla, Miss., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3609. Also, petition of William McGruder and numerous other citizens of Tribbetts, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3610. Also, petition of A. B. Saunders and numerous other citizens of Duck Hill, Grenada, and Elliott, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3611. Also, petition of J. B. Eubank and numerous other citizens of Bexley, Lucedale, and Merrill, Miss., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3612. Also, petition of W. B. Bolen and numerous other citizens of Ruleville, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal

old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3613. Also, petition of Joseph Brown and numerous other citizens of Merigold, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3614. Also, petition of B. T. Duffie and numerous other citizens of Saluda, Ward, and Leesville, S. C., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3615. Also, petition of J. L. Ferrell and numerous other citizens of Appalachia, Va., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3616. Also, petition of T. Johnson and numerous other citizens of White Castle and Bayou Goula, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3617. Also, petition of George Brown and numerous other citizens of Wynne and Parkin, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3618. Also, petition of D. Nelson and numerous other citizens of Baltzer, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3619. Also, petition of Harold J. Berg and numerous other citizens of Harrington and White Castle, Del., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3620. Also, petition of John Gates and numerous other citizens of Caspiana and Grand Cane, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3621. Also, petition of Robert Fortier and numerous other citizens of New Orleans, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3622. Also, petition of John Scott and numerous other citizens of Delhi, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3623. Also, petition of John Davis and numerous other citizens of Benton, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3624. Also, petition of George J. Mallet, Sr., and numerous other citizens of Houma, Montegut, and New Orleans, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3625. Also, petition of Buck Dorsey and numerous other citizens of White Castle and Bayou Goula, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3626. Also, petition of William R. Golden and numerous other citizens of Rhinehart and Jena, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3627. Also, petition of Mack Rollins and numerous other citizens of Bon Air and Sparta, Tenn., favoring House bill

2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3628. Also, petition of W. S. Slaughter and numerous other citizens of Darlington and Westville, Fla., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3629. Also, petition of Daniel Hause and numerous other citizens of Kirby, W. Va., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3630. Also, petition of F. Wagoner and numerous other citizens of Whitehead and Sparta, N. C., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3631. Also, petition of James Matthews and numerous other citizens of Arab, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3632. Also, petition of Rev. T. H. Wilson and numerous other citizens of Decatur, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3633. Also, petition of J. C. Stephenson and numerous other citizens of Little Rock, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3634. Also, petition of O. Carter and numerous other citizens of Postelle, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3635. Also, petition of Dan Armour and numerous other citizens of Marion and Crawfordville, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3636. Also, petition of J. W. Scott and numerous other citizens of Phenix, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3637. Also, petition of Arnold York and numerous other citizens of Grimsley, Tenn., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3638. Also, petition of Charles Robinson and numerous other citizens of Mobile, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions \$30 to \$50 a month; to the Committee on Ways and Means.

3639. Also, petition of Alex Pennington and numerous other citizens of Nettleton, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pension of \$30 to \$50 a month; to the Committee on Ways and Means.

3640. Also, William Sharp and numerous other citizens of Norfolk, Va., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3641. Also, petition of J. H. Barnett and numerous other citizens of South Pittsburg, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3642. Also, petition of J. D. Marlin and numerous citizens of Portland, Tenn., favoring House bill 2856, by Congressman

WILL ROGERS, the Pope plan for direct Federal old-age pen- ! sions of \$30 to \$50 a month; to the Committee on Ways and Means

3643. Also, petition of James Motley and numerous other citizens of Memphis, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3644. Also, petition of J. J. Hoke and numerous other citizens of Fastrill and Rusk, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3645. Also, petition of John Hackett and numerous other citizens of Fulshear and Simonton, Tex., favoring House bill 2856, by Congressman WILL Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3646. Also, petition of Rev. Allen New and numerous other citizens of Harwood and Loving, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3647. Also, petition of J. H. Bowman and numerous other citizens of Fastrill, Rusk, and Grapeland, Tex., favoring House bill 2856, by Congressman WILL Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3648. By Mr. SADOWSKI: Senate Concurrent Resolution No. 5, of the State of Michigan, asking that the old post-office site and building in Lansing, Mich., be deeded to the State of Michigan; to the Committee on Appropriations.

3649. Also, petition of the Detroit Fire Department, Post No. 1339, Veterans of Foreign Wars, asking that a Veterans' Administration general hospital be built in the Detroit area; to the Committee on Appropriations.

3650. Also, petition of the Slovak League of America, endorsing House bill 2827; to the Committee on Ways and

3651. Also, petition of the St. Patrick's Holy Name Committee, asking that the Mexican Government be admonished and warned to refrain from further outrages; to the Committee on Foreign Affairs.

3652. Also, petition of Group No. 90 of the Polish National Alliance, asking that October 11 of each year be set aside as General Pulaski Memorial Day; to the Committee on the Judiciary

3653. Also, petition of Corporal James W. Johnson Post, No. 78, of the Veterans of Foreign Wars of the United States, endorsing House bill 1; to the Committee on Ways

3654. Also, petition of the Unity Citizens Club of Detroit. Mich., endorsing House bill 2827; to the Committee on Ways and Means.

3655. Also, Senate Concurrent Resolution No. 2 of the State of Michigan, asking for the immediate payment of the adjusted-service certificates; to the Committee on Ways and Means

3656. Also, Senate Concurrent Resolution No. 6 of the State of Michigan, asking that the General Pulaski Memorial Day resolution now pending be enacted by Congress; to the Committee on the Judiciary.

3657. Also, Senate Resolution 28 of the State of Michigan, requesting the authorizing and appropriating of sufficient moneys to build a Veterans' Administration hospital; to the Committee on Appropriations.

3658. By Mr. SPENCE: Petition of the burley tobacco growers of Grant County, Ky., requesting the House Committee on Agriculture to support the Flannagan bill, which provides for the compulsory grading of burley tobacco; to the Committee on Agriculture.

3659. By Mr. STEFAN: Resolution adopted by the Nebraska House of Representatives, memorializing the Congress of the United States to pass the President's workrelief bill, as submitted, without further delay; to the Committee on Appropriations.

3660. By Mr. TRUAX: Petition of the Delano Lodge. Amalgamated Association of Iron, Steel, and Tin Workers, Mansfield, Ohio, by their president, Thomas Williams, urging support of Wagner labor bill without revisions, as in no instance have they been able to secure an election among employees to see who shall represent them even though the steel labor board has ordered them held; to the Committee on Labor.

3661. Also, petition of the National Association of Tobacco Distributors, executive offices, New York City, by their executive secretary, Joseph Kolodny, strongly urging the renewal or extension of the National Industrial Recovery Act, as they believe it is ideally adapted to promote the best interests of the industries of the United States, including labor as a constituent part of said industries; to the Committee on

3662. Also, petition of the Benedict Club, of Cleveland, Ohio, by their president, S. J. Perchman, and their secretary. Charles Basey, urging the Chairman of the Judiciary Committee, the Ohio delegation, to use all influence to secure the passage of the Costigan-Wagner antilynching bill, as this bill is a decisive step toward the termination of the lynching evil which has for many years humiliated the decent and law-abiding citizens of this country; to the Committee on the Judiciary.

3663. Also, petition of the Lakewood Association of Fire Fighters, Lakewood, Ohio, by their recording secretary, E. A. O'Neill, urging on behalf of organized labor the support of any legislation that will provide for the payment of the prevailing rate of wages to those who may be employed on any projects under the provisions of the bill now before Congress known as "House Joint Resolution 117"; to the Committee on Labor.

# SENATE

TUESDAY, MARCH 12, 1935

(Legislative day of Monday, Mar. 4, 1935)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

# THE JOURNAL

On request of Mr. Robinson, and by unanimous consent. the reading of the Journal of the proceedings of the calendar day Monday, March 11, 1935, was dispensed with, and the Journal was approved.

# MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

PUBLIC UTILITY HOLDING COMPANIES (H. DOC. NO. 137)

Mr. ROBINSON. I suggest that the Chair lay before the Senate the message from the President, and then I will suggest the absence of a quorum.

The VICE PRESIDENT. The Chair lays before the Senate a message from the President of the United States.

Mr. ROBINSON. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

dams	Clark
shurst	Connally
ustin	Coolidge
achman	Copeland
allev	Costigan
ankhead	Couzens
arbour	Cutting
arkley	Dickinson
ilbo	Dieterich
lack	Donahey
one	Duffy
orah	Fletcher
rown	Frazier
ulkley	George
ulow	Gerry
urke	Gibson
yrd	Glass
yrnes	Gore
apper	Guffey

Hale

BBB

Carey

Harrison	Moore
Hastings	Murphy
Hatch	Murray
Hayden	Neely
Johnson	Norbeck
Keyes	Norris
King	Nye
La Follette	O'Mahoney
Lewis	Pittman
Logan	Pope -
Lonergan	Radcliffe
Long	Reynolds
McAdoo	Robinson
McCarran	Russell
McGill	Schall
McKellar	Schwellenb
McNary	Sheppard
Maloney	Shipstead
Metcalf	Smith
Minton	Steiwer
No. of Contract of	

lenbach

Thomas, Okla. Trammell Thomas, Utah Truman Townsend Tydings Vandenberg Van Nuys Wagner Walsh Wheele

Mr. AUSTIN. I announce that the Senator from Pennsylvania [Mr. Davis] is absent because of illness, and that the Senator from Maine [Mr. White] is necessarily detained from the Senate. I ask that the announcement stand for the day.

Mr. LEWIS. I announce that the junior Senator from Arkansas [Mrs. Caraway] and the junior Senator from Louisiana [Mr. Overton] are absent because of illness.

The VICE PRESIDENT. Ninety-one Senators have answered to their names. A quorum is present.

The message from the President of the United States will be read.

The Chief Clerk read as follows:

To the Congress of the United States:

I am transmitting to you herewith a report submitted to me by the National Power Policy Committee. I named this committee last summer from among the departments of the Government concerned with power problems to make a series of reports to coordinate Government policy on such problems. This report I am submitting to you is the recommendation of the committee with respect to the treatment of holding companies in the public-utility field. It deserves the careful attention of every Member of the Congress.

The so-called "public utility holding company bill" (title I of House bill 5423 and of Senate bill 1725), which was drafted under the direction of congressional leaders, incorporates

many of the recommendations of this report.

I have been watching with great interest the fight being waged against public utility holding company legislation. I have watched the use of investors' money to make the investor believe that the efforts of Government to protect him are designed to defraud him. I have seen much of the propaganda prepared against such legislation—even down to mimeographed sheets of instructions for propaganda to exploit the most far-fetched and fallacious fears. I have seen enough to be as unimpressed by it as I was by the similar effort to stir up the country against the securities exchange bill last spring. The Securities Exchange Act is now generally accepted as a constructive measure, and I feel confident that any fears now entertained in regard to proposed utility holding company legislation will prove as groundless as those last spring in the case of the Securities Exchange Act.

So much has been said through chain letters and circulars and by word of mouth that misrepresents the intent and purpose of a new law that it is important that the people of the country understand once and for all the actual facts of the case. Such a measure will not destroy legitimate business or wholesome and productive investment. It will not destroy a penny of actual value of those operating properties which holding companies now control and which holding company securities represent insofar as they have any value. On the contrary, it will surround the necessary reorganization of the holding company with safeguards which will in fact protect the investor.

We seek to establish the sound principle that the utility holding company so long as it is permitted to continue should not profit from dealings with subsidiaries and affiliates where there is no semblance of actual bargaining to get the best value and the best price. If a management company is equipped to offer a genuinely economic management service to the smaller operating utility companies, it ought not to own stock in the companies it manages, and its fees ought to be reasonable. The holding company should not be permitted to establish a sphere of influence from which independent engineering, construction, and other private enterprise is excluded by a none too benevolent private paternalism. If a management company is controlled by related operating companies, it should be organized on a truly mutual and cooperative basis and should be required to perform its services at actual cost demonstrably lower than the services can be obtained in a free and open market.

We do not seek to prevent the legitimate diversification of investment in operating utility companies by legitimate investment companies. But the holding company in the past has confused the function of control and management with that of investment and in consequence has more frequently than not failed in both functions. Possibly some holding companies may be able to divest themselves of the control of their present subsidiaries and become investment trusts. But an investment company ceases to be an investment company when it embarks into business and management. Investment judgment requires the judicial appraisal of other people's management.

The disappearance at the end of 5 years of those utility holding companies which cannot justify themselves as necessary for the functioning of the operating utility companies of the country is an objective which congressional leaders I have consulted deem essential to a realistic and far-sighted treatment of the evils of public utility holding companies. For practical reasons we should offer a chance of survival to those holding companies which can prove to the Securities and Exchange Commission that their existence is necessary for the achievement of the public ends which private utility companies are supposed to serve. For such companies, and during the interim period for other companies, the proposal for a comprehensive plan of public regulation and control is sound.

But where the utility holding company does not perform a demonstrably useful and necessary function in the operating industry and is used simply as a means of financial control, it is idle to talk of the continuation of holding companies on the assumption that regulation can protect the public against them. Regulation has small chance of ultimate success against the kind of concentrated wealth and economic power which holding companies have shown the ability to acquire in the utility field. No Government effort can be expected to carry out effective, continuous, and intricate regulation of the kind of private empires within the Nation which the holding-company device has proved capable of creating.

Except where it is absolutely necessary to the continued functioning of a geographically integrated operating utility system, the utility holding company with its present powers must go. If we could remake our financial history in the light of experience, certainly we would have none of this holding company business. It is a device which does not belong to our American traditions of law and business. It is only a comparatively late innovation. It dates definitely from the same unfortunate period which marked the beginnings of a host of other laxities in our corporate law which have brought us to our present disgraceful condition of competitive charter mongering between our States. And it offers too well demonstrated temptation to and facility for abuse to be tolerated as a recognized business institution. That temptation and that facility are inherent in its very nature. It is a corporate invention which can give a few corporate insiders unwarranted and intolerable powers over other people's money. In its destruction of local control and its substitution of absentee management it has built up in the public-utility field what has justly been called a system of private socialism which is inimical to the welfare of a free

Most of us agree that we should take the control and the benefits of the essentially local operating utility industry out of a few financial centers and give back that control and those benefits to the localities which produce the business and create the wealth. We can properly favor economically independent business, which stands on its own feet and diffuses power and responsibility among the many, and frowns upon those holding companies which through interlocking directorates and other devices have given tyrannical power and exclusive opportunity to a favored few. It is time to make an effort to reverse that process of the concentration of power which has made most American citizens, once traditionally independent owners of their own businesses, helplessly dependent for their daily bread upon the favor of a very few, who, by devices such as holding companies, have

taken for themselves unwarranted economic power. I am | against private socialism of concentrated private power as thoroughly as I am against government socialism. The one is equally as dangerous as the other; and destruction of private socialism is utterly essential to avoid governmental socialism.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE March 12 1935.

The VICE PRESIDENT. The message from the President, together with the accompanying report, will be printed and referred to the Committee on Interstate Commerce.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had passed a bill (H. R. 6359) to repeal certain provisions relating to publicity of certain statements of income, in which it requested the concurrence of the Senate.

FINAL REPORT OF ALIEN PROPERTY CUSTODIAN

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on the Judiciary:

To the Congress of the United States:

In accordance with the requirements of section 6, of the Trading with the Enemy Act, I transmit herewith, for the information of the Congress, the final report of the Alien Property Custodian on proceedings had under the Trading with the Enemy Act.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 12, 1935.

(Note.—Report accompanied similar message to the House of Representatives.)

INTERNATIONAL TECHNICAL COMMITTEE OF AERIAL LEGAL EXPERTS

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations:

To the Congress of the United States:

I commend to the favorable consideration of the Congress the enclosed report from the Secretary of State to the end that Public Resolution 118, Seventy-first Congress, be amended so as to authorize an annual appropriation to pay the pro rata share of the United States in the expenses of the International Technical Committee of Aerial Legal Experts and to authorize an annual appropriation in the sum of \$6,500, or so much thereof as may be necessary, for the expenses of participation by the Government of the United States in the meetings of the International Technical Committee of Aerial Legal Experts and/or of the commissions established by that Committee.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 12, 1935.

# CLAIMS OF SIOUX INDIANS

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Interior relative to the claims of individual Indians enrolled at the various Sioux agencies for loss of personal property and failure to receive allotments of land to which the applicants were entitled, etc., which, with the accompanying papers, was referred to the Committee on Indian Affairs.

# CREWS OF FISHING VESSELS IN FOREIGN PORTS

The VICE PRESIDENT also laid before the Senate a letter from the Chairman of the United States Tariff Commission, submitting a report on an investigation with respect to "The employment of crews in foreign ports for temporary service on United States fishing vessels, including the practice of dispatching United States fishing vessels with socalled 'skeleton crews'", which, with the accompanying report, was referred to the Committee on Finance.

# WORK RELIEF IN PUERTO RICO

The VICE PRESIDENT laid before the Senate a telegram from Hon. Miguel A. Garcia Mendez, speaker of the House of

Representatives of Puerto Rico, on behalf of that house, which was ordered to lie on the table and to be printed in the RECORD, as follows:

SAN JUAN, P. R., March 8, 1935.

Hon. John N. Garner,
President of the United States Senate,

Washington, D. C .:

The House of Representatives of Puerto Rico endorses House Joint Resolution No. 117 that gives power to the national administration to carry out an ample program of public works and plans for economic social rehabilitation in the States, Territories, and insular possessions, and it likewise requests that any rehabili-tation plan established by the national administration in Puerto Rico be implanted through the legislature and the executive departments of the insular government determined by the organic act in order to avoid duplication of government or the creation of a supergovernment in the island.

> MIGUEL A. GARCIA MENDEZ Speaker House of Representatives.

### PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following resolution of the Senate of the State of Kansas, which was referred to the Committee on Military Affairs:

A resolution memorializing Congress to enact legislation providing for the payment of travel pay to certain Spanish-American War

Whereas during the Spanish-American War the troops who were serving in the Philippine Islands in 1899 and their period of enlistment was about to expire, request was made from the War Department to have them remain in service for 6 months or longer

partment to have them remain in service for 6 months or longer until the troops could be sent over to replace them; and

Whereas these troops were promised by the officers in charge in the Philippine Islands at said time that if they would reenlist or remain in service during the emergency then existing they would be given the regular travel pay of soldiers whose enlistment expired and reenlisted in the service of the United States which was authorized by section 15 of the Army bill then in force; and

Whereas these troops were held to service for approximately 6 months or longer under said agreement and the promise made to them, thus saving the United States millions of dollars, and were so held without being formally mustered out and mustered in, it being a physical impossibility to go through the formal act of muster at that time; and

muster at that time; and

Whereas these troops were never paid the money promised them

by their superior officers, it taking an act of Congress to appropriate the money, although the men have been repeatedly promised this money since being mustered out, and committees in Congress have recommended the passage of an act appropriating Whereas numerous citizens of the State of Kansas would be greatly benefited by this bill; and
Whereas the Court of Claims of the United States has held that

this was a moral obligation to these soldiers, and in previous Congresses the war claims committee has recommended the bill do pass, and there is now pending in Congress, before the Committee on War Claims in the House of Representatives, H. R. 2024, which will provide for the payment of this obligation; and

will provide for the payment of this obligation; and

Whereas under present financial conditions this money would
immediately go into circulation and help relieve the present financial distress, and pay an obligation which the Government has
owed these soldiers for 36 years: Therefore be it

Resolved by the Senate of the State of Kansas, That the Congress of the United States be, and hereby is, respectfully memorialized to enact with all convenient speed such legislation as
may be necessary to pass this measure which will thus pay the
obligations which the Government has owed to these soldiers for
36 years; be it further

Resolved. That certified copies of this resolution, duly certified.

Resolved, That certified copies of this resolution, duly certified, be transmitted to the President of the Senate and the Speaker of the House of Representatives in Congress and to the Senators and Representatives in Congress from the State of Kansas, and that the latter be urged to use their best offices to procure the enactment of such legislation as will accomplish the purpose of this resolution.

Adopted March 6, 1935.

CHAS. W. THOMPSON. President of the Senate. CLARENCE W. MILLER, Secretary of the Senate.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Iowa, which was referred to the Committee on Agriculture and Forestry:

A concurrent resolution memorializing the Congress of the United States to amend the rules and regulations of making loans by the Federal Land Bank of Omaha, Nebr.

Whereas the Federal Land Bank of Omaha, Nebr., under its present rules and regulations, has refused to make loans on lands which are located in drainage districts where the lands situated therein are subject to special assessment for the drainage system installed in the said districts, and have also refused to make loans on lands which have been established as permanent pasture land;

Whereas due to the said rules and regulations there are numer-ous farmers located in the said districts who are in financial dis-tress at the present time, and are unable to get financial aid; and

Whereas the said lands on which the said Federal Land Bank of Omaha, Nebr., has refused to make loans under its rules and regulations, are valuable, tillable lands, and taxed on the same basis as other lands located in the State of Iowa: Be it

Resolved by the House of Representatives, State of Iowa (the Senate of the State of Iowa concurring), That we petition and pray the Congress of the United States to amend the law relating to loans made by the Federal Land Bank of Omaha, Nebr., and to liberalize the rules and regulations of the said Federal land bank so that the owners of land as enumerated in this resolution may receive the same advantages as owners of other Iowa farm lands; and be it further

Resolved, That the chief clerk of the house be and he is on the passage of this resolution directed to forward a printed copy of this memorial resolution to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, at Washington, D. C.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of North Dakota, which was referred to the Committee on Agriculture and Forestry:

# Senate Concurrent Resolution A

Senate Concurrent Resolution A

Be it resolved by the Senate of the State of North Dakota (the house of representatives concurring)—

Whereas during the present depression the original cost of producing meat and grain products is greatly in excess of the price now realized by the sale of the same, and that by reason thereof farmers are unable to pay their bills and debts, and each year find themselves further behind with their debts and obligations, and if the above situation continues for any additional length of time the farmers will lose their homes and all; and

Whereas during the time farmers are operating at a loss they cannot be purchasers of other manufactured products, and such industries will in turn fail for lack of business; and that all business of every kind and nature will be affected by this injustice to agriculture; and

ness or every kind and nature will be allected by this injustice to agriculture; and
Whereas it follows that every kind of business located in the agricultural communities must rise or fall with the farmers, and that the important and absolutely essential industry of agriculture cannot be stricken down without causing disaster to the country as a whole; and

whereas the placing of an embargo on the products mentioned would stabilize the prices thereof and bring such prices more in harmony with the production costs, together with a fair margin of profit, and bring the farmers out of the dire and distressing depression which now affects them: Now, therefore, be it Resolved by the Twenty-fourth Legislative Assembly of the State of North Dakota, That we respectfully petition the Congress of the United States to pass laws and provide rules and regulations to place an embargo on flax, wheat, hogs, cattle, and sheep, and upon pork, beef, and mutton products until such time as the prices of said grains, livestock, and meat products shall cover the cost of said grains, livestock, and meat products shall cover the cost of production, and we further petition that the law now permitting wheat to be milled in bond be repealed; be it further

wheat to be milled in bond be repealed; be it further

Resolved, That a copy of this resolution be forwarded to the
President of the United States, to both Houses of the Congress of
the United States, and each Member thereof from this State, to
the Secretary of Agriculture, and to each house of the legislative
assembly of those States whose legislatures are now in session.

A. S. Marshall,

President pro tempore of the Senate.

F. E. Tunnell,

Secretary of the Senate.

WILLIAM M. CROCKETT,

Speaker of the House.

Speaker of the House. Walter S. Martin, Chief Clerk of the House.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Texas, which was referred to the Committee on Agriculture and Forestry:

# Senate Concurrent Resolution 10

Whereas, unless immediate relief is given, hundreds and thousands of additional farmers will lose their farms and their homes, and millions more will be forced into our cities and villages, and the army of the unemployed will necessarily increase to alarming proportions; and

Whereas there is no adequate way of refinancing existing agricultural indebtedness, and the farmers are at the mercy of their mortgagees and creditors throughout this State and Nation; and Whereas the Frazier-Lemke refinance bill, being S. 212 and

Whereas the Frazier-Lemke remarke bin, being S. 212 and H. R. 2066 in the Congress of the United States, provides for the liquidating and refinancing of agricultural indebtedness at a reduced rate of interest, through the Farm Credit Administration and the Federal land banks; and

Whereas the Frazier-Lemke bill has the endorsement of 22 State legislatures, and in addition the lower houses of the States of New York and Delaware, and of many commercial clubs, chambers of commerce, bank organizations, and of business and professional men and women, as well as the great majority of the farmers of this Nation; and

Whereas the enactment of this bill will have a vital effect not only upon agriculture, but upon all classes of industry; and Whereas agriculture is the basic industry of this country, and there can be no recovery until agriculture is put upon a sound basis: Now, therefore, be it

Resolved, That it is the sense of your memorialists, the Legislature of Texas, the senate and the house concurring, that the Congress of the United States should enact the Frazier-Lemke bill without further delay; and be it further

Resolved, That a copy of this memorial, duly authenticated, be sent by the secretary of state to the President of the Senate and the Speaker of the House of Representatives of the United States, and to each Senator and Representative in Congress from this State, to the President of the United States, and to United States Senator Lynn J. Frazier and Congressman William Lemke.

Walter F. Woodul,

President of the Senate.

I hereby certify that Senate Concurrent Resolution 10 was adopted by the senate February 19, 1935, by the following vote: 21 yeas, 2 nays.

BOB BARKER Secretary of the Senate.

JAKE I. STEVENSON,

Speaker of the House of Representatives.

I hereby certify that Senate Concurrent Resolution 10 was adopted by the house of representatives February 20, 1935.

Louise Snow Phinney, Chief Clerk of the House of Representatives.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of North Dakota, which was referred to the Committee on Banking and Currency:

#### Senate Concurrent Resolution A

Be it resolved by the Senate of the State of North Dakota (the house of representatives concurring):

Whereas the United States Constitution under article I, section s, providing for powers granted to Congress, among other things, specifically provides "the Congress shall have power to coin money, regulate the value thereof and of foreign coins, and fix the standard of weights and measures"; and

Whereas this function and governmental power has been turned over to the national banks and thereby placed in the practical control of such banks; and

Whereas the use and abuse of this power has placed the economic direction and control of our country in the hands of a few men, and thereby determining its destiny; and

Whereas by reason of the delegation of this governmental power a few men own the great mass of wealth and property in this country; and

country; and

Whereas the result of such system was foretold by Jefferson, who said, "Already they have raised up a money aristocracy that has set the Government at defiance. The issuing power should be taken from the banks and restored to the Government and the people, to whom it rightfully belongs", and Lincoln said, "The money power of the country will endeavor to prolong its reign by working upon the prejudices of the people until all wealth is aggregated in a few hands and the Republic is destroyed. I feel at this time more anxious for my country than even in the midst of war", and Woodrow Wilson said, "The great monopoly in this country is the money monopoly. So long as that exists our liberty and freedom and individual energy of development are out of the question.

\* \* This is the greatest question of all, and to this statesmen must address themselves with an earnest determination to serve the long future and the true liberties of men"; and
Whereas it is necessary that this great power be restored to the

Whereas it is necessary that this great power be restored to the Government and its people, even though the hour is late:

Now, therefore, we urge upon Congress the passage of all necessary laws to reestablish the issuing of money as a monopoly of Government, and that there be established a system of Government banks exclusively owned, to the end that a bank system be provided for the people at cost; be it further

Resolved, That copies of this resolution be sent to the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, and the Senators and Congressmen from North Dakota.

A. S. MARSHALL, A. S. MARSHALL,

President pro tempore of the Senate.

F. E. TUNELL,

Secretary of the Senate.

WILLIAM M. CROCKETT,

Speaker of the House.

WALTER S. MARTIN,

Chief Clerk of the House. Chief Clerk of the House.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Indiana, which was referred to the Committee on | Interstate Commerce:

concurrent resolution memorializing Congress to extend to the States the privilege of imposing a nondiscriminatory tax upon retail sales in interstate commerce

Whereas necessity for property tax relief is imperative in Indiana, as well as in other States throughout the Union; and Whereas more than half of the States in an effort to afford prop-

perty tax relief and to provide revenue for essential functions of government have enacted laws imposing taxes based upon or measured by sales or tangible property purchased and delivered in such States: and

Whereas the State of Indiana has enacted a law imposing a tax

whereas the State of Indiana has enacted a law imposing a tax upon gross income, such tangible gross income including that derived from retail sales, from which source a considerable proportion of the revenue from this tax is derived; and

Whereas by virtue of judicial interpretation of the Federal Constitution, the States may not levy without consent of the Congress taxes based upon or measured by sales moving in interstate compenses; and merce; and

Whereas there is at least serious doubt whether the State of whereas there is at least serious doubt whether the beat of Indiana or any other State imposing such a gross income tax may, without the consent of Congress, tax such gross income derived from retail sales moving in interstate commerce; and

Whereas as a result of such interpretation of the existing law there is a discrimination in favor of interstate sales as against interestate sales and

intrastate sales; and
Whereas such discrimination, if permitted to continue, will tend
to divert business from normal channels in Indiana and elsewhere throughout the Union, thus subjecting local merchants to

Whereas it is of vital importance to the welfare of the people of the United States that all things be done to promote the stability of local business in order that the financial structure of Indiana and other States throughout the Union may be preserved; and

Whereas it rests within the power of Congress to permit the States to levy nondiscriminatory taxes upon sales, or upon or with respect to income derived from sales in interstate commerce; and Whereas the Honorable Pat Harrison, Senator from Mississippi, introduced a measure at the second session of the Seventy-third Congress designed to afford the States relief in this matter, and reading as follows:

"S 2007

"S. 2897

"An act to regulate interstate commerce by granting the consent of Congress to taxation by the several States of certain inter-

"Section 1. Be it enacted, etc., That all taxes or excises levied by any State upon sales of tangible personal property, or measured by sales of tangible personal property, may be levied upon or measured by sales of like property in interstate commerce, by the State into which the property is moved for use or consumption therein, in the same manner, and to the same extent, that said taxes or excises are levied upon or measured by sales of like said taxes or excises are levied upon or measured by sales of like property not in interstate commerce, and no such property shall be exempt from such taxation by reason of being introduced into any State or Territory in original packages, or containers, or otherwise: Provided, That no State shall discriminate against sales of tangible personal property in interstate commerce, nor shall any State discriminate against the sale of products of any other States: Provided further, That no State shall levy any tax or excise upon, or measured by, the sales in interstate commerce of tangible personal property transported for the purpose of resale by the consignee: Provided further, That no political subdivision of any State shall levy a tax or excise upon, or measured by, sales of tangible personal property in interstate commerce. For the of tangible personal property in interstate commerce. For the purpose of this act a sale of tangible personal property transported, or to be transported, in interstate commerce shall be considered as made within the State into which such property is to be transported for use or consumption therein, whenever such sale is made, solicited, or negotiated in whole or in part within the State.

the State.

"SEC. 2. Receivers, liquidators, referees, and other officers of any court of the United States are required to pay all taxes and licenses levied by any State or subdivision thereof the same as corporations, partnerships, concerns, persons, or association of persons are required to pay the same "; and

Whereas said measure was passed by the Senate on March 15, 1934, but was not voted upon by the House of Representatives, and hence did not become law; and

Whereas need for such legislation is imperative in order to correct grave injustice in Indiana and in all other States throughout the Union where taxes are based upon or measured by sales of tangible personal property or where taxes are imposed upon or

tangible personal property or where taxes are imposed upon or with respect to income from such sales: Therefore

SECTION 1. Be it resolved by the Senate of the General Assembly of the State of Indiana (the house of representatives concurring), That the General Assembly of the State of Indiana hereby respectfully memorialize the Congress of the United States to give relief to the State of Indiana and all other States imposing taxes based upon or measured by sales or tangible personal property or taxes upon or with respect to income derived from such sales by immediately providing for the regulation of interstate commerce by granting consent to taxation by the several States of certain inter-state sales substantially as provided by the measure (S. 2897)

introduced by Senator Harrison during the second session of the Seventy-third Congress.

SEC. 2. The secretary of the senate is hereby instructed to send copies of this resolution to the President of the United States, the copies of this resolution to the President of the United States, the President of the Senate, and to the Speaker of the House of Representatives of the Congress of the United States, to each United States Senator and Member of the Congress from Indiana, and to the Honorable Par Harrison, United States Senator from Mississippi, author of the measure which is intended to afford the States relief in this important matter.

This is an exact copy of Senate Concurrent Resolution No. 9 as passed by the Senate of the Seventy-ninth Indiana General Assembly, on February 15, 1935, and concurred in by the house on March 1, 1935.

March 1, 1935.

NORMAN W. GORDON, Secretary.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Minnesota, which was referred to the Committee on Interstate Commerce:

concurrent resolution memorializing Congress to authorize the States to tax sales and gross income and/or gross arising from transactions in interstate commerce

Whereas the tax burden upon real estate and tangible personal property is at this time the heaviest in the history of the State of Minnesota and in many instances amounts to confiscation, and a similar situation exists in many other States in the Nation; and Whereas by reason of economic conditions and of the necessity

whereas by reason of economic conditions and of the hecestry of appropriations for relief in the State of Minnesota and throughout the Nation, it has become imperatively necessary for the State of Minnesota and other States to seek new sources of revenue, such as the sales tax and the gross-income tax, and to use the revenue thus received in part to relieve the unconscionable burden now resting upon real estate and tangible personal property; and property; and
Whereas neither sales taxes nor gross-income taxes may be im-

Whereas neither sales taxes nor gross-income taxes may be imposed upon transactions in interstate commerce and thus many billions of dollars of income from sales and gross receipts entirely escape such taxation by the State: Now, therefore, be it Resolved by the Senate of the State of Minnesota (the house of representatives concurring), That we earnestly urge the Congress of the United States to pass appropriate legislation so that the several States may have power to tax sales and gross income arising from interstate commerce; Be it further

Resolved, That the secretary of state is hereby directed to send a duly authenticated copy of this resolution to the President of the United States, Vice President of the United States, Speaker of the House of Representatives, and to each Member of the Senate and Congress from the State of Minnesota.

HJALMAR PETERSEN, President of the Senate. GEORGE W. JOHNSON, Speaker of the House of Representatives.

Passed the senate the 13th day of February, 1935. G. H. Sparth,

Secretary of the Senate.

Passed the house of representatives the 28th day of February,

JOHN I. LEVIN, Chief Clerk, House of Representatives. Approved March -, 1935.

Filed March 2, 1935.

Governor of the State of Minnesota.

MIKE HOLM Secretary of State.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Minnesota, which was referred to the Committee on the Judiciary:

# Concurrent Resolution 14

A concurrent resolution memorializing the Congress of the United States to enact a Federal antilynching law

Whereas more than 15 citizens of the United States in widely scattered sections of the country have been lynched during the past year, though a great decrease over the previous year, yet sufficient to cause public expression of condemnation thereof to be made throughout the land; and

Whereas lynching is an unleastful depression of the land;

made throughout the land; and
Whereas lynching is an unlawful deprivation of the rights of
the citizens to the protection of article VI of the amendments
to the Constitution of the United States which reads as follows:
"In all criminal prosecutions the accused shall enjoy the right
to a speedy and public trial, by an impartial jury of the State and
district wherein the crime shall have been committed, \* \*
and to be informed of the nature and cause of the accusation; to
the confronted with the witnesses against him.

and to be informed of the nature and cause of the accusation; to be confronted with the witnesses against him; \* \* \* and to have the assistance of counsel for his defense."

Article XIV of the amendments of the Constitution of the United States of America, which reads, in part, as follows:

"Nor shall any State deprive any person of life, liberty, or property without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws"; and

Whereas lynching and mob violence tend to promote a general disregard for law and order and to undermine the very purpose and stability of government, and has a deteriorative effect both upon the people participating therein and the community wherein same occurs: And, therefore, be it

Resolved by the Senate of the State of Minnesota (the house of representatives concurring therein). That the Congress of the United States be and is hereby memorialized to enact a Federal antilynching law at the present session. That a copy of this resolution be transmitted to the President of the United States, the President of the Senate, the Speaker of the House of Representatives, and to each of the Senators and Representatives of the Congress from the State of Minnesota.

George W. Johnson,

George W. Johnson,
Speaker of the House of Representatives.
HJALMAR PETERSEN, President of the Senate.

Passed the house of representatives the 13th day of February 1935

Chief Clerk, House of Representatives.

Passed the senate the 4th day of March 1935. G. H. SPAETH, Secretary of the Senate.

Approved March 6, 1935.

FLOYD B. OLSON, Governor.

JOHN I. LEVIN,

Filed March 6, 1935.

MIKE HOLM. Secretary of State.

The VICE PRESIDENT also laid before the Senate the following resolutions of the General Court of Massachusetts, which were referred to the Committee on Finance:

Resolutions memorializing Congress in favor of the immediate cash payment of the adjusted-service certificates of veterans of the World War

Whereas it appears that present national economic conditions warrant the extension of adequate relief to a large number of those who served in the armed forces of the United States Government

who served in the armed forces of the United States Government during the recent World War; and
Whereas it appears that adjusted-service certificates were issued to those mentioned above by the Director of the United States Veterans' Bureau in compliance with section 501 of title V of the World War Adjusted Compensation Act; and

Whereas it appears that it is the consensus of opinion and the desire of a larger number of those who have received the above-

mentioned certificates to realize the immediate cash value of their adjusted-service certificates: Therefore be it Resolved, That the General Court of Massachusetts respectfully

represents to Congress and the President of the United States the advisability of providing for the immediate payment to war veterans of the face value of their adjusted-service compensation cer-

erans of the face value of their adjusted-service compensation certificates; and be it further

Resolved, That a copy of these resolutions be forwarded forthwith by the secretary of the Commonwealth to the President of the United States, to the presiding officers of both branches of Congress, and to the Members thereof representing this Commonwealth.

In house of representatives, adopted February 27, 1935.

In senate, adopted in concurrence, March 6, 1935.

A true copy. Attest:

[SEAL]

F. W. COOK.

[SEAL]

F. W. Cook, Secretary of the Commonwealth.

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of the State of Oregon, which was referred to the Committee on Appropriations:

Senate Joint Memorial 18

To the Honorable Senate and House of Representatives of the United States of America in Congress assembled:
We, your memorialists, the Thirty-eighth Legislative Assembly

of the State of Oregon, convened in regular session, respectfully represent that:

represent that:

Whereas the ravages caused by prune thrips amount to millions of dollars of loss to the prune growers of Oregon; and
Whereas this pest is spreading rapidly into the adjoining States of California, Washington, and Idaho; and
Whereas the State of Oregon still is seriously suffering financially from the effects of the recent depression and cannot, therefore, finance necessary investigations and control measures: Now, therefore, be it

Resolved by the Senate of the State of Oregon (the house of

therefore, be it

Resolved by the Senate of the State of Oregon (the house of representatives jointly concurring therein), That we, your memorialists, the Thirty-eighth Legislative Assembly of the State of Oregon, convened in regular session, respectfully petition the Congress of the United States to make necessary appropriations available immediately to the United States Department of Agriculture, collaborating with the Oregon agricultural experiment station, to combat and control this pest; and be it further

Resolved, That the secretary of state of the State of Oregon be, and he hereby is, directed to forward a copy of this joint memorial, under his certificate and seal, to the President of the United States, the President of the United States Senate, the

Speaker of the United States House of Representatives, the Secretary of Agriculture of the United States, and to each Member of the Oregon delegation in Congress.

The VICE PRESIDENT also laid before the Senate the following resolution of the House of Representatives of the State of Nebraska, which was ordered to lie on the table:

Resolution memorializing the Congress of the United States to pass the President's work-relief bill as submitted without further delay

Whereas there are many needy and unemployed people in the State of Nebraska and in other States of the United States who are in dire distress and who must have immediate relief if they are to receive the bare necessities of life; and

Whereas the President of the United States has presented a work-relief bill appropriating \$4,800,000,000 for such relief; and

Whereas such sum of money is necessary to carry on the comprehensive relief program for the United States under present conditions; and

conditions; and
Whereas this house is in complete accord with the President in the position which he has taken in his said work-relief bill whereby the amount of compensation paid for relief work shall not exceed \$50 per month, a little less than the rate of pay which relief work-ers will be able to receive as and when they are again absorbed in the profitable pursuits of labor in connection with private indus-

the profitable pursuits of labor in connection with private industry; and

Whereas the failure of certain politicians in Congress promptly to pass the President's work-relief bill is causing unrest among those who, without fault of their own, find it impossible to procure work to obtain the necessities of life and uncertainty in business transactions in the several States: Now, therefore, be it

Resolved by the House of Representatives of the State of Nebraska in fiftieth session assembled—

1. That this house respectfully petitions and memorializes the Congress of the United States to pass with all convenient speed and celerity the President's work-relief bill, appropriating \$4,800,-000,000 for the purposes therein set forth.

2. That the clerk of this house be hereby ordered and directed forthwith to forward a copy of this resolution, properly authenticated and suitably engrossed, to the President of the United States, to the Speaker of the House of Representatives of the United States, and to each of the United States Senators representing the State of Nebraska, and to each of the Congressmen in the House of Representatives of the United States representing the State of Nebraska, to take such steps as may be necessary without further delay to the end that said work-relief appropriation bill shall immediately be enacted into law.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of Puerto Rico, which was referred to the Committee on Banking and Currency:

- I, Enrique Gonzalez Mena, secretary of the Senate of Puerto Rico, do hereby certify that the following concurrent resolution was unanimously approved by the Senate of Puerto Rico on Feb-ruary 19, 1935, and by the house of representatives on March 5,
- Concurrent resolution to petition the Congress of the United States of America to make extensive to Puerto Rico the benefits of the act in regard to the insurance of deposits in banking institutions, and especially those derived from the activities of the Federal Deposit Insurance Corporation

"Whereas it is unquestionable that the inclusion of Puerto Rico in the benefits of the Deposit Insurance Corporation created by virtue of amendments introduced into the Federal Re-

ated by virtue of amendments introduced into the Federal Reserve Act would considerably improve the condition of insular credit bound up in the local banks organized under the laws of Puerto Rico with Puerto Rican capital;

"Whereas such inclusion of Puerto Rico in the benefits of said organization will place the local banks in circumstances similar to those of the national banks doing business in Puerto Rico, and will avoid unjust and unequal competition on the part of national banking institutions against those organized under the laws of Puerto Rico;

"Whereas insular credit requires that the native credit institutions organized with local capital, where numerous interests of the country are united, be placed on the same plane of action as the national banking institutions doing business in this island of Puerto Rico, and be protected in like manner by national legislation so that no new uneasiness may be caused in our economic structure, actually bankrupted by the acute economic depression through which we have been passing for the last few years; last few years;

last few years;

"Whereas neither the previous act creating the Deposit Insurance Corporation nor the pending bills now under the consideration of the Congress of the United States, and especially the Steagall banking bill, H. R. 5357, include Puerto Rico, notwithstanding the fact that the benefits of the act are made extensive to the Territories of Hawaii and Alaska;

"Whereas it is urgently necessary that all said legislation include Puerto Rico, making its benefits extensive to the local credit institutions established, organized, and operating under the laws of Puerto Rico;

"Whereas by this resolution the Legislature of Puerto Rico expresses its desire, willingness, and wish that the benefits of the said Deposit Insurance Act be extended to Puerto Rico, and the credit corporations and institutions and banks organized under the laws of this island and doing business in Puerto Rico, receive the benefits thereof: Now, therefore, be it

"Resolved by the Senate of Puerto Rico (the House of Representatives of Puerto Rico concurring):

"Section 1. That the Congress of the United States of America be petitioned, and it is hereby petitioned, to make extensive to Puerto Rico the benefits of the Deposit Insurance Act, and likewise to extend to our island all the activities of the Federal Deposit Insurance Corporation so that all credit institutions and banks organized under the laws of Puerto Rico may receive its banks organized under the laws of Puerto Rico may receive its benefits.

"SEC. 2. That as the said measure is also of prime importance for the guaranteeing of insular credit, the President of the United States of America is likewise petitioned to intervene and give his decided cooperation toward securing for this island all the

benefits of the said act.

"SEC. 3. That a copy of this resolution be sent by air mail, immediately after its passage, to the President of the United States, to both Houses of Congress of the United States of America, to the Chief of the Division of Territories and Possessions of the Department of the Interior of the United States, and to the Resident Commissioner of Puerto Rico in Washington, requesting the latter to give his whole cooperation to the peti-tion herein contained; and that a copy be sent to the Governor of Puerto Rico, asking for his cooperation."

For transmittal to the President of the Senate of the United States I have hereunto set my hand and caused to be affixed the seal of the Senate of Puerto Rico on this 6th day of March 1935.

Enrique Gonzalez Mena,

Secretary of the Senate.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the Territory of Hawaii, which was referred to the Committee on Territories and Insular Affairs:

Whereas the strategic military and naval position of the Territory is well known throughout the world and has been made manifest through recent large appropriations by the Congress of the United States to strengthen the defenses of the islands; and Whereas some 7,000 former service men, including many veterans

Whereas some 7,000 former service men, including many veterans of the World War, are now resident in this Territory; and Whereas the only hospitalization facilities available in this Territory for any of these 7,000 former service men in the event of sickness or disease are at the Pearl Harbor Naval Hospital when a bed or beds may not be needed to care for any ailing man on active service with the United States naval forces; and Whereas records on file in the Veterans' Bureau at Washington, D. C., of a survey made by the Honorable Lawrence M. Judd, then Governor of Hawaii, through his addutant general showed the dire

Governor of Hawaii, through his adjutant general, showed the dire necessity for additional hospitalization facilities for the use of former service men and that at least 90 beds are needed at once:

Now, therefore, be it

Resolved by the Senate of the Territory of Hawaii (the house of representatives concurring), That the Congress of the United States be petitioned, through the Governor of Hawaii and the Delegate from Hawaii to Congress, to provide adequate funds for the establishment in Hawaii of a home for the Territory of Hawaii as a branch of the National Military Home; and be it further Resolved, That a copy of this resolution be transmitted to the Vice President of the United States, the Speaker of the House of Representatives, the Governor of Hawaii, and the Delegate from

the Governor of Hawaii, and the Delegate from Representatives. Hawaii to the Congress of the United States.

The VICE PRESIDENT also laid before the Senate a joint memorial of the Legislature of the State of Idaho, favoring the enactment of legislation known as the "Townsend oldage pension revolving-fund plan", which was referred to the Committee on Finance.

(See joint memorial printed in full when presented by Mr. BORAH on the 11th instant, pp. 3326-3327, CONGRESSIONAL RECORD.)

The VICE PRESIDENT also laid before the Senate a joint resolution of the Legislature of the State of Montana, memorializing Congress to enact legislation requiring the use of granite and natural stone in the construction of public buildings under the Public Works program, which was referred to the Committee on Public Buildings and Grounds.

(See joint resolution printed in full when presented by Mr. MURRAY on the 11th instant, p. 3327, CONGRESSIONAL RECORD.)

The VICE PRESIDENT also laid before the Senate resolutions adopted by Farmers Union Locals of Solon, Brittain, and Campbell, all of Hettinger County, N. Dak., favoring the passage of the so-called "Frazier-Lemke farm refinancing bill", which were referred to the Committee on Agriculture and Forestry.

He also laid before the Senate resolutions adopted by the Board of Commissioners of the City of Camden, N. J., and

McFarland Post No. 9, American Legion, Department of Colorado, of La Junta, Colo., favoring the enactment of legislation providing for the immediate payment of adjustedservice certificates of World War veterans, which were referred to the Committee on Finance.

He also laid before the Senate petitions of sundry citizens of the State of Indiana praying for the enactment of legislation providing penalties for persons who seek or plan the overthrow of the Government by force or violence, which were referred to the Committee on the Judiciary.

He also laid before the Senate a resolution adopted by the Yuba-Sutter Bar Association, of the State of California, favoring the enactment of legislation providing a fifth circuit judge of the United States Circuit Court of Appeals, Ninth Circuit, which was referred to the Committee on the Judiciary.

He also laid before the Senate petitions of sundry citizens of the States of California, Maryland, Michigan, New Jersey, and New York, praying for an investigation of charges filed by the Women's Committee of Louisiana relative to the qualifications of the Senators from Louisiana [Mr. Long and Mr. OVERTON], which were referred to the Committee on Privileges and Elections.

He also laid before the Senate resolutions adopted by the City Commissioners of Madison, Wis.; the City Commission of Brenham, Tex.; the mayor and council of the Borough of Fairview, N. J.; and the Common Councils of the cities of Ottawa, Ill., Attica, Ind., Holdenville, Okla., Fall River, Mass., Milwaukee, Wis., and Ely, Minn., favoring the enactment of pending legislation proclaiming October 11 in each year as General Pulaski's Memorial Day, which were ordered to lie on the table.

Mr. MALONEY presented a resolution adopted by Group No. 513, Polish National Alliance of the United States of North America, of Wallingford, Conn., favoring the enactment of pending legislation proclaiming October 11 in each year as General Pulaski's Memorial Day, which was ordered to lie on the table.

Mr. COPELAND presented a resolution adopted by the Chamber of Commerce of Geneva, N. Y., protesting against the adoption of proposed amendments to the Agricultural Adjustment Act, as embodied in Senate bill 1807 and House bill 5585, which was referred to the Committee on Agriculture and Forestry.

He also presented resolutions adopted by the Parent-Teacher Associations of Chester and Greenwood Lake, and No. 42, School Parent-Teacher Association, favoring the establishment of a national film institute, to encourage the production, distribution, and exhibition of motion pictures for visual education and suitable entertainment, which were referred to the Committee on Education and Labor.

He also presented a resolution adopted by the United Taxpayers of Long Beach, N. Y., protesting against the enactment of measures to extend the Federal power so as to tax such commodities as gasoline, which was referred to the Committee on Finance.

He also presented a resolution adopted by the Board of Supervisors of Monroe County, N. Y., favoring the ratification of the Great Lakes-St. Lawrence Deep Waterway Treaty, which was referred to the Committee on Foreign Relations.

He also presented petitions of sundry citizens of Rochester, N. Y., praying for the repeal of the so-called "Wheeler-Howard Indian welfare bill", which were referred to the Committee on Indian Affairs.

He also presented a resolution adopted at a public meeting in the Town Hall Club, sponsored by the Women's International League for Peace and Freedom, New York City, N. Y., favoring the passage of the so-called "Wagner-Costigan antilynching bill", which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by the Ministers' Association of Hornell, N. Y., and vicinity, favoring the nationalization of the manufacture and sale of arms and munitions, etc., and the outlawry of war, and protesting against proposed naval activities in the Pacific, which was referred to the Committee on Military Affairs.

He also presented a resolution adopted by the executive council of the Order of the Sons of Ireland in America, New York City, N. Y., favoring the enactment of Senate Joint Resolution No. 41, authorizing the issuance of a special postage stamp in honor of Commodore John Barry, which was referred to the Committee on Post Offices and Post Roads.

Mr. TYDINGS presented a petition of sundry citizens of the State of Maryland, praying for the passage of old-age pension legislation, which was referred to the Committee on Finance:

He also presented resolutions adopted by the western Maryland section of the Holy Name Society, comprising Catholic parishes in Garrett and Allegany Counties, and the Holy Name Society of the Sacred Heart Church of Baltimore, in the State of Maryland, protesting against alleged religious persecutions in Mexico, and favoring the recall of the American Ambassador to that country, which were referred to the Committee on Foreign Relations.

He also presented a resolution adopted by the Baltimore (Md.) Preachers' Meeting of the Methodist Episcopal Church, urging that the Committee on Foreign Relations do not report favorably to the Senate the resolution (S. Res. 70) protesting against religious persecutions by the Government of Mexico, and authorizing an investigation thereof by the Committee on Foreign Relations, which was referred to the Committee on Foreign Relations.

He also presented a resolution adopted by the Coal Control Association of Georges Creek and Upper Potomac, Md. and W. Va., protesting against the enactment of legislation providing a 6-hour day and a 30-hour week in the bituminous coal industry, which was referred to the Committee on Interstate Commerce.

He also presented a memorial numerously signed of sundry citizens of Oakland and vicinity, in the State of Maryland, remonstrating against the enactment of legislation adversely affecting the interests of investors in the securities of public-utility companies, which was referred to the Committee on Interstate Commerce.

He also presented petitions of sundry citizens of the State of Maryland, praying for the publication at Government expense of all testimony taken by the Federal Communications Commission, Broadcast Division, in relation to the broadcasting of programs of interest, convenience, and necessity, together with the report of the Commission, which were referred to the Committee on Interstate Commerce.

Mr. WALSH presented a resolution adopted by Branch Lowell No. 60, of the Polish Workmen's Aid Fund, in the State of Massachusetts, endorsing the so-called "Wagner bill", providing for majority rule in collective bargaining, the outlawry of company-promoted unions, etc., which was referred to the Committee on Education and Labor.

He also presented a memorial of several citizens of Bridgewater and East Bridgewater, Mass., remonstrating against the enactment of legislation providing immediate payment of adjusted-service certificates of World War veterans, which was referred to the Committee on Finance.

He also presented the petition of Curtis Guild Post No. 1538, Veterans of Foreign Wars of the United States, of Chelsea, Mass., favoring the enactment of the so-called "Patman bill", being the bill (H. R. 1) to provide for the immediate payment to veterans of the face value of their adjusted-service certificates and for controlled expansion of the currency, which was referred to the Committee on Finance.

He also presented a petition of sundry citizens of Fitchburg, Mass., praying for repeal of the section of the Revenue Act of 1934 relative to publicity of income-tax returns, which was referred to the Committee on Finance.

He also presented a petition of sundry citizens of Los Angeles, Calif., praying for the adoption of the so-called "Townsend old-age-pension plan", which was referred to the Committee on Finance.

He also presented the petition of Orange Townsend Club No. 1, of Orange, Mass., praying for the adoption of the so-called "Townsend old-age-pension plan", which was referred to the Committee on Finance.

He also presented a resolution adopted by the Holy Name Society of St. Joseph's Church (Lithuanian), of Lowell, Mass., protesting against alleged religious persecutions in Mexico, and favoring the withdrawal of the United States Ambassador to that country, which was referred to the Committee on Foreign Relations.

He also presented memorials of sundry citizens of Amherst and Beverly, Mass., remonstrating against the enactment of legislation affecting adversely the interests of investors in securities of public-utility companies, which were referred to the Committee on Interstate Commerce.

He also presented a petition of sundry citizens, being veterans domiciled at Veterans Facility Home, Togus, Maine, praying for the enactment of legislation providing free use of the mails to veterans during the period of domiciliary care and hospitalization in national homes, which was referred to the Committee on Post Offices and Post Roads.

Mr. PITTMAN presented the following joint resolution of the Legislature of the State of Nevada, which was referred to the Committee on Appropriations:

Assembly joint resolution petitioning the Honorable Harry L. Hop-kins, Federal Emergency Relief Administrator of the United States, for an allotment of funds in the sum of \$27,000 for the aid and relief of the Clark County school system at Las Vegas, in Clark County, Nev.

Whereas the influx of thousands of people with their families was brought about through the construction of the Boulder Dam, near Las Vegas, in Clark County, Nev., with a great increase in the number of children of school age; and

Whereas the school population of the high school at Las Vegas, which in normal times have a total enrollment of 285 students; and

Whereas the accommodation of students in the Las Vegas schools from Boulder City increased this normal school enrollment to more than 600; and

Whereas Boulder City is situated approximately 26 miles from the Las Vegas schools, making it necessary that transportation should be provided for the children living at Boulder City and attending the Las Vegas school, which cost of transportation is at

the rate of \$55 per day; and
Whereas the school funds in this district have been depleted to the extent that on and after the 1st day of March teachers will be unable to draw their pay; and
Whereas this condition of affairs has been brought about by the

Whereas this condition of affairs has been brought about by the honest efforts and the requirements of the law in the State of Nevada to properly educate the young in this State, by reason of which efforts the children of Boulder City were accorded the same opportunities as those normally resident of said district; and Whereas unless relief can be obtained from the Federal Government to alleviate this condition it will be equivalent to penalizing the parents and students of Clark County for conditions that have been brought about by being fair to the Federal Government; Now, therefore be it

therefore, be it

Resolved by the Assembly and Senate of the State of Nevada, That the Honorable Harry L. Hopkins, Federal Emergency Relief Administrator, be petitioned to provide relief in the sum of \$27,000 to the Clark County School Board, Clark County, State of Nevada, for the purpose of maintaining their schools which have been reduced to bankruptcy in taking care of the students from Boulder City; and be it further

Resolved, That duly certified copies of this resolution be transmitted by the secretary of state of the State of Nevada to the Honorable Harry L. Hopkins, Federal Emergency Relief Administrator, at Washington, D. C., to each of our Senators in the United States Senate, and to our Representative in Congress, with the request that provisions be made immediately for the financing of said school district to the end that teachers shall be justly compensated for their services for their services.

WILLIAM KENNETT, Speaker of the Assembly. Leonard A. Wilson, Chief Clerk of the Assembly. Fred S. Alward, President of the Senate. EDWARD A. DUCKER, Jr., Secretary of the Senate.

State of Nevada, executive department. Approved March 7, 1935.

RICHARD KIRMAN, Governor.

Mr. PITTMAN also presented the following joint resolution of the Legislature of the State of Nevada, which was referred to the Committee on Post Offices and Post Roads:

Whereas experience has shown that the special provisions promulgated by the Federal Bureau of Public Roads authorizing contractors to be the sole judge of the qualifications of employees using heavy equipment, defeats the object and purpose of the law to employ local labor: Now, therefore, be it

Resolved by the Assembly and Senate of the State of Nevada, That the special provisions permitting contractors to be the sole judge of the qualifications of employees using heavy equipment be abrogated, and a rule requiring that only citizens of the State wherein said work is being performed shall be employed on such work; and further

Resolved. That copies of this resolution be forthwith transmitted by the secretary of state to our Senators and Representatives in Congress, to the Chief of the Bureau of Roads, and that a copy, under the great seal of the State of Nevada, be sent to the President

of the United States.

FRED S. ALWARD,
President of the Senate. EDWARD A. DUCKER, Jr., Secretary of the Senate.
WILLIAM KENNETT, Speaker of the Assembly. LEONARD A. WILSON, Chief Clerk of the Assembly.

State of Nevada, executive department. Approved March 7, 1935. RICHARD KIRMAN, Governor.

Mr. REYNOLDS presented the following joint resolution of the Legislature of the State of North Carolina, which was referred to the Committee on Agriculture and Forestry:

A joint resolution requesting the Senators and the Members of the House of Representatives from North Carolina in the Con-gress of the United States to vote against a bill known as the gress of the United States to vote against a bill and "Flannagan bill", relating to Government grading of tobacco

Whereas it is the sense of the General Assembly of North Caropassage of the Flannagan bill, relating to the Government grading of tobacco, will work a great hardship on the farmers, warehousemen, and others interested in the handling of tobacco in North Carolina, and will not be beneficial to anyone: Therefore be it

Resolved by the house of representatives (the senate con-

curring) -

SECTION 1. That the Members of the United States Senate SECTION 1. That the Members of the United States Senate and the House of Representatives from North Carolina in the United States Congress be, and they are hereby, requested to vote and to use their influence against the passage of that bill now pending in the United States Congress known as the "Flannagan bill", relating to the Government grading of tobacco.

SEC. 2. That a certified copy of this resolution be filed by the Governor of North Carolina to the Congress of the United States and to each of the Members thereof from North Carolina.

SEC. 3. That this resolution shall be in full force and effect from and after its retification.

from and after its ratification.

In the general assembly, read three times and ratified this the 8th day of March 1935.

A. H. GRAHAM, President of the Senate. R. G. JOHNSON, Speaker of the House of Representatives.

Examined and found correct.

R. G. CARSON, For Committee.

# REPORTS OF COMMITTEES

Mr. LOGAN, from the Committee on the Judiciary, to which was referred the bill (S. 509) to prevent the use of Federal official patronage in elections and to prohibit Federal officeholders from misuse of positions of public trust for private and partisan ends, reported it without amendment.

He also, from the Committee on Claims, to which was referred the bill (S. 538) for the relief of H. Kaminski & Co., Kaminski Hardware Co., and the Carolina Hardware Co., reported it with an amendment and submitted a report (No. 307) thereon.

Mr. TRAMMELL, from the Committee on Naval Affairs, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 93. A bill to authorize certain officers of the Navy and Marine Corps to administer oaths (Rept. No. 304):

S. 1210. A bill authorizing certain officials under the Naval Establishment to administer oaths (Rept. No. 305); and

S. 1606. A bill to prohibit the unauthorized wearing, manufacture, or sale of medals and badges issued by the Navy Department (Rept. No. 306).

Mr. WHEELER, from the Committee on Indian Affairs, to which was referred the bill (S. 613) to add certain publicdomain land in Montana to the Rocky Boy Indian Reservation, reported it without amendment and submitted a report (No. 308) thereon.

Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs, to which were referred the following bills,

reported them severally without amendment and submitted reports thereon:

S. 380. A bill to reserve 80 acres on the public domain for the use and benefit of the Kanosh Band of Indians in the State of Utah (Rept. No. 309);

S. 612. A bill for the benefit of the Omaha and Winnebago Indians of Nebraska (Rept. No. 310);

S. 654. A bill authorizing the exchange of the lands reserved for the Seminole Indians in Florida for other lands (Rept. No. 311)

S. 1142. A bill to reserve certain public-domain lands in Nevada and Oregon as a grazing reserve for Indians of Fort McDermitt, Nevada (Rept. No. 312);

S. 1498. A bill for the relief of Robert D. Baldwin (Rept. No. 313):

S. 1499. A bill for the relief of Robert J. Enochs (Rept. No. 314):

S. 1502. A bill for the relief of Charles L. Graves (Rept. No. 315);

S. 1520. A bill for the relief of Charles E. Dagenett (Rept. No. 316); and

S. 1814. A bill to authorize the creation of an Indian village within the Shoalwater Indian Reservation, Wash., and for other purposes (Rept. No. 317).

Mr. HATCH, from the Committee on Indian Affairs, to which was referred the bill (S. 1831) transferring certain national-forest lands to the Zuni Indian Reservation, N. Mex., reported it without amendment and submitted a report (No. 318) thereon.

Mr. FRAZIER, from the Committee on Indian Affairs, to which was referred the bill (S. 1942) to repeal the act entitled "An act to grant to the State of New York and the Seneca Nation of Indians jurisdiction over the taking of fish and game within the Allegany, Cattaraugus, and Oil Spring Indian Reservations", approved January 5, 1927, reported it without amendment and submitted a report (No. 319) thereon

Mr. POPE, from the Committee on Mines and Mining, to which was referred the bill (S. 1476) to provide for unemployment relief through development of mineral resources; to assist the development of privately owned mineral claims; to provide for the development of emergency and deficiency minerals; and for other purposes, reported it with amendments and submitted a report (No. 320) thereon.

# BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MALONEY:

A bill (S. 2222) granting a pension to Jane A. Britton; to the Committee on Pensions.

By Mr. ASHURST (by request):

A bill (S. 2223) to amend section 1 of the act of July 8, 1932; to the Committee on the Judiciary.

By Mr. DUFFY:

A bill (S. 2224) making it unlawful for jurors who have served in criminal trials to move or travel in interstate or foreign commerce to give a public performance for profit involving the giving of information as to what transpired at such trial; to the Committee on the Judiciary.

By Mr. BAILEY:

A bill (S. 2225) authorizing adjustment of the claim of the Western Union Telegraph Co.; to the Committee on Claims. By Mr. NEELY:

A bill (S. 2226) for the relief of David J. Pritchard; to the Committee on Claims.

By Mr. TYDINGS:

A bill (S. 2227) for the relief of John T. Armstrong; to the Committee on Claims.

By Mr. BANKHEAD:

A bill (S. 2228) to provide for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges and agricultural experiment stations; to the Committee on Agriculture and Forestry.

By Mr. RUSSELL:

A bill (S. 2229) for the relief of Nellie S. Barbee; to the Committee on Claims.

By Mr. TRAMMELL:

A bill (S. 2230) to authorize the Secretary of the Navy to acquire a suitable site at Pearl Harbor, Territory of Hawaii, for a rear range light; to the Committee on Naval Affairs.

By Mr. WAGNER:

A bill (S. 2231) prohibiting homestead entry on certain public lands; to the Committee on Public Lands and Surveys. By Mr. McCARRAN:

A bill (S. 2232) to terminate certain foreign trade agreements and to terminate the authority to enter into them; to the Committee on Foreign Relations.

A bill (S. 2233) to provide for the bonding of Federal officials and employees; to the Committee on the Judiciary.

## HOUSE BILL REFERRED

The bill (H. R. 6359) to repeal certain provisions relating to publicity of certain statements of income was read twice by its title and referred to the Committee on Finance.

#### PUBLICITY OF INCOME-TAX RETURNS-AMENDMENT

Mr. LA FOLLETTE submitted an amendment intended to be proposed by him to the bill (H. R. 6359) to repeal certain provisions relating to publicity of certain statements of income, which was ordered to lie on the table and to be printed.

## COMMITTEE ON AVIATION AND RADIO

Mr. McADOO submitted the following resolution (S. Res. 101), which was referred to the Committee on Rules:

Resolved, That rule XXV of the Standing Rules of the Senate be, and the same is hereby, amended by inserting, on page 30, after the seventh line of paragraph 1, the following:
"Committee on Aviation and Radio, to consist of 15 Senators."

## THE MERCHANT MARINE-ADDRESS BY SENATOR WALSH

Mr. COPELAND. Mr. President, I ask unanimous consent that there may be printed in the RECORD a very valuable and instructive address delivered last evening over the radio by our colleague the senior Senator from Massachusetts [Mr. Walsh]. The address relates to the merchant marine. heard a portion of it over the radio, and I was sorry I did not hear it all. When I get my copy of the RECORD tomorrow I shall take the opportunity of reading the address in full. I ask unanimous consent that it may be inserted in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Representing in part in the United States Senate a State whose early history was conspicuously associated with maritime activities, I have long been of the opinion that an adequate merchant marine is one of the major requirements of the United States.

In times of peace we need a merchant fleet in order that our trade may be extended and protected with adequate service at fair

and reasonable rates

and reasonable rates.

In times of war, whether this country or others alone be involved, the need for adequate shipping facilities is even more imperative. If the United States is engaged in combat, our merchant fleet serves as an auxiliary to our Army and Navy operations.

If other countries are involved in strife, their merchant vessels will be chiefly in war activities and will be withdrawn from American commerce. In the absence of an American merchant marine, the result will be American products piling up at our terminals for lack of shipping facilities, or transportation only in foreign bottoms at exorbitant rates and uncertain service.

Today our merchant marine facilities are inadequate to effective the service of the service of the service of the service of the service.

Today our merchant marine facilities are inadequate to effectively meet the requirements of either peace or war. Our tonnage has declined in both size and effectiveness since the close of the World War. In numbers they may appear adequate, but in effectiveness they are not. Our fleet is weak because most of its vessels are old and slow. Worst of all, arrangements are not being made rapidly enough for replacement of ships when they pass the age of usefulness.

Our merchant fleet operating in international trade, carrying goods and passengers, is only approximately one-fourth the size of Great Britain's and about the same size as that of Japan. From the total number of our merchant ships it would appear that we have almost three times as many ships as are listed above. The catch in that fact is that many of them are engaged in coastwise

Were war to break out tomorrow, it would be necessary for the United States Navy to take over a large part of American merchant shipping for auxiliary work. Even then, this arm of our national defense would be far short of our requirements. Our national defense would be seriously endangered by a lack of cer-

tain types of merchant vessels which naval authorities declare are absolutely essential to the waging of successful warfare.

President Roosevelt, in a recent message to Congress, has called attention to our inadequate merchant-marine facilities and urged remedial action during the present session of Congress. Senators and Representatives already are studying the problem attentively, and I am urging all citizens who believe in a strong line of national defense to vigorously support the administration program for an adequate merchant marine.

The President in addressing Congress presented outstanding and

for an adequate merchant marine.

The President in addressing Congress presented outstanding and imperative reasons for an adequate merchant fleet, as follows:

"To me there are three reasons for answering the question in the affirmative. The first is that in time of peace, subsidies granted by other nations, shipping combines, and other restrictive or rebating methods, may well be used to the detriment of American shippers. The maintenance of fair competition alone, calls for American flag ships of sufficient tonnage to carry a reasonable portion of our foreign commerce.

merican hag sings of summerce to carry a reasonable portion of our foreign commerce.

"Second, in the event of a major war in which the United States is not involved, our commerce in the absence of an adequate American merchant marine, might find itself seriously crippled because of its inability to secure bottoms for neutral peaceful foreign trade.

"Third, in the event of a war in which the United States itself might be appraged American flag ships are obviously needed not

might be engaged, American flag ships are obviously needed, not only for naval auxiliaries, but also for the maintenance of reasonable and necessary commercial intercourse with other nations. We

only for haval auxiliaries, but also for the maintenance of reasonable and necessary commercial intercourse with other nations. We should remember lessons learned in the last war."

The American merchant marine problem is not a political question. It is a patriotic question. It is one of economics as well as military defense. Presidents of the United States, beginning with George Washington, have recognized it as such. All of them have stressed the urgent need of a strong merchant fleet.

Up to the period prior to 1860 the Nation recognized the need for possessing and maintaining a merchant fleet strong enough at all times to cope with fleets of other nations.

In the days of sailing vessels the United States held a strong position in world shipping. My own State of Massachusetts was rich in maritime history during the clipper-ship period. Prior to 1860 we carried over three-quarters of our foreign commerce in American bottoms. Since that time other nations have been permitted to wrest commercial sea supremacy from us. In 1910 we reached the low point in our shipping activities, carrying less than 9 percent of our foreign commerce under the American flag. And today, despite the fact that exigencies caused by the World War compelled us to spend more than \$3,000,000,000 in rehabilitating our merchant fleet, we are actually carrying only a third of our foreign trade.

Our shortsightedness compelled us to spend in 20 months for of our foreign trade.

Our shortsightedness compelled us to spend in 20 months for an emergency fleet an amount twice the sum of the value of the ocean-going fleets of the world before the war. And even this stupendous expenditure only served during the emergency and did not provide an adequate, competitive merchant marine for the United States. Practically 90 percent of this expenditure was lost so far as providing for a permanent merchant marine. This experience is a painful illustration of the cost of our lack of

perparedness.

In 1933, the last year for which official figures are available, ships flying the American flag represented only about 8 percent of the total tonnage of all countries participating in international

trade

This failure on our part to occupy a prominent position in world shipping is due to a gravely erroneous impression. The argument is repeatedly and regularly advanced here and abroad that there always will be enough foreign vessels to take care of our requirements. This assertion is fallacious and dangerous to our national welfare. The price of such a policy is too big to pay, as has been conclusively demonstrated prior to and after our entry into the World War World War.

World War.

It is true that in peace times foreign vessels generally may be obtained to carry American goods, but at what a price! An official report made by the Secretary of the Treasury in 1915 estimated that agriculture and industry paid foreign ship owners in increased freight rates during that 1 year alone a total of \$311,684,400. It was estimated that our people were taxed over a billion dollars during the 3 years before our entry into the World War for transporting their products through increased rates. This vast sum went mostly into the pockets of foreign ship owners.

Let us now consider this plea for the use of foreign bottoms from the defense standpoint. We were in a tragic situation at the outbreak of the World War because we had practically no merchant fleet to use as a naval auxiliary. Having been lulled into the belief that we probably never would be involved in another war, and that if we did become involved in one, we could easily obtain merchant vessels under charter from other countries, we were woefully unprepared when the demand for ships to carry troops and supplies to them arose. The result was that we suffered a costly delay and that we had to pay exorbitant sums of fered a costly delay and that we had to pay exorbitant sums of money to foreign nations for the use of their vessels, most of these vessels being used to carry the American soldiers that helped the Allies win the war.

The United States paid to Great Britain and France alone during

the war period a total of \$120,576,150.07 for the transport of our troops and war supplies. The War Department estimates that Great Britain's share of this sum for the carrying of United States troops alone was \$91,992,900. This tremendous amount of money would have built many American ships. Undoubtedly it did go a long way toward paying for the ships of Great Britain, a nation that always has been foresighted enough to recognize the urgent ing systems for all companies participating in public funds, be necessity of always maintaining a strong merchant fleet. There set up. This and other safeguards are an imperative condition never was an hour during the World War that the United States to granting subsidies.

was not handicapped by a lack of auxiliary merchant vessels.

Any nation with an intelligent national-defense policy must support a naval-reserve personnel through its merchant marine. Yet the United States had no such reserve at the outbreak of the World War, and it has no such reserve now. During the war it actually had to take men from naval vessels to man merchant ships. By way of contrast, at the outset of hostilities Great Britain drew upon its merchant ships for 16,000 men to supplement its naval personnel. It is ridiculous to compare the relative strength of the navies of the nations without including their merchant-marine strength.

merchant-marine strength.

Our unfortunate experiences in the war should convince us of the necessity of no longer delaying plans for a merchant marine in the United States second to that of no other nation. Many efforts have been made, during the last 15 years (beginning with the Merchant Marine Act of 1920), to start such a movement, but we have been unsuccessful.

We have tried to build up our American merchant marine in several ways. First, by Government operation of shipping lines, and then through the sale of Government vessels at low prices to private operators, and again through subsidies paid to operators under the guise of mail-pay contracts. All these efforts have resulted in failure. The mail-contract subsidies increased from \$9.304,217 in 1928 to \$27,012,519 in 1934.

Today out of 37,400,000 tons of vessels engaging in international trade, Great Britain leads with 14,119,000, and the others rank in the following order: United States, 3,084,000; Japan, 3,049,000; Germany, 2,832,000; France, 2,571,000; Italy, 2,264,000; and all others, 9,481,000.

Germany, 2,832,0 others, 9,481,000,

Speed today is one of the outstanding requirements of merchant vessels, and in this regard the United States is in a relatively weak position. It ranks fifth in tonnage of ships with speeds of 12 knots and upward. Great Britain, Germany, France, and Japan all exceed this country in the speed of vessels. Seven countries—Great Britain, Germany, Italy, Norway, Netherlands, Japan, and France—all have more model vessels (vessels of less than 10 years of age) than the United States. than 10 years of age) than the United States.

Admiral George H. Rock, former chief constructor of the United States Navy, recently testified before a Government committee that the United States ranks lower in cargo vessels of 2,000 gross tons or over (which means ocean-going types), built within the last 10 years, than any other country having shipping except Spain. Figures compiled a few years ago show Great Britain has 735 such vessels as compared with a total of 9 for the United States. Even Norway has approximately 15 times as many vessels of this type as the United States.

President Roosevelt, whose experience as Assistant Secretary of the Navy led him to study and understand our shipping problem, recognizes the need for a strong merchant marine, and is meeting the issue in his usual straightforward manner.

meeting the issue in his usual straightforward manner.

He frankly urges that the country do away with all subterfuges, admit that subsidies are necessary to successful operation of United States merchant vessels in competition with the ships of other nations, and then for the Congress to grant these subsidies openly and squarely and call them by their right name.

This recommendation is, in my opinion, one of the greatest and most courageous contributions that has been made toward an American merchant marine. We have avoided too long the fact that this Nation's shipping needs cannot exist without

fact that this Nation's shipping needs cannot exist without

subsidies.

American shipping must be supported by subsidies for the obvious reason that it costs more to build and operate vessels under the United States flag than under other flags. We have a higher standard of living in this country and this fact is re-

higher standard of living in this country and this fact is reflected in building and operating costs.

A cargo vessel may be built in a British yard for about five-eighths of what the same vessel would cost if built in a United States yard. This increased cost is reflected in many items, including materials, labor, and supplies. The erroneous impression exists in some quarters that wages are chiefly responsible for these added charges. Wages are a contributing factor, but it is unfair to say that they are the only one.

Increased operating costs under the American flag are easily explained; for example, the wages, food, and repairs are higher than on foreign ships. The average wage paid American seamen is about \$56.50 per month, and some operators pay even more than this amount. Contrasted with seamen's wages on foreign ships, in some instances less than half, the difference in operating expenses is easily recognizable.

President Roosevelt proposes that a Government subsidy be paid to provide for the difference in building and operating costs. That is the issue, directly and clearly stated.

The payment of these necessary subsidies must meet with the approval of our citizens if we are to have a merchant marine. In behalf of the American taxpayer, it is only fair to say that

some operators in the past have not been square in dealing with the Government. They have taken unfair advantage of the tax-payers in obtaining public funds appropriated primarily to build new ships, and dissipated some of these funds for other purposes, such as exorbitant salaries, dividends, real estate, and other ventures. The interdepartmental committee appointed to study this guestion in its report to the Passident which he trans ventures. The interdepartmental committee appointed to study this question, in its report to the President, which he trans-mitted with his message to Congress, strongly urged that maxi-mum safeguards, including the installation of uniform account-

to granting subsidies.

The American taxpayer, I believe, is ready and willing to help any legitimate ship operator expand foreign trade and to aid him in making ships available to the country in time of war, but he is not willing that his hard-earned money shall be dissipated. Hence, it is the duty of the Congress and administrative officials to see that no loopholes are left open so that the taxpayer may be wronged in future subsidy operations.

Another proposal made by the interdepartmental committee, which I heartily endorse, proposes the establishment of a Naval Reserve to be manned by members of the merchant marine. If this suggestion is adopted, young men would be given training in sea duty on merchant vessels in peace times and stand in readiness to serve their country in emergency periods. This not only would create a new line of defense for the United States, but it also would give employment and invaluable training to many

would create a new line of defense for the United States, but it also would give employment and invaluable training to many young men who are now without employment or who may have a real desire to make the sea a career.

Throughout my public life I have always advocated a strong merchant marine, and it has been a pleasure to reiterate my faith in it tonight. President Roosevelt has, I believe, laid down a splendid program for our merchant marine, and I for one shall do my utmost to bring about its adoption.

# INCOME-TAX PUBLICITY-ADDRESS BY SENATOR METCALF

Mr. STEIWER. Mr. President, I ask unanimous consent to have published in the RECORD an address delivered over a radio network on March 11, 1935, by the senior Senator from Rhode Island [Mr. Metcalf] urging repeal of the incometax publicity law.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I should like to ask my listeners a question: Suppose the Congress should propose the enactment of a law which would require you to furnish any person who might ask you for it a complete you gave to charity, and the general details of your financial transactions? Would you object to such a law? Could you defend it on any ground whatsoever?

Suppose the newspapers of your city made it a practice to publish on the front page the total amount of your income, the deductions from your income tax, and the general facts concerning your financial transactions during the year? Would you favor that? How would it affect your plans and hopes for the future? Would you like your neighbors, your fellow workers, your competitors, your creditors, and your debtors to have details of your personal

Unfortunately, the Congress of the United States, during a thoughtless moment, passed just such a law. Now, that we are beginning to understand the full effect of this law, a drive has been undertaken to repeal it. The requirements are simply this: Every person in the United States who is required to file an income-tax return, whether he pays a tax or not, must also file a "pink slip" on which is certified the total gross income during the year, together with the amount of contributions to charity and other items de-

with the amount of contributions to charty and owner items and ductible for income-tax purposes.

This "pink slip" is to be available to anyone who might wish to inquire into the personal financial affairs of anyone else. It will be available to the gossip monger, the racketeer, the kidnaper, the collection agency, the blackmailer, and the seller of lists of persons presumed to be easy prey of the crooked and corrupt.

There is a wide-spread objection to the "pink slip", which will become nothing more or less than a racketeers' directory. It affects the affairs of every person in the United States, and all citizens of the United States have every reason to object violently to such unwarranted intrusion into their personal affairs.

When the income-tax amendment was adopted 20 years ago, it was followed by legislation passed with the distinct understanding that the private affairs of the individual, revealed in confidence to the Government, should remain inviolate. That confidence is now to be abolished, and the private business of our citizens is to be revealed to blackmallers, racketeers, curiosity seekers, and gossip mongers, along with the very few persons who may, for some yet unknown reason, have a legitimate use for such information

Persons who have reason to feel incensed over this outrageous law can be divided into two groups. They are the nearly 5,000,000 citizens who file an income-tax return and the remaining millions who do not. In these dark days the millions who do not file a return have every reason to cry out against this unfair invasion of their private affairs. There are millions of persons in every walk of life, who have been struggling against adversity during the past 2 years.

There are men and women with large potential earning power who live in the hope that the tide of depression will turn and they may once again assume their place in the affairs of the country. Men and women who once earned a comfortable living and look forward to that possibility again should resist vigorously the flaunting of their names before the world as people who last year were unable to earn enough to file a tax return, and consequently have filed no tax return. How can the people who want and hope to work, to increase their earnings, expect to maintain the credit and self-respect necessary to regain their normal place in the world,

if every Tom, Dick, and Harry can meet them on the street and say, "Well, your income was small last year. Why should you expect more this year? How can one rely on your credit?"

Every man with business experience knows that the credit of an individual depends as much upon his record for paying his bills and on his integrity of character as it does on the facts of income. There are many people in this country who can build up their small business enterprises so long as they have the invaluable resource of good credit behind them. Faith in the moral integrity of a human being is much more important in granting credit than the inaccurate and piecemeal information which may be gleaned by curiosity seekers from the "pink slips." Why should we jeopardize the standing of people who are proud and honest, simply because the Government does not publish the facts of a large income during the past year? Is it fair? I ask my listeners—is there one iota of justice in such an act?

There is not one thing to be said in favor of income-tax publicity. The idea of its sponsors is that publicity will help the Government collect more taxes by causing the citizen's neighbors, competitors, and personal enemies to inform the Government of any suspicions as to false returns. Something might be said for such a theory if the "pink slip" really exposed the truth about a man's income. But this it does not do. Gross income means absolutely nothing unless the expenditures set off against it are made known. One man might have a gross business income of a hundred thousand dollars a year and legal expenditures in connection with that of \$90,000 a year. A second man may have a gross income of only \$15,000 a year, but expenditures of only \$3,000. In such a case the man with a gross income of \$100,000 actually has a net income of less than the man whose gross is 15 thousand. Although the larger business employs more men, while more assets are at stake and the hope of future increase is greater, his has a net income of less than the man whose gross is 15 thousand. Although the larger business employs more men, while more assets are at stake and the hope of future increase is greater, his return actually gives a much weaker financial picture than the smaller business. Unless one knows the full details of a man's income and expenditures there can be no evidence whatever of an effort to avoid the payment of legitimate taxes. Thus the whole purpose of the "pink slip" is lost. It fails to serve any desirable

purpose.
Wisconsin has experimented with income-tax publicity with sad results. Honest citizens have been subjected to the prying eyes of jealous and suspicious neighbors. Racketeers and kidnapers have available a perfect directory for prospective victims of their crimes. And the whole experiment has led to an admission of failure on the part of the Wisconsin Tax Commission.

The Commission has stated as follows:

The Commission has stated as follows:

"Experience has taught us that this (publicity) is not a true adjunct to the disclosure of additional income and has become a source of nuisance by credit agencies, bond salesmen, and business competitors. We have no instances where public inspection has brought forth unreported incomes, and, although a matter of conjecture, we believe that it has retarded the making of complete returns. It has worked to a direct disadvantage as far as the Federal Government is concerned."

The failure of the law in the State of Wisconsin should be a

Federal Government is concerned."

The failure of the law in the State of Wisconsin should be a lesson for the Nation at large. It will lead to the preparation and sale of lists of income-tax payers available to all sorts of quack salesmen, stock promoters, blackmailers, business competitors, and curiosity seekers. There is nothing in the statute that would prevent any blackmailer or ex-convict from examining your incometax return or finding out whether or not you have filed one. The increase of the state o

vent any blackmailer or ex-convict from examining your incometax return or finding out whether or not you have filed one. The inquisitor need not even reveal his identity.

Such a system will inevitably lead to petty jealousies in communities and among men and women who work together. All of the employees of any institution may know exactly what sort of a return their fellow workers have made. Suspicion will run riot. Jealousies will spring up where harmony and friendship once existed. Credit will be jeopardized for many who deserve credit. Churches and charities will see their donors subjected to a public inquisition. This is un-American and unjust.

The "pink slip" opens up to public scrutiny the private affairs of this country. No free nation can conscientiously subscribe to such a law. The publication of incomplete and inaccurate tax data can under no circumstances reveal a true picture of the financial integrity of an individual, but it can easily have the opposite effect of undermining this integrity. It will encourage high-pressure collectors and force struggling and honest small business men into bankruptcy. It will enable unscrupulous competitors of small business men to take unfair advantage of the taxpayer. Professional men will have revealed to their clients their small incomes, often the result of the inability of these clients to pay their bills, thereby damaging the professional standing of doctors, lawyers, and engineers of ability and character. Young men will be embarrassed by new undertakings simply because these undertakings have not shown a profit during the past year. And most dangerous of all, the fortunate few who have managed to earn a comfortable income will be made the targets of kidnapers, blackmailers, high-pressure stock promoters, and confidence men.

The income-tax publicity clause should be repealed. A bill to

The income-tax publicity clause should be repealed. A bill to do this today passed the House of Representatives by a 3-to-1 vote, and tomorrow it will go to the Senate Finance Committee, To be effective, this repeal should take place before March 15, for by then the "pink slip" directory for racketeers will already be under way. What do my listeners think?

Of my listeners who are not filing an income-tax return this year, I should like to ask: Do you believe this fact should be public information? Do you think all of your neighbors, and your

competitors, and your creditors, all your friends and enemies, should be told that your income for the year was less than \$1,000? Particularly if this fact will serve no good purpose?

Do you want your enemies writing to the Bureau of Internal Revenue stating their belief that you should have made a return and subject you to the inquisition of revenue agents? I am sure all honest and fair-minded Americans would resent this.

Of my listeners who are filing an income-tax return this year I ask: Do you believe the Government should open up to the prying eyes of all curious or suspicious persons the facts concerning your income? What good purpose can it serve? Will it not subject you to the eternal nuisance of crooked promoters and high-pressure collectors who will take advantage of incomplete information? Do you want your private financial affairs aired in the newspapers, by the sellers of lists of persons presumed to be easy prey of the crooked and corrupt, and even over the radio?

the sellers of lists of persons presumed to be easy prey of the crooked and corrupt, and even over the radio?

It is a mistake to believe that the man with a big income will be the only one hurt by this publicity law. It is the little business man and the man with hardly any income at all who will suffer most. These men rely upon the faith of their fellow men and on the confidence which their character and past record has merited rather than on a few dubious facts made public by a "pink slip." To make every man's business the business of all can work no good. It can work only harm, particularly when the information to be made public is incomplete. Partial truths are worse than no truths at all.

The adoption of the publicity law was wrong in the first place. Let us admit our error and repeal it as quickly as possible, in order that our tax laws may be truly American tax laws and that the pride and self-reliance of American citizens may continue to be

their greatest asset.

TWO YEARS OF THE NEW DEAL-EDITORIAL IN THE NEW YORK HERALD TRIBUNE

Mr. DICKINSON. Mr. President, I ask unanimous consent to have printed in the Congressional Record an editorial appearing in the New York Herald Tribune of Monday, March 4, 1935, entitled "Two Years of the New Deal."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune of Mar. 4, 1935] TWO YEARS OF THE NEW DEAL

Two years ago Franklin D. Roosevelt stood on the Capitol steps Two years ago Franklin D. Roosevelt stood on the Capitol steps and took the oath of office as President of the United States. He came into the White House in an hour of gloom. The low point of the depression had been reached and passed months before. But the confusions and hesitations of a national election and a shift of leaders had halted recovery and brought on a financial crisis. Mr. Roosevelt took command with the vigor and confidence of a born leader. By his voice on the air and by his example of smilling assurance he captured the imagination and loyalty of the American people. For months, through a series of swift and dazzling governmental adventures, he held that regard and lived on the heights of popularity.

Nothing could be plainer than that this attitude has changed

Nothing could be plainer than that this attitude has changed markedly in recent weeks. Faith has been replaced by criticism. Enthusiasm for the new deal is the exception. Where liking for the President personally remains there is suspicion and doubt of his administration. Part of this rapid and unexpected descent is undoubtedly due to the distrust awakened by a Farley and the petty malice exhibited toward a Robert Moses. But the main causes lie deeper in the character of the President and his record at Washington. They deserve examination as the country stands at this midway mark.

at Washington. They deserve examination as the country stands at this midway mark.

Any impartial review of that record must begin with the fact—which his admirers like to ignore—that he reversed his policies abruptly in the very first weeks of his Presidency. He had taken office pledged to economy as the only possible foundation of recovery, and he at first respected that pledge, forcing economy out of a reluctant Congress, to the applause of the whole country. Then he suddenly abandoned economy along with the dollar—which he had also pledged himself to maintain—and embarked on a vast program of governmental spending, coupled with a devaluation of the dollar. Both measures indicated a conversion to the pump-priming theory—that recovery could best be obtained through the artificial stimulation of business, domestic and foreign.

The suddenness of this somersault should perhaps have given pause to the national enthusiasm for the new deal. So might well the fantastic episode of gold buying to boost prices that followed. The monetary advice of an expert in dairy farming from Cornell proved so irresistible in Mr. Roosevelt's mind that he embarked the country upon what was probably the most ridiculous financial venture ever seriously undertaken by a great nation. It falled utterly, as all the financial experts predicted, and was silently abandoned. It was of less significance economically than it was as a forecast of the President's light-heartedness in juggling was as a forecast of the President's light-heartedness in juggling

it was as a forecast of the Fresident's light-heartedness in jugging with the Nation's vital possessions.

But the Nation was kept too busy watching the letters of the alphabet form and reform in the air to give much thought to its dollar. It is only a year and a half ago that the extraordinary ballyhoo of N. R. A. first broke over the land. Theory, forethought, and common sense were alike forgotten in this appalling orgy of experimentation. The Russian system of a planned economy which

it was sought to force upon American industry through threat of boycott, fine, and imprisonment, has since vanished almost as completely as have the dead cats with which General Johnson's picturesque vocabulary once darkened the sky. The wreckage remains, however, to clog business and delay recovery.

There was much more need and much clearer thinking behind

A. A. A. Secretary Wallace showed himself at the outset a far more candid, a far abler executive than anyone in the direction of N. R. A. The farmers' plight plainly called for help, as Republican efforts under Mr. Hoover bore witness. Unfortunately, what began in a spirit of frank experimentation, with the stress on cooperative,

in a spirit of frank experimentation, with the stress on cooperative, voluntary action by individual farmers, gradually went out of hand. Like every bureaucratic interference with the individual, it grew by feeding on its victims until one field of farming after another was brought within its control. Mr. Wallace himself deprecated and doubted much that was done. His recent radical speech seemed the utterance of confusion, not to say despair.

The third great failure of the administration has unmistakably been in relief. Much can be forgiven here, for the problem has been pressing, grave, and enormously complex. But unfortunately here, as in every other field, Mr. Roosevelt has neither learned by experience nor helped the country to progress. Even the facts are still lacking. Nothing would be as valuable at the present moment as an accurate census of unemployment. Yet none exists. All that Mr. Roosevelt can think to do is to ask for \$5,000,000,000 with which to make another gigantic experiment. The ideal held up—work relief—is appealing. The ways and means by which the unemployed can be put to work without destroying private business are unrevealed and, as far as anyone can discover, do not exist even in Mr. Roosevelt's wishful thinking. No wonder even an overwhelmingly Democratic Congress hesitates and asks questions.

The new deal has broken down, and the Nation is strewn with its realests.

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whelmingly Democratic Congress hesitates and assist questions.

The new deal has broken down, and the Nation is strewn with its wreckage. So much seems plain. But who is to clear away the hampering remnants and save what needs to be saved? Has the President displayed either the judgment or the willingness to listen to criticism or the ability patiently to study facts to do this job of salvage that the situation urgently calls for?

By one of the swift ironies of time it is to the courts that the country turns for relief. Only a few months ago there was nothing so negligible in the eyes of a "new dealer" as the Supreme Court. If lip service was paid to the Constitution, behind the scenes there was frank talk of its obsolescence and of plans to pack the Supreme Court if it dared stand in the way of the Roosevelt 5-year plan. Now some of the most eloquent advocates of the administration view the decision of Judge Nields, kicking N. R. A. out the window, as the one hope left to Mr. Roosevelt. As for the Supreme Court, it spoke for the "conscience of the sovereign" in its gold-clause decision, and the administration is still pondering and silent. The President, by his hospitality to radical and alien ideas, by his attacks upon large groups of the community, by his own careless thinking and reckless acting, has opened the door to the wild men. Who is there in Washington—save the Supreme Court and the Constitution—to halt them?

The picture is not a cheerful one, and it speaks well for the heart and will of the country that it continues to hold its own and go forward despite every doubt and obstacle. There can be no solid

and will of the country that it continues to hold its own and go forward despite every doubt and obstacle. There can be no solid foothold for any business man, or any investor, large or small, so long as the administration continues to foment labor troubles through section 7a; to threaten the utilities with destructive Govlong as the administration continues to foment labor troubles through section 7a; to threaten the utilities with destructive Government competition; to treat every business man like an unconvicted criminal, through regulation and threat of fine and imprisonment; to demand that a vast program of social insurance be improvised and installed in the midst of a depression; to insist upon a continuance of a hugely unbalanced Budget; and to build up a specter of inflation lying just below the horizon. Yet the great natural wealth and the great natural man power of the American Nation are plainly not likely to be defeated by any politicians. The curve of business shoots up and down, in and out of season, thanks to the artificial stimulants administered from Washington. Some broad advance was inevitable.

Such are, in our estimate, the major successes and failures of President Roosevelt in his first 2 years. If we are right, he stands at a critical point in his administration. The first enthuslasm has disappeared in a welter of confusion and doubt. That 2 more years like the last would bring him to the end of his term a discredited leader, seems as fair a prediction as any that the swift changes of politics permit.

The central question raised, therefore, at this half-way mark is as to Mr. Roosevelt's own ability to face the present and cope successfully with the hard, new facts which confront his administration. The country cannot stand, and, in our opinion, is resolved against any more hasty experiments or destructive reforms. It asks for an end of threats to business, to investors, to the taxpayer, to the dollar. It wants in Washington careful planning and skilled administration, and an end of fine phrases that merely

asks for an end of threats to business, to investors, to the tax-payer, to the dollar. It wants in Washington careful planning and skilled administration, and an end of fine phrases that merely disturb and incite. It wants, in short, above all else a basis for confidence upon which to consolidate its gains and go forward to prosperity. President Roosevelt captured the affection of his fellow citizens in the early months of his term. Can he now regain their confidence by displaying restraint, fairness, and good judgment in the real test that lies ahead?

OUR BLUNDERING GOVERNMENT-SPEECH BY SENATOR LONG

Mr. LONG. Mr. President, I ask to have a speech printed in the RECORD.

Mr. ROBINSON. Mr. President, what is the request? Mr. LONG. To have a speech printed in the RECORD.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Louisiana?

Mr. ROBINSON. I should like to know what the speech is. Mr. LONG. I suggest the Senator look at it and see if he objects to it. It is a speech which I made over the radio the other night.

Mr. CONNALLY. Mr. President, I am not going to object, but I think the Senator should have enough respect for the Senate to indicate what it is he asks to have printed.

Mr. LONG. Everyone in the Senate listened to it the other night, or read it in the New York Times. I want it to go to the remainder of the country.

Mr. CONNALLY. The Senator handed in something and asked to have it printed in the RECORD, but did not state what it was.

Mr. LONG. It is my last radio speech.

Mr. CONNALLY. The Senate is entitled to that infor-

Mr. LONG. I beg the Senate's pardon.

The PRESIDENT pro tempore. Without objection, the speech will be printed in the RECORD.

There being no objection, the speech, broadcast from Washington, D. C., March 7, 1935, was ordered to be printed in the Record, as follows:

Ladies and gentlemen, it has been publicly announced that the White House orders of the Roosevelt administration have declared war on Huey Long. The late and lamented, the pampered ex-crown prince, Gen. Hugh S. Johnson, one of those satellites loaned by Wall Street to run the Government, and who, at the end of his control over and dismissal from the N. R. A., pronounced it "as dead as a dodo", this Mr. Johnson was apparently selected to make the lead-off speech in this White House charge begun last Monday night. The Johnson speech was followed by more fuss and fury on behalf of the administration by spellbinders in and out of Congress.

In a far-away island, when a queen dies, her first favorite is done the honor to be buried alive with her. The funeral procession of the N. R. A. (another one of these new-deal schisms or isms) is about ready to occur. It is said that General Johnson's speech of Monday night to attack me was delivered on the eve of announcing the publication of his obituary in the Red Book

son's speech of Monday hight to attack me was delivered on the eve of announcing the publication of his obituary in the Red Book Magazine. Seems then that soon this erstwhile prince of the deranged alphabet makes ready to appear at the funeral of N. R. A. like unto the colored lady in Mississippi who there asserted: "I is de wife of dese remains."

I shall undertake to cover my main subject and make answer to these gentlemen in the course of this speech tonight.

It will serve no purpose to our distressed people for me to call my opponents more bitter names than they call me. Even were I able, I have not the time to present my side of the argument and match them in billingsgate or profanity.

What is this trouble with this edministration of Mr. Recordly

and match them in billingsgate or profanity.

What is this trouble with this administration of Mr. Roosevelt, Mr. Johnson, Mr. Farley, Mr. Astor, and all their spoilers and spellbinders? They think that Huev Long is the cause of all their worry. They go gunning for me. But, am I the cause of their misery? They are like old Davy Crockett, who went out to hunt a possum. He saw in the gleam of the moonlight that a possum in the top of a tree was going from limb to limb. He shot and missed. He saw the possum again. He fired a second time and missed again. Soon he discovered that it was not a possum he saw at all in the top of that tree. It was a louse in his own evebrow. his own eyebrow.

I do not make this illustration to do discredit to any of these

I do not make this illustration to do discredit to any of these gentlemen. I make it to show how often we imagine we see great trouble being done to us by someone at a distance, when, in reality, all of it may be a fault in our own make-up.

The trouble with the Roosevelt administration is that when their schemes and isms have falled, these things I told them not to do and voted not to do, that they think it will help them to light out on those of us who warned them in the beginning that the tangled messes and noble experiments would not work. The Roosevelt administration has had its way for 2 years. They have been allowed to set up or knock down anything and everyhave been allowed to set up or knock down anything and every-body. There was one difference between Hoover and Roosevelt. Hoover could not get the Congress to carry out the schemes he wanted to try. We managed to lick him on a roll call in the United States Senate time after time. But, different with Mr. Roosevelt. He got his plans through Congress. But on cold analysis they were found to be the same things Hoover tried to Roosevelt. He analysis they we pass and failed.

The kitchen cabinet that sat in to advise Hoover was not different from the kitchen cabinet which advised Roosevelt. Many of the persons are the same. Many of those in Roosevelt's kitchen cabinet are of the same men or set of men who furnished employees to sit in the kitchen cabinet to advise Hoover.

Maybe you see a little change in the man waiting on the tables, but back in the kitchen the same set of cooks are fixing up the victuals for us that cooked up the mess under Hoover.

Why, do you think this Roosevelt's plan for plowing up cotton, corn, and wheat; and for pouring milk in the river, and for destroy-

ing and burying hogs and cattle by the millions, all while people starve and go naked—do you think those plans were the original ideas of this Roosevelt administration? If you do, you are wrong. The whole idea of that kind of thing first came from Hoover's administration. Don't you remember when Mr. Hoover proposed to plow up every fourth row of cotton? We laughed him into scorn. President Roosevelt flayed him for proposing such a thing in the speech which he made from the steps of the capitol in Topeka,

And so we beat Mr. Hoover on his plan. But when Mr. Roosevelt started on his plan, it was not to plow up every fourth row of cotton as Hoover tried to do. Roosevelt's plan was to plow up every third row of cotton, just one-twelfth more cotton to be plowed up than

Hoover proposed. Roosevelt succeeded in his plan.

So it has been that while millions have starved and gone naked;

Hoover proposed. Roosevelt succeeded in his plan.

So it has been that while millions have starved and gone naked; so it has been that while babies have cried and died for milk; so it has been that while people have begged for meat and bread, Mr. Roosevelt's administration has sailed merrily along, plowing under and destroying the things to eat and to wear, with teardimmed eyes and hungry souls made to chant for this new deal so that even their starvation dole is not taken away, and meanwhile the food and clothes craved by their bodies and souls go for destruction and ruin. What is it? Is it government? Maybe so. It looks more like St. Vitus dance.

Now, since they sallied forth with General Johnson to start the war on me, let us take a look at this N. R. A. that they opened up around here 2 years ago. They had parades and Fascist signs just as Hitler, and Mussolini. They started the dictatorship here to regiment business and labor much more than anyone did in Germany or Italy. The only difference was in the sign. Italy's sign of the Fascist was a black shirt. Germany's sign of the Fascist was a black shirt. Germany's sign of the Fascist was a swastika. So in America they sidetracked the Stars and Stripes, and the sign of the Blue Eagle was used instead.

And they proceeded with the N. R. A. Everything from a peanut stand to a power house had to have a separate book of rules and laws to regulate what they did. If a peanut stand started to parch a sack of goobers for sale, they had to be careful to go through the rule book. One slip and he went to jail. A little fellow who pressed a pair of pants went to jail because he charged 5 cents under the price set in the rule book. So they wrote their N. R. A. rule book, codes, laws, etc. They got up over 900 of them. One would be as thick as an unabridged dictionary and as confusing as a study of the stars. It would take 40 lawyers to tell a shoe-shine stand how to operate and be certain he didn't go to jail.

tionary and as confusing as a study of the stars. It would take 40 lawyers to tell a shoe-shine stand how to operate and be certain he didn't go to jail.

Some people came to me for advice, as a lawyer, on how to run a business. I took several days and then couldn't understand it myself. The only thing I could tell them was that it couldn't be much worse in jail than it was out of jail with that kind of thing going on in the country, and so to go on and do the best they

The whole thing of Mr. Roosevelt, as run under General Johnson, became such a national scandal that Roosevelt had to let Johnson slide out as the scapegoat. Let them call for an N. R. A. parade tomorrow and you couldn't get enough people to form a funeral march.

It was under this N. R. A. and the other funny alphabetical combinations which followed it that we ran the whole country into a maresnest. The Farleys and Johnsons combed the land into a maresnest. The Farleys and Johnsons combed the land with agents, inspectors, supervisors, detectives, secretaries, assistants, etc., all armed with the power to arrest and send to jail whomever they found not living up to some rule in one of these 900 catalogs. One man whose case reached the Supreme Court of the United States was turned loose because they couldn't even find the rule he was supposed to have violated in a search throughout the United States.

throughout the United States.

And now it is with P. W. A.'s, C. W. A.'s, N. R. A.'s, A. A. A.'s, J-U G's, G-I N's, and every other filmsy combination that the country finds its affairs and business tangled to where no one can recognize it. More men are now out of work than ever; the debt of the United States has gone up another \$10,000,000,000. There is starvation; there is homelessness; there is misery on every hand and corner, but mind you, in the meantime, Mr. Roosevelt has had his way. He is one man that can't blame any of his troubles on Huey Long. He has had his way. Down in my part of the country, if any man has the measles he blames that on me; but there is one man that can't blame anything on anybody but himself, and that is Mr. Franklin De-La-No Roose-velt.

And now, on top of that, they order war on me because nearly 4 years ago I told Hoover's crowd it wouldn't do and because 3 years ago I told Roosevelt and his crowd it wouldn't do. In other words, they are in a rage at Huey Long because I have said, "I told you so."

I am not overstating the conditions now prevailing in this country. In their own words they have confessed all I now say or ever have said. Mr. Roosevelt and even Mrs. Roosevelt have bewailed the fact that food, clothes, and shelter have not been provided for the people. Even Gen. Hugh S. Johnson said in his speech of Monday night that there are 80,000,000 people in America who are badly hurt or wrecked by this depression. Mr. Harry Hopkins, who runs the relief work, says the dole roll has risen now to 22,375,000 persons, the highest it has ever been. And now, what is there for the Roosevelt crowd to do but to admit the facts and admit further that they are now on their third year, making matters worse instead of better all the time? No one is to blame, except them, for what is going on because they have had their way. And if they couldn't change the thing in over 2 years,

now bogged down worse than ever, how could anyone expect any good of them hereafter? God save us 2 more years of the disaster

now bogged down worse than ever, now could anyone expect any good of them hereafter? God save us 2 more years of the disaster we have had under that gang.

Now, my friends, when this condition of distress and suffering among so many millions of our people began to develop in the Hoover administration, we knew then what the trouble was and what we would have to do to correct it. I was the first man to say publicly—but Mr. Roosevelt followed in my tracks a few months later and said the same thing. We said that all of our trouble and woe was due to the fact that too few of our people owned too much of our wealth. We said that in our land, with too much to eat, and too much to wear, and too many houses to live in, too many automobiles to be sold, that the only trouble was that the people suffered in the land of abundance because too few controlled the money and the wealth and too many did not have money with which to buy the things they needed for life and comfort.

So I said to the people of the United States in my speeches which I delivered in the United States Senate in the early part of 1932 that the only way by which we could restore our people to reasonable life and comfort was to limit the size of the big man's fortune and guarantee some minimum to the fortune and comfort of the

and guarantee some minimum to the fortune and comfort of the

little man's family.

I said then, as I have said since, that it was inhuman to have I said then, as I have said since, that it was inhuman to have food rotting, cotton and wool going to waste, houses empty, and at the same time to have millions of our people starving, naked, and homeless because they could not buy the things which other men had and for which they had no use whatever. So we convinced Mr. Franklin Delano Roosevelt that it was necessary that he announce and promise to the American people that in the event he were elected President of the United States he would pull down the size of the big man's fortune and guarantee something to every family—enough to do away with 'Il poverty and to give employment to those who were able to work and education to the children born into the world. into the world.

Mr. Roosevelt made those promises; he made them before he was nominated in the Chicago convention. He made them again before nominated in the Chicago convention. He made them again before he was elected in November, and he went so far as to remake those promises after he was inaugurated President of the United States. And I thought for a day or two after he took the oath as President, that maybe he was going through with his promises. No heart was ever so saddened; no person's ambition was ever so blighted, as was mine when I came to the realization that the President of the United States was not going to undertake what he had said he would do, and what I knew to be necessary if the people of America were ever saved from calamity and misery.

So now my friends. I come to that point where I must in a

people of America were ever saved from calamity and misery.

So now, my friends, I come to that point where I must in a few sentences describe to you just what was the cause of our trouble which became so serious in 1929, and which has been worse ever since. The wealth in the United States was three times as much in 1910 as it was in 1890, and yet the masses of our people owned less in 1910 than they did in 1890. In the year 1916 the condition had become so bad that a committee provided for by the Congress of the United States reported that 2 percent of the people in the United States owned 60 percent of the wealth in the country, and that 65 percent of the people owned less than 5 percent of the wealth. This report showed, however, that there was a middle class—some 33 percent of the people—who owned 35 percent of the wealth. This report went on to say that the trouble with the American people at that time was that too much of the wealth was in the hands of too few of the people, and recommended that something be done to correct the evil condition then existing.

was that too much of the wealth was in the hands of too lew of the people, and recommended that something be done to correct the evil condition then existing.

It was at about the same time that many of our publications began to deplore the fact that so few people owned so much and that so many people owned so little. Among those commenting upon that situation was the Saturday Evening Post, which, in an issue of September 23, 1916, said:

"Along one statistical line you can figure out a Nation bustling with wealth; along another a bloated plutocracy comprising 1 percent of the population lording it over a starveling horde with only a thin margin of merely well-to-do in between."

And it was, as the Saturday Evening Post and the committee appointed by Congress said, it was a deplorable thing back in 1916, when it was found that 2 percent of the people owned twice as much as all of the remainder of the people put together, and that 65 percent of all of our people owned practically nothing.

But what did we do to correct that condition? Instead of moving to take these big fortunes from the top and spreading them among the suffering people at the bottom, the financial masters of America moved in to take complete charge of the Government for fear our lawmakers might do something along that line.

And as a result, 14 years after the report of 1916, the Federal Trade Commission made a study to see how the wealth of this land was distributed, and did they find it still as bad as it was in 1916? They found it worse! They found that 1 percent of the people owned about 59 percent of the wealth, which was almost people owned about 59 percent of the wealth, which was almost twice as bad as what was said to be an intolerable condition in 1916, when 2 percent of the people owned 60 percent of the wealth. And as a result of foreclosures, failures, and bankruptcies, which began to happen prior to and in the year of 1929, before the campaign of 1932, and at this late date, it is the estimate of all conservative statisticians that 75 percent of the people in the United States don't own anything, that is, not enough to pay their debts, and that 4 percent of the people, or maybe less than 4 percent of the people, own from 85 to 90 percent of all our wealth in the United States. Remember, in 1916 there was a middle class—33 percent of the people—who owned 35 percent of the wealth. That middle class is practically gone today. It no longer exists. They have dropped into the ranks of the poor. The thriving man of independent business standing is fast fading. The corner grocery store is becoming a thing of the past. Concentrated chain-merchandise and banking systems have laid waste to all middle opportunity. That "thin margin of merely well-to-do in between" which the Saturday Evening Post mentioned on September 23, 1916, has dwindled to practically no margin of well-to-do in between. Those suffering on the bottom and the few lords of finance on the top are nearly all that are left.

It became apparent that the billionaires and multimillionaires even began to squeeze out the common millionaires, closing in

even began to squeeze out the common millionaires, closing in and taking their properties and wrecking their businesses. And so we arrived (and are still there) at the place that in abundant America, where we have everything for which a human heart can pray, the hundreds of millions—or, as General Johnson says, the 80,000,000—of our people are crying in misery for the want of the things which they need for life, notwithstanding the fact that the country has had and can have more than the entire human

race can consume.

The 125,000,000 people of America have seated themselves at the barbecue table to consume the products which have been guaranteed to them by their Lord and Creator. There is provided by the Almighty what it takes for them all to eat; yea, more. There is provided more than what is needed for all to eat. But the financial masters of America have taken off the barbecue table 90 percent of the food placed thereon by God, through the labors of mankind, even before the feast begins, and there is left on that table to be eaten by 125,000,000 people less than should be there for 10,000,000 of them.

What has become of the remainder of those things placed on the table by the Lord for the use of us all? They are in the hands of the Morgans, the Rockefellers, the Mellons, the Baruches, the the Morgans, the Rockefellers, the Mellons, the Baruches, the Bakers, the Astors, and the Vanderbilts—600 families at the most, either possessing or controlling the entire 90 percent of all that is in America. They cannot eat the food, they cannot wear the clothes, so they destroy it. They have it rotted; they plow it up; they pour it into the rivers; they bring destruction through the acts of mankind to let humanity suffer; to let humanity go naked; to let humanity go homeless, so that nothing may occur that will do harm to their vanity and to their greed. Like the dog in the manger, they command a wagonload of hay, which the dog would not allow the cow to eat, though he could not eat it himself.

So now, ladies and gentlemen, we come to that plan of mine for

manger, they command a wagonload of hay, which the dog would not allow the cow to eat, though he could not eat it himself.

So now, ladies and gentlemen, we come to that plan of mine for which I have been so roundly denounced and condemned by such men as Mr. Farley, Mr. Robinson, and Gen. Hugh S. Johnson, and other spellers and speakers and spoilers of the Roosevelt administration. It is for the redistribution of wealth and for guaranteeing comforts and conveniences to all humanity out of this abundance in our country. I hope none will be horror-stricken when they hear me say that we must limit the size of the big man's fortune in order to guarantee a minimum of fortune, life, and comfort to the little man; but, if you are, think first that such is the declaration on which Roosevelt rode into the nomination and election of President. While my urgings are declared by some to be the average of a madman, and by such men as General Johnson as insincere bait of a pied piper, if you will listen to me you will find that it is restating the laws handed down by God to man; you will find that it was the exact provision of the contract and law of the Pilgrim Fathers who landed at Plymouth in 1620.

Here's what the Pilgrim Fathers said in the contract with the early settlers in the year 1620. I read you article 5 from that contract:

contract:

"5. That at ye end of ye 7. years, ye capital & profits, viz. the houses, lands, goods, and chatles, be equally devided betwixte ye adventurers, and planters; wch done, every man shall be free from other of them of any debt or detrimente concerning this adventure."

So the Pilgrim Fathers wrote into the covenant to do just exactly what the Bible said to do, that they should have an equal division of the wealth every 7 years. I don't go that far; I merely advocate that no man be allowed to become so big that he

akes paupers out of a million other people.
You will find that it is the cornerstone on which nearly every You will find that it is the cornerstone on which nearly every religion since the beginning of man has been founded. You will find that it was urged by Bacon, Milton, and Shakespeare in England, by Socrates, Plato, Theognis, and other wisest of men in Greece, by Pope Pius XI in the Vatican, by the world's greatest inventor, Marconi in Italy, by Daniei Webster, Ralph Waldo Emerson, Abraham Lincoln, Andrew Jackson, William Jennings Bryan, and Theodore Roosevelt in the United States, as well as by nearly all of the thousands of great men whose names are yet mentioned in history. mentioned in history.

The principle was not only the mainspring of Roosevelt's nomination and election, but in the closing speech of Herbert Hoover at Madison Square Garden in November 1932, even Hoover said:

"My conception of America is a land where men and women may walk in ordered liberty, where they may enjoy the advantages of wealth, not concentrated in the hands of a few but diffused through the lives of all."

And so now I come to give you again that plan, taken from these leaders of all times and from the Bible, for the sponsoring of which I am labeled America's menace, madman, pied piper, and demagogue.

I propose:

First. That every big fortune shall be cut down immediately by a capital levy tax to where no one will own more than a few million dollars, as a matter of fact, to where no one can very long own a fortune in excess of about three to four millions of dollars. I propose that the surplus of all the big fortunes, above the few millions to any one person at the most, shall go into the United States ownership. How would we get all these surplus fortunes into the United States Treasury? Not hard to do. We would not do it by making everyone sell what he owned; no. We would send everyone a questionnaire. On that he would list the properties he owns, lands and houses, stocks and bonds, factories and patents, and so on. Every man would place his appraisal on his property, which the Government would review and maybe change on some items. On that appraisal the big fortune holder would say out of what property he would retain the few millions allowed to him, the balance to go to the United States. Say Mr. Henry Ford should allow that he owned all the stock of the Ford Motor Co., worth, say, \$2,000,000,000; he could claim, say \$4,000,000 of the Ford stock, but \$1,996,000,000 would go to the United States. Say the Rockefeller fortune was listed at \$10,000,000,000 in oil stocks, bank stocks, money, and stores. Each Rockefeller could say whether he wanted his limit in either the money, oil, or bank stocks, but about nine billion and eight hundred million would go to the Government. And so, in this way, the Government of the United States would come into the possession of about two-fifths of its wealth, which on normal values would be worth, say, \$165,000,000,000.

Then we would turn to the inventories of the 25,000,000 families of America. All those who showed properties and money clear of debts that were above \$5,000 and up to the limit of a few millions.

of America. All those who showed properties and money clear of debts that were above \$5,000 and up to the limit of a few millions would not be touched. But those showing less than \$5,000 to the family free of debt would be added to, so that every family would start life again with homestead possessions of at least a home and the comforts needed for a home, including such things as a radio and an automobile. These things would go to every family as a homestead, not to be sold either for debts or taxes or even by consent of the owner except by the consent of the court or Government, and then only on condition that the court hold it to be spent for the purpose of buying another home and comforts thereof.

Such would mean that the \$165,000,000,000 or more taken from big fortunes would have about \$100,000,000,000 of it used to provide all with the comforts of home and living. The Government might have to issue warrants for claim and location, or even currency to be retired from such property as was claimed, but all that is a detail not impractical to get these homes into the hands of the people.

America would start again with millionaires, but no multi-

So America would start again with millionaires, but no multimillionaires or billionaires; with some poor, but none too poor to be denied the comforts of life. America, however, would still have maybe a \$65,000,000,000 balance from these big fortunes not yet used to set up the poor people. What would we do with that? Wait a moment. I am coming to that, too.

Second. We propose that after homes and comforts of homes have been set up for the families of the country, that we shall turn our attention to the children and the youth of the land, providing first for their education and training. We would not have to worry about the problem of child labor, because the very first thing which we would place in front of every child would be not only a comfortable home during his early years but the opportunity for education and training, not only through the grammar school and the high school but through college and to include vocational and professional training for every child. If necessary, that would include the living cost of that child while he attended college, if one should be too distant for him to live at home and conveniently attend, as would be the case with many of those living in the rural areas.

We now have an educational system, and in States like Louisi-

living in the rural areas.

We now have an educational system, and in States like Louisiana—and it is the best one—where school books are furnished free to every child and where transportation by bus is given to every student, however far he may live from a grammar or high school; there is a fairly good assurance of education through grammar and high school for the child whose father and mother have enough at home to feed and clothe them. But when it comes to a matter of college education, except in few cases the right to a college education is determined at this day and time by the financial ability of the father and mother to pay for the cost and the expense of a college education. It don't make any difference how brilliant a boy or girl may be, that don't give them the right to a college education in America today.

Now, Gen. Hugh Johnson says I am indeed a very smart demagogue, a wise and dangerous menace. But I am one of those who didn't have the opportunity to secure a college education or training. We propose that the right to education and the extent of

We propose that the right to education and the extent of education shall be determined and gaged not so much by the financial ability of the parents but by the mental ability and energy of a child to absorb the learning at a college. This should appeal to General Johnson, who says I am a smart man, since, had I enjoyed the learning and college training which my plan would provide for others, I might not have fallen into the path of the dangerous menace and demagogue that he has now found me

Remember, we have \$65,000,000,000 to account for that would lie in the hands of the United States, even after providing home comforts for all families. We will use a large part of it immediately to expand particularly the colleges and universities of this country. You would not know the great institutions like Yale, Harvard, and

Louisiana State University. Get ready for a surprise. College enrollments would multiply 1,000 percent. We would immediately call in the architects and engineers, the idle professors and scholars of learning. We would send out a hurry call because the problem of providing college education for all of the youth would start a fusillade of employment which might suddenly and immediately make it impossible for us to shorten the hours of labor, even as we contemplate in the balance of our program.

And how happy the youth of this land would be tomorrow morning if they knew instantly their right to a home and the comforts of a home and to complete college and professional training and

of a home and to complete college and professional training and education were assured! I know how happy they would be, because I know how I would have felt had such a message been delivered to

I cannot deliver that promise to the youth of this land tonight, but I am doing my part. I am standing the blows; I am hearing the charges hurled at me from the four quarters of the country. It is the same fight which was made against me in Louisiana when I was undertaking to provide the free school books, free busses, university facilities, and things of that kind to educate the youth of that State as best I could. It is the same blare which I heard when I was undertaking to provide for the sick and the afflicted. When the youth of this land realizes what is meant and what is contemplated, the billingsgate and the profanity of all the Farleys and Johnsons in America can't prevent the light of truth from hurling itself in understandable letters against the dark canopy of the sky. Now, when we have landed at the place where homes and comforts are provided for all families and complete education and training for all young men and women, the next problem is what about our income to sustain our people thereafter. How shall that be arranged to guarantee all the fair share of what soul and body need to sustain them conveniently. That brings us to our next point. We propose: I cannot deliver that promise to the youth of this land tonight,

need to sustain them conveniently. That brings us to our next point. We propose:

No. 3. We shall shorten the hours of labor by law so much as may be necessary that none will be worked too long and none unemployed. We shall cut the hours of toil to 30 hours per week, maybe less; we may cut the working year to 11 months' work and 1 month's vacation; maybe less. If our great improvement programs show we need more labor than we may have, we will lengthen the hours as convenience requires. At all events, the hours for production will be gaged to meet the market for consumption. We will need all our machinery for many years, because we have much public improvement to do; and, further, the more use that we may make of them, the less toil will be required for all of us to survive in splendor.

Now, a minimum earning would be established for any person with a family to support. It would be such a living which one,

already owning a home, could maintain a family in comfort, of not less than \$2,500 per year to every family.

And now by reason of false statements made, particularly by Mr. Arthur Brisbane and Gen. Hugh S. Johnson, I must make answer to show you that there is more than enough in this country and more than enough raised and made every year to do what I propose. what I propose.

what I propose.

Mr. Brisbane says I am proposing to give every person \$15,000 for a home and its comforts, and he says that would mean the United States would have to be worth over a trillion dollars. Why make that untrue statement, Mr. Brisbane? You know that is not so. I do not propose any home and comfort of \$15,000 to each person—it is a minimum of \$5,000 to every family, which would be less than \$125,000,000,000, which is less than one-third of this Nation's world's high program! of this Nation's wealth in normal times of \$400,000,000,000.

General Johnson says that my proposal is for \$5,000 guaranteed earning to each family, which he says would cost from four to five hundred millions of dollars per year, which he says is four times more than our whole national income ever has been. Why make such untrue statements, General Johnson? Must you have false witness to explore your point? I do not proceed \$5.000. why make such untrue statements, General Johnson? Must you be a false witness to argue your point? I do not propose \$5,000 income per year to each family. I propose a minimum of from \$2,000 to \$2,500 income per year to each family. For 25,000,000 families that minimum income per family would require from \$50,000,000,000 to \$60,600,000,000. In the prosperous days we have had nearly double that for income some years already, which allowed plenty for the affluent; but with the unheard prosperity was would have if all our people could buy what they peed our we would have, if all our people could buy what they need, our national income would be double what it has ever been.

national income would be double what it has ever been.

The Wall Street writer and statistician says we could have an income of at least \$10,000 to every family in goods if all worked short hours and none were idle. According to him, only one-fourth of the average income would carry out my plan.

And now I come to the remainder of the plan. We propose:

No. 4. That agricultural production will be cared for in the manner specified in the Bible. We would plow under no crops; we would burn no corn; we would spill no milk into the river; we would shoot no hogs; would slaughter no cattle to be rotted. What we would do is this:

We would raise all the cotton that we could raise, all the corn that we could raise, and everything else that we could raise. Let us say, for example, that we raised more cotton than we could use. But here again I wish to surprise you when I say that if every-

But here again I wish to surprise you when I say that if everyone could buy all the towels, all the sheets, all the bedding, all
the clothing, all the carpets, all the window curtains, and all of
everything else he reasonably needs, America would consume
20,000,000 bales of cotton per year without having to sell a bale to
the foreign countries. The same would be true of the wheat
crop, and of the corn crop, and of the meat crop. Whenever everyone could buy the things he desires to eat, there would be no
great excess in any of those food supplies.

But for the sake of the argument, let us say, however, that there would be a surplus. And I hope there will be, because it will do the country good to have a big surplus. Let us take cotton as an example. Let us say that the United States will have a market for 10,000,000 bales of cotton and that we raise 15,000,000 bales of cotton. We will store 5,000,000 bales in warehouses provided by the Government. If the next year we raise 15,000,000 bales of cotton and only need 10, we will store another 5,000,000 bales of cotton, and the Government will care for that. When we reach the year when we have enough cotton to last for 12 or 18 months, we will plant no more cotton for that next year. The people will have their certificates of the Government which they can cash in for that year for the surplus, or if necessary, the Government can pay for the whole 15,000,000 bales of cotton as it is produced every year; and when the year comes that we will raise no cotton, we will not leave the people idle and with nothing to do. That is the year when, in the cotton States, we will do our public improvement work that needs to be done so badly. We will care for the flood-control problems; we will extend the elecwill care for the flood-control problems; we will extend the electricity lines into rural areas; we will widen roads and build more roads; and if we have a little time left, some of us can go back and attend a school for a few months and not only learn some of the things we have forgotten but we can learn some things that they have found out about that they didn't know anything about when we were children.

when we were children.

Now the example of what we would do about cotton is the same policy we would follow about all other crops. This program would necessitate the building of large storage plants, both heated and cold storage, and warehouses in all the counties of America, and that building program alone would take up all the idle people that America has today. But the money spent would go for good and would prevent any trouble happening in the future. And then there is another good thing. If we would fill these warehouses, then if there were to come a year of famine there would be enough on hand to feed and clothe the people of the Nation. It would be the part of good sense to keep a year or two of stock on hand all the time to provide for an emergency, maybe to provide for war or other calamity.

I give you the next step in our program:

No. 5: We will provide for old-age pensions for those who reach the age of 60 and pay it to all those who have an income of less than \$1,000 per year or less than \$10,000 in property or money. This would relieve from the ranks of labor those persons who press down the price for the use of their fiesh and blood. Now the person who reaches the age of 60 would already have the comforts of home as well as something else guaranteed by reason of the redistribution that had been made of things. They would be given enough more to give them a reasonably comfortable existence in their declining days. However, such would not come from a sales tax or taxes placed upon the common run of people. It would be supported from the taxes levied on those with big ina sales tax or taxes placed upon the common run of people. It would be supported from the taxes levied on those with big incomes and the yearly tax that would be levied on big fortunes, so that they would always be kept down to a few million dollars to any one person.

No. 6. We propose that the obligations which this country owes No. 6. We propose that the obligations which this country owes to the veterans of its wars, including the soldiers' bonus and to care for those who have been either incapacitated or disabled, would be discharged without stint or unreasonable limit. I have always supported each and every bill that has had to do with the payment of the bonus due to the ex-service men. I have always opposed reducing the allowances which they have been granted. It is an unfair thing for a country to begin its economy while big fortunes exist by inflicting misery on those who have borne the burden of national defense.

Now ledies and gentlemen such is the share-our-wealth move-

Now, ladies and gentlemen, such is the share-our-wealth movement. What I have here stated to you will be found to be approved by the law of our Divine Maker. You will find it in the Book of Leviticus, from the twenty-fifth to the twenty-seventh chapters. You will find it in the writings of King Solomon. You will find it in the teachings of Christ. You will find it in the words of our great teachers and statesmen of all countries and of all times. If you care to write to me for such proof, I shall be glad to furnish it to you, free of expense, by mail.

Will you not organize a share-our-wealth society in your community tonight or tomorrow to place this plan into law? You need it; your people need it. Write me, wire to me; get into this work with us if you believe we are right. Help to save humanity. Help to save this country. If you wish a copy of this speech or a copy of any other speech I have made, write me and it will be forwarded to you. You can reach me always in Washington, D. C. I thank you.

I thank you.

# WORK-RELIEF PROGRAM

The Senate resumed the consideration of the joint reso lution (H. J. Res. 117) making appropriations for relief purposes.

Mr. GLASS obtained the floor.

Mr. COSTIGAN. Mr. President, a parliamentary inquiry. The VICE PRESIDENT. The Senator will state it.

Mr. COSTIGAN. Will the Chair indicate in what form the joint resolution now comes before the Senate with respect to amendments?

The VICE PRESIDENT. The Senate gave unanimous consent to consider committee amendments first. The question is on the first amendment of the committee to the joint resolution. That is the parliamentary situation.

Mr. COSTIGAN. Does that signify that we take the joint resolution as it was originally presented to the Senate, stripped of all amendments acted on in the Senate?

The VICE PRESIDENT. The joint resolution is now before the Senate in the form in which it was reported the second time by the Committee on Appropriations.

Mr. COSTIGAN. The first amendment would be—
The VICE PRESIDENT. The first amendment of the Committee on Appropriations is on page 1, line 3, to strike out, beginning with the word "protect" and ending with the word "conditions", and to insert the words "provide relief and work relief." That is the first amendment offered by the committee and that is the pending question.

Mr. COSTIGAN. Mr. President, will the Senator from Virginia yield for an inquiry?

The VICE PRESIDENT. Does the Senator from Virginia yield to the Senator from Colorado?

Mr. GLASS. I yield.

Mr. COSTIGAN. If the amendment now to be acted upon, to be followed by a second amendment containing the words "provide relief and work relief", might be agreed to, with an advance indication of willingness on the part of the chairman of the committee to add to the words "provide relief and work relief" the words "and, with a view to reducing and relieving unemployment, to provide for the construction of useful public works", it seems to me there would be no objection to striking out the words comprehended by the first amendment and incorporating the second amendment of the chairman of the committee. The amendment I suggest was submitted to the chairman of the committee yesterday.

Mr. McNARY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. McNARY. Has the Senator from Colorado proposed a formal amendment, or has he merely suggested it?

Mr. GLASS. He is just asking a question.

Mr. COSTIGAN. I am asking whether the chairman of the committee would be willing to consider later, in the event the first and second amendments of the committee are adopted, the addition, following "provide relief and work relief", of the words "and, with a view to reducing and relieving unemployment, to provide for the construction of useful public works."

Mr. GLASS. Mr. President, responding to the inquiry of the Senator from Colorado, of course the Senator from Virginia is willing and expects to consider any amendment proposed to the joint resolution. I am not authorized to speak for the committee as to whether or not the committee would favorably consider the words suggested by the Senator from Colorado. I may say, however, that since the recess of the Senate I have discussed this matter with those who might be regarded as the intimate proponents of the joint resolution; and it is their considered judgment that the words "provide relief and work relief" comprehend the entire purposes of the joint resolution in connection with other provisions of the measure.

I have always understood that all appropriations for public-works purposes were for the purpose of relieving unemployment and relieving the distresses incident to the depression; and it is the opinion of those having the matter immediately in charge before it was presented to the Appropriations Committee that those words would comprehend everything they have in mind.

I may say furthermore, Mr. President, that when the joint resolution was recommitted to the Committee on Appropriations, it was handed back to administration authorities for such alterations or suggestions as they might care to make. They made the particular alteration to which the distinguished Senator from Colorado refers; and they also submitted to the committee these alleged breakdowns to indicate rather more definitely than theretofore had been indicated the purposes for which this fund is to be used and the approximate measure of the allocations of the fund.

The Committee on Appropriations, after earnest deliberation and discussion, accepted, without the change of a word, the suggestions and alterations made by these gentlemen, and the committee has accordingly reported the joint resolution. Personally, I thoroughly agree with the conclusions of the administration authorities that the words "provide relief and work relief" are all comprehensive and include all the purposes in mind for the expenditure of this \$4,000,000,000.

The administration authorities also are in agreement with me that the words on page 2, referring to this fund of \$4,000,000,000, "to be used in the discretion and under the direction of the President", give the President complete authority, subject only to the limitations on page 3 of the joint resolution, to use this fund in any way his judgment may suggest and to employ any agencies he may desire for the use of the fund.

I said to the Senate yesterday that I was a little disposed to accept the suggestion to embody in this measure a rider extending for 2 years the life of the P. W. A. Upon conference I find that that is to be done, or attempted to be done, in a separate bill, and that even should it not be done, the President, under the terms of the pending joint resolution, would feel, and I think he is, entirely at liberty to employ the existing agency of the P. W. A. in the use of the \$4,000,000,000.

That is my answer to the inquiry of the Senator from Colorado.

Mr. COSTIGAN. If I may be permitted a word before I make a further inquiry, perhaps some Members of the Senate have been diverted from an expected course by the suggestion of the able Senator from Virginia yesterday that an amendment continuing the life of the P. W. A. would be incorporated in the joint resolution with the consent of the chairman of the committee. Had that amendment been tendered, I was expecting to ask the Senator from Virginia to give us an advance opportunity to consider the phraseology of the amendment, which I assumed might cover the difficulties some of us have encountered with the joint resolution as it now stands. In view of the expressed position of the Senator from Virginia, I assume that there is nothing for us to do but to attempt to perfect the measure to the best of our ability today on the floor. The reasons I assigned yesterday for necessary changes in the joint resolution, and the great importance of the issues involved, make it seem indispensable, under these circumstances, that I offer amendments as the joint resolution progresses.

I ask the Senator from Virginia if he will indicate whether the committee itself has any amendments it proposes to offer to the pending measure which may alter the attitude of any of us here, as outlined by me in my remarks yesterday.

Mr. GLASS. I may say that one member of the committee—to wit, the Senator from South Carolina [Mr. Byrnes]—has in mind an amendment to be proposed by him on page 3, lines 17 and 18, where, after the numerals "\$600,000,000" and the semicolon, he proposes to insert "loans or grants for public projects of States or political subdivisions or agencies thereof."

That, I believe, is the only amendment of which I am aware.

Mr. KING. Mr. President, I wish the Senator would repeat; some of us did not get the full language he suggested.

Mr. GLASS. On page 3, line 17, after the numerals "\$600,000,000" and the semicolon, the Senator from South Carolina proposes to add the language "loans or grants for public projects of States or political subdivisions or agencies thereof."

Mr. BYRNES. Mr. President, will the Senator from Virginia yield?

Mr. GLASS. Yes; I yield.

Mr. BYRNES. I simply wish to say that I share the view expressed by the Senator from Virginia, that under the language of the joint resolution the President would be authorized to make loans. The language of the measure, as

the Senator from Virginia has recited it, is, "To be used in the discretion and under the direction of the President for public projects of States or political subdivisions thereof." Manifestly it would be used either for grants or loans. When the question is raised as to whether loans are authorized, the same question could be raised as to whether grants are authorized. But as long as objection is made, in the hope of saving time, I am offering this amendment merely to clarify the language, and make certain that the money would be available for loans or grants for public projects.

The VICE PRESIDENT. The question is on agreeing to

the first amendment of the committee.

Mr. McNARY. Mr. President, I wish to inquire as to the parliamentary status of the proposal of the Senator from Colorado. Is that presented now, and is it before the Senate?

Mr. GLASS. The Senator from Colorado has not presented an amendment as yet.

Mr. McNARY. Then, Mr. President, the question is upon the adoption or rejection of the committee amendment?

The VICE PRESIDENT. That is correct.

Mr. COSTIGAN. Mr. President, I merely wish to say that, in view of the statements made, it is my intention to vote against the first amendment of the committee on the basis of the discussion which took place in the Senate yesterday; if that shall be adopted, to vote for the second amendment, and to offer an amendment to the second amendment.

The VICE PRESIDENT. The question is on agreeing to the first amendment of the committee, on page 1, line 3.

The amendment was agreed to.

The VICE PRESIDENT. The clerk will state the next amendment.

The CHIEF CLERK. The next amendment of the committee is, on page 2, line 2, after the word "President", to strike out the words "in such manner, and for such purposes and/or such projects, Federal or non-Federal, as shall be adapted to the accomplishment of any one or more of the objectives specified in clause (1), (2), (3), or (4)."

The VICE PRESIDENT. Without objection, the amendment is agreed to.

Mr. COSTIGAN. Mr. President, I understood the second amendment would be to add the words "provide relief and work relief."

The VICE PRESIDENT. That was a part of the first amendment, and the first amendment has been agreed to. The first amendment was on page 1, where the committee proposed to strike out, beginning on line 3, down to the word conditions", on line 8, and to insert the words "provide relief and work relief."

Mr. COSTIGAN. Mr. President, in order to broaden the purposes of the joint resolution, and to make sure that public works may be included. I desire to add, following the words provide relief and work relief", language which I have sent to the desk.

The VICE PRESIDENT. The Senator from Colorado was under the impression that there were two amendments, but under the rules of the Senate the amendment is a single amendment, and is indivisible. If the Senator desires to perfect the amendment, it will be necessary to reconsider the vote of the Senate by which the amendment was agreed to.

Mr. COSTIGAN. I ask unanimous consent that the vote be reconsidered.

The VICE PRESIDENT. Is there objection?

Mr. FLETCHER. Mr. President, would not the Senator's amendment be in order after we had agreed to this amendment; could he not subsequently offer an amendment?

The VICE PRESIDENT. No; it would be necessary to undo the affirmative action of the Senate.

Mr. FLETCHER. The Senate can agree to the amendment proposed by the committee.

The VICE PRESIDENT. If the Senator from Colorado permits the Senate to adopt the amendment, that will be affirmative action of the Senate, and it would not be in order to go back and undo the action by amendment.

Mr. FLETCHER. We do not need to undo anything. The Senator wants to add something to the language of the joint resolution

The VICE PRESIDENT. It is germane now, but it would not be after the amendment had been adopted, unless there should be reconsideration of the vote.

Is there objection to the request of the Senator from Colorado that the vote by which the first amendment was agreed to be reconsidered? The Chair hears none, and the vote is reconsidered, and the Senator from Colorado offers an amendment to the committee amendment, which the clerk will state.

The CHIEF CLERK. On page 1, line 8, after the word "relief" and the comma, it is proposed to insert the words " and, with a view to reducing and relieving unemployment to provide for the construction of useful public works."

The VICE PRESIDENT. The question is on agreeing to

the amendment to the amendment.

Mr. COSTIGAN. On this I ask for the yeas and nays.

Mr. GLASS. Mr. President, let me again say to the Senate that, in conference with the highest possible authority on the subject of administration of legislation, I was very definitely told that it was the interpretation of the President that, under the language of this section as reported from the committee, public works and all other work designed to relieve unemployment, and to cure in any measure the distresses incident to the depression, were comprehended in this language, and I hope it will not be altered.

Mr. COSTIGAN. I ask for the yeas and nays on the question. It seems to me to be of great importance and is

fortified by sound legal opinion.

Mr. KING. Mr. President, will the Senator yield to me? Mr. COSTIGAN. I vield.

Mr. KING. I ask the Senator whether a proper and not a meticulous, legalistic interpretation of the joint resolution further on in its provisions would not comprehend the amendment which is offered by the Senator and permit the construction of useful public works and carry out, indeed, the intention and purpose of the Senator's amendment?

Mr. COSTIGAN. Will the Senator direct our attention to the language he has in mind?

Mr. KING. For instance, the following language: "Highways, roads, streets, and grade-crossing elimination, \* \* rural rehabilitation and relief in stricken agricultural areas, \* \* \* rural electrification, \* \* \* housing, \* \* \* Civilian Conservation Corps, \* \* \* public projects of States or political subdivisions thereof"; and a tremendous sum appropriated, \$900,000,000; and "sanitation, prevention of soil erosion, reforestation, forestation, flood control, and miscellaneous projects." It would seem to me that those comprehensive words would include all that the Senator has in mind, and would cover the useful public projects to which the Senator is directing our attention.

Mr. TYDINGS. Mr. President, will the Senator from Colorado yield to me?

Mr. COSTIGAN. I yield.

Mr. TYDINGS. In addition to what has been said by the Senator from Utah, let me call the Senator's attention to the fact that section 8 uses this language, "On all building construction work or projects undertaken." It strikes me that by implication we have already assumed that public-works projects are to be undertaken as a part of the work-relief

Mr. COSTIGAN. Mr. President, the able Senator from Maryland was not present yesterday during the discussion, as I recall it; the Senator from Utah was. The argument which was made, and which, as I stated, was fortified by the considered opinion of careful Government attorneys who have dealt particularly with projects of this sort, was to the effect that we are opening the door to new court interpretations based upon this initial qualifying language, "relief and

If that viewpoint is sound, this joint resolution as it now stands, and as it is likely to stand if amended in accordance with the construction of the chairman of the committee, will, first of all, permit court proceedings to test the effect | of these new words, "work relief", with respect to particular projects, with the possibility, indeed, the probability, in the opinion of such attorneys, that the joint resolution will not be extended, with court sanction, to many of the projects later enumerated in the joint resolution. If that point was not made clear yesterday, I hope it is now understood by Members of the Senate.

The Chairman of the Committee on Appropriations said repeatedly yesterday that everything under heaven could be done by the President under the joint resolution. If that be so, what possible objection can there be to incorporating in this clause indicating the policy of Congress such moderate language as that suggesting that part of these funds may be used with a view to reducing and relieving unemployment, and providing authority for the construction of useful public works?

Mr. KING. Mr. President, will the Senator yield?

Mr. COSTIGAN. I yield.

Mr. KING. I heard only a part of the argument of the Senator yesterday. Was it his argument that the words "provide relief and work relief" would be so construed as that those projects and activities to which I directed attention might be successfully challenged?

Mr. COSTIGAN. That was the argument which I presented, and which I supported, in a measure, by an opinion of the Acting Comptroller General, which the Senator from Utah will find in the RECORD of yesterday at the conclusion of my remarks.

Mr. KING. The amendment which the Senator has now suggested would not expand the activities on projects beyond those which were enumerated in the joint resolution?

Mr. COSTIGAN. It would not. There is every purpose to cooperate with the chairman of the committee and with the committee itself. The only purposes of the amendment are to make more certain that the ends which the Senator from Virginia says may be attained under the joint resolution can certainly be attained, and that there will be ample authority to deal with public works without court construction which may halt us when we come to a particular

I call for the yeas and nays.

Mr. LONG. Mr. President, what is the question? The VICE PRESIDENT. The Senator from Colorado [Mr. Costigan] has offered an amendment to the committee amendment, and on that amendment he has asked for the yeas and navs.

Mr. LONG. Will the Senator from Colorado please read his amendment?

Mr. COSTIGAN. Mr. President, as the joint resolution now stands the Senate has approved the opening paragraph from line 3 to line 8 by striking out the original words in the joint resolution as it passed the House of Representatives, and has added "provide relief and work relief", so that the language of the joint resolution as it now stands is:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to provide relief and work relief—

I am now offering, as an amendment to that, the further words-

and, with a view to reducing and relieving unemployment to provide for the construction of useful public works.

Mr. LONG. Mr. President, I desire to direct the attention of the Senator from Colorado [Mr. Costigan] and the Senator from Virginia [Mr. GLASS] to the parliamentary situation in which we shall be if the amendment of the Senator from Colorado shall be adopted. Its adoption will mean that this particular language will not be subject to change by subsequent amendment. In other words, if we amend this committee language we shall not be able to amend it again. That is to say, I cannot propose another amendment.

I desire to say to the Senator from Virginia, the Senator from Colorado, and other Senators that at a later time I had intended to insert in the joint resolution, if I could get

million dollars of the money might be used for the purpose of advancing to the universities of the United States, as has been done to a limited extent already, funds which the universities might be permitted to give to students wishing to attend college who are not able to pay their own way.

As an example, out of all the \$3,300,000,000 we have heretofore appropriated through one of our bureaus-I do not care which one it was-the sum of \$20,000,000 was given around to the various universities. They took that money-I know they did in my State—and they would give to a student a maximum of around \$15 a month, and by means of that \$15 and the help the school itself would give, either in reducing tuition or crediting the student with tuition, many of the schools accommodated as many as 500 or 600 young men. We spent only \$20,000,000 in that way for the United States.

I was recently informed by one of the gentlemen in the University of Iowa who came to see me when I was down in my home State that lately they had decided to discontinue this \$20,000,000. I do not propose to offer just \$20,000,000. Here is a place to spend our money.

If Senators will turn to page 3 of the joint resolution and look over this apportionment they will find that there is provided \$600,000,000 for our Civilian Conservation Corps. I am not going to argue against the Civilian Conservation Corps, but if we put in this measure today, or take from some of these other funds \$600,000,000 to start the work of education, with \$15 per month we would be able to put a young man in the university of one of our States as against the \$35 to \$50 now expended to put him in a conservation camp, perhaps in the same State. In other words, for 40 cents on the dollar we can give a young man or a young girl an education, and we can train them in any line we wish to train them; we can remove them from the path of the unemployed, and we can build up the fiber of their manhood and womanhood and save the Government a great deal of money while we do it.

As an example, Mr. President, the college enrollments in every State during this depression, with the exception of one State university, I think-there may be other exceptionsas a general rule decreased 15 percent. I believe the attendance at universities which heretofore had not had sufficient facilities to care for those seeking admittance fell during this depression around 15 percent. That was due to only one thing in the world—that students did not have the money with which to go to college.

Our science of high education is not based upon the ability of the young men or the young women to learn. It is not based upon their willingness to expend energy to study but it is based upon the financial capacity of the parents to support the cost at college. So this little help which was given was given because of the fact that in the universities of the country 15 percent less students were seeking admission than during normal times because their parents could not pay the cost.

There was one exception which stands out, which is my own State university, Louisiana State University. That university showed an increase of about 150 percent instead of a reduction of about 15 percent. That was due largely to the fact that the costs at that university were reduced so much as largely to attract students who theretofore could not seek entrance to that school. So I wish to suggest to the Senator from Colorado that before the words of the Senator's amendment, which reads-

And with a view to reducing and relieving unemployment to provide for the construction of useful public works—

we insert the words "and education", so the language will be "provide relief, work relief, and education", and then insert the words of the amendment proposed by the Senator from Colorado "and with the view", and so forth.

Is the Senator from Colorado willing to offer his amendment with that modification? As the Senator from Virginia [Mr. Glass] says, such amendment would still be optional in later amendments we might offer.

Mr. COSTIGAN. Mr. President, there is no objection on enough votes to back me up, a proviso that several hundred my part, although I believe on full consideration that the

objective or the purpose of the Senator from Louisiana is realized under the word "relief."

As I view the language of the joint resolution, I have no difficulty with the powers intrusted to the President to spend money for relief purposes, including educational purposes. If there is any objection to the measure as it now stands from the viewpoint of the expenditure of funds by the President, it is that he does not need to fear any limitation in giving relief to any person needing financial relief. He might go down the street and hand out cash to the people on the street under the terms of this bill. He may help students in college, as I view it. The difficulty arises when we come to construction in the nature of public works. There we are confronted with the words "work relief", which the courts may construe as not applicable to a given project in a given locality. The Senator from Louisiana is a keen lawyer. He can weigh the significance of that language without suggestion from any of the rest of us. I am inclined to think that on reconsideration he will feel that what he is seeking is covered by the present language.

Mr. LONG. Mr. President, if the Senator will permit, I wish to say that when we begin to specify, an old rule of law applies, that rule being, as I remember it, "Inclusio unius est exclusio alterius", which translated from the Latin would mean, "If you put something in there, it means you are trying to leave the other thing out of there."

Mr. LEWIS. Mr. President, may I give the Senator from Louisiana the language of that law maxim, which is "Expressio unius est exclusio alterius." It means just what the Senator says.

Mr. LONG. Yes, sir. In other words, if you put something in there, it means you do not want to put the other thing back. In other words, to include one means to exclude the other.

Mr. GLASS. Mr. President, to get back to plain English, the suggestion of the Senator from Louisiana [Mr. Long] is included in the bill; and I do wish the classical scholars would let us go on and have a vote on the proposition.

Mr. LONG. I do not want to offend my friend from Virginia. I am glad he called me a classical scholar. The last time I heard the Senator he was not speaking so kindly about me, and I want the record to "stay put" on the matter.

I think the language is all right as it is; I can agree with the Senator in that respect. I think it covers everything in the world. My theory is that when we begin to specify we begin to exclude.

Mr. COSTIGAN. What the Senator from Louisiana says is true with respect to the language incorporated by the committee on page 3. In that amendment there is a specification of certain subjects with respect to which money is to be allocated, but in the initial clause to which we are now referring, may I say to the Senator that the purpose of the language is to make as broad as possible the purposes of the joint resolution?

It is difficult to conceive of anything desirable in the form of relief, whether direct relief, work relief, or public works, which would not be covered by this combination of words:

In order to provide relief and work relief, and with a view to reducing and relieving unemployment, to provide for the construction of useful public works.

Mr. LONG. Mr. President, the trouble is you reach the idea of being just and generous the same as if the word "similar" were written in. When you begin to specify, that is when you begin to get into trouble. If we leave it a Pandora's box, it covers everything.

Mr. WHEELER. Mr. President-

Mr. LONG. I yield to the Senator from Montana.

Mr. WHEELER. I wish to call the attention of the Senator from Colorado [Mr. Costigan] to the fact that there is a serious question in my mind as to whether his amendment would not prevent the administration from completing the Fort Peck Dam and some other projects in the Northwest, because it reads:

In such manner, and for such purposes and such type or types of projects, Federal or non-Federal, as are now or may be hereafter authorized by law of the United States.

The project to which I have referred, together with the other projects, was approved by the President of the United States on the recommendation of the Chief of Engineers of the Army, and there might be some question as to whether or not that could be construed as an approval.

May I suggest to the Senator that he modify his amendment by adding after the words "United States" in line 9, "or approved by the President of the United States"?

Mr. COSTIGAN. Mr. President, the able Senator from Montana has directed attention to the next amendment which I have been planning to offer to the joint resolution and which has not as yet been presented to the Senate.

Mr. WHEELER. I am sorry; I just came in a few moments ago.

Mr. COSTIGAN. It should be said that yesterday I directed a large part of my remarks to the necessity of incorporating language which will protect such public works as Fort Peck, the Grand Coulee, and many other important projects in the Northwest. It seems to me that the amendment suggested by the Senator may be valuable and should be proposed by the Senator when we reach the second amendment unless at this time by rejecting the amendment I am now proposing, we limit the authority given to relief and work relief. The Senator has presented another argument why the amendment now before the Senate should be adopted.

Mr. BONE. Mr. President-

Mr. COSTIGAN. I yield to the Senator from Washington.

Mr. LONG. I thought I yielded to the Senator from Colorado, but go ahead, I do not want to interrupt the Senator from Colorado.

Mr. COSTIGAN. The Senator from Washington [Mr. Bone] requested me to yield to him.

Mr. BONE. I merely want to ask the Senator a question. I understand the purpose of this amendment to be—because I have submitted a similar one—to make sure that there shall be no question of the power of the President to proceed with present public-works operations that are pending or those that are being set up by the various States; in other words, what we commonly know as "public-works operations" under the old P. W. A. Is that correct?

Mr. COSTIGAN. That is correct, and the Senator from Virginia is urging that the President already has the power. What I am now urging upon the Senate is that, if he has that power, there ought to be no objection whatever to the adoption of language which, in the view of competent attorneys, will safeguard that power and not leave it subject to technical attacks.

Mr. LONG. Mr. President, I am sure that the Senator from Colorado only has in mind expanding the joint resolution, but when you begin to specify you begin to exclude. There is not any question about that in my mind. The minute you say "relief and work relief", one of those even is a modification of the other. Over further, on page 3, from which the Senator read, there is something said about "flood control, and miscellaneous projects, \$350,000,000." That is not enough money for the purpose.

Mr. GLASS. Mr. President, the Senator will observe that the President is authorized to strip from other funds as much as \$800,000,000, and add it to the miscellaneous projects.

Mr. LONG. I understand that to be true.

Mr. LOGAN. Mr. President, will the Senator yield? The VICE PRESIDENT. Does the Senator from Louisiana

yield to the Senator from Kentucky?

Mr. LONG. I yield.

Mr. LOGAN. I should like to ask the Senator what difference it makes as to the language that is used in the joint resolution, because if we make no better progress than we have been making all those threatened by starvation will long since have died before we shall ever pass the measure. joint resolution. I notice in the newspapers this morning that they say I conducted a filibuster because I kept quiet.

Mr. LOGAN. Mr. President, I did not mean to suggest the Senator from Louisiana was delaying the progress of the joint resolution, but we have had it up now, I do not know for how long, and we do not seem to have made any progress; and, at the same rate, we will never pass the joint resolution.

Mr. LONG. When this measure was up once before the Senate, and the McCarran amendment was under consideration. I never opened my mouth on the floor of the Senate about the joint resolution at all; and never had anything whatever to do except to vote and to help secure a pair for a colleague which I had been asked to secure. I asked a question or two yesterday, but practically I have said nothing about the measure at all, though, none the less, I read in the newspapers that because I have not said anything there has been a "silent" filibuster against the joint resolution. [Laughter.]

Mr. BARKLEY. If the Senator will yield, as between that type of filibuster and the other, we infinitely prefer the "silent" kind, and if the Senator will continue that type we will not fall out with him.

Mr. LONG. I want the Senate to take a vote on that and find out if the Senator's colleagues stand with him before he commits the Senate.

However, Mr. President, my great difficulty is in getting Senators really to listen for just a moment to the thought of the educational world. The educators of the whole world would like to have a little better consideration. Out of the \$3,300,000,000 appropriated last year education was given \$20,000,000; that is all. I want to say that the colleges and universities of this country did more good and less harm with the \$20,000,000 allotted to them than was done with the entire remaining amount of the \$3,300,000,000. So far as the Civilian Conservation Corps is concerned, we would far rather have had 500 young men in Louisiana taken care of under that organization than to have all the other work which was undertaken in the State. I believe in put-ting fiber in manhood and keeping it there after it has been put there. I do not believe in destroying the incentive a man has to make a living. I think when a dollar is spent and with that expenditure there is breathed into a man the spirit of indolence, the spirit of being no account in general, more harm is done in the destruction of the fiber of manhood than is done by dislodging more money from the Government Treasury. In other words, what money is spent ought to be spent in order to build up the fiber and the virtue of mankind rather than to tear it down.

I am told that a man wired here to Washington and said, "Send us a carload of leaves: we have worn the last ones out and we have not anything to sweep any more in this park." Some man told me in Oklahoma City that back of his office there was a lot of dirt in a park and that he counted six times when they moved that dirt from one place to another and then moved the dirt back to where it was.

Mr. President, Louisiana is the leading State in reforesta-We taught the world how to reforest. I am not speaking now from any other standpoint than that of history and what the reports of the United States departments will show. We taught the country how to reforest; we taught them how to plant saplings. I wish to tell you, Mr. President, that sending young men out today to plant saplings tomorrow accomplishes very little, because they do not know a thing in the world about it, and 99 percent of the saplings planted died and never did sprout and never will sprout.

Planting saplings is just as much of a business as is the work of making a cake or setting type in a printing office. It is not something that can be done without any previous experience. While we sent young men to the country so as to take them out of the cities and off the box cars where they were going from city to city, and probably it is somewhat better at least to send them into the country rather than to have them remain in the city, none the less we spent \$50 to take one young man off the streets and place him in the

Mr. LONG. I have not obstructed the progress of the | Civilian Conservation Corps out in the woods somewhere. I propose with that \$50 to take three young men and give them a college education, just like other young men are getting today, at \$15 per student, if the money shall be given to the universities and spent as the last \$20,000,000 was spent. Why can we not profit by the good things that develop as well as by the mistakes that we make? Here is an expenditure along lines that many of us have been sponsoring for 15 or 20 years in this country. We have been sponsoring the idea that college education ought to be given to the youth of the land, not based upon the financial capacity of the parents of the students to pay the costs, but based upon the mental capacity of the students to absorb knowledge and of their energy to apply themselves for the purpose of acquiring a college training.

We have been talking about eliminating the "pork" from the joint resolution and having no politics in it. What I want to do is to save and preserve the fiber there is now and to give better fiber to the manhood and womanhood of the United States. What I want to do is to eliminate all politics from our relief program. Another desire of mine is to do the most good to the greatest number with the least drain upon the taxpayers of the United States. For \$15 per person-think of it!-\$15 per person we can take out of the ranks of labor young men and young women and, instead of teaching them idleness, put them in a university where they may be trained in a way that will redound to the benefit and the advancement of the country.

When the joint resolution was recommitted to the commitee I thought I was going to have a chance to present this matter to the committee. I said to my friend from Virginia, "When the measure goes back to the committee I want a chance to come before the committee." Later on I telephoned the chairman that I hoped the committee would hold hearings and that I should like an opportunity to come before the committee and discuss the matters I wanted to present. Later on I was informed that the joint resolution had been reported and that the committee had had no hearings of any consequence. I do not know whether that statement is exactly correct.

I am not criticizing the committee and I am not criticizing the chairman. I wanted the opportunity to show the committee from facts and from figures that a great part of this money or the larger part of it had been thrown away, that the taxpayers were meeting a bill every day that was being doubled and redoubled on them, that they had to pay the principal and interest. I wanted to show that they were doing in many cases only downright harm.

With all of the unemployment in the country there are many places where we cannot hire men to work. That is a fact. With all the unemployment we have today, I know of instances where men have tried to hire labor and could not get labor because the laborers were afraid if they got a job for a few days they would be taken off the relief and they preferred to stay on the relief, to get a little hand out from day to day, rather than to take the chance of getting off the relief roll and then not getting back on the relief roll. There are certain people who do not want to work anyway. There are a lot of people who are downright lazy and do not want to work. Sometimes I feel inclined that way myself, and I know how people get that feeling.

Mr. BONE. Mr. President-

The VICE PRESIDENT. Does the Senator from Louisiana yield to the Senator from Washington?

Mr. LONG. I yield.

Mr. BONE. I wonder if the Senator from Louisiana will enlighten us and tell us in what section of the country those people may be found. I think his statement requires some further illumination.

Mr. LONG. There always have been about half a million people in the United States who do not want to work.

Mr. BONE. The Senator might be a little more frank and say where they are.

Mr. LONG. There are a few tramps and hoboes at the bottom, and there are a few tramps and hoboes too rich at the top.

Mr. BONE. The Senator still does not illuminate the situation as to where are those people who refuse to work and refuse to earn a living.

Mr. LONG. I mean to say there have always been, even in prosperous times in the United States, or at any time, several hundred thousand people who just do not want to work and will not work. I will give the Senator an example. In my own home town I knew a carpenter who let the front doorsteps of his own house rot down before he undertook to patch them. We have people everywhere who do not want to work. The point I make is that there is latent in the bones of lots of us a spirit that we should like to live without working if we could do so. Some of us are that way. There have always been, even in our prosperous times, anywhere from 250,000 to 300,000 or 500,000 people who never did work. I know we have such men around my home town. They are around everybody's home town. They are men who sit in the courthouse and play checkers in the summertime or sit in front of the fire in the sheriff's office in the wintertime. There has always been a certain number of people who do not want to work. I do not mean to say that is general or half general, but there are some who will not work. That has been true always. That has been aggravated by the further condition that when a man who really did want to work got on the relief roll through necessity he dared not have the work on the relief roll stopped for fear if he got any private work he never would get back on the relief roll.

Over in a little town out near Mamou, La., a man had a garden where he was raising some turnips, beets, snap beans, cabbage, a little popcorn, and stuff like that. agent came along and said he could not be put on the dole because he had a garden and therefore did not have any business on the dole. The man went out the next day and plowed up his garden so he would be qualified to go on the dole.

It has gotten so now all through that part of the countryand not only that part of the country, but all over the United States-that a man does not dare have a garden, because if he does he will be taken off the relief roll.

Mr. BONE. Mr. President-

Mr. LONG. I yield to the Senator from Washington. Mr. BONE. I do not wish to interrupt the interesting discourse of my friend from Louisiana, but I have a very keen interest in the suggestion of the Senator from Colorado [Mr. COSTIGAN], because in my section of the country and throughout the West there are a great many projects designated as public-works projects which are very vitally tied into the suggestion made by the Senator from Colorado in his amendment. I have submitted an amendment of a similar character. I hope the Senator from Louisiana will let us vote. If he wishes to offer an amendment of his own, I am perfectly willing that he should do so, but I should like to have a vote on the pending question. I recognize the Senator's right to talk on this matter, but I should like to have a vote on the pending question, which is so vitally important to my people. If the Senator from Louisiana wishes to offer an amendment of his own, I certainly shall not object.

Mr. COSTIGAN. Mr. President, will the Senator yield? Mr. LONG. I yield to the Senator from Colorado.

Mr. COSTIGAN. There are no differences in opinion between the Senator from Louisiana and other Members of the Senate as to the importance of education and our desire to aid a proper educational program. The inquiry, which I now address to the Senator, is whether his amendment may not be included among the specified limiting items on page 3 of the joint resolution, rather than as a qualification of the broad purposes designed to be covered by the joint resolution.

Mr. LONG. I think it can be done, but while I am speaking on this educational matter I desire to take a few minutes further to complete my statement. It will not take long. I want my friend from Washington to listen to what I have to say, rather than to watch the time clock to see how long I take to say it.

I have just been stating the fault which would be in any system, and more in this system than in any other system,

which is that when we go out to spend \$100 and do not do any good with it, we do not build anything, but we tear down the very thing we have taught the people all our lives to do as necessary. For instance, I had rather the Government never spent a dime in the State of Louisiana than to have taught my people not to raise a garden in order that they might get on the relief dole.

I went over Louisiana for years. I started the "pot likker" craze throughout the State. Why? I started out to teach the people of Louisiana to plant a garden, to raise turnip greens, to raise various and sundry vegetable products, and to live at home and by that we never felt the depression when it came on in 1929 until the dole money began to be put out. The minute an effort was made to put out the dole money and the people found they could not get on the dole if they had a garden, that they could not get on the dole if they had a little job of any kind, then we began to have the dole in the rural sections in the State of Louisiana. I do not think we ever would have had to have near all we did, if the dole had not been started in that way in Louisiana. The Federal Government has gone to those people, where we spent millions of dollars to teach them to raise a garden, and has educated them not to plant a garden and not to have a garden because they could not stay on the dole if they did have a garden.

So, Mr. President, at a later time in the consideration of this joint resolution-I am going to speak to the point-I shall offer an amendment, and I hope Senators will not think I am delaying the joint resolution. I have talked on this measure less than anybody here that I know about. All told, I have not consumed 40 minutes of the Senate's time on the joint resolution, and yet I am the only Senator about whom there has been any complaint.

I do not understand this kind of business. The only man about whom there has been any complaint on the ground of taking up time has been myself. I did not talk a minute on the joint resolution the last time it was before the Senate, and I have talked on it less than 40 minutes since it has been here this time. I shall offer, however, and I shall explain, in connection with this joint resolution, an amendment which I believe will be accepted by practically everybody interested in education throughout the country, to take \$1,000,000,000 of this money that the authorities do not know what they are going to do with, and with which they probably will do more harm than good in some cases, and let it be used for the purpose of providing college education that can be provided for around \$120 a year as the part paid by the United States.

The VICE PRESIDENT. The question is on the amendment of the Senator from Colorado [Mr. Costigan] to the amendment of the committee.

Mr. COSTIGAN. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll. The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Coolidge	Johnson	O'Mahoney
Ashurst	Copeland	Keves	Pittman
Austin	Costigan	King	Pope
Bachman	Couzens	La Follette	Radcliffe
Bailey	Cutting	Lewis	Reynolds
Bankhead	Dickinson	Logan	Robinson
Barbour	Dieterich	Lonergan	Russell
Barkley	Donahey	Long	Schall
Bilbo	Duffy	McAdoo	Schwellenbach
Black	Fletcher	McCarran	Sheppard
Bone	Frazier	McGill	Shipstead
Borah	George	McKellar	Smith
Brown	Gerry	Maloney	Steiwer
Bulkley	Gibson	Metcalf	Thomas, Okla.
Bulow	Glass	Minton	Thomas, Utah
Burke	Gore	Moore	Townsend
Byrd	Guffey	Murphy	Trammell
Byrnes	Hale	Murray	Truman .
Capper	Harrison	Neely	Tydings
Carey	Hastings	Norbeck	Vandenberg
Clark	Hatch	Norris	Walsh
Connally	Hayden	Nye	Wheeler

The VICE PRESIDENT. Eighty-eight Senators have answered to their names. A quorum is present. The question is on the amendment offered by the Senator from Colorado [Mr. Costigan] to the amendment of the committee.

Davis

Mr. COSTIGAN. I ask for the yeas and nays on my

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. LOGAN. I have a general pair with the senior Senator from Pennsylvania [Mr. Davis], who is absent. I transfer that pair to the senior Senator from Indiana [Mr. Van Nuysl and will vote. I vote "nay."

Mr. LEWIS. I rise to announce the absence of the Senator from Arkansas [Mrs. Caraway] and the Senator from Louisiana [Mr. Overton] caused by illness.

I also announce the absence of the Senator from Indiana [Mr. Van Nuys] and the Senator from New York [Mr. WAGNER], who are necessarily detained.

Mr. HARRISON (after having voted in the negative). I have a general pair with the Senator from Oregon [Mr. Mc-NARY], but I am advised that if present he would vote "nay" on this question. Therefore I will let my vote stand.

Mr. AUSTIN. The Senator from Pennsylvania [Mr. Davis] is absent on account of illness. His general pair and its transfer have been announced.

The Senator from Maine [Mr. WHITE] is necessarily absent. I am not advised how he would vote on this question. He has a general pair with the Senator from Arkansas [Mrs. CARAWAY].

The result was announced—yeas 32, nays 56, as follows:

	Y	EAS-32	
Adams Black Bone Borah Bulow Capper Costigan Couzens	Cutting Duffy Frazier Hatch Johnson King La Follette Long	McCarran McGill Murphy Murray Neely Norris Nye O'Mahoney	Pope Schall Schwellenbach Shipstead Steiwer Thomas, Okla. Thomas, Utah Wheeler
	N	AYS-56	
Ashurst Austin Bachman Basiley Bankhead Barbour Barkley Bilbo Brown Bulkley Burke Byrd Byrnes Carey	Clark Connally Coolidge Copeland Dickinson Dieterich Donahey Fletcher George Gerry Gibson Glass Gore Guffey	Hale Harrison Hastings Hayden Keyes Lewis Logan Lonergan McAdoo McKellar Maloney Metcalf Minton Moore VOTING—7	Norbeck Pittman Radcliffe Reynolds Robinson Russell Sheppard Smith Townsend Trammell Truman Tydings Vandenberg Walsh
Caraway	McNary	Van Nuys	White

So Mr. Costigan's amendment to the amendment of the committee was rejected.

Wagner

Mr. BONE. Mr. President, I have joined with my colleague the junior Senator from Washington [Mr. Schwel-LENBACH] in presenting a group of amendments which I think are exactly like those submitted by the Senator from Colorado. I ask the clerk to read the amendments, which follow the one which has just been voted on, and I will ask for a vote on the amendments. They are somewhat similar in character to the one just voted on.

Overton

The VICE PRESIDENT. The clerk will read.
The LEGISLATIVE CLERK. On page 2, line 2, after the word "President", it is proposed to insert the following: "in such manner, and for such purposes and such type or types of projects. Federal or non-Federal, as are now or may be hereafter authorized by law of the United States."

Mr. BONE. May I add to that the words: "or approved by the President."?

The VICE PRESIDENT. Without objection, the amendment is modified as suggested by the Senator from Washington.

Mr. BONE. I will ask that the clerk read the rest of the amendments, and that we may have a vote on them en bloc. I take it they will be voted down.

The VICE PRESIDENT. The clerk will state the other amendments.

The LEGISLATIVE CLERK. On page 3, line 17, it is proposed to strike out the word "public", and in line 18, strike out the words "or political subdivisions thereof" and insert in lieu

thereof the following: "Territories, possessions, municipalities, public bodies and projects (other than those included in other categories herein specified) of a type or types now eligible for loans or grants or both under section 203 of title II of the National Industrial Recovery Act."

On page 7, line 15, before the word "to" insert the following: "(a) to make loans (1) to States, Territories, possessions, municipalities, and public bodies and (2) to private bodies to finance projects of a character now eligible for loans under section 203 of title II of the National Industrial Recovery Act; (b) to make grants as well as loans (1) to States. Territories, possessions, municipalities, and public bodies and (2) to nonprofit agencies, corporations, and associations established for the purpose of providing electrification to rural communities; (c) to establish and prescribe duties and functions of governmental agencies (including corporations with corporate authority only as approved by the President and within the scope of this joint resolution): (d) to delegate the powers conferred on him under this joint resolution to any governmental agency (including a corporation or permanent department of the Government); and (e)."

The VICE PRESIDENT. The question is on agreeing to the amendments.

Mr. BONE. Mr. President, I have just a word to offer. A great many communities in this country, not hundreds, but thousands of communities, pursuant to what appears to have been a deliberate invitation on the part of the Governmen, acting through its agencies, have been asked to prepare programs of public works. I assume that every Member of the Senate is familiar with that operation in his own State. If it has not been accomplished in other States, I should like to know which State has been missed.

In my State the word went out from the Government representatives there for each community to prepare a budget of its public-works projects of the character indicated in the joint resolution, or in the amendment of the Senator from Colorado.

I stated yesterday, and I desire to repeat, that if by any chance the courts shall so construe the language of the pending measure as to make the consummation of the desires of these people impossible, then a very great disillusionment is coming to them, and I think we ought to know that in advance; we should be fully advised of the possible effects of judicial construction. I ask for a vote.

Mr. BORAH. Mr. President, may I ask whether the amendment on page 2, line 2, was agreed to?

The VICE PRESIDENT. It was agreed to. The first amendment of the committee, on page 1, line 3, was agreed to, and the vote was reconsidered, and the question now is on agreeing to the amendments offered by the Senator from Washington [Mr. Bone].

Mr. CLARK. A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. CLARK. It is my understanding that by a Senate order the committee amendments were to be taken up first for consideration.

The VICE PRESIDENT. That is correct.

Mr. CLARK. Has the Senator from Washington offered an amendment to the pending committee amendment?

The VICE PRESIDENT. He has done so and has received unanimous consent of the Senate to consider an entire block of amendments which cover the entire joint resolution. The Senate can do anything by unanimous consent that does not violate the Constitution of the United States.

Mr. BONE. I pursued the course referred to in order to expedite a vote.

Mr. BORAH. The amendment on page 2, line 2, has been agreed to, as I understand?

The VICE PRESIDENT. It was agreed to.

Mr. BORAH. The first amendment offered by the Senator from Washington proposes to insert the words:

In such manner, and for such purposes and such type or types of projects, Federal or non-Federal, as are now or may be hereafter authorized by law of the United States.

How could non-Federal projects be authorized by law of the United States?

Mr. BONE. Because the original P. W. A. Act authorizes the President to allocate funds for that purpose.

Mr. BORAH. But the amendment says "authorized by law of the United States."

Mr. BONE. We have added the words "or approved by the President." If there is any doubt or any question, if there is any twilight zone there, that expression ought to correct it.

The VICE PRESIDENT. The question is on agreeing to the amendments offered by the Senator from Washington.

The amendments were rejected.

The VICE PRESIDENT. The question now is on agreeing to the first committee amendment.

#### THE RIGHT TO EDUCATION

Mr. LONG. Mr. President, I hope that I will not offend anyone who has an amendment pending if I now proceed to complete a few remarks. I stopped short a moment ago because the Senator from Washington wanted certain amendments voted on; I cut my speech short so as to accommodate him.

Mr. GLASS. Mr. President, I wish very much the Senator from Louisiana would accommodate the Senator from Virginia and let us vote on the first committee amendment, which has been pending 2 days.

Mr. LONG. Mr. President, I sidetracked any effort to talk for the benefit of the Senator from Washington and the Senator from Colorado; then I voted for the amendments of both, though I thought they were both wrong, in order to show that I was not going to stand in their way. I not only stopped talking after letting them talk but I voted with them. So I thought that ought to please everyone who was trying to amend the bill.

I desire to complete my few remarks concerning what seems to me to be about the only sensible thing which has been said regarding this joint resolution since it has been before the Senate the second time. I am trying to appeal to the Senate, instead of throwing away any more money, to use this money actually for relief, actually to cure unemployment and to educate the youth of the United States. I am trying to get the Senate to think just for a moment whether it is not better to spend this money at the rate of \$15 per month per person to educate the youth of this land in the universities and colleges we now have rather than to pay \$50 a month to someone to sweep leaves from one side of the road to the other until the leaves are worn out.

I said in the beginning that I had a friend who told me that in a certain park where the leaves had been swept out so many times that they telegraphed to Washington to send them another carload of leaves.

I also said I had a friend in Oklahoma City who told me last week when he came to see me in my room that he had counted six times when they had moved dirt from one place to another and then moved the dirt back to its original place

So I have proposed to the Senate and to the country that there be incorporated on page 3 of the joint resolution an amendment providing that a billion dollars shall be devoted to be spent as we have lately spent \$20,000,000. The colleges of this country, unless there has been a late message to the contrary, have been given to understand that the measly \$20,000,000 which we managed to have appropriated to the universities of the country so as to help young men who were undertaking to secure an education will no longer be available.

That money was given to the universities and was used at the rate of around \$15 to the student, as a result of which the University of Louisiana and other similar universities were able to take care of from 450 to 500 students who otherwise would not have been able to attend college.

One of our fundamental defects, one of our fundamental troubles, is that the right to a high education, the right to a college education, and in some places even to high-school education, depends upon the financial capacity of the parents to support the cost of education. A fundamental fault with this country today, one which is tending to create unemployment, one which is tending to create inequalities that exist between men, is that the right to education and

the right to training does not depend upon the ability of a child to learn nor upon the energy a child is willing to expend in order to learn, but the right to a college education depends upon whether or not the parents of the child have the money with which to send him to college. One can get an education and the other cannot get an education. One is taught in a law school and another one is not taught in a law school. One is taught the science of medicine and another one is not taught the science of medicine. They are born equal in one respect only—they are equal in the matter of debts. Today every child who is born in America has tied around his neck his proportionate part of the public debt. The debts of the United States, public and private, amount to \$252,000,000,000. That means that every child, male and female, when it comes on earth and as long as it remains on earth, on the average, owes about \$2,000. So we are carrying out the Constitution of the United States, as interpreted before it was written by the Declaration of Independence, that all men are created equal; we are carrying that out in one particular—that is, that there will never be any child born on earth so poor that he will not have hung around his neck the present, his birth present of a \$2,000 debt, some may say.

We do not neglect children in that particular; every child who comes here is given one present, a \$2,000 debt the day he is born.

It is because of the fault in the distribution of education that so many of these inequalities have been caused. The only boy who can go to college is the boy whose father is able to shell out enough money to pay the living expense and the cost of tuition at college.

So during this depression there seemed to be a little idea of social justice along the line of education. The Louisiana plan was followed to some extent, Mr. President, and an attempt was made to apply it in the United States, but they have found out that it is creating a terrible germ. We found out that with \$20,000,000 the universities could expend that money at the rate of \$15 a child and give young men such credits and reduced costs for tuition that for \$15 a child, \$120 a year on the average, a boy or a girl could go through the university, and the magnificent sum of \$20,000,000 out of \$3,300,000,000 was spent for that purpose. In other words, they spent for this purpose about one-half of a copper cent every time they spent a dollar on the folderols. But they have now decided that they have got to stop that; that it is creating a germ which is going to be hard to control. They have decided that they have started something which is setting a bad example, because every other man's boy and girl in the United States is trying to be cared for, as some were cared for out of the little \$20,000,000. In other words, they say they have got to turn the hands of the clock back because of the fact that many boys and girls are now being led to expect that the Government is going to see that they are educated: that it is a terrible thing to have people depending upon the Government for an education, and, therefore, according to one of the learned men from Iowa, according to one of the learned men who came to see me, they are now undertaking to take away the little \$20,000,000 because the example which is being set is such that one man's boy is getting to the point where he thinks he has as much right to a college education as has the other man's boy.

In other words, a bad example, a very pernicious example, has been set with \$20,000,000. Out of the entire total debt of \$10,000,000,000, from which one can hardly see any good that has come even with a spirit level and a periscope—out of the total sum of \$10,000,000,000, the little sum of \$20,000,000 which has been spent for education amounts to about one-fifth part of 1 percent, and they want to discontinue that because it is setting a bad example.

Mr. President, I desire the Congress of the United States to spend the money of the people in such way as will do the most good. Has Congress reached the point where it will not think? Has Congress reached the point where it will not use its mind at all? If Congress would stop for just a minute and use its own faculties, it would come to understand that here is an advantageous way to spend this money.

Here is a cheap way to cure the depression. Here is a way to do eternal, permanent good. Here is a way by which the fiber of mankind is encouraged and virtue is not destroyed. Therefore, I propose to offer an amendment in a latter part of the pending joint resolution to effectuate the purpose I have described.

Mr. President, I have completed the remarks I intended to make on this subject at this time. I am not going further to tax the good humor of my friend from Virginia. I only have a few remarks to add under this heading. I want the Senator from Virginia to understand that I have no intention of unnecessarily taking up time. But the Senator from Virginia comes from one of the leading States from an educational standpoint. In his State we find the University of Virginia, and when Thomas Jefferson set forth what he wished to have on his tombstone one of the things he wanted there was that he was the founder of the University of Virginia. I want to find in the Senate the person or the persons who are able or who are capable of extending education throughout the United States. I do not believe that the Senator from Virginia is nearly so sympathetic toward this joint resolution as he has been toward other bills I have heard him sponsor. He lacks the fire he formerly had. He has not as yet told any of us what he thinks about us, even in private, and I do not believe he is really nearly so enthusiastic over the pending measure as I have seen him over other bills; but if we could get written into this joint resolution a provision that a billion dollars shall be used as I have indicated it would be well. Of the \$5,000,000,000, 95 percent is going to be thrown away and never will do any good. I say that advisedly; I am not saying it merely for the sake of talking. Senators may think these power dams are going to do a lot of good-and I am for all of them; I should like to see 10 where 1 has been provided for; but by the time they get through spending this money and throwing away about \$4 where they beneficially spend \$1, and having it messed up by a bunch of bureaus in Washington, and by the time you get through paying your part of the taxes to do it, you would have been better off if you had taken your own money and done it in the first place, as you know.

I had a little experience with some of these bureaus. When I was Governor of Louisiana they wrote me a letter saying that if I did not reform one of our boards they were not going to give us any Federal help. I wrote the board a letter which is here in the files and it would be well if somebody would look at it and read it. That was before I learned to use diplomacy. [Laughter.] I cannot understand that kind of a greeting accorded such a remark. When they said, "Either do this or do that or we will do nothing", I wrote them back and said, "Keep your little money up there; we do not need it. You are not going to tell us how to spend a dime of it. If you have anything that looks good that you want to tell us, that is all right." What did they do? They finally came down there and interfered with us in the use of limestone as an aggregate in publicroad construction. They would not allow us to use the marble limestone there on the ground because, as they said, it did not meet the Federal specifications. Whereupon we told them to keep their money and we would use the limestone, anyway. They said that it would not do; that they required 3,500 pounds tensile strength to the square inch and that such strength could not be obtained with our limestone. Lo and behold, when we got our limestone roads built they brought a machine down there that would crack a road up at 5,000 pounds to the square inch, but their machine would not crack the road work; it would not crack the blocks. So they sent back and got a machine that would test up to 10,000 pounds to the square inch, but that would not crack the road. What did they do, this gang that had been down there telling us that they would not give us Federal relief money if we did not build the road as they said we should? They took our formula and put the inscription "Federal specification number so and so" on it, and sent that out to the country as being a great discovery that had been made by the Federal Government, notwithstanding the fact that they would not pay a dime in the beginning on the road that we were constructing with that lime-stone.

They were going to dedicate a bridge I built with money of other people. I said, "When are you going to dedicate this bridge?" They said, "We have 1 mile of road to build yet." I said, "That is 1 mile of road, and at the most it never did take more than a week for us to build 1 mile of road." They informed me that they had to have about 4 or 5 weeks to build that other mile of road; that the Federal Government had so many rules and regulations and other things that they would not be able to build that mile of road for 5 weeks. So we set the ceremony for the opening of the bridge ahead 5 weeks; and, I will be dadgummed if when the 5 weeks had passed that mile of road had not been completed and the bridge was not connected with the road, and so we had to hold the ceremony incident to opening the bridge without the connecting link being ready.

So I want to say for my part—and I mean every word I am saying—we would have been better off if we had never had a dollar of Federal money. The Government has gone in there and spent this money and told our people, "If you have got a garden, we are not going to put you on the relief roll", and they, therefore, do not raise any gardens. It has said to the man who has a potato patch that it is not going to let him have any relief money, and so he does not have a potato patch.

In my section a man can go into the country and raise a garden in 6 weeks' time. He can plant turnips and soon they will be up above the ground, and one can have turnips and corn meal and catch fish somewhere and live easier than anywhere else on Gad's living earth. The sun shines there about 300 out of every 365 days, and the people have absolutely not much to worry about along the lines referred to, except in some of the crowded points, and with less employment our people in Louisiana can make out better than can people anywhere in the world.

When I saw the hard times coming on, we put out a little paper from the agricultural department of Louisiana, and we taught everybody in that State how to plant a garden. We taught them how to swap; we taught them how to swap a sack of beans from the hills of north Louisiana for a sack of rice from the lowlands of south Louisiana, whether either party had a dollar or not. We published an exchange list, which I should like some of the Members of the Senate to see; so that if a man in south Louisiana had a coop of chickens he could not sell he could trade it to a man in north Louisiana maybe for a sack of beans or a sack of potatoes. Lo and behold, this relief outfit came along, and if a man advertised that he had anything that he wanted to put on the list to swap to somebody they cut him off the relief roll, and, therefore, now none of them have anything they want to swap. That is how the relief agencies act; that is what is happening to relief.

The Senator from Virginia reminds me that I was not to tax his patience. The reason I am doing so is the Senator looked as if he was getting interested as I was talking, and for that reason I am proceeding for a few minutes longer than I had intended. But the point is, you are never going to get the country back on a good basis when you are teaching the people to do away with the very things they have got to have. This straightedge of relief! If you are going to give any relief money, why not amend this joint resolution-I guess we could not get it amended in that particular-and let the States be responsible for it. I will guarantee that the State of Louisiana can exist on half what they are spending there right now and do much better. I make the statement that we can get along on 25 percent of what they are spending down there now if they will spend it in the right way.

I would make a man have a garden before I would give him any relief, instead of telling him he had to plow up his garden in order to get relief.

I would say, "God helps those who help themselves. You can raise some things in this ground, and if you are so low down and so trifling and no account that you are not will-

ing to plant a few turnips and a few beans and a few potatoes and make what you can make, and have a shoat around the house, I will take you off the relief roll." I would not give anything to a man who is that low down. Instead of that, they come along and say, "If you have a garden, we will not give you any relief at all, and if you accidentally go out and, by chance, catch a day's work, we will take you off the relief roll altogether." Along comes somebody with a little temporary work; here is a man who decides he wants to build a barn. He would go out and hire a few people for 5 days, or perhaps for 2 weeks, in order to build a barn, but, lo and behold, he cannot get anybody to work for him, for the reason that anybody who works on a barn is going to be taken off the relief rolls. That is how the money is being spent.

It is mighty hard to get the Senate interested in anything sensible right now because it is liable not to receive approval on the outside. It is mighty hard to get the Senate to be concerned about anything sensible in connection with this matter. Oh, it is somebody else's business. Who is spending this money? Who picked these men to spend this money? Did anybody ever vote for one of them? Not one of them could get enough votes to wad a shotgun. Who is it that is picking them to spend this money? Who is setting up these rules and these regulations and these laws to spend this money, anyway? It is nobody's business except to load on to the public debt. That is all they have been doing.

We had a little relief of our own in Louisiana; we had a little relief in the city of New Orleans before Federal relief was started. The entire sum we spent in a year, I think, was around three or four hundred thousand dollars; at any rate, it was under a half million dollars; and there

was not a single complaint down there.

Now Federal relief agencies are spending in the State probably a million and three-quarters dollars a month, and I would say that they are spending three-quarters of a million dollars a month in the city of New Orleans, whereas we went a whole year on \$350,000. We told the people, "Go out and do a little fishing on your own account, raise your gardens, do what you can to help yourselves, and then we will give you what little we have; if you can get a day's work, go get it, and we will help you what we have to on the side.' Today they are spending in that city probably \$750,000 a month-perhaps it is less than that, but at least a halfmillion. They are spending three-quarters of a million dollars a month where we spent from \$350,000 to \$400,000 all winter; and there is more distress today, with their relief, than we had before we ever had any relief at all. If, however, I could get the Senate to do the sensible thing about this matter, if I could get the Senate to take a billion dollars of the five billion dollars and use a billion dollars for the purpose of giving to every boy and to every girl an opportunity to go to college at a cost of \$15 a month, we would only pay out from \$120 to \$135 a year on any boy or girl, and we would take care of a million people much cheaper than it is costing us to take care of a quarter of a million at the present time.

We would be able to take out of the ranks of labor young men and young women who are going from door to door and from place to place trying to get a job of some kind when they have no business trying to get a job of any kind until their education shall have been completed. We would end the age-old curse that the only man who can get an education is the young man whose father is wealthy enough to send him to college.

Am I arguing anything new? No! We did it to the tune of \$20,000,000 last year, but now it is said, "Oh, no; we are starting a bad system." It is said we are getting young men and young women to depend upon the Government for their education, and this system must be stopped because it is liable to grow. It is the very system that ought to grow. The United States Government and the State governments owe to these boys and girls the right to a college education. I had just as much right to a college education as any boy that was ever born. I was not able to go to college

while my neighbor's boy was able to go. The only reason he was able to go was because his father was better off than my father. I had just as much right at my birth to a college training and to an education which the college could give me as any other boy who was ever born, and so did the neighbor's boy.

If the United States today would do its duty and would try to equalize opportunity instead of throwing this money away that is going to be thrown away-I wish to say that again: Throwing this money away, because that is what is being done with 95 percent of it—we would not have the condition which exists today. We could take a billion dollars of this money and do what with it? We could give 800,000 young men and young women the opportunity to go to college tomorrow morning who cannot now go to college because of the fact that they have not the money with which to pay their college expenses. Such a plan would take 800,000 young men and young women who are looking for a place to get a job, and put them in college, would keep them from throwing some able-bodied man out of a job, and the fiber and the virtue of young American manhood and womanhood would be developed rather than diminished as a result of the relief activities which are now being carried on. That is what a billion dollars would do. But that is too sensible a thing to talk about in the United States Senate right now.

Mr. GLASS. Mr. President, if the Senator from Louisiana will let us get to that part of the joint resolution which he proposes to amend, we may be able to do what he desires sooner than we otherwise could.

Mr. LONG. That is the greatest concession I have ever had. With that statement, I shall certainly stop talking.

The PRESIDENT pro tempore. The question is on the adoption of the committee amendment.

The amendment was agreed to.

The next amendment of the Committee on Appropriations was, on page 3, line 5, to insert the following proviso:

Provided, That except as to such part of the appropriation made herein as the President may deem necessary for continuing relief as authorized under the Federal Emergency Relief Act of 1933, as amended, this appropriation shall be available for the following classes of projects, and the amounts to be expended for each class shall not, except as hereinafter provided, exceed the respective amounts stated, namely, highways, roads, streets, and gradecrossing elimination, \$800,000,000; rural rehabilitation and relief in stricken agricultural areas, \$500,000,000; rural electrification, \$100,000,000; housing, \$450,000,000; projects for professional and clerical persons, \$300,000,000; civilian Conservation Corps, \$600,000,000; public projects of States or political subdivisions thereof, \$900,000,000; sanitation, prevention of soil erosion, reforestation, forestation, flood control, and miscellaneous projects, \$350,000,000; Provided further, That not to exceed 20 percent of the amount herein appropriated may be used by the President to increase any one or more of the foregoing limitations if he finds it necessary to do so in order to effectuate the purpose of this joint resolution.

Mr. BYRNES. Mr. President, I offer the amendment which I send to the desk to the amendment of the committee.

The PRESIDENT pro tempore. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment, on page 3, line 17, after the numerals "\$600,000,000" and the semicolon it is proposed to insert the words "loans or grants for"; and, in line 18, after the word "subdivisions", to insert the words "or agencies", so as to make the sentence read "loans or grants for public projects of State or political subdivisions or agencies thereof, \$900,000,000."

Mr. GLASS. Mr. President, I have no objection to the amendment.

The PRESIDENT pro tempore. Without objection, the amendment to the amendment is agreed to.

Mr. McCARRAN. Mr. President, I have an amendment, which has been printed and is lying on the table, which I desire to offer at this time to the committee amendment.

The PRESIDENT pro tempore. The amendment to the amendment will be stated.

The Legislative Clerk. On page 3, line 14, after the comma following the word "areas", it is proposed to insert

the words "and irrigation and reclamation", so as to make the sentence read: "Rural rehabilitation and relief in stricken agricultural areas, and irrigation and reclamation, \$500,000,000."

Mr. BYRNES. Mr. President, I will say to the Senator from Nevada that under the language of the amendment reported by the committee, both irrigation and reclamation projects are authorized.

Mr. McCARRAN. Will the Senator kindly indicate wherein they are authorized?

Mr. BYRNES. If the Senator will look at the RECORD of this morning and read the letter of the Comptroller General, I invite his attention to the fact that under item 8 appear the words "miscellaneous projects." In the letter I submitted to the Comptroller General I specifically referred to reclamation projects, and the Comptroller General, in the letter which he wrote me and which I have had inserted in the RECORD, states they are included in item 8.

Furthermore, I am sure the Senator will be interested in line 21, section 10, where the joint resolution itself refers to reclamation projects. I think there can be no question as to the construction to be placed upon the language as including reclamation projects. The preceding item is held to include irrigation projects. In order that the RECORD may show the intention of the committee, I will say that there is no question that both should be included in the classification set forth.

Mr. McCARRAN. If that be true, I see no reason why the language I propose should not be adopted. We would all rather have it in the law than in the interpretation of the law.

Mr. GLASS. The amendment should not be adopted because the language it proposes to incorporate is already in the joint resolution. It would be a useless repetition.

Mr. BYRNES. May I suggest to the Senator that I know what he has in mind? Because there are really not 8 but some 60 projects which would be cared for under his classification, that is the only reason why they were not all included. They could not very well all be included. If it were attempted to itemize them with that particularity we would be in some danger of having an adverse determination hereafter.

In order to make sure that they were included, I submitted the matter to the Comptroller General. So long as the Office of the Comptroller General says they are included and he will approve the vouchers, then there is no question as to the ruling of that Office. There can be a question only where the Comptroller General does not approve. Then there is an argument between the executive departments and the Comptroller as to whether he is right. But where he approves it the matter is determined, and he has said that he approves.

Mr. McCARRAN. That is under the title "Miscellaneous Projects "?

Mr. BYRNES. Yes; and it is also confirmed by section 10 of the joint resolution.

Mr. McCARRAN. Of course, if we read section 10 and apply the plain simple language of that section, we could get no consolation whatever. Permit me to read it.

Mr. KING. Mr. President, will the Senator yield before he does that?

Mr. McCARRAN. Certainly.

Mr. KING. May I say to my friend from South Carolina that in addition to passing the scrutiny of Mr. McCarl, the Comptroller General, it probably will have to pass the scrutiny of Secretary Ickes, and perhaps of the Attorney General, and the Director of Reclamation?

Mr. BYRNES. I will state to the Senator that this classification, as the Senator from Virginia has said heretofore, was prepared by officials of the Federal Relief Administration and their attorneys, and their construction was that the projects referred to were included; and expenditures under it will be submitted, not to the Attorney General, but to the Comptroller General. If he approves an expenditure, it is paid. It is only when he disapproves it that there is a

controversy between the Attorney General and the Comptroller General.

Mr. SHIPSTEAD. Mr. President—
Mr. McCARRAN. I yield to the Senator from Minnesota.
Mr. SHIPSTEAD. Having heard the explanation, it appears to me that there is danger that Comptroller General McCarl may be doing the legislating, instead of the Senate.

Mr. BYRNES. I do not think so. I do not think it is fair to say that. The Comptroller General is not legislating. I asked his interpretation solely to obtain an informal opinion as to whether or not, under this classification, the various things that were intended to be done would be construed as authorized; that is all. He is not legislating. He is simply interpreting the language of this particular section.

Mr. GLASS. As a matter of fact, is it not true that Comptroller General McCarl is not in Washington, and that this was an opinion of one of his assistants?

Mr. BYRNES. That is correct. That is why I said, "the Office of the Comptroller General."

Mr. GLASS. So far as I am concerned, I do not need any Comptroller General or any Attorney General or Secretary Ickes or anybody else to tell me that "miscellaneous projects" under this joint resolution include anything and everything that the President, in his discretion, may determine to do. In addition to the \$350,000,000 suggested—because it is all suggestive; there is not a mandatory word in the joint resolution-in addition to the \$350,000,000 suggested for use for miscellaneous purposes the President is specifically authorized to transfer \$800,000,000 more, making \$1,150,000,000 that he may use for irrigation or education or anything else for which he may determine to use it. If he does not determine to use it for those purposes, it is not going to be used for those purposes. There is nothing in the joint resolution that compels its use for those purposes.

Mr. SHIPSTEAD. Mr. President-

Mr. McCARRAN. I yield to the Senator from Minne-

Mr. SHIPSTEAD. If it is the clear understanding that Congress agrees with the interpretation of the chairman of the committee, I am perfectly willing to go by that, if that is to be the law. There has been a great deal of controversy here, however, and there seems to be a great deal of misunderstanding. We desire to have a clear understanding that there is no limitation; there is nothing barred out. For instance, river and harbor works are not mentioned in this category, although millions of dollars have been spent in that way, and various projects are in process of being built. We desire assurance that such projects are not going to be discontinued, and that the projects under construction are going to be finished.

Mr. GLASS. I will remind the Senator from Minnesota that on yesterday the Senator from Florida [Mr. Fletcher] interrogated me about rivers and harbors, and I seemed to satisfy him completely by telling him that rivers and harbors could be included under this miscellaneous item, with the right of the President to transfer \$800,000,000 to the \$350,-000,000 provided.

Mr. SHIPSTEAD. With that understanding, I shall not offer an amendment.

Mr. BYRNES. Mr. President, will the Senator yield to me

The PRESIDENT pro tempore. Does the Senator from Nevada further yield to the Senator from South Carolina?

Mr. McCARRAN. I yield to the Senator.

Mr. BYRNES. I will say to the Senator that the joint resolution provides that in the discretion of the President he may spend the money for anything; and the only reason for asking any interpretation is because of the questions that have been asked. Therefore we asked those who are going to administer the joint resolution. They say they can spend money for reclamation, irrigation, and rivers and harbors. Because of the questions which have been asked, and because it has been said that even though those who are to administer the joint resolution say they can spend the money in a certain way, some question will be raised by the Comptroller General; we asked the Comptroller General, and he says they can spend it in that way. What more could be

Mr. McCarran. Mr. President, I desire first to address myself to the enlightening remarks of the Senator from South Carolina [Mr. Byrnes], whose views I always respect, as I always respect the views of the Chairman of the Appropriations Committee, even though at some time he does not go along with me on the amendment for the master plumbers of the country.

I address myself to section 10, referred to by the Senator from South Carolina. With the permission of the Senate, I will read section 10:

Federal public-roads projects, rivers and harbors projects, reclamation projects, and public-buildings projects undertaken pursuant to the provisions of this joint resolution shall be carried out under the direction of the respective permanent Government departments or agencies having jurisdiction of such projects, and the performance of all contracts in connection with such projects shall be subject to the supervision and control of such departments or agencies.

The language, together with the punctuation used therein, is so specific that it has nothing to do with the section we now seek to amend. In other words, if reclamation and irrigation are not included in the amendment of the committee as it appears on page 3, then section 10 has no application whatever. That is so clear to me, at least, that I cannot see it otherwise. If, however, reclamation and irrigation are included in the allocations as they have been attempted to be made in section 3, then perchance section 10 would become operative.

That brings us back to page 3, and to the lines to which I have attempted to make a very simple and, to my mind, only a corrective amendment. I say "corrective" because I have been advised that the term "miscellaneous" covers a multitude of things—covers everything.

Mr. GLASS. A multitude of faults.

Mr. McCARRAN. I hope I shall not be indulging too much in facetiousness if I say that the old spinster, "Miss Cellaneous", has only served to bring suitors into court. I have never known that term to bring any other result; neither have I ever known that particular and now avowed thing to bring greater results.

If, as a matter of fact, all that is said by the Senator from South Carolina [Mr. Byrnes] is true—and I have a most profound respect for his interpretation—I ask the Senate of the United States who does the legislating for the people of this country? I ask the Senate of the United States—why should we unload our burdens on the Comptroller General? Are they not ours? Are we not responsible for the language? Why say that the Comptroller General has said, in anticipation of the enactment of legislation, that he will construe certain language along a certain line?

To my mind, that was never the office or the province or among the powers of the Comptroller General. I think we should write the law and, when we have written it, let the Comptroller General construe it as best he can. But when an opportunity is afforded here for those who are charged with a responsibility to write something into a law the making of which they have in their hands, why shirk the duty? Why say to the Comptroller General, "You may construe it afterward. We have on file your letter in which you say you will construe it so-and-so."

There are only two words here, but those two words mean more to the life of the West than anything else of which I have personal knowledge. When I say "the West", may I enlist the attention of those who are wedded to the East and the South, and who do not know the problems we in the West have to encounter? They do not realize, perchance, that we cannot cause two blades of grass to grow where one has formerly grown unless we have the water that comes down from the snowy summits of the mountains. They do not realize, perchance, that the great territory into which the unemployed must go in the years yet to come is the West. When I say "the West", I am going to limit myself to the territory west of the Mississippi; and then, if I might be more specific, I would say the West of adventure yet existing; the West of

the Mountain States, where reclamation and irrigation are the only means of livelihood.

In the pending joint resolution, Mr. President, there are terms that might imply the creation of homesteads where men might live and employ agencies around them, or might live by their own exertions. Where is the possibility for homesteads? Where does it exist? Where is the possibility for toil, for labor? Where is the possibility to absorb the 20,000,000 now out of employment?

I point to the West, and then I am going to point to something else, I hope, before the Congress shall adjourn, and that is the great Territorial possession of Alaska, which stands today as the West stood in the years that have passed.

Reclamation, the conservation of the waters which otherwise will flow down and be lost, and irrigation, will make for this country new homes, new possibilities, new things that are worth while.

Why deny us the right to insert the two words in this joint resolution?

Mr. President, I hope that my advocacy of another amendment which will come before us, with whatever contentious elements may be involved, will not take from the force of my advocacy of something which means so much to the people of the great western section. I hope there will be nothing in my words or in my thoughts that will take from the force and effect of an effort which was made after the publicworks bill was passed, when groups of us—for there are Senators on the floor who joined with me at that time—went to the President and to Secretary Ickes and asked them to allocate \$250,000,000 for reclamation and irrigation, just as we had allocated \$400,000,000 in the same measure for public highways.

Mr. ASHURST. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. ASHURST. My disposition and desire as to the pending joint resolution are to follow the Senator from Virginia in all the points, but frankness compels me to say that there is so much force, from a legal viewpoint, in the argument made by the Senator from Nevada [Mr. McCarran] that I hope the committee will take this amendment to conference for a careful examination.

Mr. GLASS. I have no objection whatsoever, Mr. President. The whole thing is merely suggestive, and I have no objection in the world.

Mr. COSTIGAN. Mr. President, if the Senator from Nevada will yield, will the Senator from Virginia permit the addition of the words "transmountain diversion", which I discussed yesterday, as part of the amendment for inclusion?

Mr. McCARRAN. I think that is all a part of irrigation and reclamation, and I should be glad to accept it.

Mr. COSTIGAN. And may I add the words "water conservation"?

Mr. GLASS. What else? This shows the difficulty about the thing. If we accept one project, then they come tumbling one after another. I have no objection to the inclusion of reclamation and irrigation, because the whole thing is suggestive anyhow; it is all up to the President, and I accept the amendment.

Mr. COSTIGAN. I offered an amendment to the amendment, which I understood the Senator from Nevada to accept, so as to add the words "water conservation" and "transmountain diversion."

Mr. McCARRAN. I think that is all included in the two generic terms.

Mr. GLASS. If it is all included in the two generic terms, let us have the two generic terms, and nothing else.

Mr. McCARRAN. I accept the amendment to my amendment offered by the Senator from Colorado.

Mr. GLASS. The Senator is running a risk of my withdrawing my acceptance of his amendment, if he is going to accept all other amendments.

Mr. McCARRAN. It is only explanatory. I know the Senator will not do that.

Mr. GLASS. Oh, well; let it go. It does not matter.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Nevada, as modified, to the committee amendment.

The amendment to the amendment, as modified, was agreed to.

Mr. O'MAHONEY. Mr. President, I have sent to the desk an amendment I propose to the committee amendment, which I ask the clerk to read.

The PRESIDENT pro tempore. The clerk will state the amendment to the amendment.

The CHIEF CLERK. On page 3, line 8, after the word "amended", it is proposed to insert "or for restoring to the Federal Emergency Administration of Public Works any sums which after December 28, 1934, were, by order of the President impounded or transferred to the Federal Emergency Relief Administration from appropriations heretofore made available to such Federal Emergency Administration of Public Works."

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Wyoming [Mr. O'MAHONEY] to the committee amendment.

The amendment to the amendment was agreed to.

Mr. LONG. Mr. President, I send to the desk an amendment which I desire to propose to the amendment of the committee

The PRESIDENT pro tempore. The clerk will state the amendment to the amendment.

The CHIEF CLERK. In the committee amendment, following line 18, page 3, it is proposed to insert the following:

For affording funds to colleges and universities to advance to students needing and desiring financial assistance to pay costs and living expenses necessary for college courses and study at or in such colleges and universities, \$1,000,000,000.

Mr. ASHURST. Mr. President, I did not hear the numeral.

Mr. KING. One billion dollars.

Mr. GLASS. Mr. President, that amendment has been extensively discussed, and I ask for a yea and nay vote on it. Mr. BYRNES. Mr. President, I should like to say one word before the vote is taken.

Under the item "projects for professional and clerical persons, \$300,000,000", the President is authorized, and it is the intention of the administration, to carry on the work it has been doing specifically in giving aid to students. The administration has the authority now to continue that work, and it will be done in the discretion of the President, under the appropriation of \$300,000,000.

Mr. BORAH. Mr. President, may I ask the author of the amendment whether this would increase the sum total appropriation by \$1,000,000,000?

Mr. LONG. No; if the amendment shall be adopted, I intend to shave down other items.

Mr. BORAH. But if the Senator did not succeed in shaving them down, it would increase the sum total?

Mr. LONG. That is correct.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Louisiana to the committee amendment. The yeas and nays have been requested. Is the demand seconded?

The yeas and nays were ordered, and the Chief Clerk called

Mr. AUSTIN. I announce the absence of the Senator from Pennsylvania [Mr. Davis] on account of illness. He has a general pair with the Senator from Kentucky [Mr. Loganl. I do not know how either Senator would vote on

I also announce the pairs of the Senator from Maine [Mr. WHITE] with the Senator from Arkansas [Mrs. Caraway]. and the Senator from Vermont [Mr. Gibson] with the Senator from Colorado [Mr. Costigan]. I am not advised how any of these Senators would vote on this question.

Mr. LEWIS. I announce the absence of the Senator from Arkansas [Mrs. Caraway] and the Senator from Louisiana [Mr. Overton] occasioned by illness.

I also announce that the Senator from Washington [Mr. BONE], the Senator from Colorado [Mr. Costigan], the Sen-

ator from Georgia [Mr. George], the Senator from Oklahoma [Mr. Gore], the Senator from Kentucky [Mr. Logan], and the Senator from Montana [Mr. Wheeler] are necessarily detained from the Senate.

Mr. BULKLEY. I have a general pair with the senior Senator from Wyoming [Mr. CAREY], who is necessarily absent. I transfer that pair to the junior Senator from Oklahoma [Mr. Gore] and vote "nay."

The result was announced—yeas 5, nays 75, as follows:

THE RESERVE		YEAS-0	
Frazier Long	Norbeck	Schall	Thomas, Okla.
	I I	TAYS-75	
Adams Ashurst Austin Bachman Bailey Bankhead Barbour Barkley Bilbo Black Borah Brown Bulkley Bulow Burke Byrd	Connally Coolidge Copeland Couzens Cutting Dieterich Donahey Duffy Fletcher Gerry Glass Guffey Hale Harrison Hastings Hatch	La Follette Lewis Lonergan McAdoo McCarran McGill McKellar McNary Maloney Metcalf Minton Moore Murphy Murray Neely Norris	Pope Radcliffe Reynolds Robinson Russell Schwellenbach Sheppard Smith Steiwer Thomas, Utah Townsend Trammell Truman Tydings Vandenberg Van Nuys
Byrnes Capper	Hayden Keyes	Nye O'Mahoney	Wagner Walsh
Clark	King	Pittman	
	NOT	VOTING-15	Halle Haller
Bone Caraway Carey Costigan	Davis Dickinson George Gibson	Gore Johnson Logan Overton	Shipstead Wheeler White

So Mr. Long's amendment to the amendment of the committee was rejected.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee, as amended.

Mr. STEIWER. I offer an amendment to the committee amendment, which I send to the desk and ask to have read.

The PRESIDENT pro tempore. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment, on page 3, line 20, it is proposed, before the word "and", to insert the words "rivers and harbors."

Mr. STEIWER. Mr. President, I ask the Senate's attention for just a minute to this proposal.

I think there is no Senator who would try to exclude from the list of projects provided in the pending joint resolution the construction of river and harbor works. I understand it is the purpose of the administration to carry on the important work of improving rivers and harbors out of the funds provided by the joint resolution. That is so definitely understood that the War Department appropriation bill recently passed by the Senate carried no appropriation at all for rivers and harbors. We are advised that it is the purpose, or at least it is contemplated by the Bureau of the Budget, and I think it is true that it is contemplated by the President himself, that the important work to be carried on in the country in the development of rivers and harbors shall be carried on by moneys diverted from the pending appropriation. It would seem, therefore, that there could be no objection to the amendment offered by me except on the ground that it may not be necessary.

I shall not argue that question, because I would rather obtain a quick conclusion with respect to this matter if it be possible; but I do wish to say to Senators that there is more than one view which might well be held with respect to the inclusiveness of the categories set forth in section 3 of the joint resolution.

I know that the chairman of the committee takes the view that the President may do anything within his discretion under the joint resolution. Personally, I take quite a different view. When the language starts with an exception, as it does in line 5, and then proceeds to say that, with the exception of the uses there named, the money shall be available for a certain purpose, it seems to me that may be construed as meaning that the money is available for those purposes, and for those purposes only; and, Mr. President, inasmuch as there may well be a controversy about it, it | line 20, "miscellaneous projects", for which \$350,000,000 is would seem to me the part of prudence to include the amendment I have just proposed to the committee amendment.

Mr. GLASS. Mr. President, I feel authorized to accept the amendment to the amendment.

Mr. STEIWER. I thank the Senator.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Oregon to the committee amendment.

The amendment to the amendment was agreed to.

Mr. BARBOUR. Mr. President, I should like to direct a question to the chairman of the committee. I do not think any amendment is necessary to cover the subject matter of my question, but I should like to have an expression of his

I refer to line 19, page 3, where the language of the joint resolution is "prevention of soil erosion." I shall ask the chairman of the committee if he feels that that would also include what is known as "coastal erosion", erosion due to the ravages of the sea, the protection of coastal areas of the United States.

Mr. GLASS. I think it would comprehend any kind of land erosion, whether it is on the sea or anywhere else.

Mr. BARBOUR. In other words, soil erosion would include coastal areas, so far as the Senator's opinion is concerned?

Mr. GLASS. I should think so.

Mr. THOMAS of Oklahoma. Mr. President, in order that I may obtain a construction of one word, I offer an amendment which I ask to have read, and then I shall direct a question to the chairman of the committee.

The PRESIDENT pro tempore. The amendment to the amendment will be stated.

The CHIEF CLERK. In the committee amendment on page 3, line 15, after the word "housing", it is proposed to insert 'including hospitals, schools, and other structures or plants of public character on land under the jurisdiction of the United States.'

Mr. THOMAS of Oklahoma. Mr. President, the word "housing", as I understand it, is not an all-inclusive term. According to the dictionary, the word "housing" means shelter or cover, or houses collectively; not a single house. It means shelter or lodging.

I offer the amendment in order to obtain an understanding of what is meant by the one word "housing." If this joint resolution shall be enacted, in all probability the Interior Department will ask for funds with which to construct some improvements on Indian reservations.

Funds will be requested to make additions to hospitals on Indian reservations; funds will be requested to build day schools where numerous Indian children reside and where no white schools are provided. This amendment is intended so to broaden the term "housing" as to permit the Interior Department to make a request for funds for the uses

I should like to ask the chairman of the committee or any other Senator who can give the interpretation whether the word "housing" is sufficiently broad to cover the allocation of funds for the particular purposes I have indicated.

Mr. GLASS. Mr. President, the chairman of the committee does not possess any great familiarity with the meaning of that item aside from the fact that the public officials having charge of housing activities were called in consultation in connection with the preparation of this amendment to the joint resolution. It is the opinion of the chairman of the committee, for what it may be worth, that it would include the things mentioned by the Senator from Oklahoma and that those things in some measure are now being done by the Housing Administration.

Mr. THOMAS of Oklahoma. I realize that is true, but I think that in the existing appropriations the word "housis not in the law.

Mr. BYRNES. Mr. President-

Mr. THOMAS of Oklahoma. I yield to the Senator from South Carolina.

Mr. BYRNES. I will say to the Senator from Oklahoma I have not the slightest doubt that under the language in

provided, the President would have the power to build hospitals or schools on Indian reservations.

Mr. GLASS. He would have the power to do anything.

Mr. BYRNES. I think really there is a wide discretion, and that he could use money in constructing houses, certainly on reservations.

Mr. THOMAS of Oklahoma. With the expressions by the chairman of the committee and by the Senator from South Carolina, I will accept their interpretation and withdraw the amendment.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee, as amended.

Mr. METCALF. Mr. President, I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be

The CHIEF CLERK. On page 3, line 13, before the comma, and after the world "elimination", it is proposed to insert the words "or protection."

Mr. METCALF. Mr. President, the necessity for this amendment was called to my attention by a very sad case where a man lost his only son at a very awkward grade crossing. The adoption of the amendment offered by me may afford an opportunity to provide such protection as may be necessary when it would not be desired to go to the great expense of building an over or an under pass. There are many things in the way of protection at grade crossings which might be afforded.

Mr. GLASS. Mr. President, I will say to the Senator that that can be done by the President under the item "Miscellaneous projects" for which \$350,000,000 are proposed to be appropriated, with the privilege of transferring \$800,000,-000 more to it.

Mr. METCALF. But the amendment is designed to come right in after the words "grade-crossing elimination", and it seems to me that it would not harmfully affect the joint resolution in any way.

Mr. GLASS. We cannot load the joint resolution down with everything that occurs to the minds of Senators, when the language of the joint resolution is so broad that practically everything may be done.

Mr. METCALF. I did not think in the respect I have indicated it was quite broad enough, and so the adoption of the amendment might simplify and improve the provision.

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from Rhode Island [Mr. METCALF] to the amendment reported by the committee.

The amendment to the amendment was rejected.

Mr. COPELAND. Mr. President-

Mr. GLASS. Mr. President, I promised to yield first to the Senator from California [Mr. McADOO].

Mr. COPELAND. Mr. President, I gladly yield to the Senator from California, in the hope that I may ultimately obtain the floor.

Mr. McADOO. Mr. President, I do not care to occupy the floor at this time.

Mr. COPELAND. Mr. President, I feel it my duty at some stage of the proceedings to comment on the pending joint resolution. Perhaps I may well do so now.

There are many reasons why I do not wish at any time to appear to be in opposition to the administration. I prefer to support the President in all the things he desires to do. I cannot disregard the fact, however, that I, too, took an oath when I entered upon this office, and I have some feelings about the joint resolution which I consider it to be my duty to my State to present.

In New York City there is the largest unit of unemployed persons to be found in any part of our country. About 2,000,000 of our people in New York City are on the dole. Think of it, a third of our population are now receiving relief benefits. Because of that fact, I think I should speak about the joint resolution as it affects the people not alone of New York City but of New York State.

Frankly, I fail to find in this measure anything which will be of material benefit to my State. I have said that 2,000,000

of our people in New York City are on relief. Who are they?

They are milliners and dressmakers and needle workers and garment makers; clerks and stenographers and manicurists; nurses and doctors and lawyers, engineers, and draftsmen. They are not persons who can go out and use a pick and shovel. So I am frank to say that I cannot see how the people I have the honor in part to represent are to be benefited by the passage of this measure.

I had a very significant letter yesterday—I am not going to read it all, but I wish to insert it in the Record if I may have permission to do so.

The PRESIDING OFFICER. Without objection, permission is granted.

The letter appears as exhibit A at the conclusion of Mr. COPELAND'S remarks.

Mr. COPELAND. I want Senators to know about this letter. It is written by a highly respected young man who attended a meeting of "white collar" persons in my city two or three nights ago. He said he thought it to be his duty to let me know about the situation in New York City. In this letter he asks me certain questions as follows:

Do you know that over 20,000 accountants are unemployed in the metropolitan area?

the metropolitan area?

Do you know that over 100,000 men and women clerks and stenographers have no work?

Do you know that 12,000 lawyers, doctors, engineers, and dentists are walking the streets?

Mr. President, I do know the answer to these questions and my answer is, "Yes; I know that this is true."

There is another thing said in this letter which I wish the Senate to know:

We had a report last night that the National Employment Exchange and other such agencies were picketed by Communists to make members of disappointed patrons of such agencies. These Communists do not make themselves known, but hang around the corridors and hallways of the various buildings in which these agencies are located. One of these men was approached by a Yale Ph. D., think of it, and handed literature of a communistic nature.

That is what is going on in all the cities and in all the centers of population.

Mr. BORAH. Mr. President-

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Idaho?

Mr. COPELAND. I yield.

Mr. BORAH. Would not the provision reading, "projects for professional and clerical persons, \$300,000,000", meet the situation of which the Senator speaks?

Mr. COPELAND. I do not think it would.

Mr. BORAH. I presume it was intended to meet it.

Mr. COPELAND. I have no doubt that the authors of the joint resolution intended to reach those persons. But, for myself, I would rather have the C. W. A. reestablished and made active and given sufficient money to take care of these people than to have great building projects undertaken which will give no relief to the large groups of unemployed in the cities. I have no doubt that on the various projects there may be found work in connection with which professional and clerical persons may be employed, but we might better frankly create work, initiate projects that make work, than undertake to mislead the public by the thought that by the passage of this joint resolution these idle professional and clerical workers will be employed.

Mr. TYDINGS. Mr. President-

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Maryland?

Mr. COPELAND. I yield.

Mr. TYDINGS. The situation described by the Senator from New York, to a lesser degree, is the situation in my own State of Maryland, particularly in the city of Baltimore and some of the larger towns, where a great many people who are unemployed are women. I have been advised, not being able to engage in manual labor of the kind generally outlined in the joint resolution, that they will have to look to the regular relief appropriations for support as differentiated from work projects.

I should be grateful if the Senator would point out how these women could be put to work, as the men are to be put to work, who are garment makers and employed in similar lines of industry. So far, I have not been able to ascertain just how we might employ them in an employment program.

Mr. COPELAND. Mr. President, as a member of the Committee on Appropriations I tried, when we had witnesses before us, to get information with reference to this matter. Unfortunately I cannot turn to the exact place in the hearings which I desire to quote. I asked the question, "Are there plans formulated by which these people will be taken care of?" The answer was "no." Later came the proposal which was incorporated in the joint resolution as we have it before us. I could have recited these same figures at the time I spoke in the Appropriations Committee a month ago, because I had in my possession a paper which showed practically the same break-down included in the pending measure. The paper I hold in my hand purported to state how the money would be spent-\$500,000,000 for the elimination of railroad grade crossings; \$300,000,000 to \$400,000,000 for railroad equipment, and so forth; about \$200,000,000 on urban construction; \$75,000,000 on rural construction; about \$100,000,000 on rural electrification; and further with reference to rural electrification it was stated \$1,000,000,000 should be spent. This would build transmission lines from Maine to Seattle and across the country from Canada to the Mexican border. How would that help the unemployed in New York City?

Mr. BYRNES. Mr. President-

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from South Carolina?

Mr. COPELAND. I yield.

Mr. BYRNES. In response to the point the Senator has been discussing with reference to the professional and clerical worker, the administration of the F. E. R. A. stated this item is intended to give employment to a large number of professional and clerical workers now on the relief roll by enabling them to be employed in dramatic work, educational work, student aid, workers' education, literacy classes, nursery schools, vocational training and rehabilitation, mapping, nursing, and other public-health work, officers' planning work, keeping of records, research and special services, population problems, and traffic studies. These are some of the projects upon which the professional and clerical workers are being employed. I am satisfied it will give comfort to the Senator to know that the item will furnish opportunity to employ some of the people to whom he has referred.

Mr. COPELAND. Mr. President, I wish I had the same confidence the Senator from South Carolina has that the 2,000,000 unemployed in the city of New York would have the work he suggests. But everybody knows that they would not have work. How would the great work projects provided in the joint resolution—and amendments have been offered this afternoon to add other work projects—help in the great cities of America? How would they help in Baltimore, spoken of by the Senator from Maryland [Mr. Tydings]? How would they help in Chicago or Boston or St. Louis or some of the other great cities? There would be practically the same number of unemployed persons that we have today.

Mr. DIETERICH. Mr. President-

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Illinois?

Mr. COPELAND. Certainly.

Mr. DIETERICH. The Senator asks how these projects would help in Chicago. They are going to help in Chicago because there is a movement there now for improved transportation in the matter of elevated streets. New York would derive the same advantage from it, and it would be of benefit not only to the city but to the country and to those who have to visit that city.

Mr. COPELAND. I have no question about the material benefits which would follow and which would be given to my community. Of course, I should like to have grade-crossing elimination and fine paved streets and bridges and elevated structures. I should be glad to have all such things, but if

I have to choose between such projects and the relief of ! human beings who will not be benefited by this proposed legislation, it is perfectly clear where my duty lies.

Mr. DIETERICH. If they would furnish the opportunity for work, would not that be relief to the class of citizens to whom the Senator has referred?

Mr. COPELAND. Would it not be wonderful! We could put all the milliners and needle workers and manicurists and nurses at work in building elevated structures in New York City! [Laughter.] I know how kind-hearted is the Senator from Illinois, and I am glad to know that he has solved the unemployment problem in New York by suggesting that we build elevated structures.

I know I am simply talking into the blue vaults of heaven to speak as I do; nevertheless, I do not intend to be silent or to let my people be deceived. There is nothing in the pending joint resolution which will relieve unemployment of the sort I have indicated in the cities of the State of New York. We could build highways and eliminate grade crossings; we could build transmission lines from here to the moon, but unemployment in New York will be there just the same. I desire to make it clear that the pending joint resolution does not provide the relief which we must have in order to prevent communism and unsocial proposals being advanced and perhaps the social order threatened.

Senators do not know how serious this matter is until they go to the crowded communities. We think that our Republic is as stable as the earth itself. There have been changes in government before now and in this generation; we do not know how soon it may be that there will be a change here. We cannot afford as a Nation to permit people to be humiliated, to permit our citizens to be hungry, to permit our citizens to be without proper clothing and housing. We cannot permit these conditions to continue and then imagine that the old order is going to continue as it has through the last 150 years.

This matter is far more serious than the question of whether we are going to appropriate money for flood control or rivers and harbors or other such projects, which in themselves are worth while and which in their proper place I should be glad to support.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. COPELAND. Certainly.

Mr. TYDINGS. Does the Senator know whether or not there is any place in the Federal Government where a census has been made of the unemployed, and broken down into what they can and cannot do?

Mr. COPELAND. I think such studies have been made. Mr. TYDINGS. But there has been no real census taken. They are mere estimates. I rose to suggest to the Senator, in view of his own equation which seems to have been omitted in most of the unemployment legislation, that it might be wise for him to draft a bill to have that kind of census made so we would know accurately just what the unemployment situation is. He could certainly use some of the unemployed in New York in making that kind of census, which would be worth while for us to have in the consideration of this kind of legislation in the future.

Mr. REYNOLDS. Mr. President, will the Senator from New York yield?

Mr. COPELAND. Certainly.

Mr. REYNOLDS. In pursuance of the statement made by the brilliant Senator from Maryland, it is my information that of the some 5,000,000 unemployables and employables on relief, 3,500,000 employables and 1,500,000 unemployables, there are approximately 750,000 of the whitecollar class listed on the relief rolls.

I am going to be perfectly frank in stating that I am very happy indeed that the Senator from New York has brought this subject to the attention of the Senate, because I agree thoroughly with him that we are overlooking that great class of people sometimes referred to as the middle class or the white-collar class, who are not going to receive under this measure the relief which they should receive.

I believe the Senator and all here will agree with me that the people of the middle class, the white-collar class, are supplying money for 15 States, all of which put together

entitled to just as much consideration as any others who are being considered in connection with this public-works measure. As the matter now stands, the only way in which we can possibly be of assistance to that great class which is being championed by the Senator from the State of New York is to provide those people who by their labors are to get the benefits of this works bill with a wage sufficient, from a living standpoint, to buy the necessities of life, which will raise the standards of living, and which will aid the industries throughout the entire Nation, and thereby provide work for the middle class of which the Senator has made mention.

Mr. COPELAND. Mr. President, I thank my friend from North Carolina, always kind-hearted, always interested in the welfare of the common man.

Mr. President, have Senators thought about the humiliation of self-respecting persons, thrifty persons, persons who lately have been unemployed, who formerly were employed in activities where they had enough income to maintain decent homes, to bring up their children, to give them some of the "gravy" of life? Have Senators thought about the humiliation of those persons now, when they are deprived of income, and are forced actually to go to public relief stations in order that they may be fed? Think of the effect of this situation upon the morale of the youth of America!

Mr. VANDENBERG. Mr. President-

Mr. COPELAND. I am here to say to the Senate that in my judgment we are pursuing a course which will undermine respect for law and respect for American institutions; that we are on a road which will lead to destruction unless we find some means of dealing with the great problem which is presented.

I yield to the Senator from Michigan.

Mr. VANDENBERG. Mr. President, the Senator from Maryland a moment ago asked the Senator from New York whether any study had been made to determine whether work is available for the various types of unemployed.

I will state to the Senator from New York that precisely that sort of an analysis has been made in my State of Michigan. I have been going over it during the past 2 days, and I am driven to the irresistible conclusion that the statement now made by the Senator from New York is inescapably correct. From the information submitted within the past 48 hours by the Michigan Planning Commission, which is one of the ablest bodies of its kind in the country, I am driven to the conclusion that, even under the most optimistic prospectus of those who promote the pending legislation, 4 out of 5 of the unemployed in the State of Michigan will be disappointed as a result of what ultimately will occur. Therefore, the Michigan Planning Commission is forced to the conclusion—and I submit it for what it is worth, because it so completely supports the attitude of the Senator from New York-that each State has a problem of its own in respect to one phase or another, first of relief and then of relief work, and that the logical way to handle a measure of this character would be to allocate the sum total to the proper authorities in each State on the basis of their relative unemployed and permit subdivision of the amounts within each State to fit the necessities of realities which actually exist in the State.

I cannot escape from the logic of that position, and I think the Senator from New York will agree with me regard-

Mr. GLASS. Mr. President, what is the matter with the logic of the contention that each State should take care of its own affairs?

Mr. VANDENBERG. Mr. President, if the Senator is addressing me, I agree with him 1,000 percent.

Mr. GLASS. Very well.

Mr. VANDENBERG. I have always said in the State of Michigan that if we could be permitted to raise and spend our own money, we would be infinitely better off than on any

Mr. GLASS. I know that my State would be better off. because it is not only supplying money for Virginia but it is

do not pay as much taxes into the Federal Treasury as does | Virginia.

Mr. VANDENBERG. But, Mr. President, we are confronting the problem that there is to be an allocation of Federal funds, and I am discussing the practical fact that we desire to have the funds accomplish the purpose to which they are dedicated; and I do not believe they will accomplish that purpose in many States where conditions exist precisely as defined by the Senator from New York, and as reported to me by the Michigan Planning Commission.

Mr. GLASS. It will be interesting to the Senate when we shall put into the Record, as I think we shall in a day or two, some information covering the question of what has been done with the \$3,300,000,000 already appropriated and allocated; and it may be that the Senator from New York will find that New York has received a considerable slice of that fund.

Mr. VANDENBERG. Mr. President, will the Senator from New York permit me to make one further observation regarding his State?

Mr. COPELAND. I yield. I find the discussion of the Senator very interesting and profitable.

Mr. VANDENBERG. The Senator from New York will find at the same time, from the Congressional Record of February 22, that the disbursements of the Federal Emergency Relief Administration up to date indicate that the State of New York has received only 49 percent of its total relief expenditures from the F. E. R. A., and has itself paid the balance out of its own State and local funds, whereas other States have received as much as 99 percent of their relief expenditures from the Federal Government. According to this statement, the State of Virginia has received 79 percent from the Federal Government. My own State of Michigan is in approximately the same classification. I wish to be entirely fair about it. The Michigan percentage is 72 percent; Mr. President, is not this a further challenge in equity? Why should one State be required to carry a larger share of its own burdens than another State? Why should there not be equality in the distribution?

Mr. GLASS. Yes; and there should be some reference to the taxes paid into the Federal Treasury by the respective States. Virginia is sixth in the United States in paying taxes into the Federal Treasury.

Mr. VANDENBERG. Again I agree with the Senator from Virginia that it is one of the factors that ought to be taken into consideration.

Mr. GLASS. I desire to say, furthermore, that so far as the senior Senator from Virginia is concerned, whatever percentage Virginia has obtained from the Federal Treasury never was obtained by my request, and never will a dollar be secured by my request. I think Virginia ought to take care of her own affairs, and I think every other State should be required to do likewise.

Mr. COPELAND. Mr. President, if I may be permitted now to proceed in my own right, I have not raised the question of how much my State will be called upon to pay of this proposed appropriation. I do not do that because in years past, in resisting appropriations, it was a favorite effort of mine to call attention to the taxes paid by New York. Whenever I mentioned the fact that New York pays 30 percent of the Federal taxes, the fine Senator from North Carolina, Mr. Simmons, used to rise in his place and say, "New York is the reservoir into which the wealth of the Nation flows. It is not made there. It is made elsewhere." Nevertheless, my State will be called upon to pay a billion and a half of the money proposed to be appropriated in this joint resolution.

I am not proud of the fact that large Federal projects have been given to my State. I am glad, of course, to see those great projects carried out; but with the wealth of the State of New York it is not necessary for us to pass the hat and ask for money to carry on our work, provided, as the Senator from Michigan and the Senator from Virginia have suggested, each State is left free to carry on its own relief work. I realize that there are States in the Union where it is not possible to provide the funds through State taxa-

tion; but I desire Senators to know that we, in the State of New York, have not failed to recognize our responsibility.

The Senator from Michigan has put in figures showing that of the relief money expended in the State of New York, 49 percent came from the Federal Government; the other 51 percent through our State and its municipalities. My city of New York is spending \$16,000,000 a month to take care of unemployed persons in the city. The State has bonded itself for large sums to carry on relief work in the city.

Mr. President, this joint resolution carries a false implication. The joint resolution on its face appears to say—to use the figures called to my attention by the Senator from South Carolina—that we are going to spend \$30,000,000 for professional and clerical persons. As a matter of fact, it does not actually do anything of the kind. There is a break-down for these various projects; but at the end it says:

Provided further, That not to exceed 20 percent of the amount herein appropriated may be used by the President to increase any one or more of the foregoing limitations if he finds it necessary to do so in order to effectuate the purpose of this joint resolution.

Twenty percent of \$5,000,000,000 is \$1,000,000,000. A billion dollars may be taken from any part of this joint resolution and added to rural electrification, or some other project. I realize that it could be added to professional and clerical workers, but experience leads me to believe that that would not happen.

Mr. President, I desire to have the citizens of my State know that, in my judgment, the joint resolution offers no relief to the suffering people in New York. As I said a moment ago, I would prefer to go back to the C. W. A. and make work, and give these people employment, rather than to have this joint resolution pass.

Now I wish to make another statement. We could give this human relief by a very much smaller sum than we have written into the pending joint resolution.

We are asked to provide \$880,000,000 for direct relief. For my part, I am willing to add to that any amount necessary to give relief. If the joint resolution were written so that it provided \$1,880,000,000, or \$2,880,000,000, to make sure that those people who are now hungry and without shelter and clothing could be taken care of, I would gladly vote for it; but the proposal is to give \$880,000,000 for direct relief, and then \$4,000,000,000 is allocated, as suggested in the joint resolution, but with the proviso which sets aside at once such allocation.

Mr. President, how long can this country continue to borrow billions of dollars? Is there no limit to the possibilities of what we may produce from our banks in the taking up of Government securities? We have gone on and on, until we find, in the portfolios of some banks, 50, 60, and even 75 percent of their securities in the form of Government bonds.

No bank in the United States today dare lend money for the ordinary activities of the community in which the bank is located, because of the demand which is likely to come at any time for more money to take over Government securities. The banks are forced to take those Government securities because, if there should no longer be a market for them, there would be a slump in the price. I think I am right in quoting the Senator from Virginia, that if there should be a 10-percent slump in Government securities, every bank and trust company and insurance company in the United States would be in insolvency.

How long can we continue this sort of thing? We can continue it indefinitely, if it is a matter of taking care of human beings, but when we provide what is in effect a "pork barrel", to build projects here or there or elsewhere, even though some of them are in the State of New York, if we go on doing that sort of thing month after month and year after year, the time will come when there will be no funds to give for human relief.

Mr. President, I realize that it is utterly useless to speak about these things; but let me remind you a bank which uses a million dollars of its deposits to buy Government securities has a million less to use for local enterprise, for the business and agriculture and the manufactures of the community.

We are not going to buy our way into prosperity; we are going to buy our way into poverty. That is my honest judgment.

Mr. TYDINGS. Mr. President-

The PRESIDING OFFICER (Mr. GERRY in the chair). Does the Senator from New York yield to the Senator from Maryland?

Mr. COPELAND. I yield.

Mr. TYDINGS. I should like to point out to the Senator from New York that this \$4,000,000,000 is broken down into about 10 or 12 subdivisions, and the President would have the authority to take 20 percent of the total amount and use it "to increase any one or more of the foregoing limitations if he finds it necessary to do so."

I make the observation that where the large reservoirs of unemployment exist, many of these projects will do very little good, as the Senator has already pointed out, and in order to allow the President to have enough latitude to take care of unemployment where it exists, I suggest to the Senator that one way to at least work in that direction would be to strike out the 20 percent figure, and make it 33 1/3

Mr. COPELAND. The Senator may offer any amendment he chooses to offer, but these figures total \$4,000,000,-000; so, if the President takes 20 percent or 331/3 percent he will have to take it from something in the measure, something in the enumerated projects. I cannot say to the people in my city of New York that professional persons are going to be benefited by the expenditure of \$300,000,000.

I know the great heart of the President, and I know he will do the human thing, but, at the same time, I cannot make any positive statement to the suffering people in my community. I cannot answer the letter before me in all honesty and say, "We are going to take care of you.'

Mr. President, it is my judgment that we are presenting to the country a measure which, no matter how honorable were the intentions of its authors, is deceptive and misleading. There are likely to be further disappointment and more heartbreakings because of the failure of the joint resolution to accomplish what its authors intended.

Mr. ROBINSON. Mr. President, will the Senator yield to me?

Mr. COPELAND. I yield. Mr. ROBINSON. Assuming that the fund may prove inadequate or that the distress may not pass during the period in which the fund is being expended, and further arrangements may prove necessary, what is the suggestion of the Senator? Should the pending legislation be rejected and nothing be done by the Federal Government looking toward giving work to those who are out of employment?

Mr. COPELAND. The Senator is not serious in asking me that question, is he?

Mr. ROBINSON. Certainly.

Mr. COPELAND. He asks me, Should nothing be done? Mr. ROBINSON. As I understood the Senator, he said that the problem should be relegated to the States.

Mr. COPELAND. I did not make the suggestion that we should, by legislation, do that now as an amendment to the pending measure. I am in favor of voting all the money needed for human relief. That includes the \$880,000,000,

and another billion, if need be.

Mr. ROBINSON. By limiting the fund to direct-relief purposes? That is what I had not understood.

Mr. COPELAND. I do not think I would say that. Going back to the original language, or a substitute for it, this measure I think might well be amended by reducing the amount by \$2,000,000,000 or \$3,000,000,000, so that the President would have in his hands \$2,000,000,000 or \$1,000,000,000, plus the direct-relief fund. Then if the President thought it wise he could carry on some of the activities suggested in the joint resolution.

Mr. ROBINSON. That is based on the theory that the measure carries more than is necessary?

Mr. COPELAND. The \$4,000,000,000?

Mr. ROBINSON. Yes.

Mr. COPELAND. Yes: I think that \$4,000,000,000, so far as direct relief and unemployment relief are concerned, would be largely wasted.

Mr. ROBINSON. Why would the Senator be in favor of

appropriating \$2,000,000,000 for that purpose?

Mr. COPELAND. I will leave it to the Senator to suggest the amount. My own preference would be to appropriate a billion eight hundred and eighty million, and give it to the President to spend as he saw fit.

Mr. ROBINSON. That would be not more than the amount necessary for destitution relief over a prolonged

period?

Mr. COPELAND. I do not know.

Mr. ROBINSON. One of the theories underlying the measure is that, by supplying work, we diminish relief. One of the objects of the joint resolution is to take people off the relief rolls and put them on work rolls, so that they may earn at least their subsistence. Of course, if we provide no work, our relief rolls, instead of diminishing, will continue at least for some time as large as they now are.

Mr. COPELAND. Mr. President, the Senator did not hear the first part of my statement. I recited that in my State the milliners, and dressmakers, and manicurists, and clerks, and stenographers, and nurses, and needle workers, and garment workers, persons who cannot go into these various manual projects, because they are not suited for them, would not be taken care of by the measure. My argument is that there is little or nothing in the joint resolution which would give relief to the sort of unemployed in whom I am particularly interested.

Mr. ROBINSON. Why would they not come within the class expressly provided for, professional and clerical persons?

Mr. COPELAND. I may say to the Senator that the entire amount of money provided in this break-down for that group would not take care of the people in my city alone for a longer period than 18 months. There would be distress even if we gave every dollar of the fund to New York.

Mr. ROBINSON. I understand that the fund probably is inadequate for all the purposes which should be in mind, but, granting that it should prove inadequate, would it not be better to do this much than to do nothing?

Mr. TYDINGS. Mr. President, will the Senator yield? Mr. COPELAND. Does the Senator desire to speak now? Mr. TYDINGS. I wish to point out something to the Senator which is along the line of what he has been saying.

Mr. COPELAND. Very well.

Mr. TYDINGS. Let me point out to the Senator from New York that what is really happening in anticipation of the passage of this joint resolution is that every community in the United States, whether it needs the money or not, whether there is unemployment there or not, has met and already agreed upon projects to cost away beyond anything they would consider in normal times.

For example, I have in mind one county in my State which has never gotten any Federal relief. One little town in that county has already approved projects totaling \$100,000. Another county on the Eastern Shore of Maryland has applications in for \$1,000,000 worth of projects, and that is an agricultural section of the State.

I am going to vote for straight relief, such as the Senator from New York has outlined he is going to vote for, for the simple reason that in many cases this money will not go to the communities which need relief, but every community will try to get its particular share of it, and relief will be beside the question. Already in every county and every city in every State in the Union the city council or the county commissioners have thought of what they can put in applications for in order to have ten, fifteen, twenty-five, or one hundred thousand dollars spent in the community, without the slightest regard to unemployment or whether or not the project has merit. I know that is the fact, as all Senators on this floor must know.

Twelve million or twenty million people are out of employment. I say it is a travesty to give this money to communities which can get along without it, and to keep it from communities which must have it in order to live. That is particularly true of the larger cities of the country-New York, Chicago, St. Louis, San Francisco, Boston, Baltimore, Pittsburgh. That is where these large wells of unemployment exist, where people are on the dole. This money that it is proposed to spend for soil erosion and for one thing and another is not going to reach into those large reservoirs of unemployment. It will result in a national scandal. We shall be ashamed of it.

We ought to provide adequately for those who are the victims of this depression until such time as we can formulate and promulgate a plan which will carry this money to the people who ought to have it. I am not going to be a party to having relief money spent in communities which can get along without it, and keeping it from communities which must have it in order to live.

Mr. COPELAND. Mr. President, I desire to say a word for myself, if I may.

Mr. ADAMS. Mr. President, may I interrupt to add a word to what the Senator from Maryland has just said?
Mr. COPELAND. I yield.

Mr. ADAMS. In the hearing before the committee, as the Senator from New York recalls, the Secretary of the Interior stated that on the 28th of February 1934 he ceased receiving projects. He said that up to that time his Department had received a large number; that of those they had received up to that time they had some \$2,000,000,000 of projects approved by State authorities, not approved by his Department, but he had \$2,000,000,000 then available; that he had not taken in any projects since the 28th of February 1934. I understand that without any change in that authority, without any appropriation of additional funds, without any invitation of Congress, he now has over \$14,000,000,000 of projects.

Mr. COPELAND. Mr. President, I should like to say in the same connection, adding to what the Senator from Maryland has said and what the Senator from Colorado has said, that I myself have heard persons in various communities say, "We are opposed to the spending of these millions of dollars, but we must get ours. Here is our chance. We have been wanting to do this, we have not had the money, but now the Treasury is open, and we must get ours." That is exactly what has happened.

Did the Senator from Colorado say the amount was \$14,000,000,000?

Mr. ADAMS. That was a week ago.

Mr. COPELAND. It may be \$21,000,000,000 by now. The attitude of these people is, "We must get ours"; that is all. I now wish to say a word in reply to what was just said by the Senator from Arkansas [Mr. Robinson].

Mr. LONG. Mr. President, is not a million to a million and a half dollars a month being spent for relief in the District of Columbia, where all this public employment is going on? Does the Senator know whether or not that is the fact?

Mr. COPELAND. I do not know.

Mr. LONG. I do not know, and I may not be accurate about the figures, but I have been given to understand that here in the District of Columbia, where people by the hundreds have had to be employed to operate these new bureaus, nevertheless there is an unemployment relief which costs, for the dole, about a million to a million and a half dollars a month, and, even with that there are people living within a block or two of my office who do not have enough money to put electric lights in their houses. I am speaking now of conditions right here in the District of Columbia.

Mr. REYNOLDS. Mr. President, if the Senator from New York will permit me to add a word to what the Senator from Louisiana [Mr. Long] has just said, I agree with him in what he has said. I have been informed that relief throughout the country has been costing the Federal Government about \$58 a second, about \$3,400 a minute, about \$150,000,000 a month; and I am reliably informed, directing this statement to the Senator from Louisiana, that the amount of relief required for the District of Columbia in proportion to the population of the citizens of the country has been about 15 to 20 percent larger than in any other city in the country of an equal population according to the

census, which is ascribable to the fact that people are flocking to the city of Washington, the capital of the country, from all over the United States. I believe that is what the Senator from Louisiana had in mind.

Mr. ROBINSON. I suppose literally hundreds of thousands of them have come here seeking employment.

Mr. REYNOLDS. That is true.

Mr. LONG. Mr. President, I hardly think a person who comes here is taken care of unless he has been here for a while. Do they take care of a man the day he gets here?

Mr. COPELAND. He has to be here a year.

Mr. LONG. Yes; he has to be here a year, I understand. Mr. ROBINSON. I presume if he got in a position where he could not take care of himself, some provision would have to be made to take care of him. Of course, that does not apply to a large number of people who have come here seeking positions, but many have come here who have been unable to secure employment, and after weeks or months they have found themselves stranded.

Mr. REYNOLDS. That is quite true, Mr. President. If I may be permitted, I should like to add a word.

Of course, we have an unusually large number of transients here, and the District authorities have been caring for those unfortunates in the transient houses. It is not necessary for one to live here a year in order to obtain a residence so as to entitle him to be provided for. For that very reason, more funds are required for the District of Columbia than are required in other cities of the United States of an equal population.

Mr. COPELAND. Mr. President, I will now resume in my own right. I had no thought of speaking over 20 minutes. I wish to reply, however, to what the Senator from Arkansas has said. I may be utterly wrong, but I do not think it is good for the business recovery of America—

Mr. GORE. Mr. President, will the Senator yield to me? Mr. COPELAND. I yield to the Senator from Oklahoma.

Mr. GORE. I wish to say one word with reference to what the Senator from North Carolina [Mr. Reynolds] and the Senator from Louisiana [Mr. Long] have said with regard to the District of Columbia. They say that the relief roll here is 15 percent larger than in any other similar community, and that notwithstanding the fact that a larger percentage of the population of the District is on the pay roll, perhaps, than in any similar community on the globe.

I do not assert or assume that the following case is typical, even in the District of Columbia; but I had a young man who is employed in my office go down to headquarters here where they were paying off the people who were on the relief roll. He let his whiskers grow out and put on his working clothes, so that he could go down and mix and mingle and find out what was passing through the minds of the recipients of relief and what they thought of this situation. He fell in with a group of young men 19, 20, 21 years of age; and he reports to me that the chief topic of their conversation was matching prison records, the hero seeming to be either the one who had been in prison the most often or who had lingered longest within prison walls. Also, among other interesting topics were the particular prisons where they had received the most cordial treatment and where they had fared the best.

To what extent, if at all, that is typical, I do not know. It may have been in part the bravado of youth. It may, however, shed at least one ray of light on some of the byproducts of this undiscriminating policy and the burdens—the disproportionate burdens—imposed upon the taxpayers of the United States and of my State by placing such characters on the pay roll, by quotaing them on the Public Treasury, here in the District of Columbia, here in the Nation's Capital. Not that this would make any difference with those who think that it is more blessed to spend than to save—more blessed to tax than to retrench.

Mr. COPELAND. Now, Mr. President, I desire to say a word in reply to what the Senator from Oklahoma said.

I do not doubt that there are burglars and pickpockets and other underworld characters in the relief line. I should think there would be many of them, because there is certainly nothing now that they can get out of the homes of the socalled "well to do." But I should not be willing to let the remarks of the Senator from Oklahoma give the impression that the majority of the people in bread lines are underworld characters. I happen to know persons of my own acquaintance who are in the relief line. If they are not in the publicrelief line they are in the private-relief line.

Senators do not realize how wide-spread is the unemployment and how great the distress of millions of our citizens. May I enlarge upon this subject for a moment? There is no group more seriously affected by the economic depression of today than youth. Young men and women who have just graduated from college, the boys and girls who have just graduated from high school—there is nothing for them to do. They hear about the money which we have given through the R. F. C., which we have loaned to railroads and banks. They talk these things over. Just because they are poverty-stricken does not mean they have no sense. They talk about those things, and there is resentment—resentment, growing resentment—and I say for myself, as the conviction of my soul, that America is seriously menaced by what is taking place in this country today.

Now I leave that to come back to the Senator from Arkansas. Apparently the question of the Senator from Arkansas was intended to bring out from me how much I would be willing to reduce the amount carried by the measure and

Who can controvert this statement: If a bank in Little Rock is called upon to take \$100,000 of a Government offer of bonds, who can question that that means the Little Rock bank has \$100,000 less left for local business purposes? I believe business is being retarded by what we are doing here, not alone because of the uncertainty which prevails, but because banks no longer function as banks. They no longer serve the public by lending money for legitimate business. I am not talking about big business. I am not talking about railroads and metropolitan banks. I am talking about the little merchant and the little manufacturer. Take it from me, Mr. President, they cannot borrow any money. Bankers say they take all the loans which offer which are worth-while loans, and probably that is the truth; but they do not consider them worth while if they are not loans of extraordinary type.

Bankers have had to be satisfied, and perhaps they have been satisfied, to take over Government securities, and to depend upon transactions involving those Government securities for their profits to maintain overhead and pay perhaps reduced dividends. But if there is the belief all the time on the part of the bankers of America that there will be a call now or next week or 6 months from now for money for new offerings or for refunding operations or for something of that sort, they are not going to operate as banks; they are not going to use the money to help the farmer and the manufacturer and the merchants of the community. They are going to save those funds to take up the Government offerings.

Under present conditions, why should they not take that position?

Mr. LA FOLLETTE. Mr. President-

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Wisconsin?

Mr. COPELAND. I yield.

Mr. LA FOLLETTE. With the permission of the Senator from New York I should like to revert briefly to the suggestion advanced by the Senator from Oklahoma [Mr. Gore], that the people on relief are largely made up of ex-convicts.

Mr. GORE. Mr. President, I believe the Senator from Wisconsin, if he had heard what I said, would know that I did not say that the case I cited was typical, but was an instance which might shed some light and stimulate further inquiry as to who are receiving these benefits.

Mr. LA FOLLETTE. With the permission of the Senator from New York I want to answer to the best of my ability and with such information as I have at hand, the plain inference which I think has been left by the remarks of the Senator from Oklahoma that most of the people who are

receiving benefits under the relief act are mendicants, and he has now asked practically whether or not they are all exconvicts.

In May 1934 it was estimated that there were 3,485,000 experienced workers on the urban relief rolls of the United States. I hold in my hand a table which shows the distribution of those workers according to the years of experience they have had at their usual occupation, and also the length of time served with one employer.

Those who had an experience of less than 6 months numbered 383,000; those who had experience from 6 to 17 months, 383,000; those with 18 to 53 months' experience, 1,115,000; those with 54 to 173 months' experience, 1,220,000; those with 174 months or more, 279,000; not ascertainable, 105,000.

I also desire, with the further indulgence of the Senator from New York, to point out the remarkable situation with reference to steadiness of employment prior to the economic crisis so far as those who are employable and were upon the relief rolls last May are concerned. Those who had had less than 6 months with one employer numbered 174,000; those who had had 6 to 17 months with the same employer, 209,000; those who had had 18 to 53 months with one employer, 697,000; those who had had 54 to 173 months with one employer, 1,359,000; those with 174 months or more experience with one employer, 1,011,000; those not ascertainable, 35,000. In addition, there were 336,000 persons seeking work who had had no experience in private industry.

With the permission of the Senator from New York I should like to have these brief tables inserted in the RECORD at this point.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

FEBRUARY 19, 1935.

#### MEMORANDUM

In May 1934 it is estimated that there were 3,485,000 experienced workers on the urban relief rolls of the United States. The following tables show the distribution of these workers according to the years of experience they have had at their usual occupations (table 1) and also the length of the longest job with one employer (table 2).

Table 1.—Years of experience at usual occupation of workers in the May 1934 urban relief population

Years of experience	Number of workers	Percent dis- tribution
Total workers	3, 485, 000	100
Less than 6 months	383, 000 383, 000 1, 115, 000 1, 220, 000 279, 000 105, 000	11 11 32 35 8

Table 2.—Length of longest job with one employer of experienced workers in the May 1934 urban relief population

Length of longest job with 1 employer	Number of workers	Percent dis- tribution
Total workers	3, 485, 000	100
Less than 6 months 6 to 17 months 18 to 53 months 54 to 173 months 174 months or more Not ascertainable	174,000 209,000 697,000 1,359,000 1,011,000 35,000	5 6 20 39 29 1

In addition, there were 336,000 persons seeking work but who had had no experience in private industry. (Federal Emergency Relief Administration, Division of Research, Statistics, and Finance Research Section.)

Mr. COPELAND. Mr. President, I thank the Senator for adding to the importance of this discussion. Along the line just mentioned by the Senator from Wisconsin let me quote again from the letter I have mentioned. I know that one swallow does not make a summer, but the young man who wrote me said:

Personally I have been unemployed for 3 years, with the exception of one or two engagements in audit work. I am a college graduate in law, and a fully qualified accountant, 41 years of age, married, and have two in the family. My ancestors are patri-

ots, and I myself am a veteran but have taken no stand whatever on the soldiers' bonus and do not intend to do so, although I am down to my last \$100.

This young man is lucky. He has \$100 left.

I do not like to go to my office in New York. It breaks my heart to have the multitude of persons come in to see me to beg for work, work which I cannot give them, to beg for jobs which I cannot find. Those who have the best luck are those who ask for loans of small sums of money, which I have been glad to make within my means.

The cities of the country are just teeming and steaming and agitated beyond words, ready to do anything because they have no work. We come here with a measure which pretends to give money for great building projects, building prisons and hospitals, grade separations, and other activities which are of no use in the world to the kind of persons about whom I am telling the Senate.

No one of them could hold a job on such a project for 1 day. But they are human beings who have been self-respecting and self-supporting persons in the past. Now they cannot find a way to earn a living, and have to take relief. It is our duty to give the relief; but while we are giving them the relief to which they are entitled, if we seek at the same time to "prime the pump" some more—a pump which is dried up and broken apart, and which, in my judgment, cannot be primed by the expenditure of more millions of dollarswe are on the wrong track, as I see it. Yes; let us appropriate billions, if we need to do so, to keep these people fed and clothed; but when, in addition to that, we seek to take billions of dollars on the theory that by building these great projects we are going to increase the manufacture of cement and steel, and hope to stimulate normal business, as we have been trying to do for 2 years by the operation of the P. W. A., when we seek to spend four billions more in the same useless directions that we did before, I say, Senators, it is, in my opinion, the wrong course for us to take.

Mr. CONNALLY. Mr. President, will the Senator yield?
The PRESIDENT pro tempore. Does the Senator from
New York yield to the Senator from Texas?

Mr. COPELAND. I yield.

Mr. CONNALLY. I have been very much interested in the Senator's discussion. Do I understand him to advocate direct relief only, and the striking from the joint resolution of all provisions for public works?

Mr. COPELAND. No; I do not. I propose materially to reduce the amount for so-called "work relief" and leave it to the President in his judgment to use it as he wishes. In the committee I pleaded with the Senator from Colorado [Mr. Adams] to make the sum two billion dollars instead of one, plus the \$880,000,000. Finally, however, I have reached the conclusion that if we vote \$1,000,000,000 for such work relief as the President chooses to employ, we shall be going just as far as we should go now. Congress is going to meet again. I assume this session will be going on for a good many months yet; but, in any event, there will be another session.

Mr. CONNALLY. I was anxious to know if the Senator desires to restrict the appropriation to direct relief. If so, that makes an issue here that we can determine; but he now says that he wants to have a billion dollars instead of \$4,000,000,000 appropriated for public works, and the other sum for relief. Is that correct? If so, we would still be spending a billion dollars for the very things the Senator says are not any good.

Mr. COPELAND. I am willing to have the Members of the Senate who think we ought to spend money for some of these things that the Senator says I think are "not any good", have a little money to spend, and a billion dollars seems to me enough for that experimentation.

Mr. CONNALLY. I am not trying to heckle the Senator. I really want to get his views as to what he advocates.

Mr. COPELAND. To be perfectly frank about it, I believe

Mr. COPELAND. To be perfectly frank about it, I believe the President ought to have a sum of money which in his judgment he can use for work relief.

Mr. CONNALLY. If I recall last night's paper correctly, the Senator's own city got \$1,600,000 last night in the way of an allotment. I do not say that to twit the Senator.

Mr. COPELAND. No; but I wish to reply to that, nevertheless. I do not care if New York gets the whole \$4,000,000,000; I am opposed to it just the same.

Mr. CONNALLY. I only suggested that because the Senator indicated that none of this money would go to give employment to the people in the cities about whom he is so much concerned. I know that there are now pending in the Public Works Administration a number of allocations, one of them to dig a tunnel under the Hudson River, as I recall, which doubtless is giving employment to the people in the cities.

I think the people in the cities are entitled to the same consideration as the people in the country, and I want to see a measure passed that will relieve this situation everywhere as much as it can be relieved; but in the nature of things, the Government cannot undertake every activity. It cannot establish beauty parlors to relieve the unemployment in beauty parlors. It cannot start barber shops in order to help out the barbers. It must restrict its activities to the particular kinds of improvements that will give employment and yet have some permanent value to the public at large.

Mr. REYNOLDS. Mr. President, will the Senator permit me to interrupt him?

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from North Carolina?

Mr. COPELAND. I do.

Mr. REYNOLDS. I understand that if this public-works measure, carrying an appropriation of \$4,000,000,000, shall be passed, approximately 50 percent of that amount will be expended in materials for construction work.

Mr. COPELAND. And therefore would give no relief in New York.

Mr. LONG. Mr. President, since the Senator has been interrupted, will he yield to me? I hesitate to ask him to yield again.

Mr. COPELAND. I am going to yield once more, I may say to the Senator from Louisiana. Then I am not going to yield to anybody, because I wish to conclude my remarks.

Mr. LONG. At this point I desire to say that if the program of the Senator from New York were carried out, and we could put something in this joint resolution that would not make it necessary for people to plow up their gardens before they could get relief, that might extend the money to a point where it could be devoted to some of the purposes mentioned by the Senator from New York.

Mr. COPELAND. Mr. President, I have learned a lesson which I thought I had learned before. Next time I start out on a 20-minute speech I am going to make it in my own time, and not yield to anybody; but I am forced now, by what my friend from Texas [Mr. Connally] said, to make an answer.

How can these milliners and dressmakers and manicurists and stenographers and nurses and female clerks get much good out of this tunnel we are going to build in New York?

Mr. CONNALLY. Those people, I thought the Senator indicated, could not be benefited by these public-works projects. They can be benefited, and no doubt will be benefited, by the direct-relief funds; and I specifically said that in order to relieve the beauty-parlor operatives and the barbers, the Government could not establish, all over the United States, beauty parlors and barber shops. I thought anyone would conclude from that statement that the only relief they could get would be from direct relief.

I thank the Senator for permitting an interruption. I did not mean to come into collision with him.

Mr. COPELAND. The Senator's apology is accepted up to this point.

Mr. CONNALLY. I will absolve the Senator's city from any charge that I do not make as to others. I will say, however, that it is reported in many places that some—not all, but that some—of the relief recipients ride up to the relief stations in their automobiles to get their relief money. I do not know whether or not that is true.

Mr. REYNOLDS. Mr. President, is not that true in a great many sections of the country?

have heard it from many sections; and I assume that the persons to whom the Senator referred do not own automobiles, and would have to ride in the subway.

Mr. COPELAND. Mr. President, these people are suffering. Until we are willing to face this serious situation in the spirit that our obligations demand, we are not going to be able to keep our people in line for the orderly government

for which we stand.

How many times must I say that? I am going to say it when opportunity offers and the occasion seems to demand, because I want Senators to know that there are subversive influences at work in America which threaten our institutions. I do not care to enlarge upon the subject, because I do not wish to be sensational; but I want to say enough to impress Senators with the thought which I have, which is burned into my soul as a conviction.

Now, once more I turn to the Senator from Arkansas. I do not want to hamper the President of the United States. He is an honest, sincere man. He believes the plan proposed is a useful one and will accomplish what it is planned to do. If the joint resolution shall be enacted into law, as I assume it will be, I pray devoutly that it will succeed. But I cannot believe that it will succeed. I am willing to give the President a billion dollars to use for work relief at his discretion and to vote the \$880,000,000 for direct relief, and I hope that that will be administered by Mr. Harry Hopkins. There is not a man in public life whom I admire more than I do that man-a sincere, honest, intelligent, alert gentleman, faithful to his duties and to his high calling.

I want to see the suffering people given the money they need to keep them from distress. At the same time I want some of the remaining funds of our country left, in order that they may be used by local banks to operate normal business.

We are in such a situation—and every Senator here, if he has thought about it, recognizes the fact—that tomorrow or the next day or some day soon there will be presented to us the obligations of finally voting on the pending joint resolution. All effort to amend it will doubtless fail, and there will be given to each of us the responsibility of voting finally upon the measure. Each of us, assuming that the measure shall be left unchanged, will have to decide whether we are willing to take the hazards, are willing to take further chances with the financial structure of our country, are willing to face all the possibilities involved in the enactment of this measure, are willing to swallow it and say that, since there is no other way to get \$880,000,000 for direct relief and such doubtful results as may come from the operation of the law as written, we will vote for it; or decide that we will vote against it.

What will Senators decide to do? What shall I decide? That is one of the most difficult problems that was ever presented to me.

If I am called upon finally to determine my course as regards this measure, a measure which I think is crowded and packed with wrong suggestions and harmful suggestions, a plan which, in my opinion, is dangerous to the financial structure of the United States, what will my duty be when that time comes? Must I close my eyes to what may happen to us on the financial side, and am I forced, because of my utter unwillingness not to give human relief where human relief is needed, to vote for the measure? What must be my decision? That is the question which each Senator must settle within the next day or two.

Mr. TYDINGS. Mr. President, may I ask the Senator whether he knows offhand what the State debt of New York now is, in round figures?

Mr. COPELAND. No; I am sorry I cannot answer the Senator's question.

Mr. TYDINGS. May I point out to the Senator that New York State's share of the national indebtedness, on a population basis only, is more than \$3,000,000,000, and that in my own small State of Maryland, where we have a State debt of \$50,000,000, on a pure population basis our share of the national debt is \$600,000,000, or one-fiftieth of the total, 2

Mr. CONNALLY. I do not restrict it to New York. I | percent of the whole? In other words, the people of my State now have not only to pay the \$50,000,000 of State debt, but \$600,000,000, their share of the national debt, and with that kind of figures in front of us, I think we had better cut this appropriation down to where we can take care of those who are unemployed, and let public works wait until we are better able to pay for them.

Mr. GORE. Mr. President, the Senator from Maryland does not seem to accept the philosophy that a public debt is a public blessing.

Mr. COPELAND. Mr. President, I have concluded what I had to say.

MY DEAR SENATOR COPELAND: Out of loyalty and respect to you, I am writing this letter to advise you of a meeting which I at-

tended in New York last night.

This was an organization meeting of professional and whitecollar workers who are unemployed, and who feel they have been
entirely forgotten by the administration, and I am inclined to
agree with them.

agree with them.

Personally I have been unemployed for 3 years, with the exception of one or two engagements in audit work.

I am a college graduate in law and a fully qualified accountant, 41 years of age, married, and have two in family.

My ancestors were patriots and I myself am a veteran but have taken no stand whatever on the soldiers' bonus and do not intend to do so, although I am down to my last hundred dollars.

I was at the meeting last night and was instructed to obtain all the information I could re unemployed white-collar workers in every State in the Union.

in every State in the Union. New York, New Jersey, Pennsylvania and Connecticut were rep-

resented at the meeting.

Do you know that over 20,000 accountants are unemployed in

the metropolitan area? Do you know that over 100,000 men and women clerks and ste-

nographers have no work? Do you know that 12,000 lawyers, doctors, engineers, and dentists

are walking the streets?

While I know your hands are full, nevertheless, I personally feel that unless a great change comes about in the not far distant future, a speakers' bureau will be organized and financed in every State to bring all the facts to light affecting these white-collar people, which may result in a HUEY LONG in 1936.

I am sure you will agree that these people have been suffering long enough; they are not the class of people who ballyhoo at the least provocation; neither will they ask or accept charity or

doles.

The seriousness of it all is that they see the national debt mounting, from which they have received no benefit, and for which they realize they will some day have to pay, retarding their rehabilitation.

They see that under Mr. Hoover the debt was only \$9,000,000 and now is \$30,000,000, with no benefit to them direct or other-

In the community in which I live there are over 700 such people out of a job, good, clean, American stock, who always suffer in silence. During 1934 there were more than 30 foreclosures here and since January 1, 1935, we have had five suicides here. Just yesterday my 12-year-old daughter told me of a brother and sister being sent home from school suffering from malnutrition, which we promptly remedied when we heard about it. I have personally sugranteed the electricity and gas for two families here as it has we promptly remedied when we heard about it. I have personally guaranteed the electricity and gas for two families here, as it has been shut off for nonpayment. We had a report last night that the National Employment Exchange and other such agencies were picketed by Communists to make members of disappointed patrons of such agencies. These Communists do not make themselves known, but hang around the corridors and hallways of the various buildings in which these agencies are located. One of these men was approached by a Yale Ph. D.—think of it—and handed literature of a communistic nature, which unfortunately, he did not bring to the meeting, but which he stated he promptly destroyed in the man's presence. I think your colleagues should be acquainted of some of these facts. With best wishes, I am, Respectfully and sincerely yours.

#### THE RICE INDUSTRY-AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT

Mr. ROBINSON. Mr. President, I ask unanimous consent that at the conclusion of the routine morning business tomorrow the Senate shall proceed to the consideration of the bill (H. R. 5221) to amend the Agricultural Adjustment Act with respect to rice, and that if that bill shall be disposed of, the Senate, during the remainder of the morning hour, shall proceed to the consideration of unobjected bills on the calendar.

Mr. BORAH. Mr. President, I did not understand the bill to which the Senator made reference.

Mr. ROBINSON. I refer to House bill 5221, to amend the Agricultural Adjustment Act with respect to rice, a bill which the producers of rice are anxious to have disposed of in the early future.

Mr. CLARK. Mr. President, is that the so-called "amendment" to the A. A. A. Act?

Mr. ROBINSON. No.
The PRESIDENT pro tempore. Is there objection to the request of the Senator from Arkansas? The Chair hears none, and the order will be entered.

WORK-RELIEF PROGRAM

The Senate resumed the consideration of the joint resolution (H. J. 117) making appropriations for relief purposes.

Mr. GLASS. Mr. President, may we have a vote on the pending amendment?

Mr. HASTINGS. I inquire of the Senator from Virginia whether the amendment before the Senate is that appearing on page 3?

Mr. GLASS. Yes.

Mr. HASTINGS. That is what I desire to talk about. Mr. GLASS. Will the Senator let us take a vote on it and then talk about it later?

Mr. HASTINGS. I should like to talk about it first.

Mr. BORAH rose.

Mr. HASTINGS. I yield to the Senator from Idaho.

Mr. BORAH. Mr. President, I thought we were about to vote on the pending amendment. After that shall have been done I shall offer an amendment. However, if the Senator is about to speak on the subject of the pending amendment, I will not offer my amendment at this time.

Mr. HASTINGS. Mr. President, before we vote on the pending amendment I should like the chairman of the committee to give some consideration to lines 5, 6, 7, and 8 on page 3 of the joint resolution.

After the address made yesterday by the distinguished Senator from Vermont [Mr. Austin], I began to make some investigation to ascertain for myself whether or not there is as much difference as he believes there is between the present form of the joint resolution and its form before it was recommitted to the Committee on Appropriations. I got the distinct impression that it is intended by the joint resolution to give the President the right to use all this fund for relief purposes, if he cares to do so. The language used is-

Provided, That except as to such part of the appropriation made herein as the President may deem necessary for continuing relief as authorized under the Federal Emergency Relief Act of 1933 as

In talking with some members of the committee, I received the impression that that language is intended to continue the Federal Emergency Relief Act of 1933. I examined that act and found that it was approved on May 12, 1933, and that it distinctly provides what shall occur at the expiration of 2 years. I read the exact language:

The Federal Emergency Relief Administration and the office of Federal Emergency Relief Administrator shall cease to exist upon the expiration of 2 years after the date of enactment of this act, and the unexpended balance on such date of any funds made available under the provisions of this act shall be disposed of as the Congress may by law provide.

I have given some consideration to that subject. I do not believe the language which I first quoted from this amendment extends that act. I think it will be necessary to put in some additional words if we desire to continue this relief. To continue the act itself would mean to give the President authority to transfer this whole amount so that it would come under the provisions of that act, and thereby destroy all the allocations or the supposed allocations made in the pending amendment. That is what might be done if the act itself were extended.

I do not know whether it was intended to do that, or whether it was not; but I am desirous, as I am sure all Senators are, that the Federal Emergency Relief Act of 1933 shall not be ended on May 12, because, assuming it to be practicable at all, it is certainly not possible within the next 2 months, or perhaps less than 2 months after this joint resolution shall be passed, to take all these people off the relief rolls and put them on work relief.

Mr. GLASS. Mr. President, I may say to the Senator that we purposely did not desire to complicate this joint resolution with that question. I am perfectly confident that the Emergency Relief Act will be extended beyond May 12 next. However, we thought that was a question which could be decided separately from this joint resolution.

Mr. HASTINGS. I am sorry to know that that is true, because it enlarges the powers which the committee undertook to limit in some measure after the joint resolution had been recommitted. I was about to suggest that in line 7, page 3, if we should strike out the words "relief as" and substitute the words "direct relief" in the same manner as now authorized under the Federal Emergency Relief Act of 1933, as amended", it probably would not be necessary to extend that act. If, however, the chairman of the committee has considered that matter, and desires to have the joint resolution passed in its present form, and then to continue the Federal Emergency Relief Act of 1933 by some other act of the Congress, I shall not in any way attempt to interfere with that course.

That brings me to the suggestion made yesterday by the Senator from Vermont [Mr. Austin], who at first was so greatly shocked that \$4,880,000,000 was to be turned over to the President, contending that it was not constitutional, and then satisfied himself with these miserable amendments to the joint resolution, the first of which is perhaps the most dangerous of all, the one of which I have just spoken.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HASTINGS. I yield.

Mr. LONG. Does the Senator say he understands that that language is what satisfied the Senator from Vermont?

Mr. HASTINGS. The Senator from Vermont said that if the joint resolution should not be materially changed he was likely to vote for it, and he discussed these amendments.

Mr. LONG. That is not the question I asked the Senator. Mr. HASTINGS. I will say to the Senator that that is the only way in which I can answer the question. I cannot do anything more than call attention to what the Senator said

Mr. LONG. The Senator may not want to answer my question, but I wish to state it again. Does the Senator understand that language to be what caused the Senator from Vermont to take that stand? That is not what I understood brought about that result.

Mr. HASTINGS. Mr. President, what I may say here with respect to this amendment will be largely in answer to the argument made by the Senator from Vermont.

The Senator from South Carolina [Mr. Byrnes], in answer to the Senator from Michigan [Mr. VANDENBERG], called attention to the fact that the President has said what he proposes to do with this money. He argued to the Senate that that ought to be reasonably satisfactory, particularly to those who have confidence in the judgment of the President. But it has always seemed to me that a Member of this body ought to be able to complain with reference to what the body itself is about to do without having some Senator say to him that it is because he has no faith in the President of the United States.

I disregard entirely who may be President of the United States or how much confidence we ought to have in his integrity and judgment. That is wholly beside the point. As the distinguished Senator from Vermont emphasized here yesterday, it is the business of the legislative body in appropriating money to know, with some good reason, and to have some fair intelligence as to what is to be done with the money. It is for that reason that I call attention to the first few lines of the amendment which permit the President to take that whole sum and pass it over to the Federal Emergency Relief Administration provided in the act of 1933, after it shall have been extended, and from that fund it may use money in direct relief or it may do all kinds of things that are authorized under that act.

It will be borne in mind by the Senate that this is not only a relief act, but it is a relief and work-relief act just as is the pending joint resolution. The sanctity of the particular amendment is that it is what is called a "break-down" of | what the President must do with this money.

Mr. GLASS. What the President may do with the money; not what he must do. There is nothing in the joint resolution that at all says what he must do.

Mr. HASTINGS. I know the Chairman of the Committee on Appropriations has that feeling about it. I think the amendment is some improvement over the original joint resolution. I agree with the Senator from Vermont in that

I am not greatly impressed with the word "miscellaneous" included in the amendment. I am inclined to think, although I am by no means certain, that the word "miscellaneous" has relation to the words which precede it, and the particular projects which must be miscellaneous projects of a like character.

But to my mind that is wholly unimportant, because, as the distinguished Chairman of the Appropriations Committee has said, pretty nearly anything can be done under the measure. There are, however, some limitations. Under the previous measure I had in mind that the President might buy and operate a railroad; I had in mind that he might establish a newspaper in every congressional district in the country. I do not think either of those things could be done under the measure as it is now before us, although I am not quite certain. I should like to ask a question of those who are satisfied with the amendment. It is provided that some of the money "shall be available for the following classes of projects, and the amounts to be expended for each class shall not, except as hereinafter provided, exceed the respective amounts stated-namely, highways, roads, streets, and grade-crossing eliminations, \$800,000,000." I invite attention to the fact that persons who are anxious that some of this money shall be used for these projects have absolutely no assurance that a single dollar of it will be used for any such purpose. In other words, where the \$800,000,000 is set up there is nothing in the amendment itself which compels the President to spend a single dollar for that project. The same thing is true with respect to rehabilitation and relief in stricken agricultural areas, for which \$500,000,000 is provided, and as to all the other projects set out.

In order that I might make a little more clear what might be done I have drafted a new resolution applying to roads. .It is not exaggerated, but I think it will demonstrate what may be the result under the amendment which is satisfactory to the Senator from Vermont:

Resolved, etc., That in order to provide work relief there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, and in the discretion and under the direction of the President, \$800,000,000 to be used for highways, roads, streets, and grade-crossing elimination projects. The President shall not be required under this resolution to use any of said funds for said purposes. If, however, the President concludes to use said funds for said purpose, and in order that he may have additional funds for the same purpose, there is hereby approadditional funds for the same purpose, there is hereby appropriated an additional sum of \$941,000,000.

The \$941,000,000 I get by taking 20 percent of \$4,705,000,-000, which I understand to be the amount as of today.

The President shall not be required to allocate any part of such fund to any particular State. He is hereby authorized to spend the whole of said sum in a single State or in any group of States wholly in his discretion. Nothing in this resolution shall prevent the President from spending any or all of said sum in the territories and possessions of the United States, exclusive of any

The President may, in his discretion, construct one or more highways extending from the Atlantic to the Pacific Oceans, and likewise may construct one or more highways from the northern

portion of the United States to the southern portion.

Prevailing wage provisions in the present law shall not apply to the projects constructed under this resolution, nor shall the President be compelled to buy local material, but may import it from abroad.

Mr. President, I should like to call attention to another item in this amendment. It consists of 1 word and 9 figures:

Housing, \$450,000,000.

Assume that the Senate has before it a joint resolution appropriating \$450,000,000 for work relief, for housing: I

committee or some member of the committee, if he canto tell me what is to be done under such a provision as that. Does it mean that the President is to build houses? If so, what is to be done with the houses? Will the houses, after they are built, belong to the Government?

The provision is-Housing, \$450,000,000.

I do not know what is to be done with the houses. Are people to be taken off the relief roll and put in the houses that are to be built with this \$450,000,000?

I made a little calculation as to how many houses could be built with this amount of money. When I get into these figures somebody may think I have been talking with Dr. Townsend; but if these houses were built on 52-foot lots, and were put in a row, there would be 100 lots for each mile; and if a \$2,000 house were built on each lot, we should have a cost of \$200,000 for a mile of houses. Senators can make their own calculations as to the effect of that.

As I say, \$200,000 would build a mile of houses on 52-foot lots at a cost of \$2,000 for each house. If this amount of money were spent in that way, we should have a row of houses 2,250 miles long, with not very wide spaces between them; and if we should add to this fund the \$941,000,000 resulting from taking 20 percent of the whole amount carried by the joint resolution, we should have enough money to build 6,955 miles of houses, twice as many as would reach from coast to coast of this country, enough to put houses on both sides of a highway reaching from the Atlantic coast to the Pacific coast. If we should calculate the highway fund provided in this amendment at \$80,000 a mile, we should have enough money in it to build 10,000 miles of road; and, for all I know, it may be contemplated to build such a highway with houses on each side of it.

Is not the Senate entitled to know, however, what this housing fund is to be used for? Can it be intelligently described by using the word "housing"? We cannot even get an intelligent definition of "housing" by going to the dictionary. It might mean pretty nearly anything. I think the Senate is entitled to know what it means as used in this amendment, and I do not know how anybody can be satisfied to appropriate that sum of money without knowing what is to be done with the houses. Are they to be built and sold? Are they to be built and rented? Is the Government to control all these houses? Is the Government to give them away to people who need them?

I call the attention of the Senate to the fact that the Home Owners' Loan Act of 1933, which we passed in an effort to help the home owners, covers eight pages of printed matter and provides that an individual cannot be helped to a greater extent than \$20,000; and for weeks the House of Representatives has been trying to increase the amount. Under that act money can be loaned to a home owner only to the extent of 80 percent of the appraised value of his home, and the act goes into great detail as to how these few millions of dollars are to be spent to help the home owners. Having passed that act in 1933, however, we are now asked, 2 years later, to support a joint resolution with \$450,000,000 in it for what is described only by the one word "housing."

I respectfully submit that the country is entitled to know and the Senate is entitled to know what is to be done with that money. I am entitled to know whether or not the Government is to come into my State and build houses. I am entitled to know whether or not the Government is to come into my State and build houses in competition with the contractors in my State. Every Senator here is entitled to have the same information.

I have not the slightest idea what is to be done with that housing money. No act passed by the Congress of the United States defines the word "housing" to mean something in particular.

The joint resolution appropriates \$600,000,000 for the Civilian Conservation Corps. We know something about that, because we know that the Civilian Conservation Corps has been established; so when we appropriate \$600,000,000 should like some Member of the Senate—the chairman of the for it we have some definite idea as to what is to be done with the money. When, however, we are asked to appropriate \$450,000,000 with no more description of the purpose of the appropriation than the word "housing", I cannot understand how any Senator could be entirely satisfied with this amendment to the extent of being willing to vote for it when he was not willing heretofore to vote for the large sum carried by the joint resolution without having it broken

Does the Senator from Arkansas [Mr. Robinson] desire to have the Senate adjourn now for the day?

Mr. ROBINSON. Does the Senator from Delaware wish to continue his remarks?

Mr. HASTINGS. I do not desire to keep the Senate here. Mr. ROBINSON. Perhaps a vote cannot be taken tonight.

Mr. GLASS. Mr. President, I should like to have the Senate adjourn for the day unless the Senator desires to continue his remarks tonight.

Mr. LONG. Mr. President, I send to the desk an amendment I intend to propose to the pending joint resolution. I ask to have the amendment printed so that it may be read by Senators tomorrow morning. It is an amendment to the section under consideration.

There being no objection, the amendment was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

On line 17, page 3, strike out "\$600,000,000" and insert in lieu thereof "\$300,000,000", and following the semicolon insert the following: "For colleges and universities, to be used to advance money to students in need of and desiring financial assistance so that such students may pay the costs and living expenses necessary for pursuing study at such colleges or universities, \$300,000,000."

#### PUBLICITY OF INCOME-TAX RETURNS

Mr. LA FOLLETTE. Mr. President, during the day I presented an amendment which I intend to offer in the nature of a substitute for House bill 6359, relating to the repeal of the so-called "pink slip" provision of the income-tax law. A number of Senators have indicated some interest in the amendment, and I, therefore, ask unanimous consent that it may be incorporated in the RECORD as a part of my remarks.

There being no objection, the proposed amendment was ordered to be printed in the RECORD, as follows:

Strike out all after the enacting clause and insert in lieu thereof

the following:
"That section 55 of the Revenue Act of 1934 is amended to read

That section is of the Revenue Act of 1934 is amended to read as follows:

"'SEC, 55. Publicity of returns:

"'(a) Returns made under this title upon which the tax has been determined by the Commissioner shall constitute public records and shall be open to public examination and inspection under rules and regulations promulgated by the Secretary and approved by the President. Whenever a return is open to the inspection of any person a certified copy thereof shall, upon request, be furnished to any person under rules and regulations prescribed by the Commissioner with the approval of the Secretary. The Commissioner may prescribe a reasonable fee for furnishing such copy.

"(b) (1) The Secretary and any officer or employee of the Treasury Department, upon request from the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, or a select committee of the Senate or House, or a joint committee so authorized by concurrent resolution, shall furnish such committee sitting in executive session with any data of any character contained in or shown by any return.

'(2) Any such committee shall have the right, acting directly as a committee, or by or through such examiners or agents as it may designate or appoint, to inspect any or all of the returns at such times and in such manner as it may determine.

"'(3) Any relevant or useful information thus obtained may be submitted by the committee obtaining it to the Senate or the House, or to both the Senate and the House, as the case may be.

"'(c) The proper officers of any State may, upon the request of the Governor thereof, have access to the returns of any corpora-tion, or to an abstract thereof showing the name and income of the corporation, at such times and in such manner as the Secretary

corporation, at such times and in such manner as the Sceletary may prescribe.

"'(d) All bona fide shareholders of record owning 1 percent or more of the outstanding stock of any corporation, shall, upon making request of the Commissioner, be allowed to examine the annual income returns of such corporation and of its subsidiaries. Any shareholder who pursuant to the provisions of this section is allowed to examine the return of any corporation, and who makes known in any manner whatever not provided by law or permitted

by regulations the amount or source of income, profits, losses, expenditures, or any particular thereof, set forth or disclosed in any such return, shall be guilty of a misdemeanor and be punished by a fine not exceeding \$1,000 or by imprisonment not exceeding 1

by a fine not exceeding vivos as year, or both.

"'(e) The Commissioner shall as soon as practicable in each year cause to be prepared and made available to public inspection in such manner as he may determine, in the office of the collector in each internal-revenue district and in such other places as he may be a such internal-revenue district and in such other places as he may determine lists containing the name and the post-office may determine, lists containing the name and the post-office address of each person making an income-tax return in such

address of each person making an income-tax return in Buch district.

"'(1) No person shall obtain, divulge, or circulate, or offer to obtain, divulge, or circulate for compensation any information derived from an income-tax return: Provided, That this subsection shall not be construed to prohibit publication by any newspaper of information derived from income-tax returns for purposes of argument nor to prohibit any public speaker from referring to such information in any address. Any person violating any of the provisions of this subsection shall, upon conviction thereof, be punished by a fine of not less than \$100 or more than \$500, or by imprisonment for not less than I month or more than 6 months, imprisonment for not less than I month or more than 6 months, or by both such fine and imprisonment."

Amend the title so as to read: "A bill to amend section 55 of the Revenue Act of 1934 (relating to publicity of income-tax

#### PUBLIC-UTILITY HOLDING COMPANIES

Mr. McKELLAR. Mr. President, my colleague the junior Senator from Tennessee [Mr. Bachman] and I have received many thousands of letters from Tennessee about the Wheeler antiholding company bill, most of the letters being from persons opposed to the bill.

The bill referred to consists of 140 pages, and contains a great many intricate proposals. My colleague and I have not had time to give it and the proposals therein contained proper attention, but shall do so at the very earliest opportunity, and give the opinions of our correspondents every

We find it absolutely impossible, with our present office forces, to answer each one of the letters personally. hope, therefore, that every one who has written upon this matter will take this statement as an acknowledgement of his or her letter, and will understand that we cannot make an immediate personal reply because of the unusual volume of these letters.

Mr. CLARK. Mr. President, I thank the Senator for making this statement. In the last week 15,000 letters on this subject have poured in on me. I understand that each utility in my State has notified each of its employees that if he cannot get 40 letters sent to the Senators and Representatives from Missouri he will be discharged. The result has been that in my Sunday morning mail, usually very light, I received 6,000 letters of this character. I thank the Senator from Tennessee for calling attention to this matter for the RECORD.

Mr. McKELLAR. My colleague and I received so many letters from Tennessee that we were obliged, in justice to our office forces, not to reply to them personally.

Mr. BYRNES. Mr. President, I ask to have inserted in the RECORD a communication enclosed in a letter I have received, the communication being from the Associated Gas & Electric Co. to the security holders of the Associated Gas & Electric system, calling upon the owners of securities to write to Senators and Members of the House of Representatives.

I also ask to have inserted a circular letter which was presented to the employees of a holding company setting forth the objections to the bill to which the Senator from Tennessee has called attention, describing it as a demagogic attempt to destroy industry, and making a few comments about the bill.

It is as a result of these circular letters that the employees of the companies and the owners of securities are writing to the Members of the House and of the Senate, and I think we ought to put these letters in the RECORD.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

To the Security Holders of Associated Gas & Electric System:

The campaign of political persecution and abuse against the public-utility industry has culminated with the recent introduction into Congress of the so-called "Public Utility Act of 1935" (House bill 5423, Senate bill 1725). This legislation proposes to

place public utilities under the power of three Federal commissions and expressly provides for the abolition of public-utility holding companies at the end of 5 years or earlier.

It is doubtful if more drastic or vicious legislation was ever submitted to Congress. It goes far beyond regulation by Government. It means management by Government and destruction by Government.

ment.

The contribution of the holding company to the comfort and convenience of the American people has been equaled by few other institutions. Holding company operation throughout the country has meant unification, extension, and cheapening of the charge for electric service. The wiping out of holding companies can only mean the wiping out of investments owned by millions of their security holders and their consumers which holding companies have given in the past and will give in the future if they are not denied.

ing companies and their consumers which holding companies have given in the past and will give in the future if they are not denied by law the right to exist.

While this company will do everything in its power which it properly may to defeat this bill, you can accomplish much more by direct action of your own. It is time you took such action. Furthermore, persons interested in other lines of business should also take heed and act likewise. No one can tell how long before some other line of industry will be singled out.

Some other line of industry will be singled out.

You cannot afford to permit the passage of this legislation. Your
Senators and Representatives in Congress are listed on the reverse
side of this letter. Write them that you protest against the destruction of holding companies, the wrecking of private investments, and the domination of the electrical industry by political
agencies. Ask them what possible reason exists for such drastic
and confiscatory legislation.

If convenient, we would appreciate your sending us copies of
your letters and copies of the replies you receive. Prompt action

your letters and copies of the replies you receive. Prompt action on your part is necessary as hearings on these bills before congressional committees are now under way.

Very truly yours,

ASSOCIATED GAS & ELECTRIC CO.

#### OBJECTIONS TO PUBLIC-UTILITY HOLDING COMPANY BILL A. MAJOR OBJECTIONS

1. It is a demagogic attempt to destroy, in the public-utility industry only, a form of organization which can continue in all other branches of activity, including railroad, industrial, mining, commercial, and social.

2. It contains many misstatements of fact and is difficult to understand, except that it does leave clear a goal of complete

It permits Federal agencies to dictate and control in matters that are local and subject to State control.

4. It is unjust and discriminatory class legislation—today it is the public utilities; tomorrow it may be your neighbor's business.

5. It can only lead to one ultimate end, complete Federal domination and control, with the attendant bureaucratic evils and "pork barrel" waste.

# B. OBJECTIONS BY HOLDING-COMPANY EMPLOYEE

Only one thing is obvious if the bill is passed, he will lose his job at any time between the date the bill passes and January 1, 1940.

## C. OBJECTIONS BY OPERATING-COMPANY EMPLOYEE

1. Holding companies will hesitate to finance additions and im-

1. Holding companies will hesitate to mance additions and improvements, with the result construction, maintenance, and distribution staffs must be reduced.

2. Purchases of materials and supplies will be curtailed, thereby affecting purchasing stores, and affiliated employees.

3. New business efforts and cooperative programs will be disrupted; financing these sales and cooperation with the dealers will be uncertain; a number of the employees will no doubt lose their tobs. jobs.

4. As the holding companies lose their control, new interests will take charge of the individual operating units. General managers, department heads, and many others will no doubt be supplanted by men friendly to the new interests. As these changes take place the other employees in all departments will in some manner be affected by the policies of the new interests.

5. While the period of grace is labeled 5 years, the process of disintegration and liquidation will begin immediately, and every tradesman, shopkeeper, and local banker will be affected.

Mr. GLASS. I should like to inquire if any of the Senators have received letters advocating holding companies for

Mr. CLARK. Mr. President, I will say to the Senator from Virginia that there have been just a few trickles of the deluge along that line. I have had a few letters on that subject.

Mr. GLASS. Advocating holding companies for banks? Mr. CLARK. Yes; I have had some from the States of Minnesota and Iowa on that subject.

Mr. GLASS. Advocating holding companies for banks?

Mr. CLARK. Yes.

Mr. GLASS. Have they heard from Michigan?

Mr. CLARK. I am not informed as to that.

## EXECUTIVE SESSION

Mr. GLASS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

#### EXECUTIVE MESSAGE REFERRED

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting the nomination of John M. Moore, of Kentucky, to be United States marshal, eastern district of Kentucky, to succeed James H. Hammons, term expired, which was referred to the Committee on the Judiciary.

#### EXECUTIVE REPORTS OF COMMITTEES

Mr. LOGAN, from the Committee on the Judiciary, reported favorably the nomination of Loomis E. Cranor, of Kentucky, to be United States marshal for the western district of Kentucky.

Mr. DIETERICH, from the Committee on the Judiciary, reported favorably the nomination of John J. Barc, of Michigan, to be United States marshal for the eastern district of

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters.

Mr. TRAMMELL, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters in the State of Florida.

He also, from the Committee on Naval Affairs, reported favorably the nominations of sundry officers in the Navy and in the Marine Corps.

The PRESIDENT pro tempore. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the calendar is in order.

#### THE JUDICIARY

The legislative clerk read the nomination of Edward G. Dunn to be United States attorney, northern district of Iowa. Iowa.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

## POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations of postmasters are confirmed en bloc.

That completes the calendar.

## ADJOURNMENT

Mr. ROBINSON. As in legislative session, I move that the Senate stand adjourned until 12 o'clock tomorrow.

The motion was agreed to; and (at 5 o'clock and 5 minutes p. m.) the Senate, in legislative session, adjourned until tomorrow, Wednesday, March 13, 1935, at 12 o'clock meridian.

## NOMINATION

Executive nomination received by the Senate March 12 (legislative day of Mar. 4), 1935

## UNITED STATES MARSHAL

John M. Moore, of Kentucky, to be United States marshal, eastern district of Kentucky, to succeed James H. Hammons, term expired.

## CONFIRMATIONS

Executive nominations confirmed by the Senate March 12 (legislative day of Mar. 4), 1935

## UNITED STATES ATTORNEY

Edward G. Dunn to be United States attorney, northern district of Iowa.

## POSTMASTERS

ARKANSAS

Horace L. Lay, Amity.
Thomas S. Reynolds, Bradley.
Lewis E. Smith, Cabot.
Hazel N. Poe, England.
Elmer Austin, Gravette.
Leo D. Perdue, Louann.
Cordelia R. Jackson, Marianna.

INDIANA

Floyd B. Faulkerson, Angola. Thomas R. Teegardin, Hamilton. Charles D. Manaugh, Hanover. Linda M. Peine, Oldenburg. James C. Rice, Spencer.

KENTUCKY

Laura V. Coleman, Anchorage. Hattie R. Tanner, Barlow. Jesse B. Pope, Brooksville. Milton T. Fullenwider, Shelbyville. Mary K. Diersing, Shively.

MICHIGAN

Henning R. Sjolander, Ishpeming.

NEBRASKA

Robert L. Isham, Chadron.

OHIC

Howard M. Whitehead, Alexandria, Raymond E. Fissel, Galena. Ray H. Strouse, McComb. Harold F. Sweeney, Russells Point, Thomas B. Gephart, Williamsport.

OKLAHOMA

C. Gleason Walker, Fairland. Marvin A. Peacock, Fletcher.

TENNESSEE

Robert K. Branscom, Coal Creek. Fred C. Lindsay, Greeneville. William R. Massey, Harriman. George R. McDade, Norris. Jean N. McGuire, Sweetwater.

TEXAS

Howard L. Smith, Alamo. Hugh B. Edens, Big Lake. John E. Morris, Borger. Robert H. Foster, Cooper. Clark A. Fortner, Crosby. Gladys J. Leary, Estelline. Daniel B. Shrader, Frisco. Curtis R. Blake, Frost. Aureil J. Wigley, Ingleside. SeLeta L. Dennis, Jacksboro. Richard Hubbard Lemmon, Jefferson. Robert L. Peebles, Lexington. Charley J. McCollum, Lockney. John M. Green, Mount Enterprise. A. J. Gardner, Muleshoe. William O. Haizlip, Nederland. Maude A. Price, Petrolia. Jack B. York, Pharr. Hobart Lytal, Quinlan. Edward A. Beckman, Sealy. Adlai C. Breustedt, Seguin. Jewell F. Cobb, Seminole. Robert A. Meuth, Skidmore. Tenie B. Colbert, Stamford. Nena M. Iiams, Sugar Land. Edgar H. McElroy, Waxahachie.

# HOUSE OF REPRESENTATIVES

TUESDAY, MARCH 12, 1935

The House met at 11 o'clock a. m.

Rev. James Shera Montgomery, D. D., offered the following prayer:

Who shall ascend into the hill of the Lord? or who shall stand in His holy place?

He that hath clean hands, and a pure heart; who hath not lifted up his soul unto vanity, nor sworn deceitfully.

Almighty God, unto whom all hearts are open, all desires known, and from whom no secrets are hid, cleanse the thoughts of our hearts by the inspiration of Thy Holy Spirit, that we may perfectly love Thee, and worthily magnify Thy holy name. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

#### MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries.

FOG

Mr. STACK. Mr. Speaker, I would like permission to address the House for 1 minute on the fog, atmospheric and otherwise.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to address the House for 1 minute. Is there objection?

There was no objection.

Mr. STACK. Mr. Speaker and fellow colleagues of the House, this morning coming to work I noticed that there was a bit of fog in the atmosphere, but tonight before the sun goes down the atmosphere will clear.

Last night I listened with admiration to that man of God from Michigan who wants to clear the political atmosphere. He reiterated a statement that he is still with Roosevelt and against his money advisers. I think we owe a vote of thanks to that man of God from Michigan, and if it is in order I so move you, Mr. Speaker.

Mr. BLANTON. I make the point of order, Mr. Speaker, that that is not in order.

Mr. STACK. Thank you, Mr. Blanton. [Laughter.]

# HOME, SWEET HOME

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the duty of the Government on the Home Owners' Loan Corporation.

The SPEAKER. Is there objection?

There was no objection.

Mr. SNYDER. Mr. Speaker-

Home, home, sweet, sweet home; Be it ever so humble, There's no place like home.

The sentiment and force of these three lines has had much to do with shaping and molding the citizenship-building virtues of home life in our Nation during the last 100 years.

Two years ago when Congress became aware of the fact that multiplied thousands of home owners in the United States had lost, or were about to lose, their homes because of financial distress, they immediately looked about to find ways and means by which the homes could be saved. After due consideration the Home Owners' Loan Corporation was set up.

It is needless for me to say here that it was a gigantic task for the Government to undertake. Naturally there would be many complicated angles in setting up such a large organization. It follows that there would be many avenues in which there would not be the efficiency desired. It is only natural that a certain percent would be selected for the various positions who would not be fully qualified to render full efficiency. This is true in old set-ups and organizations such as our banking institutions, civil service, and others. It would follow that in a new set-up there

would be a greater percent of apparent inconsistencies than in an old established set-up or institution.

However, the great task confronting us as a nation at that time was, as far as possible, to save the little home owners and the farmers from losing their homes; to keep the sheriff from selling them out; to keep the mortgage holder from closing in on them and thus not only shatter their own ideals for the rest of their lives, but weaken the Nation's fundamental institution, "the home."

I myself, know personally of weaknesses in the execution of this measure but I also know that as a whole it was one of the great fundamental procedures of the Seventy-third Congress. It will go down in history as such.

By putting into force the Home Owners' Loan Corporation some 18 months ago, we have been able to save thousands, yes hundreds of thousands, of little homes, and by extending the time of this Corporation and making additional appropriations for the perpetuation of the same, we will save multiplied thousands more homes. The same could be said of the Farm Loan Act. We will save thousands of farms for the farmers who are being overtaxed just like little home owners have been for the last 10 or 15 years.

My contention has always been that we must give adequate protection to the little home owners, the farmers, the laborers, and the little business men. This act was designed to do that, and I am pleased to say that it has accomplished much in this direction, and by extending it we will continue to accomplish much more in the same direction.

In my own State of Pennsylvania I find, according to data furnished me this morning from the main office of the Home Owners' Loan Corporation here in Washington the following activities or accomplishments under the Home Owners' Loan Act, since it went into operation some 18 months ago. They are as follows: 106,259 applications have been received in the State of Pennsylvania; 34,000 of that number withdrawn or held for further consideration; 72,105 net applications received; 30,596 applications pending in Pennsylvania; 10,837 pending before delivery to legal department; 10,837 pending after delivery to legal department; 41,509 loans allowed or closed in the State of Pennsylvania; and \$120,-539,981, amount of money loaned for these loans in the State of Pennsylvania.

Mr. Speaker, in times like these a nation must always come to the assistance of the home owners. The strength of any people and in any nation since the beginning of time depends on the attitude of the mind of its people. Where a people own their own homes and farms we find an attitude that has greater citizenship-building and nation-building power than any other one avenue of procedure.

# ADJUSTED-COMPENSATION CERTIFICATES

The SPEAKER. Under a previous order of the House, the gentleman from Mississippi [Mr. Forp] is recognized for 20 minutes.

Mr. FORD of Mississippi. Mr. Speaker, ever since the first adjusted-service compensation bill made its appearance on the floor of this House in 1920 I have believed that the veterans of the World War should receive a cash adjustment for the services they rendered in defense of our country.

Adjusted-service compensation for the American soldier has been the victim of the bitterest, longest drawn out, and most powerful attack ever directed against any legislative measure. Yet, after 15 long years of relentless opposition from the big interests of the country, the idea still survives and stands a monument to the sense of justice of the masses of the people.

I am glad that the Members of Congress will soon have an opportunity to pass a measure that will pay the country's greatest war debt. Mr. Speaker, when I use the word "greatest", I do not mean the largest in size but refer to the one having the most justice and equity. Almost 18 years have passed since that day in April on which the Congress of the United States stood up and solemnly declared the existence of a state of war between America and Germany. I am glad to say that during those 18 years I have not forgotten how our brave boys left their homes and loved ones, endured the

hardships of camp and the weariness of drill and march. Neither have those boys forgotten the rough sea voyage, the insanitary and indescribable conditions of the trenches, and the nerve-wracking hours and days under the fire and the gas of the enemy. Those men were the choice selection of 100,000,000 Americans, and many of them walked into the jaws of death itself to save and defend America and its people. Those who were not under the actual fire of the enemy were subject to being called at any time.

The circumstances under which these young Americans went to war should be well known to everyone. They were not given the opportunity to enter into any voluntary contract as to the pay they should receive, and their wishes were never consulted. The mighty voice of the United States Government ordered them to perform military duty for \$30 a month and such personal upkeep as might be provided for them. Out of that \$30 a month \$15 had to be sent to dependents and \$6 was paid for insurance, leaving 90 percent of the soldiers with a net pay of \$9 a month or 30 cents a day. It is commonplace, yet absolutely true, to say that without the soldier we would have been helpless and defenseless; and we all know that they sacrificed personal gain, health, happiness, and even life itself in order that our country might be protected. To that American soldier and to his loved ones the tragedy of war appeared in its most horrible form, yet the Government paymaster made him a 30-cent man and forced his family to live amidst skyrocketing prices on a miserable pittance of \$15 a month. Upon investigation of the statistics, we find that this same paymaster, who allowed the soldier only 30 cents a day, was at the same time paying civilian employees high salaries for services performed by them in the perfect safety made secure by the valor of the United States fighting man. A typical example of these high salaries is seen in the pay of workers who were employed by the Government for the construction of ships. Their basic wage was \$12.50 a day. If they worked overtime their pay was increased. The minimum wage in private enterprise was very rarely under \$4 a day and in many instances was far more than that, yet the soldier could not profit from such delightful wages. The enemy was not fighting on the basis of an 8-hour day, and some days the soldier would work for a full 24 hours without any increase in remuneration. Even before the close of the war our people began to see the injustice of the low salary being paid the service man, so Congress provided that he should be given \$60 in additional pay when discharged from the service. Sixty dollars was hardly more than enough to pay for a suit of clothes to wear while looking for a job, but it had a very significant indication. The conscience of the country had awakened to the justice of the idea that the war veteran should have an adjustment in the amount of pay he had received for winning a terrible war, a war from which everybody but he and his family had secured their profits.

About this time we saw the wizards of high finance glean an idea from the sentiment in favor of the soldier. The railroads, having been under the operation of the Government during the war, by reason of contract, asked for compensation for injuries alleged to have been sustained as a result of Government operation. Unlike the soldier, these railroads drew up their own contract and made their own terms and agreement. Afterward when the profits were not as large as they had intended them to be under the terms of the contract there was no serious opposition when the Congress voted a billion dollars in cash as additional remuneration to the railroad corporations of our country.

Then came the war contractors who claimed injury because the war ceased when it did, so, in grand style, they were given a half billion dollars. These profiteers had been under coercion from no one and made their own contracts, yet when they decided they had not made enough money they asked for more and they got it. The special committee of the Senate investigating the munitions industry has just recently brought to the attention of the American people some very surprising and shocking facts concerning the profits made by the war profiteers who exploited the Government in the sale of war materials. The committee

learned that during the 4 years immediately preceding the war the Hercules Powder Co. made an average yearly profit of \$1,271,000 but during the war it made \$7,430,000 annually. General Motors made \$6,954,000 a year before and \$21,700,000 a year during the war. Anaconda Copper increased its profit from \$10,649,000 to \$34,549,000 yearly. Bethlehem Steel for a similar period was able to clear \$49,427,000 as compared to the pre-war \$6,840,000 and at the same time Du Pont gained from \$6,092,000 to \$58,076,000.

In 1918 the Bethlehem Loading Co. made a profit of 362 percent on its investment in the shell-loading business. In 1917 Colt's Fire Arms made 64 percent, Savage Arms Corporation made 65 percent, and Western Cartridge Co., 35 percent. Thus it will be seen that the profiteers had their billions from the Government without any effort while the soldiers earned their meager 30 cents a day by long hours of hard work and the shedding of blood.

The civil-service employee, who had drawn around \$2,500 a year while the soldiers were fighting for 30 cents a day, was on the inside of the Government council and quickly noticed the popularity of adjustments, so his demand for more compensation resulted in an allowance of another

\$600,000,000 from funds provided by the American taxpayer.
Mr. BLANTON. Will the gentleman yield?

Mr. FORD of Mississippi. I yield.

Mr. BLANTON. To be exact, there was one bonus of \$120 and two additional bonuses of \$240 paid to all employees of the Government.

Mr. FORD of Mississippi. My good friend from Texas is correct and I thank the gentleman.

In the meantime the war veterans had received their 30 cents, their \$60 extra allowance, and some experience the like of which had never before been witnessed in the history of warfare. They had been promised everything; yet they had to come home on a stretcher to get anything.

It was argued that the richest country in the world could well afford to pay these gigantic sums for the purpose of seeing justice done to industry and to Government employees. Very little was said about the profiteer, but he got his anyway. Congress did not turn a deaf ear to the railroads, the war contractors, and the Government employees when they demanded more than \$2,000,000,000 from the Treasury, but did ignore the request of the financially hampered, disease-ridden, blood-stained veterans that could be seen in every community, village, town, and city in the whole United States and who were the victims of a train of events set in motion through no agency of their own.

When the ability of the Government to pay was discussed some forgot that during the war the same Government had loaned \$7,077,114,754 to the allied countries. It was not remembered that after the war had actually stopped our Government loaned the Allies an additional \$3,273,324,324.70, of which \$2,533,288,825.45 was in actual cash money. Today, my friends, \$633,818,220.44 of that sum loaned to those we helped to win the war is past due and unpaid. This is true, although they used part of the money we loaned them for the payment of additional money to their soldiers.

When all the facts have been considered the question was everywhere asked, "Why can't the soldier be given a fair adjustment in the pay he received while fighting for us, and while all others were growing more rich?" It can truthfully be said that the moral sense of the country dictated the enactment of an equitable adjustment, but the financial leaders of the country, under the cloak of financial wisdom, always opposed the adjustment and threatened a serious deficit in the Treasury if the rights of the veteran should in any way be recognized.

Although the heart of the people was in sympathy with cash payment, opposing pressure was brought to bear from the big interests of the country, and the attempts for adjusted-service compensation were defeated in 1920 and in 1922 in the United States Congress.

Thus, it was that in 1924, 6 years after the armistice, the question was still unsettled and the cause was still delayed, lacking of realization.

In 1925 the same old artillery and the same old infantry that had thundered so fearfully against adjusted-service

compensation in 1920 and again in 1922 were brought forcefully into play, but despite the opposition a bill passed Congress over the determined veto of the President of the United States.

Mr. Speaker, the idea prompting the measure was one of the most praiseworthy in the history of American legislation, but there were at least two glaring faults in the law as finally enacted. The defects were: First, the refusal to pay in cash; and, second, the deduction of the original \$60 payment from the credit given on the certificate. Our veterans were allowed an adjustment of \$1 a day for home service and \$1.25 a day for service overseas, after the deduction of the \$60 original payment. I feel perfectly safe in saying that if I had been a Member of Congress in 1924 I would have voted and worked for cash payment, and I would have voted against the \$60 deduction.

The country was enjoying prosperity, the war debt had been materially reduced, all others had been paid in cash, but the war veterans were given postdated checks, payable 27 years after the performance of the services they so sacrificingly rendered. The veteran who had received the least, who had done the most, and who needed the money the worst, was told to be patient for 20 years, at the end of which time he or his heirs would receive an adjustment. Our Government paid the war profiteer more profit, it wiped the slate clear of every obligation, while the doors of the Treasury were closed to the call of the man who had answered the call of his country.

With all these facts before you, no one can deny the justice of immediate cash payment of the adjusted-service certificates. There is no question of our ability to pay. It will cost no more to pay now than it will in 1945.

Mr. YOUNG. Will the gentleman yield?

Mr. FORD of Mississippi. I will yield to the gentleman from Ohio.

Mr. YOUNG. I agree with the gentleman that in 1924 at the height of the Coolidge prosperity era our Government was in good financial condition and could readily have paid the ex-service men in cash at that time instead of by a postdated check. Is it not a fact that our Government at that time, at the height of the Coolidge prosperity, was in much better financial condition to pay our ex-service men regardless of need than at the present time?

Mr. FORD of Mississippi. I agree that the Government was in much better condition during the height of the Coolidge prosperity era to discharge its obligation to the veterans but because it did not see fit to make the payment at that time is certainly no good reason why we should now deny the payment of an obligation which is so justly due the World War veterans of our country.

The credit of the country is not yet exhausted. This side of Congress has already voted appropriations totaling several billions of dolars and if it can afford to do that I see no reason why it could not now vote to pay cash for the obligations it owes to the veterans and which have been due since 1918.

Mr. YOUNG. One further question. A cash payment for all adjusted-compensation certificates would at the present time have our Government pay to approximately 750,000 veterans—

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. YOUNG. Mr. Speaker, I ask unanimous consent that the time of the gentleman from Mississippi be extended for 5 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. YOUNG. My question is this: Five hundred and ten thousand veterans have not even borrowed on their adjusted-compensation certificates. In addition to that, if the adjusted-compensation certificates of these 510,000 veterans were paid in cash at the present time, it would entail a payment from the Public Treasury of approximately \$500,000,000. Also, of our ex-service men there are many thousands who at the present time are paying income taxes to their Government. In view of all this, would not the gentleman be of opinion that it would be better first to

exclude such ex-service men as I have referred to from the cash payment of the bonus and pay to the other ex-service men first?

Mr. FORD of Mississippi. Mr. Speaker, I do not agree with my friend from Ohio in saying that we should exclude anyone from the cash payment of their adjusted-service certificate. We did not exclude the railroad corporations, the war contractors, the war profiteers, and the Government employees from receiving their adjustments because they were not borrowing money nor because they might have been paying income taxes. We paid them in cash, and I think we should do likewise to all of the veterans.

Mr. Speaker, both justice and reason are in favor of immediate cash payment. The average war veteran is now a little past 40 years of age, and there is no doubt that he would make wise use of his money if it were paid him now. There is no doubt that the 50-percent loan made on the certificates in 1931 did a great deal toward remedying the depression, and complete payment, with the cancelation of interest on all previous loans, would be a great value at this time.

Mr. Speaker, the immediate cash payment of the adjustedservice certificate is not a gift, it is not a loan, it is not a dole. It is the payment of an honest obligation, now long since overdue. Payment will not only be beneficial to the soldier, but will help the whole country. The Government can afford to pay it; the people want it paid. [Applause.]

#### LEAVE OF ABSENCE

Mr. DINGELL. Mr. Speaker, I rise at this time to announce the untimely death of Mary Anne Sadowski, the little daughter of our colleague the gentleman from Michigan [Mr. Sadowski], and ask unanimous consent that he be granted indefinite leave of absence during this period of bereavement.

The SPEAKER. Without objection, it will be so ordered. There was no objection.

SUBCOMMITTEE OF COMMITTEE ON LABOR—LEAVE TO SIT DURING SESSION OF THE HOUSE

Mr. CONNERY. Mr. Speaker, I ask unanimous consent that the subcommittee of the Committee on Labor be permitted to meet during the session of the House this afternoon. The SPEAKER. Is there objection?

The SPEAKER. Is there of

## CALL OF THE HOUSE

Mr. BLANTON. Mr. Speaker, I make the point of order that there is no quorum present. I think the Members should be here to vote on the Wolcott \$50,000 amendment.

The SPEAKER. The gentleman from Texas makes the point of order that there is no quorum present. The Chair will count. [After counting.] Two hundred Members present, not a quorum.

Mr. TAYLOR of Colorado. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The doors were closed.

The Clerk called the roll, and the following Members failed to answer to their names:

# [Roll No. 25]

Allen DeRouen Johnson, W. Va. Mitchell, III. Bankhead O'Malley Doutrich Kahn Kleberg Kopplemann Beam Boehne Drewry Peyser Reece Duncan Gambrill Gasque Larrabee Lewis, Md. Sadowski Sandlin Buckley, N. Y. Goldsborough Carter McMillan Schaefer Maloney South Treadway Jenkins, Ohio Darden

The SPEAKER. Three hundred and ninety-five Members have answered to their names, a quorum.

Mr. TAYLOR of Colorado. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

## HOLDING COMPANIES (H. DOC. NO. 137)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and,

with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce and ordered printed:

To the Congress of the United States:

I am transmitting to you herewith a report submitted to me by the National Power Policy Committee. I named this committee last summer from among the departments of the Government concerned with power problems to make a series of reports to coordinate Government policy on such problems. This report I am submitting to you is the recommendation of the committee with respect to the treatment of holding companies in the public-utility field. It deserves the careful attention of every Member of the Congress.

The so-called "public utility holding company bill" (title I of House bill 5423 and of Senate bill 1725), which was drafted under the direction of congressional leaders, incorporates

many of the recommendations of this report.

I have been watching with great interest the fight being waged against public utility holding company legislation. I have watched the use of investors' money to make the investor believe that the efforts of Government to protect him are designed to defraud him. I have seen much of the propaganda prepared against such legislation—even down to mimeographed sheets of instructions for propaganda to exploit the most far-fetched and fallacious fears. I have seen enough to be as unimpressed by it as I was by the similar effort to stir up the country against the securities exchange bill last spring. The Securities Exchange Act is now generally accepted as a constructive measure, and I feel confident that any fears now entertained in regard to proposed utility holding company legislation will prove as groundless as those last spring in the case of the Securities Exchange Act.

So much has been said through chain letters and circulars and by word of mouth that misrepresents the intent and purpose of a new law that it is important that the people of the country understand once and for all the actual facts of the case. Such a measure will not destroy legitimate business or wholesome and productive investment. It will not destroy a penny of actual value of those operating properties which holding companies now control and which holding company securities represent insofar as they have any value. On the contrary, it will surround the necessary reorganization of the holding company with safeguards which will in fact protect the investor.

We seek to establish the sound principle that the utility holding company, so long as it is permitted to continue, should not profit from dealings with subsidiaries and affiliates where there is no semblance of actual bargaining to get the best value and the best price. If a management company is equipped to offer a genuinely economic management service to the smaller operating utility companies, it ought not to own stock in the companies it manages, and its fees ought to be reasonable. The holding company should not be permitted to establish a sphere of influence from which independent engineering, construction, and other private enterprise is excluded by a none too benevolent private paternalism. If a management company is controlled by related operating companies, it should be organized on a truly mutual and cooperative basis and should be required to perform its services at actual cost demonstrably lower than the services can be obtained in a free and open market.

We do not seek to prevent the legitimate diversification of investment in operating utility companies by legitimate investment companies. But the holding company in the past has confused the function of control and management with that of investment and in consequence has more frequently than not failed in both functions. Possibly some holding companies may be able to divest themselves of the control of their present subsidiaries and become investment trusts. But an investment company ceases to be an investment company when it embarks into business and management. Investment judgment requires the judicial appraisal of other people's management.

The disappearance at the end of 5 years of those utility holding companies which cannot justify themselves as necessary for the functioning of the operating utility companies of the country is an objective which congressional leaders I have consulted deem essential to a realistic and farsighted treatment of the evils of public-utility holding companies. For practical reasons we should offer a chance of survival to those holding companies which can prove to the Securities and Exchange Commission that their existence is necessary for the achievement of the public ends which private utility companies are supposed to serve. For such companies, and during the interim period for other companies, the proposal for a comprehensive plan of public regulation and control is sound.

But where the utility holding company does not perform a demonstrably useful and necessary function in the operating industry and is used simply as a means of financial control, it is idle to talk of the continuation of holding companies on the assumption that regulation can protect the public against them. Regulation has small chance of ultimate success against the kind of concentrated wealth and economic power which holding companies have shown the ability to acquire in the utility field. No Government effort can be expected to carry out effective, continuous, and intricate regulation of the kind of private empires within the Nation which the holding company device has proved capable of creating.

Except where it is absolutely necessary to the continued functioning of a geographically integrated operating utility system the utility holding company with its present powers must go. If we could remake our financial history in the light of experience certainly we would have none of this holding-company business. It is a device which does not belong to our American traditions of law and business. It is only a comparatively late innovation. It dates definitely from the same unfortunate period which marked the beginnings of a host of other laxities in our corporate law which have brought us to our present disgraceful condition of competitive charter-mongering between our States. And it offers too well demonstrated temptation to and facility for abuse to be tolerated as a recognized business institution. That temptation and that facility are inherent in its very nature. It is a corporate invention which can give a few corporate insiders unwarranted and intolerable powers over other people's money. In its destruction of local control and its substitution of absentee management it has built up in the public utility field what has justly been called a system of private socialism which is inimical to the welfare of a

Most of us agree that we should take the control and the benefits of the essentially local operating utility industry out of a few financial centers and give back that control and those benefits to the localities which produce the business and create the wealth. We can properly favor economically independent business, which stands on its own feet and diffuses power and responsibility among the many, and frowns upon those holding companies which through interlocking directorates and other devices have given tyrannical power and exclusive opportunity to a favored few. It is time to make an effort to reverse that process of the concentration of power which has made most American citizens, once traditionally independent owners of their own businesses, helplessly dependent for their daily bread upon the favor of a very few, who, by devices such as holding companies, have taken for themselves unwarranted economic power. I am against private socialism of concentrated private power as thoroughly as I am against government socialism. The one is equally as dangerous as the other; and destruction of private socialism is utterly essential to avoid governmental socialism.

Franklin D. Roosevelt. The White House, March 12, 1935.

[Applause.]

REPORT OF ALIEN PROPERTY CUSTODIAN (H. DOC. NO. 135)

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:

In accordance with the requirements of section 6 of the Trading with the Enemy Act, I transmit herewith, for the

I have consulted deem essential to a realistic and farsighted treatment of the evils of public-utility holding companies. For practical reasons we should offer a chance of with the Enemy Act.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 12, 1935.

INTERNATIONAL TECHNICAL COMMITTEE, AERIAL LEGAL EXPERTS (H. DOC. NO. 136)

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Affairs, and ordered printed:

To the Congress of the United States:

I commend to the favorable consideration of the Congress the enclosed report from the Secretary of State to the end that Public Resolution 118, Seventy-first Congress, be amended so as to authorize an annual appropriation to pay the pro rata share of the United States in the expenses of the International Technical Committee of Aerial Legal Experts and to authorize an annual appropriation in the sum of \$6,500, or so much thereof as may be necessary, for the expenses of participation by the Government of the United States in the meetings of the International Technical Committee of Aerial Legal Experts and/or of the commissions established by that committee.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 12, 1935.

#### DEFICIENCY APPROPRIATION BILL

Mr. BUCHANAN, from the Committee on Appropriations, reported the bill (H. R. 6644; Rept. No. 376) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1935, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1935, and for other purposes, which was read a first and second time and, with the accompanying report, referred to the Committee of the Whole House on the state of the Union.

Mr. TABER. Mr. Speaker, I reserve all points of order.

## ADDITIONAL HOME-MORTGAGE RELIEF

Mr. STEAGALL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 6021) to provide additional home-mortgage relief, to amend the Federal Home Loan Bank Act, the Home Owners' Loan Act of 1933, and the National Housing Act, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 6021, with Mr. Celler in the chair.

The Clerk read the title of the bill.

Mr. COCHRAN. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. The gentleman will state it.

Mr. COCHRAN. Am I correct in assuming that the order of business is the teller vote on the pending amendment?

The CHAIRMAN. The gentleman from North Carolina [Mr. Hancock] demanded tellers, but tellers have not yet been ordered.

Mr. COCHRAN. I ask unanimous consent, in view of the situation which confronts the House, a number of Members present now who were not present on Saturday last, that a member of the majority side and a member of the minority side of the Committee on Banking and Currency be allowed 5 minutes each in which to explain the pending amendments. If this consent is not granted, any number of Members will be voting blind. The Committee is entitled to know the situation that confronts us, and my request is fair to both sides. The mere reading of the amendments and substitute will not enable Members to understand just what is proposed.

Mr. BLANTON. Reserving the right to object, they might both be on the same side of the question. Both sides of this question ought to be presented. The 10 minutes should be

against it.

Mr. COCHRAN. I think the Committee will be fair in the matter.

Mr. BLANTON. Oh, but it is a question of both sides having their own time. We want our rights.

Mr. COCHRAN. I will amend my request, Mr. Chairman. request that the gentleman from North Carolina [Mr. HANCOCK] and the gentleman from Michigan [Mr. WOLCOTT] have 5 minutes each.

Mr. TABER. Mr. Chairman, a point of order. The CHAIRMAN. The gentleman will state it.

Mr. TABER. Under the rules of the House, the Committee having voted to close debate on this item, it is impossible for the Committee, by unanimous consent, to wipe that out.

The CHAIRMAN. The Committee can, by unanimous consent, change that situation. The request made by the gentleman from Missouri is for unanimous consent to do that.

Is there objection to the request of the gentleman from Missouri [Mr. Cochran] that there be allowed 10 minutes 5 minutes on each side of this question?

Mr. BLANTON. Five minutes each by the gentleman from North Carolina [Mr. Hancock] and the gentleman from Michigan [Mr. Wolcott].

The CHAIRMAN. Is there objection?

Mr. SISSON. Reserving the right to object, I am sure the gentleman from Michigan [Mr. Wolcott], who made a very fine statement on this, which, unfortunately, the House did not hear on Saturday, would prefer that the gentleman from New York [Mr. O'CONNOR], who really led the debate on one side, should occupy the 5 minutes. Would that be agreeable to the gentleman from Michigan?

Mr. WOLCOTT. It is entirely agreeable. I think the gentleman from New York [Mr. O'CONNOR] should use the time allowed to me.

Mr. COCHRAN. Any arrangement, just so the situation is explained, suits me.

Mr. BLANTON. That is satisfactory. But, Mr. Chairman, if there are going to be a lot of questions that in themselves constitute prolonged debate, I will object.

The CHAIRMAN. The Chair will again state the unanimous-consent request. The gentleman from Missouri [Mr. COCHRAN] asks unanimous consent that the gentleman from North Carolina [Mr. Hancock] have 5 minutes and the gentleman from New York [Mr. O'CONNOR] have 5 minutes in connection with this amendment. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from North Carolina [Mr. Hancock] is recognized for 5 minutes.

Mr. HANCOCK of North Carolina. Mr. Chairman, ladies and gentleman of the Committee, on Saturday I think I explained clearly the issue which now faces the House. The amendment offered by the gentleman from Michigan [Mr. WOLCOTTI proposes to increase the amount of the credit or loans to be insured under title I of the Federal Housing Act from a \$2,000 loan for home renovizing purposes to a \$50,000 loan for improvements to commercial or industrial properties. This section, together with his amendment, would make any type of loan for most any kind of improvement to any kind of property eligible up to the amount of \$50,000. provided it came through an approved institution. The committee brought in a bill amending title I, which would permit these loans to be insured up to \$25,000, which, in my opinion, is an outright distortion of the true, original purposes of the activities to be carried on under title I.

Under the amendment which I have offered the entire section 22 of the printed bill, or 25 of the amended bill, would be stricken out, with the result that title I of the present Federal Housing Act would remain intact as now written on the statute books. To further clarify the situation so that the House may understand exactly the issue before it today, if we voted down the Wolcott amendment to my amendment, the question would then recur upon my motion to strike out the entire section. Please bear in mind that if the Wolcott amendment is voted down and my amendment is voted up, the original language of title I remains intact and the Admonition could continue to use

equally divided, 5 minutes for the amendment and 5 minutes | its insurance fund of \$200,000,000 in assisting small-home owners throughout the country to secure credit with which to make needed repairs to their homes. Your Banking and Currency Committee was advised at the time this legislation was considered that there were practically twelve or thirteen million homes in America owned by people of moderate means that needed repairs, and it was their opinion that through this method relief would be afforded them to rehabilitate their properties and that this in turn would aid enormously in stimulating the durable-goods industries and putting men to work.

It was essentially, however, a "better housing" proposition, and no one ever dreamed that we would be faced with a proposition of this kind. My judgment is that if the Wolcott amendment is adopted and my amendment is not adopted, Congress is in effect making a "hand-out" to a few of the large institutions and installment financing companies to further the sale of their products rather than to aid the small-home owner and the building trades throughout the country. For instance, if one of these lending institutions should make 10 loans of \$50,000 each, amounting to \$500,000, the Government would be responsible for \$100,000 of that amount and in case of nonpayment on the part of the borrower the insurance corporation would have to pay over to the lending institution \$100,000 in cold cash. I am perfectly willing and anxious to see these institutions assisted, but I do not think that the Government should be called upon with taxpayers' money to assume 20 percent of the liability. Is there another lending institution in existence which resorts to such liberal and generous practices? Will the Government take care of 20 percent of the loss which a home owner incurs when he faces pay day on his mortgage loan to a Government agency?

We should remember that out of a potential billion dollars of insurance, as provided in title I of the act, the Housing Administration has insured less than \$40,000,000 in credits. More than one-seventh of this amount has been insured to take care of loans made through the National City Bank of New York, and practically all of this insurance has gone to protect loans made for the purchase of articles and materials from 10 companies in the United States. Bear in mind also that these loans are supposed to be character loans and that no security will likely be required. Why should this special privilege be accorded to a selected few? It smacks of favoritism, to my way of thinking. If my amendment, however, prevails, the losses would be held to a minimum, the benefits would be spread throughout the country and the original spirit and purpose of the bill would probably be made effective.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. HANCOCK] has expired.

Mr. SISSON. Mr. Chairman, I ask unanimous consent that the gentleman from North Carolina have 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SISSON. The gentleman will concede, I am sure, that the amendment offered by him to strike out this entire section or the part of it relating to the renovizing of small factories, business places, and so forth, does not represent the action of the Committee on Banking and Currency. It is the gentleman's own individual amendment?

Mr. HANCOCK of North Carolina. I will say to the gentleman from New York that the committee voted, if I remember correctly, 12 to 11 in favor of the Reilly amendment, which reduced the amount from \$50,000 to \$25,000, as it now appears in the bill.

Mr. SISSON. That is correct. The committee also voted by a vote of 13 to 10 against the gentleman's motion to strike out this particular section. That is the purport of the present amendment?

Mr. HANCOCK of North Carolina. I think that is correct. The vote was 13 to 10 against the amendment that I am asking the House to adopt. I am striving to make the issue as clear as crystal. I hope I am doing it.

Mr. COCHRAN. If the House defeats the Wolcott amendment, and then defeats the amendment offered by the gentleman from North Carolina, the bill will remain \$25,000 as reported by the committee? Is that correct?

Mr. HANCOCK of North Carolina. That is absolutely

correct.

Mr. SISSON. Mr. Chairman, will the gentleman yield?

Mr. HANCOCK of North Carolina. I yield.

Mr. SISSON. If the amendment offered by the gentleman from North Carolina [Mr. Hancock] prevails, the entire provision recommended by the Housing Administration goes

Mr. COCHRAN. But if the amendment is defeated, the committee's recommendation stands.

Mr. SISSON. The committee's recommendation, adopted by a 12-to-11 vote, stands; but not the Administration's recommendation.

[Here the gavel fell.]

Mr. FITZPATRICK. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 1 additional

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman

Mr. HANCOCK of North Carolina. I yield.

Mr. FITZPATRICK. Do I understand correctly that the Administration's recommendation is \$50,000?

Mr. HANCOCK of North Carolina. If the gentleman considers that the officials of the Housing Administration are authorized to speak for the Administration, that is correct.

Mr. FITZPATRICK. They recommended \$50,000?

Mr. HANCOCK of North Carolina. They presented evidence and testimony to the committee in support of a \$50,000 limitation.

Mr. FITZPATRICK. And the committee cut that down

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. HANCOCK of North Carolina. I yield.

Mr. BLANTON. If the amendment of the gentleman from Michigan [Mr. Wolcott] passes, then apartment houses in all the big cities can get \$50,000 at a whack.

Mr. HANCOCK of North Carolina. Any industrial and commercial business.

Mr. BLANTON. And it will take up most of this money needed by the home owners of the country.

Mr. HANCOCK of North Carolina. That is my judgment.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. HANCOCK of North Carolina. I yield.

Mr. WOLCOTT. I wish to correct an apparent misapprehension in the minds of Members. We should not confuse the Home Owners' Loan Corporation with the Federal Housing Administration. Is it not true that there is no relationship whatsoever between the Home Owners' Loan Corporation funds and the Federal Housing Administration funds, and that none of this money comes out of any money which has been allotted to home owners under the Home Owners' Loan Corporation Act?

Mr. HANCOCK of North Carolina. That is a correct statement, the kind the gentleman usually makes. [Applause.]

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Chairman, I am glad the gentleman from Michigan just made that explanation. This proposed amendment has absolutely nothing to do with the Home Owners' Loan Act.

The gentleman from North Carolina had no hesitancy in voting to hand out \$500,000,000 in addition, and directly, to the banks and other lending institutions. This amendment to the Federal Housing Act does not involve the use of any Government money. The money is loaned by the banking institutions, 12,700 of which have qualified by the administration.

The Federal Housing Administration proposed that in addition to loans up to \$2,000 to alter and repair homes, and not in any way interfering with that provision, that the

money they had should be used also to the extent of insuring up to 20 percent loans made to repair apartment houses, hospitals, and so forth—and every Member here must have a hospital in his district-and also manufacturing and industrial establishments. Of the \$200,000,000 allotted to the Federal Housing Administration, it has used only some \$43,000,000 on loans up to \$2,000 to improve individual That provision as to individual homes is not touched by this proposal; that provision is separate and distinct from this proposal to insure loans on apartment houses, hospitals, and so forth. Fifty thousand dollars would not even touch repairs to any large apartment hotel in New York City. Every little town must have a manufacturing or industrial establishment; every little town must have a tenement of some kind; every little town must have a hospital to which this amendment would apply. Heretofore these small buildings that were not individual homes, have not been able to qualify under any of the acts. This amendment would allow them to qualify.

It is estimated that there are available applications to the extent of \$1,500,000 for these loans, if the banks take them all. Of this \$1,500,000,000, at least \$1,100,000,000 will go directly to labor, because in alterations and repairs at least 75 percent of the cost is represented by wages, instead of only about 50 percent, as is the case on P. W. A. projects.

Mr. CONNERY. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. CONNERY. And this is the only way in which the small business man can borrow money to make repairs to his plant.

Mr. O'CONNOR. Yes; and it is estimated that when this work is done, four times that amount of work is created, because the man goes further than the loan made by his

Mr. KRAMER. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. KRAMER. In my district there are five outlying small towns such as the gentleman just referred to. Businesses in these small towns are not considered by the big banker as good risks, although the small-town business is just as much business as are the establishments in the big towns. Does this amendment apply to business men in the small towns?

Mr. O'CONNOR. Yes; it would.

Now, Mr. Chairman, the real issue here is whether or not the building-and-loan associations, which do not make loans for alterations and repairs or on apartment houses or small businesses, are going to control this House. They have already taken out hundreds and hundreds of millions of dollars and put it in their own coffers in exchange, not for their good mortgages but for the mortgages which were in default and which they have unloaded on the Government.

Mr. MAVERICK. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. I yield.
Mr. MAVERICK. The adoption of this amendment would benefit agricultural districts as well, because the spending of this money would lead to increased purchases of foodstuffs in the cities.

Mr. O'CONNOR. Certainly.

I may say further, Mr. Chairman, that it is only a small building or apartment house to which much altering or repairing could be done for \$50,000. There are, however, many little tenement houses, cold-water tenements in which some people live. The Government has not done anything for such homes, yet they are the homes of our families. Some of our people have lived in these tenements for 50 years. A loan, 20 percent of which is guaranteed by the Government, would turn a cold-water railroad flat into a livable place; the owner could put in steam heat, he could put in toilets, he could put in bathtubs for the benefit of those who make such places their homes.

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. SABATH. As I understand, this money is to be loaned by the banks and that only 20 percent of it is to be guaranteed by the Government.

Mr. O'CONNOR. Exactly.

Mr. SABATH. The money would be used for the repair of these buildings. This will create employment as well as improve homes.

Mr. O'CONNOR. That is the main purpose of the provision. The money is available. The amount necessary for insuring repairs to individual homes will not be interfered

[Here the gavel fell.]

Mr. NICHOLS. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. NICHOLS. Will the gentleman yield?
Mr. O'CONNOR. I yield to the distinguished gentleman from Oklahoma, who so ably presided over the deliberations of the House on yesterday.

Mr. NICHOLS. After a loan is made of private money by the banks to a person making repairs, if 20 percent only of the money is paid back to the bank the Government's responsibility ceases?

Mr. O'CONNOR. No; that is not exactly correct. Mr. GOLDSBOROUGH. No. That is not correct.

Mr. NICHOLS. Twenty percent is all that is guaranteed. Mr. O'CONNOR. Twenty percent of the loss, if and when

there is a loss.

Mr. NICHOLS. Then if they paid back 80 percent, the Government's responsibility ceases?

Mr. O'CONNOR. Yes, and in addition to that the Government does not guarantee each individual loan. The Government approves a lending institution and gives them a line of credit as it were, and guarantees all of their loans up to 20 percent, so the good loans may offset any bad ones, and the Government's risk is that much less in the last analysis.

Mr. HEALEY. Will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from Mas-

Mr. HEALEY. The Government provides no part of the

Mr. O'CONNOR. No. The lending institutions use their

Mr. HEALEY. In other words, the bank puts up all of the money?

Yes.

Mr. O'CONNOR. Yes. Mr. HEALEY. The Government merely guarantees in case of a loss 20 percent of the loss?

Mr. O'CONNOR. Yes.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from New York.

Mr. MARCANTONIO. Is not the figure of \$25,000 which has been set by the committee an arbitrary figure the result of compromise and entirely inadequate?

Mr. O'CONNOR. The difference between the \$25,000 and \$50,000, I am informed, would be \$600,000,000 in loans. That is, the provision for \$50,000 will provide \$600,000,000 more in loans, 75 percent of which would go for wages. That is the real issue. In order to get out of the depression we have to put people to work, not merely take over the worthless mortgages of the lending institutions. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. Wolcott], and on that tellers have been demanded by the gentleman from North Carolina [Mr. HANCOCK].

Tellers were ordered, and the Chair appointed as tellers the gentleman from North Carolina [Mr. HANCOCK] and the gentleman from Michigan [Mr. Wolcott].

The question was taken; and the tellers report there were-ayes 200, noes 88.

So the amendment was agreed to.

Mr. RABAUT. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Rabaur: Page 13, line 24, after the word "hospitals", insert "orphanages, colleges, schools."

Mr. RABAUT. Mr. Chairman, I ask unanimous consent to proceed for 5 minutes on the amendment just offered.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Chairman, it is with a sense of pride that opportunity is afforded me to stand in the Well of this House and ask that the provisions of the National Housing Act be extended to the orphanages, colleges, and schools of this Nation. It is distinctly the prerogative of Congress by its decisions to be the assistant to the Chief Executive of the Nation, and the present Executive at the other end of this avenue is the descendant in office of him who is revered as the Father of his Country.

The provisions of this amendment awaken the fatherly instincts of this body, for this amendment refers to those institutions having to do with the youth, the children, and the orphans of this land. I feel no great urge is necessary: I know the heart of this body; I know your ambition to be of service; I know your recognition of the justice of this amendment: and I have no fear about its passage. Moreover, this amendment will give employment to the building trades, so badly crippled, and so from its passage a twofold good will result.

Mr. STEAGALL. Mr. Chairman, may I say there will be no opposition from the committee to the amendment just offered.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The amendment was agreed to.

Mr. ELLENBOGEN. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Ellenbogen: Page 14, line 10, strike out the words "such interest" and insert in lieu thereof the following: "a rate of interest which, inclusive of all charges, does not exceed 6 percent per annum."

Mr. ELLENBOGEN. Mr. Chairman, I ask unanimous consent to proceed for 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. STEAGALL. Mr. Chairman, reserving the right to object, debate on this amendment has been previously closed. and this morning debate has been reopened once. We have spent lots of time arguing over differences that did not merit so much consideration. I object to reopening debate on this section at the present time.

Mr. ELLENBOGEN. Mr. Chairman, I ask unanimous consent to proceed for 2 minutes.

Mr. ANDREWS of New York. Mr. Chairman, I object.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. Ellen-BOGEN].

Mr. KVALE. Mr. Chairman, I ask unanimous consent that the amendment may be again reported.

The Clerk read the Ellenbogen amendment.

The amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. HANcock] to strike out section 25.

The Clerk again read the Hancock amendment.

Mr. SISSON. Mr. Chairman, I make the point of order that the amendment of the gentleman from North Carolina has already been decided by the vote on the other amendment.

The CHAIRMAN. The Chair overrules the point of order. Mr. FITZPATRICK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FITZPATRICK. If the amendment offered by the gentleman from North Carolina is carried, it will do away with the amendment which we just agreed to.

Mr. GOLDSBOROUGH. That is not a parliamentary inquiry.

Mr. McFARLANE. Mr. Chairman, I make the point of order that is not a parliamentary inquiry.

The CHAIRMAN. The gentleman has not stated a parliamentary inquiry.

Mr. CONNERY. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. The gentleman will state it.

Mr. CONNERY. If a vote is taken now on this amendment and the amendment is agreed to, will it not do what the gentleman from New York [Mr. FITZPATRICK] has just stated?

The CHAIRMAN. It is not within the province of the Chair to construe the purport of amendments.

Mr. O'CONNOR. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. The gentleman will state it.

Mr. O'CONNOR. Mr. Chairman, I am not sure, but did I hear the Chair state that this is a committee amendment? The CHAIRMAN. The Chair did not so state.

Mr. BOYLAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BOYLAN. Will the Chair kindly explain to the Committee the effect of a vote on this amendment?

The CHAIRMAN. It is not the purpose of the Chair or the practice of the Chair to explain to the Membership the purpose or the meaning of amendments.

Mr. BOYLAN. Is it not the duty of the Chair to give the House some information about amendments?

Mr. BLOOM. Mr. Chairman, may we have the amendment again read?

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. McFARLANE. Mr. Chairman, I object.

The question was taken, and the amendment was rejected. The Clerk read as follows:

SEC. 27. Section 302 of the National Housing Act is amended to read as follows:

"Sec. 302. Each national mortgage association is authorized to issue and have outstanding at any time notes, bonds, debentures, or other such obligations in an aggregate amount not to exceed (1) 15 times the aggregate par value of its outstanding capital stock, and in no event to exceed (2) the current face value of mortgages held by it and insured under the provisions of title II of this act, plus the amount of its cash on hand and on deposit and the amount of its investments in bonds or obligations of, or guaranteed as to principal and interest by, the United States. No national mortgage association shall borrow money except through the issuance of such notes, bonds, debentures, or other obligations, except with the approval of the Administrator and under such rules and regulations as he shall prescribe."

Mr. SISSON. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Sisson: On page 15, line 15, add as a

new section:

"Sec. 28. The first sentence of section 2 of the National Housing Act is amended by striking out the word "January" and inserting in lieu thereof the word "April."

Mr. SISSON. Mr. Chairman, this is simply a perfecting amendment. I can state the purpose of the amendment in 2 minutes and there ought not to be any controversy about it.

Under the provisions of section 2 of title I, the title which has just been under consideration on the recent amendment, title I expires on the 1st of January 1936. This is the end of the present calendar year. This is the emergency part of this act. This is at a time when the Congress is not in ses-

This amendment simply proposes that this shall be continued for a period of 3 months, but it is still subject to the limitation that the President may terminate it at any earlier time. In other words, we may find at that time that we have put hundreds of thousands of men to work and not have used all of this authorization, and it may be deemed inadvisable to continue it. This will have to be left to the Congress to determine, and I cannot see any reason why the committee should not have accepted the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. Sisson].

The amendment was agreed to.

Mr. SAUTHOFF. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Sauthoff: Page 15, after the last

paragraph, add the following:

"Whenever any loan or part thereof made pursuant to the provisions of the Federal Home Loan Bank Act, the Home Owners' Loan Act, and the National Housing Act shall not have been paid or otherwise discharged, there shall never be entered any judgment against any debtor for any sum beyond that realized from the property mortgaged or hypothecated for said loan and deficiency judgments against debtors for any sum beyond the amount from the sale of the property mortgaged are specifically prohibited."

Mr. STEAGALL. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. Does the gentleman wish to be heard on the point of order?

Mr. SAUTHOFF. Yes, Mr. Chairman.

The amendment which I introduced Saturday, prohibiting deficiency judgments, was ruled out on the ground it was not applicable to the section to which it was offered. The amendment I am offering now differs from the amendment I offered the other day in this respect: It applies not only to the Home Owners' Loan Act but to the other governmental agencies contained in this act we are now having under discussion. In addition to this, it does not apply only to the final judgment, but also to any part of it which may be in default. In other words, what I am trying to do is to protect home owners after they have lost their homes and have not a thing left from having a deficiency judgment entered against them, which will be good for 20 years in the future, and, secondly, that in the event that some future Congress sees fit to close out these agencies and to dispose of the assets to a private lending concern, it cannot hound a man for the rest of his life to collect what little is left from what he is earning on his job.

The CHAIRMAN. The amendment offered by the gentleman from Wisconsin proposes to amend a section of the Home Owners' Loan Corporation Act. The pending section of the bill to which the amendment is offered relates exclusively to section 302 of the National Housing Act and for that reason the Chair is of the opinion that the amendment is not germane. It is not offered at the proper time or place. Therefore the Chair sustains the point of order.

Mr. McFARLANE. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 15, after line 15, add a new section amending section 4 (d) of the Public Act 43, Seventy-third Congress, known as "H. R.

"In case foreclosures are prosecuted to conclusion the plaintiff shall not obtain any deficiency judgment for any sum still unpaid until all recourse has been exhausted against the collateral or mortgage securing the loan under the provisions of this act."

Mr. STEAGALL. Mr. Chairman, I make the point of order that that is not germane.

Mr. McFARLANE. This amendment adds a new section to the bill, amending section 4 (d) of Public Act 43, Seventy-third Congress, known as "H. R. 5240." It adds to section 4 (d) the provision just read by the Clerk, that prohibits a deficiency judgment being entered against the mortgagor after he has lost his home, as has been so well described by the gentleman from Wisconsin.

The CHAIRMAN. Does the gentleman from Alabama wish to discuss the point or order?

Mr. STEAGALL. I do not care to further discuss it. Mr. McFARLANE. It adds a new section to this act and makes the amendment applicable to the proper section of the original Home Loan Act and for that reason, Mr. Chairman, I believe my amendment is germane.

The CHAIRMAN. The Chair is ready to rule. amendment offered by the gentleman from Texas proposes to add a new section at the end of the bill relative to foreclosures under the original act of 1933. The original act refers to the subject matter contained in the amendment offered by the gentleman from Texas, and therefore the Chair believes the amendment germane and overrules the point of order.

Mr. WOLCOTT. Will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. WOLCOTT. The amendment of the gentleman speaks of a default judgment. There is a difference between a default judgment and a deficiency judgment.

Mr. McFARLANE. The amendment says a "deficiency judgment." The Clerk read "default judgment", but that was because the amendment was hurriedly prepared and the Clerk could not read the writing.

Mr. Chairman, this matter is very clear and needs no explanation. It is a question whether or not the individual home owner shall be confronted with a deficiency judgment after he has lost his home that will follow him for the next 20 years. I do not believe that the House wants to do that, and I know that it is not now nor has it ever been the intention of this administration through legislation of this kind to take away their homes from the unemployed, the distressed, and aged citizens of this country, who have been and are to be the beneficiaries of this legislation. This administration has been doing everything possible to reemploy our people, to restore their buying power, and while doing this to stop foreclosures and to keep our citizens, urban and rural, from losing their homes and farms. This amendment, if adopted and made a part of this law at this time, will prevent those lending under the provisions of this act from securing deficiency judgment against the home owner, should the home owner through unfortunate circumstances be unable to take care of his payments as required under this act. Should it become necessary for the agencies under this act to foreclose and take the mortgagor's homestead, certainly this Congress does not want to and it would be unfair and unjust to persecute the mortgagor further and hound him for the next 20 years by holding over his head a deficiency judgment. I appeal to the Membership of this House to adopt this amendment. [Applause.]

Mr. STEAGALL. Mr. Chairman, I think it would be well to call attention to the fact that we are not dealing alone with regulation of loans on homes by private finance institutions. The Home Owners' Loan Corporation Act embodies a purpose on the part of the Government to come to the rescue of home owners who are in danger of having mortgages on their homes foreclosed.

We are advised by the people who have administered this law that only one foreclosure in the United States has been had out of nearly 1,000,000 loans. There is no purpose or thought of dealing harshly with borrowers on the part of the Home Owners' Loan Corporation. The whole intention is to save homes, to relieve distressed home owners, not to embarrass or injure them. The law represents an altruistic purpose, not an intention to oppress borrowers. This amendment would invite fraud upon the Government. It could easily arise in rare cases that an individual while having at one time been in danger of losing his home might, before maturity of the mortgage through fire or other cause, have a loss in value of the property conveyed, still such a borrower might be amply able to reimburse the Government from other resources. In such a case the amendment proposed would result in a fraud upon the Government. Not only would it result in fraud upon the Government but it would prevent the extension of aid to worthy applicants for aid from the Government. It would probably necessitate more conservative methods of appraisal and stricter business rules in extending loans. I hope the House will not adopt this amendment.

Mr. GIFFORD. Mr. Chairman, I have supported the chairman of this committee in practically everything relating to this legislation, but we are now discussing a new feature in the way of an amendment, that of "deficiency judgments." It is a matter of great interest. Many States are now struggling with that proposition and many others have legislated against it. Its effects have been called to my personal attention and I know whereof I speak, that in certain cases in my county, that property having a mortgage of about \$7,500, assessed for about \$10,000 or more, with a valuation of about \$12,000 would be bid in for not more than \$2,000. Mortgagees are usually helpless in securing other bona fide bids to protect the owner of the property. Immediately a bill is sent from the mortgagee to the

mortgagor attempting to recover the entire difference between the \$2,000 and the face of the mortgage plus all expenses. This is what a deficiency judgment means. Does not this illustration, which I vouch for as correct, convince you of the possible iniquities of it? No doubt at times it might work out to the disadvantage of the lender, but usually the lender on property is rather careful not to loan more money than the property might be worth, in case of a forced sale, and if this practice is to continue, to bid in at an auction sale as low a price as possible, sue for the entire balance plus all possible expenses, then any Government, State or National, must act to prevent it. [Applause.]

Mr. ELLENBOGEN. Mr. Chairman, will the gentleman

Mr. GIFFORD. Yes.

Mr. ELLENBOGEN. Is it not a fact that often the price at which the property is obtained at a sheriff's sale includes only taxes and costs and nothing on account of principal?

Mr. GIFFORD. And what redress is there for the party who is being sued? He can go to court and try to show the court that the transaction should "shock the conscience of the court", which is, I think, the legal expression. However, in many cases you cannot shock the conscience of the court in construing the simple procedure of the law. One Member has told me about his own State in the attempt to bring about proper deficiency-judgment legislation by determination of the present value of the property at the time of the sale, and granting a deficiency judgment only for the difference between the real value at time of sale and the amount due on the mortgage. There is a very serious condition in large sections of our country in this matter of foreclosures and the long, harassing litigation over the judgments. We may not interfere with property rights in the States, but we can undoubtedly control our own corporation in this matter, and perhaps set a proper example to the States. Perhaps I do not often seem to support what might be considered radical propositions, but I am forced by experience to support this amendment. [Applause.1

Mr. CAVICCHIA. Mr. Chairman, I move to strike out the last word. We are dealing with a very serious question. I have no doubt in my mind, as poor a lawyer as I am, that if you accept this amendment as it is written, the courts will declare it unconstitutional. State legislatures which have tried it have had the laws declared unconstitutional by their supreme courts. You are facing a problem here. You are trying to protect the property owner who has lost his home and everything that he had, and he will be faced with a deficiency judgment which will hang over his head for the next 20 years. Then we are apt to turn this body into a woman's sewing circle or a missionary society, throwing the cloak of protection by congressional action on the people who can very well afford to pay deficiency judgments, if we resort to it, and who will not pay if we pass this amendment.

Mr. GIFFORD. I suggest that we could not interfere with the property rights of the various States, but I thought we might do this with our own mortgages. Does the gentleman suggest that we cannot do that?

Mr. CAVICCHIA. I think if the amendment be reworded so that if anyone is sued on a deficiency judgment, the person who is sued, the man who has lost his home, can, through real-estate experts, show what the real value of the property was when it was foreclosed, he might be protected; otherwise this is what will happen: A property worth \$100,000 would be bid in by the mortgagee for \$100. It is a legitimate bid in my State, if no one goes over that. It may be the mortgage being foreclosed is for \$50,000, and the property may have a market value of \$80,000 or \$90,000.

The mortgagee can buy it in for \$100 and sue for \$49,900. We have had this happen in hundreds of cases. The State Legislature of New Jersey only permits a deficiency judgment now where the mortgagee actually proves that the value of the property he bought at sheriff's sale was less than the amount due him on the mortgage.

Mr. DONDERO. Will the gentleman yield? Mr. CAVICCHIA. I yield.

Mr. DONDERO. If we adopt this amendment, are we not ! liable to force out of consideration the moral risk of the borrower?

Mr. CAVICCHIA. The moral risk is a great part of this Home Owners' Loan Corporation Act, and if we adopt this amendment many a worthy citizen will be refused a loan on his home when he comes to the regional office or the district office for a mortgage loan. I think we are handling a very dangerous proposition.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. McFarlane].

The question was taken; and on a division (demanded by Mr. McFarlane) there were—ayes 65, noes 99.

So the amendment was rejected.

Mr. McFARLANE. Mr. Chairman, I offer another amend-

The Clerk read as follows:

Amendment offered by Mr. McFarlane: Page 15, after line 15, add a new section at the end of the bill, amending title I, section 2, Public, 479, of the Seventy-third Congress, by adding to the end of said section 2 the following:

"In case of foreclosure being prosecuted to conclusion, the plaintiff shall not obtain any deficiency judgment for any sum still unpaid, after all recourse has been exhausted against the collateral or mortgage securing the loan under the provisions of this

Mr. STEAGALL. Mr. Chairman, a point of order. I make the point of order that the amendment is not germane.

The CHAIRMAN. Does the gentleman from Texas [Mr. McFarlanel desire to be heard?

Mr. McFARLANE. Mr. Chairman, this is the same proposition. It is to amend section 2. This amendment, as shown on its face, is an amendment adding this provision to the end of section 2 of title I of Public, No. 479, of the Seventy-third Congress, the same being H. R. 9620.

The CHAIRMAN. That is, the gentleman offers an amendment to the National Housing Act?

Mr. McFARLANE. That is correct.

The CHAIRMAN (Mr. CELLER). The point of order will be overruled.

Mr. McFARLANE. Mr. Chairman, I want to read this amendment. Let us have a free and frank discussion of it.

In case of foreclosure being prosecuted to conclusion, the plaintiff shall not obtain any deficiency judgment for any sum still unpaid after all recourse has been exhausted against the collateral or mortgage securing the loan, under the provisions of

Now, Mr. Chairman, this amendment is attached to the proper section of the National Housing Act, and it is to that section what the previous amendment was to the Home Loan Act. In all fairness and in all candor, why should we persecute a man after we have taken his home from him? These loans are not made without adequate collateral and without adequate security when they are made. After the Government has secured a man's homestead, has secured his property, why should we hang a defi-ciency judgment over his head that will haunt him for 20 years, and take away from him even his daily earnings? I do not think the Government wants to do that under these depressed conditions under which we live.

Mr. HANCOCK of North Carolina. Will the gentleman vield?

Mr. McFARLANE. I yield. Mr. HANCOCK of North Carolina. Does the amendment that the gentleman proposes refer to loans made under title I of the Federal Housing Act?

Mr. McFARLANE. That is correct.

Mr. HANCOCK of North Carolina. The gentleman appreciates the fact that the House a few minutes ago voted to increase the amount under that section to \$50,000?

Mr. McFARLANE. Yes.

Mr. HANCOCK of North Carolina. Does he believe the institutions which are now eligible to borrow that amount ought not be held to strict accountability when it comes to paying it back?

Mr. McFARLANE. I think that after they have all the information before them and they make these loans, if sort to deficiency judgments.

they are not made on a sound business basis, the sooner we find it out the better off we will be.

Mr. HANCOCK of North Carolina. Will the gentleman yield for another question?

Mr. McFARLANE. I yield.

Mr. HANCOCK of North Carolina. The gentleman appreciates the fact that most of the loans would be made to corporations?

Mr. McFARLANE. I do not know that that would be just exactly true. In fact, I think rather to the contrary. think the larger number of the apartment houses, as well as the other loans that will come under this act, could properly come within the provisions of this amendment. I see no reason why they should not.

Mr. BROWN of Michigan. Will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. BROWN of Michigan. The gentleman understands that these loans are so-called "character loans" and it is not anticipated that collateral will be required under this title, so we must depend upon the character of the person who borrows the money. Certainly under those circumstances we should not be without the right to sue the man who borrowed the money.

Mr. McFARLANE. If the Government is going into the lending business on the recommendation of somebody's character, we had better stop that kind of proposition right now.

Mr. BROWN of Michigan. That is exactly what we have done in this bill. The losses have been very small.

Mr. McFARLANE. Yes; it may be true that character will be the principal basis for loans under recent amendments to this bill. However, if the Government is going to make any loans on character, I will say to the gentleman, frankly, we had better get out of the loaning business before we cause the Government to suffer tremendous losses.

Mr. BROWN of Michigan. We have already done it.

Mr. CONNERY. Will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. CONNERY. Speaking of character loans made in the banking business, let me tell the gentleman that of their character loans they collect 99 percent; in other words, they get their money, their money is saved; but when they take collateral from the big boys, from big business, they are liable to lose 99 percent.

Mr. McFARLANE. Regardless of all the arguments that have been made here, Mr. Chairman, it is nothing but right and proper that the collateral or the mortgage that is taken by the Government should be sufficient, and they ought not to prosecute and persecute that party, whoever he may be, in the future. I think in all fairness we ought to permit these parties under these depressed conditions where they are struggling to get by to save the very roof over their heads. If there is any justification for this legislation, it is that it is designed to help people about to lose their homes, or whose homes are dilapidated and need repair. Under these conditions, I think, frankly and candidly we ought, after they have secured the collateral or the mortgage and have foreclosed it, they should be willing to stop there.

[Here the gavel fell.]

Mr. HANCOCK of North Carolina. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. HANCOCK of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. HANCOCK of North Carolina. I want to say to my friend, the gentleman from Texas, that I am personally pretty weak when it comes to a deficiency judgment against the home owner, but I want in fairness to the Federal Housing Administration to let the Membership of the House know that in response to certain questions which I propounded to Mr. Moffett and to Mr. Ferguson, they agreed it would not be the policy of the Federal Housing Administration to re-

Mr. McFARLANE. Then, in all fairness, why should not | we adopt amendments that point out proper limitations of law so they will know what the mileposts are, and so safeguard our citizens as well as the Government?

Mr. REILLY. Mr. Chairman, will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. REILLY. Under character loans, the Government has nothing to do with the foreclosing or taking back of the security; so the gentleman's amendment will be absolutely useless regarding the loans made for repairs and improvements.

Mr. KERR. Mr. Chairman, will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. KERR. It may be interesting for the gentleman to know that many of the progressive States of this Nation today have passed statutes prohibiting the taking of deficiency judgments of the kind the gentleman has described.

Mr. McFARLANE. Answering the gentleman, I will say that my State has passed such a law; most of the States have. I cannot see any reason why we in Congress should not be a little more progressive and enact progressive legislation now and then.

Mr. CONNERY. Mr. Chairman, will the gentleman yield?

Mr. McFARLANE. I yield. Mr. CONNERY. The gentleman speaks about writing mileposts into the law. We have had trouble enough lots of times in getting them to put into effect what we have written into law, and it will not do a bit of harm to write these requirements into this law.

Mr. McFARLANE. It will save a lot of homes that otherwise would be sold over people's heads. If we permit these foreclosures and do not protect people we are going to have a lot of them on the street without shelter through foreclosures in after years. This could and should be prevented by these amendments.

Mr. SISSON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the taking of a deficiency judgment against the mortgagor, the owner of a home, has no more to do with the proposition advanced by the gentleman from Texas than have the flowers that bloom in the spring; they are not analogous at all. The Government, as has been said by the gentleman from Wisconsin [Mr. REILLY], does not take the judgments at all. There seems to be a total misunderstanding of the purpose and the method by which this act is carried out on the part of the gentleman from Texas. The lending is not done by the Government; there is no money furnished by the Government. This is an effort to get private capital back into industry, the one objective we have been trying to accomplish; and we are trying to do it by making it sufficiently attractive under the emergency part of this plan, which is only a small part of it, by insuring a small portion of the loans made by private lending institutions.

The smaller loans are, to some extent, as has been said, character loans. Loans such as \$50,000 will be made perhaps to some corporation, to some small concern that is going to rehabilitate a factory and put men to work. Certainly the banks cannot be encouraged to make loans if the banks are going to be stopped from enforcing their judgments against whatever collateral they may have. So I ask the House to vote down the amendment. I am glad in this instance to concur with my brother, the gentleman from North Carolina [Mr. Hancock], who has given a very sound reason for opposing the amendment.

Mr. STEAGALL. Mr. Chairman, it might be well to say that the insurance up to 20 percent of a loan does not cover individual loans.

It is insurance extended to lending institutions who make loans to the owners of commercial buildings, office buildings, apartment houses, or other buildings provided for in the bill, and the total amount of loans made by such institutions is insured by the Corporation to the extent of 20 percent, but there is no insurance of a particular loan. The Housing Corporation takes no security whatever, and there is no requirement that lending institutions making a loan either to home owners or to commercial-building owners shall take security. It is contemplated that the lending

institution will be the sole judge of the security. It is not expected that even the lending institution will take security. We have been told all along that these loans are to be made as character loans, whether to the home owner or to owners of commercial buildings.

It will be remembered that originally the insurance was confined to loans made for the improvement of homes and limited to the amount of \$2,000. Under this bill we still limit loans made for the improvement of homes to \$2,000, but by the vote of this Committee we have raised the amount of loans insurable to \$50,000 if made to owners of office buildings and commercial and industrial structures. But they, too, are to be treated as character loans, and no security is required of the lending institution to whom the insurance is extended, nor is the lending institution required to take security upon such loans.

Mr. SISSON. Will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from New

Mr. SISSON. I entirely agree with the chairman of the committee; however, may I ask the chairman of the committee to make it plain that security may or may not be required in the case of loans above \$50,000.

Mr. STEAGALL. Let us be sure about that. The gentleman is correct as far as he goes, but the statement in itself

may not convey the idea which he has in mind.

No security is required by the Housing Corporation of the institution whose loans are insured; nor is the institution required to take security. The Housing Administration secures 20 percent of the total loans of an eligible institution and the institution is supposed to lend upon the character of the individual home owner or the owner of the commercial or office building. There is no requirement of security. The lending institutions have a free hand. They might make a bad loan entailing a total loss, but such a loss would be absorbed by other good loans. In other words, it would be possible for a loan that is a total loss to be covered by the insurance, because you insure the total amount of loans, and in some no losses would be incurred.

Mr. CONNERY. Will the gentleman yield? Mr. STEAGALL. I yield to the gentleman from Massa-

Mr. CONNERY. This is the same question I wanted to propound to the gentleman the other day when he would not yield. The committee stated to me the other day that I had the wrong information when I said a man had to have an income of \$10,000 in order to make a \$2,000 loan. I may say to the chairman that I got this information from gentleman who reiterates the statement, a Member of this House, the gentleman from New Mexico [Mr. DEMPSEY], who was National Federal Housing Administrator for the State of New Mexico. He says they have to have an income of \$10,000 to get a \$2,000 loan.

Mr. GOLDSBOROUGH. That is ridiculous.

Mr. STEAGALL. The gentleman refers to a regulation. but it is one of which I have no knowledge.

Mr. Chairman, I move that all debate on this section and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. McFarlane].

The amendment was rejected.

Mr. TERRY. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. TERRY: Page 15, line 15, insert a new

Amendment offered by Mr. Terry: Page 15, line 15, insert a new section, as follows:

"Sec. 28. Subsection (c) of section 5 of Home Owners' Loan Act of 1933 is amended by striking out the period at the end of said subsection (c), and inserting in lieu thereof a colon, and adding thereafter the following: 'And provided further, That such association which is converted from a State-chartered institution may continue to lend in the territory in which it loaned while operating under State charter.'"

Mr. STEAGALL. Mr. Chairman, I make the point of order that the amendment is not germane.

The CHAIRMAN. Does the gentleman from Arkansas desire to be heard?

Mr. TERRY. Mr. Chairman, this is a separate section entirely. The section which I offer is an entirely new section, and is in order, it seems to me.

The CHAIRMAN. I may say to the gentleman from Arkansas that he might have offered this amendment when we were considering another portion of the bill, but this portion of the bill refers to the National Housing Act. The Chair, therefore, sustains the point of order of the gentleman from Alabama.

Mr. ELLENBOGEN. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment by Mr. Ellenbogen: Page 15, after line 15, insert a new section, as follows:

"Sec. 29. Any loan insured under the National Housing Act shall bear interest at a rate not to exceed 6 percent per annum, inclusive

Mr. ELLENBOGEN. Mr. Chairman, I ask unanimous consent to proceed for 3 minutes.

Mr. STEAGALL. Mr. Chairman, all debate has been closed.

The CHAIRMAN. The Chair will say to the gentleman from Alabama that his request covered section 27 and all amendments thereto.

Mr. STEAGALL. Mr. Chairman, a motion was made and carried, as I understood, closing debate on this section and all amendments thereto.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. ELLENBOGEN | has offered an amendment adding a new section, and is entitled to recognition for 5 minutes.

Mr. STEAGALL. Mr. Chairman, may we have the amendment read?

The Clerk again read the Ellenbogen amendment ..

Mr. SISSON. Mr. Chairman, I make the point of order that this amendment, or one of similar purport, has already been passed upon by the Committee and rejected.

The CHAIRMAN. The gentleman's point of order comes too late. The gentleman from Pennsylvania has been recognized.

Mr. ELLENBOGEN. Mr. Chairman, I should like to explan to the members of the committee that, under the law as it is now constituted, the Government takes the chances on a loan. It insures all loans up to 20 percent, which, in effect, is nearly 100-percent insurance, because experience has shown that defaults and losses only total a small percentage of the loans made.

Mr. Chairman, at the present time the Housing Administrator has permitted interest charges up to 9.72 percent per annum, which means an interest rate of nearly 10 percent; and if there is a default in even one installment, 5 percent more is added. So that the interest charges on the small home owner who defaults on even one installment payment of a small loan is nearly 15 percent. You will find this information in the testimony of Mr. Moffet, page 88 of the hearings.

Mr. REILLY. Mr. Chairman, will the gentleman yield? Mr. ELLENBOGEN. I gladly yield to my distinguished colleague from Wisconsin.

Mr. REILLY. Is not that rate of 9.72 percent the cheapest money anyone can get for this type of loan in the United

Mr. ELLENBOGEN. I do not believe it is. I know of a bank that told a borrower that if he came into the bank without the Housing Administrator's being in on it, he could get the money at 6 percent.

Mr. REILLY. It is true he can go to the bank and get it, but for a corporation this is the cheapest rate going in this country today.

Mr. ELLENBOGEN. But the gentleman forgets that the Government carries the risk without any charge and the bank gets the profit. Six-percent profit is enough, when these banks pay only 2½ percent on savings accounts. I know of loans insured under the National Housing Act, where the charge is nearly 15 percent, or 14.72 percent to be exact.

Mr. DONDERO. Mr. Chairman, will the gentleman yield? Mr. ELLENBOGEN. I yield.

Mr. DONDERO. I am in sympathy with what the gentleman is trying to do, but would not the gentleman's point be covered by the usury laws of the various States?

Mr. ELLENBOGEN. No; it would not, because they are charging these rates in my State and we have a usury law providing for a rate of 6 percent.

Mr. Chairman, I yield back the balance of my time.

Mr. STEAGALL. Mr. Chairman, I move that all debate on this bill do now close.

Mr. BOILEAU. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BOILEAU. In the event the motion of the gentleman from Alabama prevails, would it then be in order to submit a motion to strike out the enacting clause?

The CHAIRMAN. It would be in order to offer such a motion.

Mr. BOILEAU. And debate would be permitted on the motion?

The CHAIRMAN. The rule provides for 5 minutes' debate for and 5 minutes' debate against such motion.

The question is on the motion of the gentleman from Alabama to close debate on the bill.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. Ellenbogen]. The amendment was rejected.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Celler, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 6021) to provide additional home-mortgage relief, to amend the Federal Home Loan Bank Act, the Home Owners' Loan Act of 1933, and the National Housing Act, and for other purposes, pursuant to House Resolution 150, had reported the same back to the House with sundry amendments adopted by the Committee.

The SPEAKER. Under the rule the previous question is

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed, read a third time, and was read the third time.

Mr. ANDREWS of New York. Mr. Speaker, I offer a motion to recommit the bill.

The SPEAKER. Is the gentleman opposed to the bill? Mr. ANDREWS of New York. I am, in its present form.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Andrews of New York moves to recommit the bill (H. R. 6021) to the Committee on Banking and Currency with instruc-tions to that committee to report the same forthwith with the following amendment:

On page 7, line 17, after the word "following", insert as a new paragraph the following:

"In the appointment of agents and the selection of employees for said Corporation and in the promotion of agents or employees, no partisan political test or qualification shall be permitted or given consideration, but all agents and employees shall be appointed, employed, or promoted solely upon the basis of merit appointed, employed, or promoted solely upon the basis of merit and efficiency. Any member of the Board who is found guilty of a violation of this provision by the President of the United States shall be removed from office by the President of the United States, and any agent or employee of the Corporation who is found guilty of a violation of this section by the Board shall be removed from office by said Board."

Mr. CONNERY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.
Mr. CONNERY. If a gentleman offers a motion to recommit and the motion is defeated, can the gentleman vote then for the bill?

The SPEAKER. That is a question for the gentleman himself to decide.

Mr. STEAGALL. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from New York to recommit the bill.

The question was taken; and on a division (demanded by Mr. Andrews of New York) there were-ayes 52, noes 165. Mr. ANDREWS of New York. Mr. Speaker, I demand the yeas and navs.

The yeas and nays were ordered.

The question was taken; and there were—yeas 109, nays 292, answered "present" 1, not voting 29, as follows:

## [Roll No. 26] YEAS-109

Kimball

Knutson

Kinzer

Allen Amlie Andresen Andrew, Mass. Andrews, N. Y. Arends Bacharach Bacon Blackney Boileau Bolton Brewster Buckbee Buckler, Minn. Burdick Burnham Carlson Carter Cavicchia Christianson Church Cole, N. Y. Collins Cooper, Ohio Crawford Crowther Culkin

Dirksen Ditter Dondero Dunn, Pa. Eaton Ekwall Engel Englebright Fenerty Fish Focht Gearhart Gehrmann Gifford Gilchrist Goodwin Guyer Gwynne Halleck Hancock, N. Y. Hartley Higgins, Conn

Hoffman

Holmes Hope

Hull

Harter

Healey Hennings Higgins, Mass.

Hill, Knute Hill, Samuel B.

Hildebrandt

Hill, Ala.

Hobbs

Moran

Moritz

Mott

Kvale Lambertson Lehlbach Lemke Lord Lundeen McLean McLeod Maas Mapes Marcantonio Marshall Martin, Mass. Merritt, Conn. Michener Millard Perkins Pittenger Plumley Powers Ransley Reed, Ill. Reed, N. Y. Rich Robsion, Ky Hoeppel Hook

Stewart Taber Taylor, Tenn. Thomas Thurston Tinkham Tobey Turpin Wadsworth Welch Wigglesworth Wilson, Pa. Withrow Wolcott Wolfenden Woodruff Young

Rogers, Mass. Sauthoff

Schneider

Seger Short

Snell

Stefan

Norton

Kennedy, N. Y. NAYS-292

Adair Arnold Ashbrook Ayers Barden Beiter Bell Berlin Biermann Binderup Bland Blanton Bloom Boland Boylan Brennan Brown, Ga. Brown, Mich. Brunner Buchanan Buck Bulwinkle Burch Caldwell Cannon, Mo. Cannon, Wis. Carden Carmichael Carpenter Cartwright Cary Casey Castellow Celler Chandler Chapman Citron Claiborne Clark, Idaho Clark, N. C. Cochran Coffee Colden Cole, Md. Colmer Connery Cooley Cooper, Tenn. Corning Costello Cravens Crosby Cross, Tex. Crosser, Ohio

Crowe

Daly

Dear

Deen Delaney

Dempsey Dickstein

Cullen Cummings

Dies Dietrich Dingell Houston Disney Huddleston Dobbins Dockweiler Igoe Imhoff Dorsey Doughton Jacobsen Jenckes, Ind Doxey Drewry Driscoli Johnson, Okla. Johnson, Tex. Jones Driscon Driver Duffey, Ohio Duffy, N. Y. Duncan Dunn, Miss. Kee Kelly Kennedy, Md. Kenney Kerr Kloeb Kniffin Kocialkowski Eagle Eckert Edmiston Kramer Lambeth Eicher Ellenbogen Lanneck Lanham Evans Faddis Farley Ferguson Larrabee Lea, Calif. Lee, Okla. Fernandez Fiesinger Fitzpatrick Lesinski Lewis, Colo. Lewis, Md. Flannagan Fletcher Ford, Calif. Ford, Miss. Lloyd Lucas Luckey Ludlow Frey Fuller Fulmer McAndrews McClellan Gassaway Gavagan McCormack McFarlane McGehee Gildea Gillette McGrath Gillette Gingery Goldsborough Granfield Gray, Ind. Gray, Pa. Green Greenway McGroarty McKeough McLaughlin McReynolds McSwain Mahon Mansfield Greenwood Martin, Colo. Mason Greever Gregory Griswold Haines Massingale Maverick May Mead Merritt, N. Y. Hamlin Hancock, N. C. Harlan Hart

O'Brien O'Connell O'Connor O'Leary Oliver O'Neal Owen Palmisano Parks Parsons Patman Patterson Patton Pearson Peterson, Fla. Peterson, Ga. Pettengill Pfeifer Polk Quinn Rabaut Ramsay Ramspeck Randolph Rankin Reilly Richards Richardson Robertson Robertson Robinson, Utah Rogers, N. H. Rogers, Okla. Romjue Rudd Russell Ryan Sahath Sanders, La Sanders, Tex. Schaefer Schuetz Schulte Scrugham Sears Secrest Shanley Shannon Sirovich Sisson Smith, Conn. Smith, Va. Smith, Wash. Smith, W. Va. Snyder Miller Mitchell, Tenn. Monaghan Montague Montet Somers, N. Y. South Spence Stack Murdock Nelson Starnes Steagall Nichols Stubbs

Sullivan Sutphin Sweeney Tarver Taylor, Colo. Taylor, S. C. Terry Thom Thomason

Thompson Tolan Tonry Truax Turner Umstead Underwood Utterback Vinson, Ga

Vinson, Ky. Wallgren Walter Warren Wearin Werner West Whelchel ANSWERED "PRESENT"-

White Whittington Wilcox Williams Wilson, La. Wood Woodrum Zimmerman Zioncheck

Boehne NOT VOTING-29

Bankhead Beam Brooks Buckley, N. Y. Darden DeRouen Doutrich

Gambrill.

Gasque Hollister Jenkins, Ohio Johnson, W. Va. Kahn Keller Kleberg Kopplemann

Meeks Mitchell, Ill. O'Malley Peyser Pierce

McMillan

Maloney

Reece Sadowski Sandlin Sumners, Tex. Treadway

So the motion to recommit was lost. The following pairs were announced:

On the vote:

Mr. Hollister (for) with Mr. Boehne (against).
Mr. Treadway (for) with Mr. Johnson of West Virginia (against).
Mr. Jenkins of Ohio (for) with Mr. Brooks (against).
Mr. Reece (for) with Mr. Darden (against).
Mr. Doutrich (for) with Mr. Buckley of New York (against).

Until further notice:

Mr. Bankhead with Mrs. Kahn.
Mr. McMillan with Mr. Adair.
Mr. DeRouen with Mr. Meeks.
Mr. Gambrill with Mr. Mitchell of Illinois.
Mr. Kleberg with Mr. Sandlin.
Mr. Maloney with Mr. Kopplemann.
Mr. Sumners of Texas with Mr. O'Malley.
Mr. Beam with Mr. Sadowski.
Mr. Gasque with Mr. Keller.
Mr. Rayburn with Mr. Pierce.

The result of the vote was announced as above recorded. The SPEAKER. The question is on the passage of the hill

Mr. SNELL. And on that, Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were-yeas 401, nays 2, not voting 29, as follows:

## [Roll No. 27] YEAS-401

Adair Allen Amlie Andresen Andrew, Mass. Arends Arnold Ashbrook Ayers Bacharach Bacon Barden Beiter Bell Berlin Biermann Binderup Blackney Bland Blanton Bloom Boehne Boileau Boland Bolton Boylan Brennan Brewster Brown, Ga. Brown, Mich. Brunner Cox Buchanan Buckbee Buckler, Minn. Bulwinkle Burch Burdick Daly Burnham Caldwell Cannon, Mo. Cannon, Wis. Carden Carlson Dempsey Dickstein Dies Dietrich Carmichael Carpenter Carter

Cartwright

Cary Casey Castellow Disney Ditter Dobbins Dockweiler Dondero Cavicchia Celler Chandler Dorsey Chapman Christianson Doughton Doxey Drewry Driscoll Church Citron Claiborne Driver Clark, Idaho Clark, N. C. Duffey, Ohio Duffy, N. Y. Duncan Cochran Dunn, Miss. Colden Dunn, Pa. Cole, Md. Cole, N. Y. Eagle Eaton Collins Eckert Colmer Eicher Ekwall Cooley Cooper, Ohio Ellenbogen Engel Englebright Cooper, Tenn. Corning Evans Costello Faddis Farley Cravens Fenerty Crawford Ferguson Fernandez Crosby Cross, Tex. Crosser, Ohio Fiesinger Fish Crowe Crowther Fitzpatrick Flannagan Fletcher Culkin Cullen Focht Ford, Calif. Ford, Miss. Cummings Darrow Dear Deen Delaney Frey Fuller Fulmer Gassaway Gavagan

Gearhart

Gifford Gilchrist

Gildea

Dingell Dirksen

Gehrmann

Gillette Gingery Goldsborough Goodwin Granfield Gray, Ind. Gray, Pa. Greenway Greenwood Greever Gregory Griswold Guyer Gwynne Haines Halleck Hamlin Hancock, N. C. Hancock, N. Y. Harlan Harter Hartley Healey Hennings Hess Higgins, Conn. Higgins, Mass. Hildebrandt Hill. Ala Hill, Knute Hill, Samuel B. Hobbs Hoeppel Hoffman Holmes Hook Hope Houston Huddleston Igoe Imhoff Jacobsen Jenckes, Ind. Johnson, Okla. Johnson, Tex.

Tarver Taylor, Colo. Taylor, S. C. Taylor, Tenn. Terry Reed, Ill. Reed, N. Y. Reilly Jones Martin, Mass. Mason Massingale Kee Kelly Kennedy, Md. Kennedy, N. Y. Rich Richards Maverick May Mead Merritt, N. Y. Kenney Richardson Thom Robertson Robinson, Utah Kerr Thomas Kimball Michener Thomason Robsion, Ky. Rogers, Mass. Rogers, N. H. Rogers, Okla. Kinzer Millard Miller Thompson Thurston Kloeb Mitchell, Tenn. Kniffin Tinkham Knutson Monaghan Kocialkowski Montague Romiue Tolan Montet Tonry Rudd Kramer Russell Moran Kvale Lambertson Moritz Ryan Sabath Turner Lambeth Mott Turpin Sanders, La. Sanders, Tex. Sauthoff Umstead Underwood Utterback Murdock Lamneck Nelson Nichols Larrabee Lea, Calif. Lee, Okla. Vinson, Ga. Vinson, Ky. Norton Schaefer O'Brien Schneider O'Connell Lehlbach Schuetz Wadsworth O'Conner O'Connor O'Day O'Leary Oliver O'Neal Wallgren Walter Lemke Lesinski Schulte Scott Lewis, Colo. Lloyd Warren Wearin Scrugham Sears Secrest Lord Weaver Owen Palmisano Seger Welch Shannon Luckey Werner Ludlow Lundeen Short Sirovich West Whelchel Parks Parsons Sisson Smith, Conn. Smith, Va. Smith, Wash. Smith, W. Va. White Whittington McAndrews Patman McClellan Patterson Wigglesworth Wilcox Williams McCormack Patton McFarlane McGehee Pearson Perkins Peterson, Fla. Peterson, Ga. McGrath McGroarty Wilson, La. Wilson, Pa. Snell Snyder Pettengill McKeough Somers, N. Y. Withrow McLaughlin Pfeifer South Wolcott Wolfenden McLean Pierce Spence McLeod McMillan Wolverton Wood Pittenger Stack Plumley Starnes McReynolds McSwain Woodruff Polk Steagall Stefan Stewart Woodrum Quinn Maas Young Zimmerman Zioncheck Mahon Mansfield Rabaut Ramsay Stubbs Sullivan Mapes Marcantonio Sumners, Tex. Ramspeck The Speaker Randolph Sutphin Marshall Rankin Sweenev Martin, Colo. Ransley Taber NAYS-2

> Andrews, N. Y. Merritt, Conn. NOT VOTING-29

Gambrill Kleberg Peyser Rayburn Bankhead Gasque Hollister Kopplemann Lewis, Md. Beam Reece Sadowski Sandlin Brooks Jenkins, Ohio Johnson, W. Va. Buckley, N. Y. Maloney Meeks Darden Mitchell, Ill. DeRouen Kahn Shanley Doutrich Treadway Edmiston

So the bill was passed.

The following pairs were announced:

Until further notice:

Until further notice:

Mr. Beam with Mr. Hollister.
Mr. Johnson of West Virginia with Mr. Treadway.
Mr. Brooks with Mr. Jenkins.
Mr. Darden with Mr. Reece.
Mr. Buckley with Mr. Doutrich.
Mr. Bankhead with Mrs. Kahn.
Mr. DeRouen with Mr. Meeks.
Mr. Kleberg with Mr. Sandlin.
Mr. Gambrill with Mr. Mitchell of Illinois,
Mr. Gasque with Mr. Keller.
Mr. Maloney with Mr. Kopplemann.
Mr. Rayburn with Mr. O'Malley.
Mr. Lewis of Maryland with Mr. Edmiston,
Mr. Sadowski with Mr. Peyser.
Mr. Shanley with Mr. Sneaker my college.

Mr. MARSHALL. Mr. Speaker, my colleagues, Mr. Hol-LISTER and Mr. JENKINS, are unavoidably detained. If here, they would have voted "aye."

Mr. SABATH. Mr. Speaker, my two colleagues, Mr. MITCHELL and Mr. BEAM, are unavoidably absent. If present, they would vote "aye."

Mr. DOBBINS. Mr. Speaker, my colleague Mr. Meeks, is unavoidably detained, but if present would have voted "aye."

The result was announced as above recorded. The motion by Mr. STEAGALL to reconsider the vote whereby the bill was passed was laid on the table.

Mr. DRIVER, from the Committee on Rules, submitted the following resolution, for printing under the rule:

House Resolution 158

House Resolution 158

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 6424, "A bill to continue the Cotton Control Act, to exempt a limited quantity of cotton from the tax thereunder, to provide for the better administration of such act, and for other purposes." That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Comthe conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit, with or without instructions.

The SPEAKER. The resolution is referred to the calendar and ordered printed.

### PERSONAL EXPLANATION

Mr. FULMER. Mr. Speaker, my colleague [Mr. Gasque] is unable to be present on account of illness. He asked me to state that if he were present he would vote "no" on the H. O. L. C. bill just passed.

Mr. KELLER. Mr. Speaker, I was called out of the Chamber temporarily during the calling of the roll on the vote on the H. O. L. C. bill. I would like to be recorded as voting " yea."

The SPEAKER. The gentleman is too late to be recorded. Mr. KELLER. I was in the Hall when my name was called. but did not hear it. I was called out for a moment, expecting to be back in time to record my vote. If I had been here, I would have voted "yea."

The SPEAKER. The Chair is of opinion that the gentleman's request to vote comes too late. The gentleman has made his record.

ADDITIONAL COPIES OF MESSAGE OF PRESIDENT ON HOLDING COMPANIES

Mr. LAMBETH. Mr. Speaker, I present the following privileged resolution from the Committee on Printing, which I send to the desk and ask to have read.

The Clerk read as follows:

## House Resolution 159

Resolved, That 50,000 additional copies of the message of the President of the United States transmitting the report of the National Power Policy Committee with respect to public-utility holding companies be printed for the use of the House document room.

Mr. SNELL. Mr. Speaker, does the Chair hold that that is a privileged resolution?

The SPEAKER. The Chair thinks it is privileged.

Mr. SNELL. Will the gentleman yield to me for a question or two on that matter?

Mr. LAMBETH. Yes.

Mr. SNELL. Mr. Speaker, it seems to me that the one thought most prominent in the first part of the President's message referred to was that the President himself is opposed to propaganda. I certainly got that impression when it was read from the desk. If there ever was a message delivered to the House of Representatives that is pure propaganda for a piece of legislation now before a committee of this House, it was the message of the President this afternoon referred to. I think that is the intent and purport of that message. If the President himself is opposed to that sort of thing. I do not think the message ought to be distributed broadcast among the people of the country for the purpose of getting the people to send requests in to the committee considering a special piece of legislation.

Mr. LAMBETH. Has the gentleman a question he desires to ask me?

Mr. SNELL. Why should the gentleman distribute propaganda when the President himself says that he is opposed

Mr. LAMBETH. I do not think that question requires an answer. I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the reso-Intion

The resolution was agreed to.

FIRST DEFICIENCY APPROPRIATION BILL, FISCAL YEAR 1935

Mr. BUCHANAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6644) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1935, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1935, and for other purposes. Pending that, I would inquire of the gentleman from New York [Mr. Taber] about agreeing upon a time for general debate.

Mr. TABER. We have requests that will aggregate a little better than 2 hours on this side. I think we ought to have 4 hours of general debate. There is a good deal of demand

for time on this side.

Mr. BUCHANAN. That is a good deal of time on a deficiency bill when it is necessary to pass it right away.

Mr. TABER. We will be through with it tomorrow night. Not much time will be consumed under the 5-minute rule.

Mr. BUCHANAN. Do I understand, Mr. Speaker, that this bill has the right-of-way tomorrow?

The SPEAKER. It has.

Mr. BUCHANAN. Then, Mr. Speaker, I ask unanimous consent that general debate upon the bill be limited to 4 hours, to be equally divided between the gentleman from New York and myself.

The SPEAKER. Pending the motion to go into the Committee of the Whole, the gentleman from Texas asks unanimous consent that general debate upon the bill be limited to 4 hours, one-half to be controlled by himself and one-half by the gentleman from New York [Mr. TABER]. Is there

Mr. SABATH. Mr. Speaker, I reserve the right to object. How long will it take to consider this bill under the 5-minute

Mr. BUCHANAN. We will pass it tomorrow night.

Mr. SABATH. Notwithstanding the 4 hours of general debate?

Mr. BUCHANAN. Yes.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Texas to go into the Committee of the Whole House on the state of the Union.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6644, with Mr. Cole of Maryland in

The Clerk read the title of the bill.

Mr. BUCHANAN. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Without objection, it is so ordered. There was no objection.

Mr. BUCHANAN. Mr. Chairman, I yield 5 minutes to the gentleman from South Carolina [Mr. FULMER].

Mr. FULMER. Mr. Chairman, I have asked for this time to call to the attention of the Members an article carried in the Washington Herald this morning entitled "Cotton Falls \$9.50 Per Bale, Bringing About a Loss of \$136,000,000 in the Value of Cotton."

Later in the statement, "cotton prices regain to the extent of \$80,000,000", showing a difference of \$50,000,000 in speculation that went into the hands of the parties who brought about the wild speculation on the exchange in New York yesterday. They refer to the fact that this was brought about because of the reporting of a bill proposing to amend the Bankhead cotton-control bill. I say to you, Mr. Chairman, that there is nothing in that bill that would interfere with the program that is now in effect or that will be put into effect this year. This was simply a rumor like many that are very often put out to the country to bring about lower prices at the expense of the Government, which is now holding several million bales of farmer cotton, and at the expense of the cotton farmers of this country. I say, Mr. Chairman, that in passing various bills here to regulate various well-organized groups and corporations, for

instance, the security exchanges and holding companies, we ought to immediately report out and pass a bill that will take care of this wild speculation that is purely in the interest of those who have never produced a bale, or who have never even owned a bale of actual cotton.

In that transaction yesterday there was not a bale of cotton passed to or from any of those who participated in this wild speculation, but simply the buying and selling of paper contracts, as stated, purely in the interest of speculators. It is a crime to permit these speculators to use a rumor containing no truth which brought about the depressing of the price of cotton 2 cents a pound, or \$130,000,000 decline in value. Perhaps these same sellers became buyers, taking the long side, bringing values back to \$80,000,000, from the low. In other words, making profits going and coming.

Mr. ANDRESEN. Will the gentleman yield?

Mr. FULMER. I yield.

Mr. ANDRESEN. Is there anything to the argument that the Department will stop making loans on cotton on July 1 at the prevailing price?

Mr. FULMER. In connection with this article it was said that no further loans would be made under the Bankhead bill to produce cotton. There is nothing in the bill that refers to loans in 1935.

Mr. ANDRESEN. Will the gentleman yield further along that line? As I understand it, the present loans of 12 cents a pound on cotton will mature on July 1. Has the gentleman any assurance that the Department will continue to make those loans at 12 cents a pound?

Mr. FULMER. I will say that I cannot speak for the Department, but certainly the Department or the Government will continue to carry that cotton rather than place same on the market and lose millions of dollars of taxpayers' money that is now invested in that cotton.

Mr. ANDRESEN. They certainly should.

Mr. FULMER. It was simply a rumor. Mr. KVALE. Will the gentleman yield?

Mr. FULMER. I yield.

Mr. KVALE. Bearing out the gentleman's assertion, is it not also demonstrable that the wheat speculators were not idle yesterday and that they availed themselves of this opportunity by capitalizing upon the rumors that were bandied about?

Mr. FULMER. Absolutely.

Mr. KVALE. And does it not demonstrate the need for legislation, which is in a formative stage now, to curb that sort of thing?

Mr. FULMER. Absolutely. I will say further that it is my belief that the enemy of the agricultural program was largely responsible. While the statement said it was hedge selling on the part of the mills of this country, I will say to you, if you will investigate the speculation on the New York Cotton Exchange yesterday, you will find, as stated, it was brought about by speculators and the enemies of the cotton program, which has for its purpose to bring about a fair price for farmers' cotton whereby they will have some purchasing power, which is necessary to help bring about national recovery.

Mr. SABATH. Will the gentleman yield?

Mr. FULMER. I yield. Mr. SABATH. The gentleman is familiar with the Jones bill amending the control of speculation on the board of

Mr. FULMER. That bill is now pending, and we hope to get that bill reported at the earliest possible moment.

Mr. SABATH. Is it not the opinion of the gentleman that if that bill had been passed this gambling which took place yesterday and which takes place every day would not have been possible, and does not the gentleman think that such legislation is absolutely necessary in the interest of the country as well as of the farmers?

Mr. FULMER. I will state to the gentleman that he is absolutely correct.

I have been promising for the past few years a bill that would tend to check this type of speculation and, I am sure, would tend to increase or maintain a fair cotton price based on actual supply and demand. In other words, would cut out speculation by those who are willing to sell short to almost any extent, knowing that even if they were called upon to deliver actual cotton they did not have to do so under the Cotton Futures Act as passed by the Congress some years ago.

My bill proposes to put the buyer on the same basis as the seller. Under the Cotton Futures Act, at present if a buyer demands actual cotton, the seller has the right to deliver any one of the tenderable grades, which perhaps in every instance cannot be used by the buyer and, therefore, the seller is able to force a paper settlement.

My bill proposes to write into the contract at the time of purchase the actual grade of cotton to be delivered, on a 50-50 basis on the part of the buyer and seller, according to the grades as outlined in the various groups contained in my bill.

If my bill had been in operation prior to the wild speculation yesterday, cotton would never have declined around 2 cents per pound because the seller would not have taken a chance on selling that which he did not have and that which he had no special reason to believe he could go on the market and buy at a price that would take care of his sales.

In the first place, if the buyer had the privilege to demand the actual cotton, the seller would be more particular about having the actual cotton on hand. In the next place if he had to go on the market to buy this cotton so as to deliver, certainly it would create a demand and tend to increase the price, as previously stated.

I am glad that we have a President in the White House at this time who is very strong for protecting legitimate business, as well as putting out of business money changers, speculators, and unfair and unsound business practices that are now being carried on by many of the well-organized and well-financed groups of the country, through holding companies or otherwise, which have been robbing the innocent public in the past out of millions of dollars.

Mr. BUCHANAN. Mr. Chairman, I yield 20 minutes to the gentleman from Ohio [Mr. FIESINGER].

Mr. FIESINGER. Mr. Chairman, I do not know but what I have to say may have some bearing upon what the gentleman from South Carolina [Mr. FULMER] has just spoken about.

Mr. Chairman, nearly all the time since England went off gold there has been a considerable opinion in this country and abroad that the principal currencies of the world should be stabilized one to the others. The vocality of that opinion has risen and fallen at times, but with the recent action of sterling that opinion has again become unusually vocative, as witnessed by the fact that the responsible ministers of the gold-bloc countries are proposing another international meeting, and a considerable agitation in the public press in this country is to that end. The Treasury of the United States, however, has not spoken on these proposals, and so far as I have seen, the responsible governmental ministers of Great Britain, on the surface at least, are not immediately favorable, although it is my opinion that if the Treasury of the United States was to warm up, the British would be more than anxious to go along. And I am not so sure but the recent action of the pound is but a play to get the Americans to see the light for stabilization. In other words, what we have been reading in the public press of late may be a setting of the stage by the international bankers for stabilization, and if not that, it may be a trial balloon to see how the world reacts.

I make bold to assert that the entrenched wealth and banking interests of the world now want stabilization, for if they can get it on the present level of world prices, the producing classes of the world will be securely under their domination for the next generation. The yoke may be placed, but it will not stay, because it is my prediction that the producing masses will rise up in their might and smite their oppressors, and we are likely to see serious social disturbances. We all favor orderly processes, and I am only giving warning of what I see to be inevitable, and, if this comes, it may destroy both classes, and then it will take many years to emerge from its consequences.

Now, what is the issue between these contending forces? The issue is not new but ever old. Producers wanting more and wealth wanting to give less. The producers of prime commodities, that is to say, the producers of the new wealth that comes from the earth and the water thereof demand a fairer share of the benefits therefrom as against old wealth in the shape of money and capital.

The age-old struggle has again become particularly acute because involved in it now is the question of which side is to assume the lion's share, if not all the remaining costs of the World War. If the producers of wealth are to escape an unjust portion of that obligation and we continue to operate under the capitalistic system, and I for one see no other that is even worth while trying, then the producers of prime wealth must have higher price levels. That brings me to a much-mooted question. Should price levels be raised, and if so, how? Some people say by monetary means-others say not. There is very eminent authority on both sides of this question. On the side that monetary policy be made to affect price levels and price levels be stabilized, permit me to quote from the remarks made by Sir Reginald McKenna, the eminent British banker, to the shareholders of the Midland Bank on February 3, 1934.

Again, the critics of the policy of exercising control over the supply of money in accordance with trade requirements stigmatize the policy as artificial tampering with the value of the currency. They recognize that operations of the Bank of England are responsible for variation in the total quantity of money, and they admit that the quantity of money is a governing factor in the price level; but so long as the operations are based upon the more or less accidental changes in the gold stock they regard them as natural, whereas such operations become artificial if deliberately directed with reference to the price level. It appears to me that the critics really mean no more by the term "artificial" than that the conception of reasoned control of the price level is unfamiliar to them. When they become familiar with action by the Bank of England with a view to keeping the price level stable, they will call it natural.

stable, they will call it natural.

There is similar shrinking from recognition of the fact that inflation is sometimes desirable. The word inflation is in constant use as a term of reproach; but just as deflation may be good or bad according to the conditions at the time it is put into operation, so also with inflation. Not a voice has been heard in protest against the inflation we have experienced in the past 2 years. The fact that inflation has been undertaken quite deliberately on a large scale is simply ignored, and the fact that this inflation has been the most important element in our trade recovery receives no grateful recognition.

It will be seen from the above, that the Bank of England has deliberately inflated price levels in terms of sterling and it is fair to assume that the Bank of England is going to stabilize the price level at some point. What is that point? Action heretofore indicates the 1913 price level, which was before the war costs were entailed. Why do I say that? Because since England went off gold in 1931, she has maintained according to her board of trade wholesale commodity price index, which is in terms of sterling, prices on the level of the year 1913. Taking the United States Bureau of Labor Statistics for all commodities with 1926 reckoned at 100, United States 1913 figures were 69.8 or a difference of 43.3 percent in favor of the 1926 price level. Taking the figures of the board of trade, Great Britain with 1913 as 100, their 1926 figure was 148.1; taking Great Britain figures with 1926 as 100, their figures for 1913 were 67.5. So you will see taking 1926 as 100. United States prices for 1913 were 69.8 and Great Britain 67.5. Just a little higher percentage for Great Britain than the United States. Taking Great Britain figures with 1913 as 100, 1926 Great Britain figures were 148.1 and January 1935 was 105. United States prices, with 1913 as 100, were 143.3 in 1926 and 112.9 in January 1935. On the basis of 1926 for the United States, January 1935 our figure was 78.8 and Great Britain 70.9. This seems to indicate that the United States is struggling to 1926 as 100 and Great Britain to 1913 as 100.

England has held to that line of prices for about 4 years now, and therefore I deduct that that is the point where she may desire stabilization. And should she stabilize her prices at that point, the producing classes of new wealth of the world are going to pay the lion's share of the costs of the war, if not the whole cost of the war. And it is going to be particularly hard on the producers of prime wealth in the United States, because they will not only have

to pay our costs of the war but the cost that England and the other countries of Europe have saddled on us as a result of their repudiation. I say to the Congress, if we allow this to eventuate, this depression has just started and will continue for another generation at least, and I see in the horoscope serious social disturbances when our credit gives out, which it eventually will, because we cannot long continue a policy of huge borrowing to relieve unemployment. While England is pursuing an intelligent course to procure a price level in her own interest and imposing that price level in her own interests and saddling the costs of the war if she does on the producing classes of the world, the Congress of the United States is fooling around devising new ways and means of extending and enlarging its pipe lines into the United States Treasury to draw off our priceless credit without compensating taxes, illusorily creating purchasing power by taking from one interest and giving to another, and regimenting producers of prime commodities so that our surpluses will not interfere with the march of progress of other lands with whom we are in competition.

Permit me to say I hold no grudge against England. I have said before in this House that the United States and England must stand together in friendly relationship in the interests of the people and progress of the world, yet I have a suspicion that the entrenched financial interests of England are intent upon impressing their will upon the world. For confirmation of my arguments I want to quote from a book recently circulated in the United States entitled, "The Rise and Fall of the Gold Standard", written by the eminent British authority, Sir Charles Morgan-Webb, pages 166 and 167:

The currency manifesto of 1933 does not contemplate a merely passive attitude until the point of equilibrium on the price index suitable for stabilization shall be attained. An active policy to reconcile the stability of exchange rates with a reasonable measure of stability of prices is immediately possible. Such a reconciliation can be effected at once between the countries of the Empire. Its achievement will be aided by the pursuit of a common policy of raising price levels. The manifesto is most emphatic that no stability of exchanges can be satisfactorily achieved except on the basis of the pursuit of a common policy of raising price levels. In order that the new imperial currency policy may have a chance of success there must be no commitments to other countries as regards the future management of sterling. Stability of the exchanges must be subordinate to a common policy of stabilization of prices. There must be no possibility of the new system of currency being wrecked in internecine conflicts of the nature of those which wrecked the gold standard between 1925 and 1931. No stabilization of the exchanges is to be effected with any country except on the clear understanding that the imperial policy of price stabilization is accepted and will be adopted.

But provided that other countries are willing to adopt and operate a policy on similar lines, they will be welcomed into the group, and their inclusion would make possible the attainment and maintenance of exchange stability over a still wider area. Stability of exchange with sterling is to be regarded as a privilege and not as a right. It is to be an inducement to all countries willing to cooperate with the British Empire in the restoration of world prosperity. It is not to be permitted to countries whose currency policies are of such an intensely national character that they tend to wreck any international currency system with which they are associated.

The members of the sterling group of nations have been bitterly disappointed at the repeated declarations by responsible British statesmen of adherence to the gold standard. They cannot understand the typical British procedure by which momentus revolutions are effected under cover of the pretense that nothing has been changed. They refused to believe "the great and notable change" proposed in the Macmillan Report because it associated with adherence to the gold standard. They refused to believe that the Ottawa Conference actually set up a new working system of international currency for the same reason. But the British Empire Delegates Currency Manifesto of 1933, despite a similar handicap, made a different impression. It did not invite them to come to a conference. It invited them to come into an actually working system of international currency, free from the disturbing influence of the franc and the dollar, a currency as near as possible as the altered world conditions will permit, to the sterling standard under which they had flourished before the war.

While I realize that Sir Charles does not speak for the British Government or the Bank of England, yet my suspicions were aroused by the language he uses in the following particulars, and I have set forth the above quotation so you may observe the context, to wit:

No stabilization of the exchanges is to be effected with any country except on the clear understanding that the imperial policy of price stabilization is accepted and will be adopted.

\* \* \* Stability of exchange with sterling is to be regarded as a privilege and not a right. \* \* \* It is not to be permitted to countries whose currency policies are of such intense national character that they tend to wreck any international currency systems with which they are associated. \* \* \* It invited them to come into an actually working system of international currency free from the disturbing influences of the franc and the dollar, a currency as near as possible as the altered world conditions will permit, to the sterling standard under which they had flourished before the war.

If that is dominant British thought, it means that while we are the greatest industrial and creditor Nation in the world, our dollar cannot enter the sacred precincts of the pound sterling except it come with its hat in its hand, a prayer upon its lips, a firm resolution to serve and not to dictate to its lord and master, the pound sterling.

If the Congress of the United States were alive to its responsibilities—yea, its sworn constitutional duty to coin money and regulate the value thereof and of foreign coin and regulate it in the interests of the 1926 price level not only for the United States but all the world—then the dollar would be in command and the yoke would be lifted from the producers of prime commodities everywhere, and they would escape from an unjust share of the burdens of the war. The United States will then escape the intolerable condition of economic vassalage and take its rightful place in the sun—first in industry, dominant in commerce, and primary in banking and finance.

I offered a proposal to the Seventy-second and Seventy-third Congresses in the form of H. R. 1577—Seventy-third Congress—to accomplish this result; and I invite again your attention and serious consideration to that proposal to the end that we may save while it is not yet too late the producing classes not only here but everywhere in the world and protect the holders of wealth from their own folly. [Applause.]

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. Culkin].

Mr. CULKIN. Mr. Chairman, I have asked for this time today to discuss a subject which is very near to my own heart and should be near to the heart of every Member of this body. The subject in question is the legislative integrity of this House.

The founding fathers, when they established this Government, created three distinct branches thereof, to wit, the legislative, the executive, and the judicial. Like all elementary things, that fact is now forgotten. The legislative branch under the constitutional set-up was to make the laws, the Executive was to enforce them, and the judicial branch of government was to interpret them. The country has witnessed, during the present session of Congress, not without earnest protest from the people, the self-abasement and surrender of the House of Representatives to the Executive and his associates. Never in the history of legislative government has so complete a surrender of a parliamentary body been brought about except by force of arms. Then, indeed, it was only temporary, and the representatives of the people, elected by them, in due course regained control over the lawmaking power of the nation and its purse strings.

A typical example of this surrender is the pending works bill, as drawn and presented by the Presidential draftsman. It originally gave the Executive control over all the legislative functions of the Government and a blank check for \$4,800,000,000. This bill, as presented to and reported by the committee, contained a provision that any person or corporation violating any rule, however informal or little known, thereafter promulgated by the Executive, was subject to imprisonment for 1 year or a fine of \$2,000, or both. This measure, somewhat modified, was passed under a gag rule and by a substantial majority in this House.

Can the Members of the House who are familiar with our history believe that such procedure would have been possible in the days of Clay, Calhoun, Webster, and a host of other men who constituted the representatives of the people during the years that have passed?

Today, if by any chance the spirits of these illustrious dead are sentient and hover about this Chamber, they must indeed view with spiritual disgust the base surrender of the House of Representatives to the "kitchen cabinet" who write the laws and then compel the House to pass them under the Presidential lash. Nor can the Members of the House or its leadership alibi itself by the complaisant avowal that we are in the midst of a depression as grim and terrible as war. The fact is that the delegations of power to the President heretofore made have been passed on to Ickes and the like, who, while holding Congress in complete contempt, maladminister and waste the funds intrusted to them by this body. Congress when on its own was saving and highly efficient compared to the maladministrators who have neither wit, wisdom, nor experience.

What part has the experienced chairman of the Rivers and Harbors Committee [Mr. Mansfield] played in the decisions on waterways? What part has the acting majority leader, the gentleman from Colorado [Mr. Taylor] had in the allocation of funds for reclamation purposes? What part has the experience of the gentleman from Massachusetts [Mr. Connery] had in the writing of labor legislation? To what extent has the Chairman of the Merchant Marine and Fisheries Committee [Mr. Bland, of Virginia] had in the framing of laws and policies with reference to merchant marine? What part has the gentleman from Louisiana [Mr. Wilson] had in the framing of the policies on flood control? Or the gentleman from New York [Mr. Somers] on coinage, weights, and measures? Or the distinguished gentleman from Alabama [Mr. STEAGALL] on the legislation on banking and currency? The Nation has educated these men and qualified them by their long service and large experience for the posts of leadership on these issues. The Presidential field marshals have ridden them down one by one and usurped their functions.

The history of the House of Representatives is a record of achievement in the field of national development both material and cultural. Yesterday you might have stood against the world, now there is none so poor to do you reverence.

Mr. KNUTSON: Mr. Chairman, will the gentleman yield? Mr. CULKIN. I yield for a brief question.

Mr. KNUTSON. I may say to the gentleman that the situation that prevails in the House at the present time is identically the same as the situation which prevailed in the House during the Sixty-fifth Congress. That Congress also was known as a "rubber-stamp Congress" and was dominated by President Wilson.

Mr. CULKIN. I thank the gentleman for his contribution. Abject and submissive, you ignore your constitutional status as a great branch of the Government and are today a mere debating society where shadow-boxing oratory takes the place of constructive deliberation and legislation. I have been proud of the record of the House in the past, today my heart is filled with sorrow at its supineness. I am speaking these unpleasant truths in the hope that your pride may be roused and that you may again function as the Constitution provides.

Mr. HARLAN. Mr. Chairman, will the gentleman yield? Mr. CULKIN. I yield.

Mr. HARLAN. The gentleman a moment ago said he rose to criticize the recent work-relief bill on the ground that the jobs had not been specifically named and that this put too much power in the hands of the Executive. About 2 years ago the Democratic House passed a work-relief bill in which every item was designated and stipulated, yet the gentleman and his conferees on his side of the House voted against it.

Mr. CULKIN. Mr. Chairman, I yielded for a question, not a speech.

Mr. HARLAN. My question is what kind of bill the gentleman wants, how the gentleman wants Congress to function between these two systems; the gentleman objected to both of them.

Mr. CULKIN. If the gentleman was here then—— Mr. HARLAN. Yes; the gentleman was. Mr. CULKIN. The gentleman from Ohio is highly intelligent, and I respect him for his intelligence; he must know that that was a camouflaged piece of legislation written by the former Speaker, now the distinguished Vice President, for the purpose of baiting the then President of the United States.

I rise particularly today to call the attention of the House to one of the results of this delegation of power. I refer to the now abortive attempt of the administration to remove Robert Moses from membership on the Triborough Bridge Commission, New York City. This commission is expending \$42,000,000 for the construction of this bridge through a Federal grant. The building of this bridge makes a physical fact of a dream that has possessed the hearts and minds of the residents of New York City for many years. The construction of this bridge involves the coordination of parks and avenues, and the mayor of New York placed on this commission one Robert Moses, who, to my mind, is one of the outstanding career men of the United States. He is the park commissioner of New York City, where he has served with distinction and ability. His service as park commissioner of the city has been brilliant and he has created parks and bathing pools without number in the congested sections of that metropolis. He has beautified the existing parks, and his work bears the stamp of a vision and intelligence that is extraordinary.

But he sinned in two particulars. First, he was a devoted friend of former Governor Smith and served as his first lieutenant when Governor Smith reorganized the government of New York and established the budget system in that State. Robert Moses was captivated by the personality and political philosophy of Governor Smith. May I add that he followed the political fortunes of Governor Smith to the bitter end and at Chicago was an outspoken advocate of Governor Smith's nomination for the Presidency. Have you watched the fate of those Democrats who followed the political fortunes of Alfred E. Smith into the convention at Chicago? One by one they have been cut down and destroyed. No South American dictator was ever more ruthless in destroying his partisan opponents than has been the present occupant of the White House, acting in conjunction with Field Marshal Farley. Go over the facts in your minds with reference to your own States and you will reach the same conclusion that I have.

Robert Moses sinned again when he ran for Governor of New York State on the Republican ticket last fall. Millions of the people's money were poured into New York State to defeat him. In the election his spear knew no brother and he campaigned perhaps too bitterly. Suffice it to say that he was outspokenly in opposition to the White House policies. That is recent history, and I will not burden you in detail with the facts and circumstances of that campaign. It is clear that he offended the President and the Postmaster General by reason of his ability to tell damning truths in plain English.

And now the scene shifts to the White House. For on December 26, 1934, the President entered an Executive order delegating to the Federal Emergency Administrator of Public Works certain functions, in substance as follows:

First. At the Administrator's discretion, to sell and deliver all securities purchased under the authority of section 203 of the Recovery Act.

Second. To alter, amend, or waive any existing rules and to prescribe any other rules which the Administrator might deem necessary for the purpose of carrying out the Recovery Act.

Of even date therewith, ere the ink on this first order had dried, there was born in the Executive Office of the White House a twin order. General Farley and Honest Harold Ickes were the obstetricians in charge of this dual delivery. By the terms of this second order, duly christened "No. 129", the city of New York was denied further funds for the Triborough Bridge construction unless Robert Moses was removed from the commission.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 7 additional minutes to the gentleman from New York.

Mr. CULKIN. My observation of the public service is that few public men are able to use power wisely and with tolerance. I wish to characterize the making of these two orders, the existence of which were not known until some 3 weeks after their issuance, as an act of tyranny unexampled in the history of the Republic. The fact is that the Boston Tea Party was held for less offensive administration than this. It is more than medieval, because even in the Middle Ages free cities possessed governmental autonomy which neither king nor prince could invade. The Members of the House know from their own experience that a municipality is a legislative creation, and that a city necessarily plays an important and necessary part in the development and safeguarding of human liberties. The part they have played in the American scheme of things has not always been commendable, but cities, great cities more particularly, have been characterized by a spirit of tolerance and have been a great factor in the development of culture in the field of music, painting, and literature. They have been confronted with the great problems of education, life and fire protection, sanitation, and water supply. A municipality, as the House knows, is a creature of the State legislature, responsible only to the State government when political corruption is shown or there is a failure to protect life and property.

New York City is imperial in population and wealth. It pays one-fifth of the taxes of the Nation, more than is paid by 30 whole States I could mention. It is entitled to autonomy. Now we find the Central Government cold-bloodedly attempting to invade the power of this great municipality and launching its thunder against a man who of all men is concededly the best-fitted public officer in his field in all America. I wish we might call back to life Webster, Clay, and Calhoun and hear their reactions to this outrageous ex-

tension of Federal powers.

Mr. KVALE. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. I yield. Mr. KVALE. I hope the gentleman will not forget to refer to the chief of the gentleman of whom he is speaking, who courageously kept him at his post of duty.

Mr. CULKIN. What the gentleman says is true. The distinguished mayor of New York, a former colleague here, is giving an able and brilliant administration of the affairs of the city of New York. In this situation he, of course, was between the devil and the deep blue sea, as the gentleman from Minnesota knows; but he conducted himself with his customary courage, and, while he is now feeling responsibility in large measure for the first time, Mayor LaGuardia retains his habitual courage; I do not think that has in any way diminished, I will say to the gentleman from Minnesota.

For the purpose of protecting what remains of the integrity of this body, I introduced a resolution March 6, which is as follows:

Resolved, That the Administrator of the Public Works Adminis-

tration be, and he is hereby, directed to furnish the House of Representatives the following information:

1. The official reason for the entry of Administrative Order No. 129, P. W. A., which in its terms automatically bars the Tri-borough Bridge Commission of New York City from the receipt of any further Federal funds unless one Robert Moses, now a member of said board, retires from said activity.

2. Under what warrant of law or Executive authority the Ad-

ministrator of the P. W. A. is empowered to destroy the home rule of a municipality and its right to select its own executives.

 Whether or not he intends to withhold funds necessary for the prosecution of the Triborough Bridge improvement unless said Robert Moses resigns from said authority.

Yesterday the Secretary of the Interior, after weeks of wisecracking, stated that he did not intend to enforce order 129 for the reason that the same was not retroactive. For weeks Ickes told the newspapermen at numerous press conferences that the order would stand like Gibraltar and that Moses would have to go off the triborough board. The people of the city of New York, through their vigorous protest, have carried the day. The President and his fugleman have yielded to the mass demands of the people of the city of New York. In the days to come I trust that the Executive will keep himself free from interference with the government of States and municipalities, who can best carry out their own destinies through absolute autonomy.

I congratulate the people of New York City on the outcome of this attempted Executive interference. They have fought a brave fight and have won. [Applause.]

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. I yield.

Mr. KNUTSON. The administration's reversal in the Moses matter is indicative of the possible outcome of the candidacy of the President for reelection.

Mr. CULKIN. I think that may be so. In other words, in the face of repeated statements, both inferentially from the White House and openly by "Honest Harold", as he is self-styled, that he would not abate this order or modify it, that it would stand like Gibraltar, he did, in fact, withdraw it. It has some significance at least as showing the fact that the people, when thoroughly roused, do rule.

Mr. KNUTSON. They did not want to alienate a couple

of million votes.

Mr. CULKIN. No. Votes begin to play an obvious part in the Presidential plans.

Mr. TABER. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. CARTER].

Mr. CARTER. Mr. Chairman, as a Member of the House, may I say that there is one office in this Government that has rendered a most efficient service on behalf of the Government. I refer to the General Accounting Office, administered by Comptroller General McCarl. I have read with considerable consternation in the press the last few days that certain attacks have been made on this Office which I fear will hinder and destroy the unusual and effective administration of its work.

Mr. Chairman, may I say that I do not know Comptroller General McCarl personally, but I do know his institution. I believe that he has saved vast sums of money for this Government, and I regret to see attempts made to interfere with the proper administration of that Office. [Applause.] I understand that, in the argument with the Navy Department, perhaps it does not mean the saving of dollars and cents in this particular instance. As I understand the matter, the difficulty arises in regard to travel pay of certain retired officers. Of course, the Secretary of the Navy could order them here and have them retired before their retirement date and the Government would have to pay their travel expenses to Washington. However, that is not the proposition. The proposition is whether we are going to permit a wedge to be driven in.

Mr. Chairman, it seems to me that every man connected with this Government, whether it be the Chief Executive, a Cabinet officer, a Member of Congress, or someone else, should stand for a fair, just, and equitable administration of the Comptroller General's Office. [Applause.] I think, further, that if he is not clothed with sufficient authority to administer that office under all conditions, the authority should be given to him so that all doubt would be removed. I know that we have all discussed the Comptroller General at various times when he turned us down on something, but I want to say that I have heard Members also say, "Well, he turned me down, but, of course, I know the Comptroller General is right." Therefore, Mr. Chairman, I think that the best interests of the Government require that we should uphold him in the proper, efficient, and legal administration of his work. [Applause.]

[Here the gavel fell.]

Mr. BUCHANAN. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. Young].

Mr. YOUNG. Mr. Chairman, my purpose is to advert to the right of freedom of speech and press and to defend civil liberties.

The Ohio Chamber of Commerce has forwarded a resolution to me, as have other Chambers of Commerce, advocating the enactment of alien and sedition laws and other measures which sound patriotic but which are bound to lead to grave abuses, oppressions, and persecutions.

I wrote the Chamber of Commerce:

Your circular letter is the most untimely, unnecessary, and

foolish letter I have received in a long time.

Your position is untenable, arbitrary, and un-American, and stamps you as being opposed to liberties guaranteed to our

people. Evidently you claim a man has no right to be a Communist; that a man has no right to advocate any changes in our form of government.

form of government.

It would be a good idea for you to read the Constitution of our country, including the Bill of Rights, instead of urging acts which would bring our form of government "into contempt, scorn, contumely, or disrepute."

Every now and then we read in the newspapers of some "red" scare. The facts are the Communists polled only 102,000 votes in the entire country in 1932 and less than that in 1934. There are in all 48 States fewer than 25,000 Communists. At this time new laws are proposed to make it illegal to influence a soldier or sailor to advocate changes in our form of government. Do army and naval officers admit that they have failed to maintain discipline? Is it necessary for us to make a few more crimes in order to protect the fighting forces of our country? The record of 160 years of loyalty and patriotism refutes and repudiates such a suggestion. With worthy and industrious men and women unemployed and little children underfed, the Congress has more important work to do than to make a few more crimes because some ignorant, misguided agitators rant and rave against the Government.

In line with this "scare" talk are the assertions of former Brig. Gen. Smedley Butler. I studied the complete testimony of Smedley Butler given at the executive sessions of the hearings on propaganda activities before a committee of the House of Representatives.

The committee suppressed a portion of this testimony as far as general publication was concerned for the reason, according to statements to me, that Butler's testimony involved reputable citizens of the highest standing, based on the merest and flimsiest sort of hearsay evidence.

The accusations made by Butler and hinted at by him were unsupported by any credible evidence of any character. Butler claimed he was repeating statements made to him by Gerald C. Maguire. Butler said of Maguire, "Due to a wound in his head (Maguire's) he is a little flighty."

I am not a member of this committee. I have studied the complete unexpurgated testimony of Smedley Butler. It was really outrageous to spend taxpayers' money to permit this fellow to rant. He is a publicity hound and a faker. Butler's testimony was a fanciful phantasmagoric tale. It deserves no consideration whatever. There was not even a scintilla of evidence that he was asked to lead even a corporal's guard against the Government.

Our Government was born in a revolution. Look at the bottom of the Declaration of Independence and you will see a noble roll of radicals upon that immortal scroll. Samuel Adams, John Hancock, Patrick Henry, George Washington were radicals in their time. Radicals have always been the beacon lights of history. They come from high. They come from low. The greatest was born in a stable and crucified between two thieves.

Whenever a majority of our fellow citizens want to change our form of government, that government will be changed. That is proper. As a schoolboy I was taught that the Constitution of our country was a divinely inspired instrument. I find if there were any divine instrumentalities in the framing of our Constitution, it was not of the choosing of the makers. Benjamin Franklin's motion that each day's session of the Constitutional Convention be opened with prayer did not receive even one supporting vote. When the Constitution was first announced there was an uproar from libertyloving patriots who had won the Revolutionary War. They forced the standpatters of that day to accept the Bill of Rights. The makers of our Constitution legislated for 13 orphan colonies, for a nation of frontier farmers and hunters, with a few merchants at the seaports. They did not legislate for all time. They did the work their times called for them to do. They did it well. In addition, they wisely provided the manner for changes to be made in the Constitution when the demands of new conditions made such changes advisable or necessary.

A man has as much right to be a Communist as a Republican or Democrat, and a Communist ought to have as much freedom as either. I say, however mistaken in his views a Communist might be, he should have an equal right to persuade others, as long as it is done peaceably.

These words came not from any dangerous radical or "parlor pink." They came from an eminent judge in New Jersey—Vice Chancellor John O. Bigelow.

We should be eternally vigilant against attempts to check the expression of opinions that we loathe.

The late Justice Oliver Wendell Holmes, of the Supreme Court of the United States, one of the very great men of our time, said that.

"Let the people know the truth", said Abraham Lincoln, "and the country is safe." The Bill of Rights guarantees to us free speech, free press, and free assemblage. The right of free speech is the basis of all social and political progress. This fundamental right stands in jeopardy because of the foolish fear of agitators. It may be dangerous to permit certain opinions to be expressed. It is more dangerous to attempt to suppress the expression of such opinions. To attempt to prevent an explosion in a boiler by sitting on the safety valve is obviously futile and foolish. It invites disaster. Suppression is the seed of revolution. "No abuse of a free press", said George William Curtis, "can be so great as the evil of its suppression."

We need the safety valve of freedom of speech.

We would do well to recognize that there are two historic methods of dealing with communism and radicalism. Patrick Henry said, "There is but one lamp by which my feet are guided and that is the lamp of experience." He said, "I know of no way to judge the future except by the past."

The method of Czarist Russia and Bourbon France was to crush communism and radicalism. This failed miserably, resulting only in a further spread of communism and radicalism.

The other method is the method of enlightenment. Let us find what causes radicalism, discontent, and communism. Let us seek to end injustices, discriminations, and hardships by justice and reason in dealing with Communists, radicals, and in fact all of our people. Let us bring more of God's sunlight into the lives of men, women, and children. Let us make life broader and more worth while for all. Let us strive mightily to provide steady employment and economic security for all. Succeed in this and we shall put an end to any menace of Communists or communism. [Applause.]

The Christian religion owes Nero an immense debt of gratitude for the advertising he gave it by his persecution of the early Christians. Christianity might, in fact, have remained but an obscure Jewish sect had it not been for the persecutions of the early Christians by Nero.

Free speech and free press stimulate respect for opinions other than our own. "A decent respect for the opinions of mankind" is a necessary safeguard against the illusion that we are infallible. Oliver Cromwell warned members of Parliament:

I beseech you, gentlemen, by the mercies of Christ, to remember that it is possible for you to be mistaken.

Those who now seek to crush Communists by force are doing an evil. You cannot exterminate ideas with clubs; you only scatter them. Combat wrong opinions with right opinions; combat fallacies with facts. Thomas Jefferson said:

Error of opinion may be tolerated if reason is free to combat it.

Benjamin Franklin said:

Abuses of freedom of speech ought to be suppressed, but to whom dare we commit the care of doing it?

The history of attempts to combat radicalism and communism with force and brutality, instead of by reason is a wearisome tale of monotonous failures. That we in the face of the failures of the Czars of Russia, the Bourbons of France, and the Kaisers of Germany, continue to repeat these ill-fated methods indicates amazing stupidity.

Public officials or private citizens who seek to suppress free speech are lawbreakers. Whether prominent as members of Chambers of Commerce or high in public office, individuals who seek to suppress freedom of speech are lawbreakers. They should be treated as such.

Those who disagree with and condemn the first amendment to the Constitution of the United States, written on the

demand of men who won the Revolutionary War, have the right to agitate for its repeal through the regular and orderly method prescribed for making changes in the form of our Government.

The very first amendment to the Constitution of our country provides:

Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.

This is the law of the land. Either obey it or change it in a lawful manner.

Strangely enough, those who are organizing a wave of hysteria and arrogantly unlawfully flouting rights dear to all lovers of liberty pose as 100-percent Americans and patriots. Such chamber-of-commerce lawbreakers ignore the ideals of America. They, most of all, need to be Americanized.

Over and above our Constitution and the statutes, and greater than all, is the supreme sovereignty of our people, with whom should rest the final decision of all great questions of national policy. All civil liberties must be safeguarded. Let us protect all the people all of the time in the exercise of all their rights. Do this, and eye hath not witnessed nor finite mind conceived the future grandeur and glory of our country. [Applause.]

Mr. TABER. Mr. Chairman, I yield 23 minutes to the gentleman from Missouri [Mr. Short].

Mr. SHORT. Mr. Chairman, I enjoyed immensely the remarks of the gentleman from Ohio [Mr. Young], who just preceded me, and I most heartily concur in his application of free speech. God forbid that the time should ever come when any American citizen is denied this constitutional right and privilege. I quite agree with the gentleman that persecution promotes propagation and that bayonets are bad instruments with which to combat ideas. The only way to overcome a bad philosophy of life is with a better philosophy, in the open forum of reason and in the court of conscience. Voltaire was right when he said, "I may disagree with everything you say, but I will die to give you the right to say it."

Mr. Chairman and members of the Committee, I regret that because of the limited time I cannot yield and will not yield this afternoon, at this late hour, until I have finished my remarks.

Two years ago this month Franklin D. Roosevelt was inaugurated President of the United States. In the campaign of 1932 we Republicans were told by our Democratic opponents that conditions could not be worse-that we needed a change. God knows we got it! No voter ever anticipated such a change as we now have. In an emotional moment the American people, by the most overwhelming majority ever given a party, elected the present administration. No President ever entered the White House with more solid and unanimous sentiment of the people back of him than did the present occupant. The Republicans of this Nation, in characteristic fashion, put what they thought to be the welfare of country above party, and graciously and willingly turned over the reins of government to the proponents of the new deal. With one voice and a single purpose Franklin D. Roosevelt was acclaimed a Heaven-sent hero to lead us out of the wilderness. He was indeed a prince charming and a knight errant, who with his winsome smile, mellifluous voice, and entrancing personality won the plaudits of an excited populace. Many people felt that the millenium had come and that Utopia would immediately be set up on this earth. For many months no one felt free to criticize or question the policies of our President. Many of our most patriotic and intelligent citizens have gladly cooperated with the new administration, even though they have gone against their own best judgment. Franklin D. Roosevelt has had his own way; in both the last and present Congresses he has had an overwhelming majority in both the Senate and the House; the Members of Congress have carried out his every wish, and no one is responsible for the outcome of his policies except the President himself.

During this unparalleled economic crisis of our Nation, no one wishes to appear an obstructionist; but when a program so radically different from anything ever before undertaken and when issues so momentous and of such far-reaching effect threaten to undermine and destroy the very foundations upon which this Republic rests, every American who knows his history or has his country's welfare at heart is compelled to exercise his constitutional right and duty, and criticize the wisdom and feasibility of certain proposals which he is convinced are dangerous and inimical to human liberty. This is no time for destructive or hostile criticism, but it is high time for honest and intelligent criticism. This is not the hour to sling mud, but it is time to speak the truth.

This administration has betrayed not only the American people but the Democratic Party as well. Its history is one of disappointment; its record is one of failure. With the single exception of repeal of the eighteenth amendment, every promise in the 1932 Democratic platform has been broken, every pledge violated, and every traditional principle for which the party of Jefferson and Jackson stood has been rankly repudiated. Dismissing and forgetting the advisers of the old school and lovers of the Constitution, the President, immediately after his inauguration, surrounded himself with college professors and young theorists who scorned our American institutions, branded our form of government a failure, and immediately began to set up a new deal which they could call "heaven on earth."

We were promised by the last Democratic national convention that our Budget would be annually balanced; that a sound currency would be maintained at all hazards; that governmental expenditures would be drastically reduced; that we would have a Tariff Commission free from executive interference; that Government would be taken out of private enterprise; and that extravagance would be eliminated by consolidating useless offices and departments and by abolishing bureaus. Much to the disillusionment of a hopeful and expectant American electorate, the diametrically opposite has happened. Instead of a single Budget, we now have two-both unbalanced; we have gone off the gold standard, debased our coinage, violated the sanctity of contract, repudiated Government obligations; we have increased our national debt by more than \$10,000,000,000, given the President control over the Tariff Commission and the power to negotiate reciprocal tariff treaties with foreign countries without the consent or ratification of the United States Senate, placed the Government in all kinds of business in competition with its private citizens, and established so many bureaus that we have exhausted the alphabet.

Today there are 11,000,000 men out of work, more than 22,000,000 people on the dole, and by the end of next year our national debt will have reached \$34,000,000,000. In the name of God and common sense, when and how will this huge indebtedness ever be paid? And what right have we to shift the expense of our present folly upon the backs of unborn generations? What will posterity think of its present-day ancestors when it is called upon to repay the enormous sums that we now wildly and extravagantly spend like drunken sailors? By the time all of these innumerable bureaus and alphabetical agencies, with their vast army of governmental employees, are taken care of, we will hear an SOS PDQ for the G. O. P.

I regret that lack of time will not allow me to discuss in detail the various planks in the last Democratic platform and the different alphabetical agencies in the most stupendous, goading, and self-perpetuating bureaucracy the world has ever known. Today I want to discuss briefly only one outstanding new-deal measure.

The administration at first based its hope of recovery upon the N. R. A. From the very first many of us realized that America can neither parade nor ballyhoo herself back to prosperity. From the beginning many of us doubted the wisdom and feasibility of the N. R. A. We felt that the machinery it set up and the means which it employed were unwise, unsound, unworkable, and unconstitutional. However, we were loath to criticize, hoping against hope that the

scheme would work, and were ready to give all honor and credit to its sponsors if it did work. We were more patient than Job. But the time has long since arrived and passed when, as honest and patriotic citizens in the defense of cherished liberties and for our future protection, we must openly and frankly express our opposition to a scheme so foolish, foreign, and contrary to the spirit and genius of the American people.

If selfishness could be eliminated from human nature, and if we could repeal the natural economic law of supply and demand, such an artificial and arbitrary agency as N. R. A. might possibly work; but unfortunately the whole thing is an idle and impotent dream. Human nature is still selfish, and on every corner are to be found cheaters and chiselers. To enforce the provisions of N. R. A. our whole populace would have to be turned into a police force, with an equal number of people imported to watch us. Only the Pollyanna optimist, who flees after fancy rather than fact and who follows the wish instead of reality, has faith in it. Under the provisions of the National Recovery Act our antitrust laws have been repealed, honest as well as cutthroat competition has been abolished, and giant monopolies have grown up among us. It can never work in a free country, and the amazing thing is that anyone with any sense could ever have hoped it could work in a republic. Over 18 months ago I said:

In a country so vast and diversified as the United States, where the standard of living and the cost of labor vary so greatly, the attempt to force the members of any business or industry to comply or conform to a single universal standard is sheer idiocy and impossible of accomplishment.

Yet N. R. A. attempts to place American business in a strait-jacket. The ill-considered and dictatorial rulings of many code authorities are more tyrannical and brutal than the tyranny and oppression of the Spanish Inquisition. This ruthlessness applies not to a special code but to practically all codes alike. The little hotel and restaurant owners and operators in my district are threatened with extinction, though the codes regulating these industries have been partially suspended; a leather-goods manufacturer under the N. R. A. has been marking up deficits; many private contractors have lost enormous sums of money; and automobile agencies have closed their doors. A spring-bed company was first placed under the furniture code, later it was placed under the bedding code, and is now also under an accessory code; this one firm is compelled to pay assessments to two code authorities, and though at first it was placed in the southern wage differential scale, it was later, in violation of a promise of code authorities, placed in the northern division.

Not only in my own district but in other parts of my State we have seen numerous examples of the arrogant and inhuman manner with which code authorities have turned thumbs down on an industry or segments of an industry which do not meet their august approval. The men's clothing code authority is a case in point. The gentlemen who rule this industry collect in taxes from the individual manufacturers something like a half million dollars a year. At present this code authority has a budget before N. R. A. for its approval which calls for \$221,000 to carry the code authority from January 1 of this year to June 30. Some of the expenditures listed in the budget are very interesting; for example, the chief executive officer collects \$12,500 in the period from January to June, or a neat \$25,000 a year salary. Legal counsel collects \$1,000 per month. Under the heading of "investigators", which probably covers the inspectors, spies, and stool pigeons, we find a sum of \$42,264 alloted for 6 months. Clerical employees add another \$55,000 to the 6-months' budget. The half-million dollars or more which this one code authority of a comparatively small industry garners to itself in the course of a year is obtained by the use or threatened use of the boycott, the blackjack of

Incidentally it is interesting to note that N. R. A. code authorities are costing the various business firms which are members of the code \$41,000,000 annually, and the taxpayers an additional \$11,000,000. These \$52,000,000 per year, or

\$1,000,000 per week, are naturally passed on to the consumers of the country, which helps explain the increase in the cost of living.

The code for the men's clothing industry, which we can assume was written by the proponents of the present code authority, contains provisions which enable the governing body to charge a fee for each Blue Eagle label in each garment produced and further provides that anyone who fails to pay this fee or fails to insert these Blue Eagle labels is in violation of the code. A particular clothing manufacturer in Missouri, a personal friend of mine, though complying with the wage and hour requirements of the N. R. A., was hounded, harassed, and punished for failing to insert the "blue buzzard" labels in his garments; his factory was temporarily closed, and many satisfied employees were thrown out of work. My friend was forced to make several long business trips, employ attorneys, and hire accountants, and only after going to this great expense and suffering this humiliation and embarrassment did he succeed in reopening his factory.

In my State there was another small manufacturer of clothing who had operated for many years in a small way, employing about 30 people. Under the code there were more different operations to perform in the manufacture of clothing than he had employees. He tried to comply with the code by raising wages and giving all his employees in turn a chance to earn the highest piece-work rates. Last September the Cossacks of the code authority descended upon his small shop and told him he was in arrears to his employees to the extent of \$35.06 for a year's work. He believed that this was not the case, and his employees agreed with him. Nevertheless, a young upstart, just out of college, with the badge of authority pinned upon his vest and a card from his superiors in Washington, haled this good man before the code authority, threatened him with lightning, and ordered him to pay up. But this American citizen had extraordinary courage. Counsel advised him that although justice was on his side, it was useless to break his head against a stone wall. He persevered, however, and like my other friend, in addition to obtaining legal assistance, hired an accountant. The audit made by expert accountants showed that he was not in arrears \$35.06, but had actually paid his employees \$507 more than the code authority maximum requirements. Although these facts were brought out in December of last year, the code authority has apparently not yet decided whether it will quash the indictment or exile an American citizen to Siberia.

While there are some code authorities, no doubt, which are reputable and functioning for the interest of the entire industry, there are too many which are functioning for the interest of a part of the industry and which are doing their best to destroy or drive out the competitors of the favored groups. Not only do these code authorities exercise the legislative functions of Congress by handing down codes-often contradictory codes-to be carried out by the members of an industry but in case any code is violated, the code authority sits as a court, and after convicting its victim, takes off its judicial robe, picks up the ax, and becomes the executioner. These code authorities possess the power of imposing taxes, formerly held exclusively by the Congress of the United States, and now maintain interstate and national police forces with authority comparable to that of the Federal Government and enjoy judicial power which in their use savors more of a drumhead court martial than of legitimate legal procedure.

Thomas Jefferson once said: "That government is best which governs least." What would Jefferson think of this country and of his party, when a small group of inexperienced, impractical, theoretical visionaries, sitting behind mahogany desks in Washington on swivel chairs, attempt to tell the American business man, small-town merchant, and large industrialist in the remotest corner of this great Republic just how each shall run his business, how many men they shall hire, how many hours they shall work, what wage they shall pay, and how much the raw or finished product shall bring? These bureaucratic Lilliputians never had any business of their own, could never be elected aldermen on

the smallest village council in Missouri, and the American | for just a few moments to discuss the bill and parts of people will never tolerate the dictatorial interference or submit to the browbeating methods of any bully, whether he be a hard-boiled army general or a cynical, sophisticated college professor. Today our country has been filled once more, as it was during the World War, with spies, snoopers, agents, investigators, and inspectors, piling upon the American people debts, codes, rules, and regulations, prying into every detail of their private lives. Sponsored and backed for the most part by big business, the whole tendency of N. R. A. has been to cripple initiative, legalize and encourage monopoly, preach and practice the nefarious business of boycott, raise prices for the consuming, laboring public, and squeeze the little business man out of existence.

Code authorities have operated in dark and devious ways, with the tacit consent, if not indeed the full approval, of N. R. A. There is one way to stop these evil practices, and that is by turning the pitiless spotlight of public attention upon them. These sinister things can survive only in darkness and obscurity. Not until the New Jersey tailor was fined for charging 5 cents less than the code price for pressing a suit of clothes, not until the old-maid sisters in New York were forced to stop making dolls and go on the public dole, not until the small battery manufacturer in Pennsylvania was placed behind jail bars and assessed a large fine, not until a restaurant proprietor in my own State was taken out of his place of business by angry competitors who beat him severely; not until innocent, law-abiding, honest American citizens have suffered these outrages has the Congress of the United States taken action.

Because of an aroused public sentiment, the United States Senate is now investigating N. R. A. In spite of these gross errors, rank wrongs, and brutal butcheries, this administration is asking that this infamous bureau be continued for 2 more years. To be sure, radical changes are recommended, but what the N. R. A. needs is not a surgeon but an undertaker. We have now reached the point where this dirty, dastardly, and diabolical despotism should be knocked in the head. However, this seems to be superfluous, since the founder of N. R. A. himself has admitted that it is as "extinct as the dodo" and "deader than a doornail." In spite of this frank and noble confession by General Johnson, who was by far the ablest man in the N. R. A., I am ready to admit that nothing in this world is wholly bad, not even the N. R. A .- though it would come nearer than anything else to disproving this statement. Whatever good has come from this costly and painful experiment should be recognized and salvaged; we should have something for our enormous investment. But we already have existing agencies of Government, such as the Interstate Commerce Commission, the Department of Labor, and the Federal Trade Commission which can carry on whatever deserves to be perpetuated. The administration itself knows that N. R. A. is a rotten mess and a miserable failure, but it has not the honesty or courage to admit it.

Let this "blue buzzard", which never had a tail and consequently could not fly, whose pin feathers were plucked by Clarence Darrow and his commission, breathe its last on June 16 of this year. I am bitterly opposed to granting the N. R. A. any extension, and I do not believe in giving it even a decent burial. It was never more than a foul mixture of colossal stupidity, haughty insolence, meddlesome interference, and rapacious arrogance. It will go down in history as a dismal and egregious failure. Let us now put an end to these un-American practices, break the deadly shackles which now enslave American business. Complete and immediate abandonment of N. R. A. is one of the surest and quickest roads to recovery. [Applause.]

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. Cooper].

Mr. COOPER of Ohio. Mr. Chairman, today we were privileged to hear read a message from the President of the United States on holding-company legislation which is now pending before Congress. As a member of the committee now considering this important legislation, I want

the President's message.

It seems to me this message was adroitly timed to come to the House today. Our committee has been holding hearings on this important bill for practically 3 weeks. It is one of the most important pieces of legislation that has ever come before an American Congress. It has already been admitted by some from the various departments of the Government who favor this legislation that it is probably too drastic in its present form and some changes should be made. But I repeat, Mr. Chairman, this message was adroitly timed. I noticed that the call bells rang at 10: 35 this morning. The House was to go into session at 11 o'clock. The regular time for call bells is 15 minutes before the House convenes, but today the bells rang 10 minutes ahead of time. Of course this was in order to get the membership of the House here to listen to the President's message. Then after we convened there was a quorum call, and it was a very opportune time for the reading of the President's message on the holding-company legislation.

Mr. Chairman, I want to read one or two things which the President mentioned in his message, and, as a member of the committee. I make this statement, because there are many things in the bill which, as it stands, I cannot approve.

The President states, "It deserves the careful attention of every Member of Congress." I agree with the President in that respect, as I said a moment ago, it is one of the most important measures the Congress has ever had to consider.

In the second place the President says:

I have seen much of the propaganda prepared against such legislation, even down to mimeographed sheets.

No doubt every Member of the House has received many letters opposing the passage of this legislation. I will not deny that some of it has been inspired, but I believe I can truthfully say on my honor as a Member of this Congress that not 10 percent of the letters I have received, which run into several thousand, against this legislation is in form letters. Most of them have been written by individuals, insurance companies, business houses, banks, and various kinds of industries. I have received letters from old people who have written them in longhand, and you could see that they were well up in years, for their hand tottered when they wrote the letter.

If these men and women who have invested their life savings in a utility as a protection for old age believe that the passage of this bill may destroy the securities which they have honestly bought, they have a perfect right to come to the Congress and protest against the passage of such a measure.

But how about the propaganda on the other side? It all depends on whose propaganda it is, whether it is wrong or not. Within 2 hours after the President delivered his message to the Congress, the Chairman of the Printing Committee in the House stood on this floor and presented a privileged resolution providing 50,000 copies of the President's message read here today, to be printed at public expense and to be sent out all over the country. Now this is a different kind of propaganda for Congressmen who favor the bill to send out under their franking privilege.

Then, again, I believe this administration ought to be the last in the world to talk about propaganda. If there is any administration in the history of this country that has had more propaganda in every form sent out to the country, I cannot recall it.

How about a few days ago, when it was commonly known and stated in every large newspaper in the country that the President, or at least his advisers and friends, held up the \$4,880,000,000 public-works-relief bill in the Senate in order that they might create sentiment throughout the country and have propaganda sent to the Senators of the United States to try to get them to change their vote on the Mc-Carran prevailing-wage amendment to the public-works

whether it is right or wrong.

Then, again, the President says:

I have seen enough to be as impressed by it as I was by the milar effort to stir up the country against the securities-exchange bill last spring.

Yes; there was propaganda against the securities-exchange bill, but I want to remind the President that the securitiesexchange bill, as we passed it in the House, was not the bill that the President sent down to the Congress in the first instance and recommended its passage. The bill was modified by the Interstate and Foreign Commerce Committee of the House, which made it more acceptable to those who opposed it in the beginning.

Again, the President says:

The so-called "public-utility holding-company bill" \* \* \* which was drafted under the direction of congressional leaders—

Who were the congressional leaders that were consulted in the drafting of this bill? Who were they, I ask you? The chairman of the committee, Mr. RAYBURN, of Texas, admitted in committee that he had nothing to do with the actual drafting of the bill, that the bill was presented to him, and he introduced it in Congress. Who were the congressional leaders that helped to draft this bill, I should like to know? The members of the committee had nothing at all to do with the drafting of the measure.

Now, I hold no brief for some of these holding companies. Some of the practices and abuses they have carried on are indefensible and cannot be justified in our economic life. and I believe the Congress should take prompt action to stop these abuses at the earliest possible moment, and, for one, I urge legislation into this House that will stop these corrupt practices which have been carried on by some holding companies in the past. However, I am also much concerned about how far the bill is going to go and the effect it will have upon millions of innocent investors in public utilities.

How far is it going to go? Is it going to destroy the money that they have invested in these public utilities?

I will tell you what I believe ought to be the right title of this bill in its present form—a bill to force public ownership of public utilities. The bill provides for dissolution of holding companies in 1940, and if the bill is passed in its present form, there will be many of these smaller units which the holding companies have taken over and are now operating that will not be able to stand on their own feet. Then what becomes of the stock that the American citizens have invested in these public utilities? They will be worthless, and public ownership will follow.

This bill carries some of the most drastic regulations over private capital ever written into a bill that any Congress has had to consider.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield the gentleman from Ohio 2 minutes more.

Mr. COOPER of Ohio. And yet at the same time we are told we must have this drastic regulation. On the other hand, however, the regulation does not apply to publicowned utilities. During the 2 years of the present administration the Federal Government has invested \$100,000,000 of the public's money in the T. V. A., and it is understood there will probably be invested \$500,000,000 in this and other projects. What for? To go into the generation, distribution, and sale of electric energy in competition with private industry without any regulation under the provisions of the holding-company bill. They will have no taxes to pay. All of their mail matter can be sent out under the franking privilege. In the construction of these industries they receive a rebate in rail rates on the material that is used in the construction of the dams, transmission lines, and so

What chance has a private company to compete with such competition as this?

May I call the attention of the Congress to the fact that the Tennessee Valley Authority, in pursuance and in accordance with an Executive order of the President of the United States dated December 19, 1933, formed a holding-company

So I say it all depends on who sends out this propaganda | corporation under the laws of the State of Delaware. It is known as the "Electric Home and Farm Authority, Inc." The persons who made the application for the above-named holding-company corporation are Arthur E. Morgan, Harcourt A. Morgan, David E. Lilienthal, all of them officials of the Tennessee Valley Authority. The charter granted under the laws of the State of Delaware to the Electric Farm and Home Authority-holding company-permits the Federal Government to engage in competition with private public utilities in the distribution and sale of electric power, electric equipment and appliances; to loan money for the purchase of electric equipment; to manufacture, buy, sell, deal in, and to engage in, conduct, and carry on the business of manufacturing, buying, selling, and dealing in electrical appliances and equipment, and in goods, wares, and merchandise of every class and description necessary or useful for the operations of the corporation.

I doubt if any charter was ever granted to a corporation under the laws of the State of Delaware which is as broad and far-reaching as that granted to the holding-company corporation known as the "Electric Home and Farm Authority, Inc.", a subsidiary of the Federal Tennessee Valley Authority, which does not come under the regulatory provisions of the holding-company bill. Why did the Authority go to Delaware to incorporate and get the charter? If it is proper and right for the Federal Government to engage in these activities in competition with private industry, why was it necessary to get a charter in the State of Delaware?

I repeat and state again as a member of the committee that in now considering the holding-company legislation, I want to see legislation promptly enacted by Congress which will correct some of the indefensible practices and abuses which have been carried out by some large utility-holding companies. It is my duty also to do everything in my power to protect in every way possible legitimate business and industry, and the investments of millions of citizens who have put their money into public utilities which may be destroyed by drastic regulation through an act of Congress.

Mr. BUCHANAN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Cole of Maryland, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill (H. R. 6644) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30. 1935, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1935, and for other purposes, and had come to no resolution thereon.

EXTENSION OF THE FEDERAL DEPOSIT INSURANCE CORPORATION TO PHERTO RICO

Mr. IGLESIAS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a resolution passed by the Legislature of Puerto Rico.

The SPEAKER. Is there objection?

There was no objection.

Mr. IGLESIAS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a resolution, unanimously approved by the Senate of Puerto Rico, with respect to H. R. 5357, a bill to provide for the sound, effective, and uninterrupted operation of the banking system, and for other

I think that it will not be an indiscretion to preface my remarks by stating that the President is in favor of extending the provisions of this measure to Puerto Rico, as well as the Director of the Division of Territories and Island Possessions of the Department of the Interior and some of the members of the Committee on Banking and Currency with whom I have communicated.

The necessity for giving the local banks of Puerto Rico the privilege of membership in this proposed insurance corporation is so obvious that it hardly requires comment.

The island has the National City Bank and the Chase National Bank, both of which may advertise that the deposits of any one individual or corporation up to a limit of \$2,500

are insured, while the smaller, purely local banks are denied |

This will constitute a discrimination of the most flagrant nature, and it cannot be the intention of Congress or the Insurance Corporation to do anything injurious to banks properly administered, serving a community and in a financial condition which would warrant their entrance into the insurance fund. It would cause an injustice of granting guarantees to certain banks, while, at the same time denying that right to banks located in Puerto Rico, which, by the way, form an integral part of the United States. Furthermore, the insular organic act establishes the theory of Congress that any law not inapplicable to Puerto Rico must be made extensive to Puerto Rico.

The representatives of the local banks of Puerto Rico are definitely of the opinion that, unless they are included to participate in the obligations and the rights of the abovestated bill, it will simply mean throwing the entire banking structure of the island into the hands of the large banks.

In conclusion, in submitting their personal opinions and suggestions, the banking representatives say that, if their local banking interest can obtain the Federal Deposit Insurance facilities, it would be for the best interest of the people of the island. For the foregoing, and other reasons, the Legislature of Puerto Rico unanimously approved the following resolution:

> SENADO DE PUERTO RICO. March 6, 1935.

Hon. SANTIAGO IGLESIAS,

Resident Commissioner of Puerto Rico, Washington, D. C.

Washington, D. C.

Sir: I have the honor to transmit herewith a certified copy of Senate Concurrent Resolution No. 5, entitled "Concurrent resolution to petition the Congress of the United States of America to make extensive to Puerto Rico the benefits of the act in regard to the insurance of deposits in banking institutions, and especially those derived from the activities of the Federal Deposit Insurance Corporation", which was unanimously approved by the Senate of Puerto Rico on February 19, 1935, and by the house of representatives on March 5, 1935.

tives on March 5, 1935. Very respectfully yours,

ENRIQUE GONZALEZ MENA Secretary of the Senate.

I, Enrique Gonzalez Mena, Secretary of the Senate of Puerto

I, Enrique Gonzalez Mena, Secretary of the Senate of Puerto Rico, do hereby certify:

That the following concurrent resolution was unanimously approved by the Senate of Puerto Rico on February 19, 1935, and by the house of representatives on March 5, 1935:

"Concurrent resolution to petition the Congress of the United States of America to make extensive to Puerto Rico the benefits of the act in regard to the insurance of deposits in banking institutions and especially those derived from the activities of the stitutions, and especially those derived from the activities of the Federal Deposit Insurance Corporation.

"Whereas it is unquestionable that the inclusion of Puerto Rico in the benefits of the Deposit Insurance Corporation created by virtue of amendments introduced into the Federal Reserve Act would considerably improve the condition of insular credit bound up in the local banks organized under the laws of Puerto Rico with Puerto Rican capital;

"Whereas, such inclusion of Puerto Rico in the benefits of said organization will place the local banks in circumstances similar to those of the national banks doing business in Puerto Rico, and will avoid unjust and unequal competition on the part of national banking institutions against those organized under the laws of Puerto Rico;

"Whereas insular credit requires that the native credit insti-Whereas insular credit requires that the native credit institutions organized with local capital, where numerous interests of
the country are united, be placed on the same plane of action
as the national banking institutions doing business in this island
of Puerto Rico, and be protected in like manner by national
legislation so that no new uneasiness may be caused in our economic structure, actually bankrupted by the economic depression
through which we have been passing for the last few years;
"Whereas neither the provision of the provisio

"Whereas neither the previous act creating the Deposit Insurance Corporation nor the pending bills now under the consideration of the Congress of the United States, and especially the Steagall banking bill, H. R. 5357, include Puerto Rico, notwithstanding the fact that the benefits of the act are made extensive to the Territories of Hawaii and Alaska;

"Whereas it is urgently necessary that all said legislation include Puerto Rico, making its benefits extensive to the local credit institutions established, organized, and operating under the laws of Puerto Rico:

"Whereas by this resolution the Legislature of Puerto Rico expresses its desire, willingness, and wish that the benefits of the said Deposit Insurance Act be extended to Puerto Rico, and the credit corporations and institutions and banks organized under

the laws of this island and doing business in Puerto Rico, receive the benefits thereof; Now, therefore, be it "Resolved by the Senate of Puerto Rico (the House of Representatives of Puerto Rico concurring): "Section 1. That the Congress of the United States of America be petitioned, and it is hereby petitioned, to make extensive to Puerto Rico the benefits of the Deposit Insurance Act, and likewise to extend to our island all the activities of the Federal Deposit Insurance Corporation so that all credit institutions and banks organized under the laws of Puerto Rico may receive its benefits. "Sec. 2. That as the said measure is also of prime importance for the guaranteeing of insular credit, the President of the United States of America is likewise petitioned to intervene and give his decided cooperation toward securing for this island all the benefits of the said act.

decided cooperation toward securing for this island all the benefits of the said act.

"SEC. 3. That a copy of this resolution be sent by air mail, immediately after its passage, to the President of the United States, to both Houses of Congress of the United States of America, to the Chief of the Division of Territories and Possessions of the Department of the Interior of the United States, and to the Resident Commissioner of Puerto Rico in Washington, requesting the latter to give his whole cooperation to the petition herein contained; and that a copy be sent to the Governor of Puerto Rico, asking for his cooperation."

For transmittal to the Resident Commissioner of Puerto Rico in Washington, I have hereinto set, my hand and caused to be

in Washington, I have hereunto set my hand and caused to be affixed the seal of the Senate of Puerto Rico on this 6th day of

March 1935.

ENRIQUE GONZALEZ MENA, Secretary of the Senate.

Mr. SHANLEY. Mr. Speaker, I was unavoidably detained during the roll call on the passage of the Home Owners' Loan Corporation bill this afternoon. I ask unanimous consent to state that if I were here I would have voted "aye."

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. Taylor of South Carolina, for several days, on account of pressing business.

To Mr. Sadowski, for an indefinite period, on account of death in the family.

To Mr. Darden, for 3 days, on account illness.

To Mr. Stewart, for Thursday, March 14, to attend the funeral at Ellendale, Del., of the late Mrs. Lena Reed Anderson, a prominent Delawarean, who for many years served public officials of the Government faithfully in secretarial work, and was so serving at the time of her sudden death in the city of Washington.

## ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 34 minutes p. m.) the House adjourned until tomorrow, Wednesday, March 13, 1935, at 12 o'clock noon.

## COMMITTEE HEARINGS

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES (Wednesday, Mar. 13, 10 a. m.)

Hearings on various bills pertaining to safety of life at sea. (Thursday, Mar. 14, 10 a. m.)

Hearings on the bill (H. R. 4982) amending the Ship Mortgage Act.

# EXECUTIVE COMMUNICATIONS, ETC.

265. Under clause 2 of rule XXIV, a communication from the President of the United States, transmitting a proposed amendment to the Budget for the fiscal year 1936 to reduce the estimate for the Navy Department for increase of the Navy; armor, armament, and ammunition, from \$40,000,000 to \$37,300,000 and make \$1,000,000 thereof immediately available (H. Doc. No. 138), was taken from the Speaker's table. referred to the Committee on Appropriations, and ordered to be printed.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. CITRON: Committee on the Judiciary. House Joint Resolution 107. Joint resolution authorizing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; with amendment (Rept. No. 378). Referred to the House Calendar.

## REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. ROGERS of New Hampshire: Committee on Military Affairs. H. R. 3158. A bill to give proper recognition to the distinguished services of Col. William L. Keller; with amendment (Rept. No. 377). Referred to the Committee of the Whole House.

Mr. ANDREWS of New York: Committee on Military Affairs. H. R. 2528. A bill for the relief of Andrew Amsbaugher; without amendment (Rept. No. 380). Referred to the Committee of the Whole House.

Mr. DORSEY: Committee on Military Affairs. H. R. 2532. A bill for the relief of Raymond A. Wolf; without amendment (Rept. No. 381). Referred to the Committee of the Whole House.

## CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Military Affairs was discharged from the consideration of the bill (H. R. 6576) to authorize the presentation of a Distinguished Flying Cross to Maj. Francis T. Evans, United States Marine Corps, and the same was referred to the Committee on Naval Affairs.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BUCHANAN: A bill (H. R. 6644) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1935, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1935, and for other purposes; to the Committee on Appropriations.

By Mr. CARTER: A bill (H. R. 6645) to amend the act entitled "An act to provide for the construction of certain public buildings, and for other purposes", approved May 25, 1926; to the Committee on Public Buildings and Grounds.

By Mr. ELLENBOGEN: A bill (H. R. 6646) to provide for levy and payment of income taxes in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. GOODWIN: A bill (H. R. 6647) to amend section 6 of the Naval Appropriation Act approved March 3, 1931, to regulate the distribution and promotion of commissioned officers of the line of the Navy, and for other purposes; to the Committee on Naval Affairs.

By Mr. HOEPPEL: A bill (H. R. 6648) to authorize the Secretary of War and the Secretary of the Navy to furnish a firing squad to fire the customary burial salute for retired Army, Navy, Marine Corps, and Coast Guard personnel; to the Committee on Military Affairs.

By Mr. KRAMER: A bill (H. R. 6649) to apply the quota system to immigration from the Republic of Mexico and the Philippine Islands, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. McREYNOLDS: A bill (H. R. 6650) to provide for the issuance to veterans of negotiable bonds of the United States in payment of the amount of the adjusted-service credit of their certificates with interest at 4 percent per annum compounded annually; to the Committee on Ways and Means.

By Mr. WALLGREN: A bill (H. R. 6651) to provide funds for cooperation with the school board at Queets, Wash., in the construction of a public-school building to be available to Indian children of the village of Queets, Jefferson County, Wash.; to the Committee on Indian Affairs.

By Mr. WALTER: A bill (H. R. 6652) to repeal amendment (46 Stat. 820) of the Judicial Code; to the Committee on the Judiciary.

By Mr. KOCIALKOWSKI: A bill (H. R. 6653) to protect American labor and to preserve an essential American industry; to the Committee on Insular Affairs.

By Mr. LANHAM: A bill (H. R. 6654) to increase the White House police force, and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. ROGERS of Oklahoma (by departmental request): A bill (H. R. 6655) to create an Indian Claims Commission, to provide for the powers, duties, and functions thereof, and for other purposes; to the Committee on Indian Affairs.

By Mrs. NORTON: A bill (H. R. 6656) to authorize the Pennsylvania Railroad Co., by means of an overhead bridge, to cross New York Avenue NE., to extend, construct, maintain, and operate certain industrial sidetracks, and for other purposes; to the Committee on the District of Columbia.

By Mr. BLOOM: Joint resolution (H. J. Res. 210) for the participation of the United States in a universal and international exhibition at Brussels, Belgium, in 1935; to the Committee on Foreign Affairs.

By Mr. BRUNNER: Concurrent resolution (H. Con. Res. 17) directing that the proper officials of the Government of the United States insist upon the right of freedom of religious worship in Mexico; to the Committee on Foreign Affairs.

# PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AMLIE: A bill (H. R. 6657) for the relief of Irvin W. Walsh; to the Committee on Military Affairs.

By Mr. CROSS of Texas: A bill (H. R. 6658) for the relief of Earl J. Thomas; to the Committee on Claims.

By Mr. ENGLEBRIGHT: A bill (H. R. 6659) for the relief of Edward R. Dathe; to the Committee on Naval Affairs.

By Mr. CRAWFORD: A bill (H. R. 6660) for the relief of Frank P. Church; to the Committee on Claims.

By Mr. LEWIS of Colorado: A bill (H. R. 6661) for the

relief of Maj. Joseph H. Hickey; to the Committee on Claims. Also, a bill (H. R. 6662) for the relief of Ben Durham; to the Committee on Military Affairs.

Also, a bill (H. R. 6663) for the relief of William J. Hart; to the Committee on Military Affairs.

Also, a bill (H. R. 6664) granting a pension to Genevieve Roy Shetterly; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6665) granting a pension to Catherine S. Shean; to the Committee on Pensions.

By Mr. O'NEAL: A bill (H. R. 6666) for the relief of the legal representatives of Lyman Randall, J. E. Sarrazin, and James Williams; to the Committee on War Claims.

By Mr. PETERSON of Florida: A bill (H. R. 6667) for the relief of Thomas S. Devane; to the Committee on Claims.

By Mr. WHITE: A bill (H. R. 6668) for the relief of S. John Hegstad; to the Committee on Claims.

Also, a bill (H. R. 6669) for the relief of Mrs. Earl Poynor; to the Committee on Claims.

## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3664. By Mr. BELL: Resolution of Diocesan Union of the Holy Name Society, Kansas City Diocese, concerning the problems of the Catholic Church in Mexico at the present time; to the Committee on Foreign Affairs.

3665. By Mr. BLAND: Petition of seven citizens of Wan. Va., requesting that Congress pass a uniform Federal oldage-pension law that must be adopted by the States before any Federal aid or relief is available; to the Committee on Ways and Means.

3666. By Mr. BLOOM: Petition of the Common Council of the City of North Tonawanda, N. Y., urging the passage of the General Pulaski's Memorial Day resolution: to the Committee on the Judiciary.

3667. Also, petition of Captain Belvidere Brooks Post, No. 450, Inc., of the American Legion, urging the payment of the adjusted-service certificates; to the Committee on World War Veterans' Legislation.

3668. Also, petition of the Assembly of the State of New York, urging the adoption of Senate bill 1130, to alleviate the hazards of old age, unemployment, illness, and dependency, to establish a Social Insurance Board in the Department of Labor, to raise revenue, and for other purposes; to the Committee on Ways and Means.

3669. Also, petition of the Assembly of the State of New York, urging the expeditious passage of the Rudd bill (H. R. 6) authorizing the Postmaster General to construct underground pneumatic tubes for the transmission of mail between the general post office in Brooklyn and the Floyd Bennett Field, Barron Island, Brooklyn, and the five postal stations lying parallel to Flatbush Avenue between these two points, namely: Stations Times Plaza, B, Flatbush, Kensington, and Vanderbilt; the construction and operation of such underground pneumatic tubes would be of great convenience to the people of Brooklyn and would greatly expedite the delivery and despatch of air mail in a borough of the city of New York in which are located some of the most enterprising industrial establishments in the United States; to the Committee on the Post Office and Post Roads.

3670. Also, petition of the Assembly of the State of New York favoring the enactment of necessary laws to extend to the people of Puerto Rico complete and full local self-government and to permit the people of Puerto Rico to elect their own Governor and other local officers, as the people of Puerto Rico as citizens of the United States of America have shown that they are capable and able to manage and conduct their own local government, and it is the traditional policy of our constitutional form of government to leave in the hands of community, State, or Territory all matters of local government; to the Committee on Insular Affairs.

3671. Also, petition of the Town Hall Club, sponsored by the Women's International League for Peace and Freedom, urging the passage of the Wagner-Costigan bill which would make lynching a Federal offense for the reason that mob violence is a denial of the principles of American democracy, a serious menace to international peace and a blot on American institutions; to the Committee on the Judiciary.

3672. By Mr. BOYLAN: Resolution unanimously adopted at the regular monthly meeting of the Chamber of Commerce of the State of New York, referring to the Public Works bill, known as "Joint Resolution 117", and any measure authorizing public works shall provide, wherever practical, for the employment of existing contracting firms and corporation, in order that existing industrial agencies may be maintained, and that the ability to pay taxes to meet the large governmental expenditures under way may be safeguarded; to the Committee on Appropriations.

3673. Also, resolution unanimously adopted by the Association of Master Painters and Decorators of the City of New York, in reference to the continuance of the National Recovery Administration; to the Committee on Appropria-

tions.

3674. Also, resolution adopted by the National Association of Tobacco Distributors, Inc., New York City, in reference to the continuance of the National Recovery Administration; to the Committee on Appropriations.

3675. Also, letter from Philip H. Gladstone, of the Crowley Gladstone Corporation, and also members of the painting, paper hanging, and decorating division of the construction industry, of New York City, favoring the continuance of the National Recovery Administration; to the Committee on Appropriations.

3676. Also, memorial of St. Patrick's Holy Name Society, of Washington, with reference to conditions in Mexico; to the Committee on Foreign Affairs.

3677. By Mr. BUCKLER of Minnesota: Petition of A. P. Anderson, commander of the Veterans of Foreign Wars Post, and John T. McDonald, commander of the American Legion Post, both of Hawley, Minn., in behalf of the members of both organizations, mostly all citizens of Hawley and vicinity in Minnesota, urging the immediate cash payment of the soldiers' adjusted-service certificates; to the Committee on Ways and Means.

3678. Also, petition of M. T. Houghton, commander, and F. C. Anderson, adjutant, in behalf of the members of the

Victor Cornell Post, No. 17, of the American Legion, Department of Minnesota, of Pelican Rapids and vicinity in Minnesota, praying for the passage of the Vinson bill (H. R. 3896) to make the immediate cash payment of the soldiers' adjusted-service certificates; to the Committee on Ways and Means.

3679. By Mr. BURDICK: Memorial concerning the right of Congress to issue money and regulate the value thereof; to the Committee on Coinage, Weights, and Measures.

3680. By Mr. DORSEY: Resolution of the Slovak League of America, a national organization of Americans of Slovak ancestry, urging support of House bill 2827; to the Committee on Labor.

3681. By Mr. EKWALL: Senate Joint Memorial No. 18 of the Thirty-eighth Legislative Assembly of the State of Oregon, petitioning Congress to make necessary appropriations available immediately to the United States Department of Agriculture, collaborating with the Oregon Agricultural Experiment Station, to combat and control prune thrips; to the Committee on Appropriations.

3682. By Mr. GOODWIN: Petition of Illinois Branch, Railway Mail Association, favoring the passage of House bill 5723; to the Committee on the Post Office and Post Roads.

3683. By Mr. HILDEBRANDT: Petition urging Congress to conscript capital by draft and to take over and operate arms and munitions plants in time of war; to the Committee on Military Affairs.

3684. By Mr. HOEPPEL: Petition of the Commission of the City of Alhambra, requesting the Congress to give fair, impartial, and thorough consideration to the Townsend oldage revolving pension plan; to the Committee on Ways and Means.

3685. By Mr. LAMBERTSON: Resolution of the Kansas House of Representatives (the State senate concurring therein), known as "House Concurrent Resolution No. 10", requesting enactment of the Costigan-Wagner antilynching bill; to the Committee on the Judiciary.

3686. By Mr. LESINSKI: Senate Concurrent Resolution 28 of the Legislature of the State of Michigan, petitioning the President and Congress of the United States to authorize and appropriate sufficient moneys to built a Veterans' Administration hospital of 500-bed capacity in Michigan at a point which will be the most accessible to the greatest number of veterans; to the Committee on World War Veterans' Legislation.

3687. Also resolution of the Detroit Fire Department Post, No. 1339, Veterans of Foreign Wars, petitioning the President of the United States and Congress to authorize and appropriate sufficient moneys to build a Veterans' Administration hospital of 500-bed capacity in the Detroit area; to the Committee on World War Veterans' Legislation.

3688. Also, petition of citizens and voters of Wayne County in the State of Michigan, urging Congress to enact into law promptly the Frazier-Lemke refinancing bill which provides for the refinancing of the debts on American farms with payment by the farmer of 1½ percent per year on the principal and 1½ percent per year interest; to the Committee on Banking and Currency.

3689. Also, Senate Concurrent Resolution 2, of the Legislature of the State of Michigan, memorializing President Franklin D. Roosevelt and the Congress of the United States for an immediate payment in cash of the full face value of the adjusted-compensation certificates held by World War veterans; to the Committee on Ways and Means.

3690. By Mr. McFARLANE: Petition of the Chamber of Commerce of Burkburnett, Tex., favoring the immediate payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

3691. By Mr. LUNDEEN: Petition of Minnesota State Legislature, urging the elimination of the long-and-short-haul clause for the fourth section of the Interstate Commerce Act; to the Committee on Interstate and Foreign Commerce.

3692. Also, petition of City Council of Minneapolis, Minn., urging Congress to pass the General Pulaski's Memorial Day resolution now pending in Congress; to the Committee on the Judiciary.

3693. Also, petition of the Minnesota State Legislature, urging the enactment of legislation which will place American agriculture on the basis of equality with other industries by providing an adequate system of credit, such as provided in the Frazier-Lemke farm refinancing bill; to the Committee on Agriculture.

3694. Also, petition of the Farmer-Labor County Central Committee of Anoka County, Minn., urging the enactment of the Townsend old-age revolving pension bill; to the Committee on Ways and Means.

3695. By Mr. O'CONNELL: Resolution requesting the Senators and Representatives from Rhode Island in the Congress of the United States to use their best efforts to have repealed the new income-tax publicity provision; to the Committee on Ways and Means.

3696. By Mr. POLK: Petition signed by Richard E. Evans, president Golden Rule Lodge, No. 161, and chairman of the joint committee of five lodges, of the Amalgamated Association of Iron, Steel, and Tin Workers of North America, and 185 members thereof, urging enactment of legislation for a 30-hour week, social security, prevailing wage on work relief, labor representation on all code authorities, collective bargaining as outlined in section 7-A of the National Industrial Recovery Act, and empowering the National Labor Relations Board to demand employers' pay rolls and conduct elections of employees, etc.; to the Committee on Labor.

3697. By Mr. RUDD: Petition of the Slovak League of America, concerning the workers' unemployment and socialinsurance legislation; to the Committee on Labor.

3698. By Mr. ROGERS of Oklahoma: Petition of R. W. Rowell and numerous other citizens of Latta, S. C., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3699. Also, petition of W. C. Welsh and numerous other citizens of Jennings and Baton Rouge, La., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3700. Also, petition of S. Miles and numerous other citizens of Washington, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3701. Also, petition of Frank Boyd and numerous other citizens of Norwood, La., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3702. Also, petition of Monroe Allen and numerous other citizens of Minden, La., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3703. Also, petition of Harrison Beech and numerous other citizens of Gould, Grady, and Moscow, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3704. Also, petition of Paulo Martinez and numerous other citizens of Gallina, N. Mex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3705. Also, petition of D. J. Carroll and numerous other citizens of Simmons, Tex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3706. Also, petition of John L. Weldon and numerous other citizens of Tallassee, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3707. Also, petition of Alex Frazier and numerous other citizens of Fitzpatrick, Ensley, and Pratt City, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope to the Committee on Ways and Means.

plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3708. Also, petition of C. H. Hill and numerous other citizens of Helena, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3709. Also, petition of Alton Roberson and numerous other citizens of Alexandar City and Tallassee, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3710. Also, petition of B. M. Grissett and numerous other citizens of Range, Ala., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3711. Also, petition of Joseph McReynold and numerous other citizens of White Hall, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3712. Also, petition of John Young and numerous other citizens of Courtland, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3713. Also, petition of D. W. Adams and numerous other citizens of Cadiz and Cobb, Ky., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3714. Also, petition of Calvin Cornell and numerous other citizens of Paducah, Ky., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3715. Also, petition of D. H. Huston and numerous other citizens of Pittsburg, Kans., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3716. Also, petition of Frank Childa and numerous other citizens of Waukegan, Ill., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3717. Also, petition of Charles Walls and numerous other citizens of Wilton, Ark., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3718. Also, petition of E. J. Gray and numerous other citizens of Little Rock, Ark., favoring House bill 2856, by Congressman WILL ROCERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3719. Also, petition of T. H. Williams and numerous other citizens of Montrose, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3720. Also, petition of V. B. Smith and numerous other citizens of Tillar, Portland, and McGehee, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3721. Also, petition of Henry Adkins and numerous other citizens of Huttig and Lapile, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3722. Also, petition of Hiram Rowe and numerous other citizens of Hot Springs and Murfreesboro, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3723. Also, petition of W. A. Burnett and numerous other citizens of Portland and Watson, Ark., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3724. Also, petition of L. C. Mixon and numerous other citizens of Atlanta, Ga., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee

on Ways and Means.

3725. Also, petition of Victor King and numerous other citizens of Columbus, Ga., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3726. Also, petition of A. V. Burton and numerous other citizens of Athens, Ga., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee

on Ways and Means.

3727. Also, petition of Rev. J. K. Key and numerous other citizens of Atlanta, Ga., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3728. Also, petition of W. R. Thacker and numerous other citizens of Michie, Tenn., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3729. Also, petition of George Hauer and numerous other citizens of Chattanooga, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3730. Also, petition of C. Gause and numerous other citizens of Henning and Ripley, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3731. Also, petition of Wade Saunders and numerous other citizens of Kerrville, Tipton, and Lucy, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3732. Also, petition of R. M. Griffin and numerous other citizens of Middleton, Saulsbury, and Hickory Valley, Tenn., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3733. Also, petition of Harvey Higgins and numerous other citizens of Whitwell, Tenn., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3734. Also, petition of Henry Watson and numerous other citizens of Huntsville, Tex., favoring House bill 2856, by Congressman Will Rockes, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3735. Also, petition of John J. Kirchens and numerous other citizens of San Antonio, Tex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3736. Also, petition of H. A. Reddoch and numerous other citizens of Troy, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3737. Also, petition of Hubert Walker and numerous other citizens of Patsburg, Ala., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3738. Also, petition of Isaac Shares and numerous other citizens of Marianna and Round Lake, Fla., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3739. Also, petition of Samuel Serrano and numerous other citizens of Canjilon, N. Mex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3740. Also, petition of Martin Cordova and numerous other citizens of Truchas, N. Mex., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3741. Also, petition of Will Cresel and numerous other citizens of Belsprings, Dublin, and New River, Va., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3742. Also, petition of George Pearece and numerous other citizens of Cerro Gordo, N. C., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3743. Also, petition of R. B. James and numerous other citizens of Prichard, Ala., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3744. Also, petition of Joseph Scott and numerous other citizens of Holly Bluff, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3745. Also, petition of E. C. Parker and numerous other citizens of Lyon and Lambert, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3746. Also, petition of T. F. Ellis and numerous other citizens of Pope, Byhalia, and Scooba, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3747. Also, petition of Arthur Coats and numerous other citizens of Lexington, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3748. Also, petition of Dewitt Allen and numerous other citizens of Doddsville and Shaw, Miss., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3749. Also, petition of Andrew L. Dunigan and numerous other citizens of Crystal Springs, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3750. Also, petition of J. D. Reeves and numerous other citizens of Kokomo, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3751. Also, petition of Wesley Beamon and numerous other citizens of Alligator, Symonds, and Heathman, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3752. Also, petition of James Collins and numerous other citizens of Skene, Miss., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3753. Also, petition of Hermon West and numerous other citizens of Baldwyn, Nettleton, and Tupelo, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3754. Also, petition of Horace Thompson and numerous other citizens of Greenwood, Maxey, and Sidon, Miss., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3755. Also, petition of Samuel Hall and numerous other citizens of Washington, D. C., Maryland, and Virginia, favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3756. Also, petition of Jacob Jaegar and numerous other citizens of St. Louis, Mo., favoring House bill 2856, by Congressman Will Rocers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3757. Also, petition of Claud F. Atchley and numerous other citizens of Senath and Cardwell, Mo., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3758. Also, petition of O. K. Delman and numerous other citizens of Tulsa, Okla., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3759. Also, petition of O. M. Kerr and numerous other citizens of Tulsa, Okla., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3760. Also, petition of W. M. Hughes and numerous other citizens of Tulsa, Okla., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal oldage pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3761. Also, petition of C. H. Philips and numerous other citizens of Molind and Cantonment, Fla., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3762. By Mr. SANDERS of Texas: Petition of Charles Fite and numerous other citizens of Long Branch, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3763. By Mr. SCOTT: Resolution of the Student Cabinet of the University of California Y. M. C. A., at Berkeley, Calif., favoring and urging the passage of the Wagner-Costigan antilynching bill (S. 1978, 73d Cong., 2d sess.) now before Congress; to the Committee on the Judiciary.

3764. By Mr. SHANLEY: Petition of St. Patrick's Holy Name Committee, Washington, D. C.; to the Committee on Foreign Affairs.

3765. By Mr. SNYDER: Petition of Frank Williams, of Perryopolis, Pa., and other residents of Fayette County, Pa., urging the passage of an old-age pension law; to the Committee on Ways and Means.

3766. By Mr. TARVER: Petition of S. A. Morrison and numerous other citizens of Rome and Armuchee, Ga., favoring House bill 2856, by Congressman Will Rogers, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

3767. By Mr. THOMASON: Petition of residents of El Paso, Tex., endorsing the Townsend plan of old-age-pension legislation; to the Committee on Ways and Means.

3768. Also, petition of residents of Midland County, Tex., endorsing the Townsend plan of old-age-pension legislation; to the Committee on Ways and Means.

3769. Also, petition of residents of Midland County, Tex., endorsing the Frazier-Lemke farm-refinance bill; to the Committee on the Judiciary.

3770. By Mr. TREADWAY: Resolutions adopted by the General Court of Massachusetts, memorializing Congress to authorize the immediate cash payment of adjusted-service certificates; to the Committee on Ways and Means.

3771. Also, resolution of Group No. 2254, Polish National Alliance of the United States of North America, East Whately, Mass., urging the designation of October 11 as General Pulaski's Memorial Day; to the Committee on the Judiciary.

3772. By Mr. TRUAX: Petition of Townsend Clubs of Lima, Ohio, by their president, A. J. Moke, urging their Congressmen to sign petition to get Townsend bill out of committee as they desire to have said bill acted upon and voted upon this session of Congress; to the Committee on Ways and Means.

3773. Also, petition of Ordine Figli D'Italia, Loggia Operaia No. 1129, Cleveland, Ohio, by their secretary, Louis Petrofes, urging favorable consideration of their security of the workers' bill (H. R. 2827); to the Committee on Labor.

3774. Also, petition of Oregon Township Workers Association, Local 2, Toledo, Ohio, by their secretary B. B. Muri, resolving that Congress adopt the amendment of the prevailing wage scale on all work-relief projects in the public-works relief bill because any attempt to pay less than the prevailing wages is diametrically opposed to the original plans of the new deal and is a cut lower than the wages paid under the Public Works Administration and Civil Works Administration; to the Committee on Labor.

3775. Also, petition of Lodge 25, C. S. P. T., Cleveland, Ohio, by their secretary, B. Schlesinger, demanding the enactment of a Federal system of genuine unemployment insurance as contained in the Lundeen bill (H. R. 2827), in order that their future and the future of all workers, farmers, professionals, and other unemployed and their dependents may be more secure; to the Committee on Labor.

3776. Also, petition of Lodge J. C. D., No. 21, Cleveland Ohio, by their secretary, B. Schlesinger, demanding the enactment of a Federal system of genuine unemployment insurance as contained in the Workers' Act (H. R. 2827) in order that their future and the future of all workers, farmers, professionals, and other unemployed and their dependents may be more secure; to the Committee on Labor.

3777. Also, petition of C. E. Fortney and 63 other citizens of Defiance, Ohio, urging support of a bill obligating the Government of the United States to pay every citizen of said Government whose record is free of habitual criminality and who has attained the age of 60 years, a monthly pension of \$200 until the end of his life upon the sole condition that he retire from all further business or profession for gain and agrees, under oath, to spend the entire amount of the pension within the confines of the United States during the current month in which it is received; to the Committee on Ways and Means.

3778. By Mr. WALTER: Petition of the General Assembly of Pennsylvania; to the Committee on Ways and Means.

3779. By Mr. WHITE: Memorial of the Idaho Legislature, urging the Congress of the United States to enact into law the Townsend old-age-pension revolving fund plan, a relief and recovery measure; to the Committee on Ways and Means.

3780. By Mr. WITHROW: Memorial of the Legislature of the State of Wisconsin, memorializing Congress to enact an adequate old-age-pension law; to the Committee on Ways and Means.

3781. By the SPEAKER: Petition of the Council Chamber of Rochester, Pa.; to the Committee on the Judiciary.

3782. By Mr. WERNER: Senate Concurrent Resolution No. 10, of the State of South Dakota, memorializing Congress to conscript capital by draft, and to take over and operate arms and munitions plants in time of war; to the Committee on Military Affairs.